

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 # 34058
Name: MUSGROVE ENERGY INC
Address 1: P O BOX 2287
Address 2: _____
City: PONCA CITY State: OK Zip: 74602 + 2287
Contact Person: CASEY MUSGROVE
Phone: (580) 761-3320

CONTRACTOR: License # 33323
Name: PETROMARK DRILLING LLC
Wellsite Geologist: JAMES MUSGROVE

Purchaser: NCRA
Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SIOW
 Gas ENHR SIGW
 CM (Coal Bed Methane) Temp. Abd.
 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. Conv. to SWD
 Plug Back: _____ Plug Back Total Depth _____
 Commingled Docket No.: _____
 Dual Completion Docket No.: _____
 Other (SWD or Enhr.?) Docket No.: _____
1/28/2009 2/03/2009 3/19/2009
Spud Date or Recompletion Date Date Reached TD Completion Date or Recompletion Date

API No. 15 - 185-23532-0000
Spot Description: _____
NW NW NW Sec. 35 Twp. 22 S. R. 12 East West
330 Feet from North / South Line of Section
520 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: STAFFORD
Lease Name: McCUNE A Well #: 2
Field Name: PLEASANT GROVE
Producing Formation: ARBUCKLE
Elevation: Ground: 1832 Kelly Bushing: 1837
Total Depth: 3665 Plug Back Total Depth: 3665
Amount of Surface Pipe Set and Cemented at: 237 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 I NR 9-30-09
(Data must be collected from the Reserve Pit)
Chloride content: 12,200 ppm Fluid volume: 2,380 bbls
Dewatering method used: WATER TRUCK
Location of fluid disposal if hauled offsite:
Operator Name: MUSGROVE ENERGY INC
Lease Name: VOIGHT WEST License No.: 34058
Quarter SE Sec. 11 Twp. 22 S. R. 12 East West
County: STAFFORD Docket No.: APPROVED PIT

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: Casey Musgrove
Title: VICE PRESIDENT Date: 9/18/2009
Subscribed and sworn to before me this 18 day of September
20 09
Notary Public: Stacia J. Smith
Date Commission Expires: 9-30-2009

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

Operator Name: MUSGROVE ENERGY INC Lease Name: McCUNE A Well #: 2
 Sec. 35 Twp. 22 S. R. 12 East West County: STAFFORD

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 <i>(Attach Additional Sheets)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Name	Top Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	LANSING	3274 -1437
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	BASE KANSAS CITY	3521 -1684
		VIOLA	3548 -1711
		SIMPSON SHALE	3592 -1755
		SIMPSON SAND	3611 -1774
		ARBUCKLE	3658 -1821

List All E. Logs Run:
MEL / DIL / CNL / CDL

RECEIVED
SEP 23 1979

KCC WICHITA 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	12.25	8.625	23	237	CLASS A	300	5# GEL, 10# CAL CHLORIDE
PRODUCTION	7.875	5.5	15.5	3659	CLASS A	200	400# GEL, 1000# CAL-SEAL
							300# CAL CHLORIDE

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

TUBING RECORD: Size: 2.375 Set At: 3659 Packer At: _____ Liner Run: Yes No

Date of First, Resumed Production, SWD or Enhr. _____ Producing Method: Flowing Pumping Gas Lift Other *(Explain)* _____

Estimated Production Per 24 Hours	Oil Bbls. <u>1</u>	Gas Mcf <u>0</u>	Water Bbls. <u>0</u>	Gas-Oil Ratio <u>0-1</u>	Gravity <u>30.8</u>
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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 checked="" type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other <i>(Specify)</i> _____	PRODUCTION INTERVAL: <u>3659-3665</u>
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CONSOLIDATED
Oil Well Services, LLC

REMIT TO
Consolidated Oil Well Services, LLC
Dept. 970
P.O. Box 4346
Houston, TX 77210-4346

