

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form ACO-1  
October 2008  
Form Must Be Typed

WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

OPERATOR: License # 6039  
Name: L. D. DRILLING, INC.  
Address 1: 7 SW 26th AVE.  
Address 2: \_\_\_\_\_  
City: GREAT BEND State: KS Zip: 67530 + \_\_\_\_\_  
Contact Person: L. D. DAVIS  
Phone: ( 620 ) 793-3051  
CONTRACTOR: License # 6039

Name: L. D. DRILLING, INC.  
Wellsite Geologist: KIM SHOEMAKER/JIM MUSGROVE  
Purchaser: MVPurchasing

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.: \_\_\_\_\_  
4/08/09                      4/14/09                      4/24/09  
Spud Date or                      Date Reached TD                      Completion Date or  
Recompletion Date                                                                Recompletion Date

API No. 15 - 167-23555-00-00  
Spot Description: \_\_\_\_\_  
NW SW NE NE Sec. 5 Twp. 14 S. R. 12  East  West  
830 Feet from  North /  South Line of Section  
1080 Feet from  East /  West Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
 NE  NW  SE  SW  
County: RUSSELL

Lease Name: SCHWARZ Well #: 1-5  
Field Name: BUNKER HILL  
Producing Formation: BASE KANSAS CITY  
Elevation: Ground: 1859' Kelly Bushing: 1864'  
Total Depth: 3915' Plug Back Total Depth: \_\_\_\_\_  
Amount of Surface Pipe Set and Cemented at: 429 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 A1+ I NR 11-13-09  
*(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.: \_\_\_\_\_

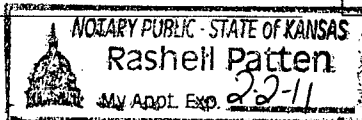
**INSTRUCTIONS:** An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information 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: CLERK Date: OCTOBER 30, 2009  
Subscribed and sworn to before me this 30 day of OCTOBER,  
20 09.  
Notary Public: Rashell Patten  
Date Commission Expires: 2-02-11

**KCC Office Use ONLY**

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



Operator Name: L. D. DRILLING, INC. Lease Name: SCHWARZ Well #: 1-5  
 Sec. 5 Twp. 14 S. R. 12  East  West County: RUSSELL

**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  Yes  No  
 (Attach Additional Sheets)  
 Samples Sent to Geological Survey  Yes  No  
 Cores Taken  Yes  No  
 Electric Log Run  Yes  No  
 (Submit Copy)

Log Formation (Top), Depth and Datum  Sample  
 Name Top Datum

List All E. Logs Run:

**RADIATION GUARD, & SONIC CEMENT BOND LOG**

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"	24#	429'	60/40 POZMIX	290	2%Gel,3%CC,1/4#CF
PRODUCTION	7 7/8"	4 1/2"	10.5#	3306'	60/40 POZMIX	160	2%Gel,18%Salt,5%Gil

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	3016 - 3020'	500 Gal 15% HCL	RECEIVED KANSAS CORPORATION COMMISSION
		1500 Gal 15% NE HCL	NOV 02 2009
			CONSERVATION DIVISION WICHITA, KS

TUBING RECORD: Size: <u>2 3/8"</u> Set At: <u>3304'</u> Packer At: _____		Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Date of First, Resumed Production, SWD or Enhr. <u>MAY 06, 2009</u>		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. <u>4</u>	Gas Mcf	Water Bbls. <u>10</u> Gas-Oil Ratio Gravity

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease (If vented, Submit ACO-18.)	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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**DAILY DRILLING REPORT**

OPERATOR: **L.D. DRILLING, INC.** LEASE: **SCHWARZ #1-5**  
 NW SW NE NE Sec 5-14-12  
 WELLSITE GEOLOGIST: Jim Musgrove Russell Co., KS  
 CONTRACTOR: L. D. DRILLING, INC. ELEVATION: GR: 1859'  
 KB: 1864'  
 SPUD: 4/08/09 @ 5:30 P.M. PTD: 3600'  
 SURFACE: Ran 11 jts New 24# 8 5/8" Surface Casing, Tally 421.77', Set @ 429', w/ 290 sx 60/40 Pozmix, 2% Gel, 3% CC, 1/4# CellFlake, Did Circulate, by Basic Energy Plug Down @ 1:45 A.M. 4/09/09, Straight hole @ 432' - 1/2 degree

