

ORIGINAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

RECEIVED
KANSAS CORPORATION COMMISSION
OCT 04 2006
Form ACO-1
September 1999
Must Be Typed

CONSERVATION DIVISION
WICHITA, KS

Operator: License # 3882
Name: SAMUEL GARY JR. & ASSOCIATES, INC.
Address: 1670 BROADWAY, SUITE 3300
City/State/Zip: DENVER, CO 80202-4838
Purchaser: _____
Operator Contact Person: TOM FERTAL
Phone: (303) 831-4673
Contractor: Name: PETROMARK DRILLING, LLC
License: 33323
Wellsite Geologist: JUSTIN CARTER

KCC
OCT 03 2006
CONFIDENTIAL

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. _____

6/9/2006 6/16/2006 6/17/2006
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 15-167-23351-0000
County: RUSSELL
SE Sec. 35 Twp. 15 S.R. 11 East West
900 feet from SOUTH Line of Section
2450 feet from EAST Line of Section

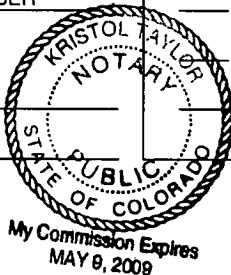
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: PHILLIPS Well #: 1-35
Field Name: WILDCAT
Producing Formation: _____
Elevation: Ground: 1857' Kelly Bushing: 1863'
Total Depth: 3440' Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 462 Feet
Multiple State Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from _____
feet depth to _____ w/ _____ sx cmt.

Drilling Fluid Management Plan PANH 81-08
(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 information shall be filed with the Kansas Corporation Commission, 130 South 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 on 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: Thomas Fertal
Title: SR. GEOLOGIST Date: 10/3/2006
Subscribed and sworn to before me this 3 RD day of OCTOBER
2006
Notary Public: Kristal Taylor
Date Commission Expires: _____



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

✓

Operator Name: SAMUEL GARY JR. & ASSOCIATES, INC. Lease Name: PHILLIPS OCT 03 2006 Well #: 1-35

Sec. 35 Twp. 15 S. R. 11 East West County: RUSSELL **CONFIDENTIAL**

INSTRUCTIONS: Show important tops and base of formation penetrated. Detail all cores. Report all final copes of drill stem 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 geologist well site report.

Drill Stem Tests Taken Yes No
(Attach Additional Sheets)

Sample Sent to Geological Survey Yes No

Cores Taken Yes No

Electric Log Run Yes No
(Submit Copy)

List All E. Logs Run: DUAL INDUCTION
DUAL COMPENSATED POROSITY
BHC SONIC
MICROLOG

| <input checked="" type="checkbox"/> Log | Formation (Top), Depth and Datum | <input type="checkbox"/> Sample |
|---|----------------------------------|---------------------------------|
| Name | Top | Datum |
| TOPEKA | 2638' | -775' |
| HEEBNER | 2905' | -1042' |
| DOUGLAS | 2934' | -1071' |
| BRN LIME | 2996' | -1133' |
| LANSING | 3015' | -1152' |
| ARBUCKLE | 3351' | -1488' |
| TD | 3380' | |

RECEIVED
KANSAS CORPORATION COMMISSION
OCT 04 2006
CONSERVATION DIVISION
WICHITA, KS

| 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 | 12-1/4" | 8-5/8" | 28 | 462' | CLASS A | 225 | 2% GEL & 3% CC |
| | | | | | | | |
| | | | | | | | |

| ADDITIONAL CEMENTING/SQUEEZE RECORD | | | | | |
|---|-------|--------|----------------|--------------|----------------------------|
| Purpose: | Depth | | Type of Cement | # Sacks Used | Type and Percent Additives |
| | Top | Bottom | | | |
| <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 | | Acid. Fracture, Shot, Cement, Squeeze Record | |
|----------------|---|--|--|-------|
| | Specify Footage of Each Interval Perforated | | (Amount and Kind of Material Used) | 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. | | 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 Bbls. | Gas Mcf | Water Bbls. | Gas-Oil Ratio | Gravity |

Disposition of Gas: Vented Sold Used on Lease *If vented, submit ACO-18.)*

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

Production Interval: _____

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

Russell, KS 67665

* I N V O I C E *

RECEIVED

Invoice Number: 102994

JUL 26 2006

Invoice Date: 06/27/06

SAMUEL GARY JR.
& ASSOCIATES, INC.

