

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE**

ORIGINAL

Form ACO-1
October 2008
Form Must Be Typed

OPERATOR: License # 31327
Name: Pauley Oil
Address 1: 314 5th Street
Address 2: _____
City: Clafflin State: ks Zip: 67525 + _____
Contact Person: Gary Pauley
Phone: (785) 252-8024
CONTRACTOR: License # 33724
Name: Warren Drilling
Wellsite Geologist: James C Musgrove
Purchaser: NCRA

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.)

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.: _____
9-27-08 _____ 10-4-08 _____
Spud Date or _____ Date Reached TD _____ Completion Date or _____
Recompletion Date _____

API No. 15 - 053-21227-0000
Spot Description: _____
_____ N/2, N/2, SW Sec. 34 Twp. 17 S. R. 8 East West
2,310 Feet from North / South Line of Section
1,320 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Ellsworth
Lease Name: Wires Well #: 3
Field Name: Geneseo
Producing Formation: Arbuckle
Elevation: Ground: 1780 Kelly Bushing: 1788
Total Depth: 3214 Plug Back Total Depth: 3214
Amount of Surface Pipe Set and Cemented at: 288 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/ _____

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content: _____ ppm Fluid volume: _____ bbls
Dewatering method used: Air Dry and Backfill
Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____ License No.: _____
Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
County: _____ Docket No.: _____

API-1-Dlg - 11/6/09

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: Owner Date: 11-3-2009
Subscribed and sworn to before me this 3rd day of November,
2009.
Notary Public: Clara Nadine Pauley
Date Commission Expires: 09-18-13

NOTARY PUBLIC - State of Kansas
CLARA NADINE PAULEY
My Appt. Expires 09.18.13

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

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Operator Name: Pauley Oil Lease Name: Wires Well #: 3
 Sec. 34 Twp. 17 S. R. 8 East West County: Ellsworth

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 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: Dual Compensated Porosity Log	<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>Topeka</td> <td>2422</td> <td>-634</td> </tr> <tr> <td>LANSING</td> <td>2838</td> <td>-1050</td> </tr> <tr> <td>CONGLOMERATE</td> <td>3186</td> <td>-1398</td> </tr> <tr> <td>ARBUCKLE</td> <td>3207</td> <td>-1419</td> </tr> </table>	Name	Top	Datum	Topeka	2422	-634	LANSING	2838	-1050	CONGLOMERATE	3186	-1398	ARBUCKLE	3207	-1419
Name	Top	Datum														
Topeka	2422	-634														
LANSING	2838	-1050														
CONGLOMERATE	3186	-1398														
ARBUCKLE	3207	-1419														

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 1/4	8 5/8	20 Lbs/ft.	288'	common	175	3%chloride, 2%gel
Production String	7 7/8	5 1/2	15.5 Lbs./ft.	3212'	ASC	150	2% 750#gil, 500gal ASF

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)
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TUBING RECORD:	Size: <u>2 7/8</u>	Set At: <u>3200</u>	Packer At:	Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or Enhr.		Producing Method: <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 40

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 (Specify) _____	PRODUCTION INTERVAL: <u>3212-3236</u>
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JAMES C. MUSGROVE

Petroleum Geologist
P.O. Box 215
212 Main St.
Claflin, KS 67525

Office (620) 588-4250

Res. Claflin (620) 587-3444

Fox Petroleum Inc.
Wire #3
N/2-N/2-SW; Section 34-17s-8w
Ellsworth County, Kansas
Page No. 1

5 1/2" Production Casing Set

Contractor: Warren Energy Co. (Rig #17)

Commenced: September 27, 2008

Completed: October 4, 2008

Elevation: 1788' K.B.; 1782' D.F.; 1780' G.L.

Casing Program: Surface; 8 5/8" @ 289'
Production; 5 1/2" @ 3210 (log measurements)

Samples: Samples saved and examined 1200' to the Rotary Total Depth.

Drilling Time: One (1) foot drilling time recorded and kept 1200' to the Rotary Total Depth.

Drill Stem Tests: There was two (2) Drill Stem Tests ran by Trilobite Testing Inc.

Measurements: All depths measured from the Kelly Bushing.

Electric Log: By Log Tech; Dual Induction, Dual Compensated Porosity Log, and Microresistivity Log.

Gas Detector: By MBC Well Logging.

