



Confidentiality Requested:

Yes No

KANSAS CORPORATION COMMISSION 1238215
OIL & GAS CONSERVATION DIVISION

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 # _____

Name: _____

Address 1: _____

Address 2: _____

City: _____ State: _____ Zip: _____ + _____

Contact Person: _____

Phone: (_____) _____

CONTRACTOR: License # _____

Name: _____

Wellsite Geologist: _____

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 #: _____

Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date
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API No. 15 - _____

Spot Description: _____

_____ - _____ - _____ Sec. _____ Twp. _____ S. R. _____ East West

_____ Feet from North / South Line of Section

_____ Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:

- NE NW SE SW

GPS Location: Lat: _____, Long: _____
(e.g. xx.xxxxx) (e.g. -xxx.xxxxx)

Datum: NAD27 NAD83 WGS84

County: _____

Lease Name: _____ Well #: _____

Field Name: _____

Producing Formation: _____

Elevation: Ground: _____ Kelly Bushing: _____

Total Vertical Depth: _____ Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at: _____ 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: _____ ppm Fluid volume: _____ bbls

Dewatering method used: _____

Location of fluid disposal if hauled offsite:

Operator Name: _____

Lease Name: _____ License #: _____

Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West

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: _____

1238215

Operator Name: _____ Lease Name: _____ Well #: _____

Sec. _____ Twp. _____ S. R. _____ East West County: _____

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 <input type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input type="checkbox"/> No Electric Log Run <input type="checkbox"/> Yes <input type="checkbox"/> No List All E. Logs Run: _____	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum
--	---

CASING RECORD <input type="checkbox"/> New <input type="checkbox"/> 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

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> 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 <i>(Amount and Kind of Material Used)</i>	Depth

TUBING RECORD:	Size:	Set At:	Packer At:	Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No
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Date of First, Resumed Production, SWD or ENHR.	Producing Method: <input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other <i>(Explain)</i> _____				
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5)</i> <input type="checkbox"/> Other <i>(Specify)</i> _____	PRODUCTION INTERVAL: _____ _____
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Form	ACO1 - Well Completion
Operator	Gateway Resources, LLC
Well Name	Worcester 3-17
Doc ID	1238215

All Electric Logs Run

Dual Induction Log
Compenated Density/Neutron Log
Micro Log
Dual Receiver Cement Bond Log

ALLIED OIL & GAS SERVICES, LLC 055529

Federal Tax I.D.# 20-5975804

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

SERVICE POINT:
Russell

DATE <u>12-25-14</u>	SEC <u>77</u>	TWP. <u>7</u>	RANGE <u>22</u>	CALLED OUT	ON LOCATION	JOB START	JOB FINISH
WELL # <u>3-17</u>	LOCATION <u>Hill City</u>			COUNTY <u>Franklin</u>	STATE <u>Ks</u>		
OLD OR NEW (Circle one) <u>NEW</u>				n to Vrd 2 1/2 e .8 n e into..			

CONTRACTOR Val #7

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D.

CASING SIZE 8 3/4 DEPTH 328'

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT 15'

CEMENT LEFT IN CSG. 15'

PERFS.

DISPLACEMENT 19.93 #20

OWNER

CEMENT AMOUNT ORDERED 150slu em

+ 27. gal + 31. cu ft

COMMON 150slu @ 17.9 = 2,685.00

POZMIX @

GEL 282 @ .50 = 141.00

CHLORIDE 423lb @ 1.10 = 465.30

ASC @

36lb Flo-sol @ 2.97 = 106.92

materials @ 3398.22

Disc @ 951.50

HANDLING 150slu #3 @ 2.48 = 372.00

MILEAGE 423 7m @ 2.75 = 1163.25

TOTAL 4235.50

EQUIPMENT

PUMP TRUCK CEMENTER Day Planner id

417 HELPER Danny S.

BULK TRUCK DRIVER Jon P.

481

BULK TRUCK DRIVER

REMARKS:

See Cement Job log

Cement to Surface

CHARGE TO: Gateway Resources

STREET

CITY STATE ZIP

D. Hankins

SERVICE

DEPTH OF JOB 328'

PUMP TRUCK CHARGE = 1512.25

EXTRA FOOTAGE @

MILEAGE frequency 120 @ 7.7 = 924.00

MANIFOLD light 60 @ 4.4 = 264.00

TOTAL 4235.50

Disc 1185.94

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.

