

*RECD IN PROD. DEPT. ON 10/29/09.

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form ACO-1 September 1999 Form Must Be Typed

WELL COMPLETION FORM ORIGINAL WELL HISTORY - DESCRIPTION OF WELL & LEASE

Handwritten signature

Operator: License # 33838 Name: J&J Operating, LLC. Address: 10830 W 179th St City/State/Zip: Bucyrus KS, 66013 Purchaser: Pacer Energy Marketing Operator Contact Person: Jim Loeffelbein Phone: (913) 856-1531 Contractor: Name: JTC. Oil License: 32834

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Wellsite Geologist: Designate Type of Completion: [X] New Well [] Re-Entry [] Workover [] Oil [X] SWD [] SIOW [] Temp. Abd. [] Gas [X] 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.

7/08/2009 Spud Date or Recompletion Date 7/10/2009 Date Reached TD 7/12/2009 Completion Date or Recompletion Date

API No. 15 - 045-21551-00-00 County: Douglas NW NW SE Sec. 31 Twp. 13 S. R. 21 [X] East [] West 2310 feet from (S) N (circle one) Line of Section 2310 feet from (E) W (circle one) Line of Section Footages Calculated from Nearest Outside Section Corner: (circle one) NE (SE) NW SW Lease Name: Kelly Well #: I-1 Field Name: Little Wakarusa Producing Formation: Squirrel Elevation: Ground: 934 Kelly Bushing: none Total Depth: 820 Plug Back Total Depth: none Amount of Surface Pipe Set and Cemented at 42' Feet Multiple Stage Cementing Collar Used? [] Yes [X] No If yes, show depth set Feet If Alternate II completion, cement circulated from 42' feet depth to surface w/ 6 sx cmt.

Drilling Fluid Management Plan A4 II NCR 11-5-09 (Data must be collected from the Reserve Pit) Chloride content 1500-3000 ppm Fluid volume 80 bbls Dewatering method used Used on lease 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: John Loeffelbein Title: Owner Date: 9-29-2009 Subscribed and sworn to before me this 29 day of BRAD FORD September 20 09. Notary Public: My Appt. Expires 6-26-2009 Date Commission Expires: 6-26-2009

Al. assigned to RS KCG Office Use ONLY 10/30/09 Letter of Confidentiality Received [X] If Denied, Yes [] Date: Wireline Log Received (orig. in KCG) Geologist Report Received UIC Distribution

Operator Name: J&J Operating, LLC. Lease Name: Kelly Well #: I-1
 Sec. 31 Twp. 13 S. R. 21 East West County: Douglas

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 type="checkbox"/> Yes <input checked="" 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 type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum <div style="text-align: center; font-size: 24px; font-weight: bold;"> RECEIVED OCT 22 2009 KCC WICHITA </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
Surface	9.875	6 1/4	8	42'	Portland	6	
Completion	5.625	2 7/8"	6.5	795	Portland	98/130	50/50 POZ

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
2	21 Perforations from 745-755		

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

Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled
(If vented, Submit ACO-18.) Other (Specify) _____



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 # 230357

Invoice Date: 07/10/2009 Terms:

Page 1

J & J OPERATING, LLC
10380 W. 179TH ST.
BUCYRUS KS 66013-9596
(913) 851-5825

P. KELLEY ²⁻¹
20088
SE 31-13-21 DG
07/07/2009

Part Number	Description	Qty	Unit Price	Total
1124	50/50 POZ CEMENT MIX	130.00	9.2500	1202.50
1118B	PREMIUM GEL / BENTONITE	324.00	.1600	51.84
1107A	PHENOSEAL (M) 40# BAG)	67.00	1.0800	72.36
4401	2" RUBBER PLUG	1.00	22.0000	22.00
	Description	Hours	Unit Price	Total
368	CEMENT PUMP	1.00	870.00	870.00
368	EQUIPMENT MILEAGE (ONE WAY)	10.00	3.45	34.50
368	CASING FOOTAGE	797.00	.00	.00
370	80 BBL VACUUM TRUCK (CEMENT)	1.50	94.00	141.00
548	TON MILEAGE DELIVERY	167.58	1.16	194.39

