

JAMES C. MUSGROVE

Petroleum Geologist, LLC

212 Main Street

P.O. Box 215

Clafin, KS 67525

Office (620) 588-4250

Res. Clafin (620) 587-3444

Mai Oil Operations
Walker #1
SE-NE-NW-NE (625' FNL & 1590' FEL)
Section 26-16s-20w
Rush County, Kansas

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Dry and Abandoned

Contractor: Southwind Drilling Co. (rig #3)
Commenced: April 23, 2014
Completed: April 29, 2014
Elevation: 2119 K.B., 2117' D.F., 2111' G.L.
Casing program: Surface; 8 5/8" @ 1105'
Production, none
Sample: Samples saved and examined 3300' to the Rotary Total Depth.
Drilling time: One (1) foot drilling time recorded and kept 3300 ft. to the Rotary Total Depth.
Measurements: All depths measured from the Kelly Bushing.
Drill Stem Tests: There were three (3) Drill Stem Tests ran by Trilobite Testing Co.
Electric Log: -None-

<u>Formation</u>	<u>Sample Depth</u>	<u>Sub-Sea Datum</u>
Anhydrite	1345	+774
Base Anhydrite	1381	+738
Heebner	3432	-1313
Toronto	3454	-1335
Lansing	3475	-1356
Base Kansas City	3732	-1613
Marmaton	3782	-1663
Arbuckle	3853	-1734
Rotary Total Depth	3873	-1754

All tops and zones determinations were made from a correlation of Drilling Time Log and Sample Analysis).

SAMPLE ANALYSIS, SHOWS OF OIL, TESTING DATA, ETC.

TORONTO SECTION

3454-3464 Limestone, white, finely crystalline, few fossiliferous, poor visible porosity, no shows.

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LANSING SECTION

- 3475-3482' Limestone, cream, tan, finely crystalline, cherty in part; few fossiliferous, no shows.
- 3495-3500' Limestone, cream, oolitic, chalky, poor to fair scattered porosity light golden brown stain, show of free oil and faint odor.
- 3504-3510' Limestone, cream to tan, finely crystalline, few fossiliferous, no visible porosity, no shows.
- 3520-3527' Limestone, white to tan, finely crystalline, fossiliferous, poor scattered porosity, no free oil and no odor in fresh samples.

Drill Stem Test #1 3480-3530

Times: 30-30-30-30

Blow: Weak

**Recovery: 12' very slightly oil cut mud
(1% oil; 99% mud)**

**Pressures: ISIP 77 psi
FSIP 53 psi
IFP 14-16 psi
FFP 18-20 psi
HSH 1703-1661 psi**

- 3553-3564' Limestone, cream to tan, finely crystalline, poorly developed porosity, trace brown stain, trace of free oil and no odor in fresh samples.
- 3574-3580' Limestone, tan, cream, oolitic, oomoldic, fair oomoldic to vuggy type porosity, no shows.
- 3617-3626 Limestone, cream, tan, fossiliferous, chalky, poor porosity, no shows.
- 3638-3646' Limestone, tan to gray, finely crystalline fossiliferous, poor visible porosity, cherty in part, no shows.
- 3666-3677' Limestone, cream to tan, finely crystalline, oolitic, poor developed porosity, poor visible porosity, no shows.
- 3695-3705' Limestone, cream, finely crystalline, cherty, dense, no shows.

3720-3730' Limestone, cream to tan, finely crystalline, few fossiliferous, poor visible porosity, cherty in part, no shows.

MARMATON SECTION

3781-3814' Limestone, brown, finely crystalline, cherty, poor porosity, plus amber, white, orange chert; no shows.

CONGLOMERATE SECTION

3814-3853' Varied colored shales and orange yellow, white boney cherts; no shows.

ARBUCKLE SECTION

3853-3864' Dolomite, tan, brown, finely crystalline sucrosic, poor to fair pinpoint to fine vuggy type porosity, brown stain show of free oil and faint odor in fresh samples.

Drill Stem Test #2 3813-3863

Times: 30-45-30-30

Blow: Weak

**Recovery: 1' clean oil
6' very slightly oil cut mud
(5% gas; 95% oil)**

**Pressures: ISIP 1023 psi
FSIP 812 psi
IFP 15-18 psi
FFP 18-19 psi
HSH 1938-1884 psi**

3863-3873' Dolomite, tan; sucrosic, fair pinpoint/inter-crystalline type porosity, trace brown//black (dead) stain, show of free oil and faint odor in fresh samples.

