Confidentiality Requested:
☐ Yes ☐ No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

1162637

Form ACO-1
August 2013
Form must be Typed
Form must be Signed
All blanks must be Filled

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 31725
Name: Shelby Resources LLC
Address 1: 2717 Canal Blvd
Address 2: Suite C
City: hays State: ks Zip: 67601 + ____
Contact Person: Chris Gottschalk
Phone: (785) 623-1524
CONTRACTOR: License # 5142
Name: Sterling Drilling Company
Wellsite Geologist: Jeremy Schwartz
Purchaser: ____

Designate Type of Completion:
☑ New Well ☐ Re-Entry ☐ Workover

☑ 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
☐ Plug Back ☐ Conv. to GSW ☐ Conv. to Producer

☐ Commingled Permit #: ____
☐ Dual Completion Permit #: ____
☐ SWD Permit #: ____
☐ ENHR Permit #: ____
☐ GSW Permit #: ____

08/15/2013 Spud Date or Recompletion Date
08/22/2013 Date Reached TD
09/13/2013 Completion Date or Recompletion Date

API No. 15 - 15-009-25870-00-00
Spot Description: ____
NW NE SW NW Sec. 17 Twp. 17 S. R. 13 ☐ East ☑ West
1634 Feet from ☑ North / ☐ South Line of Section
710 Feet from ☐ East / ☑ West Line of Section
Footages Calculated from Nearest Outside Section Corner:
☐ NE ☑ NW ☐ SE ☐ SW
GPS Location: Lat: ____ *(e.g. xx.xxxxx)* , Long: ____ *(e.g. -xxx.xxxxx)*
Datum: ☐ NAD27 ☐ NAD83 ☐ WGS84
County: Barton
Lease Name: Nancy Well #: #1-17
Field Name: ____
Producing Formation: L-KC
Elevation: Ground: 1979 Kelly Bushing: 1992
Total Vertical Depth: 3539 Plug Back Total Depth: ____
Amount of Surface Pipe Set and Cemented at: 951 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
(Data must be collected from the Reserve Pit)

Chloride content: 57000 ppm Fluid volume: 1000 bbls
Dewatering method used: Hauled to Disposal
Location of fluid disposal if hauled offsite:
Operator Name: Shelby Resources
Lease Name: Clark License #: 31725
Quarter W2 Sec. 24 Twp. 18 S. R. 13 ☐ East ☑ West
County: Barton Permit #: D-31557

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

☑ **Confidentiality Requested**
Date: 10/11/2013
☑ **Confidential Release Date:** 10/19/2015
☑ **Wireline Log Received**
☑ **Geologist Report Received**
☐ **UIC Distribution**
ALT ☑ **I** ☐ **II** ☐ **III** **Approved by:** NAOMI JAMES **Date:** 10/21/2013

1162637

Operator Name: Shelby Resources LLC Lease Name: Nancy Well #: #1-17

Sec. 17 Twp. 17 S. R. 13 ☐ East ☑ West County: Barton

INSTRUCTIONS: Show important tops 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.

Final Radioactivity Log, Final Logs run to obtain Geophysical Data and Final Electric Logs must be emailed to kcc-well-logs@kcc.ks.gov. Digital electronic log files must be submitted in LAS version 2.0 or newer AND an image file (TIFF or PDF).

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

List All E. Logs Run:

Attached

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

Name	Top	Datum
HEEBNER SHALE	3138	-1146
LKC	3228	-1236
STARK SHALE	3413	-1421
BKC	3438	-1446
ARBUCKLE	3476	-1484
LTD	3537	-1545

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	12.25	8.625	23	951	60/40 Poz	450	2% gel/ 3% cc
Production	7.875	5.5	14	3504	AA2	100	2%gel/ 3% cc

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	-			
	-			

Did you perform a hydraulic fracturing treatment on this well? ☐ Yes ☐ No *(If No, skip questions 2 and 3)*

Does the volume of the total base fluid of the hydraulic fracturing treatment exceed 350,000 gallons? ☐ Yes ☐ No *(If No, skip question 3)*

Was the hydraulic fracturing treatment information submitted to the chemical disclosure registry? ☐ Yes ☐ No *(If No, fill out Page Three of the ACO-1)*

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
2	3362-66	500 gal 15% NE	
2	3302-06	500 gal 15% NE	
2	3292-94	500 gal 15% NE	
2	3275-79	500 gal 15% NE	
2	3254-58	500 gal 15% NE	

TUBING RECORD: Size: 2.375 Set At: 3442 Packer At: Liner Run: ☐ Yes ☐ No

Date of First, Resumed Production, SWD or ENHR.

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

Estimated Production Per 24 Hours	Oil	Bbls.	Gas	Mcf	Water	Bbls.	Gas-Oil Ratio	Gravity
	62				3			

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)*

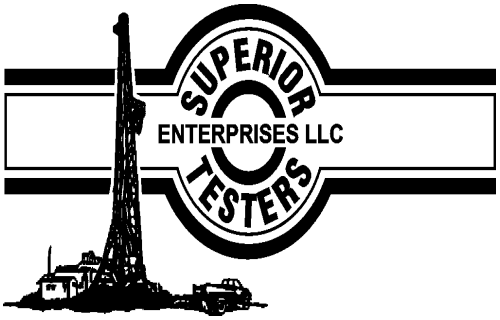
PRODUCTION INTERVAL:
3254-3366

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

Form	ACO1 - Well Completion
Operator	Shelby Resources LLC
Well Name	Nancy #1-17
Doc ID	1162637

All Electric Logs Run

Conpensated Neutron
Dual Induction
Micro
Sonic
Bond



DRILL STEM TEST REPORT

Prepared For: **Shelby Resources LLC**

2717 Canal Boulevard
Suite C
Hays, Kansas 67601

ATTN: Jeremy Schwartz

Nancy #1-17

17/17S/13W/Barton

Start Date: 2013.08.19 @ 16:59:00
End Date: 2013.08.20 @ 01:15:00
Job Ticket #: 17606 DST #: 1

Superior Testers Enterprises LLC
PO Box 138 Great Bend KS 67530
1-800-792-6902

Printed: 2013.08.20 @ 01:41:07

DRILL STEM TEST REPORT

Shelby Resources LLC

2717 Canal Boulevard
Suite C
Hays, Kansas 67601
ATTN: Jeremy Schwartz

17/17S/13W/Barton

Nancy #1-17

Job Ticket: 17606 **DST#: 1**

Test Start: 2013.08.19 @ 16:59:00

GENERAL INFORMATION:

Formation: **Lansing/Kansas City**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 18:43:30
Time Test Ended: 01:15:00

Test Type: Conventional Bottom Hole (Initial)
Tester: Ken Swinney
Unit No: 3325 Great Bend/32

Interval: 3228.00 ft (KB) To 3287.00 ft (KB) (TVD)
Total Depth: 3287.00 ft (KB) (TVD)
Hole Diameter: 7.80 inches Hole Condition: Fair

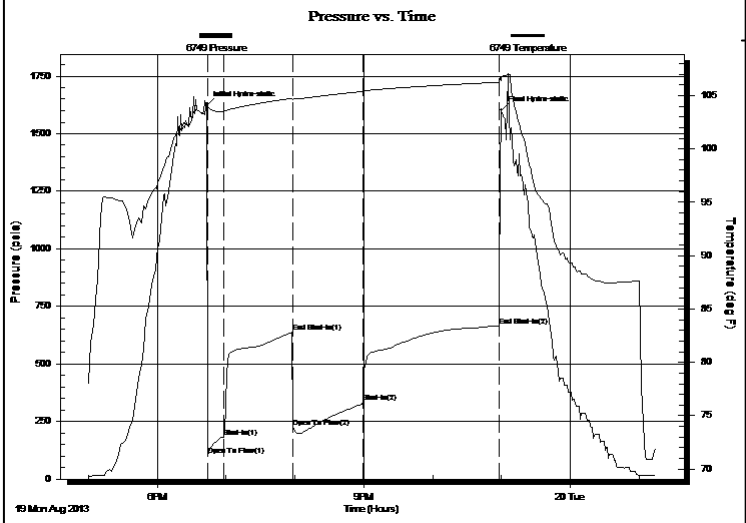
Reference Elevations: 1992.00 ft (KB)
1979.00 ft (CF)
KB to GR/CF: 13.00 ft

Serial #: 6749 **Inside**

Press@RunDepth: 334.30 psia @ 3283.32 ft (KB)
Start Date: 2013.08.19 End Date: 2013.08.20
Start Time: 16:59:00 End Time: 01:15:00

Capacity: 5000.00 psia
Last Calib.: 2013.08.20
Time On Btm: 2013.08.19 @ 18:42:30
Time Off Btm: 2013.08.19 @ 23:00:00

TEST COMMENT: 1ST Open 15 Minutes/Strong blow /Blow built to bottom of bucket in 3 minutes
1ST Shut In 60 Minutes/Blow back built to bottom of bucket in 7 minutes
2ND Open 60 Minutes/Strong blow /Built to bottom bucket in 3 1/2 min/Gas surface 45 min/To weak to guage
2ND Shtu In 120 Minutes/Blow back built to bottom of bucket in 4 minutes



PRESSURE SUMMARY

Time (Min.)	Pressure (psia)	Temp (deg F)	Annotation
0	1621.56	104.35	Initial Hydro-static
1	104.20	104.04	Open To Flow (1)
16	183.74	103.51	Shut-In(1)
76	638.51	104.76	End Shut-In(1)
76	226.17	104.59	Open To Flow (2)
137	334.30	105.38	Shut-In(2)
256	664.14	106.24	End Shut-In(2)
258	1600.62	106.72	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
300.00	Mud cut Gassy Oil(20% emulsified)	1.48
0.00	Mud 5% Gas 20% Oil 75%	0.00
504.00	Mud cut Oily Gas	6.80
0.00	Mud 10% Oil 40% Gas 50%	0.00
0.00	Corrected Grav. Oil 39	0.00

Gas Rates

	Choke (inches)	Pressure (psia)	Gas Rate (Mcf/d)

DRILL STEM TEST REPORT

Shelby Resources LLC

2717 Canal Boulevard
Suite C
Hays, Kansas 67601
ATTN: Jeremy Schwartz

17/17S/13W/Barton

Nancy #1-17

Job Ticket: 17606 **DST#: 1**

Test Start: 2013.08.19 @ 16:59:00

GENERAL INFORMATION:

Formation: **Lansing/Kansas City**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 18:43:30
Time Test Ended: 01:15:00

Test Type: Conventional Bottom Hole (Initial)
Tester: Ken Swinney
Unit No: 3325 Great Bend/32

Interval: 3228.00 ft (KB) To 3287.00 ft (KB) (TVD)
Total Depth: 3287.00 ft (KB) (TVD)
Hole Diameter: 7.80 inches Hole Condition: Fair

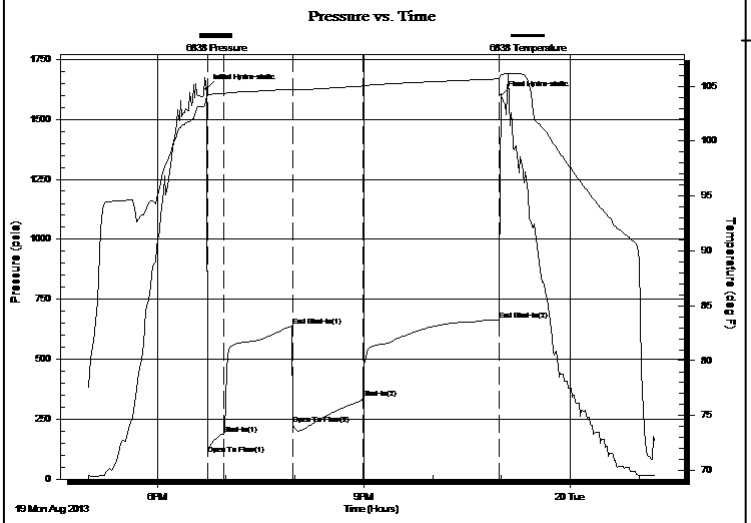
Reference Elevations: 1992.00 ft (KB)
1979.00 ft (CF)
KB to GR/CF: 13.00 ft

Serial #: 6838 **Outside**

Press@RunDepth: 664.61 psia @ 3284.32 ft (KB)
Start Date: 2013.08.19 End Date: 2013.08.20
Start Time: 16:59:00 End Time: 01:15:00

Capacity: 5000.00 psia
Last Calib.: 2013.08.20
Time On Btm: 2013.08.19 @ 18:42:30
Time Off Btm: 2013.08.19 @ 23:00:00

TEST COMMENT: 1ST Open 15 Minutes/Strong blow /Blow built to bottom of bucket in 3 minutes
1ST Shut In 60 Minutes/Blow back built to bottom of bucket in 7 minutes
2ND Open 60 Minutes/Strong blow /Built to bottom bucket in 3 1/2 min/Gas surface 45 min/To weak to guage
2ND Shtu In 120 Minutes/Blow back built to bottom of bucket in 4 minutes



PRESSURE SUMMARY

Time (Min.)	Pressure (psia)	Temp (deg F)	Annotation
0	1626.58	104.17	Initial Hydro-static
1	105.28	104.18	Open To Flow (1)
16	187.87	104.32	Shut-In(1)
76	639.73	104.74	End Shut-In(1)
76	227.54	104.65	Open To Flow (2)
137	335.68	105.02	Shut-In(2)
256	664.61	105.67	End Shut-In(2)
258	1600.44	106.06	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
300.00	Mud cut Gassy Oil(20% emulsified)	1.48
0.00	Mud 5% Gas 20% Oil 75%	0.00
504.00	Mud cut Oily Gas	6.80
0.00	Mud 10% Oil 40% Gas 50%	0.00
0.00	Corrected Grav. Oil 39	0.00

Gas Rates

	Choke (inches)	Pressure (psia)	Gas Rate (Mcf/d)

