

\*AMENDED 4-8-09  
TO REPORT PRODUCTION OF

KANSAS CORPORATION COMMISSION  
& GAS CONSERVATION DIVISION

ORIGINAL Form ACO-1  
October 2008  
Form Must Be Typed

WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 34027  
Name: CEP Mid-Continent LLC  
Address 1: 15 West Sixth Street, Suite 1400  
Address 2: \_\_\_\_\_  
City: Tulsa State: OK Zip: 74119 + 5415  
Contact Person: David F. Spitz, Engineering Manager  
Phone: ( 918 ) 877-2912, ext. 309  
CONTRACTOR: License # 34126 / 33621 33832  
Name: Smith Oilfield Svcs. (to KOP) / Pense Bros. Drlg. (horizontal portion)  
Wellsite Geologist: Rodney Tate  
Purchaser: CEP Mid-Continent LLC  
Designate Type of Completion:  
 New Well  Re-Entry  Workover  
 Oil  SWD  SLOW  
 Gas  ENHR  SIGW  
 CM (Coal Bed Methane)  Temp. Abd.  
 Dry  Other Well drilled but not yet completed.  
(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.: 08-CONS-185-CHOR  
 Dual Completion Docket No.: \_\_\_\_\_  
 Other (SWD or Enhr.?) Docket No.: \_\_\_\_\_  
7-31-08 8-4-08 11/18/08  
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 125-31706-01-00  
Spot Description: \_\_\_\_\_  
NW SW SE Sec. 31 Twp. 32 S. R. 17  East  West  
1,145 Feet from  North /  South Line of Section  
3,015 Feet from  East /  West Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
 NE  NW  SE  SW  
County: Montgomery  
Lease Name: KNISLEY Well #: 31-3  
Field Name: Coffeyville-Cherryvale  
Producing Formation: Weir-Pitt  
Elevation: Ground: 915' Kelly Bushing: \_\_\_\_\_  
Total Depth: 1,770' Plug Back Total Depth: 1,746'  
Amount of Surface Pipe Set and Cemented at: 40.1 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set: \_\_\_\_\_ Feet  
If Alternate II completion, cement circulated from: 893'  
feet depth to: surface w/ 90 sx cmt.

Drilling Fluid Management Plan Att II NCR 5-18-09  
(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: \_\_\_\_\_  
Title: Engineering Manager Date: 11-24-08

Subscribed and sworn to before me this 24<sup>th</sup> day of November

20 08  
Notary Public: \_\_\_\_\_

Date Commission Expires: 12-8-2008

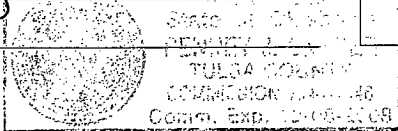
KCC Office Use ONLY  
 Letter of Confidentiality Received  
If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
 UIC Distribution

RECEIVED

APR 21 2008

mailed 11-25-08

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Operator Name: CEP Mid-Continent LLC Lease Name: KNISLEY Well #: 31-3  
 Sec. 31 Twp. 32 S. R. 17  East  West County: Montgomery

**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)

<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Name	Top	Datum
Oswego	665'	250'
Mulky Shale	730'	185'
Weir-Pitt	931'	-16'
Rowe	1102'	-187'
Riverton	1146'	-231'
Mississippi Chat	1,161'	-246'

List All E. Logs Run:  
 Epithermal Neutron Pel Density, DIR, GR, CBL  
 CCL, VDL

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	11"	8-5/8"	20#	40.1'	Portland	5	OWC, calcium, silica
Production	6-3/4"	4-1/2"	10.5#	955'	Class "A"	70	900# Gisonite, 400# salt & gel.
Perf. Casing		3-1/2"	9.3#	2,586'			90# melco, 80# phenoseal, 22.5# ducel

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
*	(NONE)		

TUBING RECORD:		Size:	Set At:	Packer At:	Liner Run:
		2-3/8"	912'		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or Enhr.		Producing Method:			
1-14-09		<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
	0	15	21		

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

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# Scientific Drilling Scientific Drilling International, Inc.

Corporate Headquarters  
 1100 Rankin Road • Houston Texas 77073  
 Tel: 281-443-3300 • Fax 281-443-3311

Remit to:  
 P.O. Box 200195  
 Houston, Texas 77216-0195

## INVOICE

130034

Subject to terms and conditions on reverse.

