

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: ANDERSON DRILLING
License: 33237

Wellsite Geologist: RON NELSON
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-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>09/30/06</u>	<u>10/06/06</u>	<u>10/07/06</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 065-23,227-00-00
County: GRAHAM
APNE NW SE NE Sec. 14 Twp. 9 S. R. 21 East West
1402 feet from S / (circle one) Line of Section
664 feet from (E) W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Balthazor Well #: 1-14

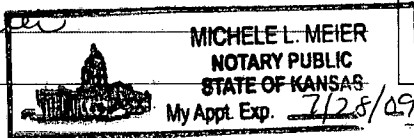
Field Name: Morel
Producing Formation: ARBUCKLE
Elevation: Ground: 2202' Kelly Bushing: 2207'
Total Depth: 3744' Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 217' Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set 1694' Feet
If Alternate II completion, cement circulated from 1694'
feet depth to SURFACE w/ 200 ^{sq gmt}
Alt 2 - Dlg - 12/2/08

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)
Chloride content 14,000 ppm Fluid volume 300 bbls
Dewatering method used EVAPORATION
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: VP Date: 11/16/06
Subscribed and sworn to before me this 16 day of Nov,
2006
Notary Public: Michele L Meier
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
NOV 20 2006

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Operator Name: DOWNING-NELSON OIL COMPANY, INC Lease Name: Balthazor Well #: 14
 Sec. 14 Twp. 9 S. R. 21 East West County: GRAHAM

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 <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	1710	+497
Electric Log Run (Submit Copy)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	BASE ANHYDRITE	1746	+461
List All E. Logs Run:		TOPEKA	3198	-991
		HEEBNER	3406	-1199
		TORONTO	3427	-1230
		LKC	3443	-1236
		BKC	3660	-1236
		ARBUCKLE	3737	-1530

Sonic, Micro, Compensated Density Neutron,
 Dual Induction & Cement Bond

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	222'	COMMON	150	2% Gel & 3% CC
Production St.	7 7/8	5 1/2	14	3738'	EA/2	150	
			DV Tool @	1694'	SMDC	200	

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 (Amount and Kind of Material Used)	Depth

TUBING RECORD	Size <u>2 7/8</u>	Set At <u>2004.85'</u>	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or Enhr.	Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)			
10/20/06				
Estimated Production Per 24 Hours	Oil Bbls. <u>65</u>	Gas Mcf <u>0</u>	Water Bbls. <u>0</u>	Gas-Oil Ratio
				Gravity

Disposition of Gas Vent'd Sold Used on Lease (If vent'd, Submit ACO-18.)

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled Other (Specify)

Production Interval



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



Invoice

DATE	INVOICE #
10/7/2006	11086

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

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1-14	Balthazor	Rooks	A&A Drilling	Oil	Development	5-1/2" Two Stage...	Wayne
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				50	Miles	4.00	200.00
579D	Pump Charge - Two-Stage - 3737 Feet				1	Job	1,750.00	1,750.00
221	Liquid KCL (Clayfix)				4	Gallon(s)	26.00	104.00T
281	Mud Flush				500	Gallon(s)	0.75	375.00T
402-5	5 1/2" Centralizer				8	Each	80.00	640.00T
403-5	5 1/2" Cement Basket				1	Each	280.00	280.00T
405-5	5 1/2" Formation Packer Shoe				1	Each	1,400.00	1,400.00T
408-5	5 1/2" D.V. Tool & Plug Set - Top Joint #49 - 1700 Feet				1	Each	3,000.00	3,000.00T
417-5	5 1/2" D.V. Latch Down Plug & Baffle				1	Each	200.00	200.00T
325	Standard Cement				150	Sacks	11.00	1,650.00T
330	Swift Multi-Density Standard (MIDCON II)				200	Sacks	13.50	2,700.00T
276	Flocele				88	Lb(s)	1.25	110.00T
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
290	D-Air				2	Gallon(s)	32.00	64.00T
581D	Service Charge Cement				350	Sacks	1.10	385.00
583D	Drayage				890.73	Ton Miles	1.00	890.73
	Subtotal							14,392.73
	Sales Tax Rooks County						5.30%	591.85
Thank You For Your Business!						Total		\$14,984.58

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KCC WICHITA

Allied Cementing Co., Inc
P.O. Box 31
Russell, KS 67665

*
* I N V O I C E *
*

Invoice Number: 104896

Invoice Date: 10/17/06

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

Cust. I.D.....: Down
P.O. Number...: Balthazor 1-14
P.O. Date.....: 10/17/06

Due Date.: 11/16/06
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	60.00	MILE	14.2200	853.20	E
158 sks @.09 per sk per mi					
Surface	1.00	JOB	815.0000	815.00	E
Mileage pmp trk.	60.00	MILE	6.0000	360.00	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 426.88
ONLY if paid within 30 days from Invoice Date

Subtotal:	4268.85
Tax.....:	107.69
Payments:	0.00
Total....:	4376.54

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