

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

1-309

Operator: License # 32294
Name: OSBORN ENERGY, LLC
Address: 24850 FARLEY
City/State/Zip: BUCYRUS, KS 66013
Purchaser: AKAWA NATURAL GAS, LLC
Operator Contact Person: JEFF TAYLOR
Phone: (913) 533-9900
Contractor: Name: GLAZE DRILLING
License: 5885
Wellsite Geologist: MEREDITH PEARCE

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. _____
08-14-06 09-21-06 10-18-06
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 121-28255 -00-00
County: MIAMI
 NW NE NW Sec. 16 Twp. 16 S. R. 25 ☒ East ☐ West
330 feet from S (N) (circle one) Line of Section
1650 feet from E (W) (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE (NW) SW
Lease Name: STRUBBE Well #: 1-16
Field Name: LOUISBURG
Producing Formation: MARMATON & CHEROKEE
Elevation: Ground: 1076' Kelly Bushing: _____
Total Depth: 668' Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 20' Feet
Multiple Stage Cementing Collar Used? ☐ Yes ☒ No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 0
feet depth to 20' w/ 6 sx cmt.

Drilling Fluid Management Plan Alt II NH 9-9-08
(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: Meredith J. Pearce
Title: Geologist Date: Jan 3, 2006
Subscribed and sworn to before me this 3rd day of Jan
20 06
Notary Public: Genia Vincent
Date Commission Expires: 10/2/10

KCC Office Use ONLY

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

RECEIVED
KANSAS CORPORATION COMMISSION
JAN 19 2007

CONSERVATION DIVISION
WICHITA, KS

Operator Name: OSBORN ENERGY, LLC Lease Name: STRUBBE Well #: 1-16
 Sec. 16 Twp. 16 S. R. 25 ☒ East ☐ West County: MIAMI

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 ☐ Yes ☒ No
 (Attach Additional Sheets)

Samples Sent to Geological Survey ☐ Yes ☒ No

Cores Taken ☐ Yes ☒ No

Electric Log Run ☐ Yes ☒ No
 (Submit Copy)

List All E. Logs Run:

☒ Log Formation (Top), Depth and Datum ☐ Sample

Name Top Datum

WELL LOG ATTACHED

KCC
 JAN 03 2007
 CONFIDENTIAL

CASING RECORD ☐ New ☐ 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"	10 1/2"		20'	PORTLAND	6	WATER
PROD. PIPE	9 1/2"	7"		469'	CONSOLIDATED	TICKET	ATTACHED
LINER	6 1/4"	4 1/2 "		453-668			

ADDITIONAL CEMENTING / SQUEEZE RECORD

Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
____ Perforate				
____ Protect Casing				
____ Plug Back TD				
____ 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

TUBING RECORD	Size	Set At	Packer At	Liner Run ☒ Yes ☐ No
Date of First, Resumerd Production, SWD or Enhr.	Producing Method ☐ Flowing ☒ Pumping ☐ Gas Lift ☐ Other (Explain)			
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio Gravity
		10	25	

Disposition of Gas

METHOD OF COMPLETION

Production Interval

☐ Vented ☐ Sold ☐ Used on Lease
 (If vented, Submit ACO-18.)

☒ Open Hole ☐ Perf. ☐ Dually Comp. ☐ Commingled
☐ Other (Specify) _____

RECEIVED
 KANSAS CORPORATION COMMISSION

JAN 19 2007

CONSERVATION DIVISION
 WICHITA, KS

KCC
JAN 03 2007
CONFIDENTIAL

RECEIVED
KANSAS CORPORATION COMMISSION

For KCC Use: 7-12-06
Effective Date: _____
District #: 3
SGA? ☐ Yes ☒ No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

JUL 07 2006

Form C-1
December 2002

Form must be Typed

NOTICE OF INTENT TO DRILL

CONSERVATION DIVISION

Form must be Signed

WICHITA, KS

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date: 07 13 2006
month day year

OPERATOR: License# 32294
Name: OSBORN ENERGY, LLC
Address: 24850 FARLEY
City/State/Zip: BUCYRUS, KS 66013
Contact Person: JEFF TAYLOR
Phone: 913-533-9900

