

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: _____
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>1-07-2008</u>	<u>1-16-2008</u>	<u>2-19-2008</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 009-25142-0000
County: Barton

app. C NE NW Sec. 15 Twp. 17 S. R. 13 East West
650' feet from S / N (circle one) Line of Section
2010' feet from E / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Demel Well #: 2-15
Field Name: Trapp

Producing Formation: _____
Elevation: Ground: 1857' Kelly Bushing: 1866'
Total Depth: 3500' Plug Back Total Depth: 3354'
Amount of Surface Pipe Set and Cemented at 822' Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 822'
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 7800 ppm Fluid volume 250 bbls
Dewatering method used hauled free fluids

Location of fluid disposal if hauled offsite:
Operator Name: Jason Oil Company
Lease Name: Sellens #4 License No.: 6622
Quarter _____ Sec. 17 Twp. 15 S. R. 13 East West
County: Russell Docket No.: D-26,633

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 this 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
My Appt. Expires: 9/3/09

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

RECEIVED
KANSAS CORPORATION COMMISSION
MAR 20 2008

Operator Name: Shelby Resources, LLC Lease Name: Demel Well #: 2-15
 Sec. 15 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: Micro, Sonic, Compensated Density Neutron PE, Dual Induction, Dual Receiver Cement Bond Logs	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:70%;">Name</td> <td style="width:15%;">Top</td> <td style="width:15%;">Datum</td> </tr> <tr> <td>Topeka Lime</td> <td>2765</td> <td>-899</td> </tr> <tr> <td>Heebner Shale</td> <td>3009</td> <td>-1143</td> </tr> <tr> <td>Toronto Lime</td> <td>3027</td> <td>-1161</td> </tr> <tr> <td>Brown Lime</td> <td>3096</td> <td>-1230</td> </tr> <tr> <td>Lansing</td> <td>3108</td> <td>-1242</td> </tr> <tr> <td>Base KC</td> <td>3327</td> <td>-1461</td> </tr> <tr> <td>Arbuckle</td> <td>3330</td> <td>-1464</td> </tr> </table>	Name	Top	Datum	Topeka Lime	2765	-899	Heebner Shale	3009	-1143	Toronto Lime	3027	-1161	Brown Lime	3096	-1230	Lansing	3108	-1242	Base KC	3327	-1461	Arbuckle	3330	-1464
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Arbuckle	3330	-1464																							

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#	823'	Common	425	3% CC, 2% Gel
Production	7-7/8"	5-1/2"	15.5#	3488'	EA-2	175	1/4# Flocele

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input checked="" type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone	3357'	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 <i>(Amount and Kind of Material Used)</i>	Depth
2	3198-3205'	250 gal. 20% Mud	
2	3176-82' and 3114-18'	250 gal. 20% Mud	
4	3330-35'	500 gal. 20% NE	
4	3341-45'	did not treat, comm. to 3330-35'	

TUBING RECORD		Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
none					
Date of First, Resumerd Production, SWD or Enhr.			Producing Method		
			<input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input checked="" type="checkbox"/> Other (Explain)		
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
	0				

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

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 CONSERVATION DIVISION
 WICHITA, KS

JOB LOG

SWIFT Services, Inc.

DATE 01-16-08 PAGE NO. 1

CUSTOMER SHELBY RESOURCES WELL NO. 2-15 LEASE Demel JOB TYPE LONGSTRING TICKET NO. 13231

CHART NO.	TIME	RATE (BPM)	VOLUME (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	2100							OPERATION, DISCUS JOB, LAY IN LID DOWN CMT: 175 SWS EA-2 1/4" FLOCELE
								RTO 3500, SET APPR 3487, SJ 1703, ZENIT 3470 5 1/2 15.5" IWD, CMT 4, 6, 8, 10, 12, 14, BASKET 0.2
	2330							START CSG & FLOATEQU
	0100							TAG BOTTOM - DRIP BML HOOKUP
	0110							BREAK CIRC
	0155		3 1/2					PLUG RH,
	0300	5.0	0		✓		200	START MUD FLUSH
			12		✓			" MCL "
			32		✓			END FLUSHES
			0		✓			START MIXING CMT
			39		✓			END CMT
								DRIP LATCH DOWN PLUG, WASH OUT P.L.
	0220		0		✓		200	START DISP.
			44.5		✓		200	CMT ON BOTTOM
			65.0		✓		350	
			70.0		✓		450	
			75.0		✓		500	
			80.0		✓		600	
	0230	4.0	82.5		✓		1400	LAND PLUG RELEASE - DRIP FLIGHT MUD-LING
								RECEIVED KANSAS CORPORATION COMMISSION WASHUP Renny TICKETS MAR 20 2008 CONSERVATION DIVISION WICHITA, KS
	0330							JOB COMPLETE THANK YOU! DAVE, JOSH, ROB

ALLIED CEMENTING CO., INC.

