

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: ALAN DOWNING

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>08/04/07</u> | <u>08/10/07</u> | <u>08/12/07</u> |
| Spud Date or Recompletion Date | Date Reached TD | Completion Date or Recompletion Date |

API No. 15 - 195-22,479-0000
County: TREGO
 NW NE NE Sec. 26 Twp. 13 S. R. 22 East West
500 feet from S / (N) (circle one) Line of Section
1110 feet from (E) W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) (NE) SE NW SW
Lease Name: PEARSON Well #: 1-26
Field Name: WILDCAT

Producing Formation: LKC & CHEROKEE
Elevation: Ground: 2233 Kelly Bushing: 2241
Total Depth: 4150 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 222.23 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 1663
feet depth to SURFACE w/ 180 sx cm.

Drilling Fluid Management Plan AII II NCR 1-14-09
(Data must be collected from the Reserve Pit)
Chloride content 17,000 ppm Fluid volume 320 bbls
Dewatering method used HAULED FREE FLUIDS
Location of fluid disposal if hauled offsite: _____
Operator Name: Blackhawk Production Company
Lease Name: BRULL SWD License No.: 32504
Quarter NE Sec. 30 Twp. 14 S. R. 18 East West
County: ELLIS Docket No.: E-26232

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.

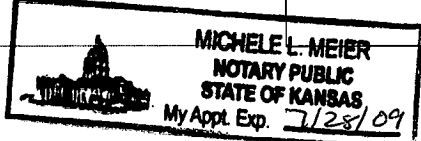
All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: [Signature]
Title: VICE PRESIDENT Date: 10/10/07
Subscribed and sworn to before me this 10 day of October
2007.
Notary Public: Michelle L Meier
Date Commission Expires: 07/28/09

KCC Office Use ONLY

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

RECEIVED
KANSAS CORPORATION COMMISSION
OCT 11 2007



Operator Name: DOWNING-NELSON OIL COMPANY, INC Lease Name: PEARSON Well #: 1-26
 Sec. 26 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 <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: Sonic, Micro, Compensated Density/Neutron and Dual Induction | <input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:70%;">Name</td> <td style="width:15%;">Top</td> <td style="width:15%;">Datum</td> </tr> <tr> <td>ANHYDRITE</td> <td>1668</td> <td>+575</td> </tr> <tr> <td>BASE</td> <td>1713</td> <td>+530</td> </tr> <tr> <td>TOPEKA</td> <td>3327</td> <td>-1084</td> </tr> <tr> <td>HEEBNER</td> <td>3560</td> <td>-1317</td> </tr> <tr> <td>TORONTO</td> <td>3576</td> <td>-1333</td> </tr> <tr> <td>LKC</td> <td>3590</td> <td>-1347</td> </tr> <tr> <td>BKC</td> <td>3837</td> <td>-1594</td> </tr> <tr> <td>MARMATON</td> <td>3939</td> <td>-1696</td> </tr> </table> | Name | Top | Datum | ANHYDRITE | 1668 | +575 | BASE | 1713 | +530 | TOPEKA | 3327 | -1084 | HEEBNER | 3560 | -1317 | TORONTO | 3576 | -1333 | LKC | 3590 | -1347 | BKC | 3837 | -1594 | MARMATON | 3939 | -1696 |
| Name | Top | Datum | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ANHYDRITE | 1668 | +575 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| BASE | 1713 | +530 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TOPEKA | 3327 | -1084 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| HEEBNER | 3560 | -1317 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TORONTO | 3576 | -1333 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| LKC | 3590 | -1347 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| BKC | 3837 | -1594 | | | | | | | | | | | | | | | | | | | | | | | | | | |
| MARMATON | 3939 | -1696 | | | | | | | | | | | | | | | | | | | | | | | | | | |

| 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 | 222.23 | COMMON | 150 | 2% Gel & 3% CC |
| Production St. | 7 7/8" | 5 1/2" | 14 | 4147.83 | EA/2 | 150 | |
| | | | DV Tool @ | 1663 | SMDC | 180 | |

| 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 (Amount and Kind of Material Used) | Depth |
|----------------|---|---|-------|
| 4 | 4016' to 4020' | 500 GALLONS Diesel with 10% Methanol | |
| 4 | 4008' to 4011' | | |
| | | | |
| | | | |

| | | | | | | |
|--|-----------|---------|---|---------------|-----------|---|
| TUBING RECORD | | Size | Set At | Packer At | Liner Run | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| | | 2 3/8 | 4088.83 | | | |
| Date of First, Resumerd Production, SWD or Enhr. | | | Producing Method | | | |
| 09/25/07 | | | <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. | Gas Mcf | Water Bbls. | Gas-Oil Ratio | Gravity | |
| | 40 | 0 | 0 | | | |

Disposition of Gas Vented Sold Used on Lease Open Hole Perf Dually Comp. Commingled Other (Specify) _____

(If vented, Submit ACO-18.)

