

5/29/09

ORIGINAL

MAY 31 2007

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

WELL COMPLETION FORM

WELL HISTORY - DESCRIPTION OF WELL & LEASE

CONSERVATION DIVISION
WICHITA, KS

Operator: License # 5363
 Name: Berexco Inc.
 Address: P. O. Box 2080 193' N 95' W of C. NE
 City/State/Zip: Wichita, KS 67208
 Purchaser: N/A
 Operator Contact Person: Evan Mayhew
 Phone: (316) 265-3311
 Contractor: Name: Beredco Inc.
 License: 5147
 Wellsite Geologist: Edwin H. Grieves
 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>1 Feb. 2007</u>	<u>22 Feb. 2007</u>	<u>12 April 2007</u>
Spud Date or	Date Reached TD	Completion Date or
Recompletion Date		Recompletion Date

API No. 15 - 033-21490-00-00
 County: Comanche
 Sec. 20 Twp. 31 S. R. 17 East West
1127 feet from S (N) (circle one) Line of Section
1415 feet from (E) W (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) (NE) SE NW SW
 Lease Name: Peppard Well #: 3
 Field Name: Wilmore
 Producing Formation: Mississippi
 Elevation: Ground: 2054' Kelly Bushing: 2066'
 Total Depth: 5533' Plug Back Total Depth: 5400'
 Amount of Surface Pipe Set and Cemented at 734 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 AH IJH 10-27-08
 (Data must be collected from the Reserve Pit)
 Chloride content 9,500 ppm Fluid volume 1,800 bbls
 Dewatering method used evaporation
 Location of fluid disposal if hauled offsite: _____
 Operator Name: please see attached sheet (three wells used)
 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: Richard R. Smith
 Title: ENGINEERING TECHNICIAN Date: 30/MAY/2007
 Subscribed and sworn to before me this 30th day of May, 2007
 Notary Public: Diana E Bell
 Date Commission Expires: Aug 10, 2007

KCC Office Use ONLY

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

DIANA E. BELL
 Notary Public - State of Kansas
 My Appt. Expires 8-10-07

MAY 31 2007

Side Two

Operator Name: Berexco Inc. CONSERVATION DIVISION WICHITA, KS Lease Name: Peppard Well #: 3
 Sec. 20 Twp. 31 S. R. 17 East West County: Comanche

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)
 List All E. Logs Run:

Dual Compensated Porosity Log, Dual Induction Log,
 Microresistivity Log, Borehole Compensated Sonic Log
 & Sonic Cement Bond Log

Log Formation (Top), Depth and Datum Sample
 Name Top Datum
 Base Heebner 4181' (-2114')
 Lansing 4365' (-2298')
 Pawnee 4888' (-2821')
 Mississippi 4982' (-2915')
 Viola 5414' (-3347')

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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
conductor	32"	20"		74'	grouted	8 yards	
surface	12 1/4"	8 5/8"	24 #	734'	A-CON	175 sx	3%cc, 1/4#flakes
(see add'l. sheet)					Class A	150 sx	2%cc, 1/4#flakes

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	4993'-4998', 5004'-5012', 5034'-5050'	acidized 4993'-5050'; with 4000 gals	4993' to
		15% NeFe-HCL and 36 balls, Frac with	5050'
		36,000 gals 60 Quality Nitrogen Foam &	
		51000 # 20/40 & 12/20 Sand	

TUBING RECORD	Size	Set At	Packer At	Liner Run
	2 3/8"	SN @ 5077' KB	no packer	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or Enhr.	Producing Method			
4 April 2007	<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	0	118 bwpd	no oil prod.

Disposition of Gas Vented Sold Used on Lease (If vented, Sumit ACO-18.)
 METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled Other (Specify) _____
 Production Interval 4993' - 5050'

THREE
Side Two

Operator Name: Berexo Inc. Lease Name: Peppard Well #: 3
 Sec. 20 Twp. 31 S. R. 17 East West County: Comanche

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, and 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 <i>(Attach Additional Sheets)</i> 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 <i>(Submit Copy)</i> List All E. Logs Run: see sheet 2 - this sheet to finish casing record only.	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum <div style="text-align: center;"> RECEIVED KANSAS CORPORATION COMMISSION MAY 31 2007 CONSERVATION DIVISION WICHITA, KS </div> <div style="text-align: right;"> KCC MAY 29 2007 CONFIDENTIAL </div>
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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
production	7 7/8"	5 1/2"	15.5# & 14#	5532'	60/40 POZ	50 sx	2%gel, 12ppgSc
					AA-2 blend	200 sx	5# Gilsonite
see sht. 2 for surf casing.							