S Amvest Osage Inc  
 O T P.O. Box 970  
 L O Skiatook OK 74070  
 D  
**RECEIVED**  
 OCT 17 2008  
 By \_\_\_\_\_

349380  
 10/15/2008

Page: 1

Customer Order No. **PENSE 24** MONTGOMERY CO, KS  
 Location or Shipped To **KNISLEY 31-3**  
 Well Name and No.

Work Order No. **129782**  
 Job No. **34H0908773**

DESCRIPTION	AMOUNT	UNITS	TOTAL
HORZ-DRILLING-SVCS	\$8,700.00	3.00	\$26,100.00
COMPUTER SVCS	\$500.00	1.00	\$500.00
INS BATTERY	\$600.00	8.00	\$4,800.00
MOTOR INSP	\$850.00	2.00	\$1,700.00
MILEAGE	\$2.50	1,600.00	\$4,000.00
FLOAT	\$650.00	2.00	\$1,300.00
SMART MOTOR SVCS	\$2,500.00	2.00	\$5,000.00
SATELITE SVCS	\$150.00	3.00	\$450.00
CELL PHONE BOOSTER	\$30.00	3.00	\$90.00
DIS #12974	\$1,489.40	1.00	\$1,489.40
GRAND #58297	\$270.00	1.00	\$270.00
QUICK LAY PIPE #30670	\$450.00	1.00	\$450.00
EASLEY COMM #2600	\$400.00	1.00	\$400.00
<b>Subtotal</b>			<b>\$46,549.40</b>
<b>Misc</b>			<b>\$0.00</b>
<b>Tax</b>			<b>\$0.00</b>
<b>Credits</b>			<b>\$0.00</b>
<b>Total</b>			<b>\$46,549.40</b>

**MAIL TO DATE**  
**DEC 03 2008**  
**ACCOUNTING**

Account # 1927204 Property 150180 Amount 46549.40 AFE 44081346 SV 10/08

Reviewed by [Signature]  
 Approved by [Signature]  
 Approved by \_\_\_\_\_  
 Date Paid \_\_\_\_\_  
 Check No. \_\_\_\_\_

VENDOR # 10939  
 NSE 986 CEP 976 MCOG 985 IMMEDIATE OVERNITE

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Terms from Document Date: Net 30



Scientific Drilling

Scientific Drilling International, Inc.

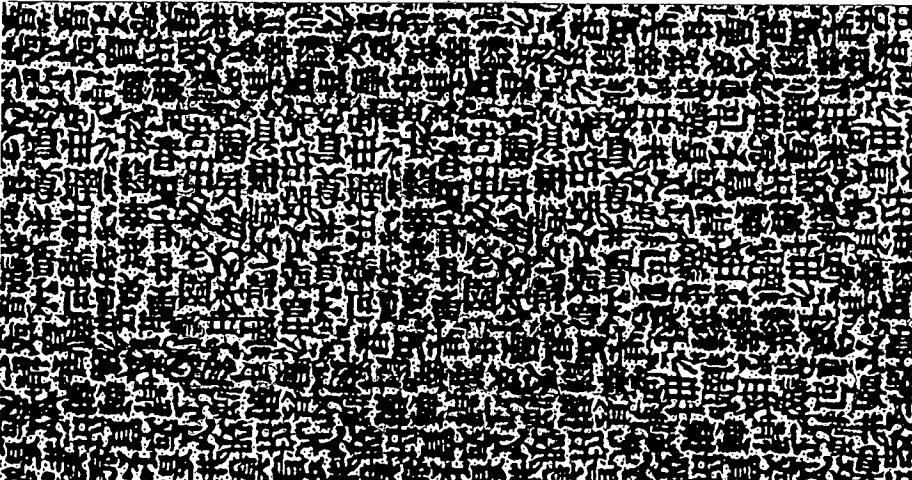
Corporate Headquarters  
1100 Rankin Road • Houston, Texas 77073  
Tel: 281-443-3300 • Fax: 281-443-3311

