

Confidentiality Requested:

Yes No

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION**

Form ACO-1

January 2018

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

Gas DH EOR

OG GSW

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 EOR Conv. to SWD

Plug Back Liner Conv. to GSW Conv. to Producer

Commingled Permit #: _____

Dual Completion Permit #: _____

SWD Permit #: _____

EOR Permit #: _____

GSW Permit #: _____

Spud Date or Date Reached TD Completion Date or Recompletion Date

API No.: _____

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 Drill Stem Tests Received

Geologist Report / Mud Logs Received

UIC Distribution

ALT I II III Approved by: _____ Date: _____

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 Geologist Report / Mud Logs <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
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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				

1. Did you perform a hydraulic fracturing treatment on this well? Yes No *(If No, skip questions 2 and 3)*
2. Does the volume of the total base fluid of the hydraulic fracturing treatment exceed 350,000 gallons? Yes No *(If No, skip question 3)*
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)*

Date of first Production/Injection or Resumed Production/Injection:	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> <i>(Submit ACO-4)</i>	PRODUCTION INTERVAL: Top Bottom
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Shots Per Foot	Perforation Top	Perforation Bottom	Bridge Plug Type	Bridge Plug Set At	Acid, Fracture, Shot, Cementing Squeeze Record <i>(Amount and Kind of Material Used)</i>

TUBING RECORD:	Size:	Set At:	Packer At:	
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Form	ACO1 - Well Completion
Operator	Merit Energy Company, LLC
Well Name	LOTTIE 12-3
Doc ID	1327128

All Electric Logs Run

ANNULAR HOLE VOLUME PLOT
ARRAY COMPENSATED TRUE RESISTIVITY LOG
ARRAY COMPENSATED TRUE RESISTIVITY LOG 1 LOG
ARRAY COMPENSATED TRUE RESISTIVITY LOG 2 LOG
BOREHOLE COMPENSATED SONIC ARRAY LOG
DUAL SPACED NEUTRON SPECTRAL DENSITY LOG
MICROLOG
QUAD COMBO LOG
REPEAT SECTION

Form	ACO1 - Well Completion
Operator	Merit Energy Company, LLC
Well Name	LOTTIE 12-3
Doc ID	1327128

Tops

Name	Top	Datum
COUNCIL GROVE	2840	.
HEEBNER	3936	.
TORONTO	3951	.
LANSING	4027	.
MARMATON	4600	.
CHEROKEE	4749	.
ATOKA	4941	.
MORROW	5055	.
ST GENEVIEVE	5368	.
ST LOUIS	5468	.

Field Ticket Number: Lib1610142217

Field Ticket Date:

Friday, October 14, 2016

Bill To:
MERIT ENERGY COMPANY
Liberal, KS 67901
P O Box 1293 / 1900 W 2nd St

Job Name: 01 Surface
Well Location: Haskell, KS
Well Name: Lottie
Well Number: 12-3
Well Type: New Well
Rig Number: Duke Drilling # 9
Shipping Point: Liberal, KS
Sales Office: Mid Con

PERSONEL		EQUIPMENT	
Hector E.	Carlos I.	531-541	956-841
Victor G.	Jose C.	993-467	

SERVICES - SERVICES - SERVICES

Description	QTY	UOM	Unit Amt	Gross Amt	Unit Net	Discount	Net Amount
PUMP, CASING CEMENT 1001-2000 FT	1.00	min. 4 hr	2,213.75	2213.75	774.81	65.0%	774.81
CMLP	1.00	per day	275.00	275.00	96.25	65.0%	96.25
PHDL	944.00	per cu. Ft.	2.48	2341.12	0.87	65.0%	819.39
DRYG	2032.00	ton-mile	2.75	5588.00	0.96	65.0%	1,955.80
MILV	50.00	per mile	4.40	220.00	1.54	65.0%	77.00
MIHV	50.00	per mile	7.70	385.00	2.70	65.0%	134.75

FLOAT EQUIPMENT -- FLOAT EQUIPMENT -- FLOAT EQUIPMENT

GS-8.625	1.00	each	460.00	460.00	207.00	55.0%	207.00
SSFC-8.625	1.00	each	1,214.00	1,214.00	546.30	55.0%	546.30
CEN-8.625	15.00	each	75.00	1,125.00	33.75	55.0%	506.25
TRP - 8.625	1.00	each	131.00	131.00	58.95	55.0%	58.95

