KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

1063609

Form ACO-1
June 2009
Form Must Be Typed
Form must be Signed
All blanks must be Filled

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 33711
Name: B-C Steel, LLC
Address 1: 209 N FRY ST
Address 2:
City: YATES CENTER State: KS Zip: 66783 + 1280
Contact Person: Bert Carlson
Phone: (620) 625-2999
CONTRACTOR: License # 33734
Name: Hat Drilling LLC
Wellsite Geologist: Mark brecheisen
Purchaser:

Designate Type of Completion:

- [x] New Well
- [ ] Re-Entry
- [ ] Workover

- [x] Oil
- [ ] WSW
- [ ] SWD
- [ ] SIOW
- [ ] Gas
- [ ] D&A
- [ ] ENHR
- [ ] SIGW
- [ ] OG
- [ ] GSW
- [ ] Temp. Abd.
- [ ] CM *(Coal Bed Methane)*
- [ ] Cathodic
- [ ] Other *(Core, Expl., 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
- [ ] Conv. to SWD
- [ ] Conv. to GSW
- [ ] Plug Back: Plug Back Total Depth
- [ ] Commingled Permit #:
- [ ] Dual Completion Permit #:
- [ ] SWD Permit #:
- [ ] ENHR Permit #:
- [ ] GSW Permit #:

6/3/2011	6/16/2011	7/1/2011
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-035-24426-00-00
Spot Description:
SW - NE - NE - SW Sec. 20 Twp. 34 S. R. 7 [x] East [ ] West
2297 Feet from [ ] North / [x] South Line of Section
2300 Feet from [ ] East / [x] West Line of Section
Footages Calculated from Nearest Outside Section Corner:
[ ] NE [ ] NW [ ] SE [x] SW
County: Cowley
Lease Name: GAMMON Well #: 20-2
Field Name:
Producing Formation: Altamount
Elevation: Ground: 1293 Kelly Bushing: 1291
Total Depth: 2650 Plug Back Total Depth: 319
Amount of Surface Pipe Set and Cemented at: 319 Feet
Multiple Stage Cementing Collar Used? [ ] Yes [x] No
If yes, show depth set: Feet
If Alternate II completion, cement circulated from:
feet depth to: w/ sx cmt.

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)

Chloride content: 0 ppm Fluid volume: 3000 bbls
Dewatering method used: Evaporated
Location of fluid disposal if hauled offsite:
Operator Name:
Lease Name: License #:
Quarter Sec. Twp. S. R. [ ] East [ ] West
County: Permit #:

AFFIDAVIT

I am the affiant and I hereby certify that 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.

Submitted Electronically

KCC Office Use ONLY

- [ ] **Letter of Confidentiality Received**
  Date:
- [ ] **Confidential Release Date:**
- [x] **Wireline Log Received**
- [ ] **Geologist Report Received**
- [ ] **UIC Distribution**

ALT [x] **I** [ ] **II** [ ] **III** **Approved by:** Deanna Garrisor **Date:** 09/29/2011

Side Two

1063609

Operator Name: B-C Steel, LLC Lease Name: GAMMON Well #: 20-2

Sec. 20 Twp. 34 S. R. 7 ☑ East ☐ West County: Cowley

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 complete copy of all Electric Wire-line 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
Electric Log Submitted Electronically ☑ Yes ☐ No
(If no, Submit Copy)

List All E. Logs Run:

Gamma Ray Neutron Cement Bond Completion Log

☑ Log Formation (Top), Depth and Datum ☐ Sample

Name	Top	Datum
Altamount limestone	2563	2570

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	9.5	8.625	36.00	319	quickset	300	kol-seal
longstring	6.625	4.5	11.60	2646	quickset	70	kol-seal

ADDITIONAL CEMENTING / SQUEEZE RECORD

Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
☐ Perforate ☐ Protect Casing ☐ Plug Back TD ☐ 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: Packer At: Liner Run: ☐ Yes ☐ No

Date of First, Resumed Production, SWD or ENHR. 07/05/2011

Producing Method: ☐ Flowing ☑ Pumping ☐ Gas Lift ☐ Other *(Explain)*

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:
☐ Open Hole ☐ Perf. ☐ Dually Comp. *(Submit ACO-5)* ☐ Commingled *(Submit ACO-4)*
☐ Other *(Specify)*

PRODUCTION INTERVAL:

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

CONSOLIDATED
Oil Well Services, LLC

REMIT TO
Consolidated Oil Well Services, LLC
Dept. 970
P.O. Box 4346
Houston, TX 77210-4346

MAIN OFFICE
P.O. Box 884
Chanute, KS 66720
620/431-9210 • 1-800/467-8676
FAX 620/431-0012

INVOICE Invoice # 243430

Invoice Date: 08/16/2011 Terms: 40/15/30,n/30 Page 1

B.C. STEEL GAS LLC
209 N. FRY
P.O. BOX 326
YATES CENTER KS 66783
(620)625-2999

GAMMONS 20-2
164000293
08/15/11
20-34S-7E
KS

Part Number	Description	Qty	Unit Price	Total
1205	SUPERSWEET (XC-102)	2.00	30.0000	60.00
1213	FOAMER (ESA 47)	30.00	43.0000	1290.00
1275	15% HCL	10000.00	1.7000	17000.00
1202	ACID INHIBITOR	10.00	46.0000	460.00
1214	IRON CONTROL	20.00	40.0000	800.00
1219B	STIMOIL FBA	10.00	50.0000	500.00
5310A	BL ACID TRANSPORT	8.00	140.0000	1120.00
5501F	WATER TRANSPORT (FRAC)	6.00	112.0000	672.00
5604	FRAC VALVES (2" OR 3")	1.00	100.0000	100.00