4/08/09 Move in, Rig up to Spud  
 4/09/09 432' WOC - Drill Plug @ 9:45 A.M.  
 4/10/09 1690' Drilling  
 4/11/09 2460' Trip in Hole w/ DST #1  
 4/12/09 2882' Drilling  
 4/13/09 3045' Trip out for DST #3  
 4/14/09 3315' CFS - To trip out for Log  
 RTD @ 3315'  
 Ran 88 jts New 10.5# 4 1/2" Production Casing;  
 Tally 3301.83'; Set @ 3306'; 8' off Bottom;  
 Shoe Jt 11.4'; Cement w/ 160 sx 60/40 Pozmix,  
 2% Gel, .5% Friction Reducer, 18% Salt, 5# Gilsonite;  
 30 sx 60/40 Pozmix in Rathole; by Basic Energy;  
 Plug Down @ 9:00 P.M. 4/14/09

<u>SAMPLE TOPS:</u>		<u>LOG TOPS:</u>	
Anhy	Top	775 (+1089)	769 (+1095)
Anhy	Base	811 (+1053)	
Elmont		2490 (-626)	2483 (-619)
Topeka		2664 (-800)	2656 (-792)
Heebner		2933 (-1069)	2926 (-1062)
Toronto		2948 (-1084)	2944 (-1080)
Lansing		3004 (-1140)	2998 (-1134)
Base Ks City		3282 (-1418)	3276 (-1412)
RTD/LTD		3915 (-2051)	3313 (-1449)

DST #1 2365 - 2460' Tarkio  
 TIMES: 30-45-45-60  
 BLOW: 1st Open: good blow blt bob in 13 min  
 2nd Open: fair blow blt to 10" no bb  
 RECOVERY: 120' gip, 60' mud (100%)  
 IFP: 26-34 ISIP: 709  
 FFP: 45-48 FSIP: 692  
 TEMP: 85 degrees

DST #2 3007 - 3030' Lansing A  
 TIMES: 30-30-45-60  
 BLOW: 1st Open: weak surface blow blt 6"  
 2nd Open: weak blow blt to 8"  
 RECOVERY: 210' gip, 30' gocm (15%g,  
 15%o, 70% m)  
 IFP: 22-25 ISIP: 926  
 FFP: 29-35 FSIP: 1185  
 TEMP: 96 degrees

DST #3 3036 - 3045' Lansing B  
 TIMES: 30-30-45-60  
 BLOW: 1st Open: weak surface blow blt 7"  
 2nd Open: weak surface blow blt 5"  
 RECOVERY: 150' sosmw  
 IFP: 23-53 ISIP: 1380  
 FFP: 55-96 FSIP: 1370  
 TEMP: 100 degrees

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CONSERVATION DIVISION  
 WICHITA, KS



**BASIC**<sup>SM</sup>  
ENERGY SERVICES  
PRESSURE PUMPING & WIRELINE

10244 NE Hwy. 61  
P.O. Box 8613  
Pratt, Kansas 67124  
Phone 620-672-1201

FIELD SERVICE TICKET

1718 0054 A

5-145-12W

DATE \_\_\_\_\_ TICKET NO. \_\_\_\_\_

DATE OF JOB: 4-14-09		DISTRICT: Pratt		NEW WELL <input checked="" type="checkbox"/> OLD WELL <input type="checkbox"/>		PROD <input checked="" type="checkbox"/> INJ <input type="checkbox"/> WDW <input type="checkbox"/>		CUSTOMER ORDER NO.:	
CUSTOMER: L.D. Drilling, Incorporated				LEASE: Schwartz				WELL NO. 1-5	
ADDRESS:				COUNTY: Russell		STATE: Kansas A			
CITY:		STATE:		SERVICE CREW: C. Messick : M. Mattel : E. J. McGraw					
AUTHORIZED BY:				JOB TYPE: C.N.W. - Longstring					
EQUIPMENT#	HRS	EQUIPMENT#	HRS	EQUIPMENT#	HRS	TRUCK CALLED	DATE	AM	TIME
19,870						4-14-09	4-14-09	PM	12:30
19,903-19,905						ARRIVED AT JOB		PM	4:45
19,831-19,862						START OPERATION		AM	5:10
						FINISH OPERATION		AM	
						RELEASED	4-14-09	AM	
						MILES FROM STATION TO WELL		PM	

CONTRACT CONDITIONS: (This contract must be signed before the job is commenced or merchandise is delivered).

The undersigned is authorized to execute this contract as an agent of the customer. As such, the undersigned agrees and acknowledges that this contract for services, materials, products, and/or supplies includes all of and only those terms and conditions appearing on the front and back of this document. No additional or substitute terms and/or conditions shall become a part of this contract without the written consent of an officer of Basic Energy Services LP.

