Attachment to and Made a Part of ACO1: Applebee Schlessiger Cattle Co #2 21-15-12, Russell Co

DAILY DRILLING REPORT

*** Name Change

OPERATOR:

L.D. DRILLING, INC.

LEASE: Applebee Schlessiger Cattle Co #2

SE NW NE Sec 21-15-12

WELLSITE GEOLOGIST:

Jim Musgrove

Russell Co., KS

CONTRACTOR:

Royal Drilling Co

ELEVATION:

GR: 1838'

KB:

1843'

SPUD:

04/07/07 @ 4:00 P.M.

PTD:

3350'

SURFACE:

Ran 8 its 8 5/8" Surface Casing, Set @ 352', w/ 225 sx 60/40 Pozmix 2% gel 3%cc

Plug Down 6:00 A.M. 4/08/07

4/07/07 Move in, Rig up & Spud

4/08/07 354' Waiting on Cement

4/09/07 1410' Drilling

4/10/07 2308' Drilling

4/11/07 2886' Short Trip for DST #1

4/12/07 3084' Make up Tool

4/13/07 3190' Drilling

4/14/07 3335' RTD

Ran 78jts 5 1/2" 14# Production Casing, was Set @ 3334', 1' off bottom, w/ 175 sx 60/40 Pozmix Plug rathole & mouse hole, Plug Down 9:00 P.M. 04/14/2007

DST #1 2834 - 2885' Topeka

TIMES:

30-30-45-45

BLOW: 1st Open: weak 1/8" blow in to 3"

2nd Open: weak sb inc to 3"

RECOVERY:

62' socm 2%oil, 98%mud

w/ trace of water

IFP:

· 8-24

ISIP: 718

FFP: 23-38 FSIP: 716

TEMP: 91 degrees

3058 - 3084' F-Zone DST #2

TIMES:

45-45-45

BLOW: 1st Open: 2" blow - bb 7 1/4 min

2nd Open: wk 1/2" bl inc to bb in 21 min

RECOVERY: 220' gip, 93' socwm, 1%oil, 38%w

186'SW w/scum of oil, chlorides 55000 ppm

IFP:

19-81

ISIP: 660

FFP:

86-141

FSIP: 637

TEMP: 104 degrees

DST #3 3120 - 3150' LKC H&I

TIMES:

20-20-45-45

BLOW: 1st Open: Weak 1/8" blow inc to 1"

2nd Open: fair 1" blow inc to 7"

RECOVERY: 40' gip, 20'socwm less than 1%oil

IFP: FFP:

5-13 11-13 **ISIP: 55**

FSIP: 125

RECEIVED KANSAS CORPORATION COMMISSION

TEMP: 95 degrees

AUG 15 2007

CONSERVATION DIVISION WICHITA, KS

DAILY DRILLING REPORT

Page 2

OPERATOR:

L.D. DRILLING, INC.

LEASE: Applebee Schlessiger Cattle Co #2

SE NW NE Sec 21-15-12

KB:

WELLSITE GEOLOGIST:

1.

Jim Musgrove

Russell Co., KS

CONTRACTOR:

Royal Drilling Co

ELEVATION:

GR: 1838'

1843'

SPUD:

04/07/07 @ 4:00 P.M.

PTD:

3350'

3245 - 3280' Arbuckle DST#4

TIMES:

30-30-30-30

BLOW: 1st Open: Strong Blow bb in 1/2 min

2nd Open: Strong blow bb in 1 min

RECOVERY: 217' gip, 1523' clean oil 41 deg gravity, 60 degrees; 310'g&mcmo, 10%g 20%w 30%m; 124'ocmw 2%oil 40%mud 58%water

620' sw chlorides 17500 ppm

IFP:

256-878

ISIP: 878

FFP:

883-1013 FSIP: 1013

TEMP: 111 degrees

SAMPLE TOPS:			LOG TOPS:	
Anhydrite			743	+1100
Topeka	2624	(-781)	2620	(-777)
Heebner	2903	(-1060)	2900	(-1057)
Toronto	2923	(-1080)	2917	(-1074)
Douglas	2937	(-1094)	2933	(-1090)
Brown Lime	2991	(-1148)	2988	(-1145)
Lansing	3003	(-1160)	3000	(-1157)
Base Kansas City	3255	(-1412)	3251	(-1408)
Arbuckle	3273	(-1430)	3269	(-1426)
RTD	3335	(-1492)	LTD 3334	(-1491)