PLUG & FLOAT EQUIPMENT

①

②

③

④

⑤

TOTAL 0

PRINTED NAME

SIGNATURE Danny J. Hankins



P. O. Box 466
Ness City, KS 67560
Off: 785-798-2300



Invoice

DATE	INVOICE #
11/4/2014	27898

BILL TO
Gateway Resources LLC 224 South Crestway Wichita, KS 67218

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#3-17	Worcester	Graham	Val Energy	Oil	Development	Cement LongStri...	Blaine

PRICE REF.	DESCRIPTION	QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way	70	Miles	6.00	420.00
578D-L	Pump Charge - Long String	1	Job	1,500.00	1,500.00
403-5	5 1/2" Cement Basket	2	Each	300.00	600.00T
404-5	5 1/2" Port Collar	1	Each	2,900.00	2,900.00T
406-5	5 1/2" Latch Down Plug & Baffle	1	Each	275.00	275.00T
407-5	5 1/2" Insert Float Shoe With Auto Fill	1	Each	375.00	375.00T
409-5	5 1/2" Turbolizer	11	Each	90.00	990.00T
419-5	5 1/2" Rotating Head Rental	1	Each	200.00	200.00T
330	Swift Multi-Density Standard (MIDCON II)	100	Sacks	18.50	1,850.00T
325	Standard Cement	100	Sacks	14.50	1,450.00T
284	Calseal	5	Sack(s)	35.00	175.00T
283	Salt	500	Lb(s)	0.20	100.00T
285	CFR-1	50	Lb(s)	4.50	225.00T
276	Flocele	50	Lb(s)	2.50	125.00T
281	Mud Flush	500	Gallon(s)	1.25	625.00T
221	Liquid KCL (Clayfix)	4	Gallon(s)	25.00	100.00T
581D	Service Charge Cement	200	Sacks	2.00	400.00
583D	Drayage	714.91	Ton Miles	1.00	714.91
	Subtotal				13,024.91
	Sales Tax Graham County			7.15%	714.29

Project: W-317
 Date: 11/4/14
 Amount: \$13,739.20
 Paid Out: _____
 By: _____

We Appreciate Your Business!

Total

\$13,739.20



Services, Inc.

ADDRESS: Fairway Resources
CITY, STATE, ZIP CODE

TICKET 21898

PAGE 1 OF 2

1. SERVICE LOCATIONS: Ness City KS	WELL/PROJECT NO. 3-17	LEASE Worcester	COUNTY/PARISH Graham	STATE KS	CITY Hill City	DATE 4 NOV 14	OWNER
2. TICKET TYPE <input type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR	RIG NAME/NO. 7	SHIPPED VIA CT	DELIVERED TO location	WELL PERMIT NO.	ORDER NO.	
3. WELL TYPE OT-1	WELL CATEGORY Development	JOB PURPOSE cement long string				WELL LOCATION 17-7-22	
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.	UM	QTY.	UM	UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
575		1			MILEAGE	70	mi			6.00	420.00
578		1			Pump Charge	1	ea			1500.00	1500.00
402		1			Centralizer	1					
403		1			Cement Basket	5 1/2	in	2 ea		300.00	1650.00
404		1			Post collar	5 1/2	in	1 ea		2900.00	2900.00
406		1			latch down Plug & bottle	5 1/2	in	1 ea		275.00	275.00
407		1			Inset float shoe w/ auto pin	5 1/2	in	1 ea		375.00	375.00
409		1			Turboliner	5 1/2	in	11 ea		90.00	990.00
419		1			Rotating head Rental	5 1/2	in	1 ea		200.00	200.00

LEGAL TERMS: Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY,** and **LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS
 DATE SIGNED: 1330 AM PM

REMIT PAYMENT TO:
 SWIFT SERVICES, INC.
 P.O. BOX 466
 NESS CITY, KS 67560
 785-798-2300

SURVEY

OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?

WE UNDERSTOOD AND MET YOUR NEEDS?

OUR SERVICE WAS PERFORMED WITHOUT DELAY?

WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?