DRILL STEM TEST REPORT

TOOL DIAGRAM

Shelby Resources LLC

2717 Canal Boulevard
Suite C
Hays, Kansas 67601
ATTN: Jeremy Schwartz

17/17S/13W/Barton

Nancy #1-17

Job Ticket: 17606 **DST#: 1**

Test Start: 2013.08.19 @ 16:59:00

Tool Information

Drill Pipe:	Length:	2899.00 ft	Diameter:	3.80 inches	Volume:	40.67 bbl	Tool Weight:		2000.00 lb
Heavy Wt. Pipe:	Length:	0.00 ft	Diameter:	0.00 inches	Volume:	0.00 bbl	Weight set on Packer:		20000.00 lb
Drill Collar:	Length:	330.00 ft	Diameter:	2.25 inches	Volume:	1.62 bbl	Weight to Pull Loose:		90000.00 lb
					Total Volume:	42.29 bbl	Tool Chased		0.00 ft
Drill Pipe Above KB:		28.00 ft					String Weight:	Initial	68000.00 lb
Depth to Top Packer:		3228.00 ft						Final	70000.00 lb
Depth to Bottom Packer:		ft							
Interval between Packers:		59.32 ft							
Tool Length:		86.32 ft							
Number of Packers:		2	Diameter:	6.75 inches					

Tool Comments:

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths	
Shut In Tool	5.00			3206.00		
Hydrolic Tool	5.00			3211.00		
Jars	5.00			3216.00		
Safety Joint	2.00			3218.00		
Packer	5.00			3223.00	27.00	Bottom Of Top Packer
Packer	5.00			3228.00		
Perforations	6.00			3234.00		
Change Over Sub	0.75			3234.75		
Drill Pipe	31.82			3266.57		
Change Over Sub	0.75			3267.32		
Anchor	15.00			3282.32		
Recorder	1.00	6749	Inside	3283.32		
Recorder	1.00	6838	Outside	3284.32		
Bullnose	3.00			3287.32	59.32	Bottom Packers & Anchor
Total Tool Length:	**86.32**					

DRILL STEM TEST REPORT

FLUID SUMMARY

Shelby Resources LLC

2717 Canal Boulevard
Suite C
Hays, Kansas 67601
ATTN: Jeremy Schwartz

17/17S/13W/Barton

Nancy #1-17

Job Ticket: 17606 **DST#: 1**

Test Start: 2013.08.19 @ 16:59:00

Mud and Cushion Information

Mud Type:	Gel Chem	Cushion Type:		Oil API:	deg API
Mud Weight:	9.00 lb/gal	Cushion Length:	ft	Water Salinity:	ppm
Viscosity:	54.00 sec/qt	Cushion Volume:	bbl		
Water Loss:	8.79 in³	Gas Cushion Type:			
Resistivity:	ohm.m	Gas Cushion Pressure:	psia		
Salinity:	4700.00 ppm				
Filter Cake:	1.00 inches				

Recovery Information

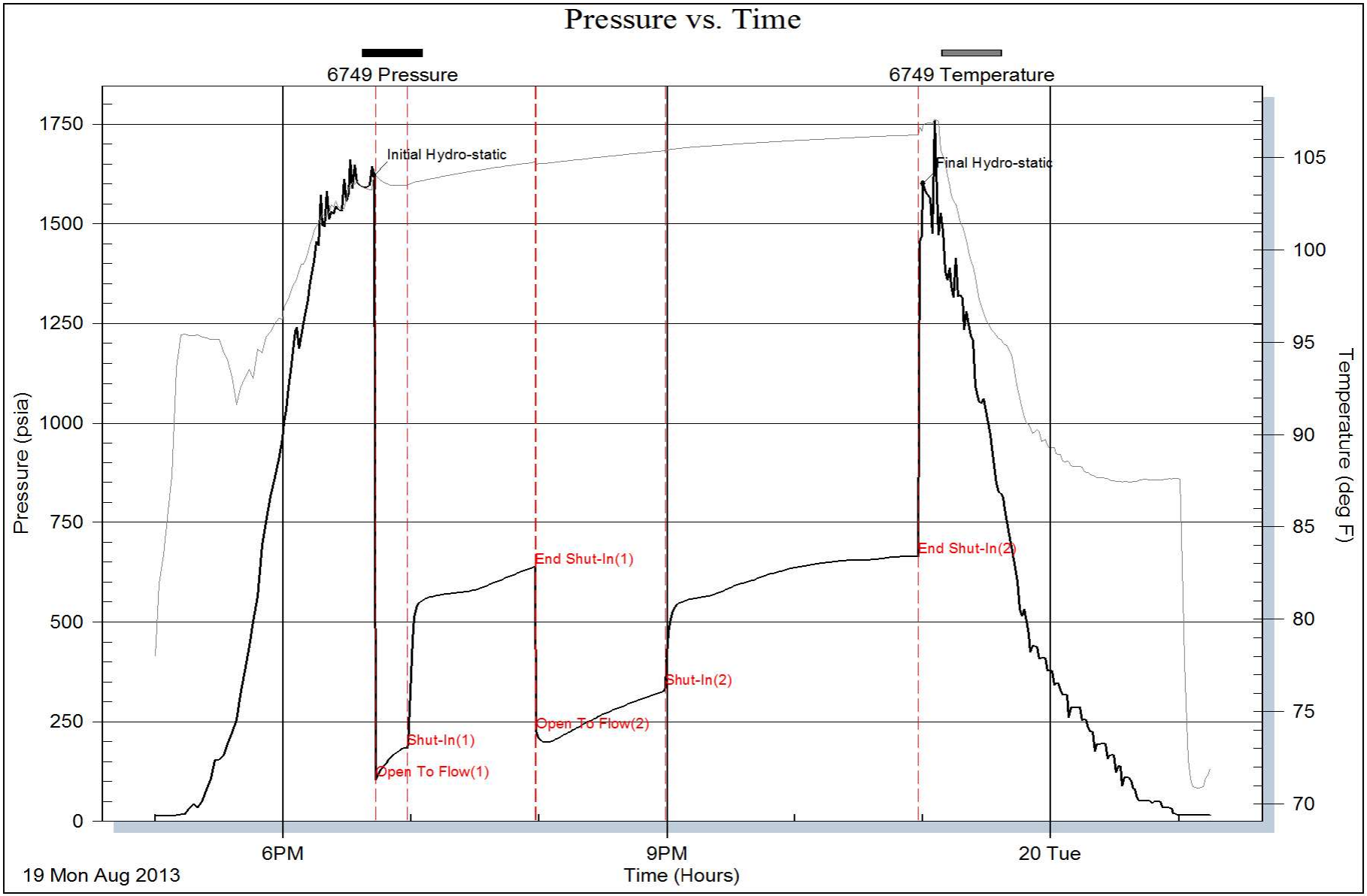
Recovery Table

Length ft	Description	Volume bbl
300.00	Mud cut Gassy Oil(20% emulsified)	1.475
0.00	Mud 5% Gas 20% Oil 75%	0.000
504.00	Mud cut Oily Gas	6.797
0.00	Mud 10% Oil 40% Gas 50%	0.000
0.00	Corrected Grav. Oil 39	0.000

Total Length: 804.00 ft Total Volume: 8.272 bbl

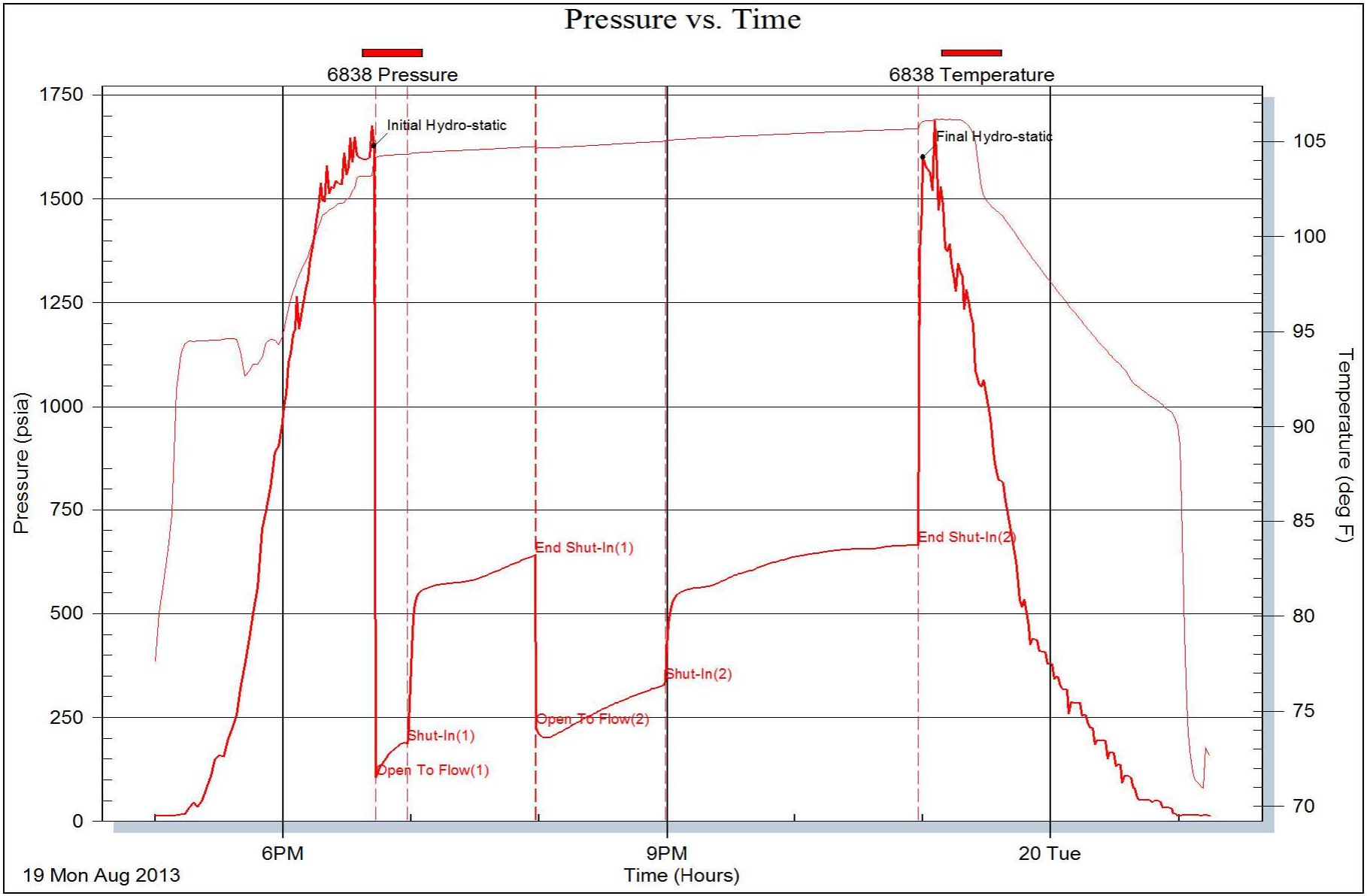
Num Fluid Samples: 0 Num Gas Bombs: 0 Serial #:
Laboratory Name: Laboratory Location:
Recovery Comments:

Serial #: 6749 **Inside** Shelby Resources LLC Nancy #1-17 DST Test Number: 1

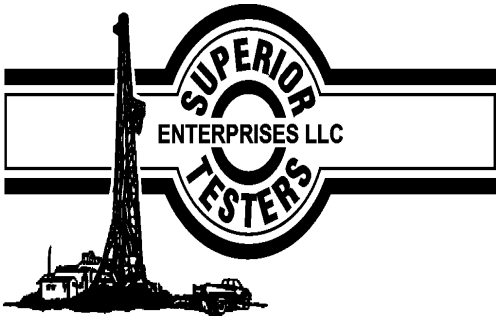


Superior Testers Enterprises LLC Ref. No: 17606 Printed: 2013.08.20 @ 01:41:08

Serial #: 6838 **Outside** Shelby Resources LLC Nancy #1-17 DST Test Number: 1



Superior Testers Enterprises LLC Ref. No: 17606 Printed: 2013.08.20 @ 01:41:08



DRILL STEM TEST REPORT

Prepared For: **Shelby Resources LLC**

2717 Canal Boulevard
Suite C
Hays, Kansas 67601

ATTN: Jeremy Schwartz

Nancy #1-17

17/17S/13W/Barton

Start Date: 2013.08.20 @ 08:28:00
End Date: 2013.08.20 @ 16:39:00
Job Ticket #: 17607 DST #: 2

Superior Testers Enterprises LLC
PO Box 138 Great Bend KS 67530
1-800-792-6902

Printed: 2013.08.20 @ 16:53:54

DRILL STEM TEST REPORT

Shelby Resources LLC

2717 Canal Boulevard
Suite C
Hays, Kansas 67601
ATTN: Jeremy Schwartz

17/17S/13W/Barton

Nancy #1-17

Job Ticket: 17607 **DST#: 2**

Test Start: 2013.08.20 @ 08:28:00

GENERAL INFORMATION:

Formation: **Lansing/Kansas City**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 09:59:30
Time Test Ended: 16:39:00

Test Type: Conventional Bottom Hole (Initial)
Tester: Ken Swinney
Unit No: 3325 Great Bend/32

Interval: 3287.00 ft (KB) To 3312.00 ft (KB) (TVD)
Total Depth: 3312.00 ft (KB) (TVD)
Hole Diameter: 7.80 inches Hole Condition: Fair

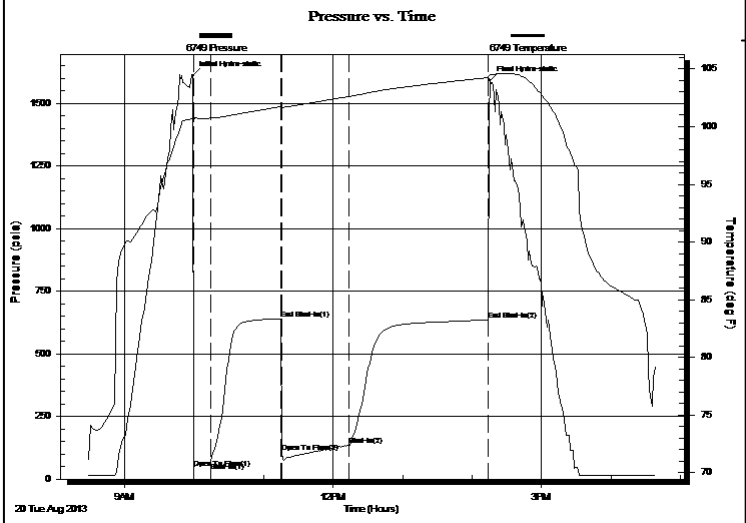
Reference Elevations: 1992.00 ft (KB)
1979.00 ft (CF)
KB to GR/CF: 13.00 ft