WORK ORDER \_\_\_\_\_  
PAGE 1 OF 1

CUSTOMER NAME & BILLING ADDRESS:		SDI CUSTOMER :	CUSTOMER P.O. / AFE
Amvest-Constellation		130034	
P.O. Box 970		JOB NUMBER	34H0908773
Skiatook, Oklahoma 74070		JOB START	17 Sept 08 TIME 0000
		JOB END	19 Sept 08 TIME 1200
CUSTOMER WELL NAME & NUMBER Knisley 31-3		RIG NAME AND NUMBER Pense 24	THIS AGREEMENT IS SUBJECT TO THE TERMS AND CONDITIONS ON THE REVERSE SIDE WHEREOF INCLUDING THOSE LIMITING WARRANTIES. I CERTIFY THAT THE ABOVE SERVICES AND/OR EQUIPMENT HAVE BEEN RECEIVED IN SATISFACTORY MANNER.  X <i>[Signature]</i> SIGNATURE OF CUSTOMER OR AUTHORIZED REPRESENTATIVE
CITY	COUNTY STATE	LEASE OR BLOCK	
	Montgomery Co., KS		

ACCT CODE	SERIAL #	SERVICE OR EQUIPMENT DESCRIPTION	DATE OUT	DATE IN	PRICE	QUANTITY	UNIT	TOTAL
		<b>HORIZONTAL DRILLING PACKAGE*</b> <i>Includes 2 Supervisors, Living Expenses, Misc. Subs, Downhole Motors, E-Field System w/Operators, L-I-H Coverage</i>			8,700.00	3	DAY	26,100.00
		Stand By Charges			5,250.00		day	
		Computer Services			500.00	1	well	500.00
		Long Wire E-Field (1st Day)			4,000.00		day	
		Long Wire E-Field (each additional day)			1,000.00		day	
		Instrumentation Battery Charge			600.00	8	each batt	4800.00
		Motor Inspection			850.00	2	tool	1700.00
		QUICK-LAY PIPE # 30670						450.-
		EASLEY COMM # 2600						400.-
		Mileage: Man/Mile Round Trip			2.50	1600	mile	4000.00
		Floats (Sale Item)			650.00	2	each	1300.00
		Smart Motor Charge			2,500.00	2	day	5000.00
		Satelite Internet Charge			150.00	3	day	450.00
		Cell Phone Booster			30.00	3	day	90.00
		INSPECTION-DIS# 12974						1489.40
		REPAIR-GRAND# 58097						270.-

NOTE: TRUCKING, INSPECTION, REPAIRS AND ANY THIRD PARTY CHARGES TO FOLLOW



TAX CODE	SUB-TOTAL	43,940.00
	STATE SALES TAX	
	LOCAL SALES TAX	
	TOTAL INVOICE AMT.	46549.40

SDI FIELD REPRESENTATIVE  
*[Signature]*

SDI DISTRICT MANAGER  
*Donald Skinner*

DIRECTIONAL COMPANY

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Scientific Drilling  
International, Inc.

421 South Eagle Lane  
Oklahoma City, OK 73128

### DRILLING MOTOR RENTAL SUMMARY

No. \_\_\_\_\_

CUSTOMER CONSTELLATION DATE 9-19-08  
 WELL NAME & NO. KNISELY 31-3 RE-ENTRY SDI JOB NO. 34H 0908 773  
 LOCATION MONTGOMERY COUNTY KS. SDI W.O. NO. 129 782

RENTAL OF	TOOL NO.	DATE(S) RUN	DEPTH IN	DEPTH OUT	TOTAL HOURS IN HOLE	DRLG. AND CIRC. HOURS	CHARGES
434 7.8 3.8 ADJ EXT 2.38	4210	9/18	594	1065	14.17	8.92	
434 7.8 2.2 SMART MOTOR	4252	9/18-9/19	1065	1770	12.33	5.33	

DAILY BASE RENTAL	TOOL NO.	FROM (DATE)	TO (DATE)	TOTAL DAYS	@ \$	PER DAY	CHARGES

STANDBY CHARGES	TOOL NO.	FROM (DATE)	TO (DATE)	TOTAL DAYS	@ \$	PER DAY	CHARGES

TOTAL RENTAL CHARGES 125

TYPE OF DRILLING FLUID \_\_\_\_\_

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THIS IS NOT AN INVOICE

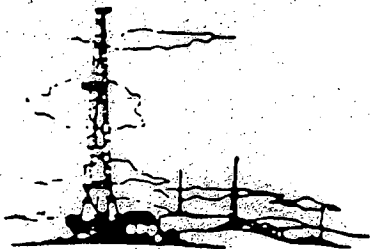
COMMENTS 10939

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SIGNED BY \_\_\_\_\_ SDI REPRESENTATIVE

