

DIAMOND TESTING, LLC
P.O. Box 157
HOISINGTON, KANSAS 67544
(620) 653-7550 • (800) 542-7313
STC/Klepper2#1DST1

Company K & N Petroleum, Inc. Lease & Well No. Klepper 2 No. 1
Elevation 1771 GL Formation Lansing/Kansas City Effective Pay -- Ft. Ticket No. J3133
Date 7-15-13 Sec. 2 Twp. 19S Range 11W County Barton State Kansas
Test Approved By James C. Musgrove Diamond Representative John C. Riedl

Formation Test No. 1 Interval Tested from 3,020 ft. to 3,087 ft. Total Depth 3,087 ft.
Packer Depth 3,015 ft. Size 6 3/4 in. Packer Depth -- ft. Size in.
Packer Depth 3,020 ft. Size 6 3/4 in. Packer Depth -- ft. Size in.
Depth of Selective Zone Set ft.

Top Recorder Depth (Inside) 3,023 ft. Recorder Number 30046 Cap. 6,000 psi.
Bottom Recorder Depth (Outside) 3,084 ft. Recorder Number 11073 Cap. 4,000 psi.
Below Straddle Recorder Depth ft. Recorder Number Cap. psi.

Drilling Contractor Southwind Drilling, Inc. - Rig 2 Drill Collar Length -- ft. I.D. -- in.
Mud Type Chemical Viscosity 52 Weight Pipe Length -- ft. I.D. -- in.
Weight 9.1 Water Loss 8.4 cc. Drill Pipe Length 3,000 ft. I.D. 3 1/2 in.
Chlorides 4,000 P.P.M. Test Tool Length 20 ft Tool Size 3 1/2-IF in.
Jars: Make Sterling Serial Number Not Run Anchor Length 67 ft. Size 4 1/2-FH in.
Did Well Flow? No Reversed Out No Surface Choke Size 1 in. Bottom Choke Size 5/8 in.
Main Hole Size 7 7/8 in. Tool Joint Size 4 1/2-XH in.

Blow: 1st Open: N/A
2nd Open: N/A

Recovered -- ft. of No Recovery
Recovered ft. of
Recovered ft. of
Recovered ft. of
Recovered ft. of
Recovered ft. of
Recovered ft. of

