

Notice: Fill out COMPLETELY and return to Conservation Division at the address below within 60 days from plugging date.

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION WELL PLUGGING RECORD K.A.R. 82-3-117

Form CP-4 March 2009 Type or Print on this Form Form must be Signed All blanks must be Filled

OPERATOR: License #: 34259 Name: JAG Operations, Inc. Address 1: 710 S. Front Address 2: PO Box 628 City: Russell State: KS Zip: 67665 Contact Person: Jack Yost Phone: (785) 483-0271 Type of Well: Oil Well Gas Well D&A Cathodic Water Supply Well Other: SWD Permit #: ENHR Permit #: Gas Storage Permit #: Is ACO-1 filed? Yes No If not, is well log attached? Yes No Producing Formation(s): List All (If needed attach another sheet)

API No. 15 - 167-23581-00-00 Spot Description: NW NE SW NW Sec. 23 Twp. 13 S. R. 15 East West 1,378 Feet from North South Line of Section 847 Feet from East West Line of Section Footages Calculated from Nearest Outside Section Corner: NE NW SE SW County: Russell Lease Name: Olson "A" Well #: 1 Date Well Completed: D & A The plugging proposal was approved on: 07-16-09 (Date) by: Pat Staab (KCC District Agent's Name) Plugging Commenced: 07-17-09 Plugging Completed: 07-17-09

Show depth and thickness of all water, oil and gas formations.

Table with 6 columns: Oil, Gas or Water Records (Formation, Content), Casing Record (Surface, Conductor & Production) (Casing, Size, Setting Depth, Pulled Out). Row 1: *see attached drilling report, Surface, 8 5/8" new 20#, 254', 0'.

Describe in detail the manner in which the well is plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same depth placed from (bottom), to (top) for each plug set.

Plug well with 230 sacks of 60/40 Poz, 4% gel, 1/4# floreal per sack. 1st plug @ 3293' with 25 sacks. 2nd plug @ 989' with 25 sacks. 3rd plug @ 507' with 100 sacks. 4th plug @ 304' with 40 sacks. 5th plug @ 40' with 10 sacks to surface. Plug rat hole with 30 sacks. Job complete @ 1:15 a.m. on 07-17-09 by Quality Cement (tk #3326)

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Plugging Contractor License #: 33350 Name: Southwind Drilling, Inc. Address 1: PO Box 276 Address 2: 8 North Main City: Ellinwood State: KS Zip: 67526 Phone: (620) 564-3800

Name of Party Responsible for Plugging Fees: JAG Operations, Inc. State of Kansas County: Barton, ss. Renee Kasselmann, Office Manager of Southwind Drilling, Inc. Employee of Operator or Operator on above-described well.

being first duly sworn on oath, says: That I have knowledge of the facts statements, and matters herein contained, and the log of the above-described well is as filed, and the same are true and correct, so help me God. Signature: Renee Kasselmann 7-23-09

**SOUTHWIND DRILLING, INC.
PLUGGING ORDERS AND REPORTS**

Lease: OLSEN "A" #1 (JAG OPERATIONS)

Plugging received from KCC representative:

Name: PAT STAAB Date 7-16-09 Time 8:30 A.M

1st plug @ 3293 ft. 25 sx. Stands: 54

2nd plug @ 989 ft. 25 sx. Stands: 16 1/2

3rd plug @ 507 ft. 100 sx. Stands: 8 1/2

4th plug @ 304 ft. 40 sx. Stands: 5

5th plug @ 40 ft. 10 sx. Stands: 1

Mousehole NA sx.

Rahole 30 sx.

Total Cement used: 230 sx.

Type of cement 60/40 P62, 4% GEL, 1/4" FLOSEAL

Plug down @ 1:15 A.M 7-17-09 By QUALITY, Lic # 3324

Call KCC When Completed:

Name: Bruce Rodie Date 07-17-09 Time 11:15 a.m.

