

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

10/23/09

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 5135
Name: JOHN O. FARMER, INC.
Address: P.O. Box 352
City/State/Zip: Russell, KS 67665
Purchaser: _____
Operator Contact Person: Marge Schulte
Phone: (785) 483-3145, Ext. 214
Contractor: Name: Discovery Drilling Co., Inc.
License: 31548
Wellsite Geologist: Bob Stolzle

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. _____
9/5/07 9/11/07 9/12/07
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 135-24,687-0000
County: Ness
75'S & 160'W of
SE-NW-NE Sec. 11 Twp. 17 S. R. 25W East West
1065 feet from (N) (circle one) Line of Section
1810 feet from (E) (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: POTTER "H" Well #: 1
Field Name: RAP
Producing Formation: None
Elevation: Ground: 2455' Kelly Bushing: 2463'
Total Depth: 4515 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 211.58 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)

Drilling Fluid Management Plan ANJ316-09
(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: John O. Farmer III
Title: President Date: 10-23-07
Subscribed and sworn to before me this 23rd day of October,
20 07.
Notary Public: Margaret A. Schulte
Date Commission Expires _____



KCC Office Use ONLY **OCT 24 2007**
 Letter of Confidentiality Received
 If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
RECEIVED
KANSAS CORPORATION COMMISSION
OCT 24 2007

CONSERVATION DIVISION
WICHITA, KS

Operator Name: JOHN O. FARMER, INC. Lease Name: POTTER "H" Well #: 1
 Sec. 11 Twp. 17 S. R. 25W East West County: Ness

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 checked="" type="checkbox"/> Yes <input 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: Microresistivity Log, Dual Compensated Porosity Log, Dual Induction Log	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum LOG TOPS ARE LISTED ON THE GEOLOGICAL REPORT THAT IS INCLUDED
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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 #	211.58'	Common	150	2%Gel&3%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 <i>(Amount and Kind of Material Used)</i>	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 <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION <input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	Production Interval _____
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**Discovery
Drilling**

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

DRILLER'S LOG

Operator: **John O. Farmer, Inc. LIC# 5135**
PO Box 352
Russell, KS 67665

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

Lease: Potter "H" #1

Location: **7⁵' S & 160' W of SE / NW / NE**
Sec. 11 / 17S / 25W
Ness Co., KS

Loggers Total Depth: 4517'
Rotary Total Depth: 4515'
Commenced: 9/5/2007
Casing: 8 5/8" @ 211.58' w / 150 sks

API#-15- 135-24, 687-0000
Elevation: ~~2455'~~ GL / ~~2443'~~ KB
Completed: 9/12/2007
Status: D & A

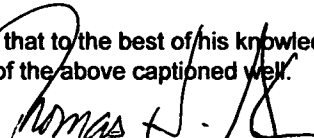
CONFIDENTIAL
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KCC

DEPTHS & FORMATIONS
(All from KB)

Surface, Sand & Shale	0'	Shale	1823'
Dakota Sand	743'	Shale & Lime	2365'
Shale	840'	Shale	2831'
Cedar Hill Sand	1301'	Shale & Lime	3212'
Red Bed Shale	1512'	Lime & Shale	3955'
Anhydrite	1788'	RTD	4515'
Base Anhydrite	1823'		

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.

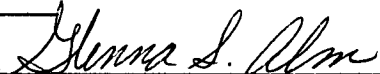


Thomas H. Alm

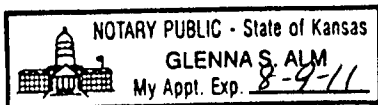
Subscribed and sworn to before me on 9-14-07

My Commission expires: 8-9-11

(Place stamp or seal below)



Notary Public



RECEIVED
KANSAS CORPORATION COMMISSION
OCT 24 2007
CONSERVATION DIVISION
WICHITA, KS

QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 1424

COPY

Date	9-5-07	Sec.	11	Twp.	17	Range	25	Called Out		On Location		Job-Start		Finish	7:30 PM
Lease	Well No.		1		Location			Donald 35.5 miles			County		State		

Contractor	Discovery Drilling	Owner	To Quality Oilwell Cementing, Inc.
Type Job	Surface	You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.	

Hole Size	12 1/4	T.D.	212	Charge To	John O Farms, Inc.
Csg.	8" x 8"	Depth	211	Street	

Tbg. Size		Depth		City		State	
Drill Pipe		Depth		The above was done in satisfaction and supervision of owner agent or contractor.			