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
	(this info. on sheet 2)		

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		METHOD OF COMPLETION		Production Interval	
<input type="checkbox"/> Vented	<input type="checkbox"/> Sold	<input type="checkbox"/> Used on Lease	<input type="checkbox"/> Open Hole	<input type="checkbox"/> Perf.	<input type="checkbox"/> Dually Comp.
<i>(If vented, Sumit ACO-18.)</i>		<input type="checkbox"/> Other (Specify)			



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

FEB 28 2007

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: BEREXCO, INC. P.O. Box 20380 Wichita, KS 67208	904500	Invoice	Invoice Date	Order	Station												
		702153	02/23/07	14254	Pratt												
Service Description																	
Cement																	
<table border="1"> <tr> <td></td> <td>Well</td> <td>Well Type</td> </tr> <tr> <td></td> <td>3</td> <td>New Well</td> </tr> <tr> <td></td> <td>PO</td> <td>Terms</td> </tr> <tr> <td></td> <td></td> <td>Net 30</td> </tr> </table>							Well	Well Type		3	New Well		PO	Terms			Net 30
	Well	Well Type															
	3	New Well															
	PO	Terms															
		Net 30															
Treater																	
Steve Orlando																	
CustomerRep																	
Kamerson Wilson																	

CCTO
WOT

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ID.	Description	UOM	Quantity	Unit Price	Price
D205	AA2	SK	200	\$16.53	\$3,306.00 (T)
D203	60/40 POZ	SK	75	\$10.71	\$803.25 (T)
C195	FLA-322	LB	57	\$8.25	\$470.25 (T)
C221	SALT (Fine)	GAL	1040	\$0.25	\$260.00 (T)
C243	DEFOAMER	LB	47	\$3.45	\$162.15 (T)
C244	CEMENT FRICTION REDUCER	LB	57	\$6.00	\$342.00 (T)
C312	GAS BLOCK	LB	141	\$5.15	\$726.15 (T)
C321	GILSONITE	LB	997	\$0.67	\$667.99 (T)
C194	CELLFLAKE	LB	71	\$3.70	\$262.70 (T)
F101	TURBOLIZER, 5 1/2"	EA	12	\$74.20	\$890.40 (T)
F171	I.R. LATCH DOWN PLUG & BAFFLE, 5 1/2"	EA	1	\$250.00	\$250.00 (T)
F211	AUTO FILL FLOAT SHOE, 5 1/2"	EA	1	\$320.00	\$320.00 (T)
E100	HEAVY VEHICLE MILEAGE - 1 WAY	MI	100	\$5.00	\$500.00
E101	CAR, PICKUP OR VAN MILEAGE - 1 WAY	MI	50	\$3.00	\$150.00
E104	PROPPANT / BULK DELIV SERVICES/TON MILE, \$200 MIN	TM	633	\$1.60	\$1,012.80
E107	CEMENT SERVICE CHARGE	SK	275	\$1.50	\$412.50
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
R402	CEMENT PUMPER, ADDITIONAL HRS ON LOCATION	HR	4	\$210.00	\$840.00
R404	DERRICK CHARGE, ABOVE 10'	EA	1	\$250.00	\$250.00

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CONSERVATION DIVISION
WICHITA, KS

M ACP

Sub Total:	\$13,924.19
Discount:	\$2,228.54
Discount Sub Total:	\$11,695.65
Comanche County & State Tax Rate: 5.30%	Taxes: \$376.66
(T) Taxable Item	Total: \$12,072.31

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



FIELD ORDER 15696

Subject to Correction

Date 2-02-07	Customer ID	Lease Peppard	Well # 3	Legal 20-315-17W
Berexco Inc.		County Comanche	State KS	Station Liberal
		Depth	Formation	Shoe Joint
		Casing 8 5/8"	Casing Depth	TD 735
		Customer Representative		Treater Kirby Harper
Job Type "Surface (NW)				
AFE Number	PO Number	Materials Received by X		