Sublet Performed	Description	Total
9999-240	CASH DISCOUNT	-8713.10
9999-240	CASH DISCOUNT	-3300.30

	Description	Hours	Unit Price	Total
T-75	BLENDER TRUCK (0-20 BPM)	1.00	1050.00	1050.00
396	IRON TRUCK	1.00	250.00	250.00
CHEMP	FLOW METERED CHEMICAL PUMP	1.00	125.00	125.00
GORE	NITROGEN SERVICES	1.00	16357.75	16357.75
475	FRAC VAN	1.00	725.00	725.00
T-115	MINIMUM PUMP CHARGE 2000 HP UNIT	1.00	3275.00	3275.00

Amount Due 43784.75 if paid after 09/15/2011

Parts:	22002.00	Freight:	.00	Tax:	.00	AR	31771.35
Labor:	.00	Misc:	.00	Total:	31771.35		
Sublt:	-12013.40	Supplies:	.00	Change:	.00		

Signed _____ Date _____

8/15/2011

#243430

CONSOLIDATED Oil Well Services, LLC

FIELD TICKET

1640000293

Customer	B.C. Steel	Stage	1 1
Customer Acct #	1152	County	Cowley County, Kansas
Well No.	Gammons #20-2	Section	20
Mailing Address		TWP	34S
City & State		RGE	7E
Zip Code		Formation	Altamont Lime
Dispatch Location	Bartlesville	Perfs	2555-2561

Code	Vehicles, Equipment and Mileage	Quantity	Unit	Price per Unit	
5102	2250 HP PUMP	1	PER JOB	3275.00	$ 3,275.00
5106	BLENDER TRUCK (0-20 BPM)	1	PER JOB	1050.00	$ 1,050.00
5116	IRON TRUCK	1	PER JOB	250.00	$ 250.00
5107	FLOW METERED CHEMICAL PUMP	1	PER JOB	125.00	$ 125.00
0	NITROGEN SERVICES	1	0	0.00	$ 16,357.75
5111	FRAC VAN	1	PER JOB	725.00	$ 725.00
0			0	0.00	$ -
0			0	0.00	$ -
0			0	0.00	$ -
0			0	0.00	$ -
0			0	0.00	$ -
				SUBTOTAL	$ 21,782.75
		40%		EQUIPMENT DISCOUNT	$ 8,713.10
					$ 13,069.65
1205	BACHCIDE	2	GALLONS	30.00	$ 60.00
1213	FOAMER (FA-410)	30	GALLONS	43.00	$ 1,290.00
1275	15% HCL ACID (CHARGE FOR INHIBITOR IN ADDITION)	10,000	GALLONS	1.70	$ 17,000.00
1202	ACID INHIBITOR (AI-260)	10	GALLONS	46.00	$ 460.00
1214	IRON CONTROL (SP-950)	20	GALLONS	40.00	$ 800.00
1219B	STIMFLO (FBA)	10	GALLONS	50.00	$ 500.00
0			0	0.00	$ -
0			0	0.00	$ -
0			0	0.00	$ -
0			0	0.00	$ -
0			0	0.00	$ -
0			0	0.00	$ -
0			0	0.00	$ -
0			0	0.00	$ -
					$ 20,110.00
0			0	$0.00	$ -
0			0	$0.00	$ -
0			0	$0.00	$ -
0			0	$0.00	$ -
					$ -
5310A	ACID TRANSPORT	8	/HR	$140.00	$ 1,120.00
#VALUE!	WATER TRANSPORT (FRAC)	6	/HR FROM CAMP	$112.00	$ 672.00
0			0	$0.00	$ -
0			0	$0.00	$ -
0			0	$0.00	$ -
					$ 1,792.00
5604	3 INCH FRAC VALVE	1	PER WELL (3 DAYS)	$100.00	$ 100.00
					$ 100.00
0			0	$0.00	$ -
0			0	$0.00	$ -
0			0	$0.00	$ -
					$ -

		SUB TOTAL	43,784.75
40%		EQUIPMENT DISCOUNT(FROM ABOVE)	8,713.10
15%		MATERIALS DISCOUNT	3,300.30
		SALES TAX	
		DISCOUNTED TOTAL	$ 31,771.35

DISCOUNT
(GOOD IF PAID WITHIN 30 DAYS)

CUSTOMER or AGENTS SIGNATURE Bert Carlson COWS FOREMAN T. Donovan

CUSTOMER or AGENT(PLEASE PRINT) _____ DATE 8-15-11

I acknowledge that the payment terms, unless specifically amended in writing on the front of this form or in the customer's account records at our office, and conditions of service on the back of this form are in effect for services identified on this form

8/15/2011

CONSOLIDATED Oil Well Services, LLC

1640000293

TREATMENT REPORT
FRAC AND ACID

Customer	B.C. Steel	Stage	1 1
Customer Acct #	0	Section	Cowley County, Kansas
Well No.	Gammons #20-2	TWP	20
Mailing Address	0	RGE	34S
City and Stage	0	County	7E
Zip Code	0	Formation	Altamont Lime
Dispatch Location	Bartlesville	ARRIVED ON LOCATION	1:31:30 PM DEPARTED

