

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

Operator: License # 33036
Name: Strata Exploration, Inc.
Address: PO Box 401
City/State/Zip: Fairfield, IL 62837
Purchaser: none
Operator Contact Person: John R. Kinney
Phone: (618) 897-2799
Contractor: Name: Abercrombie RTD, Inc.
License: 30684
Wellsite Geologist: Jon Christensen

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>7/20/2006</u>	<u>8/1/2006</u>	<u>8/23/2006</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 081-21672-0000

County: Haskell

SE SE SE Sec. 26 Twp. 29 S. R. 32 East West

330 feet from (S) N (circle one) Line of Section

330 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. McClure Well #: #3

Field Name: Unnamed

Producing Formation: St. Louis

Elevation: Ground: 2893 Kelly Bushing: 2901

Total Depth: 5680 Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at 1805 Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set 3221 Feet

If Alternate II completion, cement circulated from _____

feet depth to _____ w/ _____ sx cmt.

Drilling Fluid Management Plan DA AIT I NH 6-19-08
(Data must be collected from the Reserve Pit)

Chloride content 5100 ppm Fluid volume 1700 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: John R. Kinney

Title: President Date: 1/8/2007

Subscribed and sworn to before me this 8th day of January

2007

Notary Public Barbara Feather

Date Commission Expires: 12-30-10



KCC Office Use ONLY

N Letter of Confidentiality Received
If Denied, Yes Date: _____
Wireline Log Received RECEIVED
Geologist Report Received KANSAS CORPORATION COMMISSION
UIC Distribution JAN 11 2007
CONSERVATION DIVISION
WICHITA, KS

Operator Name: Strata Exploration, Inc. Lease Name: R. McClure Well #: #3
 Sec. 26 Twp. 29 S. R. 32 East West County: Haskell

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 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 (Submit Copy) List All E. Logs Run: Induction, Comp. Den. Neutron & Microlog (Halliburton)	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum *See Geologic Report
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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	12 1/4	8 5/8	24#	1805	Lite	700	3% CC 1/4" Fluide
					Common	150	3% CC
Port Collar				3221	None	0	
Production String	7 7/8	5 1/2	15.5#	5658	50/50 Poz	235	2% gel 5% Ca/set 5% KCl 6% Gilsont 1/2% FLA-322

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
3 SPF	5565-73' St. Louis	1000 gal. 15% MCA-FE acid	5565-73'
		3000 gal 15% XTA gelled acid	5565-73'

TUBING RECORD		Size	Set At	Packer At	Liner Run
		2 3/8	5630	anchor catcher 5458	<input type="checkbox"/> Yes <input type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. 9/25/2006			Producing Method		
			<input type="checkbox"/> Flowing <input checked="" 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
	1/2	0	25		

Disposition of Gas	METHOD OF COMPLETION	Production Interval
<input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease (If vented, Submit ACO-18.)	<input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	

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KANSAS CORPORATION COMMISSION
JAN 11 2007
CONSERVATION DIVISION
WICHITA, KS



SALES OFFICE:
 100 S. Main
 Suite #607
 Wichita, Ks. 67202
 316-262-3699
 316-262-5799 FAX

SALES & SERVICE OFFICE:
 10244 NE. Hwy 61
 P.O. Box 8613
 Pratt, Ks. 67124-8613
 620-672-1201
 620-672-5383 FAX

SALES & SERVICE OFFICE:
 1700 S. Country Estates Rd.
 P.O. Box 129
 Liberal, Ks. 67905-0129
 620-624-2277
 620-624-2280 FAX

Invoice

Bill to:	8194900	Invoice	Invoice Date	Order	Station
Strata Exploration, Inc. P.O. Box 401 Fairfield, IL 62837-0401		607256	8/1/06	12897	Liberal
Service Description					
Cement					
		Lease	Well	Well Type	
		R. McClure	3	New Well	
		AFE	PO	Terms	
				Net 30	
CustomerRep			Treater		
George Payne			Kirby Harper		