RECEIVED
KANSAS CORPORATION COMMISSION

OCT 04 2006

CONSERVATION DIVISION
WICHITA, KS

KCC

OCT 03 2006

CONFIDENTIAL

Sold Samuel Gary, Jr. & Assoc.
To: % Larson Engineering, Inc.
562 W. Highway #4
Olmitz, KS
67561-8561

Cust I.D.....: Gary
P.O. Number..: Phillips 1-35
P.O. Date....: 06/27/06

Due Date.: 07/27/06
Terms....: Net 30

| Item I.D./Desc. | Qty. Used | Unit | Price | Net | TX |
|-----------------------------|-----------|------|----------|---------|----|
| Common | 225.00 | SKS | 10.6500 | 2396.25 | |
| Gel | 4.00 | SKS | 16.6500 | 66.60 | |
| Chloride | 7.00 | SKS | 46.6000 | 326.20 | |
| Handling | 236.00 | SKS | 1.9000 | 448.40 | E |
| Mileage | 30.00 | MILE | 18.8800 | 566.40 | E |
| 236 sks @ >08 per sk per mi | | | | | |
| Surface | 1.00 | JOB | 815.0000 | 815.00 | E |
| Mileage pmp trk | 30.00 | MILE | 5.0000 | 150.00 | E |
| Extra Footage | 61.00 | PER | 0.6500 | 39.65 | E |
| Plug | 1.00 | EACH | 60.0000 | 60.00 | F |

All Prices Are Net, Payable 30 Days Following
Date of Invoice. 1 1/2% Charged Thereafter.
If Account CURRENT take Discount of \$ 486.85
ONLY if paid within 30 days from Invoice Date

Subtotal: 4868.50
Tax.....: 207.98
Payments: 0.00
Total....: 5076.48

<486.85>
4589.63

DRLG COMP W/O LOE
AFE # 1-35
ACCT # 135/60
APPROVED BY J.C. Larson

ALLIED CEMENTING CO., INC.

24147

Federal Tax I.D.

OCT 03 2006

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:

Great Bend

CONFIDENTIAL

| | | | | | | | |
|--|--------------------|--------------------------------------|-----------------------|--------------------|-------------------------|------------------------|-------------------------|
| DATE <u>6-10-06</u> | SEC. <u>36</u> | TWP. <u>15</u> | RANGE <u>11 W</u> | CALLED <u>3 AM</u> | ON LOCATION <u>5 AM</u> | JOB START <u>19:00</u> | JOB FINISH <u>19:00</u> |
| LEASE <u>Phillips</u> | WELL # <u>1-35</u> | LOCATION <u>Claffin N To Russell</u> | COUNTY <u>Russell</u> | | STATE <u>K.S.</u> | | |
| OLD OR <input checked="" type="radio"/> NEW (Circle one) | | <u>Co. line to C M/S</u> | | | | | |

CONTRACTOR Petro mark Rig # 2

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D. 465

CASING SIZE 8 1/2 DEPTH 465

TUBING SIZE DEPTH 4 1/2

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG. 15 #

PERFS. 27 1/2

DISPLACEMENT 27 1/2

OWNER

CEMENT AMOUNT ORDERED 225 # Common

36 cc 2 7 gal

| | | | | |
|----------|--------------|---|--------------|----------------|
| COMMON | <u>225 #</u> | @ | <u>10.65</u> | <u>2396.75</u> |
| POZMIX | | @ | | |
| GEL | <u>404</u> | @ | <u>16.65</u> | <u>66.60</u> |
| CHLORIDE | <u>704</u> | @ | <u>46.60</u> | <u>32620</u> |
| ASC | | @ | | |

EQUIPMENT

PUMP TRUCK # 181 CEMENTER Mike M. HELPER J.D. D.

BULK TRUCK # 344 DRIVER Don D.