MAIN OFFICE
P.O. Box 884
Chanute, KS 66720
620/431-9210 • 1-800/467-8676
FAX 620/431-0012

INVOICE Invoice # 228681

Invoice Date: 02/09/2009 Terms: 0/30,n/30 Page 1

MUSGROVE ENERGY, INC.
P.O. BOX 2287
PONCA CITY OK 74602
(580)762-6355

MCCUNE A #2
19685
02-03-09

Part Number	Description	Qty	Unit Price	Total
1104S	CLASS "A" CEMENT (SALE)	200.00	12.7000	2540.00
1118A	S-5 GEL/ BENTONITE (50#)	400.00	.1600	64.00
1110A	KOL SEAL (50# BAG)	1000.00	.3900	390.00
1102	CALCIUM CHLORIDE (50#)	300.00	.7100	213.00
4104	CEMENT BASKET 5 1/2"	2.00	206.0000	412.00
4130	CENTRALIZER 5 1/2"	6.00	44.0000	264.00
4454	5 1/2" LATCH DOWN PLUG	1.00	228.0000	228.00
4253	TYPE A PACKER SHOE61/2X6	1.00	1542.0000	1542.00

Description	Hours	Unit Price	Total
467 CEMENT PUMP	1.00	870.00	870.00
467 EQUIPMENT MILEAGE (ONE WAY)	80.00	3.45	276.00
502 TON MILEAGE DELIVERY	752.00	1.16	872.32

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Parts: 5653.00 Freight: .00 Tax: 356.14 AR 8027.46
Labor: .00 Misc: .00 Total: 8027.46
Sublt: .00 Supplies: .00 Change: .00

Signed _____ Date _____

BARTLESVILLE, OK
918/338-0808

ELDORADO, KS
316/322-7022

EUREKA, Ks
620/583-7664

GILLETTE, WY
307/686-4914

McALESTER, OK
918/426-7667

OTTAWA, Ks
785/242-4044

THAYER, Ks
620/839-5269

WORLAND, WY
307/347-4577



CONSOLIDATED
Oil Well Services, LLC

ENTERED

TICKET NUMBER 19685
LOCATION El Dorado #80
FOREMAN Jim Thomas

PO Box 884, Chanute, KS 66720
620-431-9210 or 800-467-8676

FIELD TICKET & TREATMENT REPORT
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
2-3-09	5490	McCune A #2	35	22.5	12 W	Saline
CUSTOMER			TRUCK #	DRIVER	TRUCK #	DRIVER
Musgrove Energy Inc			467	Jeff		
MAILING ADDRESS			502	Jerald		
P.O. Box 2287						
CITY	STATE	ZIP CODE				
Ponca City	OK	74602				

JOB TYPE Long String HOLE SIZE 7 7/8 HOLE DEPTH 3665 ft. CASING SIZE & WEIGHT 5 1/2" 5.50 #
 CASING DEPTH 3665 ft. DRILL PIPE _____ TUBING _____ OTHER New
 SLURRY WEIGHT _____ SLURRY VOL _____ WATER gal/sk _____ CEMENT LEFT in CASING 21.2984
 DISPLACEMENT 86.3708 DISPLACEMENT PSI 600 1200 RATE _____

REMARKS: Safety Meeting. Rig up to 5 1/2". Ball Dropped. Load 5 1/2" with
Drilling Mudd + Pump. Ball threw to set 5 1/2" packoff shoe 1000 PSI.
Circulate 45 min. Bottom's up with Rig Mudd Pump. Rig up to 5 1/2"
Break circulation, Pump 18.5 sks Class A 5% Kol-Seal gel. 12 sec. shut
down, wash up Pump + lines. Release 5 1/2" hatch down plug + disc to 278'
Dump plug at 200 PSI. Release PSI, Plug held. Plug set hole with 10 sks
Cement. Wash up + rig down.