Type of Treatment

Chemicals
BACHCIDE
FOAMER (FA-410)
15% HCL ACID (CHARGE FOR INHIBITOR IN ADDITION)
ACID INHIBITOR (AI-260)
IRON CONTROL (SP-950)
STIMFLO (FBA)
0
0
0
0
0
0

TRUCK #	DRIVER	TRUCK #	DRIVER
513-115	Dallas		Randy D
553-75	Dusty		
396	Russell		
475	Brandon		
421-119	Lenny		
413-125	Big John		
403-111	Rob		
454-109	Mark		

Well Data	
CASING SIZE	4.5
CASING WEIGHT	
TUBING SIZE	
TUBING WEIGHT	
TOTAL DEPTH	
PLUG DEPTH	
PACKER DEPTH	
OPEN HOLE	

Perfs and Formation
2555-2561

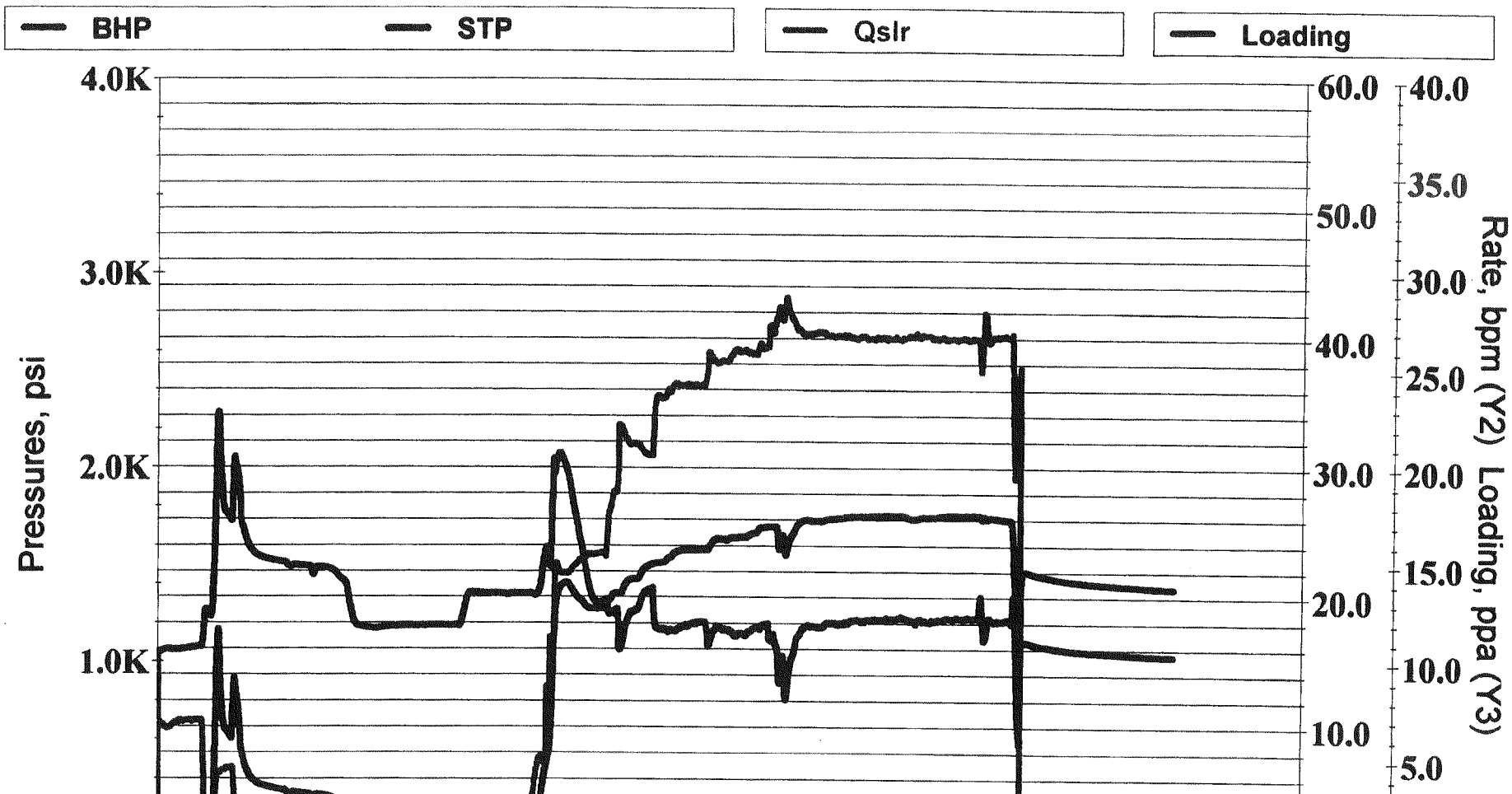
Stage	BBLS Pumped	Pressure PSI	BPM Rate	Sand Stage	PSI	TIME		PSI
Acid	2000 Gal		7		1300-1343		BREAKDOWN	
Flush	8		12		1343-1425		START PRESS.	
Acid	2000 Gal		12-14		1425-1623		END PRESS.	
Flush	8		14		1623-1630		BALL OFF	
Acid	2000 Gal		14-16		1630-1725		ROCK SALT	
Flush	8		16		1725-1724		ISIP	1,100
Acid	2000 Gal		16		1724-1753		5 MIN	1,041
Flush	8		16		1753-1740		10 MIN	
Acid	2000 Gal		16		1740-1746		15 MIN	
Flush	21		16		1746-1727		MIN RATE	7
							MAX RATE	16
							DISPLACEMENT	40.80

Remarks

Authorization_____ Title_____. Date_____.

