

Kansas Corporation Commission Oil & Gas Conservation Division

158728

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 # | API No. 15 |
|--|---|
| Name: | Spot Description: |
| Address 1: | SecTwpS. R |
| Address 2: | Feet from North / South Line of Section |
| City: | Feet from _ East / _ West Line of Section |
| Contact Person: | Footages Calculated from Nearest Outside Section Corner: |
| Phone: () | □NE □NW □SE □SW |
| CONTRACTOR: License # | County: |
| Name: | Lease Name: Well #: |
| Wellsite Geologist: | Field Name: |
| Purchaser: | Producing Formation: |
| Designate Type of Completion: | Elevation: Ground: Kelly Bushing: |
| New Well Re-Entry Workover | Total Depth: Plug Back Total Depth: |
| Oil WSW SWD SIOW Gas D&A ENHR SIGW OG GSW Temp. Abd. CM (Coal Bed Methane) Cathodic Other (Core, Expl., etc.): | Amount of Surface Pipe Set and Cemented at: Feet Multiple Stage Cementing Collar Used? |
| Operator: | |
| Well Name: | Drilling Fluid Management Plan (Data must be collected from the Reserve Pit) |
| Original Comp. Date: Original Total Depth: Deepening Re-perf. Conv. to ENHR Conv. to SWD Conv. to GSW | Chloride content: ppm Fluid volume: bbls Dewatering method used: |
| Plug Back: Plug Back Total Depth | Location of fluid disposal if hauled offsite: |
| Commingled Permit #: | Operator Name: |
| Dual Completion Permit #: | Lease Name: License #: |
| SWD Permit #: | Quarter Sec Twp S. R |
| ☐ ENHR Permit #: ☐ GSW Permit #: | County: Permit #: |
| Spud Date or Date Reached TD Completion Date or Recompletion Date Recompletion Date | |

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: |
| Wireline Log Received |
| Geologist Report Received |
| UIC Distribution |
| ALT I II III Approved by: Date: |

Side Two



| Operator Name: | | | Lease Name: _ | | | _ Well #: | |
|--|--|---|----------------------|---------------------|----------------------|-----------------|-------------------------------|
| Sec Twp | S. R | East West | County: | | | | |
| time tool open and clo | osed, flowing and shu es if gas to surface te | d base of formations pen t-in pressures, whether s st, along with final chart(well site report. | hut-in pressure rea | ched static level, | hydrostatic press | sures, bottom h | ole temperature, fluid |
| Drill Stem Tests Taker (Attach Additional | | Yes No | | og Formatio | n (Top), Depth ar | nd Datum | Sample |
| Samples Sent to Geo | ological Survey | ☐ Yes ☐ No | Nam | е | | Тор | Datum |
| Cores Taken Electric Log Run Electric Log Submitte (If no, Submit Copy | d Electronically | Yes No Yes No Yes No | | | | | |
| List All E. Logs Run: | | | | | | | |
| | | Report all strings set-o | | ermediate, producti | <u> </u> | | |
| 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 |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | ADDITIONAL | . CEMENTING / SQL | JEEZE RECORD | | | |
| Purpose: Depth Type of Cement — Perforate Top Bottom Protect Casing | | | # Sacks Used | | | | |
| Plug Back TD Plug Off Zone | | | | | | | |
| | DEDEODATI | ON DECORD - Daider Bloss | - O-4/T | Acid Fro | cture, Shot, Cemen | t Causana Dagar | |
| Shots Per Foot | Specify I | ON RECORD - Bridge Plug Footage of Each Interval Per | forated | | mount and Kind of Ma | | Depth |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| TUBING RECORD: | Size: | Set At: | Packer At: | Liner Run: | Yes No | | |
| Date of First, Resumed | Production, SWD or EN | HR. Producing Meth | | Gas Lift C | Other (Explain) | | |
| Estimated Production Per 24 Hours | Oil | Bbls. Gas | Mcf Wat | er B | bls. | Gas-Oil Ratio | Gravity |
| DISPOSITI | ON OF GAS: | | METHOD OF COMPLE | ETION: | | PRODUCTIO | ON INTERVAL: |
| Vented Solo | | Open Hole | Perf. Dually | Comp. Cor | nmingled | | |
| (If vented, Su | bmit ACO-18.) | Other (Specify) | (Submit) | 4CO-5) (Sub | mit ACO-4) | | _ |