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE RECEIVED	810.00	810.00
5406	80	MILEAGE SEP 23 2009	3.95	216.00
11045	200 sks	class A KCC WICHITA	12.70	2540.00
1118A	400 lbs	Gel	.16	64.00
1110A	1000 lbs	Kol-Seal	.39	390.00
1102	300 lbs	Calcium Chloride	.71	213.00
4104	2	Cement Basket 5 1/2	206.00	412.00
4130	6	Centralizer 5 1/2	44.00	264.00
4454	1	5 1/2" hatch down plug	228.00	228.00
4253	1	5 1/2" Type A Packer Shoe	1042.00	1042.00
5407A	9.4 Tons	80 miles Bulk Del.	1.16	81.22
		Subtotal		7162.32
		SALES TAX ESTIMATED		306.14
		TOTAL		8021.46

Ravin 3737

AUTHORIZATION

[Signature]

028081

TITLE

DATE



24 S. Lincoln Street
 P.O. Box 31
 Russell, KS 67665-2906
 Voice: (785) 483-3887
 Fax: (785) 483-5566

INVOICE

Invoice Number: 117994
 Invoice Date: Jan 28, 2009
 Page: 1

Bill To:
 Musgrove Energy, Inc
 1121 N Prentice Road
 Ponca City, OK 74604

Customer ID	Well Name / or Customer P.O.	Payment Terms
MusgEng	McCune #2	Net 30 Days
Job Location	Camp Location	Service Date
KS1	Russell	Jan 28, 2009
		Due Date
		2/27/09

Quantity	Item	Description	Unit Price	Amount
300.00	MAT	Class A Common	13.50	4,050.00
5.00	MAT	Gel	20.25	101.25
10.00	MAT	Chloride	51.50	515.00
50.00	MAT	Sugar	1.10	55.00
315.00	SER	Handling	2.25	708.75
20.00	SER	Mileage 315 sx @ .10 per sk per mi	31.50	630.00
1.00	SER	Surface	991.00	991.00
20.00	SER	Mileage Pump Truck	7.00	140.00
1.00	EQP	Wooden Plug	66.00	66.00

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 KCC WICHITA

PAID _____
 CHECK NO. ~~2544~~ 2147
 AMOUNT 6832.90
 DATE 2-9-09

ALL PRICES ARE NET, PAYABLE
 30 DAYS FOLLOWING DATE OF
 INVOICE. 1 1/2% CHARGED
 THEREAFTER. IF ACCOUNT IS
 CURRENT, TAKE DISCOUNT OF

\$ 725.70

ONLY IF PAID ON OR BEFORE

Feb 27, 2009

Subtotal	7,257.00
Sales Tax	301.60
Total Invoice Amount	7,558.60
Payment/Credit Applied	
TOTAL	7,558.60

725.70
 \$ 6832.90

ALLIED CEMENTING CO., LLC. 34935

A

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

SERVICE POINT:

Russell

2:00am

DATE 1-28-09	SEC. 35	TWP. 22	RANGE 12	CALLED OUT	ON LOCATION	JOB START 2:00am	JOB FINISH 2:30am
LEASE McCune WELL # 2		LOCATION Hudson, KS SE Sinto			COUNTY Stafford	STATE KS	
OLD OR NEW (Circle one)							

CONTRACTOR Petromaris Drilling

TYPE OF JOB Surface

BOLE SIZE 7 7/8 T.D. 237.82

casing SIZE 8 5/8 20ft DEPTH 232

UBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

COOL _____ DEPTH _____

RES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

EMENT LEFT IN CSG. 15'

