

**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

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: Excell Drilling Company
License: 8273
Wellsite Geologist: Clayton M. Camozzi

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: 6-19-2006 Original Total Depth: 3680'
 Deepening Re-perf. Conv. to Enhr./SWD
 Plug Back 3615' Plug Back Total Depth
 Commingled Docket No. _____
 Dual Completion Docket No. _____
 Other (SWD or Enhr.?) Docket No. _____

5-9-2006	5-19-2006	6-19-2006
Spud Date or Recompletion Date	Date Reached TD PUBLIC - State of Kansas STEVEN THOMAS My Appt. Expires <u>9/3/09</u>	Completion Date or Recompletion Date

API No. 15 - 009-24937-0000
County: Barton
app. C SW SE Sec. 8 Twp. 17 S. R. 14 East West
625' feet from S / N (circle one) Line of Section
2050' feet from E / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: R.G. Ludwig Well #: 1-8
Field Name: Capitol View

Producing Formation: Lansing Kansas City
Elevation: Ground: 1958 Kelly Bushing: 1964
Total Depth: 3680' Plug Back Total Depth: 3615'
Amount of Surface Pipe Set and Cemented at 641' Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 641'
feet depth to surface w/ 325 _____ sx cmt.

Drilling Fluid Management Plan ATI NH6-20-08
(Data must be collected from the Reserve Pit)
Chloride content 10500 ppm Fluid volume 350 bbls
Dewatering method used evaporation
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: 2-01-2007
Subscribed and sworn to before me this 1 day of February,
2007.
Notary Public: Steve Thomas
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 **RECEIVED**
 UIC Distribution **KANSAS CORPORATION COMMISSION**
FEB 08 2007

Operator Name: Shelby Resources, LLC Lease Name: R.G. Ludwig Well #: 1-8
 Sec. 8 Twp. 17 S. R. 14 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: Dual Compensated Porosity, Dual Induction, Borehole Compensated Sonic, and Microresistivity 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>2897</td> <td>-933</td> </tr> <tr> <td>Heebner Shale</td> <td>3127</td> <td>-1163</td> </tr> <tr> <td>Toronto Lime</td> <td>3141</td> <td>-1177</td> </tr> <tr> <td>Brown Lime</td> <td>3192</td> <td>-1228</td> </tr> <tr> <td>Lansing</td> <td>3206</td> <td>-1242</td> </tr> <tr> <td>Base KC</td> <td>3412</td> <td>-1448</td> </tr> <tr> <td>Arbuckle</td> <td>3500</td> <td>-1536</td> </tr> <tr> <td>Reagan Sandstone</td> <td>3606</td> <td>-1642</td> </tr> </table>	Name	Top	Datum	Topeka Lime	2897	-933	Heebner Shale	3127	-1163	Toronto Lime	3141	-1177	Brown Lime	3192	-1228	Lansing	3206	-1242	Base KC	3412	-1448	Arbuckle	3500	-1536	Reagan Sandstone	3606	-1642
Name	Top	Datum																										
Topeka Lime	2897	-933																										
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Lansing	3206	-1242																										
Base KC	3412	-1448																										
Arbuckle	3500	-1536																										
Reagan Sandstone	3606	-1642																										

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"	243#	641'	Common	325	3% CC & 2% gel
Production	7-7/8"	5-1/2"	14#	3646'	50/50 Poz	210	2% CC & 2% gel

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input checked="" type="checkbox"/> Perforate	3320'	Common	50	3% CC - repair bad cement job
<input type="checkbox"/> Protect Casing				
<input type="checkbox"/> Plug Back TD	3501-04'	Common	50	3% CC - squeeze off zone
<input checked="" 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 <i>(Amount and Kind of Material Used)</i>	Depth
4	3501-04'	500 gal.	
4	3354-58'	250 gal.	
4	3220-28', 3274-76', 3282-90'	1250 gal. & 1150# rock salt	
	CIBP @ 3350'		

TUBING RECORD	Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	2-3/8"	3300'	none	

Date of First, Resumerd Production, SWD or Enhr. 6-26-2006	Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)
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Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
	21		15		35

Disposition of Gas <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	Production Interval
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KANSAS CORPORATION COMMISSION
FEB 08 2007
 CONSERVATION DIVISION
 WICHITA, KS

SHELBY RESOURCES, LLC

P.O. Box 1213
Hays, Kansas 67601

R.G. LUDWIG #1-8
625' FSL & 2050' FEL of 8-1714W
Barton County, Kansas

DST #1: 3058-3084' (Plattsmouth)
10-45-10-45
Rec: 5' drilling mud.
IFP: 34-35# FFP: 34-38# BHT: 101
SIP: 1058-958# HP: 1508-1454#.

