

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>07/16/07</u>	<u>07/22/07</u>	<u>07/23/07</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 195-22,475-0000
County: TREGO
SE SW NW Sec. 35 Twp. 14 S. R. 21 East West
2190 feet from S / (W) (circle one) Line of Section
1130 feet from E / (W) (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE (NW) SW
Lease Name: IRENE Well #: 1-35
Field Name: WILDCAT
Producing Formation: LKC
Elevation: Ground: 2074 Kelly Bushing: 2082
Total Depth: 3920 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 1260.28 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.

Drilling Fluid Management Plan Ait I NCR 1-12-09
(Data must be collected from the Reserve Pit)
Chloride content 16,000 ppm Fluid volume 160 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

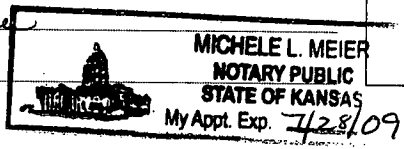
INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side 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: Alan Downing
Title: VICE PRESIDENT Date: _____

Subscribed and sworn to before me this 10 day of October, 2007.

Notary Public: Michelle 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
KANSAS CORPORATION COMMISSION
OCT 11 2007

Operator Name: DOWNING-NELSON OIL COMPANY, INC Lease Name: IRENE Well #: 1-35
 Sec. 35 Twp. 14 S. R. 21 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	ANHYDRITE	1394	+688
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	BASE	1434	+648
List All E. Logs Run:		TOPEKA	3113	-1031
		HEEBNER	3362	-1280
		TORONTO	3382	-1300
		LKC	3401	-1319
		BKC	3654	-1572
		MARMATON	3738'	-1656

Sonic, Micro, Compensated Density/Neutron and Dual Induction

CASING RECORD New 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"	24	1260.28	60/40 Poz	450	2% Gel & 3% CC
Production St.	7 7/8	5 1/2	14	3916.91	EA/2	150	

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 <i>(Amount and Kind of Material Used)</i>	Depth
4	3814' to 3818'	250 gal 15% Mud Acid & 500 gal 15% INS Acid	3818'
4	3475' to 3478'	500 gal 15% Mud Acid & 3500 gal 15% INS Acid	3748'
4	3743' to 3748'	250 GAL. OF 15% MUD ACID	3404'
4	3434' to 3437'	250 GAL. OF 15% MUD ACID	3437'
4	3401' to 3403'	100 GAL. OF 15% Mud Acid	3478'

TUBING RECORD	Size <u>2 3/8</u>	Set At <u>3778.65</u>	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
----------------------	----------------------	--------------------------	-----------	--

Date of First, Resumerd Production, SWD or Enhr. 09/13/07 Producing Method Flowing Pumping Gas Lift Other (Explain)

Estimated Production Per 24 Hours	Oil Bbls. <u>40</u>	Gas Mcf <u>0</u>	Water Bbls. <u>30</u>	Gas-Oil Ratio	Gravity
-----------------------------------	------------------------	---------------------	--------------------------	---------------	---------

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)

Downing-Nelson Oil Co., Inc.
Daily Drilling Report
Irene #1-35 2190' FNL & 1130' FWL 35-14-21
Elevations 2074' GL 2082' KB all measurements from KB

7-16-07 Moved in Discovery Drilling Rig #3, rigged up and spudded 12 ¼" surface hole. We have to set long string of surface, about 1250'.

7-17-07 Drilling at 1032' at 7 AM.

7-18-07 Drilling at 1385' at 7AM. Drilled 12 ¼" surface hole to 1261', set 28 jts. new 24# surface pipe at 1260.28'. Cemented by Allied with 450 sks. 60-40 pos, 2% gel, 3% cc. Plug down 4:30 PM 7-17. Drilled plug at 4:30 AM 7-18. Hit Anhydrite this morning at 1393' (+689). Structural comparisons to the following wells in sequence each horizon. 1st comparison, abandoned producer at SW-SW-NW (800' W & 120' S): 2nd comparison, a dry hole at SE-NW (850' E & 210' N): 3rd comparison active producer at NW-NE-SW (520' E & 780' S). At the Anhydrite, we are +1,-5,-2.

7-19-07 Drilling @ 2520'. Should be in Topeka tomorrow sometime.

7-20-07 Drilling @ 3300'. Tops: Topeka 3116 (-1034). Heebner 3364 (-1282)+1,-2,+2. There are no Lansing wells in the immediate area so we will head to the Marmaton and Cherokee sand.

7-21-07 Drilling @ 3535' @ 7AM. Lansing 3402 (-1320) Flat,-1,+4. I hate to have to correct myself about there being no Lansing wells in the area. There is one now the Irene! Had good show in the "A" zone and very good show in the "C" zone, so I tested them together last night from 3392 to 3474. We recovered 800' gas in pipe, 210' clean gassy oil, and 150' gassy oil and water cut mud (30% H2O-30% oil-40% mud) w/ BHP's of 1171 to 1096#. Not bad for no production in the area. At this point we are drilling ahead looking for other zones of non-production! Have a good day!!