SIGNED: \_\_\_\_\_  
(WELL OWNER, OPERATOR, CONTRACTOR OR AGENT)

ITEM/PRICE REF. NO.	MATERIAL, EQUIPMENT AND SERVICES USED	UNIT	QUANTITY	UNIT PRICE	\$ AMOUNT
CP 103	60/40 Poz				
CP 103	60/40 Poz				
CC III	Salt (Fine)				
CC 112	Friction Reducer				
CC 201	Gilsonite				
C 706	CC-1				
CC 151	Mud Flush				
CF 102	Top Rubber Plug, 4 1/2"				
CF 250	Regular Guide Shoe, 4 1/2"				
CF 1450	Insert Float Valve, 4 1/2"				
CF 1650	Turbolizer, 4 1/2"				
E 101	Heavy Equipment Mileage				
E 113	Bulk Delivery				
E 100	Pickup Mileage				
CE 240	Blending and Mixing service				
S 003	Service Supervisor				
CE 204	Pump Charge: 3,000 Feet To 4,000 Feet				
CE 504	Plug Container				
SUB TOTAL					7,246.40

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WICHITA, KS

CHEMICAL / ACID DATA:		

SERVICE & EQUIPMENT	%TAX ON \$	
MATERIALS	%TAX ON \$	
TOTAL		

SERVICE REPRESENTATIVE: <i>C. Messick</i>	THE ABOVE MATERIAL AND SERVICE ORDERED BY CUSTOMER AND RECEIVED BY: <i>R. M. D...</i>
FIELD SERVICE ORDER NO. _____	(WELL OWNER OPERATOR CONTRACTOR OR AGENT)

# Agreement of Terms and Conditions

All sales of services, products, or materials by Basic Energy Services LP, (hereinafter called BES) to any Customer, unless otherwise set out in writing, are subject to the terms and conditions set out herein.

## Terms:

All Service Charges and materials included in service price list are NET. Unless satisfactory credit has been established, cash payment will be required in advance. Credit Customer agrees to pay BES in its office in Cisco, Texas, for all services and materials on or before the 20th of the following month after the date of the invoice. Customer's invoice is considered in default if payment has not been received by the last day of the month following the month in which the invoice is dated and services delivered. Past due accounts will be subject to a charge for interest at the highest rate allowable by law, and if placed in the hands of an attorney for collection, Customer agrees to pay all collection costs, reasonable attorney fees and court costs.

## Taxes:

All prices are exclusive of any Federal, State or Special Taxes imposed on the sale or use of the merchandise and services listed, which taxes will be added to quoted prices where applicable. If payment of any applicable royalty or license fee is required in connection with any service performed by BES for Customer, such royalty or license fee will be billed to the Customer in addition to the price of the services performed.

## Special Pricing Provisions:

All materials listed in the price schedule are F.O.B. our field stock.

All prices are subject to change without notice.

The prices in this price list apply to normal operations. Special jobs under unusual circumstances on jobs requiring unusual mobilization of equipment and/or personnel, such as blowouts, experimental jobs, etc., are to be subject to special price quotations.

Orders for products of special design, size or materials are not subject to cancellation after processing of such order has begun by BES. Equipment altered, made to Customer's specifications, or requiring special handling, is subject to special prices.

If materials or services are ordered and the Customer cancels same after the materials have been prepared, a charge will be made to the Customer for expenses incurred.

Customer states that the well and all support personnel and services not being supplied by BES are ready and in condition to receive the materials and services being supplied by BES. Customer will be subject to a charge for "stand-by" time incurred by BES. For all BES services, stand-by time is all time our equipment is on location prior to commencement of operations or after completion of operations and is not operating for reasons not within the control of BES. Stand-by time is calculated from time of arrival on location or arrival time as scheduled by Customer, whichever is later, and until equipment is released by Customer.

## Towing Charges:

We will make reasonable attempts to get to and from the well under our own power. Should we be unable to do so because of poor or inadequate road conditions, and it becomes necessary to employ a tractor or other pulling equipment, such equipment will be supplied by the customer, or if furnished by us, the cost will be charged to the customer. In either event, Customer assumes liability for any damages arising from such pulling or arising from inadequate access to the well site.

## Product Return:

Any BES Products that have been in the hands of the Customer, if not special or obsolete, will be accepted for credit, subject to our approval and inspection, if they are new unused and in salable condition. The Customer will pay the return freight, and will receive credit at the original purchase price less the original outbound freight. Any material classified or ordered as special is not subject to return or cancellation privileges.

