

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 # 31725
Name: Shelby Resources, LLC
Address: P.O. Box 1213
City/State/Zip: Hays, Kansas 67601
Purchaser: _____
Operator Contact Person: Brian Karlin
Phone: (785) 623-3290
Contractor: Name: Sterling Drilling Company
License: 5142
Wellsite Geologist: Keith Reavis

Designate Type of Completion:
____ New Well Re-Entry ____ Workover
____ Oil SWD ____ SIOW ____ Temp. Abd.
____ Gas ____ ENHR ____ SIGW
____ Dry ____ Other (Core, WSW, Expl., Cathodic, etc)

If Workover/Re-entry: Old Well Info as follows:
Operator: National Crude, Inc.

Well Name: Thunderbird Ranch NE #1
Original Comp. Date: 3-04-78 Original Total Depth: 4629'
 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. _____

12-27-2006	1-02-2007	3-15-2007
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 007-20603-0001
County: Barber
____ SE ____ SW ____ NE Sec. 7 Twp. 31 S. R. 14 East West
2310' 3149' feet from (S) (E) (circle one) Line of Section
1650' 1699' feet from (E) (W) (circle one) Line of Section
PER GPS-KCC-DIS
Footages Calculated from Nearest Outside Section Corner:
(circle one) (NE) SE NW SW
Lease Name: Thunderbird Ranch Well #: 4-7 *OWWO*
Field Name: Skinner

Producing Formation: Lower Arbuckle
Elevation: Ground: 1648 Kelly Bushing: 1657
Total Depth: 5097' Plug Back Total Depth: 5097'
Amount of Surface Pipe Set and Cemented at 1118' 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/ _____ sx cmt.

Drilling Fluid Management Plan SWD NH 7-10-08
(Data must be collected from the Reserve Pit)
Chloride content 6500 ppm Fluid volume 500 bbls
Dewatering method used hauled off site.
Location of fluid disposal if hauled offsite: _____
Operator Name: Oil Producers of Kansas, Inc.
Lease Name: Leon May #1-13 License No.: 8061
Quarter ____ Sec. 13 Twp. 35 S. R. 16 East West
County: Comanche Docket No.: D-28472

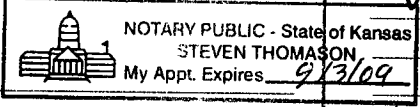
INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side 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: 6-13-2007

Subscribed and sworn to before me this 13 day of June, 2007.

Notary Public: Steven Thomas
Date Commission Expires: 9/13/09



KCC Office Use ONLY

Letter of Confidentiality Received
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received RECEIVED
 UKC Distribution KANSAS CORPORATION COMMISSION
Logs to UIC
JUN 19 2007

Operator Name: Shelby Resources, LLC Lease Name: Thunderbird Ranch Well #: 4-7 "OWWO"
 Sec. 7 Twp. 31 S. R. 14 East West County: Barber

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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i> 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 <i>(Submit Copy)</i> List All E. Logs Run: Dual Induction, Dual Compensated Porosity, 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>3217</td> <td>-1560</td> </tr> <tr> <td>Heebner Shale</td> <td>3596</td> <td>-1939</td> </tr> <tr> <td>Brown Lime</td> <td>3667</td> <td>-2010</td> </tr> <tr> <td>Lansing</td> <td>3793</td> <td>-2136</td> </tr> <tr> <td>Base KC</td> <td>4213</td> <td>-2556</td> </tr> <tr> <td>Viola</td> <td>4381</td> <td>-2724</td> </tr> <tr> <td>Arbuckle</td> <td>4624</td> <td>-2967</td> </tr> </table>	Name	Top	Datum	Topeka Lime	3217	-1560	Heebner Shale	3596	-1939	Brown Lime	3667	-2010	Lansing	3793	-2136	Base KC	4213	-2556	Viola	4381	-2724	Arbuckle	4624	-2967
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CASING RECORD <input checked="" type="checkbox"/> New <input checked="" 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. / FL	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Surface Pipe	12-1/4"	8-5/8"		1118'			
Production	7-7/8"	5-1/2"	14#	4684'	AA2-Common	175	