AUTHORIZED BY \_\_\_\_\_ CUSTOMER REPRESENTATIVE





# DRILTECH

## Inspection Services

### INSPECTION REPORT

Date: 9-22-2008

Customer: Scientific

Job # 773

	SERIAL NO.	TYPE	PIN	BOX	COMMENTS
x1	121-113	Drill Collar	3/8TF OK	3/8TF OK	4 3/4 x 2 3/4
x2	121-033	Drill Collar	3/8TF ↑	3/8TF OK	4 1/16 x 2 3/4
x3	121-017	Drill Collar	3/8TF ↓	3/8TF Min Shldr	4 5/8 x 2 3/8
x4	121-063	Drill Collar	3/8TF ↓	3/8TF Dms Shldr	4 5/8 x 2 3/4
x5	69-206	C90	3/8TF OK	3/8TF Circled	4 3/8 x 2 1/4
x6	69-299	C90	3/8TF Cracked	3/8TF OK	4 1/16 x 2 1/4
x7	7905	Hony Dr	3/8TF OK	3/8TF ↑	4 1/16 x 2 3/4
x8	811	Hony Dr	3/8TF OK	3/8TF ↓	4 5/8 x 2 3/4
x9	8-194	Support	3/8TF Dms Shldr	3/8TF OK	4 1/16 x 2 3/4
x10	8-131	Support	3/8TF Dms Shldr	3/8TF Dms Shldr	4 5/8 x 2 3/4
x11	OK-208	Flag	3/8TF OK	3/8TF OK	4 3/4 x 2 1/2
x12	OK-23	Flag	3/8TF OK	3/8TF OK	4 1/16 x 2 1/4
13					
14					
15					
16			NOTE 510-8-194-8-131		
17			Ultrasonic Inspection - OK		
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# GRAND MACHINE, INC.

REMIT TO:  
P. O. Box 96692  
Oklahoma City, Oklahoma 73143  
(405) 677-5725

TERMS: NET CASH, 30 DAYS. 1 1/2% ON PAST DUE ACCOUNTS

SOLD TO SCIENTIFIC DRILLING INTERNATIONAL 421 S EAGLE LANE OKC,OK. 73128		LEASE AND WELL NUMBER	
		SHIPPED TO	ORDERED BY
		CUSTOMER AND STORE NUMBER	
CUSTOMER ORDER NUMBER 216	DATE ORDERED 9-23-08	INVOICE DATE 9-29-08	INVOICE NUMBER No 058297
QUANTITY	DESCRIPTION		AMOUNT

773

69 206 (1) 4 3/4 HYBIRD SUB DMT BOX	\$90.00
8 194 (1) 4 3/4 SUPPORT SUB DMT PIN	90.00
69 299 (1) 4 3/4 HYBIRD SUB DMT PIN	90.00

TOTAL

\$270.00

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# Quick-Lay Pipe, LLC

11432 HWY 71 SOUTH  
FORT SMITH, ARKANSAS 72916

Ph# (479) 646-0882

Fax # (479) 646-8996

## Invoice

Date	Invoice #
9/19/2008	30670

Bill To
Scientific Drilling 421 S. Eagle Lane Oklahoma City, OK 73128

Lease Name
Knisley 31-3 Montgomery County, KS

Called in by	Terms	Rig
	Net 30	Constellation

Item Code	Description	Days / Hours	Qty	Price Each	Amount
	9/17/08 Deliver #T-14 mobile office @ \$70/day				
#T-14 TR... OK LABOR	Rental 9/17/08 - 9/19/08 Rental of #T-14 8x30 Mobile Office Labor	Days Hours	3 6	70.00 75.00	210.00T 450.00
	SUB TOTAL - NON TAXABLE				660.00
	Out-of-state sale, exempt from sales tax			0.00%	0.00

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<b>Total</b>	\$660.00
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450.-