WF

Station Code	Product Code	QUANTITY	MATERIALS, EQUIPMENT, and SERVICES USED	UNIT PRICE	AMOUNT
L	D201	175 SK	A Con Blend		
L	D200	150 SK	Common		
				OKC RCVD. FEB 06 2007	
L	C310	777 lb	Calcium Chloride		
L	C194	83 lb	CellFlake		
L	F193	1 EA	Guide Shoe - Reg		
L	F233	1 EA	Flapper Type Insert		
L	F145	1 EA	Top Rubber Cement Plug		
L	F103	3 EA	Centralizer		
L	F800	1 EA	Threadlock Compound Kit		
				KCC MAY 29 2007 CONFIDENTIAL	
L	E100	100 MI	Heavy Vehicle Mileage		
L	E101	50 MI	Pickup Mileage		
L	E104	375 SK	Cement Service Charge		
L	R102	1 EA	Casing Cement Pumping, 501-1000'		
L	R701	1 EA	Cement Head Rental		
L	E104	765 TM	Bulk delivery		
L	R402	7 HR	Cement Pumping Add'l Hours on Location		
<div data-bbox="239 1564 569 1785" data-label="Text"> <p>RECEIVED KANSAS CORPORATION COMMISSION MAY 31 2007 CONSERVATION DIVISION WICHITA, KS</p> </div> <div data-bbox="949 1669 1412 1858" data-label="Text"> <p><i>[Signature]</i></p> </div>					
Discounted Total					10,291.37
Plus Tax					

Customer <i>Berexco Inc.</i>	Lease No.	Date <i>2-2-07</i>	
Lease <i>Peppard</i>	Well # <i>3</i>	Field Order # <i>15696</i>	Station <i>Liberal</i>
Casing <i>8 5/8</i>	Depth <i>135</i>	County <i>Comanche</i>	State <i>KS</i>
Type Job <i>8 5/8" Surface</i>	Formation <i>(NW)</i>	Legal Description <i>20-315-17W</i>	

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME	
Casing Size	Tubing Size	Shots/Ft		Acid	RATE	BRESS	ISIP
Depth	Depth	From	To	Pre Pad	Max		5 Min.
Volume	Volume	From	To	Pad	Min		10 Min.
Max Press	Max Press	From	To	Frac	Avg		15 Min.
Well Connection	Annulus Vol.	From	To		HHP Used		Annulus Pressure
Plug Depth	Packer Depth	From	To	Flush <i>Water</i>	Gas Volume		Total Load

Customer Representative	Station Manager <i>Jerry Bennett</i>	Treater <i>Kirby Hopper</i>
Service Units <i>126 227 344 502</i>	Driver Names <i>Hopper Quillin Oct z Gabr. cl</i>	MAY 29 2007

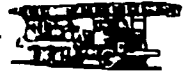
Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
<i>0100</i>					<i>On Location - Spot + Rig up</i>
<i>1130</i>					<i>Casing on bottom - Break Circulation</i>
<i>1215</i>	<i>200</i>		<i>80</i>	<i>5.5</i>	<i>Mix 175 sk A Con @ 12 PPG</i>
<i>1244</i>	<i>200</i>		<i>33</i>	<i>5</i>	<i>Mix 150 sk Class A @ 15 PPG</i>
<i>1257</i>					<i>Shut down - Drop top Plug</i>
<i>1304</i>	<i>200</i>		<i>0</i>	<i>4</i>	<i>Displace with 44 BBL</i>
<i>1316</i>	<i>300</i>		<i>34</i>	<i>2</i>	<i>Slow Rate</i>
<i>1321</i>	<i>300-400</i>		<i>44</i>		<i>Bump Plug</i>
<i>1323</i>	<i>300-0</i>				<i>Release Pressure - Float Held</i>
					<i>Circulate Cement to the pit</i>

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CONSERVATION DIVISION
WICHITA, KS

OKC RCVD.
FEB 06 2007

Koda Services, Inc.

Conductor and Rat Hole Drilling, Landfill Gas Drilling and Well Construction Nationwide



CC
Invoice

OKC RCVD.
FEB 06 2007

DATE	INVOICE #
2/2/2007	5561

BILL TO
Berexco, Inc. 2601 N.W. Expressway Suite 1100 East Oklahoma City, OK 73112

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CONSERVATION DIVISION
WICHITA, KS

Well Field

ORDERED BY	TERMS	FIELD...	For Drill Rig	LEASE	LEGAL DESCRIPTION & COUNTY
Camron	Net 30	3255	Beredco #2	Peppard #3	Comanche Co.; KS
QUANTITY	DESCRIPTION				AMOUNT
74	Drilled 74' of 32" conductor hole				0.00T
	Furnished 74' of 20" conductor pipe				0.00T
1	Furnished 5' X 5' tinhorn				0.00T
	Furnished mud, water & trucking				
	Furnished welder & materials				
	Furnished grout				
	Drilled rat & mouse holes				
	Dirt removal				
	Drilling services				4,920.00
	Taxable materials				5,285.00
	Kansas sales tax				280.11T
	County Tax(N/A)				0.00
	Ins & Fuel Surcharge				816.40
	non taxable				0.00
Thank you for your business.					Total \$11,301.51

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