## Service Warranty:

There are obviously many conditions in and about the well which we can have no knowledge and over which we can have no control. Therefore, we do not guarantee any particular results from services to be performed hereunder. In interpreting information and making recommendations, either written or oral, as to type or amount of material or service to be furnished, or manner of performance, or in predicting results to be obtained therefrom, BES will give Customer the benefit of its best judgment based on its experience in the field. However, due to the Customer's control of the well the impracticality of providing BES with all the data concerning same, and the necessary reliance of BES upon supporting services, data and facts supplied by others, BES does not guarantee or warrant the accuracy or correctness of any facts, information or data furnished by BES or any interpretation of tests, meter readings, chart information, analysis of research or recommendations made by BES, unless caused by the willful misconduct or gross negligence of BES in the preparation of furnishing of such facts, information or data and NO WARRANTY IS GIVEN CONCERNING THE RECOMMENDATIONS MADE OR SERVICES RENDERED BY THE COMPANY AND NO WARRANTY IS MADE CONCERNING THE RESULTS SOUGHT TO BE OBTAINED THROUGH USE OF MATERIALS RECOMMENDED BY THE COMPANY. The Company's liability for injury to all persons or damage to any property or property rights, including but not limited to reservoir damage sub-surface trespass or drainage, etc., occasioned by reason of materials sold or rented or services performed hereunder shall be limited to those occurring due to the acts of willful misconduct or gross negligence of BES, and Customer agrees to be responsible for and indemnify BES against any loss or damage it may sustain by reason of materials sold or rented or services performed hereunder, unless such loss or damage is caused by the willful misconduct or gross negligence of BES.

## Product Warranty:

BES warrants all materials, products and supplies manufactured or furnished by it to be free from defects in material and workmanship, under normal use and service, when installed, used and serviced in the manner provided and intended, and that it can convey good title thereto. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, OR MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. BES's liability and Customer's exclusive remedy in any cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale of use of any products, supplies or materials is expressly limited to the replacement of such products, supplies or materials on the return to BES or at BES's option, to the allowance to the customer of credit for the cost of such items. In no event shall BES be liable for special, incidental, indirect, punitive or consequential damages.

## Service Conditions:

Because there are so many uncertain and unknown conditions not subject to our control, we can neither be liable for injuries to property or persons nor for loss or damage arising from the performance of our services or resulting therefrom.

BES shall not be liable or responsible for a Customer shall defend, indemnify, and save BES harmless, and its officers, agents or employees, from and against any and all claims or causes of action for damage to Customer's property and of the well owner, or any third person, and for bodily injury, sickness or disease, including death resulting thereof, brought by or on behalf of Customer, the well owner, or any third person, arising out of or in connection with BES's performance of services or the furnishing of materials, products and supplies, unless caused by the willful misconduct or gross negligence of BES.

Customer shall also be responsible for and shall defend, indemnify and save BES harmless, and its officers, agents or employees, from and against any and all claims, causes of action and liabilities for damages occur-

ring as a result of sub-surface trespass arising out of any oil well operations or services performed by BES, this provision applying to any claims or legal actions or royalty owners, working interest holders, overriding royalty interest holders, or any other person or concern.

Should any of our equipment, tools or instruments become lost in the well when performing or attempting to perform our services hereunder, it is understood that the Customer shall make reasonable effort to recover the lost equipment. The Customer shall assume the entire responsibility for such fishing operations in the recovery or attempted recovery of any such lost equipment, tools or instruments and if such equipment, tools or instruments are not recovered, Customer shall pay BES its replacement cost unless such loss is due to the sole negligence of BES. If BES's equipment, tools or instruments are damaged in the well, Customer shall pay BES the lesser of its replacement cost or the cost of repairs unless such damage is caused by the sole negligence of BES.

Work done by BES shall be under the direction, supervision and control of the owner, operator, or his agent and BES will perform the work as an independent contractor and not as an employee or agent of the owner or operator.

The Customer shall at all times have complete care, custody and control of the well, the drilling and production equipment at the well and the premises about the well.

Any delays or failure by BES in the performance of this contract shall be excused if and to the extent caused by war, fire, flood, strike, labor trouble, accident riot, acts of God, or any contingencies beyond the reasonable control of BES. Disposal of the chemicals used in the performance of this contract is the responsibility of Customer. Customer agrees the chemicals will be disposed of in accordance with all applicable Federal, State and local laws and regulations.

## General Provisions:

Wherever the initials BES appear in this document, they are intended solely to be an abbreviation of Basic Energy Services LP, and are used in substitution of such full name as if the full name were set out in each instance.

Any modifications of this document by the Customer, and all additional or different terms included in the Customer's purchase order or any other document responding to this document, are hereby objected to BY REQUESTING ANY OF THE GOODS AND SERVICES SET FORTH HEREIN BUYER AGREES TO ALL THE TERMS AND CONDITIONS CONTAINED IN THIS DOCUMENT.

