

Confidentiality Requested:

Yes No

Kansas Corporation Commission Oil & Gas Conservation Division

1171464

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 # | API No. 15 | | | |
|-----------------------------------------------------------|----------------------------------------------------------|--|--|--|
| Name: | Spot Description: | | | |
| Address 1: | SecTwpS. R East West | | | |
| Address 2: | Feet from North / South Line of Sec | | | |
| City: | Feet from | | | |
| Contact Person: | Footages Calculated from Nearest Outside Section Corner: | | | |
| Phone: () | □NE □NW □SE □SW | | | |
| CONTRACTOR: License # | GPS Location: Lat:, Long: | | | |
| Name: | (e.g. xx.xxxxx) (e.gxxx.xxxxx) | | | |
| Wellsite Geologist: | Datum: NAD27 NAD83 WGS84 | | | |
| Purchaser: | County: | | | |
| Designate Type of Completion: | Lease Name: Well #: | | | |
| ☐ New Well ☐ Re-Entry ☐ Workover | Field Name: | | | |
| Oil WSW SWD SIOW | Producing Formation: | | | |
| Gas D&A ENHR SIGW | Elevation: Ground: Kelly Bushing: | | | |
| OG GSW Temp. Abd. | Total Vertical Depth: Plug Back Total Depth: | | | |
| CM (Coal Bed Methane) | Amount of Surface Pipe Set and Cemented at: Feet | | | |
| Cathodic Other (Core, Expl., etc.): | Multiple Stage Cementing Collar Used? Yes No | | | |
| If Workover/Re-entry: Old Well Info as follows: | If yes, show depth set: Feet | | | |
| Operator: | If Alternate II completion, cement circulated from: | | | |
| Well Name: | feet depth to:w/sx cmt. | | | |
| Original Comp. Date: Original Total Depth: | | | | |
| ☐ Deepening ☐ Re-perf. ☐ Conv. to ENHR ☐ Conv. to SWD | Drilling Fluid Management Plan | | | |
| ☐ Plug Back ☐ Conv. to GSW ☐ Conv. to Producer | (Data must be collected from the Reserve Pit) | | | |
| Commingled Paymit # | Chloride content: ppm Fluid volume: bbls | | | |
| <pre>Commingled Permit #:</pre> Dual Completion Permit #: | Dewatering method used: | | | |
| SWD Permit #: | Location of fluid disposal if hauled offsite: | | | |
| ENHR Permit #: | | | | |
| GSW Permit #: | Operator Name: | | | |
| | Lease Name: License #: | | | |
| Spud Date or Date Reached TD Completion Date or | QuarterSecTwpS. R East West | | | |
| Recompletion Date Recompletion Date | 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 | | | |
|---------------------------------|--|--|--|
| Confidentiality Requested | | | |
| Date: | | | |
| Confidential Release Date: | | | |
| Wireline Log Received | | | |
| Geologist Report Received | | | |
| UIC Distribution | | | |
| ALT I II III Approved by: Date: | | | |