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<u>Formation</u>	<u>Log Depth</u>	<u>Sub-Sea Datum</u>
Herington	1231	+557
Winfield	1285	+503
Towanda	1356	+432
Ft Riley	1393	+395
Florence	1446	+642
Wreford	1560	+228
Neva	1736	+52
Grand Haven	2030	-242
Tarkio Lime	2107	-319
Elmont	2181	-393
Howard	2325	-537
Severy	2386	-598
Topeka	2422	-634
Heebner	2694	-906
Toronto	2714	-926
Douglas	2726	-938
Brown Lime	2814	-1026
Lansing	2838	-1050
Base Kansas City	3159	-1371
Conglomerate	3186	-1398
Arbuckle	3207	-1419
Rotary Total Depth	3214	-1426
Log Total Depth	3216	-1428

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

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

HERINTON THROUGH DOUGLAS SECTION

1231-2837 There were several zones of well developed porosity encountered in the drilling of the Wire #3, but no shows of oil and/or gas was noted (See attached Drilling Time & Sample Log.)

LANSING SECTION

2838-2842' Limestone; tan, cream, finely crystalline, slightly chalky, poor visible porosity, no shows.

2846-2854' Limestone; as above, no shows.

2863-2874' Limestone; gray, cream, oolitic, oomoldic, good oomoldic porosity, light brown to golden brown stain, show of free oil and faint to fair odor in fresh samples.

Drill Stem Test #1 2855-2873' (log measurements 2857-2875)

Times: 30-30-45-60

Blow: Strong; gas to surface 25 minutes into final flow, gas gauged as follows:

2nd opening

25 minutes gas to surface

35 minutes 5,915 cfgpd

45 minutes 6,138 cfgpd

**Recovery: 30' mud (scum of oil)
35' very slightly oil cut mud
(5% oil, 95% mud)**

**Pressures: ISIP 742 psi
FSIP 808 psi
IFP 24-32 psi
FFP 27-45 psi
HSH 1373-1294 psi**

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2898-2910' Limestone; light gray, very finely crystalline, fossiliferous in part, poor visible porosity, trace spotty stain, no show of free oil or odor in fresh samples.

2923-2935' Limestone; tan, brown, oolitic/fossiliferous, slightly chalky, no shows.

2948-2966' Limestone; tan, highly oolitic, oomoldic, fair oomoldic type porosity (barren).

3004-3020' Limestone; tan, cream, oolitic in part, brown stain, trace of free oil and no odor in fresh samples.

3030-3036' Limestone; tan, cream, finely crystalline, slightly fossiliferous, poor visible porosity, no shows.

3068-3090' Limestone; gray, dark gray, chalky increasingly cherty (dense).

3111-3118' Limestone; as above, scattered porosity, no shows.

3121-3134' Limestone; tan/cram, finely crystalline, plus chert, white and gray boney, no shows.

3141-3146' Limestone; tan, cream, finely crystalline, few medium crystalline, poor visible porosity, no shows.

CONGLOMERATE SECTION

3186-3207' Varied colored chert in matrix of varied colored shale, no shows.

ARBUCKLE SECTION

3207-3210' Dolomite; tan, medium crystalline, sucrosic in part, poor visible porosity, trace stain, show of free oil and fair odor in fresh samples.

3210-3216' Dolomite; as above, increasing in porosity, show of free oil and good odor in fresh samples.

Drill Stem Test #2 **3146-3214' (log measurements 3148-3216)**

Times: 45-30-60-60

Blow: Weak to good

Recovery: 250' gas in pipe
30' clean gassy oil
30' heavy oil and gas cut mud
(35% oil, 65% mud)
95' gassy mud cut oil
(35% oil, 65% mud)

Pressures: ISIP 910 psi
FSIP 920 psi
IFP 21-45 psi
FFP 50-71 psi
HSH 1552-1477 psi

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Rotary Total Depth 3214 (-1426)

Log Total Depth 3216 (-1428)

Recommendations:

On the basis of the favorable structural position and the positive results of the Drill Stem Tests, it was recommended by all parties involved to set and cement 5 1/2" production casing at 3210 ft (six foot off bottom, log measurements) and the Wire #3 be completed in the Arbuckle Dolomite by "open hole" completion methods. Before abandonment the following zone should be perforate:

1. Lansing 2863-2874

Respectfully submitted;


James C Musgrove
Petroleum Geologist

ALLIED CEMENTING CO., LLC. 33553

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

SERVICE POINT: West Bend

DATE <u>9.29.09</u>	SEC <u>34</u>	TWP. <u>17</u>	RANGE <u>8</u>	CALLED OUT <u>1:00 PM</u>	ON LOCATION <u>3:30 PM</u>	JOB START <u>5:00 PM</u>	JOB FINISH <u>5:30 PM</u>
LEASE <u>Wine</u>	WELL # <u>3</u>	LOCATION <u>4+14th 1/2 N, 2E, 2N into</u>			COUNTY <u>Edwards</u>	STATE <u>Ka</u>	
OLD OR NEW (Circle one)							

