

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

*Handwritten:* 3/17/09

OPERATOR: License # 9860  
 Name: Castle Resources Inc.  
 Address 1: PO Box 87  
 Address 2: \_\_\_\_\_  
 City: Schoenchen State: KS Zip: 67667 + \_\_\_\_\_  
 Contact Person: Jerry Green  
 Phone: (785) 625-5155  
 CONTRACTOR: License # 33237  
 Name: Anderson Drilling  
 Wellsite Geologist: Jerry Green  
 Purchaser: \_\_\_\_\_  
 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.)

API No. 15 - 179-21187-00-00  
 Spot Description: \_\_\_\_\_  
 NW NE SW NE Sec. 34 Twp. 8 S. R. 29  East  West  
1350 Feet from  North /  South Line of Section  
1850 Feet from  East /  West Line of Section  
 Footages Calculated from Nearest Outside Section Corner:  
 NE  NW  SE  SW  
 County: Sheridan  
 Lease Name: Steinshouer Well #: 1  
 Field Name: Wildcat  
 Producing Formation: \_\_\_\_\_  
 Elevation: Ground: 2825 Kelly Bushing: 2830  
 Total Depth: 4200 Plug Back Total Depth: \_\_\_\_\_  
 Amount of Surface Pipe Set and Cemented at: 260 Feet  
 Multiple Stage Cementing Collar Used?  Yes  No  
 If yes, show depth set: \_\_\_\_\_ Feet  
 If Alternate II completion, cement circulated from: 4200  
 feet depth to: surface w/ 470 sx cmt.

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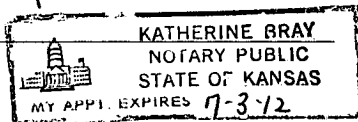
If Workover/Re-entry: Old Well Info as follows:  
 Operator: \_\_\_\_\_  
 Well Name: \_\_\_\_\_  
 Original Comp. Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_  
 \_\_\_\_\_ Deepening \_\_\_\_\_ Re-perf. \_\_\_\_\_ Conv. to Enhr. \_\_\_\_\_ Conv. to SWD  
 \_\_\_\_\_ Plug Back: \_\_\_\_\_ Plug Back Total Depth  
 \_\_\_\_\_ Commingled \_\_\_\_\_ Docket No.: \_\_\_\_\_  
 \_\_\_\_\_ Dual Completion \_\_\_\_\_ Docket No.: \_\_\_\_\_  
 \_\_\_\_\_ Other (SWD or Enhr.?) \_\_\_\_\_ Docket No.: \_\_\_\_\_  
2/18/08 2/26/08  
 Spud Date or Date Reached TD Completion Date or  
 Recompletion Date Recompletion Date

**Drilling Fluid Management Plan** *AH II NR 4-3-09*  
 (Data must be collected from the Reserve Pit)  
 Chloride content: 10,000 ppm Fluid volume: 100 bbls  
 Dewatering method used: Allowed to dry & 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: \_\_\_\_\_  
 Title: PRESIDENT Date: \_\_\_\_\_  
 Subscribed and sworn to before me this 12<sup>th</sup> day of MARCH  
2008  
 Notary Public: Katherine Gray  
 Date Commission Expires: 7-3-12



**KCC Office Use ONLY**

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

Operator Name: Castle Resources Inc. Lease Name: Steinshouer Well #: 1  
 Sec. 34 Twp. 8 S. R. 29  East  West County: Sheridan

**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 (Attach Additional Sheets)  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 (Submit Copy)  List All E. Logs Run: <i>ACQ1 REC'D W/ 3 LOGS:                  RAD. GRD. LOG; DIL; COMPSD.                  DENSITY NEUTRON LOG</i>	<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>Anhydrite</td> <td>2440-75</td> <td>390</td> </tr> <tr> <td>Howard</td> <td>3596</td> <td>-766</td> </tr> <tr> <td>Heebner</td> <td>3890</td> <td>-1060</td> </tr> <tr> <td>Toronto</td> <td>3912</td> <td>-1082</td> </tr> <tr> <td>LKC</td> <td>3928</td> <td>-1098</td> </tr> <tr> <td>BKC</td> <td>4170</td> <td>-1340</td> </tr> <tr> <td>RTD</td> <td>4201</td> <td>-1371</td> </tr> </table>	Name	Top	Datum	Anhydrite	2440-75	390	Howard	3596	-766	Heebner	3890	-1060	Toronto	3912	-1082	LKC	3928	-1098	BKC	4170	-1340	RTD	4201	-1371
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RTD	4201	-1371																							