TERMS AND CONDITIONS ARE PRINTED ON REVERSE SIDE

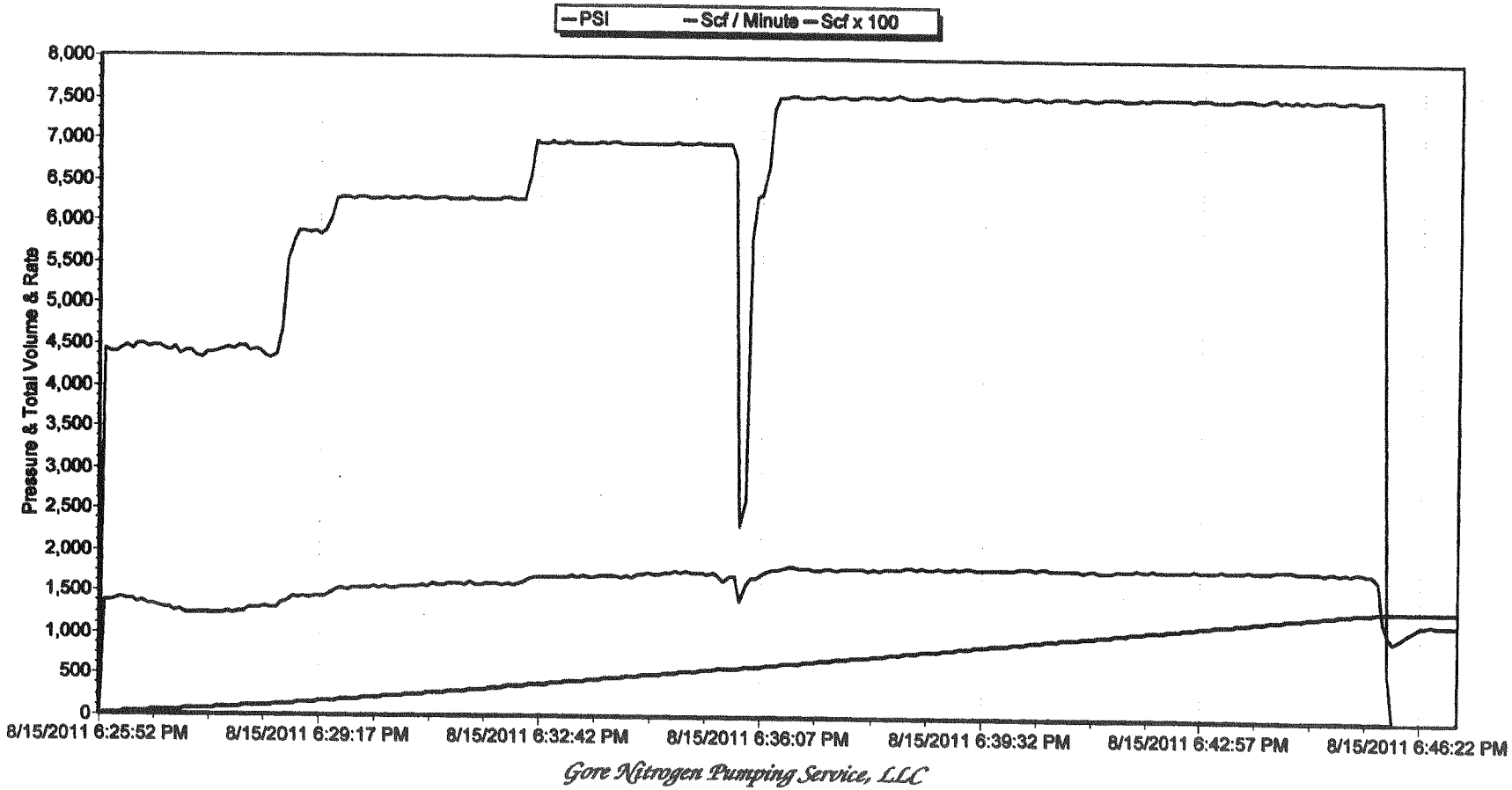
B.C. Steel Gammon #20-2.dat Gammon #20-2 Altamont Lime