CONTRACTOR Warren 17
 TYPE OF JOB Surface
 HOLE SIZE 12 1/4" T.D. 289'
 CASING SIZE 8 5/8" DEPTH 288'
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ SHOE JOINT _____
 CEMENT LEFT IN CSG. 15'
 PERFS. _____
 DISPLACEMENT 17 1/4 bbls

OWNER Same
 CEMENT
 AMOUNT ORDERED 175 lbs Common
370cc 220 ml

EQUIPMENT

PUMP TRUCK CEMENTER Tom D
 # 120 HELPER Marilyn S
 BULK TRUCK
 # 341 DRIVER John A
 BULK TRUCK
 # _____ DRIVER _____

COMMON	<u>175</u>	@ <u>13.50</u>	<u>2362.50</u>
POZMIX		@	
GEL	<u>3</u>	@ <u>20.25</u>	<u>60.75</u>
CHLORIDE	<u>5</u>	@ <u>51.50</u>	<u>257.50</u>
ASC		@	
NOV 05 2009			
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HANDLING	<u>183</u>	@ <u>2.25</u>	<u>411.75</u>
MILEAGE	<u>183 x 38 x 10</u>		<u>695.40</u>
			TOTAL <u>3282.90</u>

REMARKS:

Ran 288' of 8 5/8" csg. Broke circ.
Mixed 175 lbs common 370cc 220 ml
Released plug. Displaced with fresh
H₂O.

Cement did circulate

CHARGE TO: Fox Petroleum
 STREET P.O. Box 495
 CITY West Bend STATE Ka ZIP 67530

[Signature]

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 Benny Wright
 SIGNATURE Benny Wright

SERVICE

DEPTH OF JOB	<u>288'</u>		
PUMP TRUCK CHARGE			<u>991.00</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>38</u>	@ <u>7.50</u>	<u>285.00</u>
MANIFOLD		@	
<u>Head Rent</u>		@ <u>110.00</u>	<u>110.00</u>
			TOTAL <u>1386.00</u>

PLUG & FLOAT EQUIPMENT

1- <u>8 5/8 wooden Plug</u>	@ <u>66.00</u>	<u>66.00</u>
	@	
	@	
	@	
	@	
TOTAL <u>66.00</u>		

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

ALLIED CEMENTING CO., LLC. 35017

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

SERVICE POINT:
Russell

DATE <u>10-5-08</u>	SEC. <u>34</u>	TWP. <u>19</u>	RANGE <u>8</u>	CALLED OUT	ON LOCATION	JOB START <u>8:00am</u>	JOB FINISH <u>9:00am</u>
LEASE <u>Wife</u>	WELL # <u>3</u>	LOCATION <u>Hwy 4+14 junction 1/2 N</u>			COUNTY <u>Filsworth</u>	STATE <u>KS</u>	
OLD OR NEW (Circle one) <u>NEW</u>		<u>1/2 E 1/2 N W into</u>					

CONTRACTOR Warren Energy #17

OWNER _____

TYPE OF JOB Production String

HOLE SIZE _____ T.D. 3214

CASING SIZE 5 1/2 17# DEPTH 3212

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT 14.93

CEMENT LEFT IN CSG. 14.93

PERFS. _____

DISPLACEMENT 74 Bl

EQUIPMENT

PUMP TRUCK CEMENTER Craig

417 HELPER Matt

BULK TRUCK _____

378 DRIVER MIKE

BULK TRUCK _____

_____ DRIVER _____

REMARKS:

Insert set @ 3197.
Plug landed 1500psi. Float Held.
Kathole 15:35

Thanks!

CHARGE TO: Fox Petroleum
STREET _____
CITY _____ STATE _____ ZIP _____

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 JOHN SPENCE

SIGNATURE John Spence

CEMENT _____

AMOUNT ORDERED 150 Asc 290 Gel

5# Kolsal per sk

50 gal WFK-2

COMMON @ _____

POZMIX @ _____

GEL 3 @ 20.25 60.75

CHLORIDE @ _____

ASC 150 @ 16.70 2505.00

WER 2 500 @ 1.10 550.00

Gilsonite 750 @ .85 637.50

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KCOMNCHITA
MILEAGE 168

@ 2.25 378.00

5K/m/1.10 658.50

TOTAL 4769.00

SERVICE

DEPTH OF JOB _____

PUMP TRUCK CHARGE 1957.00

EXTRA FOOTAGE @ _____

MILEAGE 38 @ 7.50 285.00

MANIFOLD @ _____

TOTAL 2242.00

PLUG & FLOAT EQUIPMENT

1 5 1/2 Guide Shoe 186.00

1 AFV Insert @ 285.00

8 Centralizers @ 55.00 440.00

1 Solid Rubber Plug @ 76.00

TOTAL 982.00

SALES TAX (If Any) _____

TOTAL CHARGES _____

DISCOUNT _____ IF PAID IN 30 DAYS