METHOD OF COMPLETION Production Interval

INVOICE

24 S. Lincoln Street
P.O. Box 31
Russell, KS 67665-2906

Invoice Number: 109499
Invoice Date: Aug 7, 2007
Page: 1

Voice: (785) 483-3887
Fax: (785) 483-5566

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

| Customer ID | Well Name# or Customer P.O. | Payment Terms | |
|--------------|-----------------------------|---------------|----------|
| Down | Pearson #1-26 | Net 30 Days | |
| Sales Rep ID | Camp Location | Service Date | Due Date |
| | Russell | Aug 7, 2007 | 9/6/07 |

| Quantity | Item | Description | Unit Price | Amount |
|----------|------|------------------------------------|------------|----------|
| 150.00 | MAT | Common Class A | 11.10 | 1,665.00 |
| 3.00 | MAT | Gel | 16.65 | 49.95 |
| 5.00 | MAT | Chloride | 46.60 | 233.00 |
| 158.00 | SER | Handling | 1.90 | 300.20 |
| 50.00 | SER | Mileage 158 sx @ .09 per sk per mi | 14.22 | 711.00 |
| 1.00 | SER | Surface | 815.00 | 815.00 |
| 50.00 | SER | Mileage Pump Truck | 6.00 | 300.00 |
| 1.00 | EQP | Plug | 60.00 | 60.00 |

ALL PRICES ARE NET, PAYABLE
30 DAYS FOLLOWING DATE OF
INVOICE. 1 1/2% CHARGED
THEREAFTER. IF ACCOUNT IS
CURRENT, TAKE DISCOUNT OF

\$ 413.41

ONLY IF PAID ON OR BEFORE

Sep 6, 2007

| | |
|------------------------|-----------------|
| Subtotal | 4,134.15 |
| Sales Tax | 116.46 |
| Total Invoice Amount | 4,250.61 |
| Payment/Credit Applied | |
| TOTAL | 4,250.61 |

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KANSAS CORPORATION COMMISSION

OCT 11 2007

CONSERVATION DIVISION
WICHITA, KS

SWIFT



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



Invoice

| | |
|-----------|-----------|
| DATE | INVOICE # |
| 8/11/2007 | 12664 |

| |
|---|
| 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 | #1-26 | Pearson | Trego | Discovery Drilling... | Oil | Development | 5-1/2" Two Stage... | Wayne |
| PRICE REF. | DESCRIPTION | | | | QTY | UM | UNIT PRICE | AMOUNT |
| 575D | Mileage - 1 Way | | | | 40 | Miles | 4.00 | 160.00 |
| 579D | Pump Charge - Two-Stage - 4148 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 | | | | 7 | Each | 95.00 | 665.00T |
| 403-5 | 5 1/2" Cement Basket | | | | 1 | Each | 290.00 | 290.00T |
| 407-5 | 5 1/2" Insert Float Shoe With Auto Fill | | | | 1 | Each | 310.00 | 310.00T |
| 408-5 | 5 1/2" D.V. Tool & Plug Set - Top Joint #59 - 1663 Feet | | | | 1 | Each | 3,200.00 | 3,200.00T |
| 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 | 12.00 | 1,800.00T |
| 330 | Swift Multi-Density Standard (MIDCON II) | | | | 180 | Sacks | 14.50 | 2,610.00T |
| 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 |
| 290 | D-Air | | | | 2 | Gallon(s) | 32.00 | 64.00T |
| 581D | Service Charge Cement | | | | 330 | Sacks | 1.10 | 363.00 |
| 583D | Drayage | | | | 670.28 | Ton Miles | 1.00 | 670.28 |
| | Subtotal | | | | | | | 13,559.03 |
| | Sales Tax Trego County | | | | | | 5.80% | 615.71 |

We Appreciate Your Business!

Total \$14,174.74

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OCT 11 2007

CONSERVATION DIVISION
WICHITA, KS