

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE**

Form ACO-1
September 1999
Form Must Be Typed

ORIGINAL

Operator: License # 31725
 Name: Shelby Resources, LLC
 Address: P.O. Box 1213
 City/State/Zip: Hays, Kansas 67601
 Purchaser: Plains Marketing, L.P.
 Operator Contact Person: Brian Karlin
 Phone: (785) 623-3290
 Contractor: Name: Sterling Drilling Company
 License: 5142
 Wellsite Geologist: Bruce B. Ard

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SIOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, 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./SWD
 Plug Back Plug Back Total Depth
 Commingled Docket No. _____
 Dual Completion Docket No. _____
 Other (SWD or Enhr.?) Docket No. _____

<u>10-20-2007</u>	<u>10-30-2007</u>	<u>11-19-2007</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 009-25113-0000
 County: Barton
 app. NW NE SW Sec. 20 Twp. 17 S. R. 13 East West
2270' feet from (S) N (circle one) Line of Section
1500' feet from E / (W) (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW (SW)
 Lease Name: Lacey Well #: 1-20
 Field Name: Hoisington Southwest
 Producing Formation: LKC
 Elevation: Ground: 1927' Kelly Bushing: 1936'
 Total Depth: 3550' Plug Back Total Depth: 3519'
 Amount of Surface Pipe Set and Cemented at 923' Feet
 Multiple Stage Cementing Collar Used? Yes No
 If yes, show depth set _____ Feet
 If Alternate II completion, cement circulated from 923'
 feet depth to surface w/ 425 sx cmt.

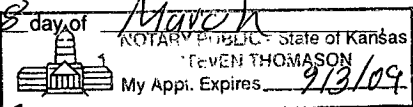
Drilling Fluid Management Plan AH 1 NCR 8-1-08
 (Data must be collected from the Reserve Pit)
 Chloride content 9000 ppm Fluid volume 275 bbls
 Dewatering method used allowed to evaporate and then backfilled.
 Location of fluid disposal if hauled offsite: _____
 Operator Name: _____
 Lease Name: _____ License No.: _____
 Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
 County: _____ Docket No.: _____

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

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.

Signature: Brian Karlin
 Title: Operations Manager Date: 3-18-2008

Subscribed and sworn to before me this 18 day of March
2008
 Notary Public: Steven Thomason
 Date Commission Expires: 9/3/09



KCC Office Use ONLY

N Letter of Confidentiality Received
 If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

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MAR 20 2008

Operator Name: Shelby Resources, LLC Lease Name: Lacey Well #: 1-20
 Sec. 20 Twp. 17 S. R. 13 East West County: Barton

INSTRUCTIONS: Show important tops and base 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. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: Sonic, Micro, Compensated Density Neutron PE, Dual Induction, & Dual Receiver Cement Bond log.	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td><input checked="" type="checkbox"/> Log</td> <td>Formation (Top), Depth and Datum</td> <td><input type="checkbox"/> Sample</td> </tr> <tr> <td>Name</td> <td>Top</td> <td>Datum</td> </tr> <tr> <td>Topeka Lime</td> <td>2860</td> <td>-924</td> </tr> <tr> <td>Heebner Shale</td> <td>3096</td> <td>-1160</td> </tr> <tr> <td>Toronto Lime</td> <td>3114</td> <td>-1178</td> </tr> <tr> <td>Brown Lime</td> <td>3179</td> <td>-1243</td> </tr> <tr> <td>Lansing</td> <td>3187</td> <td>-1251</td> </tr> <tr> <td>Base KC</td> <td>3398</td> <td>-1462</td> </tr> <tr> <td>Arbuckle</td> <td>3414</td> <td>-1478</td> </tr> </table>	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample	Name	Top	Datum	Topeka Lime	2860	-924	Heebner Shale	3096	-1160	Toronto Lime	3114	-1178	Brown Lime	3179	-1243	Lansing	3187	-1251	Base KC	3398	-1462	Arbuckle	3414	-1478
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CASING RECORD <input checked="" 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
Surface Pipe	12-1/4"	8-5/8"	23#	923 KB	Common	425	3% CC, 2% Gel
Production	7-7/8"	5-1/2"	15.5#	3539 KB	EA-2	160	

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				

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
2	3380-86'	250 gal. 20% Mud	
4	3359-62'	250 gal. 20% Mud	
2	3336-42'	250 gal. 20% Mud	
2	3319-24'	did not treat	

TUBING RECORD		Size	Set At	Packer At	Liner Run
		2-3/8"	3497'	none	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.			Producing Method		
11-20-2007			<input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)		
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
	45		1		

Disposition of Gas	METHOD OF COMPLETION	Production Interval
<input type="checkbox"/> Vented <input type="checkbox"/> Sold <input checked="" type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	<input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	

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 CONSERVATION DIVISION
 WICHITA, KS

JOB LOG

SWIFT Services, Inc.

