

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 5363
Name: BEREXCO INC.
Address: P. O. Box 2080
City/State/Zip: Wichita, KS 67208
Purchaser: N/A
Operator Contact Person: Evan Mayhew
Phone: (316) 265-3311
Contractor: Name: Beredco Inc.
License: 5147
Wellsite Geologist: N/A

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SIOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)
If Workover/Re-entry: LOST HOLE 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. _____
22 Apr 2006 22 Apr 2006 19 Jul 2006
Spud Date or 22 Apr 2006 Date Reached TD 19 Jul 2006
Recompletion Date 22 Apr 2006 Completion Date or
Recompletion Date

API No. 15 - 007-22947-00-00
County: Barber
C E/2 NE Sec. 27 Twp. 34 S. R. 36 East West
1320 feet from S / N (circle one) Line of Section
660 feet from E / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Davis Ranch Well #: 2-27
Field Name: Aetna
Producing Formation: N/A
Elevation: Ground: 1550' Kelly Bushing: _____
Total Depth: 900' Plug Back Total Depth: NA
Amount of Surface Pipe Set and Cemented at None Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from _____
feet depth to _____ w/ _____ sx cmt.
ALT I P&A WHM 10-2-06

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)
Chloride content _____ ppm Fluid volume _____ bbls
Dewatering method used _____
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: Michael R. Smith
Title: ENGINEERING TECH Date: 25 July 2006
Subscribed and sworn to before me this 25th day of July
2006
Notary Public: Diana E Plotner
Date Commission Expires: Aug 10, 2007

DIANA E PLOTNER
NOTARY PUBLIC
STATE OF KANSAS
My Appt. Exp. 8-10-07

KCC Office Use ONLY
 Letter of Confidentiality Attached
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

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Operator Name: BEREXCO INC. Lease Name: Davis Ranch Well #: 2-27
 Sec. 27 Twp. 34 S. R. 36 East West County: Barber

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 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: None - lost hole.	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum N/A <div style="text-align: center;"> KCC JUL 25 2006 CONFIDENTIAL </div>
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CASING RECORD <input type="checkbox"/> New <input type="checkbox"/> Used							
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
conductor	32"	20"		60'	grouted	7 yards	

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 <i>(Amount and Kind of Material Used)</i>	Depth

TUBING RECORD	Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input type="checkbox"/> No
Date of First, Resumed Production, SWD or Enhr. no production - lost hole		Producing Method <input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)		
Estimated Production Per 24 Hours	Oil Bbbs.	Gas Mcf	Water Bbbs.	Gas-Oil Ratio Gravity

Disposition of Gas	METHOD OF COMPLETION	Production Interval
<input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Sumit ACO-18.)</i>	<input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	_____

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BEREXCO, INC.

July 25, 2006

Kansas Corporation commission
Oil & Gas Conservation Division
Wichita State Office Building
130 South Market, Room 2078
Wichita, KS 67202-3802

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JUL 25 2006
CONFIDENTIAL

RE: Davis Ranch #2-27
Sec 27-T34S-R15W (1320' fnl, 660' fel)
Barber County, Kansas
API # 15-007-22947-00-00

Gentlemen:

Please find enclosed the original and two copies of the Well Completion Form ACO-1, copies of the cementing tickets and Well Plugging Record form CP-4 for the above referenced well. As this hole was lost due to subsidence at the drill site, no surface casing was set, nor drill stem testing or logging done. Please hold all information **CONFIDENTIAL**.

Thank you for your attention to this matter.

Sincerely,



Richard Smith
Engineering Technician
(316) 337-8334
(316) 265-2994 (fax)
rsmith@berexco.com

Enclosures

cc: Charles Spradlin
Well File

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MAY 01 2006

Wall 5/11

SALES OFFICE:
 100 S. Main
 Suite #607
 Wichita KS 67202
 (316) 262-3699
 (316) 262-5799 FAX

SALES & SERVICE OFFICE:
 10244 NE Hiway 61
 P.O. Box 8613
 Pratt, KS 67124-8613
 (620) 672-1201
 (620) 672-5383 FAX

SALES & SERVICE OFFICE:
 1700 S. Country Estates Rd.
 P.O. Box 129
 Liberal, KS 67905-0129
 (620) 624-2277
 (620) 624-2280 FAX

Invoice

Bill to:	904500	Invoice	Invoice Date	Order	Station
BEREXCO, INC.		604154	4/24/06	12506	Pratt
P.O. Box 20380		Service Description			
Wichita, KS 67208		Cement			
	KCC	Lease	Well	Well Type	
	JUL 25 2006	Davis Ranch	2-27	New Well	
	CONFIDENTIAL	AFE	PO	Terms	
				Net 30	
Customer Name:		Customer:			
K. Wilson		C. Messick			