DST #2: 3200-3232' (LKC "A" & "B")
30-60-60-120
Rec: 3' clean oil,
10' oil cut mud (15% oil, 85% mud),
60' slightly oil cut watery mud (5% oil, 15% mud, 80% water),
30' muddy water with a trace oil (50% mud, 50% water),
30' muddy water with a trace oil (1% oil, 35% mud, 64% water).
IFP: 40-67# FFP: 75-99# BHT: 106
SIP: 577-562# HP: 1599-1560#.

DST #3: 3240-3293' (LKC "C", "D", "E", "F", & "G")
15-45-45-90
Gas to surface in 20 minutes
Rec: 30' oil cut gassy mud (2% gas, 10% oil, 88% mud),
60' heavy oil and gas cut mud (50% gas, 20% oil, 30% mud),
240' slightly mud cut gassy oil (50% gas, 45% oil, 5% mud),
360' clean gassy oil (60% gas, 40% oil) 37 gravity.
IFP: 111-263# FFP: 198-343# BHT: 104
SIP: 650-636# HP: 1660-1565#.

DST #4: 3342-3420' (LKC "H", "I", "J", & "K")
15-45-45-90
Rec: 270' heavy oil cut slightly gas cut muddy water (5% gas, 30% oil, 35% mud,
25% water),
300' heavy oil and gas cut muddy water (20% gas, 25% oil, 15% mud,
40% water),
240' heavy oil cut slightly gas cut muddy water (3% gas, 42% oil, 10% mud,
45% water),
240' oil and gas cut muddy water (5% gas, 30% oil, 10% mud, 55% water),
240' oil and gas cut muddy water (5% gas, 30% oil, 5% mud, 60% water),
240' oil and gas cut muddy water (5% gas, 15% oil, 12% mud, 68% water),
240' oil and gas cut muddy water (2% gas, 20% oil, 8% mud, 70% water),
60' slightly muddy water with a trace of oil (1% gas, 1% oil, 4% mud, 94%
water),
120' water with a slight trace of oil and gas (3% mud, 97% water).
IFP: 278-653# FFP: 666-844# BHT: 107
SIP: 976-941# HP: 1679-1629#.

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CONSERVATION DIVISION
WICKITA, KS

SHELBY RESOURCES, LLC

P.O. Box 1213
Hays, Kansas 67601

R.G. LUDWIG #1-8
625' FSL & 2050' FEL of 8-17S-14W
Barton County, Kansas

DST #5: 3414-3468' (Arbuckle)
17-30-30-60
Rec: 15' very slightly oil cut mud (2% oil, 98% mud).
IFP: 53-55# FFP: 59-64# BHT: 106
SIP: 150-142# HP: 1706-1658#.

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CONSERVATION DIVISION
WICHITA, KS

Customer Shelby Resources	Lease No. RFD 3680	Date 5-20-06
Lease R. L. Ludwig	Well # 1-8	14th LTD 3677
Field Order # 13463	Station Pratt	Casing 5 1/2
		Depth 3646
Type Job L.S 5 1/2 New Well	Formation	County Barton
		State Ks
		Legal Description 8-17514W

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME		
Casing Size 5 1/2	Tubing Size	Shots/Ft	Cement	Acid 50/50 P02	RATE	PRESS	ISIP	
Depth 3646	Depth	From	To	Pre Pad 60/40 P02	Max		5 Min.	
Volume 89	Volume	From	To	Pad	Min		10 Min.	
Max Press	Max Press	From	To	Frac	Avg		15 Min.	
Well Connection	Annulus Vol.	From	To		HHP Used		Annulus Pressure	
Plug Depth 3620	Packer Depth	From	To	Flush H2O	Gas Volume		Total Load	