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SE-NE-NW-NE (625' FNL & 1590' FEL)
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Rush County, Kansas

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Drill Stem Test #3 **3822-3873**

Times: 30-30-30-30
Blow: Strong
Recovery: 1595' muddy water
Pressures: ISIP 1176 psi
FSIP 1170 psi
IFP 79-515 psi
FFP 526-777 psi
HSH 1548-1869 psi

Rotary Total Depth 3873-1754

Recommendations:

The Mai Oil Operations, Inc., Walker #1, was plugged and abandoned at the Rotary Total Depth 3873-1754.

Respectfully submitted;



Wyatt Urban
Petroleum Geologist



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

Mai Oil Operations, Inc.
8411 Preston Rd Ste. 800
Dallas, TX 75225
ATTN: Wyatt Urban

26-16s-20w Rush,KS
Walker #1
Job Ticket: 58879 **DST#: 1**
Test Start: 2014.04.27 @ 11:31:00

GENERAL INFORMATION:

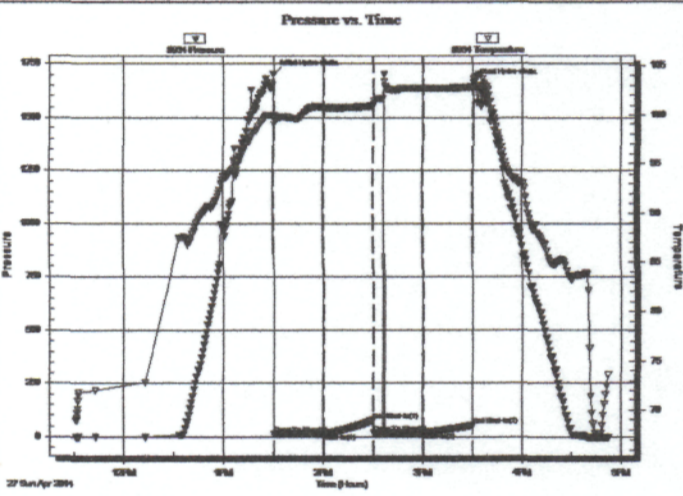
Formation: **LKC. "A-C"**
 Deviated: No Whipstock: ft (KB)
 Time Tool Opened: 13:30:45
 Time Test Ended: 16:52:00
 Interval: **3480.00 ft (KB) To 3530.00 ft (KB) (TVD)**
 Total Depth: 3530.00 ft (KB) (TVD)
 Hole Diameter: 7.88 inches Hole Condition: Fair
 Test Type: Conventional Bottom Hole (Initial)
 Tester: Phillip Gage
 Unit No: 59
 Reference Elevations: 2119.00 ft (KB)
 2111.00 ft (CF)
 KB to GR/CF: 8.00 ft

Serial #: 8934

Inside

Press@RunDepth: 20.20 psig @ 3481.00 ft (KB) Capacity: 8000.00 psig
 Start Date: 2014.04.27 End Date: 2014.04.27 Last Calib.: 2014.04.27
 Start Time: 11:31:05 End Time: 16:51:59 Time On Btm: 2014.04.27 @ 13:30:30
 Time Off Btm: 2014.04.27 @ 15:31:00

TEST COMMENT: 30-IF-Built to 3/4"
 30-ISI-No Return
 30-FF-Few bubbles then died, Flushed tool @ 14:37, built to weak surface blow.
 30-FSI-No Return



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1703.44	99.96	Initial Hydro-static
1	13.61	99.07	Open To Flow (1)
31	16.32	100.75	Shut-in(1)
60	77.14	100.91	End Shut-in(1)
61	17.60	101.15	Open To Flow (2)
91	20.20	102.65	Shut-in(2)
120	52.83	102.81	End Shut-in(2)
121	1661.32	103.61	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
12.00	VSOOM, 1%o, 99% m	0.17

Gas Rates

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



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DRILL STEM TEST REPORT

Mai Oil Operations, Inc.
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 Dallas, TX 75225
 ATTN: Wyatt Urban