Remarks MISRUN! Couldn't get tool to bottom. **KCC WICHITA**
SEP 26 2013
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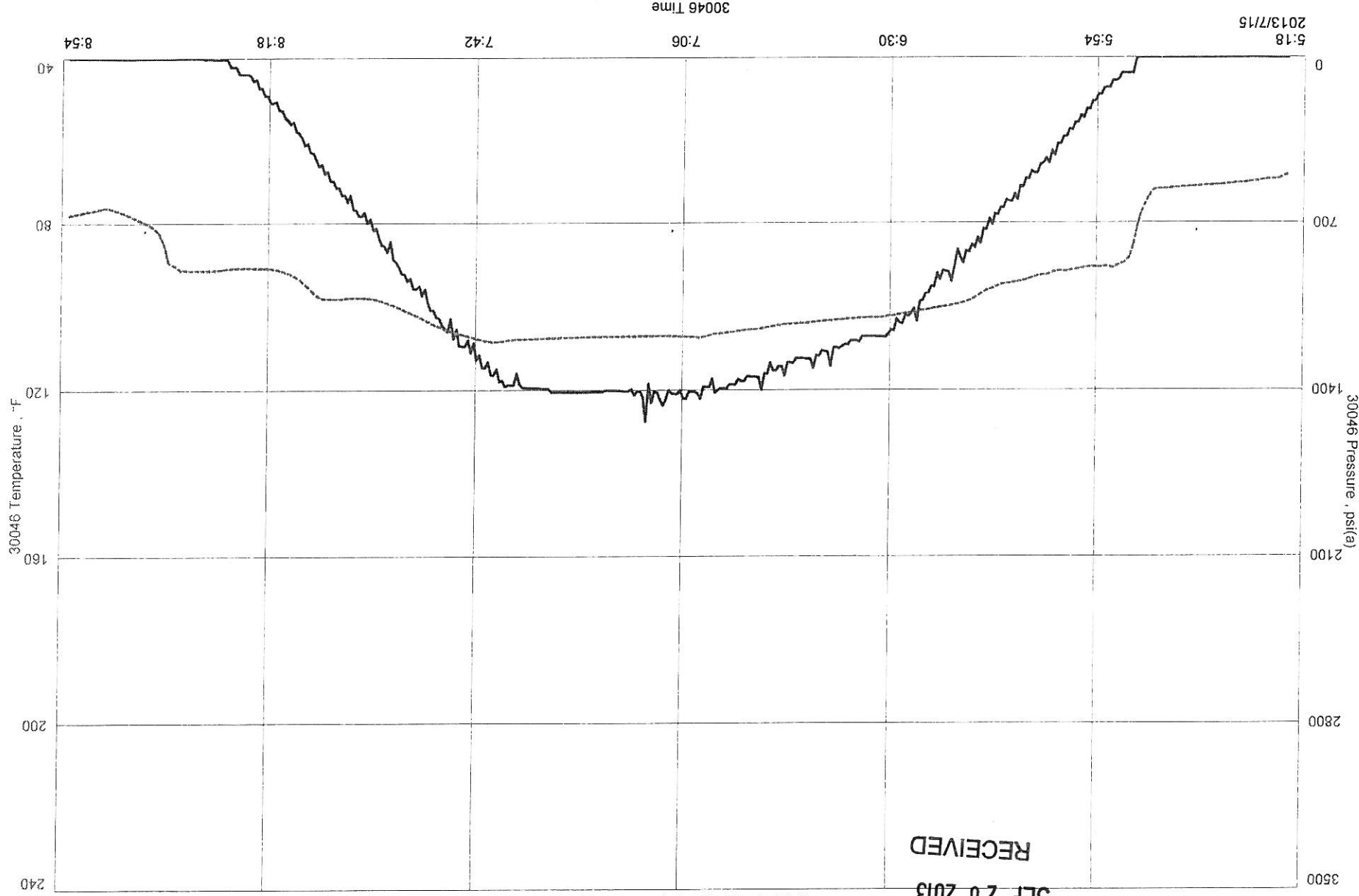
Time Set Packer(s) -- Time Started off Bottom -- Maximum Temperature --
Initial Hydrostatic Pressure.....(A) -- P.S.I.
Initial Flow Period.....Minutes -- (B) -- P.S.I. to (C) -- P.S.I.
Initial Closed In Period.....Minutes -- (D) -- P.S.I.
Final Flow Period.....Minutes -- (E) -- P.S.I. to (F) -- P.S.I.
Final Closed In Period.....Minutes -- (G) -- P.S.I.
Final Hydrostatic Pressure.....(H) -- P.S.I.

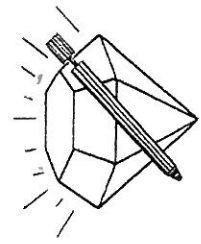
K+N PETROLEUM INC.
Start Test Date: 2013/07/15
Final Test Date: 2013/07/15

KCC WICHITA
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KLEPPER 2 #1

KLEPPER 2 #1
Formation: LKC
Job Number: D1337





DIAMOND TESTING, LLC
 P.O. Box 157
HOISINGTON, KANSAS 67544
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 STC/Klepper2#1DST2

Company K & N Petroleum, Inc. Lease & Well No. Klepper 2 No. 1
 Elevation 1771 GL Formation Lansing/Kansas City Effective Pay Ft. Ticket No. J3134
 Date 7-15-13 Sec. 2 Twp. 19S Range 11W County Barton State Kansas
 Test Approved By James C. Musgrove Diamond Representative John C. Riedl

Formation Test No. 2 Interval Tested from 3,020 ft. to 3,138 ft. Total Depth 3,183 ft.
 Packer Depth 3,015 ft. Size 6 3/4 in. Packer Depth ft. Size in.
 Packer Depth 3,020 ft. Size 6 3/4 in. Packer Depth ft. Size in.
 Depth of Selective Zone Set ft.

Top Recorder Depth (Inside) 3,023 ft. Recorder Number 30046 Cap. 6,000 psi.
 Bottom Recorder Depth (Outside) 3,135 ft. Recorder Number 11073 Cap. 4,000 psi.
 Below Straddle Recorder Depth ft. Recorder Number Cap. psi.