Customer Representative Brian Karlin	Station Manager Dave Scott	Treater Steve Orlando
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Service Units 118	321/402	346/501							
Driver Names Steve	John	Stephen							

Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
10:30					On Location w/trucks - Safety Meeting
11:30					FS Auto Kill 5 1/2 Baffle on shoe joint
					Centralizers, 2, 4, 6, 36, 10, 12, 15, 17
					Basket on 1st joint
					move joint 36 between 6 & 7, joint 35 shoes
2:30					Csg on Bottom Drop Ball + Circ w/ Ris.
3:09	200			5	St. Salt Flush
3:13	200		20	6	Start Super Flush II
3:18	100		24	6	H2O spacer
3:19	200		3	6	Mix scavenger cont @ 11. ppg 25 sks
3:31	200		12	6	Mix tail cement @ 13.8 ppg 160 sks
3:30			44	6	Close In, wash pump & lines
4:10	100			6	Release L.D. Plug + Start H2O Displacement
4:18	500		60	4.5	60 bbl Displacement Out Lift Cement
4:25	1500		89		Plug Down Test Csg
					Release Pressure, Insert H2O
			6.4		Plug Rat Hole + mouse hole
					Wash up truck

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Job Complete KANSAS CORPORATION COMMISSION
Thanks **FEB 08 2007**
 Steve
 CONSERVATION DIVISION
 WICHITA, KS

ALLIED CEMENTING CO., INC.

24272

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

SERVICE POINT:

Mr Bond

DATE <u>5-10-06</u>	SEC. <u>8</u>	TWP. <u>17</u>	RANGE <u>14</u>	CALLED OUT <u>10:30AM</u>	ON LOCATION <u>11:30AM</u>	JOB START <u>12:30PM</u>	JOB FINISH <u>1:15PM</u>
LEASE <u>R.G. Ludwig</u>	WELL # <u>1-8</u>	LOCATION <u>4+281 3N 2 1/2 W N/5</u>			COUNTY <u>Barton</u>	STATE <u>K</u>	
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR Excell

TYPE OF JOB Surface

HOLE SIZE 12 1/4" T.D. 641'

CASING SIZE 8 7/8" (24") DEPTH 641'

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. 15'

PERFS. _____

DISPLACEMENT 39 3/4 bbls

OWNER Same

CEMENT

AMOUNT ORDERED 325 lbs Common

38cc 2% Gel

COMMON	<u>325</u>	@	<u>9.60</u>	<u>3120.00</u>
POZMIX		@		
GEL	<u>8</u>	@	<u>15.00</u>	<u>120.00</u>
CHLORIDE	<u>10</u>	@	<u>42.00</u>	<u>420.00</u>
ASC		@		
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>343</u>	@	<u>1.70</u>	<u>583.10</u>
MILEAGE	<u>20</u>	@	<u>7.343</u>	<u>480.20</u>
TOTAL				<u>4723.30</u>

EQUIPMENT

PUMP TRUCK CEMENTER Tom D

181 HELPER Bob B

BULK TRUCK

344 DRIVER Cody R

BULK TRUCK

_____ DRIVER _____

REMARKS:

Run 641' of 8 7/8" cas. Bore circulation.
Mixed 325 lbs Common 38cc 2% Gel.
Released Plug. Displaced with fresh
#70
Cement Red Circulate

SERVICE

DEPTH OF JOB	<u>641'</u>		
PUMP TRUCK CHARGE			<u>735.00</u>
EXTRA FOOTAGE	<u>341</u>	@	<u>.60</u> <u>204.60</u>
MILEAGE	<u>20</u>	@	<u>5.00</u> <u>100.00</u>
MANIFOLD		@	
		@	
		@	
		@	
		@	

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FEB 08 2007

TOTAL 1039.00

CONSERVATION DIVISION
WICHITA, KS
PLUG & FLOAT EQUIPMENT

CHARGE TO: Shelby Avarner

STREET _____

CITY _____ STATE _____ ZIP _____

Shelby

<u>1-8 7/8 TWP</u>	@	<u>55.00</u>
	@	