JĖ	2 t S	Sta	31	enhina in A-	rrection	FIELD OF	DER 1	5978
ENER	rGY 5	ERVIC	ES INC.	Subject to Co	<u></u>	Well # 1	Legal _ C	5-12W
ate H —	4-07	Customer ID		County PUSSE	1	State 75	Station Y C	<u>+</u>
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i				DIAITLD.	sing Depth 4F	<u> </u>	C.5.P.W.	Long String
<u> </u>			<u></u>	Customer Representati	/is	Clarence	e P.Mess	ich V
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)	C 141	2Gal.	JSCC	-1	·····		\$	88.00
P	C 302	500Gal	MudF	lush			\$	430.00
)	FIOL	5 ea.	Turbol	izer 5/2"			.\$	371.00
P	FIZI	lea.	Baske	<u>t : 5 72" </u>			\$	268.50
<i>y</i>	F143	lea.		<u>bber Ceme</u>	nt Plug,	<u>5 /2" </u>	\$	75.00
٢	F191	lea.	(suide	Shoe-Rea	ular, 57	a"	\$	186.65
<u>ر</u>	F231	lea.	Flapper	Jhoe - Red Type Inse	rt Float Vo	Ilve, 5 /2	\$	175.00
<u> </u>	E 100	140mi.	Heavy	Vehicle M	ileage 1	-Way	5	700.00
P	Elol	70mi	Pickup	Mileage	-Way	7	\$	210.00
),	E 104	455tm	Bulk D	elivery			\$	728.00
<u> </u>	E 107	150 sk.	Cement	Service	harge		\$	225.00
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7	R207	lea.	Cement	Pumper:3	,001Ft. To	<u> 3,500Fi</u>	\$	1,596.00
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				nted Price	?=		<u> </u>	6,66d.
			Plus To	axes			RECEIVE S CORPORATION	D COMMISSION
							AUG 152	007
				67124-8613 • (620) 6			NOU 1 3 4	

As consideration, the Customer agrees:

- a) To pay JET STAR ENERGY SERVICE, INC. in accordance with the rates and terms stated in JET STAR ENERGY SERVICE, INC.'s current price list. Invoices are payable NET 30 after date of invoice. Upon Customer's default payment of Customer's account by the last day of the month following the month in which the invoice is dated, Customer agrees to pay interest thereon after default at the highest lawful contract rate applicable but never to exceed 18% per annum. In the event it becomes necessary to employ attorneys to enforce collection of said account, Customer agrees to pay all collection cost and attorney fees in the amount of the unpaid account.
- b) To defend indemnify, release and hold harmless JET STAR ENERGY SERVICE, INC., its divisions, subsidiaries, parent and affiliated companies and the officers. directors, employees, agents and servants of all of them from and against any claims, liability, expenses, attorney's fees and costs of defense to the extent permitted by law for:
 - Damage to property owned by, in the possession of, or leased by Customer, and/or the well owner (if different from Customer), including but not limited to, surface and subsurface damage. The term "well owner" shall include working and royalty interest owners.
 - 2. Reservoir, formation, or well loss or damage, subsurface trespass or any action in the nature thereof.
 - 3. Personal injury of death or property damage (including, but not limited to, damage to the reservoir, formation or well), or any damages whatsoever, growing out of or in any way connected with or resulting from pollution, subsurface pressure, losing control of the well and/or a well blowout or the use of radioactive material. The amount of this invoice is due and payable at JET STAR ENERGY SERVICE, INC., Dept.
 No. 1131, Tulsa, Oklahoma 74182. All terms of the Service order with customer are incorporated herein and made a part hereof by reference.

The defense, indemnity, release and hold harmless obligations of Customer provided for in this Section b) and Section c) below shall apply to claims or liability even if caused or contributed to by JET STAR ENERGY SERVICE, INC. negligence, strict liability, or operated, or furnished by JET STAR ENERGY SERVICE, INC. or any defect in the data, products, supplies, materials, or equipment of JET STAR ENERGY SERVICE, INC. whether the preparation, design, manufacture, distribution, or marketing thereof, or from a failure to warn any person of such defect. Such defense, indemnity, release and hold harmless obligations of Customer shall not apply where the claims or liability are caused by the gross negligence or willful misconduct of JET STAR ENERGY SERVICE, INC. The term "JET STAR ENERGY SERVICE, INC." as used in said Section b) and c) shall mean JET STAR ENERGY SERVICE, INC., its divisions, subsidiaries, parent and affiliated companies, and the officers, directors, employees, agents and servants of all of them.