CONTRACTOR: License# 5885
Name: R.S. GLAZE DRILLING

Well Drilled For:	Well Class:	Type Equipment:
☐ Oil	☐ Enh Rec	☒ Infield
☒ Gas	☐ Storage	☐ Pool Ext.
☐ OWWO	☐ Disposal	☐ Wildcat
☐ Seismic; # of Holes	☐ Other	☐ Mud Rotary
☐ Other		☒ Air Rotary
		☐ Cable

If OWWO: old well information as follows:

Operator: _____
Well Name: _____
Original Completion Date: _____ Original Total Depth: _____

Directional, Deviated or Horizontal wellbore? ☐ Yes ☒ No

If Yes, true vertical depth: _____

Bottom Hole Location: _____

KCC DKT #: _____

Spot NW NE NW Sec. 16 Twp. 16 S. R. 25
330 feet from ☒ N / ☐ S Line of Section
1650 feet from ☐ E / ☒ W Line of Section
Is SECTION ☒ Regular ☐ Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: MIAMI
Lease Name: STRUBBE Well #: 1-16
Field Name: LOUISBURG

Is this a Prorated / Spaced Field? ☐ Yes ☒ No

Target Formation(s): MARMATON AND CHEROKEE

Nearest Lease or unit boundary: 650' feet MSL

Ground Surface Elevation: 1000' feet MSL

Water well within one-quarter mile: ☐ Yes ☒ No

Public water supply well within one mile: ☐ Yes ☒ No

Depth to bottom of fresh water: 200+/-

Depth to bottom of usable water: 300+/-

Surface Pipe by Alternate: ☐ 1 ☒ 2

Length of Surface Pipe Planned to be set: 20'

Length of Conductor Pipe required: NONE

Projected Total Depth: 900'

Formation at Total Depth: CHEROKEE

Water Source for Drilling Operations:

☐ Well ☐ Farm Pond Other ☒ X

DWR Permit #: _____

(Note: Apply for Permit with DWR ☐)

Will Cores be taken? ☐ Yes ☒ No

If Yes, proposed zone: _____

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.

It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office **prior** to spudding of well;
2. A copy of the approved notice of intent to drill **shall be** posted on each drilling rig;
3. The minimum amount of surface pipe as specified below **shall be set** by circulating cement to the top; in all cases surface pipe **shall be set** through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary **prior to plugging**;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within **120 days** of spud date.
Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. **In all cases, NOTIFY district office** prior to any cementing.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: July 6, 2006 Signature of Operator or Agent: _____ Title: GEOLOGIST

For KCC Use ONLY

API # 15 - 121-28255-0000

Conductor pipe required: None feet

Minimum surface pipe required: 20 feet per Alt. Y02

Approved by: Pith 7-7-06

This authorization expires: 1-7-07

(This authorization void if drilling not started within 6 months of effective date.)

Spud date: _____ Agent: _____

Remember to:

- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.
- If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.

☐ Well Not Drilled - Permit Expired

Signature of Operator or Agent: _____

Date: _____

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202 KANSAS CORPORATION COMMISSION

JAN 19 2007

CONSERVATION DIVISION
WICHITA, KS

Geological Report

Strubbe #1-16

330 FNL, 1650 FWL
Section 16-T16S-R25E
Miami Co., Kansas
API#15-121-28255
Elevation: 1076' GL
Driller: Osborn Energy, LLC
Spud: 08-14-06
Rotary Total Depth: 668' ON 09-21-06
Drilling Fluid: air
Production Csg.: 7"
Geologist: Meredith Pearce & Jeff Taylor

KCC
JAN 03 2007
CONFIDENTIAL

Formation	Driller Log Tops	Datum
Stark Shale	265'	820'
Hushpuckney Shale	No call	
Base Kansas City	309'	767'
Knobtown Sand	336'	740'
Carbonaceous Zone in Tacket Fm.	No call	
"Big Lake" Sand	425'	651'
South Mound Zone	472'	604'
Hepler (Wayside) Sand		
"Upper" Mulberry Zone		
Mulberry Zone		
Weiser Sand		
Myrick Station	536'	540'
Anna Shale (Lexington Coal Zone)	541'	535'
Peru Sand		
Summit Shale Zone	580'	496'
Mulky Coal/Shale Zone	605'	473'
Squirrel Sand		
Rotary Total Depth	668'	

RECEIVED
KANSAS CORPORATION COMMISSION
JAN 19 2007
CONSERVATION DIVISION
WICHITA, KS

Drilling at 242' in the Kansas City on 09-15-06 (Meredith Pearce)
Background Gas (BG) 16 units