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Parts:	1348.70	Freight:	.00	Tax:	84.98	AR	2673.57
Labor:	.00	Misc:	.00	Total:	2673.57		
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

TICKET NUMBER 20088

LOCATION Ottawa KS

FOREMAN Fred Mader

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
7/2/09	4028	Kelly # J-2 J1	SE 31	13	21	DG
CUSTOMER <u>J + J Operating LLC</u>			TRUCK #	DRIVER	TRUCK #	DRIVER
MAILING ADDRESS <u>10380 W 179th</u>			<u>506</u>	<u>Fred</u>		
CITY <u>Bucyrus</u>	STATE <u>Ks</u>	ZIP CODE <u>66013</u>	<u>368</u>	<u>Bill</u>		
			<u>370</u>	<u>Ken</u>		
			<u>548</u>	<u>Chuck</u>		

JOB TYPE Long string HOLE SIZE 6" HOLE DEPTH 800 CASING SIZE & WEIGHT 2 3/8 EUE
 CASING DEPTH 798' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT _____ SLURRY VOL _____ WATER gal/sk _____ CEMENT LEFT in CASING 2" Plug
 DISPLACEMENT 3.2 BBL DISPLACEMENT PSI _____ MIX PSI _____ RATE 4 BPM

REMARKS: Check casing depth w/wireline. Mix & Pump 100# Premium Gel Flush. Mix & Pump 133 SKS 50/50 Por Mix Cement 27# Gel 67# Pheno seal per sack. Cement to surface. Flush pump & lines clean. Displace 2" Rubber Plug to casing TD w/3.2 BBL fresh water. Pressure hold 750# PSI. Hold Pressure for 30 min MIT. Shut in casing

JTC Drilling

Fred Mader

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1 of 3	PUMP CHARGE <u>Cement Pump</u>		870 ⁰⁰
5406	1/3 of 30	MILEAGE <u>Pump Truck</u>		345 ⁰⁰
5402	797'	Casing footage		N/C
5407A	167.58 T/m	Ton Mileage		1943 ⁰⁰
5502C	1 1/2 hrs	80 BBL Vbe Truck		141 ⁰⁰
1124	130 SKS	50/50 Por Mix Cement		1202 ⁵⁰
1118B	324#	Premium Gel		518 ⁰⁰
1107A	67#	Pheno Seal		7236
4402	1	2" Rubber Plug		22 ⁰⁰
			6.32	SALES TAX
				ESTIMATED TOTAL
				2673 ⁵⁷

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Revin 3737

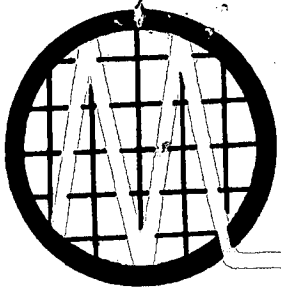
[Signature]

AUTHORIZATION

TITLE

DATE

WD 230357



INVOICE
MIDWEST SURVEYS
 LOGGING • PERFORATING • CONSULTING SERVICES
 P. O. Box 68
 Osawatomie, KS 66064
 913 / 755-2128

OUR NO.
21245

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J & J Operating, LLC
 10380 W 179th St
 Bucyrus, Kansas 66013

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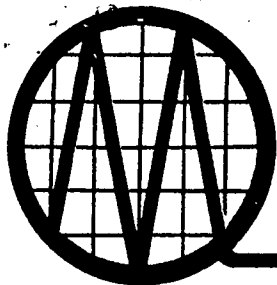
Kelly Lease #I-1
 Douglas County, KS

PLEASE USE THIS INVOICE FOR PAYMENT
 NO MONTHLY STATEMENTS RENDERED

CUSTOMER ORDER NO.	SALESMAN	DATE SHIPPED	SHIPPED VIA	INVOICE DATE	TERMS
John Loeffelbein		7/10/09			
QUANTITY	DESCRIPTION			PRICE	AMOUNT
1 ea	Gamma Ray / Neutron / CCL				\$ 425.00
21 ea	1 9/16" DML RTG 180° Phase Two (2) Perforations Per Foot Minimum Charge --- Ten (10) Perforations Eleven (11) Additional Perforations @ \$20.00 ea				\$ 625.00
	Perforated at: 745.0 to 755.0 21 Perfs				\$ 220.00
NET DUE UPON RECEIPT				TOTAL	\$ 1270.00
<small>Late Charge of 1-1/2% per Month on Accounts over 30 Days.</small>					