BES reserves the right to change or modify the design of any BES product without obligation to furnish or install such changes or modification on products previously or subsequently sold.

Information regarding our services rendered in Customer's well is held in strict confidence and will be released to others only upon written approval by owner, or when required by Federal, State or Local Laws, Regulations, Orders or Ordinances, or for use as evidence in court proceedings involving the subject matter of services rendered.

Failure to enforce any or all of the herein specified terms or conditions in any particular instance shall not constitute a continuing waiver, or preclude subsequent enforcement thereof.

No employee, representative or agent other than an officer of BES is empowered to alter any of the herein specified terms and conditions.

These terms and condition shall be governed by the laws of the State of Texas, and in case of any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

# BASIC

energy services, L.P.

## TREATMENT REPORT

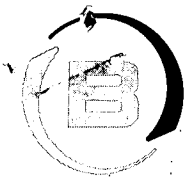
Customer L.D. Drilling, Incorporated	Lease No. Schwartz	Date 4-14-09
Lease Schwartz	Well # 1-5	
Field Order # 0054	Station Pratt	Casing 1 1/2 10.5lb
		Depth 3314 Ft.
Type Job C.N.W. - Longstring	Formation	County Russell
		State KS
		Legal Description S-145-12W A

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME		
Casing Size 1 1/2 10.5 lb./ft.	Tubing Size 7/8 7.6 lb./ft.	Shots/Ft	160 sacks	60/40 Poz	W/FH	RATE	PRESS	SIP
Depth 3314 Feet	Depth	From	To	58 Ft.	Acid Fire Pad Friction Reducer	Max	5 lb./sk.	5 Min.
Volume 52.7 Bbl.	Volume	From	To	15.41	Pad 6.1/Gal., 4.29 Gal./sk., 1.18 cu.ft./sk.	Min		10 Min.
Max Press 1500 P.S.I.	Max Press	From	To		Frac	Avg		15 Min.
Well Connection Plug Container	Annulus Vol.	From	To	30 sacks	60/40 Poz to	HHP Used	Plug Rat Hole	Annulus Pressure
Plug Depth 3303 Feet	Packer Depth	From	To		Flush	Gas Volume	Fresh Water	Total Load

Customer Representative Billy Owen	Station Manager David Scott	Treater Clarence R. Messick
Service Units 19,970   19,903   19,905   19,831   19,862		
Driver Names Messick   Mattal   E.J. McGraw		

Time P.M.	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
3:30					Cementer on location.
4:45					Trucks on location and hold safety meet
5:10					L.D. Drilling start to run Regular Guide Shoe, Shoe Joint with Auto-Insert screwed into collar and a total of 88 Joints new 10.5 lb./ft. Ran Turbolizers on collars # 1, 3, 5, 7, 9, and # 11.
7:20					Casing in well. Circulate for 1 hour.
8:28	300			6	Start 2% HCL Pre-flush.
	5		20	6	Start Mud Flush.
			32	5	Start Fresh Water Spacer.
8:36	300		37	5	Start mixing 160 sacks 60/40 Poz cement.
	-0-		70		Stop pumping. Shut in well. Wash pump and lines. Release Top Rubber Plug. Open Well.
8:46	100			6.5	Start Fresh Water Displacement.
			43	5	Start to lift cement.
8:55	400		53		Plug down.
	1,500				Pressure up.
					Release pressure. Insert hold
			6	3	Plug Rat Hole.
					Wash up pump truck.
9:15					Job Complete.
					Thank You.
					Clarence Milte, Edward

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NOV 02 2009  
CONSERVATION DIVISION  
WICHITA, KS



