

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 # 33453
Name: Stephen C. Jones
Address: 12 North Armstrong
City/State/Zip: Bixby, OK 74008
Purchaser: _____
Operator Contact Person: Stephen C. Jones
Phone: (918) 366-3710
Contractor: Name: KanDrill
License: 32548
Wellsite Geologist: George Peterson

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: Old Well Info as follows:
Operator: _____
Well Name: _____
Original Comp. Date: _____ Original Total Depth: _____
____ Deepening ____ Re-part. ____ Conv. to Enhr./SWD
____ Plug Back ____ Plug Back Total Depth
____ Commingle Docket No. _____
____ Dual Completion Docket No. _____
____ Other (SWD or Enhr.?) Docket No. _____

1-26-2006	2-1-2006	2-15-2006
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 031221850000
County: Coffey
NW NW SW _____ Sec. 32 Twp. 22 S. R. 14 East West
2310 feet from S / N (circle one) Line of Section
330 feet from E / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: YOUNG Well #: 1
Field Name: Wildcat
Producing Formation: Coal Seam
Elevation: Ground: 1100 Kelly Bushing: 1102
Total Depth: 1762 Plug Back Total Depth: 1742
Amount of Surface Pipe Set and Cemented at 40 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 1762
feet depth to Surface w/ 280 sx cmt.

Drilling Fluid Management Plan AII II NR
(Data must be collected from the Reserve Pit) 11-6-08
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: Stephen C. Jones
Title: CEO Date: 5-30-06
Subscribed and sworn to before me this 30 day of MAY
2006
Notary Public: Robert J. Spenser #02013205
Date Commission Expires: Sept 19, 2006

KCC Office Use ONLY

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

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Operator Name: Stephen C. Jones Lease Name: YOUNG Well #: 1
 Sec. 32 Twp. 22 S. R. 14 East West County: Coffey

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 type="checkbox"/> Yes <input checked="" 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	Mississippi	1683
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

List All E. Logs Run:
 Dual Induction
 Dual Compensated Porosity
 Gamma Ray Neutron

CASING RECORD <input type="checkbox"/> New <input checked="" 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- 1/2"	8- 5/8"	20#	40'	Class A	30	50# CA CL 2
Production	6-3/4"	4- 1/2"	10- 1/2 #	1757	60/40 Pozmax	150	50# Bentonite
					Thickset	110	50# Kolseal

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
___ Perforate				
___ Protect Casing				
___ Plug Back TD				
___ 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
4	1652-1655	500 Gal. 15%	1652
4	1668-1672	500 Gal. 15%	1668

TUBING RECORD	Size 2-3/8"	Set At 1630	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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Date of First, Resumend Production, SWD or Enhr. Pending	Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)
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Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
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Disposition of Gas **METHOD OF COMPLETION** Production Interval

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

Shut IN

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CONSOLIDATED OIL WELL SERVICES, INC.
 P.O. BOX 884, CHANUTE, KS 66720
 20-431-9210 OR 800-467-8676

TICKET NUMBER 08180
 LOCATION Eureka
 FOREMAN Troy Strickler

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
1-26-06	1041	Young #1	32	22	14	Coffey
CUSTOMER <u>Armour Management</u>			Handrill			
MAILING ADDRESS <u>12 North Armstrongs</u>						
CITY <u>Bixby</u>						
STATE <u>OK</u>						
ZIP CODE <u>74008</u>			TRUCK #	DRIVER	TRUCK #	DRIVER
			<u>463</u>	<u>Alan</u>		
			<u>440</u>	<u>Troy</u>		

JOB TYPE Surface HOLE SIZE 12 1/4" HOLE DEPTH 41' CASING SIZE & WEIGHT 8 5/8"
 CASING DEPTH 40' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 14.8" SLURRY VOL _____ WATER gal/sk 65" CEMENT LEFT in CASING 10'
 DISPLACEMENT 2Bbl DISPLACEMENT PSI _____ PSI _____ RATE _____

REMARKS: Safety Meeting. Rig up to 8 5/8" casing. Break Circulation. Mixed 30sks Class "A" Cement w/ 3% Cacl₂ - 2% Gel @ 14.8" Ppgal. Displaced w/ 2Bbl. Good Cement Returns Surface. Shut Casing in.
Job Complete Rig down.