Drilling Contractor Southwind Drilling, Inc. - Rig 2 Drill Collar Length ft I.D. in.
 Mud Type Chemical Viscosity 52 Weight Pipe Length ft I.D. in.
 Weight 9.2 Water Loss 8.4 cc. Drill Pipe Length 3,000 ft I.D. 3 1/2 in.
 Chlorides 4,000 P.P.M. Test Tool Length 20 ft Tool Size 3 1/2-IF in.
 Jars: Make Sterling Serial Number Not Run Anchor Length 25' perf. w/ 93' drill pipe Size 4 1/2-FH in.
 Did Well Flow? No Reversed Out No Surface Choke Size 1 in. Bottom Choke Size 5/8 in.
 Main Hole Size 7 7/8 in. Tool Joint Size 4 1/2-XH in.

Blow: 1st Open: Strong blow increasing. Off bottom of bucket 1 min. No blow back during shut-in.
 2nd Open: Strong blow. Gas to surface immediately. Gauged at 8 MCF/D. Good blow back during shut-in.

Recovered 100 ft. of slightly oil cut gassy mud = 1.423000 bbls. (Grind out: 40%-gas; 3%-oil; 57%-mud)
 Recovered 200 ft. of muddy gassy oil = 2.846000 bbls. (Grind out: 40%-gas; 30%-oil; 30%-mud)
 Recovered 300 ft. of TOTAL FLUID = 4.269000 bbls.
 Recovered ft. of
 Recovered ft. of
 Recovered ft. of
 Remarks KCC WICHITA
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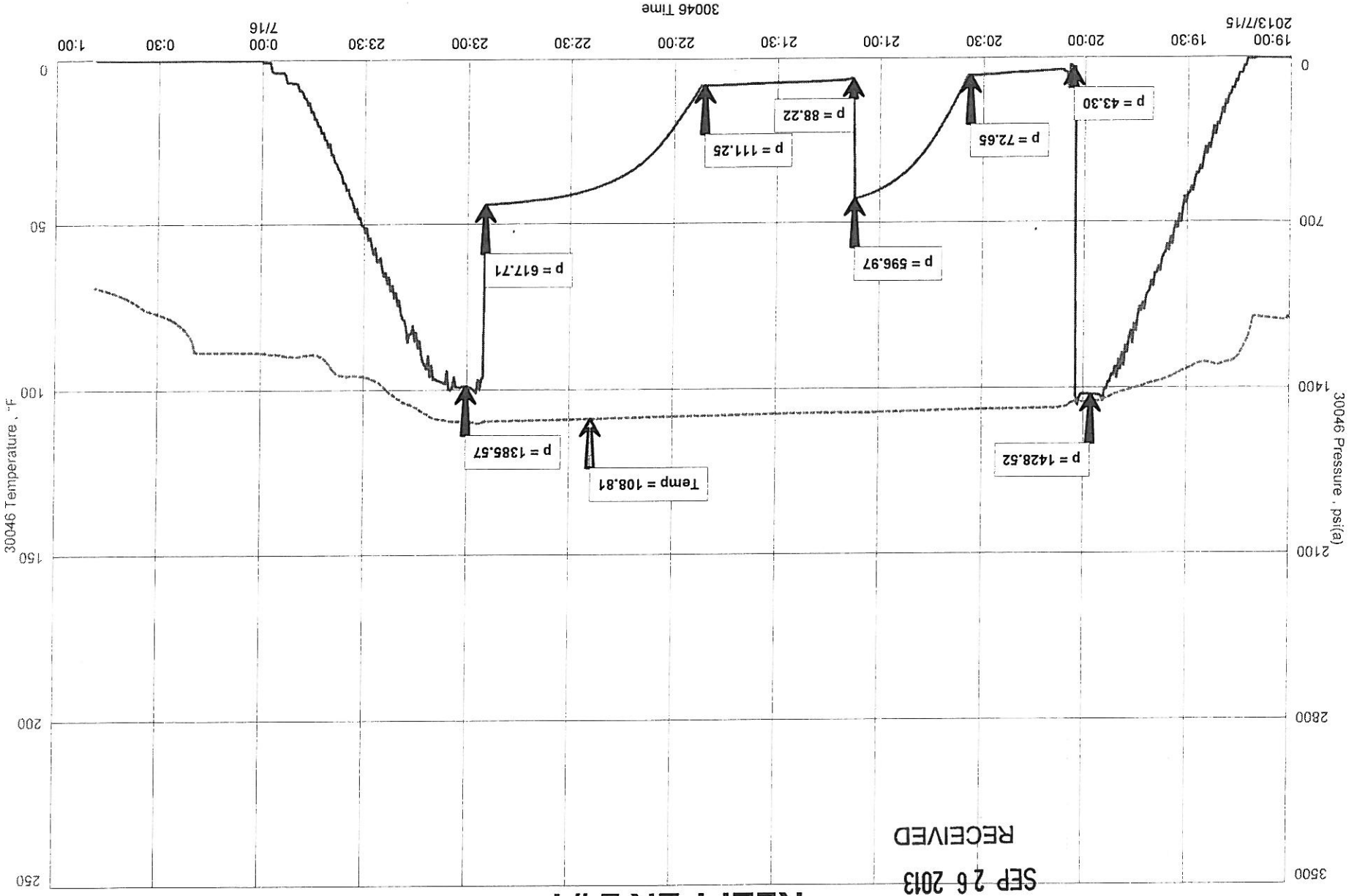
Time Set Packer(s) 8:10 P.M. Time Started off Bottom 10:55 P.M. Maximum Temperature 109°
 Initial Hydrostatic Pressure.....(A) 1429 P.S.I.
 Initial Flow Period.....Minutes 30 (B) 43 P.S.I. to (C) 73 P.S.I.
 Initial Closed In Period.....Minutes 30 (D) 597 P.S.I.
 Final Flow Period.....Minutes 45 (E) 88 P.S.I. to (F) 111 P.S.I.
 Final Closed In Period.....Minutes 60 (G) 618 P.S.I.
 Final Hydrostatic Pressure.....(H) 1386 P.S.I.

