

**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

*WCC
7/29/08*

Operator: License # 33740
 Name: Hemi Energy Group, Inc.
 Address: 131 East Exchange Avenue, Suite 223
 City/State/Zip: Ft. Worth, TX 76164
 Purchaser: Coffeyville Resources, LLC
 Operator Contact Person: Craig Treiber
 Phone: (918) 607-8505
 Contractor: Name: McPherson Drilling, LLC
 License: 5675
 Wellsite Geologist: C. Treiber for Hemi
 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>2/27/07</u>	<u>2/28/07</u>	<u>3/29/07</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

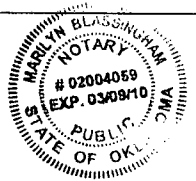
API No. 15 - 207-27112-0000
 County: Woodson
 SW SW SW Sec. 21 Twp. 25 S. R. 17 East West
329 feet from (S) N (circle one) Line of Section
4856 feet from (E) W (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE (SE) NW SW
 Lease Name: Reno Well #: Hemi #2
 Field Name: Humboldt Chanute
 Producing Formation: Squirrel Sandstone
 Elevation: Ground: 1000 Kelly Bushing: _____
 Total Depth: 803' Plug Back Total Depth: 802'
 Amount of Surface Pipe Set and Cemented at 42' Feet
 Multiple Stage Cementing Collar Used? Yes No
 If yes, show depth set _____ Feet
 If Alternate II completion, cement circulated from 802'
 feet depth to surface w/ 85 sx cmt.

Drilling Fluid Management Plan Alt II NCR 8-6-08
 (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 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: *Craig Treiber*
 Title: COO Date: 7/24/07
 Subscribed and sworn to before me this 24th day of July
2008
 Notary Public: *Mailey Blassard*
 Date Commission Expires: _____



KCC Office Use ONLY

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

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CONSERVATION DIVISION
WICHITA, KS

Operator Name: Hemi Energy Group, Inc. Lease Name: Reno Well #: Hemi #2
 Sec. 21 Twp. 25 S. R. 17 East West County: Woodson

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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" 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: CDL, CNL, DIL	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum Squirrel Sandstone 772 +228
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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	11"	8 5/8"	20	42'	Portland	4 sx	
Long String	6 3/4"	4 1/2"	10.5	786'	Thick Set	85 sx	Consolidated

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 (Amount and Kind of Material Used)	Depth
4 spf	772'-782'	300 gallons HCL, 5000# 20/40 and 12/20	

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TUBING RECORD		Size	Set At	Packer At	Liner Run	CONSERVATION DIVISION WICHITA, KS	
1"		765'	NA		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Date of First, Resumerd Production, SWD or Enhr. 4/10/07			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		
	20 IP		60 IP				

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 _____

*McPherson
Hemi*



NASD Symbol HMGP

WWW.HEMIENERGY.COM

Replacement Well for the P & A'd Reno 2, Reno Lease, Woodson County, KS

Contractor: McPherson Drilling, Cherryvale, KS
Operator #: 5675

Well Name: *RENO*
Hemi #2

Hemi On Site Representative: Craig Treiber

Spud Date: 2/27/07
TD: 2/28/07

Surface Casing: 42' 8 5/8" x 20 lb/ft, 4 sx Portland Cement

Driller's Log Excerpted from McPherson Drilling Records:

Formation	Top	Base	Formation	Top	Base
Soil/Clay	0	25	Lime	656	681
Shale	25	93	Shale	681	709
Lime	93	117	Lime	709	727
Shale	117	133	Shale	727	734
Lime	133	172	Lime	734	737
Shale	172	242	Sandy Shale	737	754
Lime	242	295	Shale	754	764
Shale	295	301	Lime Cap	764	766
Lime	301	389	Oil Sand	766	777
Shale	389	539	Shale	777	802
Lime	539	552			
Shale	552	563			
Lime (odor)	563	573			
Shale	573	578			
Sand (no show)	578	588			
Sandy Shale	588	607			
Coal	607	608			
Shale	608	646			
Lime	646	649			
Coal	649	650			
Shale	650	656			

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CONSERVATION DIVISION
WICHITA, KS

131 East Exchange Avenue, Suite 223
Ft. Worth, TX 76106
817-566-0351 Fax 817-566-0354

CONSOLIDATED OIL WELL SERVICES, INC.

P.O. BOX 884, CHANUTE, KS 66720

620-431-9210 OR 800-467-8676

TICKET NUMBER

16939

LOCATION EUREKA

FOREMAN RICK LEDFORD

Handwritten: KLU, 7/29/08, 108

TREATMENT REPORT & FIELD TICKET
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
3-1-07		REND Hem 1 #2				Woodson
CUSTOMER Hem 1 Energy			TRUCK #	DRIVER	TRUCK #	DRIVER
MAILING ADDRESS			463	Kyle		
PO Box 123 1100 Indiana street Ste 116			479	JEFF		
CITY		STATE	436	Shannon		
Graham		Tx	434	Jim		
		ZIP CODE				
		76450				

JOB TYPE long string HOLE SIZE 6 7/8" HOLE DEPTH 803' CASING SIZE & WEIGHT 4 1/2" 9.5"
 CASING DEPTH 786' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.4' SLURRY VOL 26 Bbl WATER gal/sk 8" CEMENT LEFT in CASING 0'
 DISPLACEMENT 13 Bbl DISPLACEMENT PSI 500 MAX PSI 900 RATE _____

REMARKS: Safety meeting Rig up to 4 1/2" casing. Break circulation w/ 20 Bbl fresh water. Pump 4 sks gel-flush, 10 Bbl fresh water spacer. 6 Bbl dye water. Mixed 85 sks thickset cement w/ 8" Kul-seal @ 13.4' per gal. washout pump + lines. shut down. release plug. Displace w/ 13 Bbl fresh water. Final pump pressure 500 PSI. Bump plug to 900 PSI. wait 2 mins. release pressure, float held Good cement returns to surface = 6 Bbl slurry to pit. Job complete. Rig down.