FINAL JOB TOTAL REPORT

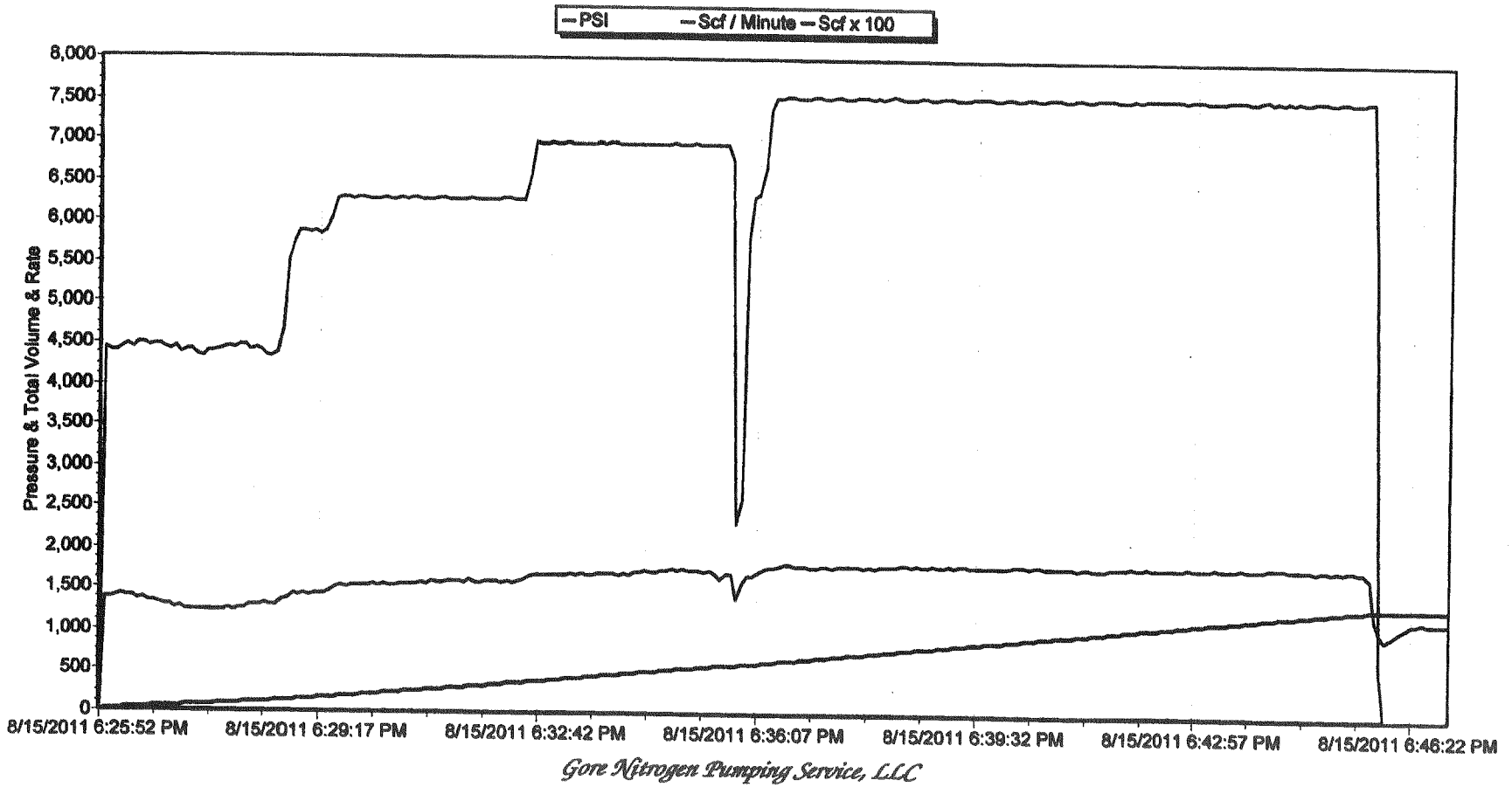
STAGE #	CARRIER PUMPED BBLS	CARRIER DESIGNED BBLS	FLA PUMPED gal	SOLIDS CONCENTRATION PUMPED ppa	SOLIDS CONCENTRATION DESIGNED ppa	WEIGHT PUMPED LBS	WEIGHT DESIGNED LBS	SLURRY PUMPED BBLS	SLURRY DESIGNED BBLS	SLR-RATE bpm	JOB AVERAGES STP psi	JOB AVERAGES BHP psi	SOLIDS ppa
1	52.3	47.6	0.00	0.00	0.00	0.00	0.00	94.0	47.6	12.8	348.50	1390.22	0.00
2	9.4	8.3	0.00	0.00	0.00	0.00	0.00	23.0	8.3	30.7	1364.26	1186.32	0.00
3	48.0	47.6	0.00	0.00	0.00	0.00	0.00	126.4	47.6	35.8	1526.80	1216.25	0.00
4	9.2	8.3	0.00	0.00	0.00	0.00	0.00	24.8	8.3	37.2	1628.42	1169.23	0.00
5	50.3	47.6	0.00	0.00	0.00	0.00	0.00	128.9	47.6	39.0	1655.98	1104.14	0.00
6	9.6	8.3	0.00	0.00	0.00	0.00	0.00	24.2	8.3	40.3	1726.46	1182.07	0.00
7	55.3	47.6	0.00	0.00	0.00	0.00	0.00	139.1	47.6	40.1	1742.53	1207.79	0.00
8	9.8	8.3	0.00	0.00	0.00	0.00	0.00	24.7	8.3	40.0	1748.86	1225.09	0.00
9	51.4	47.6	0.00	0.00	0.00	0.00	0.00	129.8	47.6	39.9	1746.93	1222.53	0.00
10	21.1	8.3	0.00	0.00	0.00	0.00	0.00	63.3	8.3	35.5	1370.14	1595.68	0.00
FracJob	0.0	0.0	0.00	0.00	0.00	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00
TotlJob	316.2	279.8	0.00	0.00	0.00	0.00	0.00	778.2	279.8	30.8	1059.72	1383.23	0.00

Consolidated Oil Well Services
BC Steel Gammon #20-2



Gore Nitrogen Pumping Service, LLC

Consolidated Oil Well Services
BC Steel Gammon #20-2



Gore Nitrogen Pumping Service, LLC

8/15/2011

CONSOLIDATED Oil Well Services, LLC

1640000293

FIELD TICKET

Customer	B.C. Steel	Stage	1 1
Customer Acct #		County	Cowley County, Kansas
Well No.	Gammons #20-2	Section	20
Mailing Address		TWP	34S
City & State		RGE	7E
Zip Code		Formation	Altamont Lime
Dispatch Location	Bartlesville	Perfs	2555-2561