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QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 0026

Date 7-16-09	Sec. 23	Twp. B	Range 15	County RS	State KS	On Location	Finish 1:15 AM
Lease Olsen "A"		Well No. 1		Location Russell 6W 1 3/4 N E 4 STWTO			
Contractor Southwind #2				Owner			
Type Job Rotary Plug				To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.			
Hole Size 7 7/8		T.D. 3368		Charge To JAG Operations			
Csg.		Depth		Street			
Tbg. Size		Depth		City			
Drill Pipe 4 1/2 X hole		Depth		State			
Tool		Depth		The above was done to satisfaction and supervision of owner agent or contractor.			
Cement Left in Csg.		Shoe Joint		Amount Ordered CEMENT 1/4 lb Flo 230⁶⁰ 40 45^{case}			
Press Max.		Minimum		Common			
Meas Line		Displace		Common			
Perf.				Poz. Mix			
EQUIPMENT				Gel.			
Pumptrk 1	No.	Cementer Helper Brandon		Calcium			
Bulktrk 7	No.	Driver Blake		Mills			
Bulktrk 14	No.	Driver ADYB		Salt			
JOB SERVICES & REMARKS				Flowseal			
Pumptrk Charge							
Mileage							
Footage							
		Total		Handling			
Remarks:				Mileage			
1st Plug @ 3293' 25SX				Pump Truck Charge			
2nd " " @ 989' 25SX				FLOAT EQUIPMENT			
3rd " " @ 507' 100SX				Guide Shoe			
4th " " @ 304' 40SX				Centralizer			
5th " " @ 40' 10SX				Baskets			
Rathole 30SX				AFU Inserts			
Thank You!!				AFU Inserts			
				AFU Inserts			
Robynne Thomas				Rotating Head			
				Squeez Mainfold			
X Signature				Tax			
				Discount			
				Total Charge			

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1 - 8 5/8 wood plug

SOUTHWIND DRILLING, INC.

RIG #2

PO Box 276, Ellinwood, KS 67526
Office Phone 620-564-3800, Fax 620-564-3845

DRILLING REPORT

Olson "A" #1

Location: 847' FWL & 1378' FNL
API#: 15-167-23581-00-00

Section 23-13S-15W
Russell County, Kansas

OWNER: : JAG Operations, Inc.
CONTRACTOR: Southwind Drilling, Inc. Rig #2

COMMENCED: 07-09-09
COMPLETED: 07-17-09

TOTAL DEPTH: Driller: 3368'
Logger: 3369'

Ground Elevation: 1883'
KB Elevation: 1892'

LOG:

0'	-	865'	Redbed
865'	-	1158'	Shale
1158'	-	3368'	Lime/Shale
		3368'	RTD

CASING RECORDS

Surface casing – 8 5/8"

Ran 7 joints of 20# new 8 5/8" surface casing. Tally @ 243.21'. Set @ 254'. Cement with 150 sacks of common, 3% calcium chloride, 2% gel. Cement did circulate. Plug down @ 8:30 p.m. on 07-09-09 by Quality Cement (tk #3301).

Production casing – 5 1/2"

None – plugged the well

DEVIATION SURVEYS

3/4 degree (s)	@	256'
1 degree (s)	@	2975'
1 1/2 degree (s)	@	3368'

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MORNING DRILLING REPORT				Email to: JAG			
Southwind Drilling, Inc. PO Box 276 8 North Main Ellinwood, KS 67526 620-564-3800			Wellsite Geologist: Mike Bair 402-694-1293	WELL NAME		Olson "A" #1	
Rig #2 Phone Numbers				LOCATION		847' FWL & 1378' FNL Sec. 23-13S-15W Russell County, KS	
620-617-5921			Rig Cellular (Dog house)	Yes	JAG Operations, Inc. PO Box 628 Russell, KS 67665 785-445-4142		
620-617-5920			Geologist Trailer Cellular	No	ELEVATION		
620-450-7682			Tool Pusher Cellular	Yes	LeWayne Tresner	G.L. 1883'	K.B. 1892'
				API# 15-167-23581-00-00			

Driving Directions: From Russell (Hwy.40 & Hwy. 281): 6 miles West on Hwy. 40, 1 ¼ miles North, East into.

Day Date 07-09-09 Thursday Survey @ 256' = ¾ degree

Moved Rig #2 on location

Spud @ 2:15 p.m.

Ran 4.75 hours drilling (.50 drill rat hole, 2.50 drill 12 ¼, 1.75 drill 7 7/8"). Down 19.25 hours (6.75 rig up, 2.00 connection, .25 circulate, .25 trip, .25 survey, 1.50 run casing/cement, 8.00 wait on cement, .25 drill plug)

Mud properties: fresh water

Daily Mud Cost = \$0.00. Mud Cost to Date = \$0.00

Wt. on bit: 15,000, 80 RPM, 120# pump pressure

12 ¼" bit #1 (in @ 0' out @ 256') = 2.50 hrs. - 256'

7 7/8" bit #1 (in @ 256') = 1.75 hrs. - 159'

1" fuel = 34.50 gals

Fuel usage: 69.00 gals (83" used 2") Start @ 11" + 75" delivered = 85"

Ran 7 joints of 20# new 8 5/8" surface casing. Tally @ 243.21'. Set @ 254'. Cement with 150 sacks of common, 3% calcium chloride, 2% gel. Cement did circulate. Plug down @ 8:30 p.m. on 07-09-09 by Quality Cement (tk #3301).

