

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

OPERATOR: License # 33051  
Name: C.D. OIL, Inc.  
Address 1: 3236 Virginia Rd.  
Address 2: \_\_\_\_\_  
City: Wellsville State: KS Zip: 66092 + 8563  
Contact Person: Carl (Clay) Hughes  
Phone: ( 913 ) 963-9127

CONTRACTOR: License # 5682  
Name: Hughes Drilling Co.  
Wellsite Geologist: \_\_\_\_\_  
Purchaser: High Sierra

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.: \_\_\_\_\_  
7/23/09    7/27/09    8/19/09  
Spud Date or    Date Reached TD    Completion Date or  
Recompletion Date       Recompletion Date

API No. 15 - 045-21574-0000  
Spot Description: \_\_\_\_\_  
SE NW NW SE Sec. 13 Twp. 14 S. R. 20  East  West  
2035 Feet from  North /  South Line of Section  
2240 Feet from  East /  West Line of Section

Footages Calculated from Nearest Outside Section Corner:  
 NE     NW     SE     SW  
County: Douglas  
Lease Name: Schultz Well #: HB-2  
Field Name: Vineland

Producing Formation: #1 Squirrel  
Elevation: Ground: 932 Kelly Bushing: \_\_\_\_\_  
Total Depth: 770 Plug Back Total Depth: 757.95  
Amount of Surface Pipe Set and Cemented at: 42.30 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set: \_\_\_\_\_ Feet  
If Alternate II completion, cement circulated from: 757.95  
feet depth to: surface w/ 111 sx cmt.

**Drilling Fluid Management Plan** Art II NR 11-4-09  
(Data must be collected from the Reserve Pit)  
Chloride content: \_\_\_\_\_ ppm Fluid volume: \_\_\_\_\_ bbls  
Dewatering method used: \_\_\_\_\_  
Location of fluid disposal if hauled offsite: \_\_\_\_\_  
Operator Name: \_\_\_\_\_  
Lease Name: \_\_\_\_\_ License No.: \_\_\_\_\_  
Quarter \_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  East  West  
County: \_\_\_\_\_ Docket No.: \_\_\_\_\_

*Per P. Adams  
Geology*

**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: Carl C. Hughes  
Title: President Date: 10/19/09  
Subscribed and sworn to before me this 19 day of October,  
20 09.  
Notary Public: Brenda F. Vickers  
Date Commission Expires: 12-03-09



**KCC Office Use ONLY**

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

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Operator Name: C.D. OIL, Inc. Lease Name: Schultz Well #: HB-2  
 Sec. 13 Twp. 14 S. R. 20  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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i>  List All E. Logs Run: <b>Gamma Ray-Neutron</b>	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input checked="" 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>Hertha</td> <td>418</td> <td>424</td> </tr> <tr> <td>Squirrel</td> <td>708</td> <td>731</td> </tr> </table>	Name	Top	Datum	Hertha	418	424	Squirrel	708	731
Name	Top	Datum								
Hertha	418	424								
Squirrel	708	731								

CASING RECORD <input type="checkbox"/> New <input checked="" 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	11	7in.	16	42.30	portland	12	
production	5 5/8	2 7/8	7	757.95	50/50 poz	111	2% gal

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)	Depth
4	41 perfs-711-721 2" DML RTG	fracture-4,500# sand	711-721

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TUBING RECORD: Size: _____ Set At: _____ Packer At: _____		Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	KCC WICHITA
Date of First, Resumed Production, SWD or Enhr. 8-20-09		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. 2	Gas Mcf trace	Water Bbls. 1
		Gas-Oil Ratio	Gravity 25

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 checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
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# HUGHES DRILLING REPORT

Sec. 13, Twp. 14, Rng. 20E

DG Co., Kansas

2035 FSL 2240 FEL

API # 1504521574

Well No. HB-2 SURFACE CASING Size 7" New  
 Farm Schultz Feet 92.30  
 Circulated 12 sx cement

PERMANENT CSG.

T. D. at Completion 770  
 Contractor HUGHES DRILLING CO.

owner  
 OPERATOR HB Energy h.c.  
OP - CN Oil, Inc.