- c) That because of the uncertainty of variable well conditions and the necessity of relying on facts and supporting services furnished by others, JET STAR ENERGY SERVICE, INC. is unable to guarantee the effectiveness of the products, supplies, or materials, nor the results of any treatment or service, nor the accuracy of any chart interpretation, research analysis, job recommendation or other data furnished by JET STAR ENERGY SERVICE, INC. JET STAR ENERGY SERVICE, INC. personnel will use their best efforts in gathering such information and their best judgement in interpreting it, but Customer agrees that JET STAR ENERGY SERVICE, INC. shall not be liable for and Customer shall indemnify JET STAR ENERGY SERVICE, INC. against any damages from the use of such information.
- d) That JET STAR ENERGY SERVICE, INC. warrants only title to the products, supplies, and materials and that the same are free from defects in workmanship and materials. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED OF MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. JET STAR ENERGY SERVICE, INC.'s liability and Customer's exclusive remedy in and cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale or use of any products, supplies or materials in expressly limited to the replacement of such products, supplies or materials on their return to JET STAR ENERGY SERVICE, INC. or, at JET STAR ENERGY SERVICE, INC.'s option, to the allowance to the Customer of credit for the cost of such items. In no event shall JET STAR ENERGY SERVICE, INC. be liable for special, incidental, indirect, punitive or consequential damages.
- e) To waive the provisions of the Deceptive Trade Practices Consumer Protection Act, to the extent permitted by law. We certify that the Fair Labor Standards Act of 1938, as amended, has been complied with in the production of goods and/or with respect to service furnished under this contract.
- f) That this contract shall be governed by the law of the state where services are performed or materials are furnished.
- g) That JET STAR ENERGY SERVICE, INC. shall not be bound by any changes or modifications in this contract, except where such change or modification is made in writing by a duly authorized manager of JET STAR ENERGY SERVICE, INC.



TREATMENT REPORT

			INC								
Customer Drilling, Incorporated Date											
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	Field Grager # Station Pratt Castro 14 L Depth 3 34 County Pussel State 5										
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	on Annulus Vo		То				HHP Used	'		Annulus Pressure	
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9:00						Joba	amole	·e .			
1024	4 NE Hiwa	ay 61 • P	O. Box	613 •	Pratt, KS	67124-861	3 • (620)	672-120	11 • Fax	(620) 672-5383	
					1	_				Taylor Printing, Inc. 620-672-3656	

Thanks, Clarence, Comey James, James

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ناو	2 † ≤	5te	31	Subject to C	Correction	FIELD OF	DER 1	5975
€Ν€F Date 4- ζ	2-07	Customer ID	TRE Schl	Subject to C Lease 255 Mger Call County RUSS C	Hle Compan	Well # 1	Legal 2 - Station 2 r co	55-12W
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P	C194	55Lb.	Cellfl	ake	**		\$	203.50
Ρ	C 310	582Lb.	Calcium	Chloride			\$	582.00
P	F163	lea.	Wooder	Cement	Plug, 85	/ ₈ "	\$	88.90
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							AUG 1.5 2	007
							CONSERVATION WICHITA, I	STATISTICAL STATES
10244 N	E Hiway 61	P.O. Box 86	13 • Pratt. KS 6	7124-8613 • (620)	672-1201 • Fax (520) 672-5383	TOTAL	

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- b) To defend indemnify, release and hold harmless JET STAR ENERGY SERVICE, INC., its divisions, subsidiaries, parent and affiliated companies and the officers. directors, employees, agents and servants of all of them from and against any claims, liability, expenses, attorney's fees and costs of defense to the extent permitted by law for:
 - Damage to property owned by, in the possession of, or leased by Customer, and/or the well owner (if different from Customer), including but not limited to, surface and subsurface damage. The term "well owner" shall include working and royalty interest owners.
 - 2. Reservoir, formation, or well loss or damage, subsurface trespass or any action in the nature thereof.
 - 3. Personal injury of death or property damage (including, but not limited to, damage to the reservoir, formation or well), or any damages whatsoever, growing out of or in any way connected with or resulting from pollution, subsurface pressure, losing control of the well and/or a well blowout or the use of radioactive material. The amount of this invoice is due and payable at JET STAR ENERGY SERVICE, INC., Dept.
 No. 1131, Tulsa, Oklahoma 74182. All terms of the Service order with customer are incorporated herein and made a part hereof by reference.

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- d) That JET STAR ENERGY SERVICE, INC. warrants only title to the products, supplies, and materials and that the same are free from defects in workmanship and materials. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED OF MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. JET STAR ENERGY SERVICE, INC.'s liability and Customer's exclusive remedy in and cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale or use of any products, supplies or materials in expressly limited to the replacement of such products, supplies or materials on their return to JET STAR ENERGY SERVICE, INC. or, at JET STAR ENERGY SERVICE, INC.'s option, to the allowance to the Customer of credit for the cost of such items. In no event shall JET STAR ENERGY SERVICE, INC. be liable for special, incidental, indirect, punitive or consequential damages.
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TREATMENT REPORT

Customer)rillin	ng In	<u>corpor</u>		1				Date	11 0) ~~	
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1024	4 NE Hiw	ay 61 • F	O. Box	3613 •	Pratt,	KS ₆	7124-861	3 • (620) 672-	1201 • Fax	(620) 672	-5383