Serial #: 6749 **Inside**

Press@RunDepth: 135.10 psia @ 3308.00 ft (KB)
Start Date: 2013.08.20 End Date: 2013.08.20
Start Time: 08:28:00 End Time: 16:39:00

Capacity: 5000.00 psia
Last Calib.: 2013.08.20
Time On Btm: 2013.08.20 @ 09:59:00
Time Off Btm: 2013.08.20 @ 14:15:30

TEST COMMENT:
1ST Open 15 Minutes/Good blow /Blow built to bottom of bucket in 9 minutes
1ST Shut In 60 Minutes/Blow back built to 1 inch
2ND Open 60 Minutes/Strong blow /Blow built to bottom of bucket in 2 minutes
2ND Shut In 120 Minutes/Blow back built to 3 inches



PRESSURE SUMMARY

Time (Min.)	Pressure (psia)	Temp (deg F)	Annotation
0	1610.43	100.92	Initial Hydro-static
1	42.23	100.40	Open To Flow (1)
15	69.36	100.74	Shut-In(1)
76	640.20	101.75	End Shut-In(1)
77	107.04	101.69	Open To Flow (2)
135	135.10	102.61	Shut-In(2)
255	636.08	104.25	End Shut-In(2)
257	1592.21	104.48	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
126.00	Gassy Muddy Oil	0.62
0.00	Gas 20% Mud 40% Oil 40%	0.00
156.00	Clean gassy Oil	0.77
0.00	Gas 30% Oil 70%	0.00
0.00	Corrected Gavity Oil 38	0.00
0.00	1039 Feet of gas in pipe	0.00

Gas Rates

	Choke (inches)	Pressure (psia)	Gas Rate (Mcf/d)

DRILL STEM TEST REPORT

Shelby Resources LLC

2717 Canal Boulevard
Suite C
Hays, Kansas 67601
ATTN: Jeremy Schwartz

17/17S/13W/Barton

Nancy #1-17

Job Ticket: 17607 **DST#: 2**

Test Start: 2013.08.20 @ 08:28:00

GENERAL INFORMATION:

Formation: **Lansing/Kansas City**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 09:59:30
Time Test Ended: 16:39:00

Test Type: Conventional Bottom Hole (Initial)
Tester: Ken Swinney
Unit No: 3325 Great Bend/32

Interval: 3287.00 ft (KB) To 3312.00 ft (KB) (TVD)
Total Depth: 3312.00 ft (KB) (TVD)
Hole Diameter: 7.80 inches Hole Condition: Fair

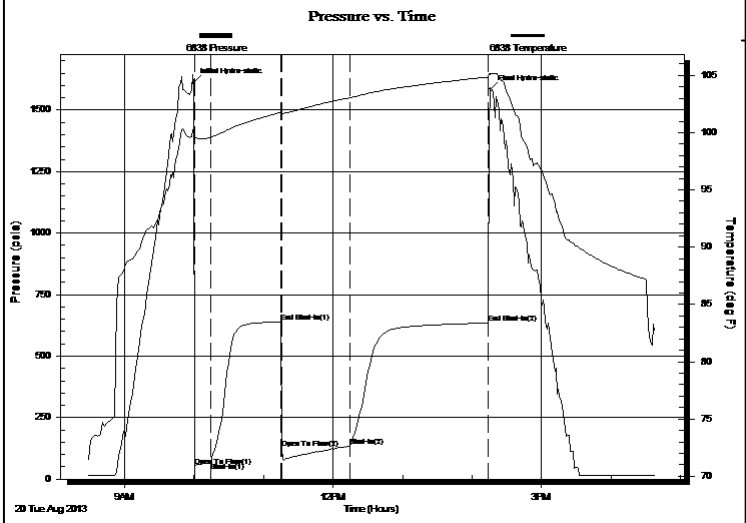
Reference Elevations: 1992.00 ft (KB)
1979.00 ft (CF)
KB to GR/CF: 13.00 ft

Serial #: 6838 **Outside**

Press@RunDepth: 635.87 psia @ 3309.00 ft (KB)
Start Date: 2013.08.20 End Date: 2013.08.20
Start Time: 08:28:00 End Time: 16:39:00

Capacity: 5000.00 psia
Last Calib.: 2013.08.20
Time On Btm: 2013.08.20 @ 09:59:30
Time Off Btm: 2013.08.20 @ 14:16:00

TEST COMMENT:
1ST Open 15 Minutes/Good blow /Blow built to bottom of bucket in 9 minutes
1ST Shut In 60 Minutes/Blow back built to 1 inch
2ND Open 60 Minutes/Strong blow /Blow built to bottom of bucket in 2 minutes
2ND Shut In 120 Minutes/Blow back built to 3 inches



PRESSURE SUMMARY

Time (Min.)	Pressure (psia)	Temp (deg F)	Annotation
0	1611.00	100.18	Initial Hydro-static
1	51.47	99.67	Open To Flow (1)
15	69.18	99.59	Shut-In(1)
76	639.62	101.77	End Shut-In(1)
76	123.46	101.64	Open To Flow (2)
135	133.95	103.04	Shut-In(2)
255	635.87	104.86	End Shut-In(2)
257	1584.54	105.11	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
126.00	Gassy Muddy Oil	0.62
0.00	Gas 20% Mud 40% Oil 40%	0.00
156.00	Clean gassy Oil	0.77
0.00	Gas 30% Oil 70%	0.00
0.00	Corrected Gavity Oil 38	0.00
0.00	1039 Feet of gas in pipe	0.00

Gas Rates

	Choke (inches)	Pressure (psia)	Gas Rate (Mcf/d)

DRILL STEM TEST REPORT

TOOL DIAGRAM

Shelby Resources LLC

2717 Canal Boulevard
Suite C
Hays, Kansas 67601
ATTN: Jeremy Schwartz

17/17S/13W/Barton

Nancy #1-17

Job Ticket: 17607 **DST#: 2**

Test Start: 2013.08.20 @ 08:28:00

Tool Information

Drill Pipe:	Length:	2934.00 ft	Diameter:	3.80 inches	Volume:	41.16 bbl	Tool Weight:		2000.00 lb
Heavy Wt. Pipe:	Length:	0.00 ft	Diameter:	0.00 inches	Volume:	0.00 bbl	Weight set on Packer:		20000.00 lb
Drill Collar:	Length:	330.00 ft	Diameter:	2.25 inches	Volume:	1.62 bbl	Weight to Pull Loose:		84000.00 lb
					Total Volume:	42.78 bbl	Tool Chased		0.00 ft
Drill Pipe Above KB:		4.00 ft					String Weight:	Initial	69000.00 lb
Depth to Top Packer:		3287.00 ft						Final	69000.00 lb
Depth to Bottom Packer:		ft							
Interval between Packers:		25.00 ft							
Tool Length:		52.00 ft							
Number of Packers:		2	Diameter:	6.75 inches					

Tool Comments:

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths	
Shut In Tool	5.00			3265.00		
Hydrolic Tool	5.00			3270.00		
Jars	5.00			3275.00		
Safety Joint	2.00			3277.00		
Packer	5.00			3282.00	27.00	Bottom Of Top Packer
Packer	5.00			3287.00		
Anchor	20.00			3307.00		
Recorder	1.00	6749	Inside	3308.00		
Recorder	1.00	6838	Outside	3309.00		
Bullnose	3.00			3312.00	25.00	Bottom Packers & Anchor
Total Tool Length:	**52.00**					

DRILL STEM TEST REPORT

FLUID SUMMARY

Shelby Resources LLC

2717 Canal Boulevard
Suite C
Hays, Kansas 67601
ATTN: Jeremy Schwartz

17/17S/13W/Barton

Nancy #1-17

Job Ticket: 17607 **DST#: 2**

Test Start: 2013.08.20 @ 08:28:00

Mud and Cushion Information

Mud Type:	Gel Chem	Cushion Type:		Oil API:	deg API
Mud Weight:	9.00 lb/gal	Cushion Length:	ft	Water Salinity:	ppm
Viscosity:	62.00 sec/qt	Cushion Volume:	bbl		
Water Loss:	8.00 in³	Gas Cushion Type:			
Resistivity:	ohm.m	Gas Cushion Pressure:	psia		
Salinity:	5700.00 ppm				
Filter Cake:	1.00 inches				

Recovery Information

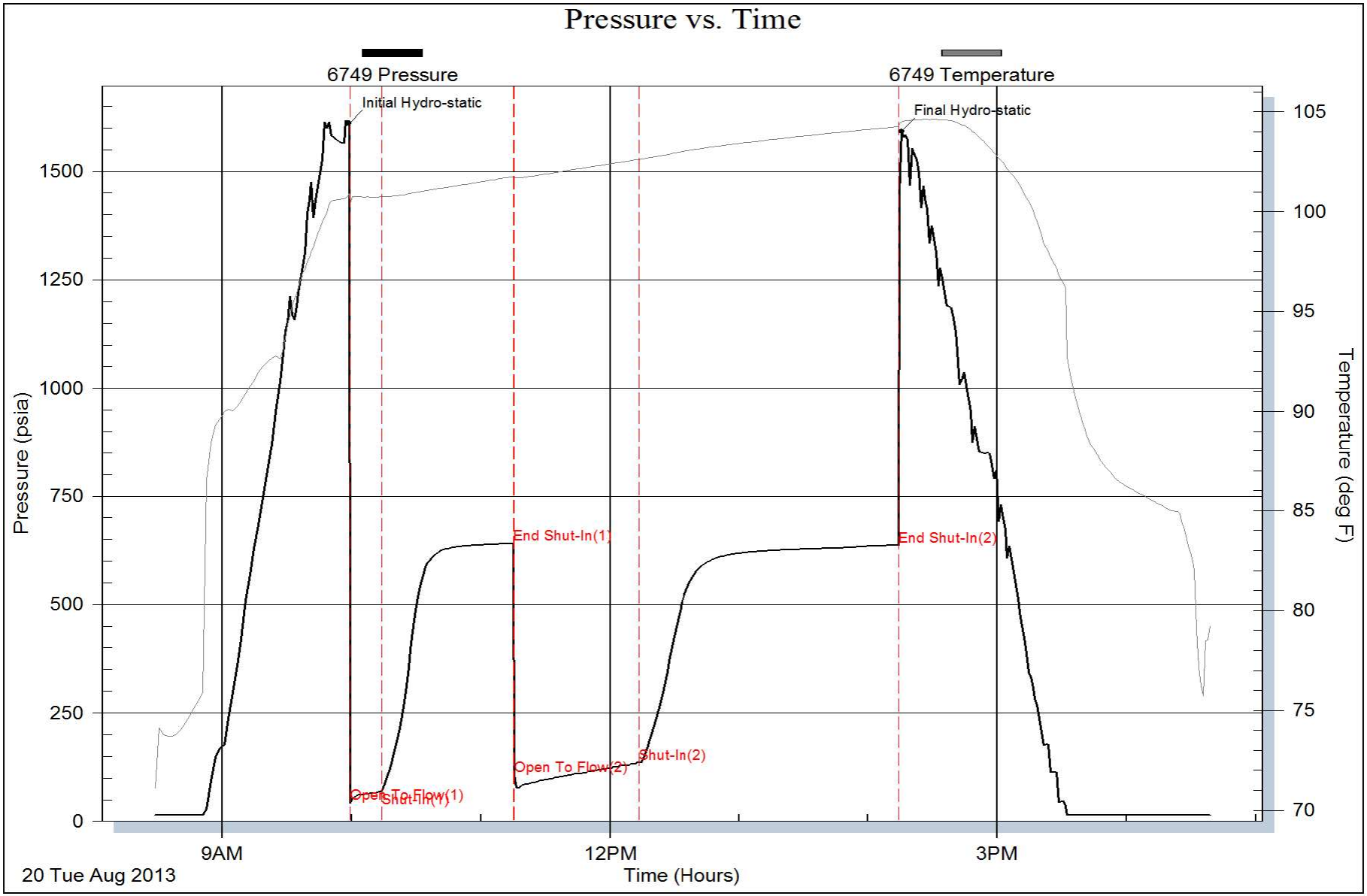
Recovery Table

Length ft	Description	Volume bbl
126.00	Gassy Muddy Oil	0.620
0.00	Gas 20% Mud 40% Oil 40%	0.000
156.00	Clean gassy Oil	0.767
0.00	Gas 30% Oil 70%	0.000
0.00	Corrected Gavity Oil 38	0.000
0.00	1039 Feet of gas in pipe	0.000

Total Length: 282.00 ft Total Volume: 1.387 bbl

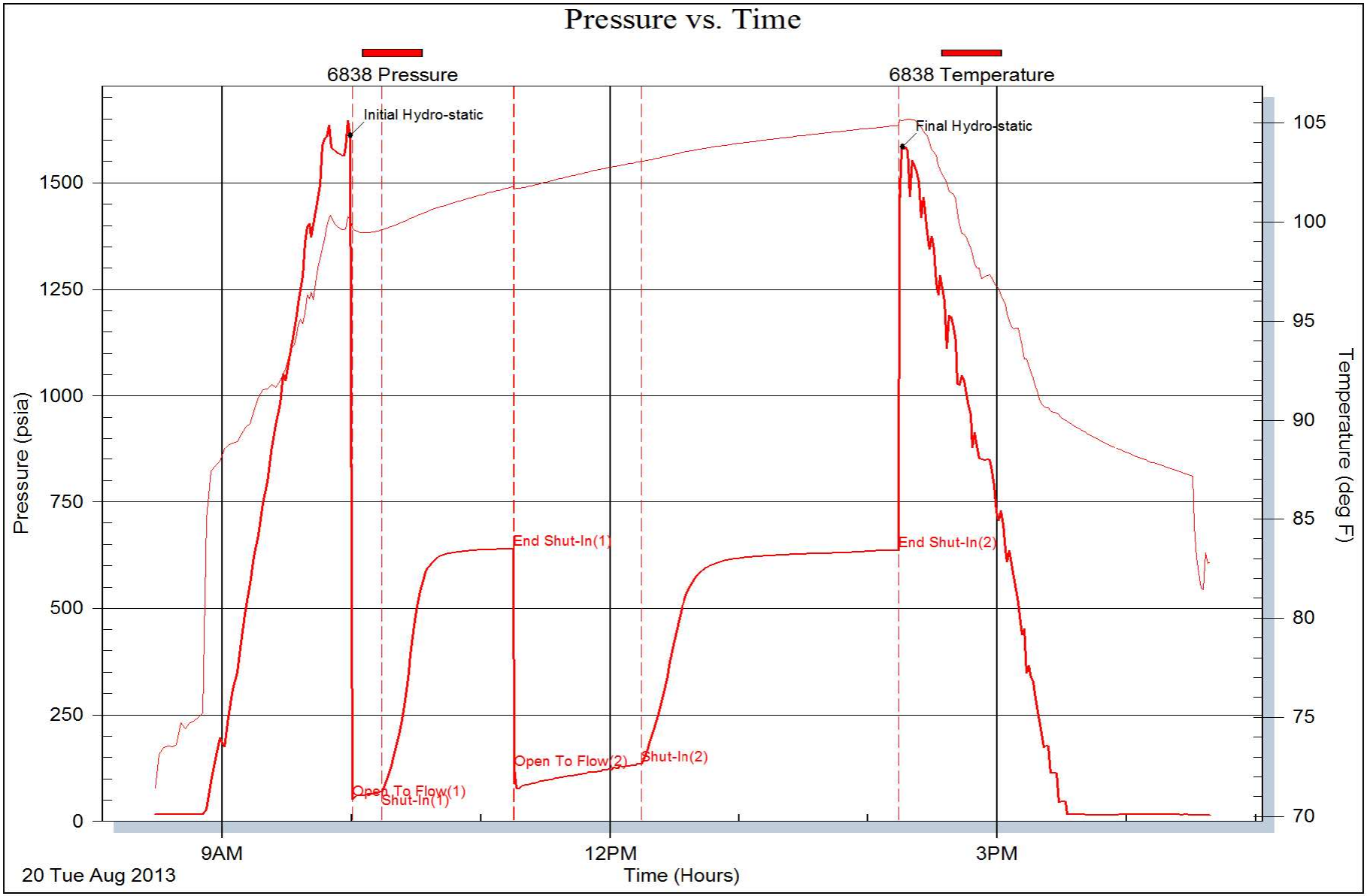
Num Fluid Samples: 0 Num Gas Bombs: 0 Serial #:
Laboratory Name: Laboratory Location:
Recovery Comments:

Serial #: 6749 **Inside** Shelby Resources LLC Nancy #1-17 DST Test Number: 2

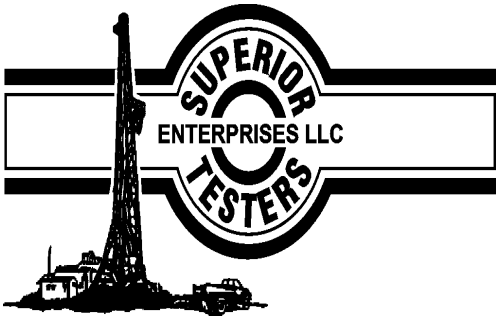


Superior Testers Enterprises LLC Ref. No: 17607 Printed: 2013.08.20 @ 16:53:55

Serial #: 6838 **Outside** Shelby Resources LLC Nancy #1-17 DST Test Number: 2



Superior Testers Enterprises LLC Ref. No: 17607 Printed: 2013.08.20 @ 16:53:55



DRILL STEM TEST REPORT

Prepared For: **Shelby Resources LLC**

2717 Canal Boulevard
Suite C
Hays, Kansas 67601

ATTN: Jeremy Schwartz

Nancy #1-17

17/17S/13W/Barton

Start Date: 2013.08.21 @ 05:07:00
End Date: 2013.08.21 @ 09:16:00
Job Ticket #: 17607 DST #: 3

Superior Testers Enterprises LLC
PO Box 138 Great Bend KS 67530
1-800-792-6902

Printed: 2013.08.21 @ 09:30:41

DRILL STEM TEST REPORT

Shelby Resources LLC

2717 Canal Boulevard
Suite C
Hays, Kansas 67601
ATTN: Jeremy Schwartz

17/17S/13W/Barton

Nancy #1-17

Job Ticket: 17607 **DST#: 3**

Test Start: 2013.08.21 @ 05:07:00

GENERAL INFORMATION:

Formation: **Lansing/Kansas City**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 06:23:00
Time Test Ended: 09:16:00

Test Type: Conventional Bottom Hole (Initial)
Tester: Ken Swinney
Unit No: 3325 Great Bend/32

Interval: 3335.00 ft (KB) To 3452.00 ft (KB) (TVD)
Total Depth: 3452.00 ft (KB) (TVD)
Hole Diameter: 7.80 inches Hole Condition: Fair

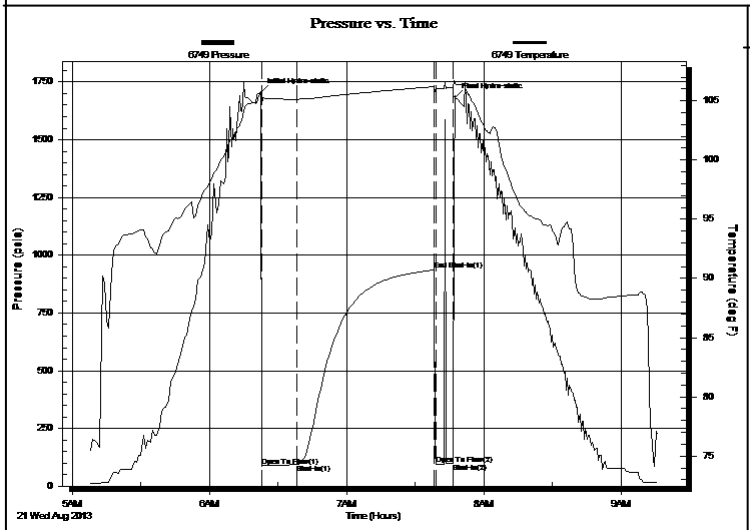
Reference Elevations: 1992.00 ft (KB)
1979.00 ft (CF)
KB to GR/CF: 13.00 ft

Serial #: 6749 **Inside**

Press@RunDepth: 92.58 psia @ 3448.08 ft (KB)
Start Date: 2013.08.21 End Date: 2013.08.21
Start Time: 05:07:00 End Time: 09:16:00

Capacity: 5000.00 psia
Last Calib.: 2013.08.21
Time On Btm: 2013.08.21 @ 06:22:30
Time Off Btm: 2013.08.21 @ 07:47:30

TEST COMMENT: 1ST Open 15 Minutes/Weak blow /Blow built to 1/2 inch
1ST Shut In 60 Minutes/No blow back
2ND Open 10 Minutes/Dead no blow /Flush tool no help/Pull test



PRESSURE SUMMARY

Time (Min.)	Pressure (psia)	Temp (deg F)	Annotation
0	1702.10	105.59	Initial Hydro-static
1	86.25	104.70	Open To Flow (1)
16	92.58	105.13	Shut-In(1)
76	935.84	106.19	End Shut-In(1)
77	93.57	106.03	Open To Flow (2)
84	99.04	106.13	Shut-In(2)
85	1684.13	106.48	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
15.00	Mud 100%	0.07

Gas Rates

	Choke (inches)	Pressure (psia)	Gas Rate (Mcf/d)

DRILL STEM TEST REPORT

Shelby Resources LLC

2717 Canal Boulevard
Suite C
Hays, Kansas 67601
ATTN: Jeremy Schwartz

17/17S/13W/Barton

Nancy #1-17

Job Ticket: 17607 **DST#: 3**

Test Start: 2013.08.21 @ 05:07:00

GENERAL INFORMATION:

Formation: **Lansing/Kansas City**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 06:23:00
Time Test Ended: 09:16:00

Test Type: Conventional Bottom Hole (Initial)
Tester: Ken Swinney
Unit No: 3325 Great Bend/32

Interval: 3335.00 ft (KB) To 3452.00 ft (KB) (TVD)
Total Depth: 3452.00 ft (KB) (TVD)
Hole Diameter: 7.80 inches Hole Condition: Fair

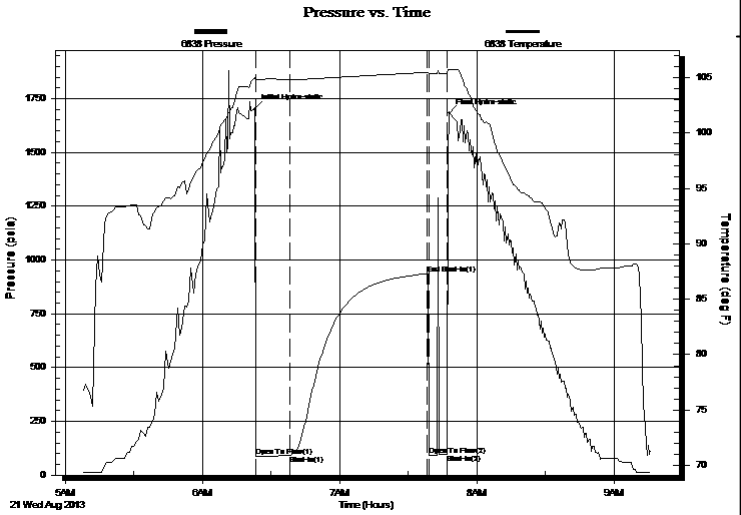
Reference Elevations: 1992.00 ft (KB)
1979.00 ft (CF)
KB to GR/CF: 13.00 ft

Serial #: 6838 **Outside**

Press@RunDepth: 936.73 psia @ 3449.08 ft (KB)
Start Date: 2013.08.21 End Date: 2013.08.21
Start Time: 05:07:00 End Time: 09:16:00

Capacity: 5000.00 psia
Last Calib.: 2013.08.21
Time On Btm: 2013.08.21 @ 06:23:00
Time Off Btm: 2013.08.21 @ 07:48:00

TEST COMMENT: 1ST Open 15 Minutes/Weak blow /Blow built to 1/2 inch
1ST Shut In 60 Minutes/No blow back
2ND Open 10 Minutes/Dead no blow /Flush tool no help/Pull test



PRESSURE SUMMARY

Time (Min.)	Pressure (psia)	Temp (deg F)	Annotation
0	1703.31	104.99	Initial Hydro-static
1	86.56	104.78	Open To Flow (1)
15	90.78	104.84	Shut-In(1)
75	936.73	105.48	End Shut-In(1)
76	92.41	105.37	Open To Flow (2)
84	97.66	105.38	Shut-In(2)
85	1682.35	105.73	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
15.00	Mud 100%	0.07

Gas Rates

	Choke (inches)	Pressure (psia)	Gas Rate (Mcf/d)

DRILL STEM TEST REPORT

TOOL DIAGRAM

Shelby Resources LLC

2717 Canal Boulevard
Suite C
Hays, Kansas 67601
ATTN: Jeremy Schwartz

17/17S/13W/Barton

Nancy #1-17

Job Ticket: 17607 **DST#: 3**

Test Start: 2013.08.21 @ 05:07:00

Tool Information

Drill Pipe:	Length:	2993.00 ft	Diameter:	3.80 inches	Volume:	41.98 bbl	Tool Weight:		2000.00 lb
Heavy Wt. Pipe:	Length:	0.00 ft	Diameter:	0.00 inches	Volume:	0.00 bbl	Weight set on Packer:		20000.00 lb
Drill Collar:	Length:	330.00 ft	Diameter:	2.25 inches	Volume:	1.62 bbl	Weight to Pull Loose:		86000.00 lb
					Total Volume:	43.60 bbl	Tool Chased		0.00 ft
Drill Pipe Above KB:		15.00 ft					String Weight:	Initial	70000.00 lb
Depth to Top Packer:		3335.00 ft						Final	70000.00 lb
Depth to Bottom Packer:		ft							
Interval between Packers:		117.08 ft							
Tool Length:		144.08 ft							
Number of Packers:		2	Diameter:	6.75 inches					

Tool Comments:

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths	
Shut In Tool	5.00			3313.00		
Hydrolic Tool	5.00			3318.00		
Jars	5.00			3323.00		
Safety Joint	2.00			3325.00		
Packer	5.00			3330.00	27.00	Bottom Of Top Packer
Packer	5.00			3335.00		
Perforations	5.00			3340.00		
Change Over Sub	0.75			3340.75		
Drill Pipe	95.58			3436.33		
Change Over Sub	0.75			3437.08		
Anchor	10.00			3447.08		
Recorder	1.00	6749	Inside	3448.08		
Recorder	1.00	6838	Outside	3449.08		
Bullnose	3.00			3452.08	117.08	Bottom Packers & Anchor
Total Tool Length:	**144.08**					

DRILL STEM TEST REPORT

FLUID SUMMARY

Shelby Resources LLC

2717 Canal Boulevard
Suite C
Hays, Kansas 67601
ATTN: Jeremy Schwartz

17/17S/13W/Barton

Nancy #1-17

Job Ticket: 17607 **DST#: 3**

Test Start: 2013.08.21 @ 05:07:00

Mud and Cushion Information

Mud Type:	Gel Chem	Cushion Type:		Oil API:	deg API
Mud Weight:	9.00 lb/gal	Cushion Length:	ft	Water Salinity:	ppm
Viscosity:	60.00 sec/qt	Cushion Volume:	bbl		
Water Loss:	8.80 in³	Gas Cushion Type:			
Resistivity:	ohm.m	Gas Cushion Pressure:	psia		
Salinity:	5800.00 ppm				
Filter Cake:	1.00 inches				

