

RECEIVED

APR 16 2002

KCC WICHITA

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form ACO-1  
September 1999  
Form Must Be Typed

WELL COMPLETION FORM

WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

CONFIDENTIAL

Operator: License # 31021  
Name: CASTELLI EXPLORATION, INC. *Release*  
Address: 6908 NW 112TH STREET *APR 04 2003*  
City/State/Zip: OKLAHOMA CITY, OK 73162 *From Confidential*  
Purchaser: *CONFIDENTIAL*  
Operator Contact Person: THOMAS P. CASTELLI  
Phone: (405) 722-5511  
Contractor: Name: L. D. DRILLING, INC. *KCC ga*  
License: 6039 *APR 04 2002*

API No. 15 - 185-23145-00-00  
County: Stafford  
ne ne ne Sec. 6 Twp. 25 S. R. 15  East  West  
500 N feet from S (N) (circle one) Line of Section  
500 E feet from (E) W (circle one) Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
(circle one) (NE) SE NW SW  
Lease Name: AIKEN Well #: 3  
Field Name: FARMINGTON

Wellsite Geologist: \_\_\_\_\_  
Designate Type of Completion: 7 *CONFIDENTIAL*  
 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: *APR 04 2002*  
Operator: *4-4-02*  
Well Name: *KCC WICHITA*

Producing Formation: \_\_\_\_\_  
Elevation: Ground: 2048 Kelly Bushing: 2053  
Total Depth: 3300 Plug Back Total Depth: \_\_\_\_\_  
Amount of Surface Pipe Set and Cemented at 350 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.

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. \_\_\_\_\_  
12-18-01 12-23-01 01-03-02  
Spud Date or Date Reached TD Completion Date or  
Recompletion Date Recompletion Date

Drilling Fluid Management Plan *See Ex 4-1-03*  
(Data must be collected from the Reserve Pit)  
Chloride content \_\_\_\_\_ ppm Fluid volume \_\_\_\_\_ bbls  
Dewatering method used \_\_\_\_\_  
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: *Thomas P. Castelli*  
Title: *President* Date: *3/21/02*  
Subscribed and sworn to before me this *21st* day of *March*, *2002*  
Notary Public: *Quana J. Buci*  
Date Commission Expires: *Feb. 10, 2005*

**KCC Office Use ONLY**  
 Letter of Confidentiality Attached  
If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
 UIC Distribution

X

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Side Two

ORIGINAL

Operator Name: Castelli Exploration, Inc. Lease Name: AIKEN Well #: 3  
Sec. 6 Twp. 25 S. R. 15  East  West County: Stafford

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

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CASING RECORD <input 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	12 1/4"	8 5/8"	23#	350	60/40 poz	225	2%g 3%cc
production	7 7/8"	4 1/2"	10.5	3294			

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 2-3/8" 3149.75	Packer At	Liner Run <input type="checkbox"/> Yes <input type="checkbox"/> No
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Date of First, Resumed Production, SWD or Enhr.	Producing Method <input checked="" type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)
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Estimated Production Per 24 Hours	Oil Bbls. 0	Gas Mcf 220	Water Bbls. 5	Gas-Oil Ratio	Gravity
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Disposition of Gas  Vented  Sold  Used on Lease (If vented, Sumit ACO-18.)  
METHOD OF COMPLETION  Open Hole  Perf.  Dually Comp.  Commingled  Other (Specify)  
Production Interval

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From  
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ORIGINAL

FIELD ORDER

04151



INVOICE NO.	Subject to Correction		
Date	Lease	Well #	Legal
12-23-01	Aiken	3	6-25s-15w
Customer ID	County	State	Station
	Stafford	KS	Draft KS
CHARGE	Depth	Formation	Shoe Joint
	Casing	Casing Depth	TD
	4 1/2	3294	3300
	Customer Representative	Treater	Job Type
	Rick Popp	D Scott	Long string New Well

