

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
October 2008
Form Must Be Typed

Handwritten: 7/07/09

WELL COMPLETION FORM

WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 33933
Name: Poverty Oil LLC
Address 1: 2713 Ash Street
Address 2: _____
City: Hays State: KS Zip: 67601 + _____
Contact Person: Ed Glassman
Phone: (785) 259-5807

CONTRACTOR: License # 31548
Name: Discovery Drilling Co., Inc.
Wellsite Geologist: Ed Glassman
Purchaser: NCRA

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SIOW
 Gas ENHR SIGW
 CM (Coal Bed Methane) Temp. Abd.
 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. Conv. to SWD
 Plug Back: _____ Plug Back Total Depth _____
 Commingled Docket No.: _____
 Dual Completion Docket No.: _____
 Other (SWD or Enhr.?) Docket No.: _____
04-24-2009 04-29-2009 04-30-2009
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 195-22606-0000
Spot Description: 108' S & 202' E of
_____ NE SW Sec. 7 Twp. 11 S. R. 22 East West
1872 Feet from North / South Line of Section
2182 Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Trego
Lease Name: Nilhas Well #: 2
Field Name: McCall SW
Producing Formation: LKC
Elevation: Ground: 2221 Kelly Bushing: 2229
Total Depth: 3926 Plug Back Total Depth: 3884
Amount of Surface Pipe Set and Cemented at: 220.28 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set: 1700 Feet
If Alternate II completion, cement circulated from: 1700
feet depth to: surface w/ 170 ^{sx cmt.}

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)
Chloride content: 13,000 ppm Fluid volume: 160 bbls
Dewatering method used: Hauled free fluids
Location of fluid disposal if hauled offsite: _____
Operator Name: Bear Petroleum, Inc.
Lease Name: Flax "B" #3 License No.: 4419
Quarter SE Sec. 3 Twp. 11 S. R. 22 East West
County: Trego Docket No.: D-28,412

RECEIVED
JUL 06 2009
KCC WICHITA

Handwritten: M12-DG-7/20/09

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: Ed Glassman
Title: Geologist Date: 06-30-2009
Subscribed and sworn to before me this 15th day of July
2009
Notary Public: Diana Glassman
Date Commission Expires: December 7, 2011

KCC Office Use ONLY

Letter of Confidentiality Received
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

DIANA GLASSMAN
Notary Public
State of Kansas
My Commission Expires 12-7-11

ORIGINAL

Slide Two

Operator Name: Poverty Oil LLC Lease Name: Nilhas Well #: 2
Sec. 7 Twp. 11 S. R. 22 East West County: Trego

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 <i>(Attach Additional Sheets)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Name	Top	Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Anhydrite	1692	537
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Topeka	3236	-1007
List All E. Logs Run:		Heebner	3450	-1221
Dual Induction, Density-Neutron, Micro, Cement Bond		Lansing	3487	-1258
		BKC	3710	-1481
		Arbuckle	3898	-1661

CASING RECORD <input checked="" 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
Surface	12.25"	8.625"	23#	220.28'	Common	150	3% cc, 2% gel
Production	7.875"	5.5"	15.5#	3920'	60/40 POZ	180	10% salt, 5# gilsonite

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input checked="" type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone	1700 - surface	Common	170	Q MDC cmt with 1/4# flo seal

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
2 spf	3487-90	300 gal 15% MCA	3487-90
2 spf	3526-30	300 gal 15% MCA, re-treat 1000 gal 15% NEFE	3526-30
2 spf	3560-63	300 gal 15% MCA	3560-63
2 spf	3651-55	300 gal 15% MCA	3651-55

TUBING RECORD:	Size: <u>2.875"</u>	Set At: <u>3871'</u>	Packer At: <u>None</u>	Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or Enhr. <u>05-24-2009</u>	Producing Method: <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other <i>(Explain)</i>			
Estimated Production Per 24 Hours	Oil Bbls. <u>60</u>	Gas Mcf <u>None</u>	Water Bbls. <u>35</u>	Gas-Oil Ratio <u>NA</u> Gravity <u>40</u>

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input checked="" type="checkbox"/> Open Hole <input type="checkbox"/> Dual Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other <i>(Specify)</i>	PRODUCTION INTERVAL: <u>3651-55, 3560-63, 3526-30, 3487-90.</u>
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Mail to: **KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202**

QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 3093

Date	4-30-09	Sec.	7	Twp.	11	Range	22	County	Trego	State	Kansas	On Location		Finish	9:45 PM
Lease	Nilhas	Well No.	21-2		Location		Ogallah 3N 3W 5N 7W								
Contractor	Discovery Drilling Rig 1	Owner	To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.												
Type Job	Logging	Charge To	Poverty Oil, LLC												
Hole Size	7 7/8	T.D.	3920 3926		Depth										
Csg.	5 1/2 15.50 lb	Depth	3920		Street										
Tbg. Size		Depth	City												
Drill Pipe		Depth	State												
Tool	Port Collar #52	Depth	1714		The above was done to satisfaction and supervision of owner agent or contractor.										
Cement Left in Csg.	21.12	Shoe Joint	21.12		CEMENT										
Press Max.		Minimum	Amount Ordered 180 60/40												
Meas Line		Displace	92 3/4 Bbl		Common										
Perf.		Poz. Mix													
EQUIPMENT															
Pumptrk	1	No.	Cementer		Gel.										
			Helper	Steve	Calcium										
Bulktrk	8	No.	Driver	Blake	Mills										
			Driver	Blake	Salt										
Bulktrk		No.	Driver	Dave	Flowseal										
			Driver	Dave	Flowseal										
JOB SERVICES & REMARKS															
Pumptrk Charge		10% Salt 5lb Gelsuite													
Mileage		500 Gal. Mud Clean - 48													
Footage		Total													
Remarks:	30 sec Port Hole														
	15 sec Mouse Hole														
	Land plug @ 1200 psi														
	Float Held														
FLOAT EQUIPMENT															
	Guide Shoe 1 5/8														
	Centralizer 4 Turbo 5/8														
	Baskets 2 5/8														
	AFU Inserts 1 5/8														
	1 5/8 Rubber Plug														
	Rotating Head														
	Squeez Mainfold														
Signature	Chiff Mafford											Tax			
												Discount			
												Total Charge			

QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 3136

Date: 5/19/09	Sec	Twp	Range	County	State	On Location	Finish
Lease: 2004	Well No. 2		Location: 2004 R31 N23 W3/4				
Contractor: N. Has				Owner:			
Type Job: Part Casing				To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cement and helper to assist owner or contractor to do work as listed.			
Hole Size:		T.D.		Charge To: Part Casing			
Csg. Size:		Depth:		Street:			
Tbg. Size:		Depth:		City:			
Drill Pipe:		Depth:		State:			
Tool: 1700		Depth:		The above was done to satisfaction and supervision of owner agent or contractor.			
Cement left in Csg.:		Shoe Joint:		CEMENT			
Press. Max:		Minimum:		Amount Ordered: 1000 MIL			
Meas Line:		Displace:		Common: 170 2 1/4" 2330.00			
Perf.:		Poz. Mix:		Gel:			
EQUIPMENT							
Pumptrk: 4	No.:	Cementer:	Helper:	Calcium:			
Bulktrk: 4	No.:	Driver:	Driver:	Mills:			
Bulktrk: 10	No.:	Driver:	Driver:	Salt:			
JOB SERVICES & REMARKS							
Pumptrk Charge: Part Casing 500.00		Mileage: 137 = 8 = 222.00		Footage:		Flowseal: 75 @ 2.00 = 150.00	
Total: 722.00		Handing: 210 @ 2.70 = 567.00		Mileage: 54 = 500.00		Pump Truck Charge: 722.00	
FLOAT EQUIPMENT							
Guide Shoe:		Centralizer:		Baskets:			
AFU Inserts:		Rotating Head:		Squeez Manifold:			
Signature:		Tax: 117.39		Discount: (853.00)		Total Charge: 3539.39	

QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 3159

Date	4-24-09	Sec.		Twp.		Range		County		State	KS	On Location		Finish	2:30 PM
Lease	Mother		Well No.	2		Location		C-2011-2015N-31W-41N							
Contractor	Discovery Pump					Owner					To Quality Oilwell Cementing, Inc.				
Type Job	Surface					You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.									
Hole Size	12 1/4		T.D.	221		Charge To		Power of R LLC							
Csg.	2 1/2		Depth	220		Street									
Tbg. Size			Depth			City		State							
Drill Pipe			Depth			The above was done to satisfaction and supervision of owner agent or contractor.									
Tool			Depth												
Cement Left in Csg.	None		Shoe Joint			CEMENT									
Press Max.			Minimum			Amount Ordered	150 3/4								
Meas Line	224		Displace	1306+		Common	150 7 10 ⁰⁰								
Perf.					Zoz. Mix										
EQUIPMENT						Gel. 3 @ 17 ⁰⁰									
Pumptrk	4	No.	Cementer	Darr		Calcium 5 @ 17 ⁰⁰									
			Helper			Mills									
Bulktrk	3	No.	Driver	Darr		Salt									
			Driver			Flowseal									
Bulktrk	04	No.	Driver	Darr											
			Driver												
JOB SERVICES & REMARKS															
Pumptrk Charge	Surface		500 ⁰⁰												
Mileage	37 @ 6 ⁰⁰														
Footage															
		Total				Handling	150 @ 12 ⁰⁰								
Remarks:						Mileage	67 @ 6 ⁰⁰ per gallon								
					Pump Truck Charge	467.68									
FLOAT EQUIPMENT															
						Guide Shoe									
						Centralizer									
						Baskets									
						AFU Inserts									
						Rotating Head									
						Squeeze Mainfold									
											Tax				
											70% Discount				
											Total Charge				
X Signature	C. J. Moffatt														