Tool		Depth		<p style="text-align: center;">CONFIDENTIAL OCT 23 2007 KCC</p>			
Cement Left in Csg.	10' 15"	Shoe Joint					

Press Max.		Minimum		CEMENT			
Meas Line		Displace	12.75				

Perf.		Amount Ordered	150 com 3 1/2 cc 210 gal
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EQUIPMENT			Consisting of
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Pumptrk	1	No.	Cementor	Don	Common	150 @ 11.00	1650.00
			Helper				
Bulktrk	2	No.	Driver	Don	Poz. Mix		
			Driver				
Bulktrk	pu	No.	Driver	Don	Gel.	3 @ 17.00	51.00
			Driver				
					Chloride	5 @ 47.00	235.00

JOB SERVICES & REMARKS		
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Pumptrk Charge	Surface	750.00
Mileage	22 @ 6.00	132.00
Footage		
Total		882.00

Remarks:		Sales Tax		
<p style="font-size: 2em; font-family: cursive;">Cement Cir</p>	Handling	158 @ 1.20	300.00	
	Mileage	84 per sk per mile	300.00	
	PUMP TRUCK CHARGE			882.00
	Sub Total			882.00
Total				

Floating Equipment & Plugs	
Squeeze Manifold	
Rotating Head	

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 KANSAS CORPORATION COMMISSION
 CONSERVATION DIVISION
 WICHITA, KS
 OCT 24 2007

X Signature	John J. Miller	Tax	102.61
		Discount	(342.00)
		Total Charge	3,178.51

QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025

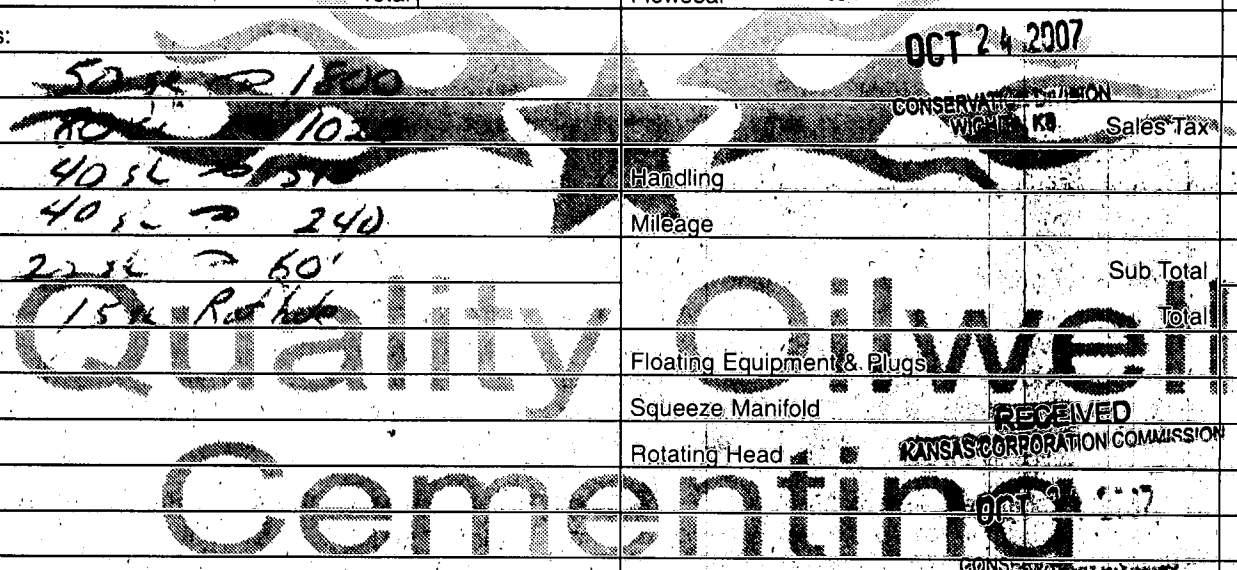
Home Office P.O. Box 32 Russell, KS 67665