CEMENTING LOG

CEMENT DATA Date 8/14/2013 District Liberal # 21 Ticket No. 52319 Spacer Type Company PALMER OIL Rig DUKE#9 Sks Yield ft³/sk Density PPG **PALEJO** 23-4 Lease Well No STEVENS County State KS hrs. Type 60/40 POZ Location LEAD: Time Field 4% GEL Excess Casing Data Conductor **✓** PTA Squeeze ☐ Misc. Amt. 160 Sks Yield 1.5 ft3/sk Density PPG Surface ☐ Intermediate Production Liner TAIL: Time hrs. Type Weight Collar Excess 50 SK @ 1767.27 FT PPG Amt. Sks Yield ft³/sk Density 40 SK @ 632.75 FT WATER Lead 6.5 Gal/sk Tail 6.5 Gal/sk Total BBLS 20 SK @ 63.10 FT Casing Depths Top Bottom Pump Trucks Used: 774 - 484 **30 SK RH** Bulk Equipment 472 - 554 20 SK MH Drill Pipe: BBLS/LIN. FT 0.01422 LIN. FT/BBL 0.0602 LIN. FT/BBL .05482 BF Open Hole: BBLS/LIN. FT Float Equipment: Manufacturer Capacity Factors: BBLS/LIN. FT LIN. FT/BBL Shoe: Type Depth Casing BBLS/LIN. FT 0.0636 LIN. FT/BBL .05822 BF Float: Type Depth Open Holes BBLS/LIN. FT LIN. FT/BBL Centralizers: Quantity Plugs Top Bottom Drill Pipe BBLS/LIN. FT LIN. FT/BBL Stage Collars Annulus BBLS/LIN. FT 0.0406 LIN. FT/BBL .0440 CSNG Special Equipment BBLS/LIN. FT LIN. FT/BBL Disp: Fluid Type MUD Weight 9.2 PPG ft Amt Perforations From ft to Mud Type Weight KIRBY HARPER COMPANY REPRESENTATIVE **EMILIO** CEMENTER

| TIME | PRESSU | IRES PSI | FLU | ID PUMPED I | ATAC | | | |
|-------|----------------------|----------|----------------|---------------------------|------------------|----------------------------------|---|--|
| AM/PM | DRILL PIPE CASING | ANNULUS | TOTAL FLUID | PUMPED PER TIME PERIOD | RATE BBLS/MIN | REMARKS | | |
| 0730 | | | | | | ON LOCATION SPOT AND RIG UP | | |
| 0930 | | | | | | DRILL PIPE SET AT 1767.27 FT | | |
| 0930 | | | | | | WAIT ON BULLDOZER | | |
| 1123 | 100 | | | 15 | 4 | PUMP 15 BBL FRESH WATER | | |
| 1127 | 100 | | | 13 | 4 | MIX 50 SK 60/40 POZ @ 13.5 PPG | | |
| 1131 | 100 | | 0 | | 2 | PUMP 5 BBL FRESH WATER | | |
| 1136 | 100 | | 5 | | 4 | PUMP 15 BBL MUD | | |
| 1143 | - | | 20 | | | SHUT DOWN — PULL DP TO 632.75 FT | | |
| 1227 | 100 | | | 30 | 4 | PUMP 30 BBL FRESH WATER | | |
| 1236 | 100 | | | 11 | 4 | MIX 40 SK 60/40 POZ @ 13.5 PPG | | |
| 1241 | 100 | | 0 | | 4 | PUMP 5 BBL FRESH WATER | | |
| 1243 | | | 5 | | | SHUT DOWN PULL DP TO 63.10 FT | | |
| 1321 | | | | 5 | 2 | MIX 20 SK 60/40 POZ @ 13.5 PPG | | |
| 1327 | - | | | 8 | 2 | PLUG RAT HOLE WITH 30 SK | | |
| 1334 | | | | 5 | 2 | PLUG MOUSE HOLE WITH 20 SK | | |
| | | | | | | | | |
| | | | | | | | _ | |
| | | | | | | | _ | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

| FINAL DISP. PRESS | PSI | BUMP PLUG TO | PSI | BLEEDBACK | BBLS | THANK YOU |
|-------------------|-----|--------------|-----|-----------|------|-----------|
|-------------------|-----|--------------|-----|-----------|------|-----------|