Day Date 07-10-09 Friday

7:00 am - Drilling @ 415'

Ran 20.00 hours drilling. Down 4.00 hours (2.00 connection, 1.00 jet, .75 rig check, .25 rig repair)

Mud properties: fresh water

Daily Mud Cost = \$1,384.45. Mud Cost to Date = \$1,384.45

Wt. on bit: 20,000, 80 RPM, 800# pump pressure

12 ¼" bit #1 (in @ 0' out @ 256') = 2.50 hrs. - 256'

7 7/8" bit #1 (in @ 256') = 21.75 hrs. - 1374'

Fuel usage: 310.50 gals (74" used 9")

Day Date 07-11-09 Saturday

7:00 am - Drilling @ 1630'

Ran 21.50 hours drilling. Down 2.50 hours (1.00 connection, .75 jet, .75 rig check)

Mud properties: fresh water

Daily Mud Cost = \$0.00. Mud Cost to Date = \$1,384.45

Wt. on bit: 25,000, 80 RPM, 800# pump pressure

12 ¼" bit #1 (in @ 0' out @ 256') = 2.50 hrs. - 256'

7 7/8" bit #1 (in @ 256') = 43.25 hrs. - 1984'

Fuel usage: 310.50 gals (65" used 9")

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MORNING DRILLING REPORT				Email to: JAG			
Southwind Drilling, Inc. PO Box 276 8 North Main Ellinwood, KS 67526 620-564-3800			Wellsite Geologist: Mike Bair 402-694-1293	WELL NAME		Olson "A" #1	
Rig #2 Phone Numbers				LOCATION		847' FWL & 1378' FNL Sec. 23-13S-15W Russell County, KS	
620-617-5921 Rig Cellular (Dog house) Yes				JAG Operations, Inc. PO Box 628 Russell, KS 67665 785-445-4142			
620-617-5920 Geologist Trailer Cellular No				ELEVATION		G.L. 1883' K.B. 1892' API# 15-167-23581-00-00	
620-450-7682 Tool Pusher Cellular Yes			LeWayne Tresner				

Driving Directions: From Russell (Hwy.40 & Hwy. 281): 6 miles West on Hwy. 40, 1 ¼ miles North, East into.

Day 4 Date 07-12-09 Sunday

7:00 am – Drilling @ 2240'
 Ran 20.75 hours drilling. Down 3.25 hours (.75 rig check, .75 connection, .50 jet, 1.00 displace @ 2593', .25 rig repair)
 Mud properties: wt. 8.6, vis. 49
 Daily Mud Cost = \$0.00. Mud Cost to Date = \$1,384.45
 Wt. on bit: 32,000, 80 RPM, 800# pump pressure
 12 ¼" bit #1 (in @ 0' out @ 256') = 2.50 hrs. - 256'
 7 7/8" bit #1 (in @ 256') = 64.00 hrs. - 2574'
 Fuel usage: 345.00 gals (55" used 10")

Day 5 Date 07-13-09 Monday Survey @ 2975' = 1 degree
Pipe strap = 1.53 long to the board

DST #1 (2947' – 2974')
Topeka formation
Recovered 65' very slightly oil cut mud

7:00 am – Drilling @ 2830'
 Ran 8.75 hours drilling. Down 15.25 hours (2.00 CTCH, 1.00 CFS @ 2975', 8.50 trip, .25 rig check, .25 survey, 2.50 DST #1, .25 connection, .50 wait on weather)
 Mud properties: wt. 8.8, vis. 48, water loss 8.8
 Daily Mud Cost = \$6,440.55. Mud Cost to Date = \$7,825.00
 Wt. on bit: 32,000, 80 RPM, 800# pump pressure
 12 ¼" bit #1 (in @ 0' out @ 256') = 2.50 hrs. - 256'
 7 7/8" bit #1 (in @ 256') = 72.75 hrs. - 2744'
 Fuel usage: 276.00 gals (47" used 8")