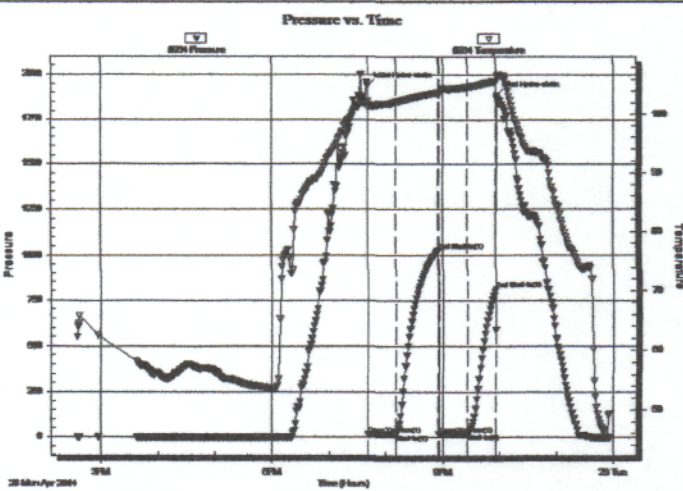
26-16s-20w Rush,KS
Walker #1
 Job Ticket: 58880 **DST#: 2**
 Test Start: 2014.04.28 @ 14:35:00

GENERAL INFORMATION:

Formation: **Arbuckle**
 Deviated: No Whipstock: ft (KB)
 Time Tool Opened: 19:41:00
 Time Test Ended: 23:56:45
 Interval: **3813.00 ft (KB) To 3863.00 ft (KB) (TVD)**
 Total Depth: 3863.00 ft (KB) (TVD)
 Hole Diameter: 7.88 inches Hole Condition: Fair
 Test Type: Conventional Bottom Hole (Reset)
 Tester: Phillip Gage
 Unit No: 59
 Reference Elevations: 2119.00 ft (KB)
 2111.00 ft (CF)
 KB to GR/CF: 8.00 ft

Serial #: 8934 Inside
 Press@RunDepth: 18.73 psig @ 3814.00 ft (KB) Capacity: 8000.00 psig
 Start Date: 2014.04.28 End Date: 2014.04.28 Last Calib.: 2014.04.29
 Start Time: 14:35:05 End Time: 23:56:45 Time On Btmr: 2014.04.28 @ 19:40:45
 Time Off Btmr: 2014.04.28 @ 21:56:45

TEST COMMENT: 30-IF-Built to 1/4"
 45-ISI-No Return
 30-FF-No Blow, Flushed, No Blow
 30-FSI-No Return



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1938.33	102.19	Initial Hydro-static
1	15.24	101.33	Open To Flow (1)
30	17.82	102.10	Shut-In(1)
75	1023.26	103.71	End Shut-In(1)
76	17.88	103.32	Open To Flow (2)
105	18.73	104.62	Shut-In(2)
135	812.35	105.64	End Shut-In(2)
136	1884.02	106.46	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
6.00	VSOCM, 5%o, 95% m	0.08
1.00	O, 100%o	0.01

* Recovery from multiple tests

Gas Rates

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



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DRILL STEM TEST REPORT

Mai Oil Operations, Inc.
 8411 Preston Rd Ste. 800
 Dallas, TX 75225
 ATTN: Wyatt Urban

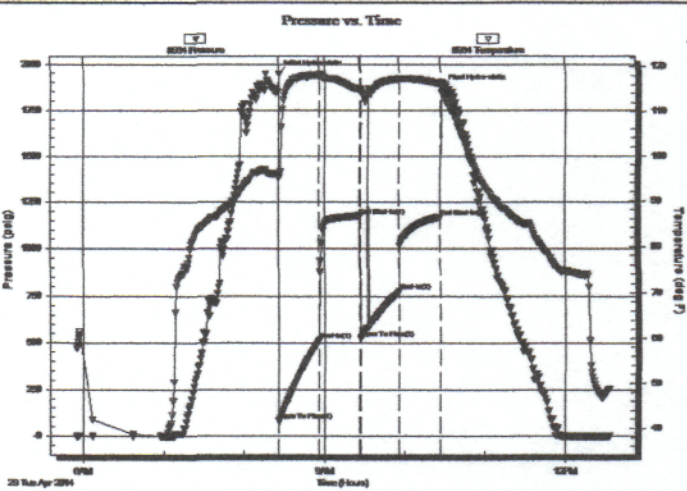
26-16s-20w Rush,KS
Walker #1
 Job Ticket: 58881 **DST#: 3**
 Test Start: 2014.04.29 @ 05:55:00

