

ORIGINAL

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form ACO-1  
October 2008  
Form Must Be Typed

WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 5205  
Name: Mid-Continent Energy Corporation  
Address 1: 105 S. Broadway, Suite 360  
Address 2: \_\_\_\_\_  
City: Wichita State: KS Zip: 67202 + \_\_\_\_\_  
Contact Person: Mitch Buehler  
Phone: ( 316 ) 265-9501  
CONTRACTOR: License # 33724  
Name: Warren Drilling Co.  
Wellsite Geologist: Ben Landes  
Purchaser: None

Designate Type of Completion:  
 New Well  Re-Entry  Workover  
 Oil  SWD  SLOW  
 Gas  ENHR  SIGW  
 CM (Coal Bed Methane)  Temp. Abd.  
 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.  Conv. to SWD  
 Plug Back: \_\_\_\_\_ Plug Back Total Depth \_\_\_\_\_  
 Commingled Docket No.: \_\_\_\_\_  
 Dual Completion Docket No.: \_\_\_\_\_  
 Other (SWD or Enhr.?) Docket No.: \_\_\_\_\_  
10-22-08 10-29-08  
Spud Date or Date Reached TD Completion Date or  
Recompletion Date Recompletion Date

API No. 15 - 15-185-23552-0000  
Spot Description: \_\_\_\_\_  
 NW  SW  SE Sec. 21 Twp. 24 S. R. 13  East  West  
945 Feet from  North /  South Line of Section  
2255 Feet from  East /  West Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
 NE  NW  SE  SW  
County: Stafford  
Lease Name: Kachelman Well #: 1  
Field Name: None  
Producing Formation: N/A  
Elevation: Ground: 1922 Kelly Bushing: 1929  
Total Depth: 4246 Plug Back Total Depth: 4246  
Amount of Surface Pipe Set and Cemented at: 222 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set: \_\_\_\_\_ Feet  
If Alternate II completion, cement circulated from: \_\_\_\_\_  
feet depth to: \_\_\_\_\_ w/ \_\_\_\_\_  
A111-Dig - 4/2/09 <sup>ex cmt.</sup>

Drilling Fluid Management Plan  
(Data must be collected from the Reserve Pit)  
Chloride content: 15000 ppm Fluid volume: 480 bbls  
Dewatering method used: Settlement  
Location of fluid disposal if hauled offsite:  
Operator Name: Bob's Hauling Service, Inc.  
Lease Name: Seifkes SWD - 240 License No.: 33779  
Quarter \_\_\_\_\_ Sec. 13 Twp. 22 S. R. 12  East  West  
County: Stafford Docket No.: D-22209

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: [Signature]  
Title: \_\_\_\_\_ Date: 2-25-09  
Subscribed and sworn to before me this 25 day of February,  
20 09.  
Notary Public: [Signature]  
Date Commission Expires: 6-26-11

GAYLE NYE  
NOTARY PUBLIC  
STATE OF KANSAS  
My Appt. Exp. 6-26-11

KCC Office Use ONLY  
 Letter of Confidentiality Received  
If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
KANSAS CORPORATION COMMISSION  
UIC Distribution  
FEB 26 2009

CONSERVATION DIVISION  
WICHITA, KS

Operator Name: Mid-Continent Energy Corporation Lease Name: Kachelman Well #: 1  
 Sec. 21 Twp. 24 S. R. 13  East  West County: Stafford

