

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 # 30717  
 Name: DOWNING-NELSON OIL COMPANY, INC  
 Address: PO BOX 372  
 City/State/Zip: HAYS, KS 67601  
 Purchaser: \_\_\_\_\_  
 Operator Contact Person: RON NELSON  
 Phone: (785) 621-2610  
 Contractor: Name: DISCOVERY DRILLING CO., INC.  
 License: 31548  
 Wellsite Geologist: MARC DOWNING  
 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. \_\_\_\_\_  

<u>06/20/06</u>	<u>06/26/06</u>	<u>06/27/06</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 195-22,349-00-00  
 County: TREGO  
NW NW Sec. 25 Twp. 13 S. R. 22  East  West  
746 feet from S / (N) (circle one) Line of Section  
714 feet from E / (W) (circle one) Line of Section  
 Footages Calculated from Nearest Outside Section Corner:  
 (circle one) NE SE (NW) SW  
 Lease Name: MARY PEARSON Well #: 1-25  
 Field Name: WILDCAT  
 Producing Formation: LKC & SAND  
 Elevation: Ground: 2238 Kelly Bushing: 2246  
 Total Depth: 4150 Plug Back Total Depth: \_\_\_\_\_  
 Amount of Surface Pipe Set and Cemented at 223.62 Feet  
 Multiple Stage Cementing Collar Used?  Yes  No  
 If yes, show depth set 1670 Feet  
 If Alternate II completion, cement circulated from 1670  
 feet depth to SURFACE w/ 165 <sup>sx cm.</sup>

**Drilling Fluid Management Plan**  
 (Data must be collected from the Reserve Pit)  
 Chloride content 15,000 ppm Fluid volume 300 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.

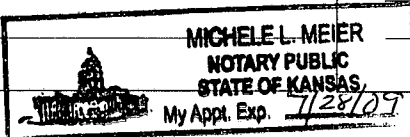
All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: [Signature]  
 Title: VICE PRESIDENT Date: 08/16/06

Subscribed and sworn to before me this 16 day of August,  
 2006.

Notary Public: [Signature]

Date Commission Expires: 7/28/09



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

RECEIVED  
 AUG 18 2006  
 KCC WICHITA

ORIGINAL

Side Two

Operator Name: DOWNING-NELSON OIL COMPANY, INC Lease Name: MARY PEARSON Well #: 1-25  
Sec. 25 Twp. 13 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	TOP ANHYDRITE	1665 +591
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	BASE ANHYDRITE	1706 +540
List All E. Logs Run:		TOPEKA	3330 -1084
		HEEBNER	3558 -1312
		TORONTO	3577 -1331
		LKC	3592 -1346
		BKC	3841 -1595
		MARMATON	3943 -1697

Dual Induction, Compensated Neutron, Sonic and Micro

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 1/4"	8 5/8"	20#	223.62	COMMON	150	2% Gel & 3% CC
Production St.	7 7/8	5 1/2	14	4148.65	EA/2	150	
			DV Tool @	1670	SMDC	165	

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
4	4018' TO 4022'	250 GAL. OF 7 1/2% ACID WITH METHANAL, CLAY STABILIZERS	2200'
4	3629' TO 3632'	550 GAL. 15% MUD ACID	4022'
4	4018' TO 4022'	500 GALLONS 15% MUD ACID	3632'
		1000 GALLONS 15% NE ACID	3632'

TUBING RECORD	Size 2 3/8	Set At 4096.27	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. 08/02/06	Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)			
Estimated Production Per 24 Hours	Oil Bbls. 50	Gas Mcf 0	Water Bbls. 2	Gas-Oil Ratio Gravty

Disposition of Gas      METHOD OF COMPLETION      Production Interval

Vented    Sold    Used on Lease       Open Hole    Perf.    Dually Comp.    Commingled

*(If vented, Submit ACO-18.)*       Other (Specify)



P. O. Box 466  
Ness City, KS 67560  
Off: 785-798-2300



# Invoice

DATE	INVOICE #
6/27/2006	10138 2006

**PAID** JUL 17 2006  
 • Acidizing #4431  
 • Cement  
 • Tool Rental

BILL TO
Downing Nelson Oil Co. Inc. PO Box 372 Hays, KS 67601

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1-25	Mary Pearson	Trego	Discovery Drilling...	Oil	Development	2 Stage LongString	Dave
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				40	Miles	4.00	160.00
579D	Pump Charge - Two-Stage				1	Job	1,600.00	1,600.00
221	Liquid KCL (Clayfix)				4	Gallon(s)	26.00	104.00T
281	Mud Flush				500	Gallon(s)	0.75	375.00T
290	D-Air				3	Gallon(s)	32.00	96.00T
402-5	5 1/2" Centralizer				7	Each	60.00	420.00T
403-5	5 1/2" Cement Basket				1	Each	230.00	230.00T
407-5	5 1/2" Insert Float Shoe With Auto Fill				1	Each	250.00	250.00T
408-5	5 1/2" D.V. Tool & Plug Set				1	Each	2,800.00	2,800.00T
417-5	5 1/2" D.V. Latch Down Plug & Baffle				1	Each	200.00	200.00T
419-5	5 1/2" Rotating Head Rental				1	Each	250.00	250.00T
325	Standard Cement				150	Sacks	9.60	1,440.00T
330	Swift Multi-Density Standard (MIDCON II)				180	Sacks	12.00	2,160.00T
276	Flocele				83	Lb(s)	1.25	103.75T
283	Salt				750	Lb(s)	0.20	150.00T
284	Calseal				7	Sack(s)	30.00	210.00T
285	CFR-1				71	Lb(s)	4.00	284.00T
581D	Service Charge Cement				330	Sacks	1.10	363.00
583D	Drayage				1,031.2	Ton Miles	1.00	1,031.20
	Subtotal							12,226.95
	Sales Tax Trego County						5.80%	526.22

**RECEIVED**  
**AUG 18 2006**  
**KCC WICHITA**

**Thank You For Your Business!**

**Total**

\$12,753.17

Allied Cementing Co., Inc  
P.O. Box 31

Russell, KS 67665

\*\*\*\*\*  
\* I N V O I C E \*  
\*\*\*\*\*

Invoice Number: 102865

Invoice Date: 06/25/06

Sold Downing Nelson Oil Co. Inc  
To: P. O., Box 372  
Hays, KS  
67601

Cust I.D.....: Down  
P.O. Number...: M. Pearson 1-25  
P.O. Date.....: 06/25/06

Due Date.: 07/25/06  
Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	150.00	SKS	10.6500	1597.50	T
Gel	3.00	SKS	16.6500	49.95	T
Chloride	5.00	SKS	46.6000	233.00	T
Handling	158.00	SKS	1.9000	300.20	E
Mileage	55.00	MILE	12.6400	695.20	E
158 sks @.08 per sk per mi					
Surface	1.00	JOB	815.0000	815.00	E
Mileage pmp trk	55.00	MILE	5.0000	275.00	E
Wood Plug	1.00	EACH	60.0000	60.00	T

All Prices Are Net, Payable 30 Days Following  
Date of Invoice. 1 1/2% Charged Thereafter.  
If Account CURRENT take Discount of \$ 402.58  
ONLY if paid within 30 days from Invoice Date

Subtotal: 4025.85  
Tax.....: 112.54  
Payments: 0.00  
Total....: 4138.39

402.58

3735.81

RECEIVED  
AUG 18 2006  
KCC WICHITA