MATERIALS - MATERIALS - MATERIALS

CS-LS	10.00	bbl	250.00	2,500.00	87.50	65.0%	875.00
CB-AMDAL	600.00	sack	26.57	15,942.00	9.30	65.0%	5,579.70
CA-100	1692.00	pound	1.10	1,861.20	0.39	65.0%	651.42
CLC-CPF	300.00	pound	2.97	891.00	1.04	65.0%	311.85
CCAC	175.00	sack	17.90	3,132.50	6.27	65.0%	1,096.38
CA-100	329.00	pound	1.10	361.90	0.39	65.0%	126.67
CLC-CPF	88.00	pound	2.97	261.36	1.04	65.0%	91.48

ADDITIONAL ITEMS - ADDITIONAL ITEMS - ADDITIONAL ITEMS

Additional hours, in excess of set hours		per hour	440.00	0.00	154.00	65.0%	0.00
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	Gross	Discount	Final
Services Total	11,022.87	7,164.87	3,858.00
Equipment Total	2,930.00	1,611.50	1,318.50
Materials Total	24,949.96	16,217.47	8,732.49
Additional Items	0.00	0.00	0.00
Final Total	38,902.83	24,993.84	13,908.99

Allied Rep: _____
Customer Agent: _____

This output does NOT include taxes. Applicable sales tax will be billed on the final invoice.
Customer hereby acknowledges receipt of the materials and services described above and on the attached documents.
I have read and understand the "GENERAL TERMS AND CONDITIONS" listed on the following page.

X _____
Customer Signature

Field Ticket Total (USD):

\$13,908.99

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "ALLIED" shall mean Allied Oil & Gas Services, LLC, and "CUSTOMER" shall refer to the party identified by that term on the front of this contract. As applicable, "JOB" relates to the services described on the front side of this contract, "MERCHANDISE" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

-TERMS: Unless satisfactory credit has been established, CUSTOMER must tender full cash payment to ALLIED before the job is undertaken or merchandise is delivered. If satisfactory credit has been established, the terms of payment for the job and/or merchandise, including bulk cement, are net cash, payable in 30 days from the completion of the job and/or delivery of the merchandise. For all past due invoices, CUSTOMER agrees to pay interest on amounts invoiced at a rate of 18 percent per annum until paid. Notwithstanding the foregoing, in no event shall this Contract provide for interest exceeding the maximum rate of interest that CUSTOMER may agree to pay under applicable law. If any such interest should be provided for, it shall be and hereby is deemed to be a mistake, and this contract shall be automatically reformed to lower the rate of interest to the maximum legal contract rate. Any amounts previously paid as excess interest shall be deducted from the amounts owing from the CUSTOMER or at the option of ALLIED, refunded directly to CUSTOMER. For purposes of this paragraph, ALLIED and CUSTOMER agree that Kansas law shall apply. Any discounts granted with this contract are null and void if the charges are not paid when due.

-ATTORNEY FEES: In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the terms of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limited to, a reasonable sum as and for attorney's fees.

-PRICES AND TAXES: All merchandise listed in ALLIED'S current price schedule are F.O.B. ALLIED'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by ALLIED shall be added to the quoted prices charged to CUSTOMER.

-TOWING CHARGES: ALLIED will make a reasonable attempt to get to and from each job site using its own equipment. Should ALLIED be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMER or, if furnished by ALLIED, will be charged to and paid by the CUSTOMER.

-PREPARATION CHARGES: If a job and/or merchandise is ordered and CUSTOMER cancels the order after preparation of a chemical solution or other material, CUSTOMER will pay ALLIED for the expenses incurred by ALLIED as a result of the cancellation.

-DEADHAUL CHARGES: Unless otherwise specified on the front of this Contract, a deadhaul charge as set forth in ALLIED'S current price book will be charged each way for each service unit which is ordered by CUSTOMER but not used.

-SERVICE CONDITIONS AND LIABILITIES:

1). ALLIED carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond ALLIED'S control, ALLIED shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. CUSTOMER shall be responsible for and indemnify, defend, and hold harmless ALLIED, its officers, agents and employees, from and against any and all claims or suits for:

A). Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and

B). Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with ALLIED'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of ALLIED or its employees.

2). With respect to any of ALLIED'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to ALLIED at the landing, CUSTOMER shall either recover the lost item without cost to ALLIED or reimburse ALLIED the current replacement cost of the item unless the loss or damage results from the sole negligence of ALLIED or its employees.

3). ALLIED does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

-WARRANTIES:

1). ALLIED warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and services when installed, and used, and/or serviced in the manner provided and intended. ALLIED'S obligation under this warranty is expressly limited to repair, replacement, or allowance for credit, at its option, for any merchandise which is determined by ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE. CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and ALLIED shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.

2). More specifically:

A). Nothing in this contract shall be construed as a warranty by ALLIED of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.

B). Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by ALLIED or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by ALLIED, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross

C). Work done by ALLIED shall be under the direct supervision and control of the CUSTOMER or his agent, and ALLIED will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.

