

ORIGINAL
RELEASED SIDE ONE

CONFIDENTIAL

STATE CORPORATION COMMISSION OF KANSAS
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
ACO-1 WELL HISTORY
DESCRIPTION OF WELL AND LEASE

API NO. 15- 151-22,042-0000 APR 23 1992

MAY 20 1992

County Pratt
SE NE SE Sec. 20 Twp. 26 Rge. 12 X West

CONFIDENTIAL

Operator: License # 9232

1650 Ft. North from Southeast Corner of Section

Name: Timberline Oil & Gas Corporation 330 Ft. West from Southeast Corner of Section
(NOTE: Locate well in section plat below.)

Address 4447 S. Canyon Rd. Ste. 1

Lease Name Welch Well # 2

City/State/Zip Rapid City, SD 57702

Field Name Iuka Carmi

Purchaser: Texaco Trading & Transportation, Inc.

Producing Formation Mississippi

Operator Contact Person: Brant C. Grote

Elevation: Ground 1907 KB 1915

Phone (605) 341-3400

Total Depth 4340' PBDT 4245

Contractor: Name: Duke Drilling Co., Inc.

License: 5929

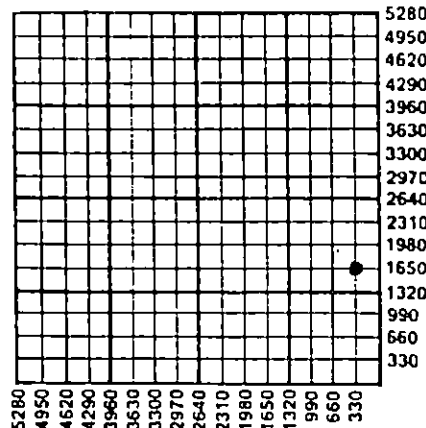
RECEIVED
STATE CORPORATION COMMISSION

Wellsite Geologist: Roy Knappe, Jr.

APR 25 1991

Designate Type of Completion

New Well Re-Entry Workover
 Oil SWD Temp. Abd.
 Gas Inj Delayed Comp.
 Dry Other (Core, Water Supply, etc.)



If OWMO: old well info as follows:

Operator: _____

Well Name: _____

Comp. Date _____ Old Total Depth _____

Amount of Surface Pipe Set and Cemented at 253' 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 Method:

Mud Rotary Air Rotary Cable

3-12-91 3-18-91 4-7-91
Spud Date Date Reached TD Completion Date

INSTRUCTIONS: This form shall be completed in triplicate and filed with the Kansas Corporation Commission, 200 Colorado Derby Building, Wichita, Kansas 67202, within 120 days of the spud date of any well. Rule 82-3-130, 82-3-107 and 82-3-106 apply. Information on 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 drillers time log 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. Any recompletion, workover or conversion of a well requires filing of ACO-2 within 120 days from commencement date of such work.

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 President Date 4/23/91

Subscribed and sworn to before me this 23rd day of April, 19 91.

Notary Public [Signature]

Date Commission Expires 3/30/94

K.C.C. OFFICE USE ONLY

F Letter of Confidentiality Attached
C Wireline Log Received
C Drillers Timelog Received

Distribution

KCC SWD/Rep NGPA
 KGS Plug Other
(Specify)

PI

Operator Name Timberline Oil & Gas Corp. Lease Name Welch Well # 2
 Sec. 20 Twp. 26 Rge. 12 East County Pratt
 West

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all drill stem 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 during test. Attach extra sheet if more space is needed. Attach copy of log.

