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JUL 15 2005

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

KCC WICHITA WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

Operator: License # 30380
Name: Hupfer Operating, Inc.
Address: P.O. Box 216
City/State/Zip: Hays, KS 67601
Purchaser: NCRA
Operator Contact Person: Dennis D. Hupfer
Phone: (785) 628-8666
Contractor: Name: Sterling Drilling Co.
License: 5142
Wellsite Geologist: James C. Musgrove

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SLOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)

If Workover/Re-entry: Old Well Info as follows:
Operator: _____
Well Name: _____

Original Comp. Date: _____ Original Total Depth: _____
 Deepening Re-perf. Conv. to Enhr./SWD
 Plug Back _____ Plug Back Total Depth _____
 Commingled _____ Docket No. _____
 Dual Completion _____ Docket No. _____
 Other (SWD or Enhr.?) _____ Docket No. _____
May 9, 05 May 15, 05 June 22, 05
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 009-24839-00-00
County: Barton
50' N & 50' E SE-NW-SW
Sec. 9 Twp. 16 S. R. 13 East West
1700 feet from S (circle one) Line of Section
4240 feet from W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Morgenstern Well #: 2
Field Name: Trapp
Producing Formation: Arbuckle
Elevation: Ground: 1738 Kelly Bushing: 1748
Total Depth: 3393 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 477 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 477
feet depth to surface w/ 335 sx cmt.

Drilling Fluid Management Plan AH. I SB 8-7-08
(Data must be collected from the Reserve Pit)
Chloride content 43,000 ppm Fluid volume 950 bbls
Dewatering method used Let dry natural
Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____ License No.: _____
Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
County: _____ Docket No.: _____

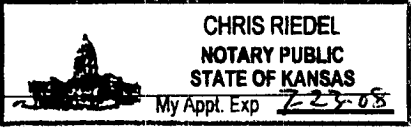
INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: Dennis D. Hupfer
Title: President Date: _____

Subscribed and sworn to before me this 15 day of July

2005
Notary Public: Chris Riedel



Date Commission Expires: 7-23-08

KCC Office Use ONLY
NO Letter of Confidentiality Attached
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

Operator Name: Hupfer Operating, Inc. Lease Name: Morgenstern Well #: 2
 SW 4 Sec. 9 Twp. 16 S. R. 13 East West County: Barton

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken (Attach Additional Sheets)	<input checked="" type="checkbox"/> Yes	No	Log	Formation (Top), Depth and Datum	Sample
Samples Sent to Geological Survey	<input type="checkbox"/> Yes	<u>No</u>	Name	Top	Datum
Cores Taken	Yes	<u>No</u>	Heebner	3061	-1113
Electric Log Run (Submit Copy)	Yes	<u>No</u>	Toronto	3082	-1134
List All E. Logs Run: None			Douglas	3095	-1147
			Lansing	3141	-1193
			Base K.C.	3338	-1390
			Arbuckle	3387	-1439
			RTD	3393	-1445

CASING RECORD <u>New</u> <u>Used</u>							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Surface	12 1/4"	8-5/8	20#	477	60/40 Poz	335 sx.	2% gel 3% cc
Production	7-7/8"	5 1/2"	14#	3389	50/50 Poz	150 sx.	2% gel 10% salt 700# Gibsonite

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate				
<input type="checkbox"/> Protect Casing				
<input type="checkbox"/> Plug Back TD				
<input type="checkbox"/> Plug Off Zone				

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
	Open Hole Completion		3389 to 3393

TUBING RECORD	Size <u>2-7/8"</u> Set At <u>3370</u>	Packer At	Liner Run
			Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

Date of First, Resumed Production, SWD or Enhr. <u>June 22, 05</u>	Producing Method	Flowing <input type="checkbox"/> <u>Pumping</u> <input type="checkbox"/>	Gas Lift <input type="checkbox"/>	Other (Explain)
Estimated Production Per 24 Hours	Oil Bbls. <u>50</u>	Gas Mcf <u>N/A</u>	Water Bbls. <u>105</u>	Gas-Oil Ratio <u>37</u>

Disposition of Gas: _____ METHOD OF COMPLETION: _____ Production Interval: 3389 to 3393

Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled _____
 (If vented, Sumit ACO-18.) Other (Specify) _____

* TSTM - Shut ~~in~~ ~~annulus~~ annulus
 Ref. attached for DST's & Completion

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Hupfer Operating, Inc.