DATE 12-30-07 PAGE NO. 1

CUSTOMER *Shelby Resources* WELL NO. *1-20* LEASE *Loc 4* JOB TYPE *Cement Fracturing* TICKET NO. *12925*

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	2015							on loc w/FE
								RTD 3550'
								5 1/2" x 15.5" x 3539' x 16'
								Cont. 3, 5, 7, 9, 11, 13
								Bucket 1
								Isolant # 5, 7, 61
	2150							start FE
	2325							Break Circ
	0020	2	3/0					Plug RH + FA-2 1531 = FA-2
	0025	4	0			200		start Pre-flushes 500 gal Mud flush 20 Bbl Kill flush
	0035	5	32/0			360		start Cement 160 sks FA-2
	0040		38					End Cement
								Wash P/L
								Drop Plug
	0043	5	0			200		start Displacement
	0058	4	64			210		Catch Cement
	0103		83.8			210		Land Plug
								Release Pressure
								Plot H-11

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CONSERVATION DIVISION
WICHITA, KS

Thank you

Nick, Josh F + Rob

ALLIED CEMENTING CO., INC.

30944

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

SERVICE POINT:

Great Bend

DATE <i>10-21-07</i>	SEC. <i>20</i>	TWP. <i>17S</i>	RANGE <i>13W</i>	CALLED OUT <i>9:30 pm</i>	ON LOCATION <i>12:00 pm</i>	JOB START <i>3:30 AM</i>	JOB FINISH <i>4:30 AM</i>
LEASE <i>Lacey</i>	WELL # <i>1-20</i>	LOCATION <i>Hoisington 1/4 E 2 N 3/4 W</i>	COUNTY <i>Barton</i>	STATE <i>KS</i>			
OLD OR <input checked="" type="radio"/> NEW (Circle one)			<i>N/into</i>				

CONTRACTOR *Sterling Rig 1*
 TYPE OF JOB *SURFACE*
 HOLE SIZE *12 1/2* T.D. *924'*
 CASING SIZE *8 5/8* DEPTH *923.71'*
 TUBING SIZE DEPTH
 DRILL PIPE *4 1/2* DEPTH
 TOOL DEPTH
 PRES. MAX *200* MINIMUM *50*
 MEAS. LINE SHOE JOINT *40'*
 CEMENT LEFT IN CSG. *40'*
 PERFS.
 DISPLACEMENT *FRESH WATER 5600LS*

OWNER *SHELBY RESOURCES*

CEMENT
 AMOUNT ORDERED *425 SY COMMON + 3% CC + 2% GEL*

EQUIPMENT

PUMP TRUCK CEMENTER *DWAYNE W*
 # *120* HELPER *WAYNE D*
 BULK TRUCK
 # *344* DRIVER *CARL S*
 BULK TRUCK
 # DRIVER

COMMON	<i>425 SY</i>	@	<i>11.10</i>	<i>4717.50</i>
POZMIX		@		
GEL	<i>8 SY</i>	@	<i>16.65</i>	<i>133.20</i>
CHLORIDE	<i>13 SY</i>	@	<i>46.60</i>	<i>605.80</i>
ASC		@		

HANDLING	<i>446.04</i>	@	<i>1.90</i>	<i>847.40</i>
MILEAGE	<i>446 AM 09</i>		<i>12</i>	<i>481.68</i>
TOTAL				<i>6785.58</i>

REMARKS:

*PIPE ON BOTTOM BREAK CIRCULATION
 PUMP 425 SY COMMON + 3% CC
 + 2% GEL SHUT DOWN RELEASED
 PLUG AND DISP WITH 5600LS
 OF FRESH WATER SHUT IN
 CEMENT DID CIRCULATE*

SERVICE

DEPTH OF JOB	<i>923.71</i>			
PUMP TRUCK CHARGE				<i>815.00</i>
EXTRA FOOTAGE	<i>624</i>	@	<i>.65</i>	<i>405.60</i>
MILEAGE	<i>12</i>	@	<i>6.00</i>	<i>72.00</i>
MANIFOLD HEAD RENT		@	<i>100.00</i>	<i>100.00</i>

CHARGE TO: *SHELBY RESOURCES*
 STREET _____
 CITY _____ STATE _____ ZIP _____

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CONSERVATION DIVISION
 PUBLIC AFFAIRS

TOTAL *1392.60*

8 5/8 RUBBER PLUG		@		<i>100.00</i>
		@		
		@		

Thank you

To Allied Cementing Co., Inc.