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.)
 Dual Compensated Porosity Log
 Dual Induction Log

Formation Description		
Name	Top	Bottom
Mississippi Chert	4095	4124

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"	20#	253'	60/40 pos	175	2% gel 3% cc.
Production	7-7/8"	4 1/2"	10.5#	4338'	60/40 pos ASC	200 100	5% Gilsonite 5% Gilsonite

PERFORATION RECORD		Acid, Fracture, Shot, Cement Squeeze Record	
Shots Per Foot	Specify Footage of Each Interval Perforated	(Amount and Kind of Material Used)	Depth
4	4268-83 (Simpson)	500g 15% HCL, frac 40000# 960 BBL. Swab wtr. Set BP 4245'	4268-83
4	4096-4124 (Mississippi)	750G 15% HCL, frac 40000# 955 BBL.	4096-4124

TUBING RECORD Size 2 3/8 Set At 4178' Packer At _____
 Liner Run Yes No

Date of First Production April 7, 1991 Producing Method Flowing Pumping Gas Lift Other (Explain)
 Estimated Production Per 24 Hours: Oil 5 Bbls. Gas 5 Mcf Water 10 Bbls. Gas-Oil Ratio 1000 Gravity 42°

Disposition of Gas: Vented Sold Used on Lease (If vented, submit ACO-18.)
 METHOD OF COMPLETION: Open Hole Perforation Dually Completed Commingled
 Other (Specify) _____ Production Interval 4096-4124'

15-151-22842-0000

TELEPHONE:
AREA CODE 913 483-2627

ALLIED CEMENTING COMPANY, INC.

ORIGINAL P. O. BOX 31
RUSSELL, KANSAS 67665

KCC
CONFIDENTIAL
APR 15 1992

CONFIDENTIAL

TO: Timberline Oil & Gas Corporation
4447 S. Canyon Rd. #1
Rapid City, S. Dakota 57702

RELEASED

INVOICE NO. 59061
PURCHASE ORDER NO. _____
LEASE NAME Welch #2
DATE March 18, 1991

MAY 20 1992

FROM CONFIDENTIAL

SERVICE AND MATERIALS AS FOLLOWS:

Common 135 sks @ \$5.25		\$ 708.75	
Pozmix 90 sks @ \$2.25		202.50	
WFR 500 gal @ \$0.50		250.00	
ASC 100 sks @ \$7.25		725.00	
Gilsonite 1625# @ \$0.33		<u>536.25</u>	\$ 2,422.50
<u>140</u> Handling 325 sks @ \$1.00		325.00	
Mileage (33) @ \$0.04¢ per sk per mi		429.00	
Production string		880.00	
M1 @ \$2.00 pmp. trk. (13)		26.00	
1 plug		<u>33.00</u>	1,693.00
1-4 1/2" g. shoe	109.00		
1 AFu	169.00		
5 cent.	215.00		
1 basket	<u>113.00</u>		
			<u>606.00</u>
			Total
			\$ 4,721.50

RECEIVED
STATE CORPORATION COMMISSION
APR 25 1991
4-25-91
CONSERVATION DIVISION
Wichita, Kansas

Float held

THANK YOU
All Prices Are Net, Payable 30 Days Following Date of Invoice. 1 1/2 % Charged Thereafter.

Phone 913-483-2627, Russell, Kansas
 Phone 316-793-5861, Great Bend, Kansas

Phone Plainville 913-434-2812
 Phone Ness City 913-798-3843

ORIGINAL
 15-151-22042-0000
ALLIED CEMENTING CO., I.C.
 Home Office P. O. Box 31 Russell, Kansas 67665

APR 19 1992 12 4
 KCC
 CONFIDENTIAL

New

Date: 3-18-91	Sec. 20	Twp. 26	Range 12	Called Out 2:30 A.M.	On Location 6:00 A.M.	Job Start 9:00 A.M.	Finish 10:00 A.M.
Lease Welch	Well No. # 2	Location Euka, 1N, R5E, 1/2N, W5			County Pratt	State KS	
Contractor Duke Rig #2				Owner Same			
Type Job Production				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 listed.			
Hole Size 7 7/8"	T.D. 4340'						
Csg. 4 1/2"	Depth 4338'						
Tbg. Size	Depth						
Drill Pipe	Depth						
Tool	Depth						
Cement Left in Csg. 10'	Shoe Joint 10'						
Press Max.	Minimum						
Meas Line ✓	Displace 69 bbl						
Perf.							