**BASIC**<sup>SM</sup>  
ENERGY SERVICES  
PRESSURE PUMPING & WIRELINE

10244 NE Hwy. 61  
P.O. Box 8613  
Pratt, Kansas 67124  
Phone 620-672-1201

FIELD SERVICE TICKET  
1718 0176 A

DATE \_\_\_\_\_ TICKET NO. \_\_\_\_\_

DATE OF JOB <b>4-9-09</b> DISTRICT <b>KANSAS</b>		NEW WELL <input checked="" type="checkbox"/> OLD WELL <input type="checkbox"/> PROD <input type="checkbox"/> INJ <input type="checkbox"/> WDW <input type="checkbox"/> CUSTOMER ORDER NO.:							
CUSTOMER <b>L.O. Drilling Inc.</b>		LEASE <b>SCHWARTZ #1-5</b> WELL NO.							
ADDRESS		COUNTY <b>Russell</b> STATE <b>KANSAS</b>							
CITY STATE		SERVICE CREW <b>A. Werth, P. Shawelime, D. P. Hye</b>							
AUTHORIZED BY		JOB TYPE: <b>8 5/8" Surface CWL</b>							
EQUIPMENT#	HRS	EQUIPMENT#	HRS	EQUIPMENT#	HRS	TRUCK CALLED	DATE	AM	TIME
<b>28443 - P.U.</b>	<b>45 min</b>						<b>4-8-09</b>	<b>PM</b>	<b>2000</b>
<b>19806 - P.T.</b>	<b>45 min</b>					ARRIVED AT JOB	<b>4-8-09</b>	<b>PM</b>	<b>2300</b>
<b>19960-19918-01K</b>	<b>45 min</b>					START OPERATION	<b>4-9-09</b>	<b>AM</b>	<b>0100</b>
						FINISH OPERATION	<b>4-9-09</b>	<b>PM</b>	<b>0145</b>
						RELEASED	<b>4-9-09</b>	<b>PM</b>	<b>0230</b>
						MILES FROM STATION TO WELL <b>90 miles</b>			

CONTRACT CONDITIONS: (This contract must be signed before the job is commenced or merchandise is delivered).

The undersigned is authorized to execute this contract as an agent of the customer. As such, the undersigned agrees and acknowledges that this contract for services, materials, products, and/or supplies includes all of and only those terms and conditions appearing on the front and back of this document. No additional or substitute terms and/or conditions shall become a part of this contract without the written consent of an officer of Basic Energy Services LP.

SIGNED: \_\_\_\_\_  
(WELL OWNER, OPERATOR, CONTRACTOR OR AGENT)

ITEM/PRICE REF. NO.	MATERIAL, EQUIPMENT AND SERVICES USED	UNIT	QUANTITY	UNIT PRICE	\$ AMOUNT
P-CP103	60/40 P02		290 SK		
P-CC102	cello-flake		73-1b		
P-CC109	Calcium Chloride		750-1b		
P-CF153	Wooden Cement Plug 8 5/8"		1-CA		
P-E101	Heavy Equip Mileage		180-mi		
P-E113	Bulk Delivery Chg.		1125-TM		
P-E100	Unit Mileage Chg. Pickup		90-mi		
P-CE240	Blending + mixing Service chg		290-SK		
P-S003	Service Supervisor first 8 hrs on loc.		1-CA		
P-CE200	Depth Chg. 0-500'		1-4hrs		
P-CE504	Plug container Utiliz. Chg.		1-Job		
RECEIVED KANSAS CORPORATION COMMISSION NOV 02 2009 CONSERVATION DIVISION WICHITA, KS					

CHEMICAL / ACID DATA:			

SERVICE & EQUIPMENT	%TAX ON \$	
MATERIALS	%TAX ON \$	
TOTAL		<b>6,481.22</b>

SERVICE REPRESENTATIVE	THE ABOVE MATERIAL AND SERVICE ORDERED BY CUSTOMER AND RECEIVED BY: <i>Leann B Case</i>
FIELD SERVICE ORDER NO.	(WELL OWNER OPERATOR CONTRACTOR OR AGENT)

# Agreement of Terms and Conditions

All sales of services, products, or materials by Basic Energy Services LP, (hereinafter called BES) to any Customer, unless otherwise set out in writing, are subject to the terms and conditions set out herein.

## Terms:

All Service Charges and materials included in service price list are NET. Unless satisfactory credit has been established, cash payment will be required in advance. Credit Customer agrees to pay BES in its office in Cisco, Texas, for all services and materials on or before the 20th of the following month after the date of the invoice. Customers invoice is considered in default if payment has not been received by the last day of the month following the month in which the invoice is dated and services delivered. Past due accounts will be subject to a charge for interest at the highest rate allowable by law, and if placed in the hands of an attorney for collection, Customer agrees to pay all collection costs, reasonable attorney fees and court costs.

## Taxes:

All prices are exclusive of any Federal, State or Special Taxes imposed on the sale or use of the merchandise and services listed, which taxes will be added to quoted prices where applicable. If payment of any applicable royalty or license fee is required in connection with any service performed by BES for Customer, such royalty or license fee will be billed to the Customer in addition to the price of the services performed.

## Special Pricing Provisions:

All mater als listed in the price schedule are F.O.B. our field stock.

All prices are subject to change without notice. The prices in this price list apply to normal operations. Special jobs under unusual circumstances on jobs requiring unusual mobilization of equipment and/or personnel, such as blowouts, experimental jobs, etc., are to be subject to special price quotations.