Recovery Information

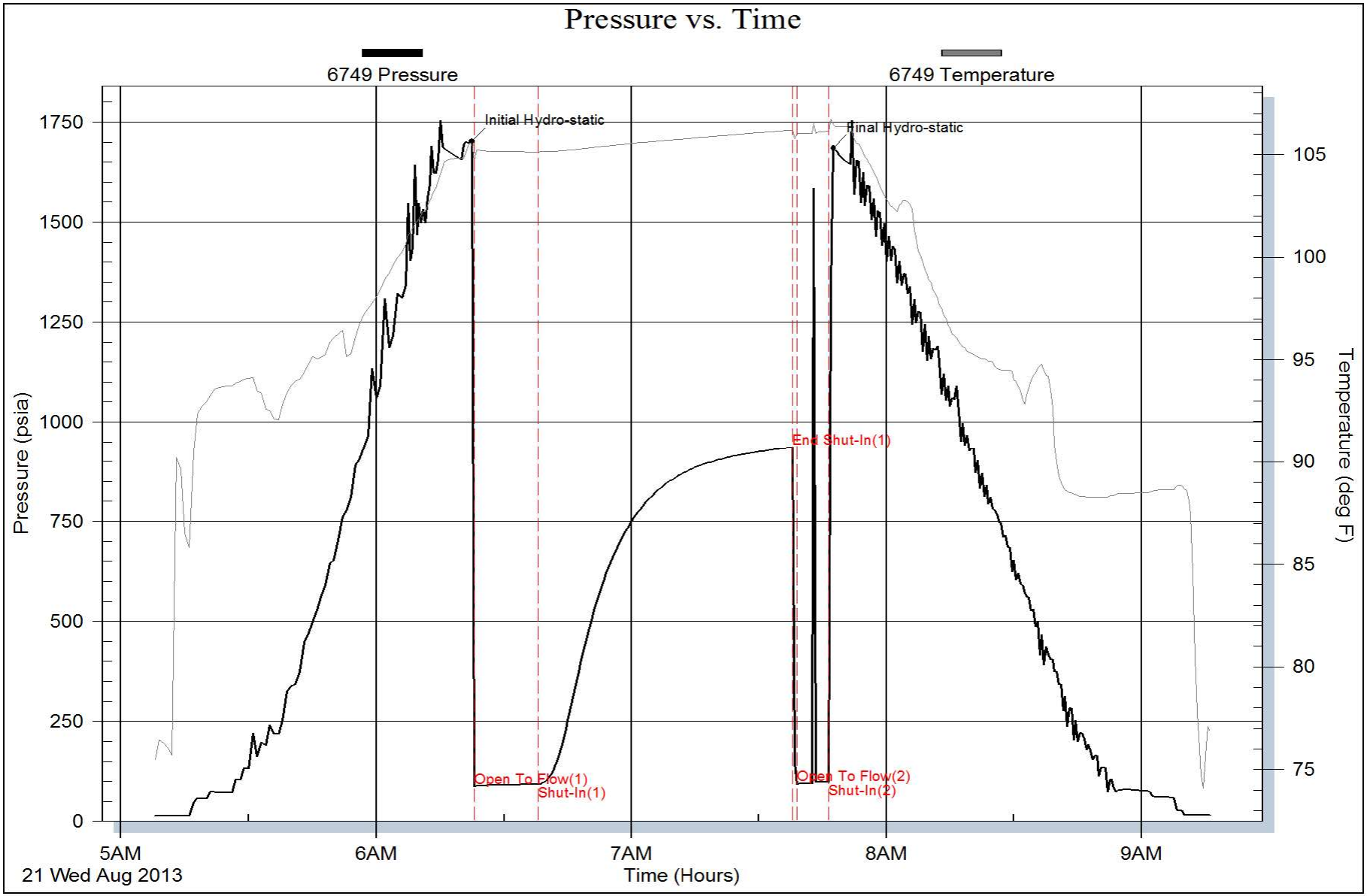
Recovery Table

Length ft	Description	Volume bbl
15.00	Mud 100%	0.074

Total Length: 15.00 ft Total Volume: 0.074 bbl

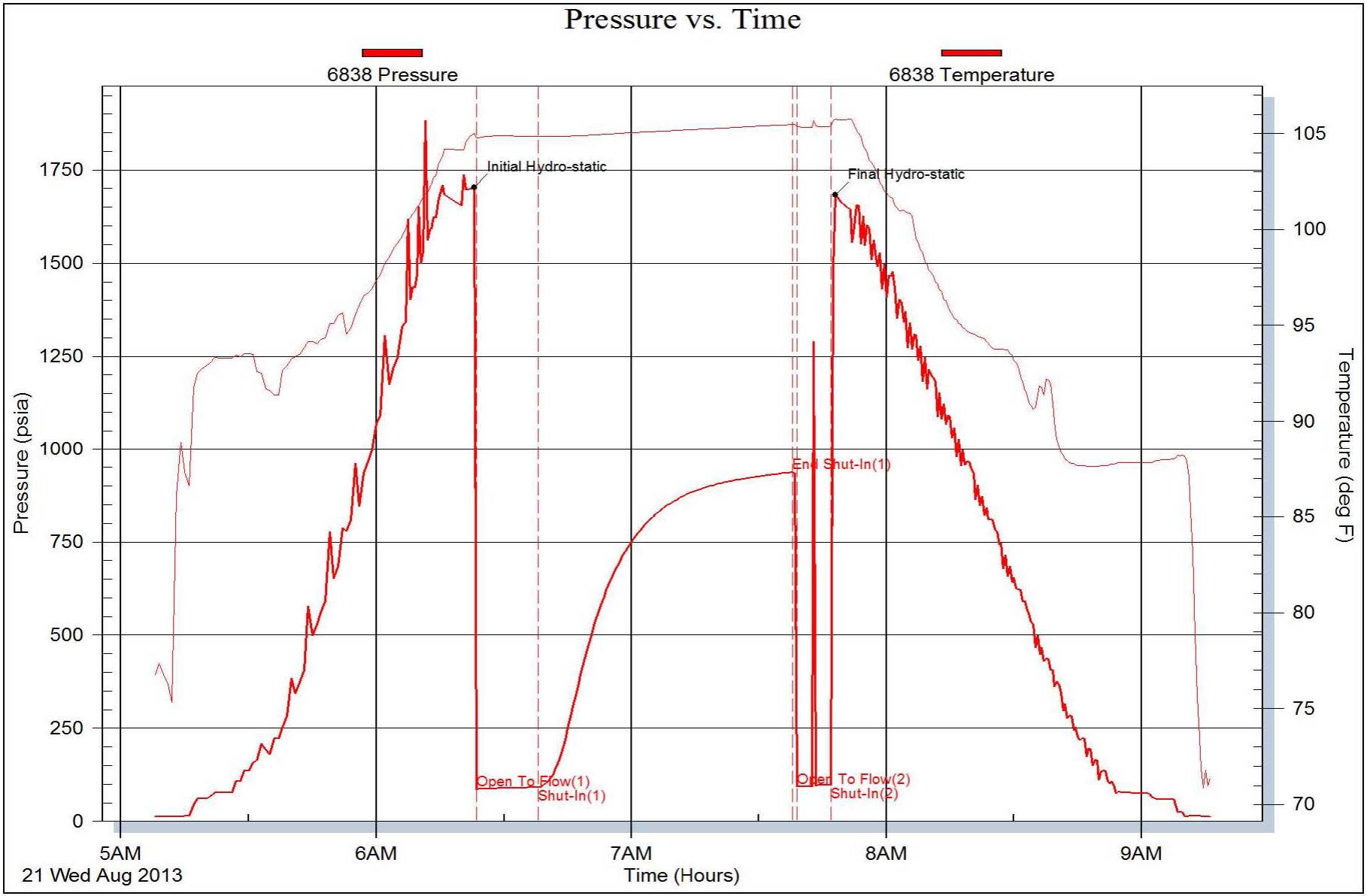
Num Fluid Samples: 0 Num Gas Bombs: 0 Serial #:
Laboratory Name: Laboratory Location:
Recovery Comments:

Serial #: 6749 **Inside** Shelby Resources LLC Nancy #1-17 DST Test Number: 3



Superior Testers Enterprises LLC Ref. No: 17607 Printed: 2013.08.21 @ 09:30:41

Serial #: 6838 **Outside** Shelby Resources LLC Nancy #1-17 DST Test Number: 3



Superior Testers Enterprises LLC Ref. No: 17607 Printed: 2013.08.21 @ 09:30:42

QUALITY OILWELL CEMENTING, INC.

Federal Tax I.D.# 20-2886107

Phone 785-483-2025 Home Office P.O. Box 32 Russell, KS 67665 No. 7752

Cell 785-324-1041

Date	Sec.	Twp.	Range	County	State	On Location	Finish
8-16-13	17	17	13	Barton	KS		4:45 PM

Location 281 & 4 Jct, 3N, 3E, 1/4S, E/S

Lease Nancy Well No. 1-17 Owner

Contractor Sterling 5 To Quality Oilwell Cementing, Inc.

Type Job Surface You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.

Hole Size 12 1/4" T.D. 955' Charge To Shelby Resources

Csg. 8 5/8" Depth 950' Street

Tbg. Size Depth City State

Tool Depth The above was done to satisfaction and supervision of owner agent or contractor.

Cement Left in Csg. 42.53' Shoe Joint 42.53' Cement Amount Ordered 450 sx ~~Common~~ 60/40

Meas Line Displace 57 3/4 Bbls 3% CC 2% Gel 1/4# Flo-seal

EQUIPMENT

Pumptrk 16 No. Cementer Helper Billy

Bulktrk 19 No. Driver Driver Chad

~~Bulktrk~~ P.U. No. Driver Driver Rick

JOB SERVICES & REMARKS

Remarks: Cement did Circulate.

Rat Hole

Mouse Hole

Centralizers Shut in @ 700#

Baskets

D/V or Port Collar

Common 270

Poz. Mix 180

Gel. 18 9

Calcium 16

Hulls

Salt

Flowseal 112#

Kol-Seal

Mud CLR 48

CFL-117 or CD110 CAF 38

Sand

Handling 478

Mileage

FLOAT EQUIPMENT

Guide Shoe 1 Weld on

Centralizer

Baskets

AFU Inserts

Float Shoe

Latch Down

1 - Baffle plate

1 - Rubber plug

Pumptrk Charge Long Surface

Mileage 21

Tax

Discount

Total Charge

X Signature Alan Lafferty

BASiC energy services, L.P.

TREATMENT REPORT

Customer: Shelby Resources llc	Lease No.	Date: 8-22-13
Lease: NANCY	Well #: 1-17	

Field Order #: 8758	Station: Pratt	Casing: 5 1/2	Depth	County: BARTON	State: KS
Type Job: CNW L.S.			Formation	Legal Description: 17-17-13	

PIPE DATA		PERFORATING DATA		FLUID USED	TREATMENT RESUME		
Casing Size: 5 1/2	Tubing Size	Shots/Ft		Acid: CMT AA-2	.25 Defoamer RATE	1090 SALT PRESS	ISIP
Depth: 3504.28	Depth	From	To	Pre Pad: 1% GAS Block	Max: .5% FLA	5# Gilsonite	5 Min. 1/4 # Cellflake
Volume: 85.50	Volume	From	To	Pad: CMT 60/40 POZ	Min: 2% Gel		10 Min.
Max Press: 1500	Max Press	From	To	Frac	Avg		15 Min.
Well Connection: PC	Annulus Vol.	From	To		HHP Used		Annulus Pressure
Plug Depth: 3483.08	Packer Depth	From	To	Flush: 84.99	Gas Volume		Total Load

Customer Representative: Chris Gottschalk	Station Manager: Kevin Gordley		Treater: Mike Mattal

Service Units	28443		77684	19905		19831	19862				
Driver Names	MATTAL		Young			Pierson					

Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
7:05 PM					ON LOCATION / SAFETY MEETING
7:10					RUN CASING
8:45					CASING ON BOTTOM
9:00					HOOK UP TO RIG / BREAK CIRC W RIG
					CIRCULATE 1 HR
9:56	250		5	5	~~MIX~~ PUMP 5 BBLS H2O
10:00	300		14	5	MIX 50 SKS Scavenger
10:04	250		24	5	MIX 100 SKS AA 2
10:10					CLEAN PUMPS & LINES / RELEASE PLUG
10:15	150			5	START DISPLACEMENT
10:28	300		75	3	SLOW RATE
10:33	1500		86		PLUG DOWN / INSERT HELD
					CIRC THRU JOB
					JOB COMPLETE
					THANK YOU
					MIKE MATTAL

Scale 1:240 Imperial

Well Name:	# 1-17 Nancy		
Surface Location:	1634' FNL _710' FWL Sec 17-17s-13W		
Bottom Location:			
API:	15-009-25870-00-00		
License Number:			
Spud Date:	8/15/2013	Time:	6:15 PM
Region:	Barton County		
Drilling Completed:	8/22/2013	Time:	2:25 AM
Surface Coordinates:	Y = 695027 & X = 1916774		
Bottom Hole Coordinates:	Y = 695027 & X = 1916774		
Ground Elevation:	1979.00ft		
K.B. Elevation:	1992.00ft		
Logged Interval:	2700.00ft	To:	3539.00ft
Total Depth:	3539.00ft		
Formation:	Arbuckle		
Drilling Fluid Type:	Chemical/Fresh Water Gel		

OPERATOR

Company:	Shelby Resources, LLC		
Address:	445 Union Blvd, Suite 208 Lakewood, CO 80228		
Contact Geologist:	Janine Sturdavant		
Contact Phone Nbr:	303-907-2209 / 720-274-4682		
Well Name:	# 1-17 Nancy		
Location:	1634' FNL _710' FWL Sec 17-17s-13W	API:	15-009-25870-00-00
Pool:		Field:	Wildcat
State:	Kansas	Country:	USA

LOGGED BY

Company:	Shelby Resources, LLC		
Address:	445 UNION BLVD. Suite 208 LAKEWOOD, CO. 80228		
Phone Nbr:	203-671-6034		
Logged By:	Geologist	Name:	Jeremy Schwartz

NOTES

The Shelby Resources Nancy #1-17 was drilled to a total depth of 3539', bottoming in the Arbuckle. A TookeDaq gas detector was employed in the drilling of said well.

Three DST's were conducted throughout the Lansing Kansas City Zones. The DST reports can be found at the bottom of this log.

Due to the DST results, sample shows, gas kicks, and log analysis it was determined by all parties involved to furthur test the well through production pipe. The dry samples were saved and will be available for furthur review at the Kansas Geological Society Well Sample Library, located in Wichita, KS.

