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

Operator: License # 31900
Name: Nor-West Kansas Oil, LLC
Address: R.R. #2, Box 14
City/State/Zip: Wakeeny, Kansas 67672

Purchaser: 
Operator Contact Person: Patrick Wanker
Phone (913): 743-2769
Contractor: Name: Murfin Drilling Company, Inc.
License: 30606

Wellsite Geologist: Nor-West Kansas Oil, LLC.

Designate Type of completion
x New Well ___ Re-Entry ___ Workover
Oil ___ SWD ___ SIOW ___ Temp. Abd.
Gas ___ ENHR ___ SIGW
x Dry ___ Other (Core, WSW, Expl., Cathodic, etc)

If Workover/Re-Entry: old well info as follows:
Operator: 
Well Name: 
Comp. Date ___ Old Total Depth ___
Deepening ___ Re-perf. ___ Conv. to Inj/SWD
Plug Back ___ PBTD ___
Commingled ___ Docket No. ___
Dual Completion ___ Docket No. ___
Other (SWD or Inj?) ___ Docket No. ___

12-16-97 12-30-97 12-30-97
Spud Date Date Reached TD Completion Date

API NO. 15-193-206660000

County: Thomas ___ plugged 12/30/97
SE - SW - SE - ___ Sec. 2 ___ Twp. 6S ___ Rge. 33 ___ x W
330 Feet from N (circle one) Line of Section
1770 Feet from W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
NE, SE NW or SW (circle one)

Lease Name J & B, Inc. ___ Well # 1 ___ RELEASED

Field Name ___________________________
Producing Formation ____________________
Elevation: Ground 3111 KB FROM CONFIDENTIAL
Total Depth 4635' PBTD

Amount of Surface Pipe Set and Cemented at 359 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 PFA 7-22-98 UC
(Data must be collected from the Reserve Ph

Chloride content 18,000 ppm Fluid volume 3,000 bbls
Dewatering method used 
Location of fluid disposal if hauled offsite:

Operator Name ___________________________
License No. ___________________ 3-9-98
Lease Name ___________________________

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 200 Colorado Derby Building, 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 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 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 ______________________________
Title Operator Date 3/5/1998

Subscribed and sworn to before me this 5th day of March 1998
Notary Public ____________________________

Date Commission Expires 9/9/2000

K.C.C. OFFICE USE ONLY
F Letter of Confidentiality Attached
C Wireline Log Received
C Geologist Report Received

KCC ___ SWD/Rep ___ NGPA
KGS ___ Plug ___ Other
(Specify)

Form ACO-1 (7-91)
Operator name: Nor-West Kansas Oil, LLC  
Lease Name: J & B, Inc.  
Well #: 1

Sec. 2_ Twp. 6S  Rge. 33_  
- East  
- West

County: Thomas

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  
(Attach Additional Sheets.)
- Yes  
- No

Samples Sent to Geological Survey
- Yes  
- No

Cores Taken
- Yes  
- No

Electric Log Run  
(Submit Copy.)
- Yes  
- No

List All E.Logs Run:
- Radiation - guard

---

**CASING RECORD**  
New ___  Used ___  
Report all strings set-conductor, surface, intermediate, production, etc.

<table>
<thead>
<tr>
<th>Purpose of String</th>
<th>Size Hole Drilled</th>
<th>Size Casing Set (In O.D.)</th>
<th>Weight Lbs./Ft.</th>
<th>Setting Depth</th>
<th>Type of Cement</th>
<th># Sacks Used</th>
<th>Type and Percent Additives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surface</td>
<td>12½&quot;</td>
<td>8½&quot;</td>
<td>359'</td>
<td>60/40 Poz, 3% Cc, 2% gel</td>
<td>260</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

**ADDITIONAL CEMENTING/SQUEEZE RECORD**

| Purpose:  
Perforate  
Protect Csg  
Plug Back TD  
Plug Off Zone | Depth Top/Btm | Type of Cement | # Sacks Used | Type and Percent Additives |
|---------------|---------------|----------------|--------------|---------------------------|

<table>
<thead>
<tr>
<th>Shots Per Foot</th>
<th>PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated</th>
<th>Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)</th>
<th>Depth</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TUBING RECORD**  
Size  
Set At  
Packer At  
Liner Run  
- Yes  
- No

Date of First, Resumed Production, SWD or Inj.

Producing Method  
- Flowing  
- Pumping  
- Gas Lift  
- Other

Estimated Production Per 24 Hours  
Oil Bbls  
Gas Mcf  
Water Bbls.  
Gas-Oil Ratio  
Gravity

Disposition of Gas:  
- Vented  
- Sold  
- Used on Lease (If vented, submit ACO-18.)

METHOD OF COMPLETION  
Production Interval

- Open Hole  
- Perf.  
- Dually Comp.  
- Commingled

- Other (Specify)  

______
<table>
<thead>
<tr>
<th>Location</th>
<th>Depth</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anhydrite Top</td>
<td>2715</td>
<td>+401</td>
</tr>
<tr>
<td>Base</td>
<td>2748</td>
<td></td>
</tr>
<tr>
<td>Topeka</td>
<td>3734</td>
<td>-618</td>
</tr>
<tr>
<td>Heebner</td>
<td>3960</td>
<td>-844</td>
</tr>
<tr>
<td>Toronto</td>
<td>3993</td>
<td>-877</td>
</tr>
<tr>
<td>LKC</td>
<td>4008</td>
<td>-892</td>
</tr>
<tr>
<td>LKC Base</td>
<td>4242</td>
<td>-1126</td>
</tr>
<tr>
<td>Pawnee</td>
<td>4366</td>
<td>-1250</td>
</tr>
<tr>
<td>Cherokee</td>
<td>4417</td>
<td>-1301</td>
</tr>
<tr>
<td>Mississippi</td>
<td>4609</td>
<td>-1493</td>
</tr>
</tbody>
</table>
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.

SIGNED

PRINTED NAME
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 recommendation 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.
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.

Signature: [Signature]

PRINTED NAME
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 "CUS-

—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 list 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 WAR-

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.