PAID
 8-12-06
 FN# 3117

ID.	Description	UOM	Quantity	Unit Price	Price
D104	50/50 POZ (PREMIUM)	SK	250	\$10.25	\$2,562.50 (T)
C140	KCL, POTASSIUM CHLORIDE	LB	838	\$0.50	\$419.00 (T)
C195	FLA-322	LB	105	\$7.50	\$787.50 (T)
C311	CAL SET	LBS	1050	\$0.54	\$567.00 (T)
C321	GILSONITE	LB	1260	\$0.67	\$844.20 (T)
F211	AUTO FILL FLOAT SHOE, 5 1/2"	EA	1	\$320.00	\$320.00 (T)
F171	LATCH DOWN PLUG & BAFFLE, 5 1/2"	EA	1	\$250.00	\$250.00 (T)
F101	TURBOLIZER, 5 1/2"	EA	6	\$74.20	\$445.20 (T)
F111	CENTRALIZER 5 1/2" X 7 7/8"	EA	14	\$90.00	\$1,260.00 (T)
F121	BASKET, 5 1/2"	EA	2	\$237.50	\$475.00 (T)
F261	CEMENT PORT COLLAR, 5 1/2"	EA	1	\$3,225.00	\$3,225.00 (T)
C302	MUD FLUSH	GAL	500	\$0.86	\$430.00 (T)
C141	CC-1, KCL SUBSTITUTE	GAL	12	\$44.00	\$528.00 (T)
E100	HEAVY VEHICLE MILEAGE - 1 WAY	MI	76	\$5.00	\$380.00
E107	CEMENT SERVICE CHARGE	SK	250	\$1.50	\$375.00
E104	PROPPANT / BULK DELIV SERVICES/TON MILE, \$200 MIN	TM	399	\$1.60	\$638.40
E101	CAR, PICKUP OR VAN MILEAGE - 1 WAY	MI	38	\$3.00	\$114.00
R212	CASING CEMENT PUMPER, 5501-6000' 1ST 4 HRS ON LOC	EA	1	\$2,048.00	\$2,048.00
R701	CEMENT HEAD RENTAL	EA	1	\$250.00	\$250.00
S100	FUEL SURCHARGE		1	\$169.30	\$169.30

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JAN 11 2007

Sub Total: \$16,088.10

Discount: \$2,374.89

CONSERVATION DIVISION
 WICHITA, KS

Discount Sub Total: \$13,713.21

Haskell County & State Tax Rate: 5.80%

Taxes: \$598.86

(T) Taxable Item

Total: \$14,312.07

LEASE	R McClure #3	LEV	5	P/P	8/14
DESC	CEMENT LONGSTRING	A/P			8/14
	5672'-5 1/2"				
DRL	COM	LOE	G/L	73551	D/D
	X				

PLEASE REMIT TO Acid Services, LLC, Dept No 1131, Tulsa, OK 74182

Accounts are past due net 30 days following the date of invoice. Finance charge of 1 1/2% per month or 18% annual percentage rate will be charged on all past due accounts. Customer agrees not to withhold payment of any invoice, or assert any right of offset, recoupment or any other defense to payment of any invoice, on account of any right that you may now or hereafter have to payment from us, except for claims arising out of such invoice because of defects in the specific services described in such invoice. Additionally, you hereby waive any right that you may have under any state, federal or other law to assert

(C)



FIELD ORDER 12897 ✓

Subject to Correction

C
H
A
R
G
E

8-1-06
Strata Exploration

Lease	R McClure	Well #	3	Legal	26-295-32W
County	Haskell	State	KS	Station	Liberal
Depth	5670	Formation		Shoe Joint	43'
Casing	5 1/2"	Casing Depth		TD	
Customer Representative	George Payne	Treater	Kirby Hayden		

AFE Number _____ PO Number _____

Materials Received by **X** *[Signature]*

Station Code	Product Code	QUANTITY	MATERIALS, EQUIPMENT, and SERVICES USED	UNIT PRICE	AMOUNT
L	D104	250sk	50/50 Poz	-	
L	C140	838 lb	HCL	-	
L	C195	105 lb	FLA-322	-	
L	C311	1050 lb	Cat-Set	-	
L	C321	1200 lb	Gilsonite	-	
L	F211	1 EA	Auto Fill Float. Spec. 5 1/2"	-	
L	F171	1 EA	Latch Down Plug & Baffle	-	
L	F101	6 EA	Turbolizer	-	
L	F111	14 EA	Centralizer	-	
L	F121	2 EA	Basket	-	
L	F261	1 EA	Cement Port Collar	-	
L	F800	0 EA	Threadlock Compound Kit	-	
L	C302	500 Gal	Mud Flush	-	
L	C141	12 Gal	CC-1	-	
L	E100	76 MI	Heavy Vehicle Mileage		
L	E107	250 MI	Cement Service Charge		
L	E104	399 Tm	Bulk delivery		
L	E101	38 MI	Pickup Mileage		
L	R212	1 EA	Casing Cement Pumping - 5501'-6000'		
L	R101	1 EA	Cement Head Rental		