Charge To Timberline Oil & Gas Corp.
 Street 4447 S. Canyon Rd Suite 1
 City Rapid City State S. DAKOTA 57702

The above was done to satisfaction and supervision of owner agent or contractor.
 Purchase Order No. John J. Lamberton
CEMENT

EQUIPMENT

# No.	Cementer	Tim
Pumptrk 181	Helper	Cary
# No.	Cementer	
Pumptrk	Helper	
#	Driver	Mark
Bulktrk 68		
Bulktrk # 101	Driver	Dwane

Amount Ordered	225 SKS 60/40 520 Gilsonite, 100 SKS ASC, 520
Consisting of	500 gal. WFRT, Gilsonite
Common	135 5.25 708.75
Poz. Mix	90 2.25 202.50
Gel.	
Chloride	500 gals. WFRT 1.50 250.00
Quickset	100 ASC 7.25 725.00
Gilsonite - 1625#	.33 536.25
Handling	325 1.00 325.00
Mileage	33 429.00
Total \$ 4721.50 Disc - 944.30 # 3777.20	
Floating Equipment	
Sub Total	
Total 3176.50	

DEPTH of Job

Reference:	Pumptrk Charge	880.00
Pratt 13	Pumptrk Mileage	26.00
1	4 1/2 Rubber Plug	33.00
Total		939.00

Remarks: Ran 4350' of 4 1/2" csg. Set at 4338'.
 Pumped 10 bbl WFRT followed by 200 SKS
 60/40 520 Gilsonite & 100 SKS ASC 520
 Gilsonite, Washed line clear of
 cement. Pumped Plug with freshwater.
 Float did hold.
 Allied Cementing Co. Inc.
 By Tim Dickson

1-4 1/2" Weldon Guide Shoe - 109.00
 1-4 1/2" Insert - 169.00
 5-4 1/2" Centralizers - 215.00
 1-9 1/2" Basket - 113.00
 606.00
 Plugged Rathole w/15 SKS
 mousehole w/10 SKS

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "Allied" shall mean Allied Cementing Co., 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 "ALLIED" 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 "ALLIED," refunded directly to "CUSTOMER." For purposes of this paragraph, ALLIED 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 terms of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limited to, a reasonable sum as and for attorney's fees.

PRICES AND TAXES: All merchandise listed in "ALLIED'S" current price schedule are F.O.B. ALLIED'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 ALLIED shall be added to the quoted prices charged to CUSTOMER.

TOWING CHARGES: ALLIED will make a reasonable attempt to get to and from each job site using its own equipment. Should ALLIED 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 ALLIED, 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 ALLIED for the expenses incurred by ALLIED as a result of the cancellation.

DEADHAUL CHARGES: Unless otherwise specified on the front of this Contract, a deadhaul charge as set forth in ALLIED'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. ALLIED carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond ALLIED'S control, ALLIED 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 ALLIED, 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 ALLIED'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 ALLIED or its employees.

2. With respect to any of ALLIED'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 ALLIED at the landing, CUSTOMER shall either recover the lost item without cost to ALLIED or reimburse ALLIED the current replacement cost of the item unless the loss or damage results from the sole negligence of ALLIED or its employees.

3. ALLIED 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. ALLIED 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. ALLIED'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 ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED 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 ALLIED 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 construed as a warranty by ALLIED 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 ALLIED or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by ALLIED, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.