BULK TRUCK # DRIVER

| | | | | |
|----------|--------------|---|-------------|----------------|
| HANDLING | <u>236 #</u> | @ | <u>1.90</u> | <u>448.40</u> |
| MILEAGE | <u>236 #</u> | @ | <u>30</u> | <u>566.40</u> |
| TOTAL | | | | <u>3803.85</u> |

REMARKS:

Circulate Hole with Rig mud pump
Mix Cement + Release plug Displace
Plug Down with water

Cement d.d Circulate to
Surface

Surface pipe d.d not go back to pull pipe
out + Drill 40 # more Hole

SERVICE

461

DEPTH OF JOB 461

PUMP TRUCK CHARGE 815.00

EXTRA FOOTAGE 61 @ 65 39.65

MILEAGE 30 @ 5.00 150.00

MANIFOLD @

TOTAL 1004.65

CHARGE TO: Samuel Mary

STREET

CITY STATE ZIP

PLUG & FLOAT EQUIPMENT

1-Two cup Plug 60.00 60.00

@

@

@

@

TOTAL 60.00

To Allied Cementing Co., Inc.
You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

TAX

TOTAL CHARGE

DISCOUNT IF PAID IN 30 DAYS

SIGNATURE Jim Mack

PRINTED NAME

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

RECEIVED

* I N V O I C E *

Russell, KS 67665

JUL 26 2006

SAMUEL GARY JR. Invoice Number: 102995
& ASSOCIATES, INC.

Invoice Date: 06/27/06

V6533

Sold Samuel Gary, Jr. & Assoc.
To: % Larson Engineering, Inc.
562 W. Highway #4
Olmitz, KS
67561-8561

KCC
OCT 03 2006
CONFIDENTIAL

Cust I.D.....: Gary
P.O. Number...: Phillips 1-35
P.O. Date.....: 06/27/06

Due Date.: 07/27/06
Terms.....: Net 30

| Item I.D./Desc. | Qty. Used | Unit | Price | Net | TX |
|----------------------------|-----------|------|----------|--------|----------|
| Common | 87.00 | SKS | 10.6500 | 926.55 | RECEIVED |
| Pozmix | 58.00 | SKS | 5.8000 | 336.40 | |
| Gel | 9.00 | SKS | 16.6500 | 149.85 | |
| FloSeal | 36.00 | LBS | 2.0000 | 72.00 | |
| Handling | 154.00 | SKS | 1.9000 | 292.60 | |
| Mileage | 30.00 | MILE | 12.3200 | 369.60 | |
| 154 sks @>08 per sk per mi | | | | | |
| Plug | 1.00 | JOB | 955.0000 | 955.00 | |
| Mileage pmp trk | 30.00 | MILE | 5.0000 | 150.00 | |
| Dryhole Plug | 1.00 | EACH | 35.0000 | 35.00 | |

All Prices Are Net, Payable 30 Days Following
Date of Invoice. 1 1/2% Charged Thereafter.
If Account CURRENT take Discount of \$ 328.70
ONLY if paid within 30 days from Invoice Date

Subtotal: 3287.00
Tax.....: 239.95
Payments: 0.00
Total....: 3526.95

<328.70>
3198.25

RECEIVED
KANSAS CORPORATION COMMISSION

OCT 04 2006

CONSERVATION DIVISION
WICHITA, KS

DHLG COMP W/O LOE

AFE # 1-35

ACCT # 135/72

APPROVED BY J.C. Jarso

ALLIED CEMENTING CO., INC.

23751

Federal Tax I.D.

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

OCT 03 2006

SERVICE POINT:

Great Bend

CONFIDENTIAL

| | | | | | | | |
|--|----------------|--------------------|---------------------------------------|----------------------------|----------------------------|--------------------------|---------------------------|
| DATE <i>6.17.06</i> | SEC. <i>35</i> | TWP. <i>18</i> | RANGE <i>11</i> | CALLED OUT <i>12:00 AM</i> | ON LOCATION <i>2:30 AM</i> | JOB START <i>3:15 AM</i> | JOB FINISH <i>7:30 AM</i> |
| LEASE <i>Phillips</i> | | WELL # <i>1-35</i> | LOCATION <i>Claffin north to C.L.</i> | | COUNTY <i>Russell</i> | STATE <i>Ka</i> | |
| OLD OR <input checked="" type="radio"/> NEW (Circle one) | | | <i>1/4 E, North side</i> | | | | |