PERFS. _____

DISPLACEMENT 14 BL

OWNER _____

CEMENT

AMOUNT ORDERED 3000cm 30% CC
2% GEL

COMMON	<u>306</u>	@	<u>13.50</u>	<u>4050.00</u>
POZMIX		@		
GEL	<u>5</u>	@	<u>20.25</u>	<u>101.25</u>
CHLORIDE	<u>10</u>	@	<u>51.50</u>	<u>515.00</u>
ASC		@		
	<u>50 lbs Sugar</u>	@	<u>1.10</u>	<u>55.00</u>
RECEIVED		@		
SEP 23 2009		@		
KCC WICHITA		@		
		@		
HANDLING	<u>315</u>	@	<u>2.25</u>	<u>708.75</u>
MILEAGE	<u>10 1/2 hr/mile</u>			<u>630.00</u>
TOTAL				<u>6,060.00</u>

EQUIPMENT

PUMP TRUCK CEMENTER Craig

417 HELPER Matt

BULK TRUCK

344 DRIVER Carl Great Bend

BULK TRUCK

DRIVER _____

REMARKS:

See Job Log!

Thanks!

CHARGE TO: Masgrove Energy

STREET _____

CITY _____ STATE _____ ZIP _____

SERVICE

DEPTH OF JOB _____

PUMP TRUCK CHARGE _____ 99.00

EXTRA FOOTAGE _____ @ _____

MILEAGE 20 @ 7.00 140.00

MANIFOLD _____ @ _____

TOTAL 1131.00

PLUG & FLOAT EQUIPMENT

18 5/8 wooden Plug 66.00

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

TOTAL 66.00

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 Buddie Ross

SIGNATURE Buddie Ross

SALES TAX (If Any) _____

TOTAL CHARGES _____

DISCOUNT _____ IF PAID IN 30 DAYS

JAMES C. MUSGROVE

Petroleum Geologist

P.O. Box 215

212 Main St.

Clafin, KS 67525

Office (620) 588-4250

Res. Clafin (620) 587-3444

Musgrove Energy Inc.
McCune 'A' #2
NW-NW-NW; Section 35-22s-12w
Stafford County, Kansas
Page No. 1

5 1/2" Production Casing Set

Contractor:	Petromark Drilling	RECEIVED SEP 23 2009 KCC WICHITA
Commenced:	January 27, 2009	
Completed:	February 3, 2009	
Elevation:	1837' K.B.; 1835' D.F.; 1832' G.L.	
Casing Program:	Surface; 8 5/8" @ 237' Production; 5 1/2" @ 3659'	
Samples:	Samples saved and examined 2800' to the Rotary Total Depth.	
Drilling Time:	One (1) foot drilling time recorded and kept 2800' to the Rotary Total Depth.	
Measurements:	All depths measured from the Kelly Bushing.	
Drill Stem Test:	There were two (2) Drill Stem Tests ran by Superior Testers Enterprises LLC.	

<u>Formation</u>	<u>Log Depth</u>	<u>Sub-Sea Datum</u>
Anhydrite	586	+1251
Topeka	2818	-981
Heebner	3116	-1279
Toronto	3135	-1298
Douglas	3151	-1314
Brown Lime	3249	-1412
Lansing	3274	-1437
Base Kansas City	3521	-1684
Viola	3548	-1711
Simpson Shale	3592	-1755
Simpson Sand	3611	-1774
Arbuckle	3658	-1821
Rotary Total Depth	3664	-1827
Log Total Depth	3665	-1828

(All tops and zones corrected to Electric Log measurements).

SAMPLE ANALYSIS, SHOWS OF OIL, TESTING DATA, ETC.

TOPEKA SECTION

3026-3044	Limestone; cream, finely crystalline, slightly sucrosic, dolomitic in part, fair porosity, no shows.
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3050-3070 Limestone; cream, gray, finely crystalline, chalky in part, few scattered porosity, no shows.

TORONTO SECTION

3134-3150 Limestone; cream/white, finely crystalline, fossiliferous, chalky, few pinpoint type porosity, no shows.

LANSING SECTION

3283-3294 Limestone; gray, tan, finely crystalline, dense, few sparry calcite cement, increasingly cherty, no shows.