GENERAL INFORMATION:

Formation: **Arbuckle**
 Deviated: No Whipstock: ft (KB)
 Time Tool Opened: 08:26:15
 Time Test Ended: 12:32:45
 Interval: **3822.00 ft (KB) To 3873.00 ft (KB) (TVD)**
 Total Depth: 3873.00 ft (KB) (TVD)
 Hole Diameter: 7.88 inches Hole Condition: Fair
 Test Type: Conventional Bottom Hole (Reset)
 Tester: Phillip Gage
 Unit No: 59
 Reference Elevations: 2119.00 ft (KB)
 2111.00 ft (CF)
 KB to GR/CF: 8.00 ft

Serial #: 8934 Inside
 Press@RunDepth: 777.17 psig @ 3823.00 ft (KB) Capacity: 8000.00 psig
 Start Date: 2014.04.29 End Date: 2014.04.29 Last Calib.: 2014.04.29
 Start Time: 05:55:05 End Time: 12:32:44 Time On Btm: 2014.04.29 @ 08:26:00
 Time Off Btm: 2014.04.29 @ 10:27:45

TEST COMMENT: 30-IF-BOB in 2 1/2 mins.
 30-ISI-No Return
 30-FF-Built to 1/2" in 4 mins, flushed, built to 1/4" then died back to weak surface blow.
 30-FSI-No Return



PRESSURE SUMMARY			
Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1948.34	95.96	Initial Hydro-static
1	79.13	95.18	Open To Flow (1)
31	515.39	118.25	Shut-In(1)
61	1175.95	114.95	End Shut-In(1)
61	526.00	114.63	Open To Flow (2)
90	777.17	117.28	Shut-In(2)
121	1170.08	116.23	End Shut-In(2)
122	1869.14	116.37	Final Hydro-static

Recovery		
Length (ft)	Description	Volume (bbl)
1260.00	MW, 10%m, 90%w	17.67
335.00	WM, 20%w, 80%m	4.70

Gas Rates			
	Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)

* Recovery from multiple tests

ALLIED OIL & GAS SERVICES, LLC

055230

Federal Tax I.D.# 20-5975804

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:
Russell KS

DATE <u>4-29-14</u>	SEC. <u>26</u>	TWP. <u>16</u>	RANGE <u>20</u>	CALLED OUT	ON LOCATION <u>3:00 PM</u>	JOB START	JOB FINISH <u>7:00 P.M.</u>
LEASE <u>Walker</u>	WELL # <u>1</u>	LOCATION <u>Libenthal 15 10 W S. 10</u>			COUNTY <u>Rush</u>	STATE <u>KS</u>	
OLD OR NEW (Circle one)							

CONTRACTOR Southwind 3
 TYPE OF JOB PTA
 HOLE SIZE 7 7/8 T.D. 3875
 CASING SIZE 8 5/8 DEPTH 1105
 TUBING SIZE DEPTH
 DRILL PIPE 4 1/2 16.6 DEPTH 3833
 TOOL DEPTH
 PRES. MAX MINIMUM
 MEAS. LINE SHOE JOINT
 CEMENT LEFT IN CSG.
 PERFS.
 DISPLACEMENT

OWNER
 CEMENT
 AMOUNT ORDERED 190 6/40 49 gcl

EQUIPMENT
 PUMP TRUCK CEMENTER Robert Y
 # 409 HELPER Nathan D
 BULK TRUCK
 # 481 DRIVER Jesse C
 BULK TRUCK
 # DRIVER

COMMON @
 POZMIX @
 GEL @
 CHLORIDE @
 ASC @
6/40 49 gcl mix 190 @ 15.30 2907.00
 @
 @
 @
 @
 @
 @
 @
 HANDLING 190 sl @ 2.48 471.20
 MILEAGE 224 t/m 2.60 581.75
 TOTAL 3959.75

REMARKS:

see log

Thank you!!!