Morgenstern #2

SE-NW-SW SEc 9-16-13W

Barton Co., KS

DST #1: Lansing - 3270 to 3350'. 30-45-45-60. REcovered 900' G.I.P. and 280' muddy gassy oil. ISIP 646, FSIP 640, IFP 27-100, FFP - 106-129

DST #2: Arbuckle - 3364' to 3393'. 15-30-20-30. REcovered 1260' slightly mud cut gassy oil and 240' water. ISIP 1098, FSIP 1072, IFP 214-407, FFP 451-620.

Completion: Moved in double drum and drilled out packer shoe @ 3389'. Swabbed partial load with 40% oil. Ran tubing and rods.

As consideration, the Customer agrees:

a) To pay ACID SERVICES, LLC in accord with the rates and terms stated in ACID SERVICES, LLC's current price list. Invoices are payable NET 30 after date of invoice. Upon Customers' default payment of Customer's account by the last day of the month following the month in which the invoice is dated, Customer agrees to pay interest thereon after default at the highest lawful contract rate applicable but never to exceed 18% per annum. In the event it becomes necessary to employ attorneys to enforce collection of said account. Customer agrees to pay all collection cost and attorney fees in the amount of the unpaid account.

b) To defend, indemnify, release and hold harmless ACID SERVICES, LLC, its divisions, subsidiaries, parent and affiliated companies and the officers, directors, employees, agents and servants of all of them from and against any claims, liability, expenses, attorney's fees, and costs of defense to the extent permitted by law for:

1. Damage to property owned by, in the possession of, or leased by Customer, and/or the well owner (if different from Customer), including, but not limited to, surface and subsurface damage. The term "well owner" shall include working and royalty interest owners.
2. Reservoir, formation, or well loss or damage, subsurface trespass or any action in the nature thereof.
3. Personal injury of death or property damage (including, but not limited to, damage to the reservoir, formation or well), or any damages whatsoever, growing out of or in any way connected with or resulting from pollution, subsurface pressure, losing control of the well and/or a well blowout or the use of radioactive material. The amount of this invoice is due and payable at ACID SERVICES, LLC, Dept. No. 1131, Tulsa, Oklahoma 74182. All terms of the Service Order with customer are incorporated herein and made a part hereof by reference.

The defense, indemnity, release and hold harmless obligations of Customer provided for in this Section b) and Section c) below shall apply to claims or liability even if caused or contributed to by ACID SERVICES, LLC's negligence, strict liability, or operated, or furnished by ACID SERVICES, LLC or any defect in the data, products, supplies, materials, or equipment of ACID SERVICES, LLC whether the preparation, design, manufacture, distribution, or marketing thereof, or from a failure to warn any person of such defect. Such defense, indemnity, release and hold harmless obligations of Customer shall not apply where the claims or liability are caused by the gross negligence or willful misconduct of ACID SERVICES, LLC. The term "ACID SERVICES, LLC" as used in said Sections b) and c) shall mean ACID SERVICES, LLC, its divisions, subsidiaries, parent and affiliated companies, and the officers, directors, employees, agents and servants of all of them.

c) That because of the uncertainty of variable well conditions and the necessity of relying on facts and supporting services furnished by others, ACID SERVICES, LLC is unable to guarantee the effectiveness of the products, supplies, or materials, nor the results of any treatment or service, nor the accuracy of any chart interpretation, research analysis, job recommendation or other data furnished by ACID SERVICES, LLC. ACID SERVICES, LLC personnel will use their best efforts in gathering such information and their best judgment in interpreting it, but Customer agrees that ACID SERVICES, LLC shall not be liable for and Customer shall indemnify ACID SERVICES, LLC against any damages from the use of such information.