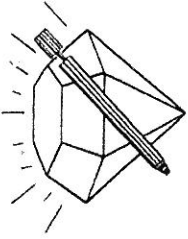
K+N PETROLEUM INC.
Start Test Date: 2013/07/15
Final Test Date: 2013/07/16

KCC WICHITA
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KLEPPER 2 #1

KLEPPER 2 #1
Formation: LKC
Job Number: D1338





DIAMOND TESTING, LLC
P.O. Box 157
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STC/Klepper2#1DST3

Company K & N Petroleum, Inc. Lease & Well No. Klepper 2 No. 1
Elevation 1771 GL Formation Lansing/Kansas City Effective Pay -- Ft. Ticket No. J3135
Date 7-16-13 Sec. 2 Twp. 19S Range 11W County Barton State Kansas
Test Approved By James C. Musgrove Diamond Representative John C. Riedl

Formation Test No. 3 Interval Tested from 3,200 ft. to 3,240 ft. Total Depth 3,240 ft
Packer Depth 3,195 ft. Size 6 3/4 in. Packer Depth -- ft. Size -- in.
Packer Depth 3,200 ft. Size 6 3/4 in. Packer Depth -- ft. Size -- in.
Depth of Selective Zone Set ft.

Top Recorder Depth (Inside) 3,203 ft. Recorder Number 30046 Cap. 6,000 psi.
Bottom Recorder Depth (Outside) 3,237 ft. Recorder Number 11073 Cap. 4,000 psi.
Below Straddle Recorder Depth ft. Recorder Number Cap. psi.

Drilling Contractor Southwind Drilling, Inc. - Rig 2 Drill Collar Length -- ft. I.D. -- in.
Mud Type Chemical Viscosity 50 Weight Pipe Length -- ft. I.D. -- in.
Weight 9.2 Water Loss 8.8 cc. Drill Pipe Length 3,180 ft I.D. 3 1/2 in.
Chlorides 7,700 P.P.M. Test Tool Length 20 ft Tool Size 3 1/2-IF in.
Jars: Make Sterling Serial Number Not Run Anchor Length 10' perf. w/ 30' drill pipe Size 4 1/2-FH in.
Did Well Flow? No Reversed Out No Surface Choke Size 1 in. Bottom Choke Size 5/8 in.
Main Hole Size 7 7/8 in. Tool Joint Size 4 1/2-XH in.

