

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
October 2008
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

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 # 30606
Name: Murfin Drilling Company
Wellsite Geologist: Jerry Green / Doug Jones
Purchaser: _____

API No. 15 - 165-21840-0000
Spot Description: _____
Approx. SE NW NE Sec. 7 Twp. 17 S. R. 19 East West
990 Feet from North / South Line of Section
1650 Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Rush
Lease Name: Bisagno Well #: 1
Field Name: Hampton
Producing Formation: Arbuckle

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.)

Elevation: Ground: 2111 Kelly Bushing: 2116
Casing Depth: 3950 Plug Back Total Depth: 3947
Amount of Surface Pipe Set and Cemented at: 208 Feet
Multiple Stage Cementing Collar Used? Yes No
If Yes, show depth set: _____ Feet
If Alternate II completion, cement circulated from: TD 3947
feet depth to: SURFACE w/ 445 sacks 4,142-Dlg-8/4/09 ^{sq 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.: _____
10/10/08 10/15/08 1009 10-16-08
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)
Chloride content: 30,000 ppm Fluid volume: 500 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: 7/14/09
Subscribed and sworn to before me this 14th day of July
20 09
Notary Public: KATHERINE BRAY
Date Commission Expires: 7-3-12

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

NOTARY PUBLIC
STATE OF KANSAS
Katherine Bray
Notary Public
State Of Kansas
My App. Exp 7-3-12

Operator Name: Castle Resources Inc. Lease Name: Bisagno Well #: 1
 Sec. 7 Twp. 17 S. R. 19 East West County: Rush

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 <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:	<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:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>Anhydrite</td> <td>1324-60</td> <td></td> </tr> <tr> <td>Heebner</td> <td>3436</td> <td>-1320</td> </tr> <tr> <td>LKC</td> <td>3478</td> <td>-1326</td> </tr> <tr> <td>BKC</td> <td>3476</td> <td>-1628</td> </tr> <tr> <td>Arbuckle</td> <td>3856</td> <td>-1740</td> </tr> <tr> <td>RTD</td> <td>3953</td> <td>-1837</td> </tr> </table>	Name	Top	Datum	Anhydrite	1324-60		Heebner	3436	-1320	LKC	3478	-1326	BKC	3476	-1628	Arbuckle	3856	-1740	RTD	3953	-1837
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RTD	3953	-1837																				

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"		208'	Common	160	3%CC, 2%GEL
Production		5 1/2"	14#	3947'	SMD	125	Flocele

ADDITIONAL CEMENTING / SQUEEZE RECORD			
Purpose:	Depth Top Bottom	Type of Cement	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			

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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 laterals 3859 4way 300'	400 gal 15%HCL	3859
	4 laterals 3862.5 4way 200'-475'	400 gal 15%HCL	3862.5

TUBING RECORD: Size: <u>2 7/8 3840'</u> Packer At:		Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No
Date of First, Resumed Production, SWD or Enhr. <u>1-1-09</u>	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>30</u>	Gas Mcf _____ Water Bbls. _____ Gas-Oil Ratio _____ Gravity _____

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <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>laterals</u>	PRODUCTION INTERVAL: _____ _____
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CHARGE TO: *Castle Resources*
 ADDRESS:
 CITY, STATE, ZIP CODE:

TICKET No 14767

PAGE 1 OF 1

SERVICE LOCATIONS: 1. *Hays, Ks.* 2. *Ness City, Ks.*
 WELL/PROJECT NO.: *Bazater* LEASE: *Rush* COUNTY/PARISH: *Ks* STATE: *Ks* CITY: *Location* DATE: *10-20-08* OWNER: *Same*
 TICKET TYPE: SERVICE SALES CONTRACTOR: *None* RIG NAME/NO.: *None* SHIPPED VIA: *Location* ORDER NO.:
 WELL TYPE: *oil* WELL CATEGORY: *Development* JOB PURPOSE: *Shallow Squeeze* WELL PERMIT NO.: WELL LOCATION:
 REFERRAL LOCATION: INVOICE INSTRUCTIONS:

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
575		1			MILEAGE #111	30	mi			7.00	210.00
577		1			Pump Charge (shallow squeeze)	1	ea	1000'		1000.00	1000.00
290		1			D-Air	1	gal			35.00	35.00
410		1			Top Plug	1	ea	5 1/2"		100.00	100.00
330		2			SMD Cement	125	cks			16.00	2000.00
276		2			Floccle	25	#			1.50	37.50
581		2			Cement Service Charge	125	cks			1.90	237.50
583		2			Drayage	183.3	T/M			1.75	320.78

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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

SIGNED: _____ TIME SIGNED: 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	3840.78
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?					
WE UNDERSTOOD AND MET YOUR NEEDS?					
OUR SERVICE WAS PERFORMED WITHOUT DELAY?					
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?					
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO					
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND					
				TOTAL	4055.92

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

APPROVAL

Thank You!