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

TELEPHONE:
AREA CODE 913 483-2627

15-151-22642-0000
ORIGINAL
ALLIED CEMENTING COMPANY, INC.
P. O. BOX 31
RUSSELL, KANSAS 67665

KCC
72
APR 25 1992

TO: Timberline Oil & Gas Corporation
4447 S. Canyon Rd. #1
Rapid City, S. Dakota 57702

INVOICE NO. 59015
CONFIDENTIAL
PURCHASE ORDER NO. _____

RELEASED

MAY 20 1992 LEASE NAME Welch #2

DATE March 12, 1991
FROM CONFIDENTIAL

SERVICE AND MATERIALS AS FOLLOWS:

Common 105 sks @\$5.25	\$ 551.25	
Pozmix 70 sks @\$2.25	157.50	
Chloride 5 sks @\$21.00	<u>105.00</u>	\$ 813.75

Handling 175 sks @\$1.00	175.00	
Mileage (33) @\$0.04¢ per sk per mi	231.00	
Surface	380.00	
Mi @\$2.00 pmp. trk. (13)	26.00	
1 plug	<u>42.00</u>	<u>854.00</u>

RECEIVED
STATE CORPORATION COMMISSION

Total

\$ 1,667.75

Cement circ.

APR 25 1991
4-25-91
CONSERVATION DIVISION
Wichita, Kansas

333.52
1334.20

THANK YOU

All Prices Are Net, Payable 30 Days Following Date of Invoice. 1½% Charged Thereafter.

Phone 713-483-2627, Russell, Kansas

Phone 793-5861, Great Bend, Kansas

ORIGINAL

15-151-22042-0000

Phone Plainville 913-434-2812

KCC Phone Ness City 913-798-3843

ALLIED CEMENTING CO., INC.

Home Office P. O. Box 31

Russell, Kansas 67665

No. 1120

CONFIDENTIAL

New

Date	Sec.	Twp.	Range	Called Out	On Location	Job Start	Finish
3-12-91	26	26	12	1:30 P.M.	3:15 P.M.	5:00 P.M.	5:30 P.M.
Lease Welch		Well No. #2		Location Dietz House, 1/2 N, W into		Pratt County	KS, State

Contractor Duke #2	
Type Job Surface	
Hole Size 12 1/4"	T.D. 254'
Csg. 8 3/8"	Depth 253'
Tbg. Size	Depth
Drill Pipe	Depth
Tool	Depth
Cement Left in Csg. 15'	Shoe Joint
Press Max.	Minimum
Meas Line	Displace 15 1/2 bbl.
Perf.	

Owner Same

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 listed.

Charge To Timberline Oil & Gas Corp.

Street 4447 S. Canyon Rd. Suite 1

City Rapid City State S. DAKOTA 57702

The above was done to satisfaction and supervision of owner agent or contractor.

Purchase Order No.

X *Johnny Ambruster*

CEMENT

Amount Ordered	175 SKS 60/40 3%cc, 2%fel,		
Consisting of			
Common	105	5.25	551.25
Poz. Mix	70	2.25	157.50
Gel.	4	6.75	N/C
Chloride	5	21.00	105.00
Quickset			

EQUIPMENT

#	No.	Cementor	
Pumptrk	181		Tim
		Helper	Cary
Pumptrk	No.	Cementor	
		Helper	
Bulktrk	#	Driver	
Bulktrk	68		Jack S.
		Driver	

Handling	175	1.00	175.00
Mileage	33		231.00
M.A.		Sub Total	
		Total	1219.75

DEPTH of Job			
Reference:	Pumptrk Charge	380.00	
Pratt #13	Pumptrk Mileage	26.00	
1	8 3/8 Wooden Plug	42.00	
		Total	448.00

Floating Equipment

Total \$ 1667.75

Disc - 333.55

Remarks: Ran 253' of 8 3/8" csg. Mixed 125 SKS 60/40 3%2. Pumped Plug to 238'. Cement did circulate

Allied Cementing Co. Inc. - T. Rankin

By Tim Jackson

RECEIVED RELEASED

STATE COMMISSION \$ 1334.20

APR 25 1991

4-25-91

APR 25 1992

FROM CONFIDENTIAL

GENERAL TERMS AND CONDITIONS

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(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 ALLIED'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 ALLIED or its employees.

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