Blow: 1st Open: Weak, 2 in. blow decreasing to 1/2 in. No blow back during shut-in.
2nd Open: Weak blow. Died in 5 mins. No blow back during shut-in.

Recovered 80 ft. of oil specked mud = 1.138400 bbls.
Recovered ft. of
Recovered ft. of
Recovered ft. of
Recovered ft. of
Recovered ft. of
Recovered ft. of

Remarks Tool slid 15 ft. to bottom.
KGC WICHITA
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Time Set Packer(s) 1:40 P.M. Time Started off Bottom 3:55 P.M. Maximum Temperature 111°
Initial Hydrostatic Pressure.....(A) 1528 P.S.I.
Initial Flow Period.....Minutes 30 (B) 38 P.S.I. to (C) 44 P.S.I.
Initial Closed In Period.....Minutes 30 (D) 700 P.S.I.
Final Flow Period.....Minutes 30 (E) 47 P.S.I. to (F) 52 P.S.I.
Final Closed In Period.....Minutes 45 (G) 689 P.S.I.
Final Hydrostatic Pressure.....(H) 1500 P.S.I.

GENERAL INFORMATION

Client Information:

Company: K+N PETROLEUM INC.
Contact: ED NEMNICH
Phone: Fax: e-mail:

Site Information:

Contact: JIM MUSGROVE
Phone: Fax: e-mail:

Well Information:

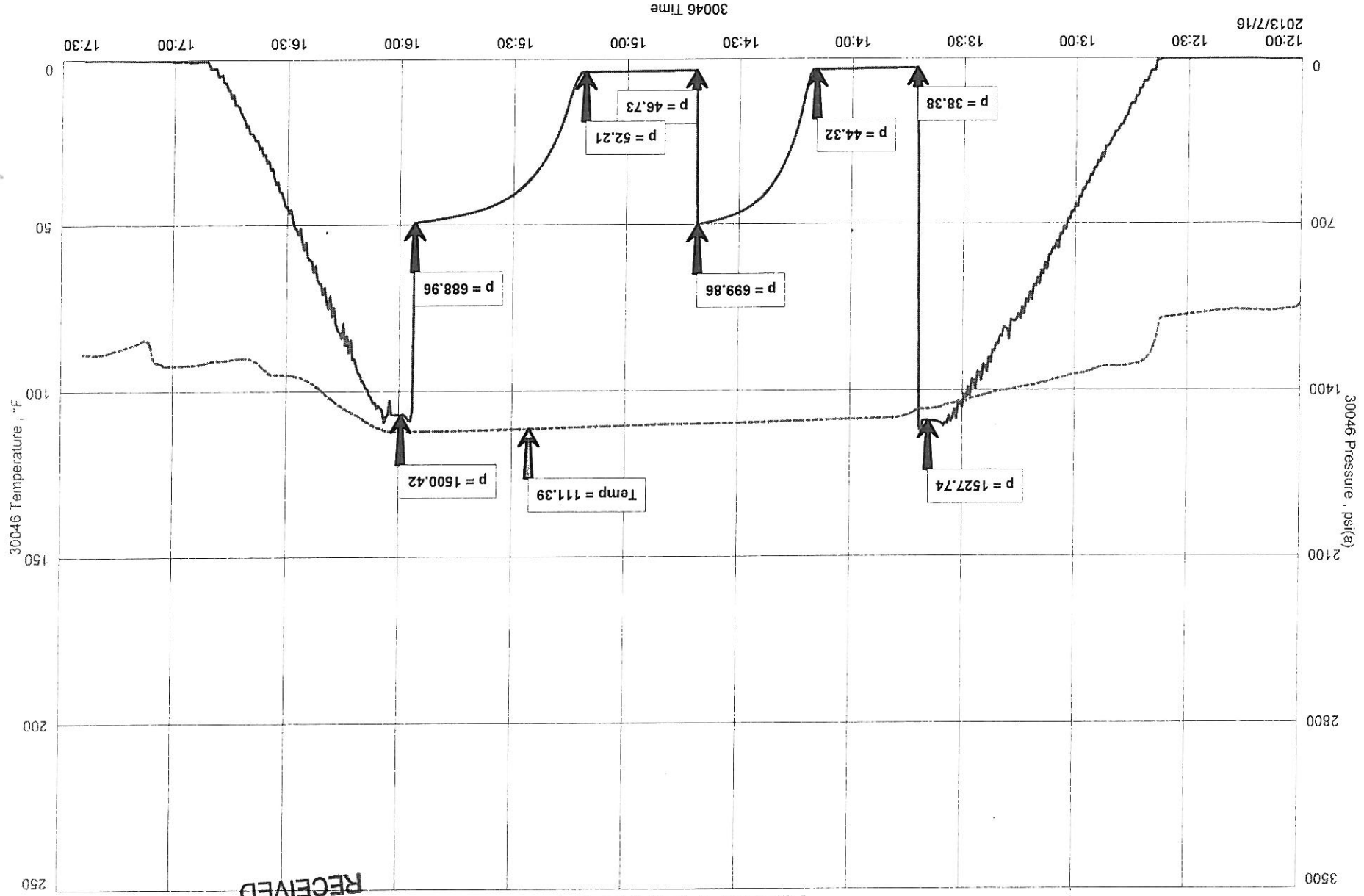
Name: KLEPPER 2 #1
Operator: K+N PETROLEUM INC.
Location-Downhole:
Location-Surface:

Test Information:

Company: DIAMOND TESTING
Representative: JOHN RIEDL
Supervisor: JIM MUSGROVE
Test Type: DST #3 CONVENTIONAL
Test Unit: Job Number: D1339
Start Date: 2013/07/16 Start Time: 12:00:00
End Date: 2013/07/16 End Time: 17:20:00
Report Date: 2013/07/16 Prepared By: JOHN RIEDL
Remarks: Qualified By: JIM MUSGROVE

RECOVERY: 80' OIL SPECKED DRILLING MUD

KCC WICHITA
SEP 26 2013
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K+N PETROLEUM INC.
 Start Test Date: 2013/07/16
 Final Test Date: 2013/07/16

KLEPPER 2 #1

KCC WICHTA
 SEP 26 2013
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KLEPPER 2 #1
 Formation: LKC
 Job Number: D1339

MORNING DRILLING REPORT

For: K&N Petroleum, Inc.

SOUTHWIND DRILLING, INC.

RIG #2

Well Name: Klepper #2-1
 Location: 413' FNL & 437' FWL
 Section: 2-19S-11W
 County: Barton
 API: 15-009-25852-00-00

Elevation: 1768'
 KB: 1777'
 Est. TD: 3400'
 Conductor: N/A

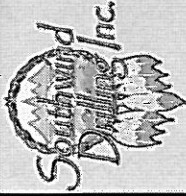
Rig No. 2 (Pusher Bill Sanders) 620-617-0706
 Rig No. 2 (Doghouse) 620 617-5921
 Southwind Drilling Office 620 564-3800

Surface Casing: Ran 9 joints of new 8.5/8" casing, Tally @ 378'; Set @ 389'; used 300 sacks of 2% gel, 3% cc, cement circulated, by Copeland (Ticket #41088), plug down @ 9:30 pm on 07.11.13.

Production Info:

KCC WICHITA

SEP 26 2013



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Rotary Total Depth:
 Log Total Depth:

Geologist: Jim Musgrove

7:00 A.M. Depth: 3420'