CONTRACTOR *Petromark*
 TYPE OF JOB *Arbuckle plug*
 HOLE SIZE *7 7/8* T.D. *3440'*
 CASING SIZE _____ DEPTH _____
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE *4 1/2* DEPTH *3380'*
 TOOL _____ DEPTH _____
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ SHOE JOINT _____
 CEMENT LEFT IN CSG. _____
 PERFS. _____
 DISPLACEMENT _____

OWNER *Sam Gary Jr. & Assoc. Inc.*

CEMENT
 AMOUNT ORDERED *145 ax 60/40 poz*
6% gel 1/4" flo seal per ax

| | | | | |
|----------------|-----------------------|---|--------------|----------------------|
| COMMON | <i>82</i> | @ | <i>10.65</i> | <i>926.55</i> |
| POZMIX | <i>58</i> | @ | <i>5.80</i> | <i>336.40</i> |
| GEL | <i>9</i> | @ | <i>16.65</i> | <i>149.85</i> |
| CHLORIDE | | @ | | |
| ASC | | @ | | |
| <i>Fluorid</i> | <i>36*</i> | @ | <i>2.00</i> | <i>72.00</i> |
| | | @ | | |
| | | @ | | |
| | | @ | | |
| | | @ | | |
| | | @ | | |
| | | @ | | |
| HANDLING | <i>154</i> | @ | <i>1.90</i> | <i>292.60</i> |
| MILEAGE | <i>154 x 30 x .08</i> | | | <i>369.60</i> |
| | | | | TOTAL <i>2147.00</i> |

EQUIPMENT

M.B.
 PUMP TRUCK CEMENTER *J. Dr. Drilling*
 #120 HELPER *Brandon Roach*
 BULK TRUCK
 #341 DRIVER *Steve Turley*
 BULK TRUCK
 # DRIVER _____

REMARKS:

1st 35 ax - 3380'
2nd 25 ax - 715'
3rd 60 ax - 525'
4th 10 ax - 40'
15 ax - in rathole

SERVICE

| | | | | |
|-------------------|--------------|---|-------------|----------------------|
| DEPTH OF JOB | <i>3380'</i> | | | |
| PUMP TRUCK CHARGE | | | | <i>955.00</i> |
| EXTRA FOOTAGE | | @ | | |
| MILEAGE | <i>30</i> | @ | <i>5.00</i> | <i>150.00</i> |
| MANIFOLD | | @ | | |
| | | @ | | |
| | | @ | | |
| | | | | TOTAL <i>1105.00</i> |

CHARGE TO *Sam Gary Jr. & Assoc. Inc.*
 STREET *1670 Broadway Suite 3300'*
 CITY *Denver* STATE *Colorado* ZIP *80202*

PLUG & FLOAT EQUIPMENT

| | | | |
|---------------------------|---|--------------|--------------------|
| <i>1 - 8 5/8 dry hole</i> | @ | <i>35.00</i> | <i>35.00</i> |
| | @ | | |
| | @ | | |
| | @ | | |
| | @ | | |
| | | | TOTAL <i>35.00</i> |

To Allied Cementing Co., Inc.
 You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

TAX _____
 TOTAL CHARGE _____
 DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE *[Signature]*

SIGNATURE *[Signature]*
 PRINTED NAME _____

10/03/08

Samuel Gary Jr. & Associates, Inc.

1670 Broadway, Suite 3300, Denver, CO 80202 (303) 831-4673

RECEIVED
KANSAS CORPORATION COMMISSION
OCT 04 2006
CONSERVATION DIVISION
WICHITA, KS

October 3, 2006

Mr. Dave Williams
Kansas Corporation Commission
130 South Market, Room - 2078
Wichita, KS 67202

KCC
OCT 03 2006
CONFIDENTIAL

Re: Phillips 1-35
Russell County, Kansas
API# 15-167-23351-0000

Dear Dave,

Attached please find the ACO-1, Well History Description of Well and Lease, the CP-4, Well Plugging Record, along with Geologist Report, DST's, Electric Logs, and all cementing tickets for the subject Well.

We hereby request that this ACO-1, and all data included, along with the drill cuttings sent to the Kansas Geological Survey, be held **CONFIDENTIAL**.

If there are any questions, or if you need any additional information, please contact me at Samuel Gary Jr. & Associates, Inc. at the telephone number shown on the letterhead.

Sincerely,



Thomas G. Fertal
Sr. Geologist
Samuel Gary Jr & Associates, Inc.

Enclosures