Castelli Explor Inc

AFE Number	PO Number	Materials Received by
		X Rick Popp

Product Code	QUANTITY	MATERIAL, EQUIPMENT and SERVICES USED	UNIT PRICE	AMOUNT	ACCOUNTING	
					CORRECTION	AMOUNT
D207	135 ski	Econobond Common Bottom Stage	✓			
D207	190 ski	Econobond Common Top Stage	✓			
C196	84 lb	FLA-322	✓			
C195	70 lb	Cellflake	✓		KCC	
C243	28 lb	Defoamer	✓			
C303	500 gal	Super flush	✓		APR 01 2002	
C302	1000 gal	mud flush	✓		CONFIDENTIAL	
F180	1 ca	Auto fill float shoe 2 1/2"	✓			
F110	2 ca	Cmt Basket "	✓			
F220	1 ca	Stage Tool w/ Plug Set "	✓			
F100	10 ca	Turbolizers	✓			
RECEIVED APR 04 2002 KCC WICHITA						
E107	325 ski	Cmt Serv Charge				
E100	1 ca	UNITS 1 way MILES 40				
E104	554 tm	TONS 1 way MILES 40			Release	
R207	1 ca	EA. 3001-3500 PUMP CHARGE			APR 04 2003	
R701	1 ca	Cmt Head Rental			From	
Discounted Price = 10,741.03					Confidential	



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ORIGINAL  
TREATMENT REPORT 04092

Customer ID		Date	
Customer Castelli Explor		12-23-01	
Lease Aiken		Lease No.	Well # 3
Field Order # 24151	Station Pratt KS	Casing 4 1/2	Depth 3294
Type Job Long String New Well		County Stafford	State KS
Formation		Legal Description 6-255-15w	

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME	
Casing Size 4 1/2	Tubing Size	Shots/Ft		Acid 1st Stage 135sk Eroni, Bold	RATE	PRESS	ISIP
Depth 3263	Depth 7 BTD	From	To	38% FLA-322, 10-Air 25%N	Max		5 Min.
Volume 51.8	Volume	From	To	2nd Stage 190sk	Min		10 Min.
Max Press	Max Press	From	To	Same as Above	Avg		15 Min.
Well Connection	Annulus Vol.	From	To	1st 36.3 bbls; 2nd 47 bbls	HHP Upr		Annulus Pressure
Plug Depth	Packer Depth	From	To	300 gal mud flush 250	Gas Volume		Total Load

Customer Representative Rick Popp	Station Manager Dave Detry	Treater D. Scott
Service Units 106 23 38 72		

Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
2400					On loc. Safety mtg Page 1 of 1 Stage Tool Top 20th Jt = 2531' Cen + 3-5-6-9-19-21-26-28-29-30 Basket 20th + 26th Jts Lsg on Bottom Circ 1/2 Rig
					KCC APR 01 2002 CONFIDENTIAL
0425	300		5	6	H2O Spacer Bottom Stage
0426	300		12	6	St mud flush
0429	300		5	6	H2O Spacer
0430	300		6	6	St Super flush
0431	300		5	6	H2O Spacer
0434	350		36.3		mix Pump Mt + 2 B. 8 ppg 135sk Chose In & wash Pump & line
0442			10		load 1st Stage Plug & St Disp
0444	100		11.6		St mud Disp
0447	200				lifting cmf
0449	375				Plug Down & psi Test 15g
0454	900		51.8	0	Release psi Held
0456	0				Drop Opening Derrice wait 15min
0500					St Pumping w/ mud
0515	100			1	Stage Tool opened
0516	1000			1/2	Continued



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TREATMENT REPORT

04094

Customer ID	Date	
Customer	ORIGINAL	
Lease	Lease No.	Well #

Field Order #	Station	Casing	Depth	County	State
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Type Job	Formation	Legal Description
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PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME		
Casing Size	Tubing Size	Shots/Ft		Acid		RATE	PRESS	ISIP
Depth	Depth	From	To	Pre Pad		Max		5 Min.
Volume	Volume	From	To	Pad	KCC	Min		10 Min.
Max Press	Max Press	From	To	Frac		Avg		15 Min.
Well Connection	Annulus Vol.	From	To		APR 01 2002	HHP Used		Annulus Pressure
Plug Depth	Packer Depth	From	To	Flush	CONFIDENTIAL	Gas Volume		Total Load