ALLIED OIL & GAS SERVICES, LLC 052491 Federal Tax I.D.# 20-5975804

| REMIT TO P.O. BOX 3! RUSSELL, KANSAS 67665 | SERVICE POINT: BERNEKS |
|--|---|
| DATE MUC 1/3 122 132 1 27 M | ON LOCATION JOB START JOB FINISH |
| LEASE, Palejo WELL#23-4 LOCATION HU goto | |
| OLD OR NEW (Circle one) ETS To Rig | Sign S To Loc |
| CONTRACTOR DUKF BIG#9 TYPE OF JOB 8 ST SURFACE | OWNER SAME |
| HOLE SIZE T.D. 1750 F1 | CEMENT (156 A CEMENT) |
| CASING SIZE 8 9 DEPTH 17 43 | AMOUNT ORDERED 422 A 39 CC 20 600- |
| DRILL PIPE DEPTH | 120 2KC HACE TO PILL CON FINITED |
| TOOL DEPTH | A (175 175) 2(= 5) |
| PRES. MAX 960 MINIMUM MEAS. LINE SHOE JOINT 42,26 | COMMON A 425 @ 17,90 7607,50 |
| CEMENT LEFT IN CSG. 42,26 | POZMIX@ |
| PERFS. A/A | CHLORIDE C.C 1988 @ 6400 1216:00 |
| DISPLACEMENT | ASC CLOSS C 150 SE DU 40 36600 |
| EQUIPMENT | @ **.* |
| PUMP IRUCK CEMENTER, RAR KAR | 99 Sp Star 8.5KS @ 3760 300 500 |
| #549/550 HELPER # ESPINOZH | FLO SFAL 106 0 @ 297 314 8Z |
| #472 46 1 DRIVER R FSTRADA | |
| BILLY TRUCK (RUDEN 1) | \ |
| # 562 749 DRIVER TID (FEREZ New) | HANDLING 629 @ 248 1559.92 |
| OR- | MILEAGE 527 26 1376.20 |
| REMARKS: | TOTAL 18665.94 |
| | |
| -11. 11 1/ · / | SERVICE |
| HAVIN VOUL | DEPTH OF JOB |
| | PUMPTRUCK CHARGE 22/3:75 |
| | EXTRA FOOTAGE @ 7.70 /54,00 |
| | MANIFOLD + HFAD @ 273 275 |
| | LILES MA 20 @ 440 80 50 |
| Dal = - Du | @ |
| CHARGETO: PALMER OIL | TOTAL JHO 75 |
| STREET | TOTAL STOU |
| CITYSTATEZIP | PLUG & FLOAT EQUIPMENT |
| | 16 wirl 5402 6491 469,98 |
| | |
| | 1 AFV FLMT @ 44699 44694 |
| | neentrollizms @ 7488 22464 |
| To: Allied Oil & Gas Services, LLC. | 78 ENTAR (12 mus @ 7488 224 64 1 BOSKUT @ 55926 55926 |
| You are hereby requested to rent cementing equipment | neentrollizms @ 7488 22464 |
| You are hereby requested to rent cementing equipment and furnish cementer and helper(s) to assist owner or | 78 ENTAR (12 mus @ 7488 224 64 1 BOSKUT @ 55926 55926 |
| You are hereby requested to rent cementing equipment and furnish cementer and helper(s) to assist owner or contractor to do work as is listed. The above work was | 78 ENTAR (12 mus @ 7488 224 64 1 BOSKUT @ 55926 55926 |
| You are hereby requested to rent cementing equipment and furnish cementer and helper(s) to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or | 76 EnTrollizaris @ 7488 224 64 1 BOSENT @ 55726 55726 1 Dlug @ 131.04 131.04 |
| You are hereby requested to rent cementing equipment and furnish cementer and helper(s) to assist owner or contractor to do work as is listed. The above work was | 76 5 74 8 (12 74 5 @ 74 8 224 64 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 |
| You are hereby requested to rent cementing equipment and furnish cementer and helper(s) 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 and understand the "GENERAL | 76 ENTAR (12 THIS @ 7488 224 64 1 BOSKUT @ 53726 35726 1 Dlug @ 131.04 131.04 0 TOTAL 1822.86 |
| You are hereby requested to rent cementing equipment and furnish cementer and helper(s) 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 and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side. | 76 5 74 8 (12 74 5 @ 74 8 224 64 1 36 5 87 26 1 31.04 |
| You are hereby requested to rent cementing equipment and furnish cementer and helper(s) 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 and understand the "GENERAL | 76 6 17 18 (12 2 2 2 4 6 4 1 1 1 1 2 2 2 4 6 4 1 1 1 2 2 2 4 6 4 1 2 2 2 4 6 4 1 2 2 2 4 6 4 1 2 2 2 2 4 6 4 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 |

OPERATOR

Company: Palmer Oil, Inc.

Address: 3118 N. Cummings Rd.