ID.	Description	UOM	Quantity	Unit Price	Price
D200	COMMON	SK	225	\$14.00	\$3,150.00 (T)
E100	HEAVY VEHICLE MILEAGE - 1 WAY	MI	220	\$4.00	\$880.00 (T)
E101	CAR, PICKUP OR VAN MILEAGE - 1 WAY	MI	110	\$2.50	\$275.00 (T)
E104	PROPPANT / BULK DELIV SERVICES/TON MILE, \$200 MIN	TM	583	\$1.60	\$932.80 (T)
E107	CEMENT SERVICE CHARGE	SK	225	\$1.50	\$337.50 (T)
R400	CEMENT PUMPER, PLUG & ABANDON (Workover Unit) 2 HR	EA	1	\$700.00	\$700.00 (T)
S100	FUEL SURCHARGE		1	\$64.32	\$64.32 (T)

*New Well
 Plugged out / manhole
 Standard R/R*

Sub Total:	\$6,339.62
Discount:	\$1,129.55
Discount Sub Total:	\$5,210.07
Barber County & State Tax Rate: 6.30%	Taxes: \$328.23
(T) Taxable Item	Total: \$5,538.30

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0101	GENERAL CONTRACTOR				
0100	GENERAL CONTRACTOR				
0102	GENERAL CONTRACTOR				
0103	GENERAL CONTRACTOR				

PLEASE REMIT TO Acid Services, LLC, Dept No 1131, Tulsa, OK 74182

Accounts are past due net 30 days following the date of invoice. Finance charge of 1 1/2% per month or 18% annual percentage rate will be charged on all past due accounts. Customer agrees not to withhold payment of any invoice, or assert any right of offset, recoupment or any other defense to payment of any invoice, on account of any right that you may now or hereafter have to payment from us, except for claims arising out of such invoice because of defects in the specific services described in such invoice. Additionally, you hereby waive any right that you may have under any state, federal or other law to assert any such right of offset or recoupment. This agreement shall inure to the benefit of us and any lender providing financing to us and shall remain in full force and effect during any insolvency proceeding involving us and otherwise until all liabilities and obligations now or hereafter owing by us to any lender providing financing to us have been paid or performed in full.



KCC

JUL 25 2005

TREATMENT REPORT

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Customer Berexo, Incorporated		Lease No.	Date 4-24-04	
Lease Davis-Ranch		Well # 2-27		
Field Order # 12,506	Station Pratt	Casing	Depth	County Barber State KS
Type Job Cement-Plug To Abandon-New Well		Formation	Legal Description 27-34S-1SW	

PIPE DATA		PERFORATING DATA		FLUID USED	TREATMENT RESUME		
Casing Size	Tubing Size	Shots/Ft		Cement	RATE	PRESS	ISIP
Depth	Depth	From	To	Common-Meat-250 sacks	5.2 Gal./sk.		5 Min.
Volume	Volume	From	To	15.6 lb./Gal.			10 Min.
Max Press	Max Press	From	To		Avg		15 Min.
Well Connection	Annulus Vol.	From	To		HHP Used		Annulus Pressure
Plug Depth	Packer Depth	From	To	Flush	Gas Volume		Total Load

Customer Representative Kameron Wilson	Station Manager Dave Scott	Treater Clarence R. Messick
Service Units 124 119 08 380 572	Driver Names Scott Messick Taylor McGraw	

Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
3:30					Trucks on location and hold safety meeting
4:30		-0-		3	Start mixing cement and pumping into rat hole. Filled rat hole. Keep mixing and pumping into rat hole and let cement run over into mouse hole and washed out hole
5:00			52		Stop pumping
5:30					Wash up pump truck
					Job Complete
					Thanks
					Clarence R. Messick and crew

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Triple J Drilling & Consulting, LLC

P.O. Box 647
Woodward, OK 73802

Invoice

Date	Invoice #
3/25/2006	1141

Bill To
BEREXCO Drilling Co. P.O. Box 20380 Wichita, KS 67208

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Terms	Project	Lease
Net 30		Davis Ranch2-27

Description	Amount
Move on location, mobilize equipment, and provide the following services: Drill, set, weld, cement, and level 60ft of 20 inch conductor pipe Drill 25 ft of mousehole Drill 35 ft of rathole Drill with can, set and level 5 by 5 cellar Remove spoils from location, back drag location, position safety pallets, and safety cap on conductor and inspect location.	9,702.00
rig#2	Total \$9,702.00

Phone #	Fax #
580-254-5494	580-254-5830

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BEREXCO, INC.

07/25/08

July 25, 2006

Kansas Corporation commission
Oil & Gas Conservation Division
Wichita State Office Building
130 South Market, Room 2078
Wichita, KS 67202-3802

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JUL 25 2006
CONFIDENTIAL

RE: Davis Ranch #2-27
Sec 27-T34S-R15W (1320' fnl, 660' fel)
Barber County, Kansas
API # 15-007-22947-00-00

Gentlemen:

The "Affidavit of Completion" form ACO-1, and copies of the cementing tickets for the above referenced well were submitted and are being held confidential. Please renew the **CONFIDENTIAL** status of this well for a second year. Thank you for your attention to this matter.

Sincerely,



Richard Smith
Engineering Technician
(316) 337-8334
(316) 265-2994 (fax)
rsmith@berexco.com

Enclosures

cc: Charles Spradlin
Well File

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