242-247 LS: tan, gy, hard calcite in fractures - SH: gy
247-252 LS: tan, gy, calcite - SH: gy
252-257 LS: tan, gy, calcite, TR fossils
257-262 LS: tan, gy, calcite, TR fossils - SH: gy, TR sandy

STARK FORMATION driller called @265', no gas kick with this

****GAS TEST @292', No Open Flow****

262-267 LS: tan, gy, calcite, TR fossils - SH: gy, dk gy, blk, pyritic
267-272 LS: tan, gy, calcite, TR fossils - SH: gy, dk gy, blk, pyritic
272-277 LS: tan, calcite, TR fossils
277-282 LS: tan, calcite, TR fossils
282-287 LS: tan, calcite, TR fossils
287-292 LS: tan, calcite, TR SH: gy

CG @292 12 units, 10 BG

292-297 LS: gy, tan, calcite, TR SH: gy
297-302 LS: tan, gy, calcite - SH: gy, silty
302-307 LS: tan, calcite
307-312 SiltSt: gy - LS: tan, calcite
312-317 SH: gy, silty - LS: tan, calcite

CG @317 14 units, 11 BG

317-322 SH: gy, silty
322-327 SH: gy, sandy in places, TR coal
327-332 SH: gy, sandy

KNOBTOWN SAND driller called @336', gas kick to 16 units, 5 over BG

****GAS TEST @342', No Open Flow****

332-337 SH: gy, sandy, TR SS: clr, gy, shaly
337-342 SH: gy, sandy - SS: clr, gy, shaly, micacious, ang., poor sort

CG @342 26 units, 12 BG

342-347 SH: gy, sandy - SS: clr, gy, shaly, micacious, ang., poor sort
347-352 SH: gy, sandy - SS: clr, gy, shaly, micacious, ang., poor sort
352-357 SH: gy
357-362 SH: gy
362-367 SH: gy

****GAS TEST @367', Too Small to Measure****

CG @367 35 units, 17 BG

367-372 SH: gy, sandy in places
372-377 SH: gy
377-382 SH: gy, silty
382-387 SH: gy, silty
387-392 SH: gy

CG @392 21 units, 19 BG

392-397 SH: gy, sandy in places
397-402 SH: gy, sandy in places
402-407 SH: gy, sandy in places
407-412 SH: gy
412-417 SH: gy, silty
Stopped drilling @417'

KCC
JAN 03 2007
CONFIDENTIAL

RECEIVED
KANSAS CORPORATION COMMISSION
JAN 19 2007
CONSERVATION DIVISION
WICHITA, KS

Resumed @417' on 09-18-06
Background Gas 30 units
417-422 SH: gy, TR dk gy - LS: tan, calcite

"BIG LAKE" SAND driller called @425', no gas kick with this
422-427 SH: gy, TR dk gy - LS: tan, calcite - SS: clr, tan, lmy, mica
427-432 SS: clr, tan, lmy, mica - LS: tan, sandy in places - SH: gy
432-437 SS: clr, tan, lmy, mica - SH: gy - LS: tan, calcite
437-442 SH: gy - SS: clr, tan, lmy, mica - LS: tan, calcite

CG @442 None, 30 BG (tested okay w/lighter)
442-447 SH: gy, sandy - LS: tan, sandy
447-452 SH: gy, sandy in places
452-457 SH: gy, sandy in places
457-462 SH: gy, sandy in places
462-467 SH: gy

CG @467 28 units, 26 BG
467-472 SH: gy, dk gy, TR blk w/free gas

SOUTH MOUND ZONE driller called @472', gas kick to 63 units, 37 over BG

****GAS TEST @478', 22 MCF****

472-478 SH: gy, dk gy, TR blk, coaly w/free gas, TR pyrite

Stopped @478' to cement casing

Resumed drilling on 09-21-06 at 9:30am
Background Gas 25-35 units, wandering

****MORNING GAS TEST @478', 16 MCF w/bad seal****

477-482 SH: gy
482-487 SH: gy
487-492 SH: gy, occ blk, no gas

CG @492 110 units, 28 BG
492-497 LS: tan, gy, Lt brn, hard, occ brac shell, no show
497-502 LS: tan w/sm fossils, hard, gy silty LS, brn, silty LS, no show
502-507 LS: tan, gy, silty, hard, some Lt gy SH, gummy, unconsolidated
507-512 LS: tan w/fossils + sand grains, slight to moderate free oil, stain
512-517 LS: tan, brn, dk brn, wht, some oil on samples