30805

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

SERVICE POINT:
Great Bend

DATE <u>1-8-08</u>	SEC. <u>15</u>	TWP. <u>17S</u>	RANGE <u>13W</u>	CALLED OUT <u>1:00pm</u>	ON LOCATION <u>2:00pm</u>	JOB START <u>7:30pm</u>	JOB FINISH <u>8:30pm</u>
LEASE <u>Demel</u>	WELL # <u>2-15</u>	LOCATION <u>Hoisington 414 to Rd</u>			COUNTY <u>Barton</u>	STATE <u>KS</u>	
OLD OR <u>NEW</u> (Circle one)			<u>150 1/2 E Spinto</u>				

CONTRACTOR STERLING R 91
 TYPE OF JOB SURFACE
 HOLE SIZE 12 1/4 T.D. 826'
 CASING SIZE 8 5/8 DEPTH 823'
 TUBING SIZE DEPTH
 DRILL PIPE 4 1/2 DEPTH
 TOOL DEPTH
 PRES. MAX 300 MINIMUM 100
 MEAS. LINE SHOE JOINT 40'
 CEMENT LEFT IN CSG. 40'
 PERFS.
 DISPLACEMENT FRESH WATER SOBBLS
 EQUIPMENT
 PUMP TRUCK CEMENTER DWAYNE W
 # 120 HELPER WAYNE D
 BULK TRUCK
 # 344 DRIVER CARL S
 BULK TRUCK
 # DRIVER

OWNER Shelby Resources
 CEMENT
 AMOUNT ORDERED 425x common + 3 1/2 cc + 2% GEL
 COMMON 425 @ 12.15 5163.75
 POZMIX @
 GEL 8 @ 18.25 146.00
 CHLORIDE 13 @ 51.00 663.00
 ASC @
 @
 @
 @
 @
 @
 @
 @
 @
 HANDLING 446 @ 1.90 847.40
 MILEAGE 446 x 14 x .09 561.96
 TOTAL 7382.11

REMARKS:

PIP ON BOTTOM BREAK CIRCULATION
PUMP 425SX COMMON + 3 1/2 CC
+ 2% GEL SHUT DOWN RELEASED
PLUG AND DISP WITH SOBBLS
OF FRESH WATER SHUT IN
CEMENT DID CIRCULATE

SERVICE

DEPTH OF JOB 823' 893.00
 PUMP TRUCK CHARGE
 EXTRA FOOTAGE 523 @ .70 366.10
 MILEAGE 14 @ 7.00 98.00
 MANIFOLD Head Rent @ 110.00 110.00
 @
 @

CHARGE TO: Shelby Resources
 STREET _____
 CITY _____ STATE _____ ZIP _____

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MAR 20 2008

TOTAL 1467.10

CONSERVATION DIVISION
WICHITA, KS

PLUG & FLOAT EQUIPMENT

8 5/8 Rubber Plug
 @ 110.00 110.00
 @
 @

Thank you

KANSAS
CORPORATION COMMISSION

Kathleen Sebelius, Governor
Thomas E. Wright, Chairman
Michael C. Moffet, Commissioner
Joseph F. Harkins, Commissioner

December 13, 2007

Brian Karlin
Shelby Resources, LLC
PO Box 1213
Hays, KS 67601

CDP-5

done
3-18-08

RE: Drilling Pit Application
Demel Lease Well No. 2-15
NW/4 Sec. 15-17S-13W
Barton County, Kansas

Dear Mr. Karlin:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed **without slots**, the bottom shall be flat and reasonably level and the free fluids must be removed. The fluids are to be removed from the reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again as soon as practical after drilling operations have ceased. **Please keep all pits away from any draws.**

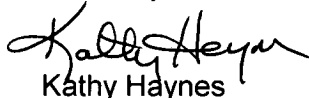
If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (785) 625-0550 when the fluids have been removed. Please file form CDP-5 (August 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill.

If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,



Kathy Haynes
Department of Environmental Protection and Remediation

cc: File

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WICHITA, KS