Page Two



| Operator Name: | | | | Lease I | Name: _ | | | Well #: | | |
|----------------------------------------------------------------|---------------------------------------------------|----------------------------|---------------------------------------|---------------------------|------------------------|-------------------------------------|---------------------|--------------------|-------------------------|-----------|
| Sec Twp | S. R | East | West | County | : | | | | | |
| INSTRUCTIONS: Shopen and closed, flow and flow rates if gas to | ring and shut-in press o surface test, along v | ures, whet vith final c | ther shut-in pre hart(s). Attach | essure reac extra shee | hed stati t if more | c level, hydrosta space is neede | tic pressures, bod. | ottom hole temp | erature, fluid re | ecovery, |
| Final Radioactivity Lo files must be submitte | | | | | | gs must be ema | liled to kcc-well- | ogs@kcc.ks.go | v. Digital electi | ronic log |
| Drill Stem Tests Taker (Attach Additional | | Ye | es No | | | J | on (Top), Depth | | Samp | |
| Samples Sent to Geo | logical Survey | Ye | es No | | Nam | e | | Тор | Datum | 1 |
| Cores Taken Electric Log Run | | ☐ Ye | | | | | | | | |
| List All E. Logs Run: | | | | | | | | | | |
| | | | | RECORD | Ne | | | | | |
| | 0: 11.1 | | | | | ermediate, product | | " 0 1 | T 15 | |
| Purpose of String | Size Hole Drilled | | e Casing (In O.D.) | Weig Lbs. | | Setting Depth | Type of Cement | # Sacks Used | Type and Pe Additive | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | ADDITIONAL | CEMENTI | NG / SQL | JEEZE RECORD | | | | |
| Purpose: | Depth Top Bottom | Туре | of Cement | # Sacks | Used | | Type and | Percent Additives | | |
| Perforate Protect Casing | Top Detterm | | | | | | | | | |
| Plug Back TD Plug Off Zone | | | | | | | | | | |
| 1 lug 0 li 20 lio | | | | | | | | | | |
| Did you perform a hydrau | ulic fracturing treatment of | on this well? | • | | | Yes | No (If No, s | kip questions 2 a | nd 3) | |
| Does the volume of the t | | | _ | | - | | = ` ` | kip question 3) | | |
| Was the hydraulic fractur | ing treatment information | n submitted | to the chemical of | disclosure re | gistry? | Yes | No (If No, f | ill out Page Three | of the ACO-1) | |
| Shots Per Foot | | | D - Bridge Plug Each Interval Perf | | | | cture, Shot, Ceme | | | Depth |
| | | | | | | (| | | _ | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| TUBING RECORD: | Size: | Set At: | | Packer A | | Liner Run: | | | | |
| | | 0017111 | | | | [| Yes N | 0 | | |
| Date of First, Resumed | Production, SWD or EN | HR. | Producing Meth | nod: | g 🗌 | Gas Lift (| Other (Explain) | | | |
| Estimated Production Per 24 Hours | Oil | Bbls. | Gas | Mcf | Wat | er B | bls. | Gas-Oil Ratio | Gra | avity |
| DIODOCITI | 01.05.040 | | | 4ETUOD 05 | 001451 | TION | | DDODUCT | ONLINITED (A) | |
| DISPOSITION Solo | ON OF GAS: Used on Lease | | N Open Hole | ∥ETHOD OF ☐ Perf. | | | nmingled | PRODUCTION | ON INTERVAL: | |
| | bmit ACO-18.) | | Other (Specify) | | (Submit | | mit ACO-4) | | | |

Southwinds Energy, LLC Drillers Log

Operator: Quito, Inc. Address: 1613 W 6th

Bartlesville, OK 74003

| Lease | Dearmond | | |
|------------------|------------------------|--|--|
| Well No. | M-8 | | |
| Footage Location | Section 15 T34 R12E | | |
| | 2470 FSL & 170 FEL | | |
| Contractor | Southwinds Energy, LLC | | |
| Spud Date | 8/28/2013 | | |
| Date Completed | 8/30/2013 | | |
| Total Depth | 1100' | | |

| Casing Record | Size Hole Drilled | Size Casing Set | Weight | Setting Depth | Cement |
|---------------|-------------------|-----------------|-------------|----------------------|-----------------|
| Surface | 12.25" | 8.625" | 20 lbs./ft | 42.8' | Portland - 12sx |
| Production | 6.75" | 4.5" | 9.5 lbs./ft | 1097.58' | - |