CG @517 80 units, 20-35 BG
517-522 SH: gy, occ SiltSt, oil bleed
522-527 SH: gy, silty, mostly gy SH
527-532 SH: gy to dk gy
532-537 SH: dk gy - LS: brn (Myrick Station Top @536')

LEXINGTON COAL ZONE driller called @541', kick to 67 units, 20 over BG

****GAS TEST @540', 16 MCF****

537-542 SH: blk, silty w/gas breaking on bedding planes - LS: dk brn

CG @542 260 units, 45 BG

KCC
JAN 03 2007
CONFIDENTIAL

RECEIVED
KANSAS CORPORATION COMMISSION

JAN 19 2007

CONSERVATION DIVISION
WICHITA, KS

542-547 SH: blk w/ free gas, gy, sandy at times, pyrite in samples
547-552 SS: gy, occ gas bubble, some pyrite - SH: gy
552-557 LS: Lt brn, tan
557-562 LS: brn, tan
562-567 LS: brn, tan

****GAS TEST @567', 22 MCF (well head rubbers leak)****

CG @567 1480 units, 140 BG
567-572 LS: brn, tan
572-577 LS: brn, gy - SH: gy, hard

SUMMIT SHALE ZONE driller called @582', no gas kick with this

****GAS TEST @582', No Increase, 22 MCF****

577-582 SH: blk, some silt, moderate free gas, gy - LS: brn, gy
582-587 SH: blk, gy
587-592 LS: gy

CG @593 1200 units, 61 BG
593-598 SH: gy, dk gy

MULKY COAL/SHALE ZONE driller called @603-611', kick to 128 units, 73 over BG

598-603 SH: gy, blk
603-608 SH: blk, silty, laminated, some gas - Coal: blocky, no gas
608-613 SH: blk, coal
613-618 SH: gy, silty

CG @618 1480 units

618-623 SS: gy, tan, slight oil show - SH: gy, silty - LS: sandy
623-628 SH: gy, silty - SiltSt: gy, slight oil show
628-633 SS: gy, rounded, well cem'd, slight to moderate oil stain
633-638 SS: gy, clr, frosted, rnd to sub-rnd, well cem'd, mod free oil, strong
odor, mica
638-643 SS: aa - SiltSt: gy, laminated

643-648 SS: gy, mica, sliggy free oil - LS: Lt grn-gy, gy
648-653 SS: gy, mica, laminated, slight free oil, rnd to sub-rnd, pyritic
653-658 aa
658-663 aa
663-668 aa grading to SiltSt

TD 668' on 09-21-06

Brief Summary

Stark	No open flow
Hushpuckney	No open flow
South Mound	22 MCF
Lexington	8 MCF
Summit	No increase
Mulky	
<u>Squirrel Sand</u>	
Total	>30 MCF (leaky seal)

KCC
JAN 03 2007
CONFIDENTIAL

RECEIVED
KANSAS CORPORATION COMMISSION
JAN 19 2007
CONSERVATION DIVISION
WICHITA, KS

1-3-09



24850 Farley, Bucyrus, KS 66013
Ph 913.533.9900 Fax 913.533.9955

3 January 2007

Kansas Corporation Commission
Conservation Division
130 S Market, Room 2078
Wichita, KS 67202

KCC
JAN 03 2007
CONFIDENTIAL

Dear Commissioners,

Osborn Energy, LLC, a Kansas corporation having its principal place of business at:

24850 Farley
Bucyrus, KS 66013

Is requesting that the KCC keep the information on the following form
Well Completion Form (ACO-1)

LEASE NAME: STRUBBE WELL # 1-16

Sec	Tw	Rng
<u>16</u>	<u>16</u>	<u>25E</u>

Confidential for the maximum amount of time allowed, 24 months, which Osborn Energy, LLC understands the KCC desires to obtain confidential and proprietary information for the sole purpose of regulating the gas and oil industry.

Very Truly Yours,

A handwritten signature in cursive script, appearing to read 'Meredith S. Pearce'.

Meredith Pearce
Geologist
Osborn Energy, LLC

RECEIVED
KANSAS CORPORATION COMMISSION
JAN 19 2007
CONSERVATION DIVISION
WICHITA, KS