Well Lottie 12-3
AFE 45977
GL 83001075
Office Ulysses
Date 10-14-16



Cement Job Summary

Job Number: Lib1610142217		Job Purpose: 01 Surface	
Customer: MERIT ENERGY COMPANY			Date: 10/14/2016
Well Name: Lottie		Number: 12-3	
County: Haskell		City: Sublette, KS	
Cust. Rep:		Rig Phone:	
Legal Desc:		Rig Name: Duke Drilling#9	
Distance: 50 miles (one way)		Supervisor: Hector Esqueda	

Employees:	Emp. ID:	Employees:	Emp. ID:
Hector E.		Carlos I.	
Victor G.		Jose C.	

Equipment:	Emp. ID:
531-541	956-841
993-467	

Well Information						
Open Hole Section						
Description:	Size (in):	Excess	Top MD (ft)	Btm MD (ft)		
OPEN HOLE	12 1/4	110%	1245	1,480	TAIL CEMENT	
OPEN HOLE	12 1/4	110%	0	1,245	LEAD CEMENT	
OPEN HOLE	12 1/4			0		
OPEN HOLE	12 1/4					
Tubulars						
Description:	Size (in):	Wgt. (lb/ft)	ID (in)	Grade:	Top MD (ft)	Btm MD (ft)
TOTAL CASING	8 5/8	24	8.097	J-55	0	1,480
SHOE	8 5/8	24	8.097	J-55	1,438	1,480

Materials - Pumping Schedule						
Fluid Name	Description	Rqstd Qty	Density	Yield	Water (gal/sk)	
Spacer 1	LC SPACER	10	9.00	n/a	n/a	
Fluid Name	Description	Rqstd Qty	Density	Yield	Water (gal/sk)	
Lead 1	ALLIED MULTI-DENSITY CEMENT - CLASS A	600	12.10	2.55	14.86	
Addl. Additive	Description	Conc. (lb/sk)	Determined by	Load Volume	UOM	
CA-100	CALCIUM CHLORIDE, PELLETS OR FLAKE	2.82	% BWOC	1692.0	lbm	
CLC-CPF	CELLOPHANE FLAKES	0.5	lb/sk	300.0	lbm	
Fluid Name	Description	Rqstd Qty	Density	Yield	Water (gal/sk)	
Tail 1	CLASS A COMMON	175	15.20	1.27	5.74	
Addl. Additive	Description	Conc. (lb/sk)	Determined by	Load Volume	UOM	
CA-100	CALCIUM CHLORIDE, PELLETS OR FLAKE	1.88	% BWOC	329.0	lbm	
CLC-CPF	CELLOPHANE FLAKES	0.5	lb/sk	87.5	lbm	
Fluid Name	Description	Rqstd Qty	Density	Yield	Water (gal/sk)	
Disp. 1	Displacement	91.57695897	8.33	n/a	n/a	

Job Number: Lib1610142217		Job Purpose: 01 Surface	
Customer: MERIT ENERGY COMPANY			Date: 10/14/2016
Well Name: Lottie		Number: 12-3	
County: Haskell		City: Sublette, KS	
Cust. Rep:		Rig Phone: 0	
Distance: 50 miles (one way)		Supervisor: Hector Esqueda	

Cement Job Summary

TIME	PRESSURE - (PSI)		FLUID PUMPED DATA		COMMENTS
	AM/PM	CASING	ANNULUS	VOLUME	
17:30					arrived to location
1800					rig up iron
					waiting on casing
18:30					prime up
19:15					rig up head
19:40	2500				pressure test to 2500PSI
19:43					start mixing the 10 bbls of stop loss to the tank
19:56					stop rolling tank (shut down) switch over to head to start pumping
19:57	0		10	4	start pumping spacer and start mixing the lead cement to get it ready to follow the spacer
20:02	50		272	4	start the lead cement @ 12.10#
21:27	40		39	3.2	start the tail cement @ 15.20#
21:44					shut down (drop plug) wash up tub
21:48	60		98	4	start the 98 bbl displacement
21:54	80		20	4	20 bbls gone
21:57	110		30	4	30 bbls gone
21:59	150		38	4	38 bbls in started to get full cement returns
21:59	160		40	4	40 bbls gone
22:02	330		50	4	50 bbls gone
22:05	460		60	4	60 bbls gone
22:08	570		70	4	70 bbls gone
22:10	590		80	4	80 bbls gone
22:13	670		90	3.4	90 bbls gone
22:17	1100		98		landed plug @ 1100 psi
22:17	1500		98		brought the pressure up to 1500 Psi to test the casing for 15 minutes
22:32	0				released the pressure and the plug held good we got 1/2 a bbl back to the tank we had "60" bbls of full cement returns
					rig down iron released from location at 24:00