DATE	DRILLED		REMARKS - TYPE WORK - BILLING REF.	PIPE TALLY
	FROM	TO		
<u>7/23/09</u>	<u>0</u>	<u>2</u>	<u>Soil</u>	<u>(1) 21.5 - 21.5</u>
	<u>2</u>	<u>19</u>	<u>Clay</u>	<u>(2) 22.5 - 44.0</u>
<u>4/2</u>	<u>19</u>	<u>62</u>	<u>Shale</u>	<u>(3) 22.5 - 66.5</u>
<u>12/1/09</u>	<u>62</u>	<u>68</u>	<u>Lime</u>	<u>(4) 22.5 - 89.0</u>
<u>5"</u>	<u>68</u>	<u>75</u>	<u>Shale</u>	<u>(5) 22.5 - 111.5</u>
<u>8 Ppc</u>	<u>75</u>	<u>95</u>	<u>Lime</u>	<u>(6) 22.5 - 134.0</u>
	<u>95</u>	<u>102</u>	<u>shale (slate 100-101)</u>	<u>(7) 22.5 - 156.5</u>
	<u>102</u>	<u>109</u>	<u>Lime</u>	<u>(8) 22.5 - 179.0</u>
	<u>109</u>	<u>116</u>	<u>shale</u>	<u>(9) 22.5 - 201.5</u>
	<u>116</u>	<u>138</u>	<u>Lime</u>	<u>(10) 22.5 - 224.0</u>
	<u>138</u>	<u>166</u>	<u>shale</u>	<u>(11) 22.5 - 246.5</u>
	<u>166</u>	<u>184</u>	<u>Lime</u>	<u>(12) 22.5 - 269.0</u>
	<u>184</u>	<u>244</u>	<u>shale</u>	<u>(13) 22.5 - 291.5</u>
	<u>244</u>	<u>250</u>	<u>Lime</u>	<u>(14) 22.5 - 314.0</u>
	<u>250</u>	<u>254</u>	<u>shale</u>	<u>(15) 22.5 - 336.5</u>
	<u>254</u>	<u>271</u>	<u>Lime</u>	<u>(16) 22.5 - 359.0</u>
	<u>271</u>	<u>289</u>	<u>shale</u>	<u>(17) 22.5 - 381.5</u>
	<u>289</u>	<u>299</u>	<u>Lime</u>	<u>(18) 22.5 - 404.0</u>
	<u>299</u>	<u>331</u>	<u>shale</u>	<u>(19) 22.5 - 426.5</u>
	<u>331</u>	<u>338</u>	<u>Lime</u>	<u>(20) 22.5 - 449.0</u>
	<u>338</u>	<u>340</u>	<u>shale</u>	<u>(21) 22.5 - 471.5</u>
	<u>340</u>	<u>342</u>	<u>Lime</u>	<u>(22) 22.5 - 494.0</u>
	<u>342</u>	<u>351</u>	<u>shale</u>	<u>(23) 22.5 - 516.5</u>
<u>30'</u>	<u>351</u>	<u>375</u>	<u>Lime</u>	<u>(24) 22.5 - 539.0</u>
	<u>375</u>	<u>381</u>	<u>shale</u>	<u>(25) 22.5 - 561.5</u>
<u>20'</u>	<u>381</u>	<u>408</u>	<u>Lime</u>	<u>(26) 22.5 - 584.0</u>
	<u>408</u>	<u>411</u>	<u>shale</u>	<u>(27) 22.5 - 606.5</u>

STRATA THICKNESS	FORMATION DRILLED	T.D.
<u>2</u>	<u>Soil</u>	<u>2</u>
<u>17</u>	<u>Clay</u>	<u>19</u>
<u>43</u>	<u>Shale</u>	<u>62</u>
<u>6</u>	<u>Lime</u>	<u>68</u>
<u>7</u>	<u>Shale</u>	<u>75</u>
<u>20</u>	<u>Lime</u>	<u>95</u>
<u>7</u>	<u>Shale</u>	<u>102</u>
<u>7</u>	<u>Lime</u>	<u>109</u>
<u>7</u>	<u>Shale</u>	<u>116</u>
<u>22</u>	<u>Lime</u>	<u>138</u>
<u>28</u>	<u>Shale</u>	<u>166</u>
<u>18</u>	<u>Lime</u>	<u>184</u>
<u>60</u>	<u>Shale</u>	<u>244</u>
<u>6</u>	<u>Lime</u>	<u>250</u>
<u>4</u>	<u>Shale</u>	<u>254</u>
<u>17</u>	<u>Lime</u>	<u>271</u>
<u>18</u>	<u>Shale</u>	<u>289</u>
<u>10</u>	<u>Lime</u>	<u>299</u>
<u>32</u>	<u>shale</u>	<u>331</u>
<u>7</u>	<u>Lime</u>	<u>338</u>
<u>2</u>	<u>shale</u>	<u>340</u>
<u>2</u>	<u>Lime</u>	<u>342</u>
<u>9</u>	<u>shale</u>	<u>351</u>
<u>30'</u>	<u>24 Lime</u>	<u>375</u>
<u>6</u>	<u>shale</u>	<u>381</u>
<u>20'</u>	<u>27 Lime</u>	<u>408</u>
<u>3</u>	<u>shale</u>	<u>411</u>
<u>4</u>	<u>Lime</u>	<u>415</u>
<u>3</u>	<u>Shale</u>	<u>418</u>
<u>4"</u>	<u>6 Lime</u>	<u>424</u>
<u>143</u>	<u>Shale</u>	<u>567</u>
<u>2</u>	<u>Lime</u>	<u>569</u>
<u>1</u>	<u>LT known sand</u>	<u>570</u>
<u>2</u>	<u>Solid Brn sand</u>	<u>572</u>
<u>17</u>	<u>Shale</u>	<u>589</u>
<u>5</u>	<u>Lime</u>	<u>594</u>
<u>5</u>	<u>Shale</u>	<u>599</u>
<u>5</u>	<u>Lime</u>	<u>604</u>
<u>5</u>	<u>Shale</u>	<u>609</u>
<u>9</u>	<u>Lime</u>	<u>617</u>
<u>16</u>	<u>Shale</u>	<u>633</u>