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 <i>(Amount and Kind of Material Used)</i>	Depth
	4684-5097' (openhole)	1000 gal. 20% mud acid	

TUBING RECORD		Size	Set At	Packer At	Liner Run	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
		2-7/8"	4657'	Arrow Set 1X (4657')		
Date of First, Resumerd Production, SWD or Enhr.			Producing Method			
4-17-2007			<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	METHOD OF COMPLETION	Production Interval
<input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	<input checked="" type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input checked="" type="checkbox"/> Other (Specify) <u>Openhole completed SWD.</u>	

RECEIVED
KANSAS CORPORATION COMMISSION
JUN 19 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: Shelby Resources, LLC P.O. Box 1213 Hays, KS 67601	7834000	Invoice	Invoice Date	Order	Station
		701005	01/02/07	14227	Pratt
	Service Description				
	Cement				
		Lease	Well	Well Type	
		Thunderbird Ranch	4-7	Old Well	
		AFE	PO	Terms	
				Net 30	
Customer Rep	Treater				
Chris G.	Steve Orlando				

ID.	Description	UOM	Quantity	Unit Price	Price
D205	AA2 (COMMON)	SK	150	\$15.90	\$2,385.00 (T)
D203	60/40 POZ (COMMON)	SK	25	\$10.30	\$257.50 (T)
C194	CELLFLAKE	LB	39	\$3.70	\$144.30 (T)
C195	FLA-322	LB	43	\$7.50	\$322.50 (T)
C244	CEMENT FRICTION REDUCER	LB	43	\$6.00	\$258.00 (T)
C221	SALT (Fine)	GAL	1128	\$0.25	\$282.00 (T)
C321	GILSONITE	LB	748	\$0.67	\$501.16 (T)
C243	DEFOAMER	LB	36	\$3.45	\$124.20 (T)
C302	MUD FLUSH	GAL	500	\$0.86	\$430.00 (T)
F101	TURBOLIZER, 5 1/2"	EA	5	\$74.20	\$371.00 (T)
F281	CEMENTING SHOE BASKET TYPE, 5 1/2"	EA	1	\$1,700.00	\$1,700.00 (T)
F171	LATCH DOWN PLUG & BAFFLE, 5 1/2"	EA	1	\$250.00	\$250.00 (T)
F121	BASKET, 5 1/2"	EA	1	\$237.50	\$237.50 (T)
C228	SUGAR	LB	50	\$2.00	\$100.00 (T)
E100	HEAVY VEHICLE MILEAGE - 1 WAY	MI	80	\$5.00	\$400.00 (T)
E101	CAR, PICKUP OR VAN MILEAGE - 1 WAY	MI	40	\$3.00	\$120.00 (T)
E104	PROPPANT / BULK DELIV SERVICES/TON MILE, \$200 MIN	TM	326	\$1.60	\$521.60 (T)
E107	CEMENT SERVICE CHARGE	SK	175	\$1.50	\$262.50 (T)
R210	CASING CEMENT PUMPER, 4501-5000' 1ST 4 HRS ON LOC	EA	1	\$1,827.00	\$1,827.00 (T)
R701	CEMENT HEAD RENTAL	EA	1	\$250.00	\$250.00 (T)

APPROVED
CHRIS GOTTSCHALK

JAN 09 2007

BY CG

ACCOUNT # 9308
PROPERTY # 500
AFE # _____
USED FOR _____
APPROVAL: _____

RECEIVED
KANSAS CORPORATION COMMISSION

JUN 19 2007

CONSERVATION DIVISION
WICHITA, KS

Sub Total: \$10,744.26

Discount: \$1,719.08

Discount Sub Total: \$9,025.18

Taxes: \$568.59

(T) Taxable Item Total: **\$9,593.77**

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