White-Customer Canary-Accounting

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MIDWEST SURVEYS

LOGGING • PERFORATING • M.I.T. SERVICES

21245

P. O. Box 68
Osawatomie, KS 66064
913 / 755-2128

Date 7/10/09

TERMS AND CONDITIONS: Midwest Surveys is hereby instructed to deliver the equipment or perform the services ordered hereon or as verbally directed, under the terms and conditions printed on the reverse side of this order, which I have read and understand and which I accept as Customer or as Customer's Authorized Agent.

Service and/or Equipment Ordered GAMMA RAY / Neutron / CCL & Perforate

SIGN BEFORE COMMENCEMENT OF WORK

Customer's Name J+J Operating LLC By _____
Customer's Authorized Representative

Charge to: J+J Operating LLC Customer's Order No. John Loeffelbein

Mailing Address _____

Well or Job Name and Number Kelly # F-1 County DOUGLAS State KANSAS

QUANTITY	DESCRIPTION OF SERVICE OR MATERIAL	PRICE
1 ea	GAMMA RAY / Neutron / CCL	\$ 425.00
21 ea	1 9/16" DML RTG 180° phase Two (2) Perforations Per foot minimum charge - Ten (10) Perforations	\$ 625.00
	Eleven (11) Additional Perforations @ \$ 20.00 ea	\$ 220.00
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	Perforated AT: 745.0 to 755.0	21 Perfs

Total \$ 1270.00

The above described service and/or material has been received and are hereby accepted and approved for payment.

Customer's Name J+J Operating LLC
By _____ Date 7/10/09
Customer's Authorized Representative

Serviced by: Ray Windisch

JTC Oil, Inc.
(913) 208-7914

KELLY

Well I-1
Drilling done by:

Date done:
Pipe 795

Lease Owner: ~~JTC Oil, Inc.~~ Circle K

KW
7m
10/29/09

DRILLING LOG

Thickness
of strata

Formation

Total
depth

	lime / sand / sandy shale (<u>shale</u>) / slate	5
	lime / sand / sandy shale (<u>shale</u>) / slate	21
	(<u>lime</u>) / sand / sandy shale / shale / slate	105
	lime / sand / sandy shale / (<u>shale</u>) / slate	122
	(<u>lime</u>) / sand / sandy shale / shale / slate	170
	lime / sand / sandy shale (<u>shale</u>) / slate	180
	(<u>lime</u>) / sand / sandy shale / shale / slate	240
	lime / sand / sandy shale (<u>shale</u>) / slate	260
	(<u>lime</u>) / sand / sandy shale / shale / slate	295
	lime / sand / sandy shale (<u>shale</u>) / slate	312
	(<u>lime</u>) / sand / sandy shale / shale / slate	334
	lime / sand / sandy shale (<u>shale</u>) / slate	338
	(<u>lime</u>) / sand / sandy shale / shale / slate	360
	lime / sand / sandy shale / (<u>shale</u>) / slate	450
	lime / sand / sandy shale / shale / slate	600 red bed

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con't well #

Thickness Strada

Total Depth

07	lime / sand / sandy shale / shale / slate	607
5	lime / sand / sandy shale / shale / slate	612
5	lime / sand / sandy shale / shale / slate	617
1	lime / sand / sandy shale / shale / slate	618
52	lime / sand / sandy shale / shale / slate	670
15	lime / sand / sandy shale / shale / slate	685 coal
10	lime / sand / sandy shale / shale / slate	695
49	lime / sand / sandy shale / shale / slate	744
14	lime / sand / sandy shale / shale / slate	758
1	lime / sand / sandy shale / shale / slate	759
61	lime / sand / sandy shale / shale / slate	820
	lime / sand / sandy shale / shale / slate	
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