

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

llc
6/20/08

009-25771-0000

Operator: License # 30458
Name: R J M Oil Company, Inc.
Address: PO Box 256
City/State/Zip: Clafin, Kansas 67525
Purchaser: Coffeyville
Operator Contact Person: Chris Hoffman
Phone: (620) 786-8744
Contractor: Name: Sterling Drilling
License: 5142
Wellsite Geologist: James C. Musgrove

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>4/2/2008</u>	<u>4/8/2008</u>	<u>04/20/2008</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 150009251710000
County: Barton
 NW NE SE Sec. 8 Twp. 17 S. R. 11 East West
2310 feet from (S) / N (circle one) Line of Section
950 feet from (E) / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Darryl Demel Well #: 2
Field Name: Kraft-Rusa
Producing Formation: Arbuckle
Elevation: Ground: 1855 Kelly Bushing: 1864
Total Depth: 3326 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 411 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from _____
feet depth to 411 Dg w/ 6/2/08 _____ sx cmt.

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)
Chloride content 55000 ppm Fluid volume _____ bbls
Dewatering method used Allow to dry and backfill
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: *Lawrence B. Miller*
Title: President Date: 6-12-08
Subscribed and sworn to before me this 12th day of JUNE,
2008.
Notary Public: _____
Date Commission Expires: 9/20/2010

Bonnie Jeffrey
State Of Kansas
Notary Public
My Commission Expires
Bonnie Jeffrey

KCC Office Use ONLY

N Letter of Confidentiality Received
If Denied, Yes Date: _____
Wireline Log Received
Geologist Report RECEIVED
UIC Distribution KANSAS CORPORATION COMMISSION
JUN 18 2008

CONSERVATION DIVISION
WICHITA, KS

QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 · Russell, KS 67665

No. 1915

Date <u>4-8-08</u>	Sec.	Twp.	Range	Called Out	On Location	Job Start <u>1:00 PM</u>	Finish <u>2:00 PM</u>
Lease <u>Darrel Demel</u>	Well No. <u>2</u>		Location <u>Hitchman 1/2 E</u>		<u>Barton</u> County	State <u>Ks</u>	
Contractor <u>Sterling Dalg</u>				Owner <u>2 1/2 S 1/4 W</u>			
Type Job <u>prod string</u>				To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.			
Hole Size <u>7 7/8</u>	T.D.	<u>3326</u>		Charge To <u>RJM OIL</u>			
Csg. <u>5 1/2</u>	Depth	<u>3319</u>		Street			
Tbg. Size	Depth			City			
Drill Pipe	Depth			State			
Tool	Depth	The above was done to satisfaction and supervision of owner agent or contractor.					
Cement Left in Csg. <u>13</u>	Shoe Joint						
Press Max.	Minimum						
Meas Line <u>1515</u>	Displace						
Perf.	500 gal mud clear .48 CEMENT 3/4 of 1% CD 110						

EQUIPMENT				Amount Ordered		
Pumptrk <u>5</u> No.	Cementor	<u>Dave D</u>		160 com 10% salt 5% Cal Seal		
Bulktrk <u>2</u> No.	Helper	<u>Blake</u>		Consisting of		
Bulktrk <u>PU</u> No.	Driver	<u>Darin</u>		Common	<u>160 @ 12⁰⁰</u>	<u>1920⁰⁰</u>
JOB SERVICES & REMARKS				Poz. Mix		
Pumptrk Charge <u>prod string</u>	<u>1600⁰⁰</u>		Gel.	<u>1 @ 18⁰⁰</u>	<u>18⁰⁰</u>	
Mileage <u>27 @ 6⁰⁰</u>	<u>162.00</u>		Chloride	<u>Cal Seal 4 @ 22⁰⁰</u>	<u>88⁰⁰</u>	
Footage			Hulls	<u>30 @ 11²⁵</u>	<u>337⁵⁰</u>	
Total	<u>1762.00</u>		Salt	<u>Flowseal Mud Clean 48 500 gal</u>	<u>550⁰⁰</u>	
Remarks:			CD 110	<u>112 @ 7⁵⁰</u>	<u>840⁰⁰</u>	

<p><u>plug Rod hole 15 ft</u></p> <p><u>Float Head</u></p> <p><u>7 1/2 in</u></p>	Sales Tax		
	Handling	<u>195 @ 2⁰⁰</u>	<u>390.00</u>
	Mileage	<u>87 per 16 per mile</u>	<u>421.20</u>
		<u>27</u>	<u>1762.00</u>
	Sub Total		
	PUMP TRUCK CHARGE		Total
	Floating Equipment & Plugs	<u>5 1/2 Rubber</u>	<u>63⁰⁰</u>
	Squeeze Manifold	<u>1 Guide Shoe</u>	<u>175⁰⁰</u>
	Rotating Head	<u>yes</u>	<u>75⁰⁰</u>
		<u>1 APU Insert</u>	<u>250⁰⁰</u>
	<u>2 Basket</u>	<u>350⁰⁰</u>	
	<u>9 turbo cent</u>	<u>585⁰⁰</u>	
<p>RECEIVED</p> <p>KANSAS CORPORATION COMMISSION</p> <p>JUN 18 2008</p> <p>CONSERVATION DIVISION</p> <p>WICHITA, KS</p>		<p>344.00 Tax</p> <p>(783.00) Discount</p> <p>7,386 Total Charge</p>	<p>1762.00</p> <p>1762.00</p>