7:00 A.M. Current Operation: DRILLING

Spud Date & Time:	07/11/13	07/12/13	07/13/13	07/14/13	07/15/13	07/16/13	07/17/13	07/18/13	Total
07/11/2013 @ 9:15 AM	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7	Day 8	
Daily Depth (7:00am)	0	520	1790	2600	3087	3186	3420		3420
Fl. Per Hr.	520	1270	810	487	99	234			3420
Current Operation (7:00am)	Rig Up	86.10	43.20	35.42	20.84	21.27	#DIV/0!	#DIV/0!	49.21
Formation	Surface	Drilling	Drilling	Drilling	TIWT	Repairs	Drilling		
	Surface	Surface	Lime / Shale	Lime / Shale	Lime / Shale	Lime / Shale	Lime / Shale	Lime / Shale	
Fuel Used (34.5 Gall/inch)	172.50	345.00	379.50	379.50	241.50	276.00			1794.00
Survey (degree & depth)	1° @ 390'			1° @ 308'					
Mud Info									
Mud Cost	\$0.00	\$692.70	\$0.00	\$5,110.65	\$980.90	\$0.00			\$6,784.25
Weight (# / Gal)				8.7	8.9	9.1			
Vis (Funnel)				48	52	54			
Water Loss (cc)						9.6			
Bit #1									
Bit Make / Type	Reed RT								
Bit Size	12 1/4								
Bit Hours	5.75								5.75
Bit #2									
Bit Make / Type	HA20Q RR JZ	HA20Q RR JZ	HA20Q RR JZ	HA20Q RR JZ	HA20Q RR JZ	HA20Q RR JZ	HA20Q RR JZ	HA20Q RR JZ	
Bit Size	7 7/8	7 7/8	7 7/8	7 7/8	7 7/8	7 7/8	7 7/8	7 7/8	
Bit Hours	0.75	14.75	18.75	13.75	4.75	11.00	11.00	0.00	63.75
Bit Cumulative Hours	6.50	14.75	18.75	13.75	4.75	11.00	0.00	0.00	69.50
Weight on Bit (WOB)	10,000	20,000	30,000	35,000	35,000	35,000			
RPM	100	80	80	80	80	80			
Pump Pressure	550	700	850	900	850	800			
Drilling (Rotating) Hours	6.50	14.75	18.75	13.75	4.75	11.00	0.00	0.00	69.50
Daywork Hrs. (Operator's time)									
Rat Hole (> 75 Hrs)									0.00
Wait on Cement	8.00								8.00
Trip				4.00	9.50	5.25			18.75
Circulate				3.00	4.00	3.25			10.25
Tool				0.50	1.00	0.75			2.25
Testing					2.75	2.25			5.00
Clean Floor					0.25				0.25
Logging									0.00
LDDP & Plug Well									0.00
Run Casing / Cement	2.00								2.00
Nipple Down / Jet Cellar									0.00
Set Slips									0.00
Wait on Tester									0.00
Wait on Orders									0.00
Billable Hours	10.00	0.00	0.00	7.50	17.50	11.50	0.00	0.00	46.50
Non-Billable Hours (Southwind's time)									
Rig Up / Rig Down	1.75								1.75
Wait on Cement (if NC)									0.00
DownTime - Weather									0.00
Trip Time for Hole in Pipe									0.00
Drill Rat Hole (<75 hrs)	0.50								0.50
Drill Plug	0.50								0.50
Circulate / Trip (Surface)	0.50								0.50
Rig Repair	1.75	5.50	1.00		1.00				9.25
Connections	2.00	2.50	2.25	1.25	0.50	1.00			9.50
Jel/Displace	0.25	0.75	1.00	0.75					2.75
Surveys	0.25			0.25					0.50
Rig Check		0.50	1.00	0.50	0.25	0.50			2.75
Wait on Welder									0.00
Trip Time (NB)									0.00
Lost Circulation (< 2 hrs)									0.00
Lay Down Kelly / RH									0.00
Non-Billable Hrs.	7.50	9.25	5.25	2.75	1.75	1.50	0.00	0.00	28.00
	24.00	24.00	24.00	24.00	24.00	24.00	0.00	0.00	
Footage Cost	\$ 7,280.00	\$ 17,780.00	\$ 11,340.00	\$ 6,818.00	\$ 1,386.00	\$ 3,276.00	\$ -	\$ -	\$ 47,880.00
Daywork Cost	\$ 3,500.00	\$ -	\$ -	\$ 2,625.00	\$ 6,125.00	\$ 4,025.00	\$ -	\$ -	\$ 16,275.00
Combined Est. Cost*	\$ 10,780.00	\$ 17,780.00	\$ 11,340.00	\$ 9,443.00	\$ 7,511.00	\$ 7,301.00	\$ -	\$ -	\$ 64,155.00

*Please note that this is estimated footage & daywork cost only. Additional charges will apply on invoice (fuel surcharge, water transfer pump, etc)

DST #1 Info -		DST #2 Info -		DST #3 Info -		DST #4 Info -	
Footage Interval:	3020' - 3087'	Footage Interval:	3020' - 3138'	Footage Interval:	3200' - 3240'	Footage Interval:	3200' - 3240'
Recovery:	Misrun (Hit Bridge)	Recovery:	220' Gassy Muddy Oil	Recovery:	80' Mud	Recovery:	LKC "j"
Anhydrite:		Displaced @ 2772'					