Respectfully Submitted,
Jeremy Schwartz
Geologist

NOTE: Elog depths are 2' Higher/Shallower to the Drill Time so all DST's need to be adjusted 2' Higher

SURFACE CO-ORDINATES

Well Type:	Vertical

Longitude: Latitude:
N/S Co-ord: Y = 695027
E/W Co-ord: X = 1916774

CONTRACTOR

Contractor: Sterling Drilling Co
Rig #: 5
Rig Type: mud rotary
Spud Date: 8/15/2013 Time: 6:15 PM
TD Date: 8/22/2013 Time: 2:25 AM
Rig Release: Time:

ELEVATIONS

K.B. Elevation: 1992.00ft Ground Elevation: 1979.00ft
K.B. to Ground: 13.00ft

DATE	DEPTH	ACTIVITY
Sunday, August 18, 2013	2945'	Geologist Jeremy Schwartz on location @ 2200hrs, Drilling ahead
Monday, August 19, 2013	3000'	Drilling ahead through Heebner, Toronto, Douglas, LKC, Short Trip, Strap out, Drop
	3287'	Survey, Conduct DST #1 in LKC "A-D"
Tuesday, August 20, 2013	3312'	Drilling Ahead through LKC F, G, Conduct DST #2 in LKC "F-G", Drilling ahead through
		Muncie Creek, LKC "H"
Wednesday, August 21, 2013	3400'	Drilling ahead through Stark, BKC, Conduct DST #3 in the LKC "H-K"
	3452'	Drilling ahead through BKC, Conglomerate, Arbuckle, Structural position and
		lack of shows in Arbuckle do not warrant DST
Thursday, August 22, 2013	3485'	Drilling Ahead to TD @ 3539', TD of 3539' reached @ 0225hrs
	3539'	Conduct Logging Operations, Logging operations complete @ 0930hrs
		Geologist Jeremy Schwartz released @ 1015hrs

CLIENT:	SHELBY RESOURCES, LLC
WELL NAME:	NANCY #1-17
LEGAL:	17-17S-13W
COUNTY:	BARTON
API :	15-009-25870-0000
DRLG CONTRACTOR:	STERLING DRILLING CO.
RIG #:	5
DOGHOUSE #:	620-388-5433
TOOLPUSHER:	ALAN LOFTIS
CELL #:	620-388-2736

	NANCY #1-17 C N/2 SW NW				SHELBY RESOURCES, LLC HOFFMAN #1-18 18-17S-13W C S/2 NE						SHELBY RESOURCES, LLC CLARKSON #1-17 17-17S-13W SW SE						D&A ENERGY THREE, INC CREST TRUST #1 17-17S-13W N/2 N/2 SE NW					
	KB	1992			KB	1945					KB	1974					KB	1961				
	LOG TOPS		SAMPLE TOPS		COMP. CARD		LOG		SMPL.		COMP. CARD		LOG		SMPL.		COMP. CARD		LOG		SMPL.	
FORMATION	DEPTH	DATUM	DEPTH	DATUM	DEPTH	DATUM	CORR.		CORR.		DEPTH	DATUM	CORR.		CORR.		DEPTH	DATUM	CORR.		CORR.	
ANHYDRITE TOP	928	1064	929	1063	890	1055	+	9	+	8	908	1066	-	2	-	3	898	1063	+	1	+	0
BASE	956	1036	960	1032	917	1028	+	8	+	4	936	1038	-	2	-	6	926	1035	+	1	-	3
KING HILL	2986	-994	2990	-998	2942	-997	+	3	-	1	2971	-997	+	3	-	1	2962	-1001	+	7	+	3
QUEEN HILL	3050	-1058	3052	-1060	3005	-1060	+	2	+	0	3036	-1062	+	4	+	2	3025	-1064	+	6	+	4
HEEBNER SHALE	3138	-1146	3138	-1146	3092	-1147	+	1	+	1	3121	-1147	+	1	+	1	3113	-1152	+	6	+	6
TORONTO	3156	-1164	3159	-1167	3109	-1164	+	0	-	3	3138	-1164	+	0	-	3	3132	-1171	+	7	+	4
DOUGLAS SHALE	3166	-1174	3168	-1176	3119	-1174	+	0	-	2	3151	-1177	+	3	+	1	3141	-1180	+	6	+	4
BROWN LIME	3218	-1226	3222	-1230	3173	-1228	+	2	-	2	3203	-1229	+	3	-	1	3196	-1235	+	9	+	5
LKC	3228	-1236	3230	-1238	3182	-1237	+	1	-	1	3211	-1237	+	1	-	1	3207	-1246	+	10	+	8
LKC G	3300	-1308	3304	-1312	3250	-1305	-	3	-	7	3291	-1317	+	9	+	5	3277	-1316	+	8	+	4
MUNCIE CREEK	3354	-1362	3358	-1366	3309	-1364	+	2	-	2	3337	-1363	+	1	-	3	3328	-1367	+	5	+	1
LKC H	3361	-1369	3367	-1375	3316	-1371	+	2	-	4	3342	-1368	-	1	-	7	3336	-1375	+	6	+	0
STARK SHALE	3413	-1421	3419	-1427	3369	-1424	+	3	-	3	3398	-1424	+	3	-	3	3387	-1426	+	5	-	1
BKC	3438	-1446	3450	-1458	3397	-1452	+	6	-	6	3424	-1450	+	4	-	8	3422	-1461	+	15	+	3
ARBUCKLE	3476	-1484	3479	-1487	3412	-1467	-	17	-	20	3445	-1471	-	13	-	16	3443	-1482	-	2	-	5
RTD			3539	-1547	3525	-1580			+	33	3540	-1566			+	19	3475	-1514			-	33
LTD	3537	-1545			3526	-1581	+	36			3542	-1568	+	23			3474	-1513	-	32		
					TESTED						TESTED						TESTED					
					DST #1 (3176-3237) LKC A-D IF BOB 2M FF - BOB <1M BOB BLO BKS 1980' OIL, 120' OGCM 982# / 1038# DST #2 (3238-3261) LKC F-G IF BOB 1M, BL BK BOB						DST #1 (3206-3280) LKC B IF WK TO 2.5" FF - WK TO 3.5" 180'M 596# / 312# DST #2 (3330-3412) LKC H-K IF STRONG TO BOB 15M FF - STRONG TO BOB 10M						DST #1 (3421-3444) CONG/ARBUCKLE 30-45-30-45 10'M IFP 45-45, FFP 45-54 ISIP 862# / FSIP 842# DST #2 (3421-3450) ARBUCKLE 45-60-45-60 60' SOCM				

PROGNOSIS		
ANHYDRITE TOP	933	1059
HEEBNER SHALE	3133	-1141
LKC	3221	-1229
BKC	3422	-1430
ARBUCKLE	3451	-1459
RTD	3550	-1558

FF - BOB 1M, BL BK BOB
970' CGO, 60' OCM
780# / 718#

DST #3 (3300-3390)
IF FAIR TO BOB 3M, BOB BL BK
FF - BOB 1M, GTSD 55M
FSI BOB BL BK
1380' CO, 120'OCM
1113# / 1122#

DST #4 (3388-3422) ARBUCKLE
IF WK TO 7", WK BLO BK
FF - WK TO 10" - NO BLO BK
230' CO, 90'OCM
1101# / 1086#

DST #5(3423-3444) ARBUCKLE
IF GOOD TO BOB 2M, WK BLO BK
FF - GOOD TO BOB 3M, NO BLO BK
15' CO, 1500' WTR W/ TR OIL
60' WCM
1146# / 1142#

FSI BOB - 43M
240'GIP, 130' SGO, 120' SGOCM
860# / 877#

DST #3 (3416-3450) ARBUCKLE
IF VERY WK SURFACE
FF - NO BLOW
4' DRILLING MUD
923# / 998#

DST #4 (3450-3458) ARBUCKLE
IF WK BLOW TO 2"
FF - NO BLOW
5' DRILLING MUD
1307# / 1094#

IFP 36-36, FFP 54-54
ISIP 1027# / FSIP 1000#

ROCK TYPES

Congl
Dolprim
Lmst fw<7
shale, gry
Carbon Sh
shale, red

ACCESSORIES

MINERAL
- Chert White
- Chert, tripolitic

FOSSIL
- F Fossils < 20%

STRINGER
- Chert
- Limestone
- Shale
- green shale
- red shale

TEXTURE
- C Chalky

OTHER SYMBOLS

MISC
- Daily Report
- Digital Photo
- Document
- Folder
- Link
- Vertical Log File
- Horizontal Log File
- Core Log File
- Drill Cuttings Rpt

DST
- DST Int
- DST alt

Printed by GEOstrip VC Striplog version 4.0.7.0 (www.grsi.ca)

Curve Track #1
ROP (min/ft)
Gamma (API)
Cal (in)
1:240 Imperial
Depth | Intervals
Cored Interval
DST Interval
DST
Lithology
Oil Show
Geological Descriptions
TG, C1 - C5
Total Gas (units)
C1 (units)
C2 (units)
C3 (units)
C4 (units)
1:240 Imperial

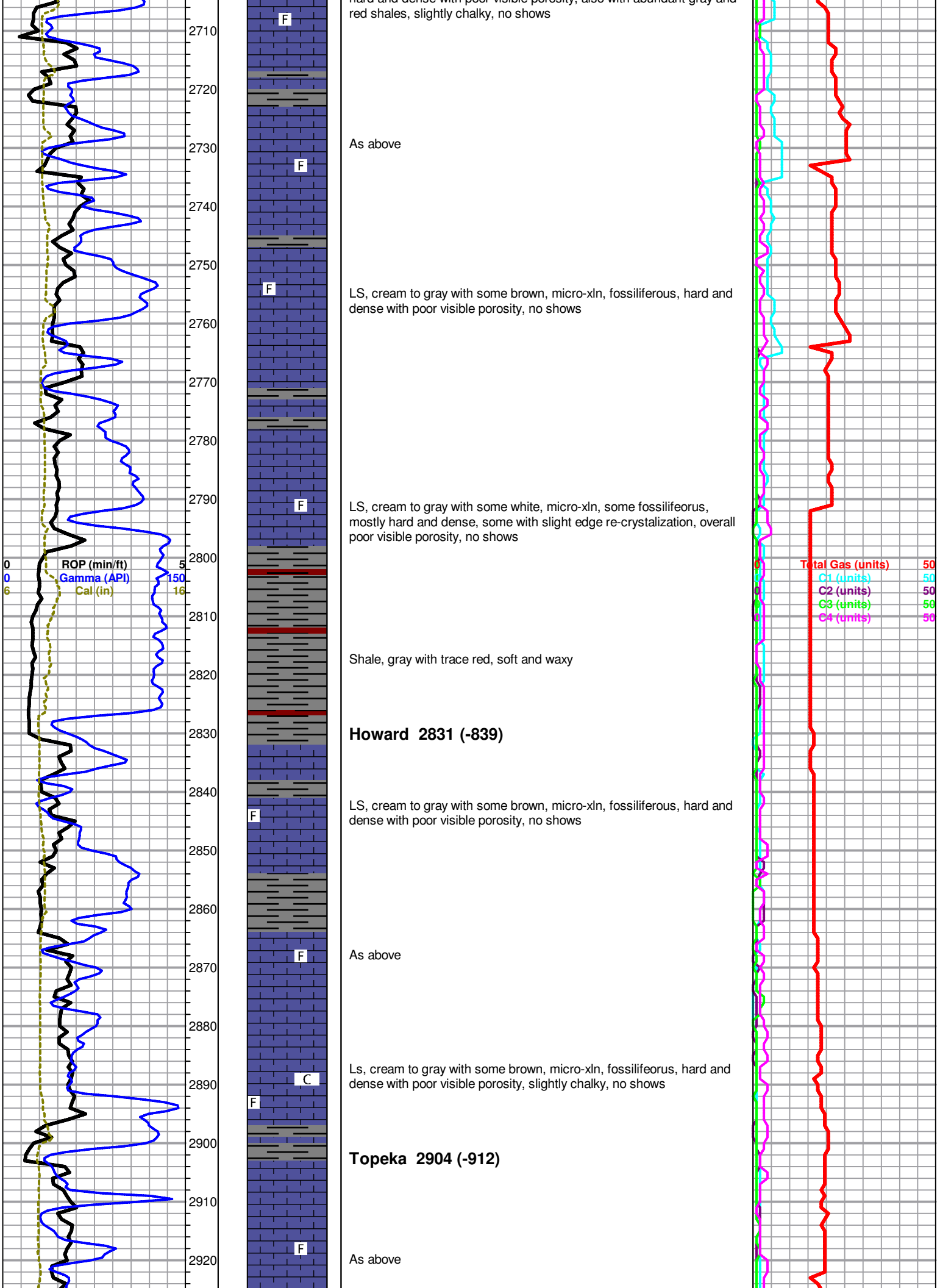
0 ROP (min/ft) 5
0 Gamma (API) 150
6 Cal (in) 16

0 Total Gas (units) 50
0 C1 (units) 50
0 C2 (units) 50
0 C3 (units) 50
0 C4 (units) 50

2690
2700

Logged By Jeremy Schwartz

LS, tan to cream with some gray, micro-xln, some fossiliferous, mostly hard and dense with poor visible porosity, also with abundant gray and



red shales, slightly chalky, no shows

As above

LS, cream to gray with some brown, micro-xln, fossiliferous, hard and dense with poor visible porosity, no shows

LS, cream to gray with some white, micro-xln, some fossilifeorus, mostly hard and dense, some with slight edge re-crystalization, overall poor visible porosity, no shows

Shale, gray with trace red, soft and waxy

Howard 2831 (-839)