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# HUGHES DRILLING REPORT

2035 FSL 2240 FEL

API # 15-045-21574

Well No. **HB-2** SURFACE CASING Size..... PERMANENT CSG. Size.....  
 Farm **Schwitz** Feet..... Feet.....  
 Circulated \_\_\_\_\_ sx cement

T. D. at Completion **770**

Contractor **HUGHES DRILLING CO.**

OPERATOR **C.D. D.I.A., Inc.**  
 owner - **H.B. Energy LLC.**

STRATA THICKNESS	FORMATION DRILLED	T.D.
3	Lime	636
4	shale	640
5	Lime	645
7	Shale	652
6	Lime	658
19	Shale	677
6	Lime	683
25	Shale	708
2	Brk sand	710
#1 sq. 11	sand	721
10	brk sand	731
2	shale	733
2	sand	735
9	shale	744
1	lime	745
25	shale	770
	T.D.	

DATE	DRILLED		REMARKS - TYPE WORK - BILLING REF.	PIPE TALLY
	FROM	TO		
	411	415	Lime	(28) 22.5-629.0
	415	418	Shale	(29) 22.5-651.5
"Hearth"	418	424	Lime	(30) 22.5-674.0
	424	567	Shale (Brk 426-432) (Red Sand 558.5-567)	(31) 22.5-676.5
	567	569	Lime	(32) 22.5-719.0
	569	570	Lt Brown sand (some bleeding)	(33) 22.5-741.5
	570	572	Solid Brown Sand (bleeding oil)	(34) 22.5-764.0
	572	589	Shale	
	589	594	Lime	
	594	599	Shale	
	599	604	Lime	
	604	609	Shale	
	609	617	Lime	
	617	633	Shale	
	633	636	Lime (brown)	
	636	640	shale	
	640	645	Lime	
	645	652	shale	
	652	658	Lime (broken)	
	658	677	shale	
	677	683	Lime	
	683	708	Shale (Lamin w/ Lt. Br. Sand 693-708)	
710'	708	710	Broken sand	
#1 square	710	721	sand (core time pg 344)	
6109	721	731	Broken sand	
	731	733	shale	
47	733	735	sand	
7109	735	744	shale - some lime	
	744	745	Lime	
	745	770	shale	

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T.O.

7/27/09 - Set 757.95' of 3rd GUE pipe  
 used 3 centralizers  
 Bolt at 755.95

# HUGHES DRILLING CO.

(Pg. 1)

Wellsville, Kansas 66092

Roger 913-883-2235  
Darrel 913-883-4027

CORE TIME

Ron 913-883-4655  
Clay 913-883-4383

LEASE Schultz HB-2  
FORMATION #1 Squirrel  
DATE: 7/26/09

3" Shave Bit

FROM	FEET TO	TIME	MINUTES	REMARKS
708	709	chip sample	-	708-710.5
709	710	"	-	
710	711	12:10:00 - 12:11:00	1:00	710.5-712.5
711	712	12:11:30	:30	
712	713	12:12:15	:45	712.5-713 - sand lamination w/shale (13)
713	714	12:13:00	:45	
714	715	12:13:45	:45	713-721
715	716	12:14:15	:30	
716	717	12:14:45	:30	
717	718	12:15:15 <sup>stop</sup>	:30	
718	719	12:22:00 - 12:22:30	:30	(A few scattered thin shale sec)
719	<del>720</del>	12:23:00	:30	
720	721	12:23:45	:45	721-730
721	722	12:24:45	1:00	
722	723	12:25:30	:45	
723	724	12:26:15	:45	
724	725	12:27:00	:45	sand very lamin w/shale
725	726	12:28:00	1:00	
726	727	12:28:45	:45	(Some Bleeding)
727	728	12:29:45	1:00	
728	729	12:30:30	:45	
729	730	12:31:30	1:00	