Orders for products of special design, size or materials are not subject to cancellation after processing of such order has begun by BES. Equipment altered, made to Customer's specifications, or requiring special handling, is subject to special prices.

If materials or services are ordered and the Customer cancels same after the materials have been prepared, a charge will be made to the Customer for expenses incurred.

Customer states that the well and all support personnel and services not being supplied by BES are ready and in condition to receive the materials and services being supplied by BES. Customer will be subject to a charge for "stand-by" time incurred by BES. For all BES services, stand-by time is all time our equipment is on location prior to commencement of operations or after completion of operations and is not operating for reasons not within the control of BES. Stand-by time is calculated from time of arrival on location or arrival time as scheduled by Customer, whichever is later, and until equipment is released by Customer.

## Towing Charges:

We will make reasonable attempts to get to and from the well under our own power. Should we be unable to do so because of poor or inadequate road conditions, and it becomes necessary to employ a tractor or other pulling equipment, such equipment will be supplied by the customer, or if furnished by us, the cost will be charged to the customer. In either event, Customer assumes liability for any damages arising from such pulling or arising from inadequate access to the well site.

## Product Return:

Any BES Products that have been in the hands of the Customer, if not special or obsolete, will be accepted for credit, subject to our approval and inspection, if they are new unused and in salable condition. The Customer will pay the return freight, and will receive credit at the original purchase price less the original outbound freight. Any material classified or ordered as special is not subject to return or cancellation privileges.

## Service Warranty:

There are obviously many conditions in and about the well which we can have no knowledge and over which we can have no control. Therefore, we do not guarantee any particular results from services to be performed hereunder. In interpreting information and making recommendations, either written or oral, as to type or amount of material or service to be furnished, or manner of performance, or in predicting results to be obtained therefrom, BES will give Customer the benefit of its best judgment based on its experience in the field. However, due to the Customer's control of the well the impracticality of providing BES with all the data concerning same, and the necessary reliance of BES upon supporting services, data and facts supplied by others, BES does not guarantee or warrant the accuracy or correctness of any facts, information or data furnished by BES or any interpretation of tests, meter readings, chart information, analysis of research or recommendations made by BES, unless caused by the willful misconduct or gross negligence of BES in the preparation of furnishing of such facts, information or data and NO WARRANTY IS GIVEN CONCERNING THE RECOMMENDATIONS MADE OR SERVICES RENDERED BY THE COMPANY AND NO WARRANTY IS MADE CONCERNING THE RESULTS SOUGHT TO BE OBTAINED THROUGH USE OF MATERIALS RECOMMENDED BY THE COMPANY. The Company's liability for injury to all persons or damage to any property or property rights, including but not limited to reservoir damage sub-surface trespass or drainage, etc., occasioned by reason of materials sold or rented or services performed hereunder shall be limited to those occurring due to the acts of willful misconduct or gross negligence of BES, and Customer agrees to be responsible for and indemnify BES against any loss or damage it may sustain by reason of materials sold or rented or services performed hereunder, unless such loss or damage is caused by the willful misconduct or gross negligence of BES.

## Product Warranty:

BES warrants all materials, products and supplies manufactured or furnished by it to be free from defects in material and workmanship, under normal use and service, when installed, used and serviced in the manner provided and intended, and that it can convey good title thereto. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, OR MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. BES's liability and Customer's exclusive remedy in any cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale of use of any products, supplies or materials is expressly limited to the replacement of such products, supplies or materials on the return to BES or at BES's option, to the allowance to the customer of credit for the cost of such items. In no event shall BES be liable for special, incidental, indirect, punitive or consequential damages.

## Service Conditions:

Because there are so many uncertain and unknown conditions not subject to our control, we can neither be liable for injuries to property or persons not for loss or damage arising from the performance of our services or resulting therefrom.

BES shall not be liable or responsible for a Customer shall defend, indemnify, and save BES harmless, and its officers, agents or employees, from and against any and all claims or causes of action for damage to Customer's property and of the well owner, or any third person, and for bodily injury, sickness or disease, including death resulting thereof, brought by or on behalf of Customer, the well owner, or any third person, arising out of or in connection with BES's performance of services or the furnishing of materials, products and supplies, unless caused by the willful misconduct or gross negligence of BES.

Customer shall also be responsible for and shall defend, indemnify and save BES harmless, and its officers, agents or employees, from and against any and all claims, causes of action and liabilities for damages occur-

ring as a result of sub-surface trespass arising out of any oil well operations or services performed by BES, this provision applying to any claims or legal actions or royalty owners, working interest holders, overriding royalty interest holders, or any other person or concern.