ARE YOU SATISFIED WITH OUR SERVICE? YES NO

CUSTOMER DID NOT WISH TO RESPOND

PAGE TOTAL	1	7860	00
TOTAL	2	5764	91
		13024	91
		714	29
		13739	20

CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES: The customer hereby acknowledges receipt of the materials and services listed on this ticket.

SWIFT OPERATOR: B. Boyd APPROVAL: B. Boyd

Thank You!



PO Box 466
Ness City, KS 67560
Off: 785-798-2300

TICKET CONTINUATION

TICKET No. 27898

CUSTOMER *Staley Resources*

WELL *Worcester 3-17*

DATE *4 Nov 14* PAGE *2* OF *2*

PRICE REFERENCE	SECONDARY REFERENCE / PART NUMBER	ACCOUNTING			TIME	DESCRIPTION	WELL		DATE	UNIT PRICE	AMOUNT
		LOC	ACCT	DF			QTY	U/M			
330		1				100	sk		18.50	1850.00	
325		1				100	sk		14.50	1450.00	
284		1				500	lb		35.00	17500.00	
283		1				500	lb		0.20	100.00	
285		1				50	lb		4.50	225.00	
276		1				25	lb		2.50	125.00	
281		1				500	gal		1.35	625.00	
281		1				4	gal		25.00	100.00	
282		F							42.00		
581		1							2.00	400.00	
583		1							1.00	714.91	

SEWICE CHARGE
MILEAGE CHARGE
TOTAL WEIGHT
LOADED MILES

CUBIC FEET
TON MILES

200
20426
70
714.91

CONTINUATION TOTAL 5764.91

JOB LOG

SWIFT Services, Inc.

DATE 4 Nov 14 PAGE NO. 1

CUSTOMER Gateway Resources WELL NO. 3-17 LEASE Worcester JOB TYPE cement long string TICKET NO. 27898

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
								100 sk SMD cement w/ 4# Floacle
								100 sk SA-2 cement w/ 4 Floacle
								5 1/2 x 14# casing 93 jts 3980'
								TD = 3980' Basket 2, 47 Post collar 47 1952'
								Centralizer 1, 3, 5, 6, 7, 8, 9, 10, 12, 14, 46
	0630							on loc TRK 114
	0830							start 5 1/2" x 14# casing in well
	1100							Drop ball - circulate - ROTATE
	1200	4	12			200		Pump 500 gal mud flush
		4	20			200		Pump 20 bbl KCL flush
			9					Plug RH - MH 30 sk - 20 sk
	1215	4 1/2	16			200		MIX SMD cement 50 sk @ 13.5 ppg
		4 1/2	23			200		MIX SA-2 cement 100 sk @ 15.3 ppg
								Drop latch down plug
								wash out pump & line
	1233	6				200		Displace plug (KCL flush first 20 bbl)
		6	90			750		
	1300	6	96			1600		Land plug
	1303							Release pressure to truck - dried up
	1305							wash truck
								Rack up
	1340							job complete

Thank you Flint, Dave & crew

SWIFT



Services, Inc.

P. O. Box 466
Ness City, KS 67560
Off: 785-798-2300



Invoice

DATE	INVOICE #
11/7/2014	26962

BILL TO
Gateway Resources LLC 224 South Crestway Wichita, KS 67218

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#3-17	Worcester	Graham		Oil	Development	Cement Port Collar	Don
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				70	Miles	6.00	420.00
576D-D	Pump Charge - Port Collar - 1952 Feet				1	Job	1,500.00	1,500.00
290	D-Air				2	Gallon(s)	42.00	84.00T
105	Port Collar Tool Rental With Man				1	Each	350.00	350.00T
330	Swift Multi-Density Standard (MIDCON II)				175	Sacks	18.50	3,237.50T
276	Flocele				44	Lb(s)	2.50	110.00T
581D	Service Charge Cement				200	Sacks	2.00	400.00
583D	Drayage				696.57	Ton Miles	1.00	696.57
	Subtotal							6,798.07
	Sales Tax Graham County						7.15%	270.38

Handwritten notes:
 WBS-17
 11/10/14 AM 10:15 OK 4000
 11/10/14

We Appreciate Your Business!	Total 73550	\$7,068.45
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Handwritten note: Add County Supt. 2014 Port Collar



Services, Inc.