(Best Perf Zone 711-721)  
(TRY 4 shots per ft) - RECEIVED

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# HUGHES DRILLING CO.

pg. 4

Wellsville, Kansas 66092

Roger 913-883-2235  
Darrel 913-883-4027

CORE TIME

Ron 913-883-4655  
Clay 913-883-4383

LEASE SCHULTZ HB-2  
FORMATION #1 Squirrel (2nd core)  
DATE: 7/26/09

~~4 1/2"~~ 3" Shank Bit

	FROM	FEEET TO	TIME	MINUTES	REMARKS
1	730	731	3:45:00 - 3:45:45	:45	Sand lamin. w/shale (0.30.)
2	731	732	3:46:45	1:00	} Shale
3	732	733	3:47:45	1:00	
4	733	734	3:48:45	1:00	
5	734	735	3:49:30	:45	} solid fine grain sand (bleeding oil) <del>733.5-735.5</del>
6	735	736	3:50:15	:45	
7	736	737	3:51:15	1:00	Lime
8	737	738	3:53:30	:45	shale
9	738	739	3:53:15	:45	Lime 738-738.5
10	739	740	3:54:00 <sup>STOP</sup>	:45	} shale
11	740	741	4:00:00 - 4:00:45	:45	
12	741	742	4:01:30	:45	
13	742	743	4:02:15	:45	} shale
14	743	744	4:03:00	:45	
15	744	745	4:05:00	2:00	Lime
16	745	746	4:06:00	:45	} shale
17	746	747	4:08:00	2:00	
18	747	748	STOP		
19	748	749	—		
20	749	750	—		

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**CONSOLIDATED**  
Oil Well Services, LLC

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

TICKET NUMBER 20134  
LOCATION Ottawa KS  
FOREMAN Fred Mader

**FIELD TICKET & TREATMENT REPORT**  
**CEMENT**

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
7/27/09	3532	Schultz # HB-2	SE 13	14	20	DC
CUSTOMER			TRUCK #	DRIVER	TRUCK #	DRIVER
H B Energy LLC % CD o:1 3236 Virginia Wellsville KS 66092			506	FREMA		
			495	CASKEN		
			548	JASHAR		

JOB TYPE Log string HOLE SIZE 5 5/8 HOLE DEPTH 770' CASING SIZE & WEIGHT 2 3/8" EVE  
 CASING DEPTH 757' DRILL PIPE P in in TUBING @ 755' OTHER \_\_\_\_\_  
 SLURRY WEIGHT \_\_\_\_\_ SLURRY VOL \_\_\_\_\_ WATER gal/sk \_\_\_\_\_ CEMENT LEFT in CASING 2 1/2" Plug  
 DISPLACEMENT 4.4 BBL DISPLACEMENT PSI \_\_\_\_\_ MIX PSI \_\_\_\_\_ RATE 5 BPM

REMARKS: Check casing depth w/ wireline. Mix + Pump 100# Premium Gel flush. Mix + Pump 112 sks 50/50 Poz Mix Cement 2% Gel. Cement to surface. Flush pump + lines clean. Displace 2 1/2" Rubber Plug to P in in casing w/ 4.4 BBLs Fresh water. Pressure to 650# PSI. Shut in casing.  
Fred Mader

Customer Supplied H<sub>2</sub>O

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE Cement Pump	495	870 <sup>00</sup>
5406	25 mi	MILEAGE Pump Truck	495	86 <sup>25</sup>
5402	757'	Casing Footage		N/C
5407	Minimum	Ton Mileage	548	296 <sup>00</sup>
1124	111 sks	50/50 Poz Mix Cement		1026 <sup>25</sup>
1118B	288 #	Premium Gel		46 <sup>00</sup>
4402	1	2 1/2" Rubber Plug		22 <sup>00</sup>
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			6.3%	SALES TAX
				ESTIMATED TOTAL
				68 <sup>98</sup>
				2416 <sup>00</sup>

AUTHORIZATION [Signature] TITLE 230604 DATE \_\_\_\_\_