SERVICE

DEPTH OF JOB 3833
 PUMP TRUCK CHARGE 2558.75
 EXTRA FOOTAGE @
 MILEAGE 25 LVMI @ 4.40 110.00
 MANIFOLD @
50 HVMI @ 7.70 385.00
 @

CHARGE TO: Mai Oil Operations, Inc
 STREET _____
 CITY _____ STATE _____ ZIP _____

TOTAL 3053.75

PLUG & FLOAT EQUIPMENT

8 3/8 Wooden Plug @ 110.00 110.00
 @
 @
 @
 @
 TOTAL 110.00

To: Allied Oil & Gas Services, LLC.
 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.

SALES TAX (If Any) _____
 TOTAL CHARGES 7123.70
 DISCOUNT 1068.56 IF PAID IN 30 DAYS
net \$ 6055.14

PRINTED NAME _____
 SIGNATURE _____

QUALITY OILWELL CEMENTING, INC.

Federal Tax I.D.# 20-2886107

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 053

Date	Sec.	Twp.	Range	County	State	On Location	Finish
4-24-14				Rush	Ks		8:45 AM

Location *Lebenthal, Ks - 15 low 3/1 into*

Lease	<i>Walker</i>		Well No.	<i>1</i>		Owner	To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.	
Contractor	<i>Southwind #3</i>							
Type Job	<i>Surface</i>				Charge To <i>mai oil operations</i>			
Hole Size	<i>12 1/4"</i>	T.D.	<i>1105'</i>					
Csg.	<i>8 3/8"</i>	Depth	<i>1105'</i>					
Tbg. Size			Depth			City	State	
Tool			Depth			The above was done to satisfaction and supervision of owner agent or contractor.		
Cement Left in Csg.	<i>30'</i>	Shoe Joint	<i>30'</i>		Cement Amount Ordered <i>450 60140 3%CC 2%Gel</i>			
Meas Line			Displace	<i>68 1/2 BLS</i>				

EQUIPMENT

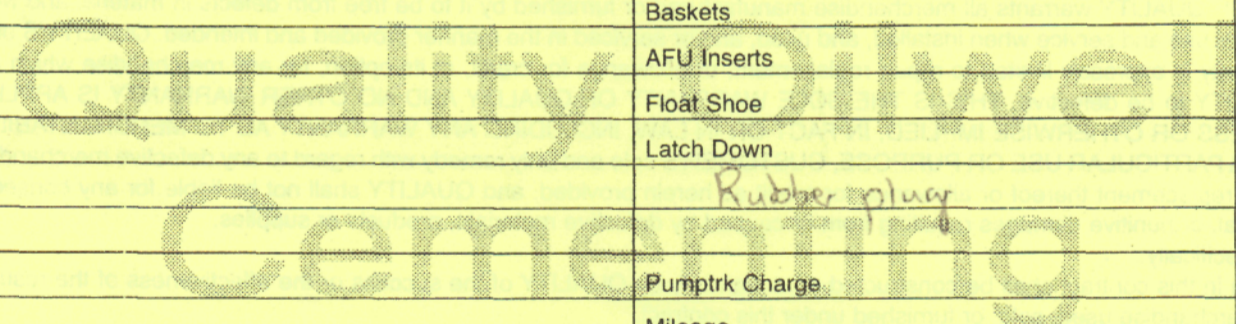
Pumptrk	<i>16</i>	No.	Cementer	<i>Billy</i>	Common
			Helper		Poz. Mix
Bulktrk	<i>19</i>	No.	Driver	<i>Lonnie M.</i>	Gel.
			Driver		Calcium
Bulktrk	<i>p.u.</i>	No.	Driver	<i>Rick</i>	

JOB SERVICES & REMARKS

Remarks:	<i>Cement did Circulate.</i>		Hulls
Rat Hole			Salt
Mouse Hole			Flowseal
Centralizers			Kol-Seal
Baskets			Mud CLR 48
D/V or Port Collar			CFL-117 or CD110 CAF 38
			Sand
			Handling
			Mileage

FLOAT EQUIPMENT

	Guide Shoe
	Centralizer
	Baskets
	AFU Inserts
	Float Shoe
	Latch Down
	<i>Rubber plug</i>
	Pumptrk Charge
	Mileage



X Signature <i>[Signature]</i>	Tax
	Discount
	Total Charge