TICKET 26962

CHARGE TO: Gateway Resources
 ADDRESS:
 CITY, STATE, ZIP CODE:

PAGE 1 OF 1

SERVICE LOCATION #	WELL/PROJECT NO.	LEASE	COUNTY/PARISH	STATE	CITY	DATE	OWNER
1. <i>Hays, KS</i>	# 3-17	<i>Worcester</i>	<i>Graham</i>	<i>Ks</i>		<i>11-7-14</i>	
2. <i>Ness Q3, KS</i>	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR	RIG NAME/NO.	SHIPPED VIA	DELIVERED TO	ORDER NO.	
				<i>ET</i>	<i>NE Hill Co, KS</i>		
3.	WELL TYPE	WELL CATEGORY	JOB PURPOSE	WELL #/PERMIT NO.	WELL LOCATION		
	<i>Oil</i>	<i>in Field</i>	<i>CUT-ROT Collar 1952</i>				
4.	REFERRAL LOCATION	INVOICE INSTRUCTIONS					

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	MILEAGE	QTY.	UM	QTY.	UM	UNIT PRICE	AMOUNT
		LOC	ACCT	DF								
<i>575</i>					<i>113</i>							
<i>576 D</i>					<i>Temp Charge - CUT ROT Collar</i>							
<i>290</i>					<i>D-412</i>							
<i>105</i>					<i>ROT Collar Tool w/Man Rental</i>							
<i>330</i>					<i>SMD Cement</i>							
<i>276</i>					<i>Floccle</i>							
<i>581</i>					<i>Service Charge - Cement</i>							
<i>583</i>					<i>Drayage</i>							

LEGAL TERMS: Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

DATE SIGNED: *11-7-14* TIME SIGNED: *3:15 P.M.*

SWIFT OPERATOR: *Y.L. D* APPROVAL: _____

CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES: The customer hereby acknowledges receipt of the materials and services listed on this ticket.

REMIT PAYMENT TO:
 SWIFT SERVICES, INC.
 P.O. BOX 466
 NESS CITY, KS 67560
 785-798-2300

SURVEY: OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN? WE UNDERSTOOD AND MET YOUR NEEDS? OUR SERVICE WAS PERFORMED WITHOUT DELAY? WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY? ARE YOU SATISFIED WITH OUR SERVICE? CUSTOMER DID NOT WISH TO RESPOND

PAGE TOTAL: *6798.07*

TOTAL: *7068.45*

Graham TAX *7.15%*

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 11-7-14 PAGE NO. 1

CUSTOMER *rite-way Resources* WELL NO. *3-17* LEASE *Warcester* JOB TYPE *CMT Port Collar* TICKET NO. *26962*

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	<i>0845</i>					<i>2 3/8</i>	<i>5 1/2</i>	<i>On location w/ Port Collar Tool Rig not Rigged up yet</i>
	<i>1045</i>							<i>Start P.C Tool + 2 3/8" Hbg to 1952'</i>
	<i>11:45</i>					<i>c</i>	<i>800</i>	<i>Locate P.C - Test closed - OK</i>
		<i>3</i>	<i>3</i>				<i>300</i>	<i>inj rate - open P.C</i>
								<i>Hook to 2 3/8" Hbg.</i>
		<i>3</i>	<i>3</i>			<i>500</i>		<i>Start H₂O - Have Returns @ 2 BBL</i>
		<i>3</i>				<i>400</i>		<i>Start SMD cut @ 11.2#/gal</i>
		<i>3</i>	<i>83</i>			<i>300</i>		<i>CMT circulate @ 150 SKS - Tail in</i>
		<i>3</i>	<i>93</i>			<i>200</i>		<i>with SMD @ 13#/gal - 25 SKS</i>
		<i>3</i>	<i>6 1/2</i>			<i>400</i>		<i>Displ 6 1/2 BBL H₂O</i>
						<i>500</i>		<i>Fin Displ.</i>
						<i>c</i>	<i>800</i>	<i>Close P.C + Test closed - OK</i>
								<i>Run 5 JTs</i>
	<i>1245</i>	<i>3</i>	<i>9/12</i>			<i>300</i>		<i>Rev-out 2 plugs - clean</i>
			<i>25</i>			<i>0</i>		<i>Fin rev-out</i>
								<i>Rig pull Hbg/Tool</i>
	<i>13:00</i>							<i>Job Complete</i>
								<i>Washup/Reckup</i>
								<i>Thanks Don, Tom, Steve & Craig</i>
								<i>150 SKS @ 11.2#/gal to CIR</i>
								<i>25 SKS @ 13#/gal tail in cut</i>
								<i>175 SKS Total cut used</i>