3300-3310 Limestone; tan, cream, finely crystalline, fossiliferous/oolitic, dense.

3317-3324 Limestone; cream, finely crystalline, chalky, few fossiliferous, trace intercrystalline porosity, brown and golden brown stain, slight show of free oil and faint odor in fresh samples.

3344-3353 Limestone; cream, highly fossiliferous, chalky, fair fossil cast to fine vuggy porosity, brown stain, slight show of free oil and faint odor

3370-3386 Limestone; gray, cream, fossiliferous, chalky in part, scattered porosity, trace gray chert, and loose fossil fragments, no shows.

3408-3418 Limestone; cream, finely crystalline, oomoldic, chalky, fair to good oomoldic porosity, trace black stain, show of free oil and no odor in fresh samples.

3430-3438 Limestone; white, chalky, fossiliferous, poor visible porosity, dark brown to black stain, no show of free oil or odor in fresh samples.

3451-3458 Limestone; cream, fossiliferous/oolitic in part, sub oomoldic porosity, chalky, brown stain, questionable stain, show of free oil and very weak odor in fresh samples.

Drill Stem Test #1 **3400-3460'**

Times: 30-30-30-30

Blow: Weak

Recovery: 30' mud

Pressures: ISIP 194 psi
FSIP 141 psi
IFP 55-69 psi
FFP 69-72 psi
HSH 1724-1681 psi

3473-3480 Limestone; gray, cream, finely crystalline, oolitic, scattered intercrystalline porosity, sparry calcite cement, brown dark brown stain, no show of free oil and no odor.

CONGLOMERATE SECTION

3541-3548 Chert; white, semi-tripolitic, scattered vuggy porosity, brown stain, show of free oil and no odor in fresh samples.

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KCC WICHITA

VIOLA SECTION

- 3550-3566 Chert; white/cream, semi-tripolitic, scattered vuggy type porosity, brown stain, show of free oil and fair to good odor in fresh samples.
- 3566-3592 Chert; white, boney, black edge staining, no free oil and no odor in fresh samples.

SIMPSON SECTION

- 3612-3616 Sand; clear, grayish green, very fine grained, sub angular, sub rounded, poorly sorted, calcareous, trace black "dead" stain, no show of free oil and no odor in fresh samples.
- 3657-3658 ? Sand; tan, very fine grained, friable, fair intergranular porosity, brown stain, show of free oil and fair odor in fresh samples.

ARBUCKLE SECTION

- 3658-3660 Dolomite; cream, tan, finely crystalline, slightly cherty, dense.
- 3660-3664 Dolomite; cream, fine to medium crystalline, scattered vuggy and intercrystalline porosity, golden brown stain, show of free oil and fair to good odor in fresh samples.

Drill Stem Test #2 3588-3664'

Times: 30-30-30-30

Blow: Fair to good

Recovery: 30' mud cut oil
(90% oil, 10% mud)
120' oil cut mud
(5% oil, 95% mud)

Pressures: ISIP 1236 psi
FSIP 1205 psi
IFP 66-112 psi
FFP 118-129 psi
HSH 1856-1786 psi

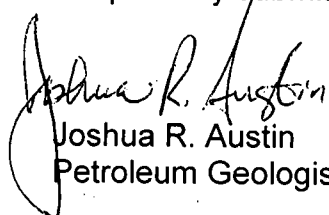
Rotary Total Depth 3664
Log Total Depth 3665

Recommendations:

On the basis of the favorable structural position and the positive result of Drill Stem Test #2, it was recommended by all parties involved to set and cement 5 1/2" production casing at 3659' and the following zones be tested in the McCune 'A' #2:

1. Arbuckle "open hole" completion methods
2. Viola 3551-3577 perforate
3. Lansing 'K' Zone 3473-3478 perforate

Respectfully submitted;


Joshua R. Austin
Petroleum Geologist 