**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<br><i>(Attach Additional Sheets)</i><br><br>Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br><br>Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br>Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br><i>(Submit Copy)</i><br><br>List All E. Logs Run:<br><b>Dual Induction, Compensated Density Neutron, Sonic</b> | <input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample<br><br><table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>Anhydrite</td> <td>793</td> <td>1136</td> </tr> <tr> <td>Heebner</td> <td>3426</td> <td>-1487</td> </tr> <tr> <td>Lansing KC</td> <td>3593</td> <td>-1664</td> </tr> <tr> <td>Base KC</td> <td>3854</td> <td>-1925</td> </tr> <tr> <td>Viola</td> <td>3956</td> <td>-2027</td> </tr> <tr> <td>Simpson</td> <td>4088</td> <td>-2159</td> </tr> <tr> <td>Arbuckle</td> <td>4134</td> <td>-2205</td> </tr> </table> | Name  | Top | Datum | Anhydrite | 793 | 1136 | Heebner | 3426 | -1487 | Lansing KC | 3593 | -1664 | Base KC | 3854 | -1925 | Viola | 3956 | -2027 | Simpson | 4088 | -2159 | Arbuckle | 4134 | -2205 |
| Name  | Top  | Datum |     |       |           |     |      |         |      |       |            |      |       |         |      |       |       |      |       |         |      |       |          |      |       |
| Anhydrite   | 793  | 1136  |     |       |           |     |      |         |      |       |            |      |       |         |      |       |       |      |       |         |      |       |          |      |       |
| Heebner   | 3426   | -1487 |     |       |           |     |      |         |      |       |            |      |       |         |      |       |       |      |       |         |      |       |          |      |       |
| Lansing KC  | 3593   | -1664 |     |       |           |     |      |         |      |       |            |      |       |         |      |       |       |      |       |         |      |       |          |      |       |
| Base KC   | 3854   | -1925 |     |       |           |     |      |         |      |       |            |      |       |         |      |       |       |      |       |         |      |       |          |      |       |
| Viola   | 3956   | -2027 |     |       |           |     |      |         |      |       |            |      |       |         |      |       |       |      |       |         |      |       |          |      |       |
| Simpson   | 4088   | -2159 |     |       |           |     |      |         |      |       |            |      |       |         |      |       |       |      |       |         |      |       |          |      |       |
| Arbuckle  | 4134   | -2205 |     |       |           |     |      |         |      |       |            |      |       |         |      |       |       |      |       |         |      |       |          |      |       |

| 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 Casing  | 12 1/4            | 8 5/8                     | 23 lb             | 222           | Common         | 185          |                            |
|   |                   |                           |                   |               |                |              |                            |
|   |                   |                           |                   |               |                |              |                            |

| ADDITIONAL CEMENTING / SQUEEZE RECORD  |                  |                |             |                            |
|--|------------------|----------------|-------------|----------------------------|
| Purpose:   | Depth Top Bottom | Type of Cement | #Sacks Used | Type and Percent Additives |
| <input type="checkbox"/> Perforate<br><input type="checkbox"/> Protect Casing<br><input type="checkbox"/> Plug Back TD<br><input type="checkbox"/> Plug Off Zone |                  |                |             |                            |
|  |                  |                |             |                            |

| Shots Per Foot | PERFORATION RECORD - Bridge Plugs Set/Type<br>Specify Footage of Each Interval Perforated | Acid, Fracture, Shot, Cement Squeeze Record<br><i>(Amount and Kind of Material Used)</i> |
|----------------|---|--|
|                |   |  |
|                |   |  |
|                |   |  |
|                |   |  |
|                |   |  |

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|   |           |  |             |   |
|---|-----------|--|-------------|---|
| TUBING RECORD:                                  | Size:     | Set At:  | Packer At:  | Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Date of First, Resumed Production, SWD or Enhr. |           | Producing Method: <input type="checkbox"/> Flowing <input 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   |

|   |  |  |
|---|--|--|
| DISPOSITION OF GAS:<br><input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease<br><i>(If vented, Submit ACO-18.)</i> | METHOD OF COMPLETION:<br><input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled<br><input type="checkbox"/> Other (Specify) _____ | PRODUCTION INTERVAL:<br>_____<br>_____ |
|---|--|--|



24 S. Lincoln Street  
P.O. Box 31  
Russell, KS 67665-2906

Voice: (785) 483-3887  
Fax: (785) 483-5566

# INVOICE

Invoice Number: 116730  
Invoice Date: Oct 23, 2008  
Page: 1

**Bill To:**  
Mid Continent Energy Corp  
105 S. Broadway  
STE #360  
Wichita, KS 67202-4223

*SURFACE*

*Kochelean #1*

| Customer ID  | Well Name # or Customer P.O. | Payment Terms |          |
|--------------|------------------------------|---------------|----------|
| MidCon       | Kochelean #1-21              | Net 30 Days   |          |
| Job Location | Camp Location                | Service Date  | Due Date |
| KS1          | Great Bend                   | Oct 23, 2008  | 11/22/08 |

| Quantity | Item | Description                        | Unit Price | Amount   |
|----------|------|------------------------------------|------------|----------|
| 400.00   | MAT  | Class A Common                     | 13.50      | 5,400.00 |
| 4.00     | MAT  | Gel                                | 20.25      | 81.00    |
| 12.00    | MAT  | Chloride                           | 51.50      | 618.00   |
| 416.00   | SER  | Handling                           | 2.25       | 936.00   |
| 30.00    | SER  | Mileage 416 sx @ .10 per sk per mi | 41.60      | 1,248.00 |
| 1.00     | SER  | Surface                            | 991.00     | 991.00   |
| 30.00    | SER  | Mileage Pump Truck                 | 7.00       | 210.00   |
| 1.00     | SER  | Manifold Head Rental               | 110.00     | 110.00   |
| 1.00     | EQP  | Wooden Plug                        | 66.00      | 66.00    |