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
54015	1	PUMP CHARGE	620.00	620.00
5406	0 Inars	MILEAGE	3.15	N/C
1104	30sks	Class "A" Cement	10.25	307.50
1102	85sks	Cacl ₂ 3%	.64	54.40
11184	1sks	Gel 2%	7.00	7.00
5407		Ton-mileage Bulk	m/c	150.00
<u>Thank You!</u>				
			Sub Total	1138.90
			58% SALES TAX	19.55
			ESTIMATED TOTAL	1158.45

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200424

AUTHORIZATION called by Donnie TITLE _____ DATE _____

CONSOLIDATED OIL WELL SERVICES, INC.
 P.O. BOX 884, CHANUTE, KS 66720
 620-431-9210 OR 800-467-8676

TICKET NUMBER 08235
 LOCATION Eureka
 FOREMAN Troy Strickler

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
2-2-06	1041	<u>Young #1</u>	32	22	14	Coffey
CUSTOMER <u>Armour Management</u>			TRUCK #			
MAILING ADDRESS <u>12 North Armstrong</u>			DRIVER			
CITY <u>Bixby</u>			TRUCK #			
STATE <u>OK</u>		DRIVER				
ZIP CODE <u>74008</u>		TRUCK #				
			DRIVER			

JOB TYPE Longstems HOLE SIZE 6 3/4 HOLE DEPTH 1762' CASING SIZE & WEIGHT 4 1/2" 11.6"
 CASING DEPTH 1756' DRILL PIPE _____ TUBING _____ OTHER used Pipe
 SLURRY WEIGHT 12.8-13.2 SLURRY VOL 76 Bbl WATER gal/sk 8° CEMENT LEFT in CASING 0'
 DISPLACEMENT 27.2 Bbl DISPLACEMENT PSI 700 MIX PSI 1200 Bump Plug RATE _____

REMARKS: Safety Meeting: Rig up to 4 1/2" Casing. Break Circulation w/ 10 Bbl Fresh Water.
Mixed 150 sks 60/40 Poz-Mix Cement w/ 6% Gel + 1/2" Floccle 100/sk @ 12.8 #/sk
Tail in w/ 110 sks Thick Set Cement w/ 4" Kol-Seal 100/sk @ 13.2 #/sk.
Wash out Pump + lines. shut down. Released Plug. Displaced w/ 27.2 Bbl
Water. Final Pump Pressure. 700 PSI. Bump Plug to 1200 PSI. Wait
2 mins. Released Pressure. Float Hld. Good Cement to surface = 15 Bbl
Slurry to Pit.
Job Complete. Rig down.

Thank You!

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	800.00	800.00
5406	40	MILEAGE	3.15	126.00
1131	150 sks	60/40 Pozmix	8.40	1260.00
1118A	16 sks	Gel 6% } Lead	7.00	112.00
1107	3 sks	Floccle 1/2" 100/sk } Lead	44.90	134.70
1126A	110 sks	Thick Set Cement } Tail	13.65	1501.50
1110A	9 sks	Kol-Seal 4" 100/sk } Tail	17.75	159.75
5407A	12.5 Ton	40 miles Bulk Truck	1.05	525.00
4161	1	4 1/2" AFU Float shoe	146.00	146.00
4103	2	4 1/2" Cement Baskets	135.00	270.00
4129	4	1 1/2" Centralizers	29.00	116.00
4404	1	4 1/2" Top Rubber Plug	40.00	40.00
		Paid w/ 5% Discount = \$327.38		
		Check # 5372 Amount = \$6220.24		
		Ticket #s 8235 + 8180		
		Sub Total		5190.95
		SALES TAX 5.3%		198.22
		ESTIMATED TOTAL		5389.17

AUTHORIZATION witnessed by Dannie TITLE Rig owner DATE _____

TERMS

In consideration of the prices to be charged for our services, equipment and products as set forth in Consolidated Oil Well Services, Inc's (COWS) current Price Schedule, and for the performance of services and supplying of materials; customer agrees to the following terms and conditions.