Code	Vehicles, Equipment and Mileage	Quantity	Unit	Price per Unit		
5102	2250 HP PUMP	1	PER JOB	3275.00	$	3,275.00
5106	BLENDER TRUCK (0-20 BPM)	1	PER JOB	1050.00	$	1,050.00
5116	IRON TRUCK	1	PER JOB	250.00	$	250.00
5107	FLOW METERED CHEMICAL PUMP	1	PER JOB	125.00	$	125.00
0	NITROGEN SERVICES	1	0	0.00	$	16,357.75
5111	FRAC VAN	1	PER JOB	725.00	$	725.00
0			0	0.00	$	-
0			0	0.00	$	-
0			0	0.00	$	-
0			0	0.00	$	-
0			0	0.00	$	-
				SUBTOTAL	$	21,782.75
		40%		EQUIPMENT DISCOUNT	$	8,713.10
				EQUIPMENT TOTAL	$	13,069.65
	Chemical Treatment and Water					
1205	BACHCIDE	2	GALLONS	30.00	$	60.00
1213	FOAMER (FA-410)	30	GALLONS	43.00	$	1,290.00
1275	15% HCL ACID (CHARGE FOR INHIBITOR IN ADDITION)	10,000	GALLONS	1.70	$	17,000.00
1202	ACID INHIBITOR (AI-260)	10	GALLONS	46.00	$	460.00
1214	IRON CONTROL (SP-950)	20	GALLONS	40.00	$	800.00
1219B	STIMFLO (FBA)	10	GALLONS	50.00	$	500.00
0			0	0.00	$	-
0			0	0.00	$	-
0			0	0.00	$	-
0			0	0.00	$	-
0			0	0.00	$	-
0			0	0.00	$	-
0			0	0.00	$	-
					$	20,110.00
	Sand					
0			0	$0.00	$	-
0			0	$0.00	$	-
0			0	$0.00	$	-
0			0	$0.00	$	-
				SAND TOTAL	$	-
	Water and Chemical Transport					
5310A	ACID TRANSPORT	8	/HR	$140.00	$	1,120.00
#VALUE!	WATER TRANSPORT (FRAC)	6	/HR FROM CAMP	$112.00	$	672.00
0			0	$0.00	$	-
0			0	$0.00	$	-
0			0	$0.00	$	-
				TRANSPORT TOTAL	$	1,792.00
	Frac Valves					
5604	3 INCH FRAC VALVE	1	PER WELL (3 DAYS)	$100.00	$	100.00
				FRAC VALVE TOTAL	$	100.00
	Miscellaneous Costs					
0			0	$0.00	$	-
0			0	$0.00	$	-
0			0	$0.00	$	-
				MISC. TOTAL	$	-

	SUB TOTAL	43,784.75
40%	EQUIPMENT DISCOUNT(FROM ABOVE)	8,713.10
15%	MATERIALS DISCOUNT	3,300.30
	SALES TAX	
	DISCOUNTED TOTAL	**$ 31,771.35**

DISCOUNT
(GOOD IF PAID WITHIN 30 DAYS)

CUSTOMER or AGENTS SIGNATURE BCC

COWS FOREMAN

CUSTOMER or AGENT(PLEASE PRINT)

DATE 8-15-11

I acknowledge that the payment terms, unless specifically amended in writing on the front of this form or in the customer's account records at our office, and conditions of service on the back of this form are in effect for services identified on this form

8/15/2011

1640000295

CONSOLIDATED Oil Well Services, LLC

TREATMENT REPORT
FRAC AND ACID

Customer	B.C. Steel	Stage	1 1
Customer Acct #	0	Section	Cowley County, Kansas
Well No.	Gammons #20-2	TWP	20
Mailing Address	0	RGE	34S
City and Stage	0	County	7E
Zip Code	0	Formation	Altamont Lime
Dispatch Location	Bartlesville	ARRIVED ON LOCATION	1:31:30 PM DEPARTED

Type of Treatment
Chemicals
BACHCIDE
FOAMER (FA-410)
15% HCL ACID (CHARGE FOR INHIBITOR IN ADDITION)
ACID INHIBITOR (AI-260)
IRON CONTROL (SP-950)
STIMFLO (FBA)
0
0
0
0
0
0

Well Data	
CASING SIZE	4.5
CASING WEIGHT	
TUBING SIZE	
TUBING WEIGHT	
TOTAL DEPTH	
PLUG DEPTH	
PACKER DEPTH	
OPEN HOLE	

TRUCK #	DRIVER	TRUCK #	DRIVER
513-115	Dallas		Randy D
553-75	Dusty		
396	Russell		
475	Brandon		
421-119	Lenny		
413-125	Big John		
403-111	Rob		
454-109	Mark		

Perfs and Formation
2555-2561

Stage	BBL'S Pumped	Proppant PPG	INJ Rate	Sand/Stage	PSI	TIME		PSI
Acid	2000 Gal		7		1300-1343		BREAKDOWN	
Flush	8		12		1343-1425		START PRESS.	
Acid	2000 Gal		12-14		1425-1623		END PRESS.	
Flush	8		14		1623-1630		BALL OFF	
Acid	2000 Gal		14-16		1630-1725		ROCK SALT	
Flush	8		16		1725-1724		ISIP	1,100
Acid	2000 Gal		16		1724-1753		5 MIN	1,041
Flush	8		16		1753-1740		10 MIN	
Acid	2000 Gal		16		1740-1746		15 MIN	
Flush	21		16		1746-1727		MIN RATE	7
							MAX RATE	16
							DISPLACEMENT	40.80