GARY F. GENSCH

PETROLEUM GEOLOGIST

GEOLOGIC REPORT LOG

COMPANY: GATEWAY RESOURCES, LLC
LEASE: #3-17 WORCESTER
FIELD: ALDA API: 15-065-24079-0000
LOCATION: SECTION 17-7S-22W
 1717' FSL & 688' FEL
COUNTY: GRAHAM COUNTY, KANSAS

ELEVATIONS	
All Measurements Are From: K.B.	
K.B	2,345
D.F.	2,343
G.L	2,335
R.T.D.	3,980

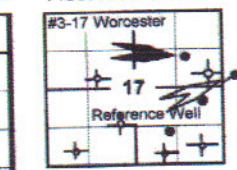
DRLG. CONTRACTOR: VAL ENERGY, INC: RIG NO. 7
SPUD: 10/25/2014 COMP: 11/4/2014
RTD: 3,980' LTD: 3,978'
MUD UP AT: 2,887' MUD TYPE: DRISPAC (Morgan Mud)

CASING SURFACE:
 8-5/8" @ 224'
PRODUCTION:
 5-1/2" @ 3,978' (RTD)

DRILLING TIME KEPT FROM: 1,920'-2,010' / 3,100' TO RTD
SAMPLES EXAMINED FROM: 3,260' TO RTD
SAMPLES SAVED FROM: 3,260' TO RTD
GEOLOGICAL SUPERVISION FROM : 3,336' TO RTD

LOGS RUN
 DIL, CDL/CNL & MICRO LOGS
 Nabors Completion & Production Services

FORMATION TOPS	SAMPLE	E-LOG	L. DATUM	REF. WELL	DIFF.
TOP ANHYDRITE	1,960	1,961	384	377	7
BASE ANHYDRITE	1,993	1,991	354	345	9
TOPEKA	3,331	3,330	-985	-982	-3
HEEBNER	3,531	3,530	-1,185	-1,181	-4
TORONTO	3,554	3,553	-1,208	-1,205	-3
LANSING	3,571	3,570	-1,225	-1,221	-4
MUNCIE CREEK	3,681	3,680	-1,335	-1,329	-6
STARK	3,741	3,740	-1,395	-1,387	-8
BKC	3,769	3,768	-1,423	-1,413	-10
MARMATON	3,816	3,814	-1,469	-1,459	-10
ARBUCKLE	3,956	3,954	-1,609	-1,528	-81
RTD/LTD	3,980	3,978	-1,633	-1,529	-104



17-7S-22W
DRILL STEM TESTS
 5
 Trilobite Testing

REF. WELL: MURFIN DRILLING, #1 WORCESTER, Sec. 16-7S-22W: SW SW NW, KB: 2,321': ABD PRODUCER
 REF. WELL: SE <1/4 mile from well

GATEWAY RESOURCES, LLC 224 S. CRESTWAY WICHITA, KS 67218 316-884-0199

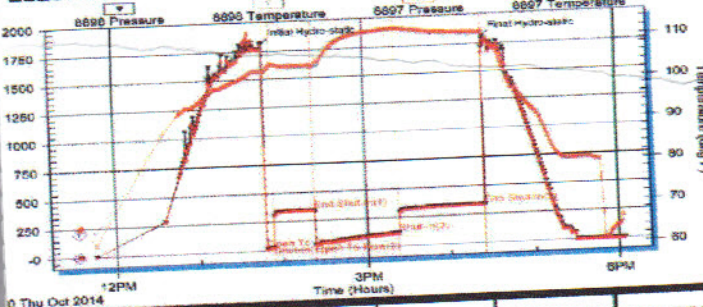
DST CHARTS & RESULTS

DRILL STEM TESTS

DST INTERVAL/FM.	FP TIME	IFP/FFP	SIP TIME	ISIP/FSIP
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DST #1: 3585' - 3609'	IFP: 5": 15 - 35#	ISIP: 30": 343#	RECOVERY	
LANDING 'C'	FFP: 60": 39 - 115#	FSIP: 60": 334#		

ELECTRICAL CHART TEMP: 112 DEG. F.