Day 6 Date 07-14-09 Tuesday DST #2 (3056' – 3086')
LKC "B" formation
Recovered 135' oil cut mud

7:00 am – Drilling @ 3000'
 Ran 5.00 hours drilling. Down 19.00 hours (.50 CFS @ 3024', 1.00 CFS @ 3086', 1.00 CTCH, 1.00 CFS @ 3109', 10.00 trip, .50 rig check, 3.00 DST #2, 1.25 DST #3, .75 wait on weather)
 Mud properties: wt. 9.0, vis. 47, water loss 10.4
 Daily Mud Cost = \$0.00. Mud Cost to Date = \$7,825.00
 Wt. on bit: 32,000, 80 RPM, 800# pump pressure
 12 ¼" bit #1 (in @ 0' out @ 256') = 2.50 hrs. - 256'
 7 7/8" bit #1 (in @ 256') = 77.75 hrs. - 2853'
 Fuel usage: 241.50 gals (40" used 7")

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Southwind Drilling, Inc. PO Box 276 8 North Main Ellinwood, KS 67526 620-564-3800			Wellsite Geologist: Mike Bair 402-694-1293	WELL NAME		Olson "A" #1	
Rig #2 Phone Numbers				LOCATION		847' FWL & 1378' FNL Sec. 23-13S-15W Russell County, KS	
620-617-5921 Rig Cellular (Dog house) Yes				JAG Operations, Inc. PO Box 628 Russell, KS 67665 785-445-4142			
620-617-5920 Geologist Trailer Cellular No				ELEVATION		G.L. 1883' K.B. 1892' API# 15-167-23581-00-00	
620-450-7682 Tool Pusher Cellular Yes			LeWayne Tresner				

Driving Directions: From Russell (Hwy.40 & Hwy. 281): 6 miles West on Hwy. 40, 1 ¼ miles North, East into.

Day	7	Date	07-15-09	Wednesday	DST #3 (3087' – 3109')
					LKC "C" formation
					Recovered 1' clean oil and
					120' mud cut water

7:00 am – On bottom with DST #3 @ 3109'
 Ran 13.25 hours drilling. Down 10.75 hours (1.00 CTCH, 1.00 CFS @ 3142', .50 CFS @ 3156', .75 CFS @ 3193', 1.25 CFS @ 3318', 3.25 trip, .50 rig check, 2.00 DST #3, .50 connection)
 Mud properties: wt. 9.1, vis. 52, water loss 10.4
 Daily Mud Cost = \$515.80. Mud Cost to Date = \$8,340.80
 Wt. on bit: 30,000, 80 RPM, 800# pump pressure
 12 ¼" bit #1 (in @ 0' out @ 256') = 2.50 hrs. - 256'
 7 7/8" bit #1 (in @ 256' out @ 3062') = 91.00 hrs. - 3062'

Fuel usage: 310.50 gals (31" used 9")

Day	8	Date	07-16-09	Thursday	Survey @ 3368' = 1 ½ degree
					RTD = 3368'
					LTD = 3369'

7:00 am – Drilling @ 3318'
 Ran 2.00 hours drilling. Down 22.00 hours (.25 rig check, 1.00 CFS @ 3368', 2.00 trip, 1.25 CTCH, .25 survey, 4.25 log, .50 wait on orders, 5.75 lay down pipe, 1.00 plug, 5.75 tear down)
 Mud properties: wt. 9.1, vis. 52, water loss 10.4
 Daily Mud Cost = \$1,346.70. **Total Mud Cost = \$9,687.50**
 Wt. on bit: 30,000, 80 RPM, 800# pump pressure
 12 ¼" bit #1 (in @ 0' out @ 256') = 2.50 hrs. - 256'
 7 7/8" bit #1 (in @ 256' out @ 3368') = 93.00 hrs. - 3112'

Fuel usage: 138.00 gals (48" used 4") 31" + 21" delivered = 52"

Plug well with 230 sacks of 60/40 Poz, 4% gel, ¼# floseal per sack.
 1st plug @ 3293' with 25 sacks. 2nd plug @ 989' with 25 sacks. 3rd plug @ 507' with 100 sacks.
 4th plug @ 304' with 40 sacks. 5th plug @ 40' with 10 sacks to surface. Plug rat hole with 30 sacks.
 Job complete @ 1:15 a.m. on 07-17-09 by Quality Cement (tk #3326)

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