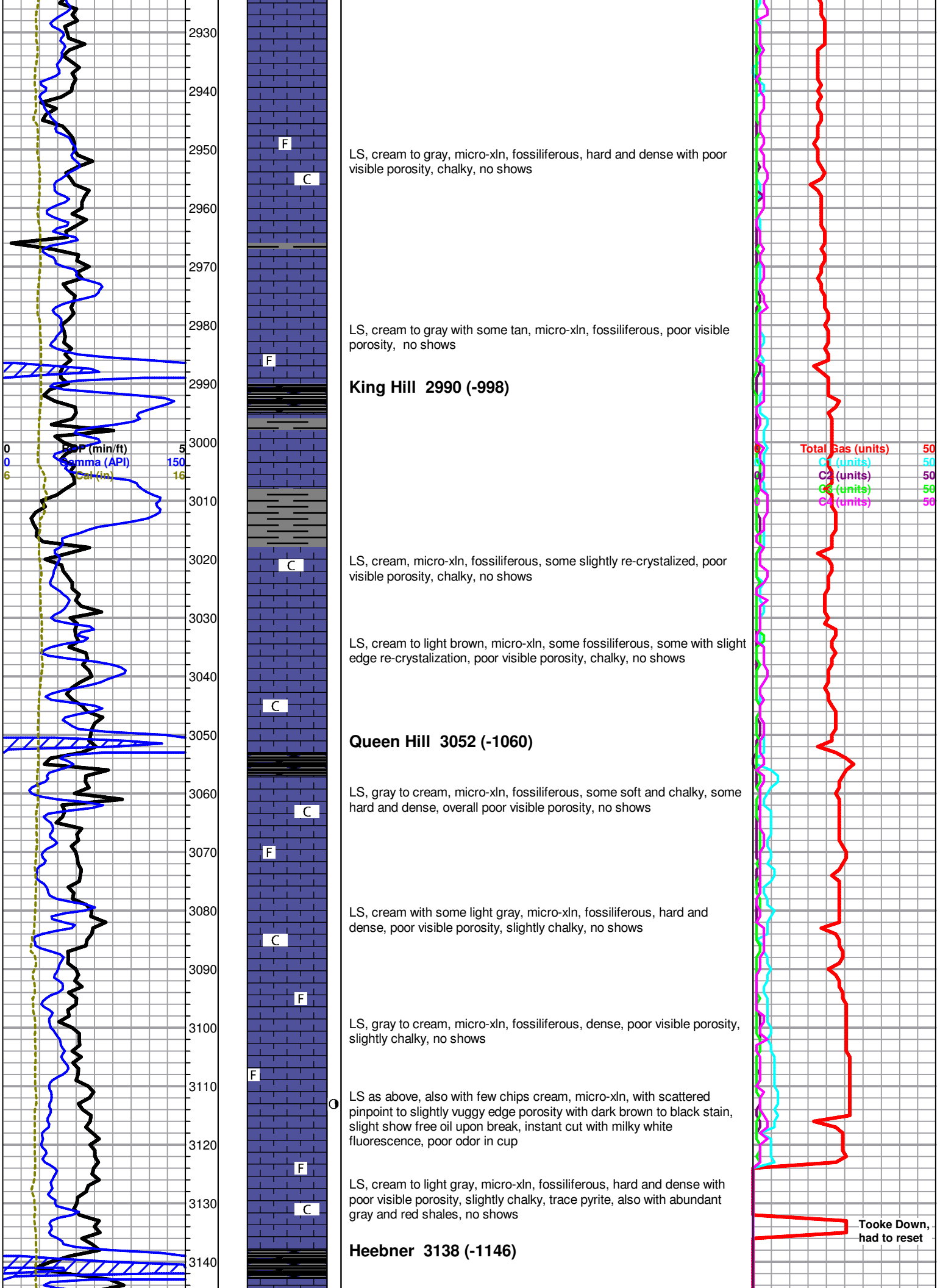
LS, cream to gray with some brown, micro-xln, fossiliferous, hard and dense with poor visible porosity, no shows

As above

Ls, cream to gray with some brown, micro-xln, fossilifeorus, hard and dense with poor visible porosity, slightly chalky, no shows

Topeka 2904 (-912)

As above


2930
2940
2950
2960
2970
2980
2990
3000
3010
3020
3030
3040
3050
3060
3070
3080
3090
3100
3110
3120
3130
3140
0 ROP (min/ft) 5
0 Gamma (API) 150
6 Cal (in) 16
0 Total Gas (units) 50
C1 (units) 50
0 C2 (units) 50
C3 (units) 50
0 C4 (units) 50
F
C
F
C
C
F
C
F
F
C
F
C
LS, cream to gray, micro-xln, fossiliferous, hard and dense with poor visible porosity, chalky, no shows
LS, cream to gray with some tan, micro-xln, fossiliferous, poor visible porosity, no shows
King Hill 2990 (-998)
LS, cream, micro-xln, fossiliferous, some slightly re-crystalized, poor visible porosity, chalky, no shows
LS, cream to light brown, micro-xln, some fossiliferous, some with slight edge re-crystalization, poor visible porosity, chalky, no shows
Queen Hill 3052 (-1060)
LS, gray to cream, micro-xln, fossiliferous, some soft and chalky, some hard and dense, overall poor visible porosity, no shows
LS, cream with some light gray, micro-xln, fossiliferous, hard and dense, poor visible porosity, slightly chalky, no shows
LS, gray to cream, micro-xln, fossiliferous, dense, poor visible porosity, slightly chalky, no shows
LS as above, also with few chips cream, micro-xln, with scattered pinpoint to slightly vuggy edge porosity with dark brown to black stain, slight show free oil upon break, instant cut with milky white fluorescence, poor odor in cup
LS, cream to light gray, micro-xln, fossiliferous, hard and dense with poor visible porosity, slightly chalky, trace pyrite, also with abundant gray and red shales, no shows
Tooke Down, had to reset
Heebner 3138 (-1146)

LS, cream, micro-xln, some slightly fossiliferous, some with slight edge re-crystalization, dense with poor visible porosity, also with abundant gray shales, no shows

Toronto 3159 (-1167)

LS, white to light cream, micro-xln, mostly dense, few chips with very slightly vuggy edge porosity and scattered slight golden brown to brown stain in porosity, chalky, poor odor in cup

Douglas Shale 3168 (-1176)

Mixed gray and red shales, some soft and waxy, some dense and blocky

As above

Brown Lime 3222 (-1230)

LS, cream to brown, micro-xln, fossiliferous, hard and dense with no visible porosity, no shows

Lansing 3230 (-1238)

NANCY #1-17 DST #1.jpg

LS, cream, micro-xln, some fossiliferous, mostly barren with poor visible porosity, few chips with scattered slightly vuggy porosity and dark brown to black stain in vugs, instant streaming cut with milky white fluorescence, poor odor

LS, cream to gray, micro-xln, fossiliferous, some sub-oolitic to sub-oomoldic, few chips oomoldic with slight light golden brown scattered stain in some oomolds, upon break chips show good inter-xln porosity, poor odor

LS, cream to gray, micro-xln, some fossiliferous, some sub-oolitic to sub-oomoldic, some with scattered to mostly saturated light golden brown to dark brown stain in oomolds and in matrix on few chips, slow streaming cut with milky white fluorescence, slightly chalky, NSFO, fair odor

LS, cream to gray pellatal, micro-xln, some fossiliferous, mostly barren, few chips with scattered slight light golden brown to dark brown stain, very weak slow cut with dull fluorescence, NSFO, poor odor

As above, also with few chips cream, micro-xln, fair to good pinpoint porosity with scattered light golden brown stain on edges and in porosity, slow streaming cut with milky white fluorescence, slightly chalky, NSFO, fair odor

LS, cream, micro-xln, some hard and dense, some soft and chalky, few chips with scattered golden brown edge stain, very weak slow cut with dull fluorescence, slightly chalky, overall poor visible porosity, poor odor

NANCY #1-17 DST #2.jpg

LS, cream, micro-xln, mostly hard and dense, some fossiliferous, some sub-oolitic to sub-oomoldic with very scattered slight golden to brown edge stain, slow weak cut with milky white fluorescence, very chalky, poor odor

LS, cream, micro-xln, some dense and fossiliferous, some sub-oolitic to sub-oomoldic, few chips oolitic to oomoldic, few chips with very scattered slight golden to brown edge stain, weak to no cut, very chalky, poor odor

LS, cream, micro-xln, sub-oolitic to sub-oomoldic with some oomoldic, mostly barren with few chips with very fine edge pinpoint porosity with golden brown to brown edge stain, weak to no cut, also found one chip with slightly vuggy porosity and saturated brown stain, instant cut with milky to bright white fluorescence, very chalky, fair fleeting odor

LS, cream, micro-xln, mostly hard and dense, some with scattered black gilsonitic stain, poor visible porosity, no odor

LS, cream to light gray, micro-xln, dense, some fossiliferous, some soft and chalky, poor visible porosity, slightly chalky, no shows, no odor

LS, cream with some brown, micro-xln, dense, some fossiliferous, trace oomoldic, barren, poor visible porosity, slightly chalky, no shows, no odor

NANCY #1-17 DST #3.jpg

Muncie Creek 3358 (-1366)

Shale, black carbonaceous

LS, cream to gray with some brown, micro-xln, mostly dense with poor visible

0 ROP (min/ft) 5
0 Gamma (API) 150
6 Cal (in) 16

DST #1

DST #2

"G" Porosity

CFS @ 3287'
1030hrs
8/19/13

CFS @ 3312'
0545hrs
8/20/13

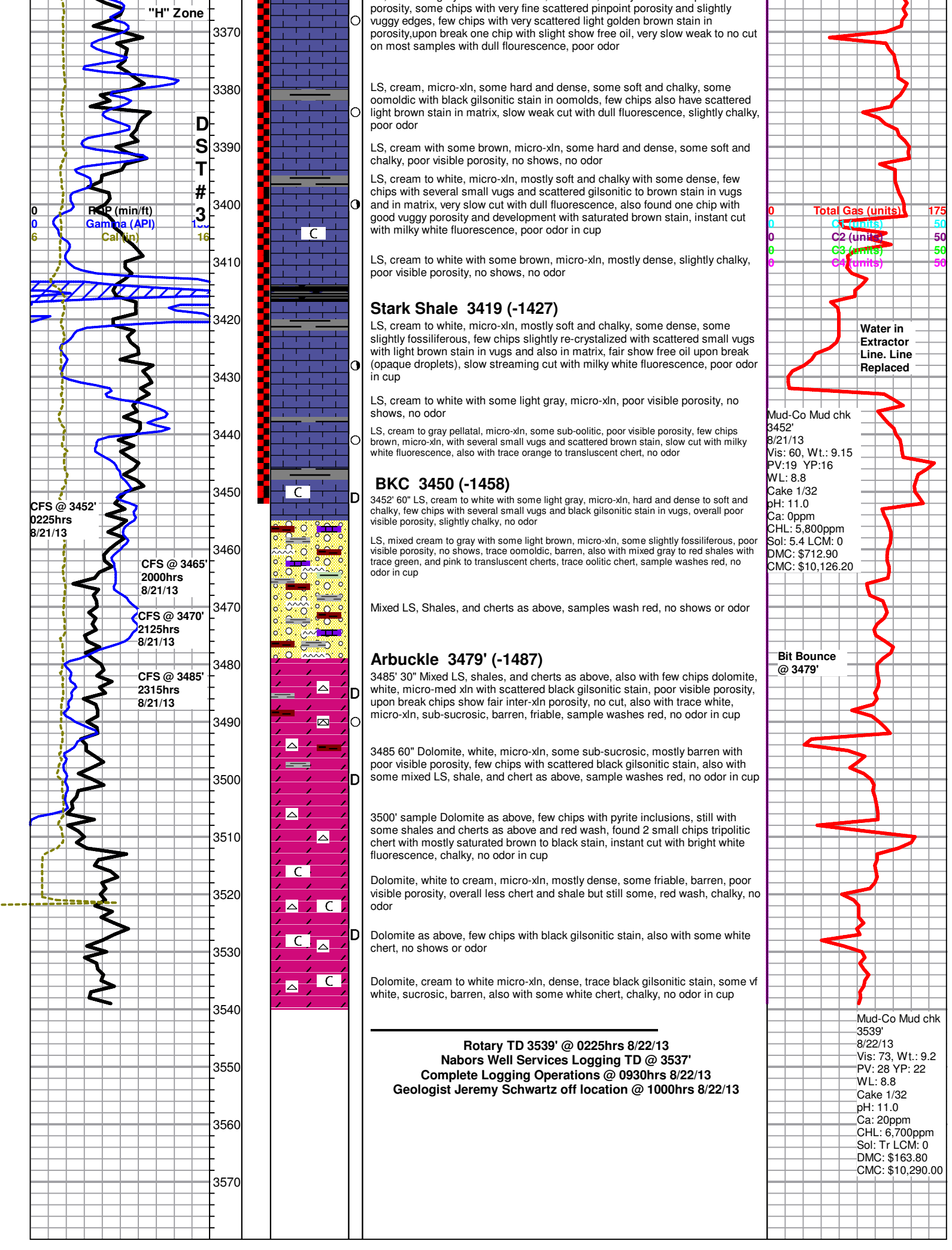
SC
0 Total Gas (units) 100
0 C1 (units) 50
0 C2 (units) 50
0 C3 (units) 50
0 C4 (units) 50

Mud-Co Mud chk
3222'
8/19/13
Vis: 54, Wt.: 9.0
PV: 17 YP: 13
WL: 8.8
Cake 1/32
pH: 10.5
Ca: 0ppm
CHL: 4,700ppm
Sol: 4.7 LCM: Tr
DMC: $2,053.00
CMC: $8,557.60

Survey @ 3287'
1Degree
Strap 0.92STB

SC
0 Total Gas (units) 175
0 C1 (units) 50
0 C2 (units) 50
0 C3 (units) 50
0 C4 (units) 50

Mud-Co Mud chk
3312'
8/20/13
Vis: 62, Wt.: 9.1
PV: 22 YP: 14
WL: 8.0
Cake 1/32
pH: 11.0
Ca: 0ppm
CHL: 5,700ppm
Sol: 5.4 LCM: Tr
DMC: $855.70
CMC: $9,413.30