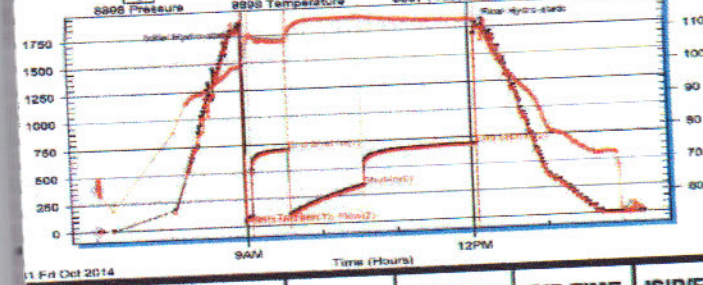
216' TOTAL FLUID (2.49 BPH)
 2' Free Oil (27 Deg API - 100%O)
 30' VSOCMW (3%O, 17%W, 80% M)
 62' MCW (70% W, 30% M)
 122' Sli MCW (45% W, 55% M)
 (WTR CHL: 28,000 PPM)

COMMENTS: TOT OIL: 0.043 BOPH
 IF: Weak surface blow bldg to 1.5 inches.
 ISIP: No return blow.
 FF: Building blow BOB in 50 Min.
 FSIP: No return blow.
 HP: 1815-1812#
 VIS 53, WT 6.8, WL 7.6, LCM21#, CHL 900 PPM

DST INTERVAL/FM	FP TIME	IFP/FFP	SIP TIME	ISIP/FSIP
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DST #2: 3625' - 3645'	IFP: 5": 35 - 88#	ISIP: 30": 690#	RECOVERY	
LKC 'E' & 'F'	FFP: 60": 98 - 340#	FSIP: 90": 682#		

ELECTRICAL CHART TEMP: 106 DEG. F.



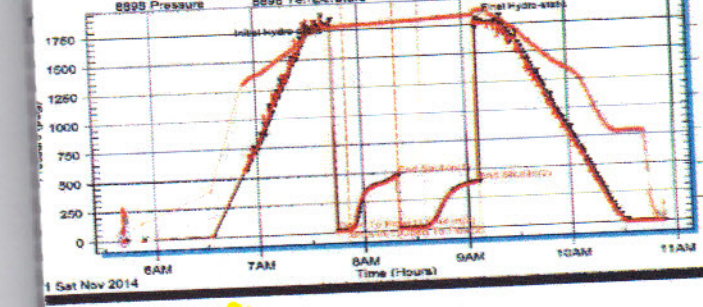
93' Gas in Pipe
713' TOTAL FLUID (9.46 BPH)
 31' Gassy Oil (28 Deg API-15%G,85% O)
 124' OCMW (10%O, 45% W, 45% M)
 124' VSOCMW (2% O, 88% W, 10% M)
 434'SMCW-Oil Spots(90% W, 10% M)
 (WTR CHL: 32,000 PPM)

COMMENTS: TOT OIL: 0.574 BOPH
 IF: Strong blow bldg to 8 inches.
 ISIP: No Return blow; FF: Good blow BOB in 8 Min
 FSIP: No Return blow; HP: 1856-1789#
 VIS 53, WT 9.1, WL 7.2, LCM 3#, CHL 1400 PPM

DST INTERVAL/FM	FP TIME	IFP/FFP	SIP TIME	ISIP/FSIP
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DST #3: 3673' - 3700'	IFP: 5": 14 - 15#	ISIP: 60": 476#	RECOVERY	
LKC 'H'	FFP: 60": 15 - 17#	FSIP: 90": 397#		

ELECTRICAL CHART TEMP: 106 DEG. F.