No. 1602

Cell 785-324-1041

COPY

Date	9-12-07	Sec	11	Twp	17	Range	25W	Called Out		On Location	11:30 AM	Job Start	2:15 AM	Finish	4:30 AM
Lease	Potter-H		Well No.	1		Location	Arnold 3 1/2 Sec		County	MOS		State	K		
Contractor	Discovery Delg Rig 3							Owner							
Type Job	Plug							To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.							
Hole Size	1 7/8		T.D.	4515		Charge To	John O Farmer Inc								
Csg.			Depth			Street									
Tbg. Size			Depth			City			State						
Drill Pipe			Depth			The above was done to satisfaction and supervision of owner agent or contractor.									
Tool			Depth			<p style="text-align: center;">CONFIDENTIAL OCT 23 2007 KCC CEMENT</p>									
Cement Left in Csg.			Shoe Joint												
Press Max.			Minimum												
Meas Line			Displace												
Perf.							Amount Ordered	245.00 4% gel 1/4 lb flow seal per sk							
EQUIPMENT			No.	Cement	Dave		Consisting of								
Pumptrk	1	Helper					Common								
Bulktrk	4	Driver	Brandon				Poz. Mix								
Bulktrk	90	Driver	Darin				Gel.								
JOB SERVICES & REMARKS							Chloride								
Pumptrk Charge	plug						Hulls								
Mileage							Salt								
Footage							Flowseal								
Total							<p style="text-align: center;">RECEIVED KANSAS CORPORATION COMMISSION OCT 24 2007</p>								
Remarks:							<p style="text-align: center;">CONSERVATION DIVISION WICHITA, KS Sales Tax</p>								
	50' @ 2.1500						Handling								
	80' @ 10.00						Mileage								
	40 SL @ 5.50						Sub Total								
	40 SL @ 2.40						Total								
	22 SL @ 60'						Floating Equipment & Plugs								
	15' @ Rod hole						Squeeze Manifold								
							Rotating Head								
							<p style="text-align: center;">RECEIVED KANSAS CORPORATION COMMISSION OCT 23 2007</p>								
							<p style="text-align: center;">CONSERVATION DIVISION WICHITA, KS</p>								
							Tax								
							Discount								
							Total Charge								
Signature			John O Farmer												



GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "Quality" shall mean Quality Oilwell Cementing, Inc., and "Customer" shall refer to the party identified by that term on the front of this contract. As applicable, "Job" relates to the services described on the front side of this contract, "merchandise" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

- **TERMS:** Unless satisfactory credit has been established, "CUSTOMER" must tender full cash payment to "QUALITY" before the job is undertaken or merchandise is delivered. If satisfactory credit has been established, the terms of payment for the job and/or merchandise, including bulk cement, are net cash, payable in 30 days from the completion of the job and/or delivery of the merchandise. For all past due invoices, "CUSTOMER" agrees to pay interest on amounts invoiced at a rate of 18 percent per annum until paid. Notwithstanding the foregoing in no event shall this Contract provide for interest exceeding the maximum rate of interest that "CUSTOMER" may agree to pay under applicable law. If any such interest should be provided for, it shall be and hereby is deemed to be a mistake, and this contract shall be automatically reformed to lower the rate of interest to the maximum legal contract rate, any amounts previously paid as excess interest shall be deducted from the amounts owing from the "CUSTOMER" or at the option of "QUALITY," refunded directly to "CUSTOMER." For purposes of this paragraph, QUALITY and CUSTOMER agree that KANSAS law shall apply. Any discounts granted with this contract are null and void if the charges are not paid when due.

- **ATTORNEY FEES:** In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the term of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limit to, a reasonable sum as and attorney's fees.

- **PRICES AND TAXES:** All merchandise listed in "QUALITY'S" current price shall schedule are F.O.B. QUALITY'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by QUALITY shall be added to the quoted prices charged to CUSTOMER.

- **TOWING CHARGES:** QUALITY will make a reasonable attempt to get to and from each job site using its own equipment. Should QUALITY be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ a tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMER or, if furnished by QUALITY, will be charged to and paid by CUSTOMER.

- **PREPARATION CHARGES:** If a job and/or merchandise is ordered and CUSTOMER cancels the order after preparation of a chemical solution or other material, CUSTOMER will pay QUALITY for the expenses incurred by QUALITY as a result of the cancellation.

- **DEADHAUL, CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charges as set forth in QUALITY'S current price book will be charged each way for each service unit which is ordered by CUSTOMER but not used.

- **SERVICE CONDITIONS AND LIABILITIES:** 1. QUALITY carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond QUALITY'S control, QUALITY shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. Customer shall be responsible for and indemnify, defend, and hold harmless QUALITY, its officers, agents and employees, from and against any and all claims or suits for:

(A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with QUALITY'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of QUALITY or its employees.

2. With respect to any of QUALITY'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to QUALITY at the landing, CUSTOMER shall either recover the lost item without cost to QUALITY or reimburse QUALITY the current replacement cost of the item unless the loss or damage results from the sole negligence of QUALITY or its employees.

3. QUALITY does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

WARRANTIES: 1. QUALITY warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. QUALITY'S obligation under this warranty is expressly limited to repair replacement, or allowance for credit, at its option, for any merchandise which is determined by QUALITY to be defective. THIS IS THE SOLE WARRANTY OF QUALITY AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE. CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and QUALITY shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.

2. More specifically:

(A) Nothing in this contract shall be constructed as a warranty by QUALITY of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.

(B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by QUALITY or any interpretation of test, meter readings, chart information, analysis or research, or recommendations made by QUALITY, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of QUALITY or its employees in the preparation or furnishing of such facts, information or data.

(C) Work done by QUALITY shall be under the direct supervision and control of the CUSTOMER or his agent and QUALITY will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.