LEASE # KACH1  
AC # 71155 AMT 10,048.40

*V# ALLIE*

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|                        |                  |
|------------------------|------------------|
| Subtotal               | 9,660.00         |
| Sales Tax              | 388.40           |
| Total Invoice Amount   | 10,048.40        |
| Payment/Credit Applied |                  |
| <b>TOTAL</b>           | <b>10,048.40</b> |

ALL PRICES ARE NET, PAYABLE 30 DAYS FOLLOWING DATE OF INVOICE. 1 1/2% CHARGED THEREAFTER. IF ACCOUNT IS CURRENT, TAKE DISCOUNT OF

*966.00*

ONLY IF PAID ON OR BEFORE

Nov 22, 2008





**Pratt**

|                                     |                        |                            |
|-------------------------------------|------------------------|----------------------------|
| PAGE<br>1 of 1                      | CUST NO<br>1970-MID002 | INVOICE DATE<br>10/31/2008 |
| INVOICE NUMBER<br><b>1970002709</b> |                        |                            |

**B I L L T O**  
 MID-CONTINENT ENERGY  
 105 S. BROADWAY  
 SUITE 360  
 WICHITA KS 67202-4280  
 ATTN:

**J O B S I T E**  
 LEASE NAME Kachelman  
 WELL NO. 1-21  
 COUNTY Stafford  
 STATE KS  
 JOB DESCRIPTION Cement-New Well Casing/Pipe:  
 JOB CONTACT

*PLUG DRY HOLE*

| JOB #  | EQUIPMENT # | PURCHASE ORDER NO. | TERMS       | DUE DATE   |
|--|-------------|--------------------|-------------|------------|
| 1970-02715   | 301         |                    | Net 30 DAYS | 11/30/2008 |
| <b>For Service Dates: 10/30/2008 to 10/30/2008</b> |             |                    |             |            |
| <b>1970-02715</b>                                  |             |                    |             |            |
| <b>1970-19096 Cement-New Well Casing 10/30/08</b>  |             |                    |             |            |
| Pump Charge-Hourly                                 |             | 1.00 Hour          | 2520.000    | 2,520.00   |
| Depth Charge; 4001'-5000'                          |             |                    |             |            |
| Mileage  |             | 180.00 DH          | 1.400       | 252.00     |
| Blending and Mixing Service Charge                 |             |                    |             |            |
| Mileage  |             | 40.00 DH           | 7.000       | 280.00     |
| Heavy Equipment Mileage                            |             |                    |             |            |
| Mileage  |             | 155.00 DH          | 1.600       | 248.00     |
| Proppant and Bulk Delivery Charges                 |             |                    |             |            |
| Pickup   |             | 20.00 Hour         | 4.250       | 85.00      |
| Unit Mileage Charge(Pickups, Vans, or Cars)        |             |                    |             |            |
| Additives  |             | 310.00 EA          | 0.250       | 77.50 T    |
| Cement Gel   |             |                    |             |            |
| Cement   |             | 180.00 EA          | 12.000      | 2,160.00 T |
| 60/40 POZ  |             |                    |             |            |
| Supervisor   |             | 1.00 Hour          | 175.000     | 175.00     |
| Service Supervisor Charge                          |             |                    |             |            |

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|   |   |  |  |
|---|---|--|--|
| <b>PLEASE REMIT TO:</b><br><b>BASIC ENERGY SERVICES, LP</b><br><b>PO BOX 841903</b><br><b>DALLAS, TX 75284-1903</b> | <b>SEND OTHER CORRESPONDENCE TO:</b><br><b>BASIC ENERGY SERVICES, LP</b><br><b>PO BOX 10460</b><br><b>MIDLAND, TX 79702</b> | <b>BID DISCOUNT</b><br><b>SUBTOTAL</b><br><b>TAX</b><br><b>INVOICE TOTAL</b> | -811.65<br><b>4,985.85</b><br><b>121.23</b><br><b>5,107.08</b> |
|---|---|--|--|