"H" Zone
DST #3
0 ROP (min/ft)
0 Gamma (API)
6 Cal (in)
CFS @ 3452'
0225hrs
8/21/13
CFS @ 3465'
2000hrs
8/21/13
CFS @ 3470'
2125hrs
8/21/13
CFS @ 3485'
2315hrs
8/21/13
3370
3380
3390
3400
3410
3420
3430
3440
3450
3460
3470
3480
3490
3500
3510
3520
3530
3540
3550
3560
3570
porosity, some chips with very fine scattered pinpoint porosity and slightly vuggy edges, few chips with very scattered light golden brown stain in porosity,upon break one chip with slight show free oil, very slow weak to no cut on most samples with dull flourescence, poor odor
LS, cream, micro-xln, some hard and dense, some soft and chalky, some oomoldic with black gilsonitic stain in oomolds, few chips also have scattered light brown stain in matrix, slow weak cut with dull fluorescence, slightly chalky, poor odor
LS, cream with some brown, micro-xln, some hard and dense, some soft and chalky, poor visible porosity, no shows, no odor
LS, cream to white, micro-xln, mostly soft and chalky with some dense, few chips with several small vugs and scattered gilsonitic to brown stain in vugs and in matrix, very slow cut with dull fluorescence, also found one chip with good vuggy porosity and development with saturated brown stain, instant cut with milky white fluorescence, poor odor in cup
LS, cream to white with some brown, micro-xln, mostly dense, slightly chalky, poor visible porosity, no shows, no odor
Stark Shale 3419 (-1427)
LS, cream to white, micro-xln, mostly soft and chalky, some dense, some slightly fossiliferous, few chips slightly re-crystalized with scattered small vugs with light brown stain in vugs and also in matrix, fair show free oil upon break (opaque droplets), slow streaming cut with milky white fluorescence, poor odor in cup
LS, cream to white with some light gray, micro-xln, poor visible porosity, no shows, no odor
LS, cream to gray pellatal, micro-xln, some sub-oolitic, poor visible porosity, few chips brown, micro-xln, with several small vugs and scattered brown stain, slow cut with milky white fluorescence, also with trace orange to transluscent chert, no odor
BKC 3450 (-1458)
3452' 60" LS, cream to white with some light gray, micro-xln, hard and dense to soft and chalky, few chips with several small vugs and black gilsonitic stain in vugs, overall poor visible porosity, slightly chalky, no odor
LS, mixed cream to gray with some light brown, micro-xln, some slightly fossiliferous, poor visible porosity, no shows, trace oomoldic, barren, also with mixed gray to red shales with trace green, and pink to transluscent cherts, trace oolitic chert, sample washes red, no odor in cup
Mixed LS, Shales, and cherts as above, samples wash red, no shows or odor
Arbuckle 3479' (-1487)
3485' 30" Mixed LS, shales, and cherts as above, also with few chips dolomite, white, micro-med xln with scattered black gilsonitic stain, poor visible porosity, upon break chips show fair inter-xln porosity, no cut, also with trace white, micro-xln, sub-sucrosic, barren, friable, sample washes red, no odor in cup
3485 60" Dolomite, white, micro-xln, some sub-sucrosic, mostly barren with poor visible porosity, few chips with scattered black gilsonitic stain, also with some mixed LS, shale, and chert as above, sample washes red, no odor in cup
3500' sample Dolomite as above, few chips with pyrite inclusions, still with some shales and cherts as above and red wash, found 2 small chips tripolitic chert with mostly saturated brown to black stain, instant cut with bright white fluorescence, chalky, no odor in cup
Dolomite, white to cream, micro-xln, mostly dense, some friable, barren, poor visible porosity, overall less chert and shale but still some, red wash, chalky, no odor
Dolomite as above, few chips with black gilsonitic stain, also with some white chert, no shows or odor
Dolomite, cream to white micro-xln, dense, trace black gilsonitic stain, some vf white, sucrosic, barren, also with some white chert, chalky, no odor in cup
Rotary TD 3539' @ 0225hrs 8/22/13
Nabors Well Services Logging TD @ 3537'
Complete Logging Operations @ 0930hrs 8/22/13
Geologist Jeremy Schwartz off location @ 1000hrs 8/22/13
0 Total Gas (units) 175
0 C1 (units) 50
0 C2 (units) 50
0 C3 (units) 50
0 C4 (units) 50
Water in Extractor Line. Line Replaced
Mud-Co Mud chk
3452'
8/21/13
Vis: 60, Wt.: 9.15
PV:19 YP:16
WL: 8.8
Cake 1/32
pH: 11.0
Ca: 0ppm
CHL: 5,800ppm
Sol: 5.4 LCM: 0
DMC: $712.90
CMC: $10,126.20
Bit Bounce @ 3479'
Mud-Co Mud chk
3539'
8/22/13
Vis: 73, Wt.: 9.2
PV: 28 YP: 22
WL: 8.8
Cake 1/32
pH: 11.0
Ca: 20ppm
CHL: 6,700ppm
Sol: Tr LCM: 0
DMC: $163.80
CMC: $10,290.00

NANCY #1-17 DST #1.jpg

DRILL STEM TEST REPORT

Shelby Resources LLC

2717 Canal Boulevard
Suite C
Hays, Kansas 67601
ATTN: Jeremy Schwartz

17/17S/13W/Barton

Nancy #1-17

Job Ticket: 17606 **DST#: 1**

Test Start: 2013.08.19 @ 16:59:00

GENERAL INFORMATION:

Formation: **Lansing/Kansas City**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 18:43:30
Time Test Ended: 01:15:00

Test Type: Conventional Bottom Hole (Initial)
Tester: Ken Swinney
Unit No: 3325 Great Bend/32

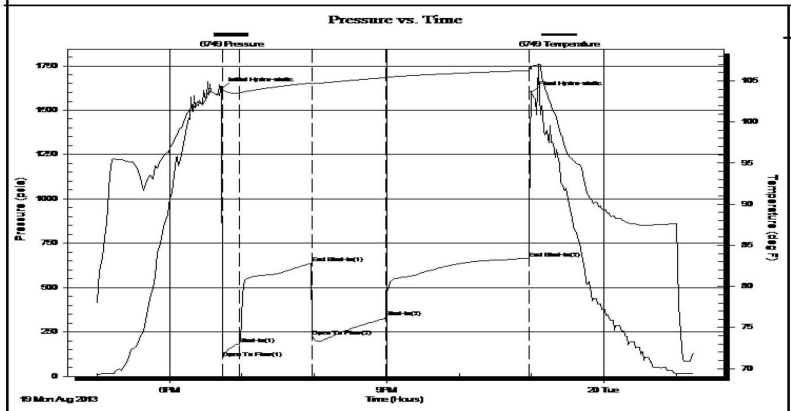
Interval: 3228.00 ft (KB) To 3287.00 ft (KB) (TVD)
Total Depth: 3287.00 ft (KB) (TVD)
Hole Diameter: 7.80 inches Hole Condition: Fair

Reference Elevations: 1992.00 ft (KB)
1979.00 ft (CF)
KB to GR/CF: 13.00 ft

Serial #: 6749 **Inside**
Press@RunDepth: 334.30 psia @ 3283.32 ft (KB)
Start Date: 2013.08.19 End Date: 2013.08.20
Start Time: 16:59:00 End Time: 01:15:00

Capacity: 5000.00 psia
Last Calib.: 2013.08.20
Time On Btm: 2013.08.19 @ 18:42:30
Time Off Btm: 2013.08.19 @ 23:00:00

TEST COMMENT:
1ST Open 15 Minutes/Strong blow /Blow built to bottom of bucket in 3 minutes
1ST Shut In 60 Minutes/Blow back built to bottom of bucket in 7 minutes
2ND Open 60 Minutes/Strong blow /Built to bottom bucket in 3 1/2 min/Gas surface 45 min/To w eak to guage
2ND Shtu In 120 Minutes/Blow back built to bottom of bucket in 4 minutes



PRESSURE SUMMARY

Time (Min.)	Pressure (psia)	Temp (deg F)	Annotation
0	1621.56	104.35	Initial Hydro-static
1	104.20	104.04	Open To Flow (1)
16	183.74	103.51	Shut-In(1)
76	638.51	104.76	End Shut-In(1)
76	226.17	104.59	Open To Flow (2)
137	334.30	105.38	Shut-In(2)
256	664.14	106.24	End Shut-In(2)
258	1600.62	106.72	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
300.00	Mud cut Gassy Oil(20% emulsified)	1.48
0.00	Mud 5% Gas 20% Oil 75%	0.00
504.00	Mud cut Oily Gas	6.80
0.00	Mud 10% Oil 40% Gas 50%	0.00
0.00	Corrected Grav. Oil 39	0.00

Gas Rates

	Choke (inches)	Pressure (psia)	Gas Rate (Mcf/d)

NANCY #1-17 DST #2.jpg

DRILL STEM TEST REPORT

Shelby Resources LLC

2717 Canal Boulevard
Suite C
Hays, Kansas 67601
ATTN: Jeremy Schwartz

17/17S/13W/Barton

Nancy #1-17

Job Ticket: 17607 **DST#: 2**

Test Start: 2013.08.20 @ 08:28:00

GENERAL INFORMATION:

Formation: **Lansing/Kansas City**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 09:59:30
Time Test Ended: 16:39:00

Test Type: Conventional Bottom Hole (Initial)
Tester: Ken Swinney
Unit No: 3325 Great Bend/32

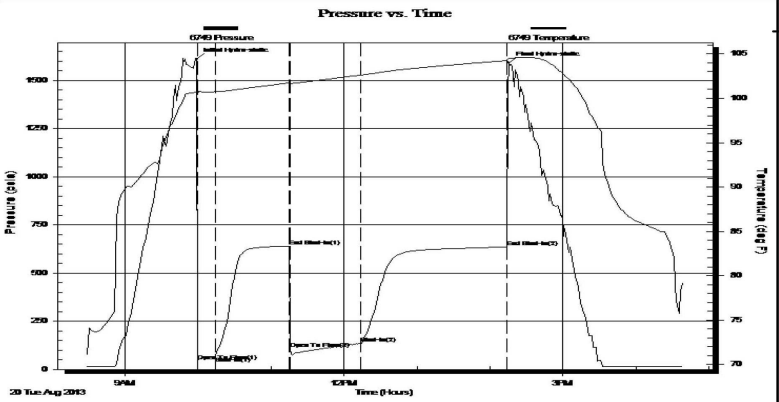
Interval: 3287.00 ft (KB) To 3312.00 ft (KB) (TVD)
Total Depth: 3312.00 ft (KB) (TVD)
Hole Diameter: 7.80 inches Hole Condition: Fair

Reference Elevations: 1992.00 ft (KB)
1979.00 ft (CF)
KB to GR/CF: 13.00 ft

Serial #: 6749 **Inside**
Press@RunDepth: 135.10 psia @ 3308.00 ft (KB)
Start Date: 2013.08.20 End Date: 2013.08.20
Start Time: 08:28:00 End Time: 16:39:00

Capacity: 5000.00 psia
Last Calib.: 2013.08.20
Time On Btm: 2013.08.20 @ 09:59:00
Time Off Btm: 2013.08.20 @ 14:15:30

TEST COMMENT:
1ST Open 15 Minutes/Good blow /Blow built to bottom of bucket in 9 minutes
1ST Shut In 60 Minutes/Blow back built to 1 inch
2ND Open 60 Minutes/Strong blow /Blow built to bottom of bucket in 2 minutes
2ND Shut In 120 Minutes/Blow back built to 3 inches



PRESSURE SUMMARY

Time (Min.)	Pressure (psia)	Temp (deg F)	Annotation
0	1610.43	100.92	Initial Hydro-static
1	42.23	100.40	Open To Flow (1)
15	69.36	100.74	Shut-In(1)
76	640.20	101.75	End Shut-In(1)
77	107.04	101.69	Open To Flow (2)
135	135.10	102.61	Shut-In(2)
255	636.08	104.25	End Shut-In(2)
257	1592.21	104.48	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
126.00	Gassy Muddy Oil	0.62
0.00	Gas 20% Mud 40% Oil 40%	0.00
156.00	Clean gassy Oil	0.77
0.00	Gas 30% Oil 70%	0.00
0.00	Corrected Gavity Oil 38	0.00
0.00	1039 Feet of gas in pipe	0.00

Gas Rates

	Choke (inches)	Pressure (psia)	Gas Rate (Mcf/d)

NANCY #1-17 DST #3.jpg

DRILL STEM TEST REPORT

Shelby Resources LLC

2717 Canal Boulevard
Suite C
Hays, Kansas 67601
ATTN: Jeremy Schwartz

17/17S/13W/Barton

Nancy #1-17

Job Ticket: 17607 **DST#: 3**

Test Start: 2013.08.21 @ 05:07:00

GENERAL INFORMATION:

Formation: **Lansing/Kansas City**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 06:23:00
Time Test Ended: 09:16:00

Test Type: Conventional Bottom Hole (Initial)
Tester: Ken Swinney
Unit No: 3325 Great Bend/32

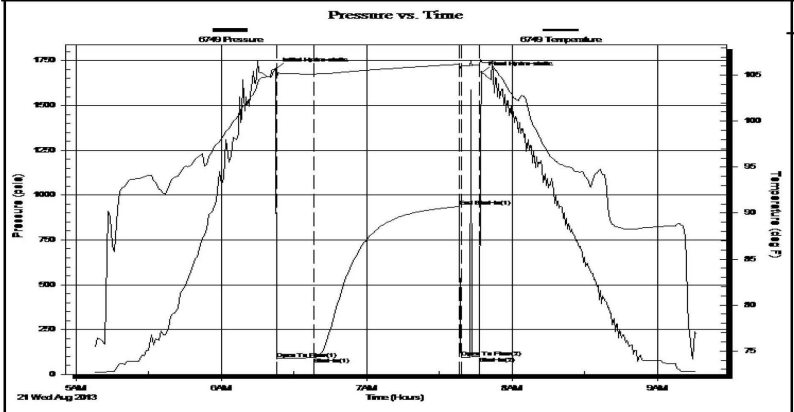
Interval: 3335.00 ft (KB) To 3452.00 ft (KB) (TVD)
Total Depth: 3452.00 ft (KB) (TVD)
Hole Diameter: 7.80 inches Hole Condition: Fair

Reference Elevations: 1992.00 ft (KB)
1979.00 ft (CF)
KB to GR/CF: 13.00 ft

Serial #: 6749 **Inside**
Press@RunDepth: 92.58 psia @ 3448.08 ft (KB)
Start Date: 2013.08.21 End Date: 2013.08.21
Start Time: 05:07:00 End Time: 09:16:00

Capacity: 5000.00 psia
Last Calib.: 2013.08.21
Time On Btm: 2013.08.21 @ 06:22:30
Time Off Btm: 2013.08.21 @ 07:47:30

TEST COMMENT: 1ST Open 15 Minutes/Weak blow /Blow built to 1/2 inch
1ST Shut In 60 Minutes/No blow back
2ND Open 10 Minutes/Dead no blow /Flush tool no help/Pull test



PRESSURE SUMMARY

Time (Min.)	Pressure (psia)	Temp (deg F)	Annotation
0	1702.10	105.59	Initial Hydro-static
1	86.25	104.70	Open To Flow (1)
16	92.58	105.13	Shut-In(1)
76	935.84	106.19	End Shut-In(1)
77	93.57	106.03	Open To Flow (2)
84	99.04	106.13	Shut-In(2)
85	1684.13	106.48	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
15.00	Mud 100%	0.07

Gas Rates

	Choke (inches)	Pressure (psia)	Gas Rate (Mcf/d)

Conservation Division
Finney State Office Building
130 S. Market, Rm. 2078
Wichita, KS 67202-3802

Kansas
Corporation Commission

Phone: 316-337-6200
Fax: 316-337-6211
http://kcc.ks.gov/

October 11, 2013

Chris Gottschalk
Shelby Resources LLC
2717 Canal Blvd
Suite C
hays, ks 67601

Re: ACO1
API 15-009-25870-00-00
Nancy #1-17
NW/4 Sec.17-17S-13W
Barton County, Kansas

Dear Production Department:

We are herewith requesting that the Well Completion Form ACO-1 and attached information for the subject well be held confidential for a period of two years.

Should you have any questions or need additional information regarding subject well, please contact our office.

Respectfully,
Chris Gottschalk