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JAN 11 2007

Discounted Total
Plus Tax

CONSERVATION DIVISION 13,543.92
WICHITA, KS



TREATMENT REPORT

Owner <i>Stacata Exploration</i>		Lease No.		Date <i>8-1-06</i>	
Lease <i>R McClure</i>		Well # <i>3</i>			
Field Order # <i>12897</i>	Station <i>Liberal</i>	Casing <i>5 1/2</i>	Depth <i>5672</i>	County <i>Haskell</i>	State <i>KS</i>
Type Job <i>5 1/2 Longstring</i>		(NW)	Formation	Legal Description <i>26-29S-32W</i>	

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME	
Casing Size <i>5 1/2</i>	Tubing Size	Shots/Ft		Acid <i>235 sk 50/50 Poz - 2.9% Gel, 5% Ca set, 5% KCl</i>	RATE	PRESS	ISIP
Depth <i>5672</i>	Depth	From	To	Pre Pad <i>6 # Gilsontec, 1/2 % FLA-322</i>	Max		5 Min.
Volume	Volume	From	To	<i>15.5 sk 50/50 Poz (for Port Hole)</i>	Min		10 Min.
Max Press	Max Press	From	To	<i>13.8" - 1.41 ft³ - 5.89 Gal</i>	Avg		15 Min.
Well Connection	Annulus Vol.	From	To	Flush <i>2% KCl</i>	HHP Used		Annulus Pressure
Plug Depth <i>3211</i>	Port Collar Depth	From	To		Gas Volume		Total Load

Customer Representative _____ Station Manager *Jerry Bennett* Treater *Kirby Harper*

Service Units	<i>126</i>	<i>227</i>	<i>344</i>	<i>502</i>					
Driver Names	<i>Harper</i>	<i>Holman</i>	<i>Reagan</i>						

Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
<i>1500</i>					<i>On location - spot & Rig up</i>
<i>2220</i>					<i>⊗ Casing on Bottom - Break Circ.</i>
<i>2337</i>	<i>400</i>		<i>5</i>	<i>4</i>	<i>Pump 5 bbl Water</i>
<i>2342</i>	<i>400</i>		<i>12</i>	<i>4</i>	<i>Pump 12 Gal of Mudflush</i>
<i>2648</i>	<i>400</i>		<i>5</i>	<i>4</i>	<i>Pump 5 bbl Water</i>
<i>2353</i>	<i>200</i>		<i>59</i>	<i>4</i>	<i>Mix 235 sk 50/50 Poz @ 13.8"</i>
<i>0013</i>					<i>Shut down - drop Plug - Clean Lines</i>
<i>0017</i>	<i>100</i>		<i>0</i>	<i>4</i>	<i>Start displacing with 2% KCl water</i>
<i>0047</i>	<i>200</i>		<i>99</i>	<i>3.5</i>	<i>Displacement Patches Cement</i>
<i>0056</i>	<i>800</i>		<i>124</i>	<i>2</i>	<i>Slow Rate</i>
<i>0102</i>	<i>900-1500</i>		<i>134</i>		<i>Bump Plug -</i>
<i>0103</i>	<i>1500-0</i>				<i>Release Pressure - Floats Held</i>
					<i>Plug Port hole with 15 sk</i>
					<i>Port Collar @ 3211</i>

Job Complete

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KANSAS CORPORATION COMMISSION
JAN 11 2007
CONSERVATION DIVISION
WICHITA, KS

Allied Cementing Co., Inc
P.O. Box 31
Russell, KS 67665

LEASE R. McClure # 3			LEV	PIP
7/3			5	7/31
DES CEMENT 1748' 8 5/8" 23#				A/P
				8/1
D/L	COM	LOE	G/L	D/D
X			71730	8/26