Remarks

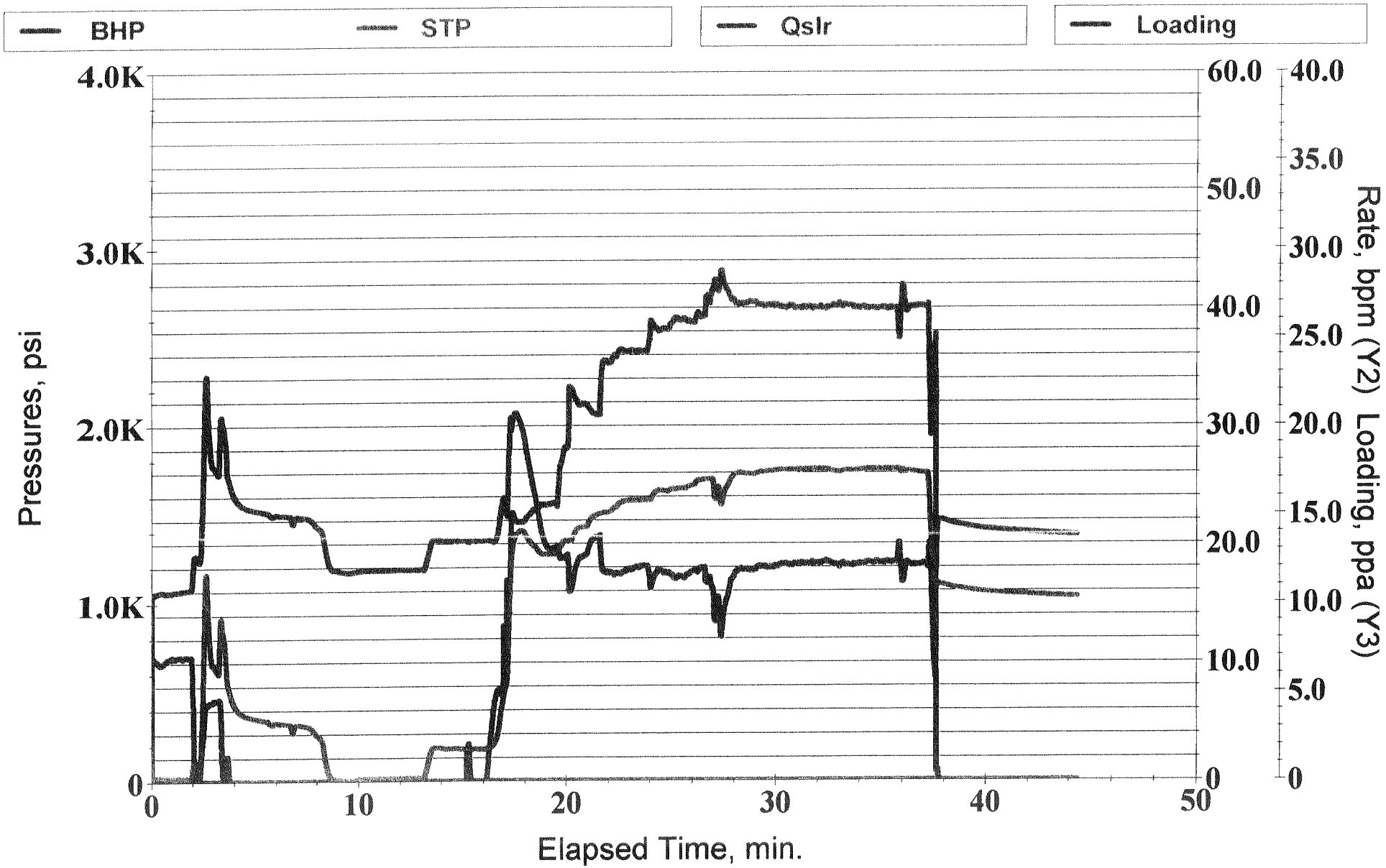
Authorization_____ Title_____ Date_____

TERMS AND CONDITIONS ARE PRINTED ON REVERSE SIDE

FINAL JOB TOTAL REPORT

STAGE #	CARRIER PUMPED BBLS	CARRIER DESIGNED BBLS	FLA PUMPED gal	SOLIDS CONCENTRATION PUMPED ppa	SOLIDS CONCENTRATION DESIGNED ppa	WEIGHT PUMPED LBS	WEIGHT DESIGNED LBS	SLURRY PUMPED BBLS	SLURRY DESIGNED BBLS	SLR-RATE bpm	JOB AVERAGES STP psi	JOB AVERAGES BHP psi	SOLIDS ppa
1	52.3	47.6	0.00	0.00	0.00	0.00	0.00	94.0	47.6	12.8	348.50	1390.22	0.00
2	9.4	8.3	0.00	0.00	0.00	0.00	0.00	23.0	8.3	30.7	1364.26	1186.32	0.00
3	48.0	47.6	0.00	0.00	0.00	0.00	0.00	126.4	47.6	35.8	1526.80	1216.25	0.00
4	9.2	8.3	0.00	0.00	0.00	0.00	0.00	24.8	8.3	37.2	1628.42	1169.23	0.00
5	50.3	47.6	0.00	0.00	0.00	0.00	0.00	128.9	47.6	39.0	1655.98	1104.14	0.00
6	9.6	8.3	0.00	0.00	0.00	0.00	0.00	24.2	8.3	40.3	1726.46	1182.07	0.00
7	55.3	47.6	0.00	0.00	0.00	0.00	0.00	139.1	47.6	40.1	1742.53	1207.79	0.00
8	9.8	8.3	0.00	0.00	0.00	0.00	0.00	24.7	8.3	40.0	1748.86	1225.09	0.00
9	51.4	47.6	0.00	0.00	0.00	0.00	0.00	129.8	47.6	39.9	1746.93	1222.53	0.00
10	21.1	8.3	0.00	0.00	0.00	0.00	0.00	63.3	8.3	35.5	1370.14	1595.68	0.00
FracJob	0.0	0.0	0.00	0.00	0.00	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00
TotlJob	316.2	279.8	0.00	0.00	0.00	0.00	0.00	778.2	279.8	30.8	1059.72	1383.23	0.00