Thank You

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	840.00	840.00
5406	40	MILEAGE	3.30	132.00
1126A	85 sks	thickset cement	15.40	1309.00
1110A	680 #	Kul-seal 8" @ 13.4'	.38	258.40
1118A	200 #	gel flush	.15	30.00
5407	4.67	tax mileage bulk + KANSAS CORPORATION COMMISSION	m/c	285.00
5502C	2 hrs	80 Bbl vac. trx	90.00	180.00
5502C	2 hrs	80 Bbl vac. trx	90.00	180.00
1123	6100 gals	city water	12.80 per 1000	76.80
4404	1	4 1/2" top rubber plug	40.00	40.00
		check # 1242		
		3439.19	subtotal	3331.20
		- 171.96 5% disc. 6.3%	SALES TAX	107.99
		3267.23	ESTIMATED TOTAL	3439.19

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CONSERVATION DIVISION
WICHITA, KS

AUTHORIZATION _____

TITLE _____

DATE _____

In consideration of the prices to be charged for our services, equipment and products as set forth in Consolidated Oil Well Services, Inc's (COWS) current Price Schedule, and for the performance of services and supplying of materials; customer agrees to the following terms and conditions.

Terms. Cash in advance unless satisfactory credit is established. On credit sales, invoices payable to P.O. Box 884, Chanute, KS 66720. Invoices payable within 30 days of invoice date. Charges subjected to interest after 30 days from invoice date. Interest will be charged at Maximum rate allowed by law. In the event it is necessary to employ an attorney to enforce collection of such account, customer agrees pay all collection costs and attorney's fees in the amount of 20% of said amount.

Any applicable federal, state or local sales, use, occupation, consumer's or emergency taxes shall be added to the quoted price.

A sales tax reimbursement of 2% is applied to chemical and product charges for all services performed on oil and gas wells in the State of Texas.

All process license fees required to be paid to others will be added to the scheduled prices.

All prices are subject to change without notice.

SERVICE CONDITIONS

Customer warrants that the well is in proper condition to receive the services, equipment, products, and materials to be supplied by COWS.

"The customer shall at all time have complete care, custody, and control of the well, the drilling and production equipment at the well, and the premises about the well. A responsible representative of the customer shall be present to specify depths, pressures, or materials used for any service which is to be performed."

- (a) COWS shall not be responsible for, and customer shall secure COWS against any liability for damage to property of customer and of the well owner (if different from customer), unless caused by the willful misconduct or gross negligence of COWS, this provision applying to but not limited to sub-surface damage and surface damage arising from subsurface damage.
- (b) Customer shall be responsible for and secure COWS against any liability for reservoir loss or damage, or property damage resulting from sub-surface pressure, losing control of the well and/or a well blowout, unless such loss or damage is caused by the willful misconduct of gross negligence of COWS.

- (c) Customer shall be responsible for and secure COWS against any and all liability of whatsoever nature for damages as a result of a subsurface trespass, or an action in the nature thereof, arising from a service operation performed by COWS hereunder.
- (d) Customer shall be responsible for and secure COWS against any liability for injury to or death of persons, other than employees of COWS, or damage to property (including, but not limited to, injury to the well), or any damages whatsoever, irrespective of cause, growing out of or in any way connected with the use of radioactive material in the well hole, unless such damage shall be caused by the willful misconduct or gross negligence of COWS.
- (e) COWS makes no guarantee of the effectiveness of the products, supplies or materials, ~~or~~ of the results of any treatment or services.
- (f) Because of the uncertainty of variable well conditions and the necessity of relying on facts and supporting services furnished by others, COWS is unable to guarantee the accuracy of any chart interpretation, research analysis, job recommendation or other data furnished by COWS. COWS personnel will use their best efforts in gathering such information and their best judgment in interpreting it, but customer agrees that COWS shall not be responsible for any damage arising from the use of such information except where due to COWS gross negligence or willful misconduct in the preparation or furnishing of it.

WARRANTIES - LIMITATION OF LIABILITY

COWS warrants only title to the products, supplies and materials and that the same are free from defects in workmanship and materials. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED OR MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. COWS's liability and customer's exclusive remedy in any cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale or use of any products, supplies or materials is expressly limited to the replacement of such products, supplies or materials on their return to COWS or, at COWS's option, to the allowance to the customer of credit for the cost of such items. In no event, shall COWS be liable for special, incidental, indirect, punitive or consequential damages.

COWS personnel will use their best efforts in gathering such information and their best judgement in interpreting it, but Customer agrees that COWS shall not be liable for and CUSTOMER SHALL INDEMNIFY AGAINST ANY DAMAGED ARISING FROM THE USE OF SUCH INFORMATION, even if such is contributed by the COWS negligence or fault.