

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

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 SLOW 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>11-27-2007</u>	<u>12-06-2007</u>	<u>1-08-2008</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 009-25132-0000
County: Barton
SW - NW - NE - SW Sec. 23 Twp. 17 S. R. 13 East West
2238' feet from (S) / N (circle one) Line of Section
1343' feet from E / (W) (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW (SW)
Lease Name: Hoffman Ranch Well #: 1-23
Field Name: Hoisington East
Producing Formation: LKC
Elevation: Ground: 1856' Kelly Bushing: 1865'
Total Depth: 3475' Plug Back Total Depth: 3374'
Amount of Surface Pipe Set and Cemented at 820' Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 820'
feet depth to surface w/ 425 _____ sx cmt.

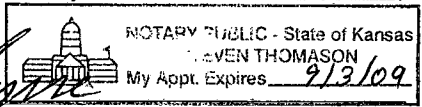
Drilling Fluid Management Plan Att 1 NCR 8-1-08
(Data must be collected from the Reserve Pit)
Chloride content 6800 ppm Fluid volume 325 bbls
Dewatering method used allowed to evaporate and then backfilled.
Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____ License 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: [Signature]
Date Commission Expires: 9/3/09



KCC Office Use ONLY

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

RECEIVED
KANSAS CORPORATION COMMISSION
MAR 20 2008

Operator Name: Shelby Resources, LLC Lease Name: Hoffman Ranch Well #: 1-23
 Sec. 23 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>2740</td> <td>-875</td> </tr> <tr> <td>Heebner Shale</td> <td>3022</td> <td>-1157</td> </tr> <tr> <td>Toronto Lime</td> <td>3038</td> <td>-1173</td> </tr> <tr> <td>Brown Lime</td> <td>3107</td> <td>-1242</td> </tr> <tr> <td>Lansing</td> <td>3121</td> <td>-1256</td> </tr> <tr> <td>Base KC</td> <td>3353</td> <td>-1488</td> </tr> <tr> <td>Arbuckle</td> <td>3360</td> <td>-1495</td> </tr> </table>	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample	Name	Top	Datum	Topeka Lime	2740	-875	Heebner Shale	3022	-1157	Toronto Lime	3038	-1173	Brown Lime	3107	-1242	Lansing	3121	-1256	Base KC	3353	-1488	Arbuckle	3360	-1495
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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#	820' KB	Common	425	3% CC, 2% Gel
Production	7-7/8"	5-1/2"	15.5#	3469' 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 checked="" type="checkbox"/> Plug Off Zone	3390-91'	Common	50	FL-10 (friction reducer)

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	
			Depth
2	3258-62'	250 gal. 20% Mud, 500 gal. 20% NE	
2	3186-92'	250 gal. 20% Mud, 500 gal. 20% NE	
4	3167-70'	250 gal. 20% Mud	
2	3134-38'	250 gal. 20% Mud	
2	3125-29'	250 gal. 20% Mud 1000 gal. 20% NE & 300# rock salt	

TUBING RECORD		Size	Set At	Packer At	Liner Run
2-3/8"		3432'	none		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. 11-20-2007			Producing Method		
			<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
75			10		38

Disposition of Gas Vented Sold Used on Lease *(If vented, Submit ACO-18.)*

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled Other (Specify) _____

Production Interval _____

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 CONSERVATION DIVISION
 WICHITA, KS

JOB LOG

SWIFT Services, Inc.

DATE 12-6-07 PAGE NO. 1

CUSTOMER *Shelby Resources*

WELL NO. *#1-23*

LEASE *Hoffman Ranch*

JOB TYPE *Cement Longstring*

TICKET NO. *13002*

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	2230							02 loc w/FE
								RTD/LTD 3475'
								5 1/2" x 15.5 # x 3469' x 22'
								Basket #2
								Centralizers # 3, 5, 7, 9, 11, 13
	2350							start FE
	0140							Break Circulation
	0230	2	3					Plug RH 15 sks EA-2
	0235	4	0			200		Start Backflushes 500 gal Mud Wash 20 bbl KCL Wash
	0243	5	32/0			250		Start Cement 160 sks EA-2
	0251		38					End Cement Wash Pth Drop Plug
	0258	6	0			200		Start Displacement
	0308	5	60			300		Catch Cement
	0313		82			700/1300		Land Plug Release Pressure Flat Hold

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CONSERVATION DIVISION
WICHITA, KS

Thank you
Nick, Josh F. & Shane

ALLIED CEMENTING CO., INC.

30992

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

SERVICE POINT:

M.B.

DATE <u>11-28-07</u>	SEC. <u>23</u>	TWP. <u>17</u>	RANGE <u>13</u>	CALLED OUT <u>12:00 PM</u>	ON LOCATION <u>1:30 PM</u>	JOB START <u>5:15 PM</u>	JOB FINISH <u>6:00 PM</u>
LEASE <u>Hobbsman</u>		WELL# <u>1-23</u>	LOCATION <u>Hoisington 2E23 N E5</u>			COUNTY <u>Barton</u>	STATE <u>KS</u>
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR Sterling Rig 1

TYPE OF JOB Surface Gel

HOLE SIZE 12 1/4 T.D. 821 ft

CASING SIZE 8 5/8 DEPTH 820 ft

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX 200' MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. 40 ft

PERFS. _____

DISPLACEMENT 49.6 bbl

OWNER _____

CEMENT AMOUNT ORDERED 425 lb Common

3% cc 2% gel

COMMON	<u>425</u>	@	<u>11.10</u>	<u>4717.50</u>
POZMIX		@		
GEL	<u>9</u>	@	<u>16.65</u>	<u>149.85</u>
CHLORIDE	<u>13</u>	@	<u>46.60</u>	<u>605.80</u>
ASC		@		
		@		
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>447</u>	@	<u>1.90</u>	<u>849.30</u>
MILEAGE	<u>15.9</u>	@	<u>44.7</u>	<u>605.43</u>
TOTAL				<u>6925.90</u>

EQUIPMENT

PUMP TRUCK CEMENTER Mike

181 HELPER Steve

BULK TRUCK

344 DRIVER Hevin

BULK TRUCK

_____ DRIVER Joe

REMARKS:

When got on the Rig they were circulating the hole then came out of the hole with Drill collars

3% start to run casing 8 5/8 821 ft

Circulate the hole with Rig mud Pump

Mix cement then release plug

Displace plug down with flush water 19.6 bbl

Cement did circulate to surface

CHARGE TO: Shelby Pres hpc

STREET _____

CITY _____ STATE _____ ZIP _____

SERVICE

DEPTH OF JOB	<u>820 ft</u>			
PUMP TRUCK CHARGE				<u>815.00</u>
EXTRA FOOTAGE	<u>520</u>	@	<u>.65</u>	<u>338.00</u>
MILEAGE	<u>15</u>	@	<u>6.00</u>	<u>90.00</u>
MANIFOLD		@		
	<u>head rent</u>	@		<u>100.00</u>

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TOTAL 1343.00

CONSERVATION DIVISION
PLUG & FLOAT EQUIPMENT

	<u>1-8 5/8 Rubber Plug</u>	@		<u>100.00</u>
		@		
		@		

Thank You