Customer Representative	Station Manager	Treater
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Service Units								
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Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
					Page 2 of 2
0424	300		5	6	Top Stage
0425	300		12	6	St H <sub>2</sub> O Spacer
0428	300		5	6	St mud flush
0430	300		6	6	H <sub>2</sub> O Spacer
0433	300		5	6	St Super flush
0437	400		47	7.0	H <sub>2</sub> O spacer
0447	0		10	5	St mixing amp @ 13.8ppg 125 ski
0456	100			6.0	Chase In & wash pump line
0500	1000		41.5	0	Release Closing Plug & St Dip
0502	0				Plug Down
					Release psi Tool Closed
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					KCC WICHITA
					Plug R.H. w/13 ski
					Good Circ on Both Stages
					Release
					APR 04 2003
					From
					Confidential
					Job Complete
					Thank you
					Scott

# ALLIED CEMENTING CO., INC.

08827

Federal Tax I.D.# 48-0727860

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

**CONFIDENTIAL**

ORIGINAL  
SERVICE POINT:  
Great Bend

DATE <u>12-18-01</u>	SEC. <u>6</u>	TWP. <u>25</u>	RANGE <u>15</u>	CALLED OUT <u>6:00/PM</u>	ON LOCATION <u>7:30/AM</u>	JOB START <u>10:15/AM</u>	JOB FINISH <u>10:45/PM</u>
LEASE <u>AIKEN</u>	WELL # <u>3</u>	LOCATION <u>MACKSVILLE ZW 3/4s</u>			COUNTY <u>STAFFORD</u>	STATE <u>KS</u>	
OLD OR <input checked="" type="radio"/> NEW (Circle one)							

CONTRACTOR LD Dalg Co. OWNER Castelli

TYPE OF JOB SURFACE JOB

HOLE SIZE 12 1/4" T.D. 351'

CASING SIZE 8 7/8" DEPTH 350'

TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_

DRILL PIPE \_\_\_\_\_ DEPTH \_\_\_\_\_

TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_

PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_

MEAS. LINE \_\_\_\_\_ SHOE JOINT KOO

CEMENT LEFT IN CSG. 15' KOO

PERFS. \_\_\_\_\_

DISPLACEMENT 2 1/2 APR 04 2002

EQUIPMENT CONFIDENTIAL

PUMP TRUCK CEMENTER BUD

# 120 HELPER JD

BULK TRUCK \_\_\_\_\_

# 342 DRIVER BUD

BULK TRUCK \_\_\_\_\_

# \_\_\_\_\_ DRIVER \_\_\_\_\_

CEMENT  
AMOUNT ORDERED 225AL 60/40 Pz 3%CC  
2%CC

COMMON	<u>135</u>	@	<u>6.65</u>	<u>897.75</u>
POZMIX	<u>90</u>	@	<u>3.55</u>	<u>319.50</u>
GEL	<u>46</u>	@	<u>10.00</u>	<u>40.00</u>
CHLORIDE	<u>7</u>	@	<u>30.00</u>	<u>210.00</u>

HANDLING	<u>236</u>	@	<u>1.10</u>	<u>259.60</u>
MILEAGE	<u>46</u>			<u>339.84</u>
Release				<u>434.24</u>

APR 04 2003

TOTAL ~~2066.69~~  
2161.09

REMARKS:

From  
**Confidential**

SERVICE

RAN 8 7/8" CGG to ' Break  
Acceleration w/ RIG

Mixed 225AL 60/40 Pz 3%CC 2%CC  
Displaced Plug with 2 1/2 BBS  
FRESH H2O

Cement Accelerated

DEPTH OF JOB	<u>350</u>			
PUMP TRUCK CHARGE				<u>520.00</u>
EXTRA FOOTAGE	<u>50'</u>	@	<u>1.50</u>	<u>25.00</u>
MILEAGE	<u>46</u>	@	<u>3.00</u>	<u>138.00</u>
PLUG	<u>1 top 8 7/8" Wood</u>	@	<u>45.00</u>	<u>45.00</u>

TOTAL ~~728.00~~

CHARGE TO: CASTELLI EXPLORATION INC.

STREET 6903 N/w 112TH ST

CITY OK City STATE OKLA ZIP \_\_\_\_\_

FLOAT EQUIPMENT

_____	@	_____
_____	@	_____
_____	@	_____
_____	@	_____
_____	@	_____

TOTAL \_\_\_\_\_

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.

TAX - 0 -

TOTAL CHARGE ~~\$ 2794.09~~

DISCOUNT ~~\$ 279.47~~ IF PAID IN 30 DAYS

SIGNATURE Bill Owen

Bill Owen

PRINTED NAME

~~Net \$ 2515.22~~

# 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 wilful 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.