* I N V O I C E *

Invoice Number: 103574

Invoice Date: 07/26/06

PAID
8-4-06
34C# 3025

Sold Strata Exploration, Inc.
To: P. O. Box 401
Fairfield, IL
62837-0401

Cust I.D.....: Strata
P.O. Number...: R. McClure #3
P.O. Date.....: 07/26/06

Due Date.: 08/25/06
Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	150.00	SKS	12.2000	1830.00	T
Chloride	28.00	SKS	46.6000	1304.80	T
Lite	700.00	SKS	11.3000	7910.00	T
FloSeal	175.00	LBS	2.0000	350.00	T
Handling	921.00	SKS	1.9000	1749.90	E
Mileage	40.00	MILE	73.6800	2947.20	E
921 sks @.08 per sk per mi					
Surface	1.00	JOB	1610.0000	1610.00	E
Mileage pmp trk	40.00	MILE	5.0000	200.00	E
Head Rental	1.00	PER	100.0000	100.00	E
AFU Insert	1.00	EACH	325.0000	325.00	T
Centralizers	5.00	EACH	55.0000	275.00	T
Basket	1.00	EACH	180.0000	180.00	T
Rubber Plug	1.00	EACH	100.0000	100.00	T

All Prices Are Net, Payable 30 Days Following
Date of Invoice. 1 1/2% Charged Thereafter.
If Account CURRENT take Discount of \$ 1888.19
ONLY if paid within 30 days from Invoice Date

Subtotal: 18881.90
Tax.....: 711.94
Payments: 0.00
Total....: 19593.84

DIS - 1888.19
17,705.65

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KANSAS CORPORATION COMMISSION
JAN 11 2007
CONSERVATION DIVISION
WICHITA, KS

ALLIED CEMENTING CO., INC.

24967

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

SERVICE POINT:
Oatley, KS

DATE <u>7-22-06</u>	SEC. <u>26</u>	TWP. <u>29</u>	RANGE <u>32W</u>	CALLED OUT	ON LOCATION <u>4:00 pm</u>	JOB START <u>5:15 pm</u>	JOB FINISH <u>9:00 pm</u>
R. McClure LEASE		WELL # <u>#3</u>	LOCATION <u>Sublette SE 1/25</u>		COUNTY <u>Haskell</u>	STATE <u>Ks</u>	
OLD OR <u>NEW</u> (Circle one)			<u>win</u>				

CONTRACTOR Aber #3
 TYPE OF JOB Surface
 HOLE SIZE 12 1/4 T.D. 1748'
 CASING SIZE 8 5/8 23# DEPTH 1748'
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ SHOE JOINT 42 3/8
 CEMENT LEFT IN CSG. 42.36
 PERFS. _____
 DISPLACEMENT 108.67

OWNER Same
 CEMENT
 AMOUNT ORDERED 150 com 390cc
700 sk lite 390cc 1/4# flo-seal

EQUIPMENT
 PUMP TRUCK CEMENTER Fuzzy - Max
 # 102 HELPER Tarrod
 BULK TRUCK
 # 399 DRIVER mike
 BULK TRUCK
 # 386 DRIVER Alan

COMMON	<u>150</u>	@ <u>12²⁰</u>	<u>1830⁰⁰</u>
POZMIX		@	
GEL		@	
CHLORIDE	<u>28</u>	@ <u>46⁰⁰</u>	<u>1304⁸⁰</u>
ASC		@	
<u>Lite</u>	<u>700</u>	@ <u>11³⁰</u>	<u>7910⁰⁰</u>
		@	
<u>flo-seal</u>	<u>175#</u>	@ <u>2⁰⁰</u>	<u>350⁰⁰</u>
		@	
		@	
		@	
		@	
HANDLING	<u>921</u>	@ <u>1⁹⁰</u>	<u>1749⁹⁰</u>
MILEAGE	<u>.085K x mile</u>		<u>2947³⁰</u>
TOTAL			<u>16091⁹⁰</u>

REMARKS:

Cement did circulate
Approx 100 BBLs
Plug down @ 8:45 pm
@ 1100 # + hold
Thanks Fuzzy + crew

SERVICE

DEPTH OF JOB	<u>1748'</u>		
PUMP TRUCK CHARGE			<u>1860⁰⁰</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>40</u>	@ <u>5⁰⁰</u>	<u>200⁰⁰</u>
MANIFOLD + head		@	<u>100⁰⁰</u>
		@	
		@	
TOTAL			<u>2160⁰⁰</u>

CHARGE TO: Strata Exploration Inc
 STREET _____
 CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

<u>8 5/8</u> AFU Insert	@	<u>325⁰⁰</u>
<u>5-Cent</u>	@ <u>55⁰⁰</u>	<u>275⁰⁰</u>
<u>1-Basket (B)</u>	@	<u>180⁰⁰</u>
<u>1-8 5/8 rubber plug</u>	@	<u>100⁰⁰</u>
	@	
TOTAL		<u>880⁰⁰</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 Agency's Handling
 TOTAL CHARGE _____
 DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE _____

PRINTED NAME _____