Well Log

| Formation | Тор | Bottom | Formation | Тор | Bottom |
|-----------|-----|--------|-------------|------|--------|
| Clay | 0 | 15 | Shale | 832 | 989 |
| Shale | 15 | 92 | Lime | 989 | 1007 |
| Lime | 92 | 109 | Sand (odor) | 1007 | 1048 |
| Shale | 109 | 261 | Shale | 1048 | 1065 |
| Lime | 261 | 262 | Lime | 1065 | 1100 |
| Sand | 262 | 270 | | | |
| Shale | 270 | 361 | [4] | | |
| Lime | 361 | 371 | 23.31 | | |
| Shale | 371 | 404 | | | |
| Sand | 404 | 430 | | | |
| Shale | 430 | 601 | | | |
| Lime | 601 | 604 | | | |
| Sand | 604 | 640 | | | |
| Shale | 640 | 662 | | | |
| Sand | 662 | 687 | | | |
| Shale | 687 | 708 | | | |
| Sand | 708 | 740 | | | |
| Shale | 740 | 792 | | | |
| Lime | 792 | 796 | | | |
| Shale | 796 | 802 | | | |
| Sand | 802 | 832 | | | |

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



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

Sam Brownback, Governor

Shari Feist Albrecht, Chair Thomas E. Wright, Commissioner Jay Scott Emler, Commissioner

February 14, 2014

Mark W. McCann Quito, Inc. 1613 W 6TH ST BARTLESVILLE, OK 74003-3712

Re: ACO-1 API 15-019-27333-00-00 DEARMOND M-8 SE/4 Sec.15-34S-12E Chautaugua County, Kansas

Dear Mark W. McCann:

K.A.R. 82-3-107 provides for all completion information to be filed within 120 days of the spud date. Subsection(e)(2) of that regulation states "All rights to confidentiality shall be lost if the filings are not timely."

The above referenced well was spudded on 08/28/2013 and the ACO-1 was received on February 10, 2014 (not within the 120 days timely requirement).

Therefore, your request for confidential treatment of data contained within the ACO-1 filing cannot be granted at this time.

If you should have any questions, please do not hesitate to contact me at (316)337-6200.

Sincerely,

Production Department

Southwinds Energy, LLC

P.O. Box 322 Caney, KS 67333 Phone (620) 673-4812 Fax (620) 673-4816

DATE: September 3, 2013

INVOICE #

FOR:

Dearmond M-8

Bill To:

Quito, Inc.

Attn: Mark McCann

1613 W 6th

Bartlesville, OK 74003

| DESCRIPTION | | AMOU | NT |
|------------------------------------------|-------|------|-----------------------------------------|
| Drilled Dearmond M-8 | | | |
| Spud Date: 8/28/2013 | | | |
| Drilling Completed: 8/30/2013 | | | |
| Ran Casing: 8/30/2013 | | \$ | - |
| 1100' @ \$8.25/ft | | \$ | 9,075.00 |
| 12 sx Portland Cement @ \$10.00/sack | | \$ | 130.00 |
| 42.8' 8.625" Surface Casing @ \$12.50/ft | | \$ | 535.00 |
| | | | |
| | | | |
| | | | |
| | | | *************************************** |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | TOTAL | \$ | 9,740.00 |

Make all checks payable to Southwinds Energy, LLC Payment is due within 10 days of receipt.

Paid Ch. #3957 9/5/13

Thank you for your business!

FILE COPY





Invoice

Invoice #: 19510
Invoice Date: 9/17/2013

P.O. DRAWER H CHANUTE, KS 66720

(620) 431-9308

Bill To:

Quito, Inc. 1613 W. 6th Street Bartlesville, OK 74003-3712

| Date | Description | Hours/Qty | Amount |
|-----------|--------------------------------------------|------------|------------------------------------------------|
| | DEARMOND #M-8 CHAUTAUQUA COUNTY, KANSAS | 2 | |
| 9/13/2013 | | 60 1 1 2 2 | 1,500.00 795.00 583.00 90.00 90.00 |
| | | | |
| | | | |

THANK YOU. WE APPRECIATE YOUR BUSINESS!!

Total

\$3,058.00

Balance Due

\$3,058.00