d) That ACID SERVICES, LLC warrants only title to the products, supplies, and materials and that the same are free from defects in workmanship and materials. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED OF MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. Acid Services LLC's liability and Customer's exclusive remedy in and cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale or use of any products, supplies or materials in expressly limited to the replacement of such products, supplies or materials on their return to ACID SERVICES, LLC or, at ACID SERVICES, LLC's option, to the allowance to the Customer of credit for the cost of such items. In no event shall ACID SERVICES, LLC be liable for special, incidental, indirect, punitive or consequential damages.

e) To waive the provisions of the Deceptive Trade Practices - Consumer Protection Act, to the extent permitted by law. We certify that the Fair Labor Standards Act of 1938, as amended, has been complied with in the production of goods and/or with respect to service furnished under this contract.

f) That this contract shall be governed by the law of the state where services are performed or materials are furnished.

g) That ACID SERVICES, LLC shall not be bound by any changes or modifications in this contract, except where such change or modification is made in writing by a duly authorized manager of ACID SERVICES, LLC.

ORIGINAL

TREATMENT REPORT



Customer ID	Date
Customer HUPFER OPEX.	5-10-05
Lease MORGANSTEIN	Lease No. Well # 2

Field Order # 10139	Station PRATT	Casing 8 5/8	Depth 477'	County BARTON	State Ks
Type Job 8 5/8 SURFACE NEW WELL			Formation TD: 480'	Legal Description 9-16S-13W	

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME		
Casing Size 8 5/8	Tubing Size	Shots/Ft		Acid 335 SKS 60/40 P02	RATE	PRESS	ISIP	
Depth 477	Depth	From	To	Pre Pad 2% GEL 3% CC	Max		5 Min.	
Volume 30.12	Volume	From	To	Pad 14.7 #/GAL	Min		10 Min.	
Max Press 500	Max Press	From	To	Frac 1.25 #3	Avg		15 Min.	
Well Connection PC	Annulus Vol.	From	To		HHP Used		Annulus Pressure	
Plug Depth 462	Packer Depth	From	To	Flush	Gas Volume		Total Load	

Customer Representative DENNI'S	Station Manager D. ATRY	Treater T. SEBA
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Service Units	123	380	457	347	572				
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Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
7:00					CALLED OUT
9:15					ON LOC W/ TRK'S SAFETY MTG
					RUN 11 JTS 8 5/8 20" CSG NEW 270'
11:15					START CSG
12:25					CSG ON BOTTOM
12:30					Hook up to CSG & BREAK CIRC W/ TRG
12:43	100		10	4	START PUMPING H ₂ O
					START MIX: Pump 335 SKS 60/40 P02
					2% GEL 3% CC & 14.7 #/GAL
1:09			74.58		SHUT DOWN & RELEASE PLUG 8 5/8 WOODEN
1:10	100			4 1/2	START DISO
1:15	200		30.12	2	PLUG DOWN
1:17					CLOSE VALVE ON CSG.
					GOOD CIRC THEN JOB
					CIRC CUT TO PET
					JOB COMPLETE
					THANKS
					TOON

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1. Damage to property owned by, in the possession of, or leased by Customer, and/or the well owner (if different from Customer), including, but not limited to, surface and subsurface damage. The term "well owner" shall include working and royalty interest owners.
2. Reservoir, formation, or well loss or damage, subsurface trespass or any action in the nature thereof.
3. Personal injury of death or property damage (including, but not limited to, damage to the reservoir, formation or well), or any damages whatsoever, growing out of or in any way connected with or resulting from pollution, subsurface pressure, losing control of the well and/or a well blowout or the use of radioactive material. The amount of this invoice is due and payable at ACID SERVICES, LLC, Dept. No. 1131, Tulsa, Oklahoma 74182. All terms of the Service Order with customer are incorporated herein and made a part hereof by reference.