*Km  
100  
3/17/09*

CASING RECORD <input 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	12 1/4	8 5/8	20	260'	COM	175	3%CC; 2%GEL
production		5 1/2	14	4200'	MID CON II	470	FLOCELE

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	3928-30 L-KC	natural	

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TUBING RECORD:	Size: <u>2 7/8</u>	Set At: <u>4,000</u>	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. <u>146</u>	Gas Mcf	Water Bbls. <u>none</u>	Gas-Oil Ratio

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

ADDRESS

CITY, STATE, ZIP CODE

TICKET  
No 13416

PAGE 1 OF 1

SERVICE LOCATIONS  
1. *Harro, Kc*  
2. *Ness City, Kc*  
3.  
4.

WELL/PROJECT NO. #1  
LEASE *Steinhilber*  
COUNTY/PARISH *Shawnee*  
STATE *Kc*  
CITY  
DATE *2-27-08*  
OWNER *SCMPE*

TICKET TYPE  
 SERVICE  
 SALES  
CONTRACTOR *N.A. #2*  
RIG NAME/NO.  
SHIPPED VIA *CB*  
DELIVERED TO *Location*  
ORDER NO.

WELL TYPE  
WELL CATEGORY *Development*  
JOB PURPOSE *Concret Logging*  
WELL PERMIT NO.  
WELL LOCATION

REFERRAL LOCATION  
INVOICE INSTRUCTIONS

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		QTY.		UNIT PRICE	AMOUNT
		LOC	ACCT	DF		U/M	U/M				
575		1			MILEAGE #103	92	mi			4.00	368.00
578		1			Personnel Charge (Logging)	1	hr	4260		1250.00	1250.00
721		1			KCB Liquid	2	gal			26.00	52.00
721		1			Mud Chuck	1	gal			37.00	37.00
467		1			Controlizers	5	gal			110.00	550.00
467		1			Washkats	4	gal			300.00	1200.00
466		1			1 D Chest Bottle	1	gal			235.00	235.00
1167		1			Tire Flat Shoe w/Flt	1	gal			310.00	310.00
336		2			SMD Cement	470	lbs			15.00	7050.00
276		2			Fluents	120	gal			1.25	150.00
551		2			Cement Service Charge	470	lbs			1.75	827.50
553		2			Dyeing	2067	gal			1.60	3307.20

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**LEGAL TERMS:** Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

X  
DATE SIGNED *2-27-08* TIME SIGNED *2200*  A.M.  -P.M.

REMIT PAYMENT TO:  
  
SWIFT SERVICES, INC.  
P.O. BOX 466  
NESS CITY, KS 67560  
785-798-2300

SURVEY	AGREE	UN-DECIDED	DIS-AGREE	PAGE TOTAL
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				14137.12
WE UNDERSTOOD AND MET YOUR NEEDS?				
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				TAX
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES <input type="checkbox"/> NO			TOTAL
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				

CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES The customer hereby acknowledges receipt of the materials and services listed on this ticket.

SWIFT OPERATOR *[Signature]* APPROVAL

Thank You!

**JOB LOG**

**SWIFT Services, Inc.**

DATE: 27.08 PAGE NO. 1

CUSTOMER: *Co. Ho Resources* WELL NO. *#1* LEASE: *Star, hwy 44* JOB TYPE: *Cement Grouting* TICKET NO. *13415*

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1515							Color w/ FE
								RTD: 4200'
								5 1/2" x 14" x 4200' x 20'
								Centralizers 1, 3, 5, 7, 11
								Baskets 12, 24, 68, 75
	1700							Start FE
	1900							Break circulation
								Try to circulate down
	2025	2	3					Plug RH 15cks SMD
	2030	4	0			100		Start back flushes 30 bbl hot flush
	2038	6	22/0			200		Start cement 455cks SMD
	2112	6	205/0			250		Raise weight
	2116		30					End cement
								Wash P&L
								Drop Plug
	2120	6.5	0			100		Start Displacement
	2129	5	52			200		Colch Cement
	2146		102			500/1000		End Plug
								Release Pressure
								Float Hold
								RECEIVED
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								KCC WICHITA
								circ 80cks top
								Thank you
								Mark Jack & J. J.