CHARGE TO: CASZC Resources
 ADDRESS:
 CITY, STATE, ZIP CODE:

TICKET
 No 13875

PAGE 1 OF 2

SERVICE LOCATIONS
 1. 1005 WELL/PROJECT NO. 1 LEASE BILAGNO COUNTY/PARISH RUSH STATE LA CITY DATE 10-15-08 OWNER
 2. NSS TICKET TYPE SERVICE CONTRACTOR RIG NAME/NO. MURPHY # 01 SHIPPED VIA Co. DELIVERED TO 623 S. Hwy. 101, Leesville, LA ORDER NO.
 3. WELL TYPE OIL WELL CATEGORY Develop JOB PURPOSE CONCRETE WELL PERMIT NO. 15-165-213410 WELL LOCATION 27.717 211
 4. REFERRAL LOCATION INVOICE INSTRUCTIONS

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UM		UNIT PRICE		AMOUNT	
		LOC	ACCT	DF									
575		1			MILEAGE # 112	40		mi		17	00	280	00
575		1			Pump Service	1		EA		1400	00	1400	00
221		1			LINER	4		GA		26	00	104	00
251		1			MUSTERSH	500		CA		1	00	500	00
290		1			DAIR	4		GA		35	00	140	00
402		1			CEMENT	6		EA	5 1/2	100	00	600	00
403		1			CMT BASKET	3		EA	5 1/2	300	00	900	00
406		1			LARK DOWN PUMP	1		EA	5 1/2	260	00	260	00
407		1			TRUCK FISHING	1		EA	5 1/2	225	00	225	00

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

X [Signature]
 DATE SIGNED 10/15/08 TIME SIGNED 2:20 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	AMOUNT
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				1/1	4505 00
WE UNDERSTOOD AND MET YOUR NEEDS?				1/2	7215 12
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				7/25/11	11744 12
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?					
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES <input type="checkbox"/> NO			TAX	
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				TOTAL	

ALLIED CEMENTING CO., LLC. 33262

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

SERVICE POINT: NESS CITY

DATE <u>10-10-08</u>	SEC. <u>7</u>	TWP. <u>17S</u>	RANGE <u>19W</u>	CALLED OUT <u>10:30 AM</u>	ON LOCATION <u>1:00 PM</u>	JOB START <u>4:00 PM</u>	JOB FINISH <u>5:00 PM</u>
LEASE <u>Bisagno</u>		WELL# <u>1</u>		LOCATION <u>Haysville 3N 19W</u>		COUNTY <u>RUSH</u>	STATE <u>KS</u>
OLD OR <input checked="" type="radio"/> NEW (Circle one)			<u>5/11/10</u>				

CONTRACTOR MURFIN RIG 24
 TYPE OF JOB SLURFACE
 HOLE SIZE 12 1/4 T.D. 208'
 CASING SIZE 8 5/8 DEPTH 208'
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE 11 1/2 DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX 200 MINIMUM 50
 MEAS. LINE _____ SHOE JOINT 15'
 CEMENT LEFT IN CSG. 15'
 PERFS. _____
 DISPLACEMENT FRESH WATER 12 BBL'S

OWNER CASTLE RESOURCES

CEMENT
 AMOUNT ORDERED 1605x COMMON 1010
37.00 + 24.00

EQUIPMENT

PUMP TRUCK CEMENTER DWAYNE W
 # 3106 HELPER JOE B
 BULK TRUCK
 # 4182 DRIVER JACK B
 BULK TRUCK
 # _____ DRIVER _____

COMMON _____ @ _____
 POZMIX _____ @ _____
 GEL _____ @ _____
 CHLORIDE _____ @ _____
 ASC _____ @ _____
 KANSAS CORPORATION COMMISSION _____ @ _____
JUL 16 2009 @ _____
RECEIVED @ _____
 _____ @ _____
 HANDLING _____ @ _____
 MILEAGE _____ @ _____

REMARKS:

PIPE ON BOTTOM BREAK CIRCULATION
PUMP 1605x COMMON + 37.00 + 24.00 GEL
SHUT DOWN RELEASED PLUG AND DISP
WITH 12 BBL'S OF FRESH WATER SHUT
IN CEMENT DID A CIRCULATE

SERVICE

DEPTH OF JOB 208'
 PUMP TRUCK CHARGE _____
 EXTRA FOOTAGE _____ @ _____
 MILEAGE _____ @ _____
 MANIFOLD HEAD RENT @ _____
 _____ @ _____
 _____ @ _____

CHARGE TO: CASTLE RESOURCES

STREET _____
 CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

1-8 5/8 WOODEN PLUG @ _____
 _____ @ _____
 _____ @ _____
 _____ @ _____
 _____ @ _____

To Allied Cementing Co., LLC.
 You are hereby requested to rent cementing equipment and furnish cementer and helper(s) 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 and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

PRINTED NAME x Anthony Martin

SIGNATURE x [Signature]

1-07 Job Guys

SALES TAX (If Any) _____
 TOTAL CHARGES _____
 DISCOUNT _____ IF PAID IN 30 DAYS

Thank you

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "ALLIED" shall mean Allied Cementing Co., LLC, 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 willful 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.