B.C. Steel Gammon #20-2.dat Gammon #20-2 Altamont Lime



Invoice

McPherson Drilling Co.

15256 112th Road
Winfield, Kansas 67156

Phone/Fax: 620-221-3560

Customer:

BC Management Services Corp.
1432 Nighthawk Rd
Yates Center, KS 66783

Date: 6/6/2011

Invoice No.: **20110606**

Terms: Due on receipt

DESCRIPTION	*QTY*	*RATE*	*AMOUNT*
Lease name: Gammon 20-2 325' drilling; 8 5/8" casing set to 319'; 100 sax pos mix Casing running, water hauling, etc. Paid 6/7/2011 ✓ #8732		8,462.50	8,462.50

Total	**$8,462.50**
Payments/Credits	$0.00
Balance Due	**$8,462.50**

Thank you for your business!

Bill McPherson

If mailing payment please send to:
McPherson Drilling Co.
PO Box 41
Burden, KS 67019

McPherson Drilling Co.
15256 112th Road
Winfield, KS 67156
620-221-3560

Bill McPherson
620-229-0216

Cement Record

Type: surface Ticket No. 110607

6/7/2011

Operator: BC Steel

Location: Cowley County

Well name: Gammon 20-2

Cement with: 100 Sks

Notes: pumped 100 sx 60/40 pos mix. Pump plug to 300'. Shut in, plug down at 4:00 pm

Keep a Copy for State

Geological Report

Gammon #20-2
SW,NE,NE,SW of Sec.20, T34S;R7E
2297' FSL; 2300' FWL
Cowley County, KS
API #15-035-24426-00-00

Operator:	B-C Steel, LLC., C/O Bert Carlson, 209 North Fry, Yates Center, KS. 66783.
Drilling Contractor:	Hat Drilling. Midway Mud Rotary Rig #2.
Wellsite Geologist:	Mark Brecheisen.
Dates Drilled:	June 16th, 2011.
Size Hole:	8 1/4"
Total Depth:	2650'
Elevation:	1291'
Drilling Fluid:	Freshwater bentonite and additives.
Surface Casing:	300' of 8-5/8" casing cemented to surface
Formation Tops:	Formation tops were correlated to electric logs ran.
Field Name:	Donelson West
Status:	Oil Well
Oil Shows:	Altamont Limestone @ 2563' – 2570'
Gas Shows:	None observed while on location
Water Encountered:	No appreciable water encountered upon drilling.
On Location:	June 16th, 2011 @ 10:10 A.M. Depth – 2618'
Notes:	Well cuttings were examined at rig and discarded. Samples of "zones of interest" were saved and examined with a binocular microscope and black light.

1800'-2500': Samples examined for oil content only – no sample description available. Samples overall exhibited only trace mineral fluorescence with no petroliferous odor or show throughout entire interval.

2500'-2508': Shale, medium-dark gray, slightly silty, micaceous

2508'-2556': Cleveland Sandstone, light gray, very fine to fine grained, well sorted with sub-angular to sub-rounded grains, very friable, argillaceous, micaceous. No fluorescence, no petroliferous odor or show.

Top of the Altamont Limestone @ 2556'(-1265')

2556'-2559': Limestone, pale yellowish brown to olive gray, fine to medium crystalline, mottled in part, hard, dense, sucrosic, no petroliferous odor or show.

2559'-2563': Shale, medium dark to dark gray, calcareous in part

2563'-2570': Limestone, light brown, fine crystalline, very friable, pinpoint and vugular porosity exhibited on many samples, excellent even brown staining on and throughout many rock samples; fairly fast, even, strong milky blue cut. Good residual oil show to tray after cut. Visible light brown oil show to tray with hydrochloric acid cut. It should be noted that a very strong petroliferous odor was observed upwind, from the drilling platform, as soon as the oil break was scratched. A 25% even, bright yellow hydrocarbon fluorescence was observed in the 2560' to 2580'sample.Very good show overall.

2570'-2587 ': Limestone, tan to olive gray, fine to medium crystalline, mottled , hard, dense, no fluorescence, no petroliferous odor or show.

2587'-2650': Peru sandstone, light gray, very fine grained, well sorted with sub-rounded to well rounded grains, micaceous, argillaceous in part, fairly hard. Few shale partings present. Overall, no petroliferous odor or show.

TD 2650' @ 12:20 pm, June 16th, 2011.

(Mark D. Brecheisen)