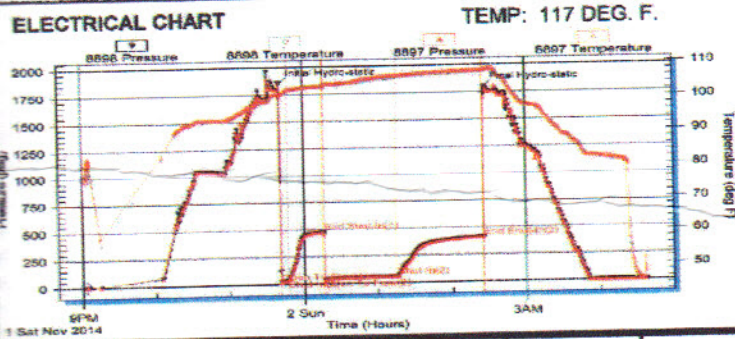
5' TOTAL FLUID
 5' Free Mud (100% M)

COMMENTS:
 IF: Weak surf blow to 1.5 inches
 ISIP: No blow back
 FF: No blow, SI after 15"
 FSIP: No return blow
 VIS 52, WT 9.6, WL 9.2, LCM 2#, CHL 1200 ppm

DST CHARTS & RESULTS

DRILL STEM TESTS

DST INTERVAL/FM	FP TIME	IFP/FFP	SIP TIME	ISIP/FSIP	RECOVERY
DST #4: 3703' - 3733' LKC 'I' & 'J'	IFP: 5": FFP: 60":	18 - 37# 37 - 59#	ISIP: 30": FSIP: 60":	473# 409#	124' Gas in Pipe 112' TOTAL FLUID (1.63 BPH)

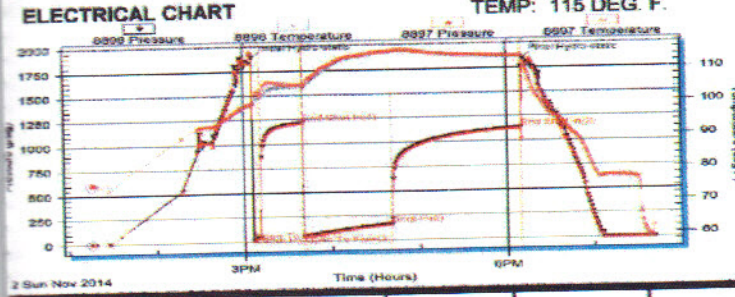


30' Gassy Oil (10% G, 90% O)
(Oil Gravity not taken)
82' OCM (40% O, 60% M)

COMMENTS: TOT OIL: 0.664 BOPH
IF: Weak surface blow bldg to 2.25 inches
ISIP: No return blow
FF: Fair blow BOB in 47 Min.
FSIP: No return blow
HP: 1853-1794#

VIS 52, WT 9.3, WL 8.4, LCM 1#, CHL 1300 PPM

DST INTERVAL/FM	FP TIME	IFP/FFP	SIP TIME	ISIP/FSIP	RECOVERY
DST #5: 3733' - 3759' LKC 'K'	IFP: 5": FFP: 60":	17 - 52# 52 - 169#	ISIP: 30": FSIP: 90":	1214# 1135#	320' TOTAL FLUID (3.95 BPH)

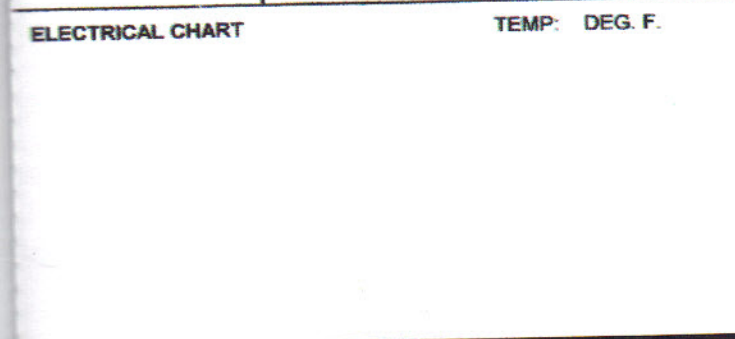


72' Wtr Cut Mud (60% W, 40% M)
248' SII MCW (90% W, 10% M)
(WTR CHL: 32,000 PPM)

COMMENTS:
Weak surface blow bldg to 3 inches
ISIP: No return blow.
FF: Fair blow BOB in 30 Min.
FSIP: No return blow

VIS 50, WT 9.0, WL 9.6, LCM 1#, CHL 1200 PPM

DST INTERVAL/FM	FP TIME	IFP/FFP	SIP TIME	ISIP/FSIP	RECOVERY
	IFP: FFP:		ISIP: FSIP:		



DST CHARTS & RESULTS