

SM Oil & Gas, Inc.
P. O. Box 189
Skiatook, Oklahoma 74070
620-725-3200

June 21, 2016

*Kansas Corporation Commission
Conservation Division
266 N. Main Street – Suite #220
Wichita, Kansas 67202-1513*

**Re: Fulsom "B" #12-2
API #15-019-27548-00-00
Cement Usage ACO-1**

To Whom It May Concern:

SM Oil & Gas, Inc. buys quantities of Portland Type I cement, which comes on pallets of 35 sacks per pallet, for the companies usage. In this case, the required 10 sacks of cement is mixed by our own drilling rig personnel and is used to properly install the surface casing.

An invoice showing the bulk quantity of cement is available if needed.

Thank you,



Thomas H. Oast
Area Manager

810 E 7TH
 PO Box 92
 EUREKA, KS 67045
 (620) 583-5561



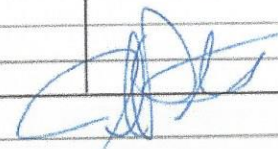
Cement or Acid Field Report
 Ticket No. 2817
 Foreman Kevin McCoy
 Camp EUREKA

Date	Cust. ID #	Lease & Well Number	Section	Township	Range	County	State
6-28-16	1180	Fulson B 12-2				CQ	K5
Customer	Mailing Address	City	State	Zip Code	Safety Meeting	Unit #	Driver
SM OIL & GAS, INC.	P.O. Box 189	SKIATOOK	OK	74070	KM DG SM AM RL	105 110 113 141	DAVE G Steve M. ALAN M. RICK L.

Job Type LONGSTRING Hole Depth 1610' Slurry Vol. 44 BBL LIGHT 21 BBL TAIL Tubing _____
 Casing Depth 1605' Hole Size 6 3/4" Slurry Wt. 13.2 - 14 # Drill Pipe _____
 Casing Size & Wt. 4 1/2 11.60 # Cement Left in Casing 0' Water Gal/SK _____ Other _____
 Displacement 25.5 BBL Displacement PSI 700 Bump Plug to 1100 PSI BPM _____

Remarks: SAFETY Meeting: Rig up to 4 1/2 casing. BREAK CIRCULATION w/ 20 BBL FRESH WATER Pump 400 * Gel flush w/ 1sk Hulls, 5 BBL water spacer. MIXED 150 SKS 50/50 POZMIX Cement w/ 6% Gel, 1# PhenoSEAL /SK @ 13.2 #/gal = 44 BBL Slurry, TAIL in w/ 75 SKS OWC Cement w/ 1# PhenoSEAL /SK @ 14 #/gal = 21 BBL Slurry. WASH out Pump & Lines, Shut down, Release Plug. Displace Plug to SEAT w/ 25.5 BBL Fresh water. FINAL Pumping Pressure 700 PSI. Bump Plug to 1100 PSI. Wait 2 mins. Release Pressure. Float Held. Shut in @ 0 PSI. Good Cement Returns to SURFACE = 19 BBL Slurry to pit. Job Complete. Rig down.

Code	Qty or Units	Description of Product or Services	Unit Price	Total
C 102	1	Pump Charge	1050.00	1050.00
C 107	30	Mileage	3.95	118.50
C 204	150 SKS	50/50 ^{POZ} Cement	11.25	1687.50
C 206	750 #	Gel 6% } Lead Cement	.20 #	150.00
C 208	150 #	PhenoSEAL 1#/SK	1.25 #	187.50
C 202	75 SKS	OWC Cement } TAIL Cement	19.15	1436.25
C 208	75 #	PhenoSEAL 1#/SK	1.25 #	93.75
C 206	400 #	Gel flush	.20 #	80.00
C 214	40 #	Cotton Seed Hulls	.45 #	18.00
C 108 A	10.2 TONS	Ton Mileage BULK TRUCKS x 2	M/C	690.00
C 113	2.5 HRS	80 BBL VAC TRUCK	85.00	212.50
C 224	3300 gals	CITY WATER	10.00 / 1000	33.00
C 403	1	4 1/2 Top Rubber Plug	45.00	45.00
			Sub Total	5802.00
			Less 5%	305.96
			Sales Tax 8.5%	317.14
			Total	5813.18

Authorization  Title _____ Total _____

I agree to the payment terms and conditions of services provided on the back of this job ticket. Any amendments to payment terms must be in writing on the front of this job ticket or in the Customer's records at ELITE's office.