7-22-07 Testing @ 3826' @ 7AM. DST #2: Cherokee "C" sand. 3778' to 3826'. Recovered 2' clean oil and 125' oil spotted mud (2% oil-98% mud) IFP: 17-55# FFP: 56-72# BHP: 403-341#. Tops: Marmaton 3738 (-1656) +2,-1,+5. Cherokee "C" sand 3814 (-1732) +4, not present, +3. Structurally we ran fine but lost the "A & B" sands. We had remnants but they looked to be dirty and poorly developed. The "C" sand is a thick very well developed sand with some oil in place but low pressure. Today we will drill into the Arbuckle and log. Should be done sometime tonight.

7-23-07 TD: Plug down on pipe job @ 8AM. Released rig @ 8:30 AM. Log actually raised all or tops by 2'. Tops: Arbuckle 3850 (-1768) -14,-11, no top. We had no show in the Arbuckle, but after logging the Marmaton looks better on the log than it looked in samples. There is a nice 6' break ten feet in with 15% porosity and 20 ohms of

RECEIVED
KANSAS CORPORATION COMMISSION

OCT 11 2007

CONSERVATION DIVISION
WICHITA, KS

resistivity, that is well within the parameters of production. The "E" zone also has merit. The rig should move Tuesday on the Milberger-Wagoneer #1-36. Every one should go ahead and send in their completion funds now. Have a great week! Talk to you later this week.

Thanks Al

RECEIVED
KANSAS CORPORATION COMMISSION

OCT 11 2007

CONSERVATION DIVISION
WICHITA KS



ALLIED

CEMENTING CO., LLC
Cementing & Acidizing Services

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

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

INVOICE

Invoice Number: 109245
Invoice Date: Jul 20, 2007
Page: 1

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	Irene #1-35	Net 30 Days	
Sales Rep ID	Camp Location	Service Date	Due Date
	Russell	Jul 20, 2007	8/19/07

Quantity	Item	Description	Unit Price	Amount
270.00	MAT	Common Class A	11.10	2,997.00
18.00	MAT	Pozmix	6.20	111.60
8.00	MAT	Gel	16.65	133.20
19.00	MAT	Chloride	46.60	885.40
477.00	SER	Handling	1.90	906.30
35.00	SER	Mileage 477 sx @.09 per sk per mi	42.93	1,502.55
1.00	SER	Surface	955.00	955.00
35.00	SER	Mileage Pump Truck	6.00	210.00
1.00	EQP	Solid Rubber Plug	100.00	100.00
1.00	EQP	Baffle Plate	135.00	135.00

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

\$ 793.60

ONLY IF PAID ON OR BEFORE

Aug 19, 2007

Subtotal	7,936.05
Sales Tax	253.01
Total Invoice Amount	8,189.06
Payment/Credit Applied	
TOTAL	8,189.06

RECEIVED
KANSAS CORPORATION COMMISSION

OCT 11 2007

CONSERVATION DIVISION
WICHITA, KS



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



Invoice

DATE	INVOICE #
7/23/2007	12320

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	#1-35	Irene	Trego	Discovery Drilling...	Oil	Development	Cement LongStri...	Nick
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				30	Miles	4.00	120.00
578D-L	Pump Charge - Long String - 3920 Feet				1	Job	1,250.00	1,250.00
221	Liquid KCL (Clayfix)				2	Gallon(s)	26.00	52.00T
281	Mud Flush				500	Gallon(s)	0.75	375.00T
402-5	5 1/2" Centralizer				6	Each	95.00	570.00T
406-5	5 1/2" Latch Down Plug & Baffle				1	Each	235.00	235.00T
407-5	5 1/2" Insert Float Shoe With Auto Fill				1	Each	310.00	310.00T
419-5	5 1/2" Rotating Head Rental				1	Each	250.00	250.00T
325	Standard Cement				150	Sacks	12.00	1,800.00T
276	Flocele				37	Lb(s)	1.25	46.25T
283	Salt				750	Lb(s)	0.20	150.00T
284	Calseal				7	Sack(s)	30.00	210.00T
285	CFR-1				70	Lb(s)	4.00	280.00T
581D	Service Charge Cement				150	Sacks	1.10	165.00
583D	Drayage				234.85	Ton Miles	1.00	234.85
	Subtotal							6,048.10
	Sales Tax Trego County						5.80%	248.14

Thank You For Your Business!	Total \$6,296.24
-------------------------------------	-------------------------

RECEIVED

KANSAS CORPORATION COMMISSION

OCT 11 2007

CONSERVATION DIVISION
 MOUNTAIN VIEW, KS