

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 33906
Name: GNAD OIL, LLC
Address: 1411 Mount Pleasant Road
City/State/Zip: Hays, KS 67601
Purchaser: _____
Operator Contact Person: Mike Gnad
Phone: (785) 650-7128
Contractor: Name: Discovery Drilling Co., Inc.
License: 31548
Wellsite Geologist: Jason Alm

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. _____
10/20/0807 10/25/07 10/26/07
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15: 051-25,698-0000
County: Ellis
104 S. & 110 W. of _____
_____ Sec. 5 Twp. 15 S. R. 20 W. East West
2084 feet from (N) (circle one) Line of Section
550 feet from (W) (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE (NW) SW
Lease Name: SMOKY HILL WEST Well #: 1
Field Name: Wildcat
Producing Formation: None
Elevation: Ground: 2012 Kelly Bushing: 2020
Total Depth: 3852 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 1148.89 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from _____
feet depth to _____ w/ _____ sx cmt.
(15sks In Rat Hole)(10sks In Mouse Hole)

Drilling Fluid Management Plan P+A Alt I NCR
(Data must be collected from the Reserve Pit) 1-16-09
Chloride content 13,000 ppm Fluid volume 160 bbls
Dewatering method used Hauled free fluids
Location of fluid disposal if hauled offsite: _____
Operator Name: HERTEL OIL COMPANY, LLC
Lease Name: OLDHAM #4(SWD) License No.: 33625
Quarter NW Sec. 4 Twp. 15 S. R. 18 W. East West
County: Ellis Docket No.: D-20,214

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: Resident Agent Date: 11-15-07
Subscribed and sworn to before me this 15 day of November
2007
Notary Public: Trudi McFarren
Date Commission Expires: 3/26/09

KCC Office Use ONLY

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

RECEIVED
KANSAS CORPORATION COMMISSION
NOV 16 2007
CONSERVATION DIVISION
WICHITA, KS

NOTARY PUBLIC - State of Kansas
TRUDI McFARREN
My Appt. Exp. 3/26/09

Operator Name: GNAD OIL, LLC Lease Name: SMOKY HILL WEST Well #: 1
 Sec. 5 Twp. 15 S. R. 20W East West County: Ellis

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 Yes No
 (Attach Additional Sheets)

Samples Sent to Geological Survey Yes No

Cores Taken Yes No

Electric Log Run Yes No
 (Submit Copy)

List All E. Logs Run:

Log Formation (Top), Depth and Datum Sample
 Name Top Datum

"See Copy of Driller's Log"

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 Pipe	12 1/4	8 5/8	23	1148.89	60/40Poz	450	2%Gel&4%CC

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

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: _____





Discovery Drilling

P.O. Box 763 • Hays, KS 67601 • OFFICE (785) 623-2920 • CELLULAR (785) 635-1511

DRILLER'S LOG

Operator: **Gnad Oil, LLC LIC# 33906**
1411 Mount Pleasant Road
Hays, KS 67601

Contractor: **Discovery Drilling Co., Inc. LIC#31548**
PO Box 763
Hays, KS 67601

Lease: **Smoky Hill West #1**

Location: **104' S & 110' W of C / SW / NW**
Sec. 5 / 15S / 20W
Ellis Co., KS

Loggers Total Depth: **3852'**
Rotary Total Depth: **3855'**
Commenced: **10/20/2007**
Casing: **8 5/8" @ 1148.89' w / 450 sks**

API#-15- **051-25, 698-0000**
Elevation: **2012' GL / 2020' KB**
Completed: **10/26/2007**
Status: **D & A**

DEPTHS & FORMATIONS (All from KB)

Surface, Sand & Shale	0'	Shale	1363'
Dakota Sand	396'	Shale & Lime	1920'
Shale	466'	Shale	2484'
Cedar Hill Sand	779'	Shale & Lime	2928'
Red Bed Shale	1010'	Lime & Shale	3349'
Anhydrite	1319'	RTD	3852'
Base Anhydrite	1363'		

STATE OF KANSAS)
) ss
COUNTY OF ELLIS)

Thomas H. Alm of Discovery Drilling states that to the best of his knowledge the above and foregoing is a true and correct log of the above captioned well.



Thomas H. Alm

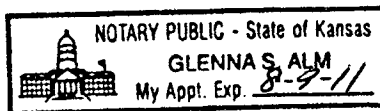
Subscribed and sworn to before me on 10-27-07

My Commission expires: 8-9-11

(Place stamp or seal below)



Notary Public



RECEIVED
KANSAS CORPORATION COMMISSION
NOV 16 2007
CONSERVATION DIVISION
WICHITA, KS

ALLIED CEMENTING CO., INC.

24728

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

SERVICE POINT
12

DATE <u>10-26-07</u>	SEC. <u>5</u>	TWP. <u>15</u>	RANGE <u>20W</u>	CALLED OUT	ON LOCATION	JOB START <u>11:00 AM</u>	JOB FINISH <u>12:00 PM</u>
<u>SMOKEY HILL LEASE WEST</u>	WELL # <u>1</u>	LOCATION <u>ELLTS 12S 16 3/4N</u>			COUNTY <u>ELLIS</u>	STATE <u>KS</u>	
OLD OR NEW (Circle one)							

CONTRACTOR DISCOVERY #3

TYPE OF JOB PTA

HOLE SIZE 7 7/8 T.D. 3852

CASING SIZE _____ DEPTH _____

TUBING SIZE _____ DEPTH _____

DRILL PIPE 4 1/2 _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. _____

PERFS. _____

DISPLACEMENT _____

EQUIPMENT

PUMP TRUCK CEMENTER MARK

409 HELPER PAUL

BULK TRUCK

345 DRIVER CHRIS

BULK TRUCK

_____ DRIVER _____

REMARKS:

25 SK @ 3775

25 SK @ 1350

60 SK @ 525

10 SK @ 40

10 SK @ M.H.

15 SK @ R.H.

CHARGE TO: GNAD OEL, LLC

STREET _____

CITY _____ STATE _____ ZIP _____

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.

SIGNATURE Galen Gaschler

OWNER _____

CEMENT

AMOUNT ORDERED 145 60/46 4 90 CEL

1/4 LB RO SEAL / SK

COMMON	<u>87</u>	@	<u>11.10</u>	<u>965.20</u>
POZMIX	<u>58</u>	@	<u>6.20</u>	<u>359.60</u>
GEL	<u>5</u>	@	<u>16.65</u>	<u>83.25</u>
CHLORIDE		@		
ASC		@		
<u>Flo seal 36 lbs</u>		@	<u>2.00</u>	<u>72.00</u>
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>154</u>	@	<u>1.90</u>	<u>286.90</u>
MILEAGE	<u>SK/mi/SK</u>			<u>489.24</u>
				<u>TOTAL 2256.69</u>

SERVICE

DEPTH OF JOB _____

PUMP TRUCK CHARGE 815.00

EXTRA FOOTAGE @ _____

MILEAGE 36 @ 6.00 216.00

MANIFOLD @ _____

@ _____

@ _____

TOTAL 1031.00

PLUG & FLOAT EQUIPMENT

8 5/8 DRILLER @ 35.00

@ _____

@ _____

@ _____

@ _____

RECEIVED
KANSAS CORPORATION COMMISSION

NOV 16 2007

TOTAL 35.00

TAX CONSERVATION DIVISION
WIGHTA, KS

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

GALEN GASCHLER
PRINTED NAME