P.O. Box 399

Garden City, KS 67846

Contact Geologist: Kevin Wiles Contact Phone Nbr: 620-275-2963 Well Name: Palejo #23-4

Location: Sec. 23- T32S - R37W API: 15-189-22810-00-00

Field:

Pool:

State: Kansas Country: USA

Scale 1:240 Imperial

Well Name: Palejo #23-4

Surface Location: Sec. 23- T32S - R37W

Bottom Location:

API: 15-189-22810-00-00

License Number: 34904

Spud Date: 8/5/2013 Time: 6:30 PM

Region: Stevens County

Drilling Completed: 8/13/2013 Time: 9:00 AM

Surface Coordinates: 2007' FNL & 2085' FWL

Bottom Hole Coordinates:

Ground Elevation: 3112.00ft
K.B. Elevation: 3124.00ft

Logged Interval: 4700.00ft To: 6530.00ft

Total Depth: 6530.00ft Formation: St. Louis

Drilling Fluid Type: Chemical/Fresh Water Gel

SURFACE CO-ORDINATES

Well Type: Vertical

Longitude: Latitude:

N/S Co-ord: 2007' FNL E/W Co-ord: 2085' FWL

LOGGED BY

Ted Pfau

Consulting Geologist

Company: Keith Reavis, Inc. Address: 3420 22nd Street

Great Bend, KS 67530

Phone Nbr: 913-461-3006

Logged By: Geologist Name: Ted Pfau

CONTRACTOR

Contractor: Duke Drilling Company

Rig #: 9

Rig Type: mud rotary

 Spud Date:
 8/5/2013
 Time:
 6:30 PM

 TD Date:
 8/13/2013
 Time:
 9:00 AM

Rig Release: Time:

ELEVATIONS

K.B. Elevation: 3124.00ft Ground Elevation: 3112.00ft

K.B. to Ground: 12.00ft

NOTES

After evaluation of electrical logs and samples, it was determined by the operator that Palejo #23-4 should be plugged and abandoned.

The Gamma ray and caliper curves were imported into this mudlog from the electrical log data. No curves were shifted to

provide an exact match, but rather left as recorded in the field.

The samples from this well were saved and will be available for review at the Kansas Geological Survey Well Sample Library located in Wichita, KS.

Respectfully submitted Ted Pfau

DDR

Palmer Oil Inc. daily drilling report

| DATE | 7:00 AM DEPTH | REMARKS |
|------------|---------------|--|
| 08/09/2013 | | Geologist Ted Pfau on location @ 1845 hrs, 4890 ft., drilling ahead |
| 08/10/2013 | 5462 | Drilled to Cherokee, Short Trip at 5500', lost circulation when BoB, Resumed drilling 1545 hrs, Pull PDC bit 6000, TOOH for bit trip at 2330 hrs |
| 08/11/2013 | 6000 | BoB with new bit at 0700 hrs, resume driling 0720 hrs |
| 08/12/2013 | 6283 | Drilling ahead through St. Gen and St. Louis |
| 08/13/2013 | 6511 | cfs in St. Louis B zone, resume drilling to TD, TD 6530 at 0900 hrs Short trip, circ, TOOH 1330 hrs, begin logging 1800 hrs, logging completed 0100 hrs, geologist off location 0200 hrs |

WCS

Palmer Oil Inc. well comparison sheet

| | | DRILLING | COMPARISON WELL | | | | | |
|-------------|-----------------------|----------------------------|-----------------|---------|-----------------------|---------|--------------|------|
| | | Palejo | Willis #23-2 | | | | | |
| | 2007' FNL & 2085' FWL | | | | 1650' FNL & 1980' FEL | | | |
| | Sec 23 - T32 - R37W | | | | Sec 23 - T32 - R37W | | | |
| | | | | | | | Struct | ural |
| | 3124 KB | | | | 3116 | KB | Relationship | |
| Formation | Sample | Sample Sub-Sea Log Sub-Sea | | Sub-Sea | Log | Sub-Sea | Sample | Log |
| Lansing | N/A | N/A | N/A | N/A | 4283 | -1167 | N/A | N/A |
| Marmaton | 4964 | -1840 | 5007 | -1883 | 4962 | -1846 | 6 | -37 |
| Cherokee | 5138 | -2014 | 5170 | -2046 | 5123 | -2007 | -7 | -39 |
| Morrow | 5682 | -2558 | 5698 | -2574 | 5630 | -2514 | -44 | -60 |
| St.Gen | 6242 | -3118 | 6255 | -3131 | 6160 | -3044 | -74 | -87 |
| St.Louis | 6380 | -3256 | 6387 | -3263 | 6300 | -3184 | -72 | -79 |
| B Zone | 6433 | -3309 | 6433 | -3309 | 6348 | -3232 | -77 | -77 |
| Total Depth | 6530 | -3406 | 6522 | -3398 | 6500 | -3384 | -22 | -14 |



