# ALLIED CEMENTING CO., INC.

32058

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

SERVICE POINT:  
OAKLEY

DATE <u>2-18-08</u>	SEC <u>34</u>	TWP <u>8S</u>	RANGE <u>29W</u>	CALLED OUT	ON LOCATION <u>11:30 AM</u>	JOB START <u>6:15 PM</u>	JOB FINISH <u>6:45 PM</u>
LEASE <u>STEINSHOWER</u>	WELL # <u>1</u>	LOCATION <u>HOYLE 35-5 1/2 W - 5 S N 10</u>			COUNTY <u>SHERIDAN</u>	STATE <u>KS</u>	
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR A+A DRILL RIG 2

TYPE OF JOB SURFACE

HOLE SIZE 12 1/4" T.D. 270'

CASING SIZE 8 7/8" DEPTH 270'

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG. 15"

PERFS.

DISPLACEMENT 1 1/2 H PALS

OWNER SAME

CEMENT

AMOUNT ORDERED 175 SKS COM 3 PICE 2 PEGE1

EQUIPMENT

PUMP TRUCK CEMENTER TEANY

# 422 HELPER WAYNE

BULK TRUCK

# 218 DRIVER WELL

BULK TRUCK

# DRIVER

COMMON	<u>175 SKS</u>	@	<u>14.20</u>	<u>2485.00</u>
POZMIX		@		
GEL	<u>3 SKS</u>	@	<u>18.20</u>	<u>56.40</u>
CHLORIDE	<u>6 SKS</u>	@	<u>52.20</u>	<u>314.20</u>
ASC		@		

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HANDLING	<u>184 SKS</u>	@	<u>2.12</u>	<u>395.68</u>
MILEAGE	<u>94 PER SKI MILE</u>			<u>712.98</u>
TOTAL				<u>3963.63</u>

REMARKS:  
CEMENT DID CIRC.

SERVICE

DEPTH OF JOB	<u>270'</u>		
PUMP TRUCK CHARGE			<u>917.00</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>43 MS</u>	@	<u>7.00</u>
MANIFOLD		@	
HEAD RENTAL		@	<u>113.00</u>
TOTAL <u>1331.00</u>			

CHARGE TO: CASTLE RESOURCES INC

STREET \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

PLUG & FLOAT EQUIPMENT

<u>8 7/8" SURFACE PLUG</u>			<u>68.00</u>
	@		
	@		
	@		
	@		
TOTAL <u>68.00</u>			

To Allied Cementing Co., Inc.  
You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

TAX \_\_\_\_\_

TOTAL CHARGE \_\_\_\_\_

DISCOUNT \_\_\_\_\_ IF PAID IN 30 DAYS

SIGNATURE \_\_\_\_\_

PRINTED NAME \_\_\_\_\_

## GENERAL TERMS AND CONDITIONS

**DEFINITIONS:** In these terms and conditions, "Allied" shall mean Allied Cementing Co., 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 "ALLIED" 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 "ALLIED," refunded directly to "CUSTOMER." For purposes of this paragraph, ALLIED 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 terms of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limited to, a reasonable sum as and for attorney's fees.

—**PRICES AND TAXES:** All merchandise listed in "ALLIED'S" current price schedule are F.O.B. ALLIED'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 ALLIED shall be added to the quoted prices charged to CUSTOMER.

—**TOWING CHARGES:** ALLIED will make a reasonable attempt to get to and from each job site using its own equipment. Should ALLIED 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 ALLIED, 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 ALLIED for the expenses incurred by ALLIED as a result of the cancellation.

—**DEADHAUL, CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charge as set forth in ALLIED'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. ALLIED carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond ALLIED'S control, ALLIED 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 ALLIED, 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 ALLIED'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 ALLIED or its employees.

2. With respect to any of ALLIED'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 ALLIED at the landing, CUSTOMER shall either recover the lost item without cost to ALLIED or reimburse ALLIED the current replacement cost of the item unless the loss or damage results from the sole negligence of ALLIED or its employees.

3. ALLIED 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. ALLIED 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. ALLIED'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 ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED 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 ALLIED 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 construed as a warranty by ALLIED 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 ALLIED or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by ALLIED, unless the inaccuracy or incorrectness is caused by the wilful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.

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