Terms. Cash in advance unless satisfactory credit is established. On credit sales, invoices payable to P.O. Box 884, Chanute, KS 66720. Invoices payable within 30 days of invoice date. Charges subjected to interest after 30 days from invoice date. Interest will be charged at Maximum rate allowed by law. In the event it is necessary to employ an attorney to enforce collection of such account, customer agrees pay all collection costs and attorney's fees in the amount of 20% of said amount.

Any applicable federal, state or local sales, use, occupation, consumer's or emergency taxes shall be added to the quoted price.

A sales tax reimbursement of 2% is applied to chemical and product charges for all services performed on oil and gas wells in the State of Texas.

All process license fees required to be paid to others will be added to the scheduled prices.

All prices are subject to change without notice.

SERVICE CONDITIONS

Customer warrants that the well is in proper condition to receive the services, equipment, products, and materials to be supplied by COWS.

"The customer shall at all time have complete care, custody, and control of the well, the drilling and production equipment at the well, and the premises about the well. A responsible representative of the customer shall be present to specify depths, pressures, or materials used for any service which is to be performed."

- (a) COWS shall not be responsible for, and customer shall secure COWS against any liability for damage to property of customer and of the well owner (if different from customer), unless caused by the willful misconduct or gross negligence of COWS, this provision applying to but not limited to sub-surface damage and surface damage arising from subsurface damage.
- (b) Customer shall be responsible for and secure COWS against any liability for reservoir loss or damage, or property damage resulting from sub-surface pressure, losing control of the well and/or a well blowout, unless such loss or damage is caused by the willful misconduct or gross negligence of COWS.

- (c) Customer shall be responsible for and secure COWS against any and all liability of whatsoever nature for damages as a result of a subsurface trespass, or an action in the nature thereof, arising from a service operation performed by COWS hereunder.
- (d) Customer shall be responsible for and secure COWS against any liability for injury to or death of persons, other than employees of COWS, or damage to property (including, but not limited to, injury to the well), or any damages whatsoever, irrespective of cause, growing out of or in any way connected with the use of radioactive material in the well hole, unless such damage shall be caused by the willful misconduct or gross negligence of COWS.
- (e) COWS makes no guarantee of the effectiveness of the products, supplies or materials, nor of the results of any treatment or services.
- (f) Because of the uncertainty of variable well conditions and the necessity of relying on facts and supporting services furnished by others, COWS is unable to guarantee the accuracy of any chart interpretation, research analysis, job recommendation or other data furnished by COWS. COWS personnel will use their best efforts in gathering such information and their best judgment in interpreting it, but customer agrees that COWS shall not be responsible for any damage arising from the use of such information except where due to COWS gross negligence or willful misconduct in the preparation or furnishing of it.

WARRANTIES – LIMITATION OF LIABILITY

COWS 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 OR MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. COWS's liability and customer's exclusive remedy in any 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 is expressly limited to the replacement of such products, supplies or materials on their return to COWS or, at COWS's option, to the allowance to the customer of credit for the cost of such items. In no event, shall COWS be liable for special, incidental, indirect, punitive or consequential damages.

COWS personnel will use their best efforts in gathering such information and their best judgement in interpreting it, but Customer agrees that COWS shall not be liable for and CUSTOMER SHALL INDEMNIFY AGAINST ANY DAMAGED ARISING FROM THE USE OF SUCH INFORMATION, even if such is contributed by the COWS negligence or fault.