X Signature

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "Quality" shall mean Quality Oilwell Cementing, Inc., and "Customer" shall refer to the party identified by that term on the front of this contract. As applicable, "Job" relates to the services described on the front side of this contract, "merchandise" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

– **TERMS:** Unless satisfactory credit has been established, "CUSTOMER" must tender full cash payment to "QUALITY" before the job is undertaken or merchandise is delivered. If satisfactory credit has been established, the terms of payment for the job and/or merchandise, including bulk cement, are net cash, payable in 30 days from the completion of the job and/or delivery of the merchandise. For all past due invoices, "CUSTOMER" agrees to pay interest on amounts invoiced at a rate of 18 percent per annum until paid. Notwithstanding the foregoing in no event shall this Contract provide for interest exceeding the maximum rate of interest that "CUSTOMER" may agree to pay under applicable law. If any such interest should be provided for, it shall be and hereby is deemed to be a mistake, and this contract shall be automatically reformed to lower the rate of interest to the maximum legal contract rate, any amounts previously paid as excess interest shall be deducted from the amounts owing from the "CUSTOMER" or at the option of "QUALITY," refunded directly to "CUSTOMER." For purposes of this paragraph, QUALITY and CUSTOMER agree that KANSAS law shall apply. Any discounts granted with this contract are null and void if the charges are not paid when due.

– **ATTORNEY FEES:** In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the term of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limit to, a reasonable sum as and attorney's fees.

– **PRICES AND TAXES:** All merchandise listed in "QUALITY'S" current price shall schedule are F.O.B. QUALITY'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by QUALITY shall be added to the quoted prices charged to CUSTOMER.

– **TOWING CHARGES:** QUALITY will make a reasonable attempt to get to and from each job site using its own equipment. Should QUALITY be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ a tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMER or, if furnished by QUALITY, will be charged to and paid by CUSTOMER.

– **PREPARATION CHARGES:** If a job and/or merchandise is ordered and CUSTOMER cancels the order after preparation of a chemical solution or other material, CUSTOMER will pay QUALITY for the expenses incurred by QUALITY as a result of the cancellation.

– **DEADHAUL, CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charges as set forth in QUALITY'S current price book will be charged each way for each service unit which is ordered by CUSTOMER but not used.

– **SERVICE CONDITIONS AND LIABILITIES:** 1. QUALITY carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond QUALITY'S control, QUALITY shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. Customer shall be responsible for and indemnify, defend, and hold harmless QUALITY, its officers, agents and employees, from and against any and all claims or suits for:

(A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with QUALITY'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of QUALITY or its employees.

2. With respect to any of QUALITY'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to QUALITY at the landing, CUSTOMER shall either recover the lost item without cost to QUALITY or reimburse QUALITY the current replacement cost of the item unless the loss or damage results from the sole negligence of QUALITY or its employees.

3. QUALITY does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

WARRANTIES: 1. QUALITY warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. QUALITY'S obligation under this warranty is expressly limited to repair replacement, or allowance for credit, at its option, for any merchandise which is determined by QUALITY to be defective. THIS IS THE SOLE WARRANTY OF QUALITY AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and QUALITY shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.

2. More specifically:

(A) Nothing in this contract shall be constructed as a warranty by QUALITY of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.

(B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by QUALITY or any interpretation of test, meter readings, chart information, analysis or research, or recommendations made by QUALITY, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of QUALITY or its employees in the preparation or furnishing of such facts, information or data.

(C) Work done by QUALITY shall be under the direct supervision and control of the CUSTOMER or his agent and QUALITY will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.

QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 1896

Date	4-2-08	Sec.		Twp.		Range		Called Out		On Location		Job Start	4:15 am	Finish	5:15 pm
Lease	Daniel D. Daniel	Well No.		Location	Wichita Falls	County		State	K						
Contractor	H. D. Clark				Owner	W. D. Clark									
Type Job	Cementing				To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.										
Hole Size	1-1/2	T.D.	2.11												
Csg.	8-5/8	Depth	100'												
Tbg. Size		Depth													
Drill-Pipe		Depth													
Tool		Depth	The above was done to satisfaction and supervision of owner agent or contractor.												
Cement Left in Csg.	10-15'	Shoe Joint													
Press Max.		Minimum													
Meas Line		Displace	2.5 F61												
Perf.	CEMENT														

EQUIPMENT				Amount Ordered	190 @ 12.00 = 2280.00	
Pumptrk	No.	Cementer		Consisting of		
		Helper		Common	190 @ 12.00	2280.00
Bulktrk	No.	Driver		Poz. Mix		
		Driver		Gel.	34 @ 18.00	72.00
Bulktrk	No.	Driver		Chloride	6 @ 50.00	300.00
		Driver		Hulls		

6.8 JOB SERVICES & REMARKS				Gel.	34 @ 18.00	72.00
Pumptrk Charge	Surface	850.00		Chloride	6 @ 50.00	300.00
Mileage	27 @ 6.00	216.00	162.00	Hulls		
Footage		1012.00		Salt		
	Total	1666.00		Flowseal		

Remarks: Cement did Circulate

	Sales Tax	
Handling	200 @ 2.00	400.00
Mileage	84 per sec per mile	432.00
Pump TRUCK CHARGE		
	Sub Total	1012.00
	Total	69.00

RECEIVED
KANSAS CORPORATION COMMISSION

JUN 18 2008

CONSERVATION DIVISION
WICHITA, KS

Signature	H. D. Clark	Tax	178.23
		Discount	(457.00)
		Total Charge	4286.23

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