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c) That because of the uncertainty of variable well conditions and the necessity of relying on facts and supporting services furnished by others, ACID SERVICES, LLC is unable to guarantee the effectiveness of the products, supplies, or materials, nor the results of any treatment or service, nor the accuracy of any chart interpretation, research analysis, job recommendation or other data furnished by ACID SERVICES, LLC. ACID SERVICES, LLC personnel will use their best efforts in gathering such information and their best judgment in interpreting it, but Customer agrees that ACID SERVICES, LLC shall not be liable for and Customer shall indemnify ACID SERVICES, LLC against any damages from the use of such information.

d) That ACID SERVICES, LLC warrants only title to the products, supplies, and materials and that the same are free from defects in workmanship and materials. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED OF MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. Acid Services LLC's liability and Customer's exclusive remedy in and cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale or use of any products, supplies or materials in expressly limited to the replacement of such products, supplies or materials on their return to ACID SERVICES, LLC or, at ACID SERVICES, LLC's option, to the allowance to the Customer of credit for the cost of such items. In no event shall ACID SERVICES, LLC be liable for special, incidental, indirect, punitive or consequential damages.

e) To waive the provisions of the Deceptive Trade Practices - Consumer Protection Act, to the extent permitted by law. We certify that the Fair Labor Standards Act of 1938, as amended, has been complied with in the production of goods and/or with respect to service furnished under this contract.

f) That this contract shall be governed by the law of the state where services are performed or materials are furnished.

g) That ACID SERVICES, LLC shall not be bound by any changes or modifications in this contract, except where such change or modification is made in writing by a duly authorized manager of ACID SERVICES, LLC.

TREATMENT REPORT



Customer ID	Date	
Customer <i>HUFFER OPER.</i>	<i>5-16-05</i>	
Lease <i>MORGANSTERN</i>	Lease No.	Well # <i>2</i>
Field Order # <i>10508</i>	Station <i>PRATT, KS</i>	Casing <i>5 1/2</i>
Type Job <i>LONG STRANG - NW</i>	Depth <i>3389</i>	County <i>BIARTON</i>
	Formation <i>TD-3393'</i>	State <i>KS</i>
		Legal Description <i>9-16-13</i>

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME		
Casing Size <i>5 1/2</i>	Tubing Size	Shots/Ft		Acid		RATE	PRESS	ISIP
Depth <i>3389</i>	Depth	From	To	Pre Pad		Max		5 Min.
Volume	Volume	From	To	Pad		Min		10 Min.
Max Press	Max Press	From	To	Frac		Avg		15 Min.
Well Connection	Annulus Vol.	From	To			HHP Used		Annulus Pressure
Plug Depth <i>3370</i>	Packer Depth	From	To	Flush		Gas Volume		Total Load

Customer Representative *HUFFER* Station Manager *HUTCH* Treater *GORDLEY*

Service Units	<i>120</i>	<i>26</i>	<i>47</i>	<i>501</i>
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Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
<i>0500</i>					<i>ON LOCATION</i>
					<i>RECEIVED</i>
					<i>JUL 18 2005</i>
					<i>KCC WICHITA</i>
<i>1200</i>					<i>RUN 3391 5 1/2 CSG.</i>
					<i>PACKER SHOE LAID DOWN Baffle</i>
					<i>CEMT. - 2-4-6-8-10</i>
					<i>THE BOTTOM - BENTHIC CDR.</i>
					<i>DROP BALL - SET PKR. SHOE</i>
<i>0815</i>	<i>300</i>		<i>12</i>	<i>5</i>	<i>PUMP 12 bbl. MUD FLUSH</i>
	<i>300</i>		<i>5</i>	<i>5</i>	<i>PUMP 5 bbl H₂O</i>
	<i>200</i>		<i>36</i>	<i>5</i>	<i>MIX 150 SK. 50/50 POZ</i>
					<i>2% CER 10% SPT 5" GRSWITE</i>
					<i>3/10% CER 14.1 ppg, 1.35 #3</i>
					<i>STOP - WASH LINE - DROP PLUG</i>
	<i>0</i>		<i>0</i>	<i>6</i>	<i>START DISP.</i>
	<i>250</i>		<i>60</i>	<i>6</i>	<i>LEFT CEMENT</i>
	<i>160</i>		<i>75</i>	<i>4</i>	<i>SLOW RATE</i>
<i>0915</i>	<i>1500</i>		<i>82 1/4</i>	<i>4</i>	<i>PLUG DOWN - HOLD</i>
					<i>PLUG RH & MILL.</i>
<i>1030</i>					<i>JOB COMPLETE - THANKS - KEVIN</i>