Should any of our equipment, tools or instruments become lost in the well when performing or attempting to perform our services hereunder, it is understood that the Customer shall make reasonable effort to recover the lost equipment. The Customer shall assume the entire responsibility for such fishing operations in the recovery or attempted recovery of any such lost equipment, tools or instruments and if such equipment, tools or instruments are not recovered, Customer shall pay BES its replacement cost unless such loss is due to the sole negligence of BES. If BES's equipment, tools or instruments are damaged in the well, Customer shall pay BES the lesser of its replacement cost or the cost of repairs unless such damage is caused by the sole negligence of BES.

Work done by BES shall be under the direction, supervision and control of the owner, operator, or his agent and BES will perform the work as an independent contractor and not as an employee or agent of the owner or operator.

The Customer shall at all times have complete care, custody and control of the well, the drilling and production equipment at the well and the premises about the well.

Any delays or failure by BES in the performance of this contract shall be excused if and to the extent caused by war, fire, flood, strike, labor trouble, accident riot, acts of God, or any contingencies beyond the reasonable control of BES. Disposal of the chemicals used in the performance of this contract is the responsibility of Customer. Customer agrees the chemicals will be disposed of in accordance with all applicable Federal, State and local laws and regulations.

## General Provisions:

Wherever the initials BES appear in this document, they are intended solely to be an abbreviation of Basic Energy Services LP, and are used in substitution of such full name as if the full name were set out in each instance.

Any modifications of this document by the Customer, and all additional or different terms included in the Customer's purchase order or any other document responding to this document, are hereby objected to BY REQUESTING ANY OF THE GOODS AND SERVICES SET FORTH HEREIN BUYER AGREES TO ALL THE TERMS AND CONDITIONS CONTAINED IN THIS DOCUMENT.

BES reserves the right to change or modify the design of any BES product without obligation to furnish or install such changes or modification on products previously or subsequently sold.

Information regarding our services rendered in Customer's well is held in strict confidence and will be released to others only upon written approval by owner, or when required by Federal, State or Local Laws, Regulations, Orders or Ordinances, or for use as evidence in court proceedings involving the subject matter of services rendered.

Failure to enforce any or all of the herein specified terms or conditions in any particular instance shall not constitute a continuing waiver, or preclude subsequent enforcement thereof.

No employee, representative or agent other than an officer of BES is empowered to alter any of the herein specified terms and conditions.

These terms and condition shall be governed by the laws of the State of Texas, and in case of any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.



Customer L.D. Drilling INC	Lease No.	Date 4-9-09
Lease SCHWARTZ	Well # 1-5	
Field Order # 178-0126A	Station Pratt KS	Casing 8 5/8
		Depth 429'
Type Job 8 5/8 surface	Formation C.N.W.	County Russell
		State KS
		Legal Description S 14-12

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME		
Casing Size 8 5/8	Tubing Size	Shots/Ft	290 SK	Acid	60/40 P02 2% gel 3% CC 1/4" cell FLAKE	RATE	PRESS	ISIP
Depth 429'	Depth	From	To	Pre Pad	14.7#	Max		5 Min.
Volume 26.881	Volume	From	To	Pad		Min		10 Min.
Max Press 300#	Max Press	From	To	Frac		Avg		15 Min.
Well Connection P.C.	Annulus Vol.	From	To			HHP Used		Annulus Pressure
Plug Depth 409'	Packer Depth	From	To	Flush	freshwater	Gas Volume		Total Load

Customer Representative Bill Owens	Station Manager Dave Scott	Treater Allen F. Werth
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Service Units 28443	19806	19916	19918						
Driver Names A. Werth	P. Shaveline	Dale	Phy						

Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
2000					called out - on Loc. Discuss Safety
2300					Setup + Plan Job.
2300					Rig cir @ 432
2327					Pull Drill Pipe
2352					out of Hole w/ Bit 12 1/4"
					Rig up To Run 8 5/8 csg 24"
					Start 8 5/8 csg. welder on Loc.
02100					Casing @ 429' CIR w/ Rig pump.
0105	300#			5	Start mix 290 SKs 60/40 P02 2% gel 3% CC, 1/4" cell FLAKE @ 14.7#
			64.5		Finish mix cont
					Release wooden Plug 8 5/8"
	300#			5	Start Disp. "Good CIR"
			25.5		Finish Disp.
0145	300#				Plug down - shut IN @ well
	0#				Release PSI
0230					wash up + RACK up Equip.
					Job complete.
					cont. CIR to Pit.
					thanks Allen, Paul, Dale

RECEIVED  
KANSAS COOPERATION COMMISSION  
NOV 08 2009  
CONSERVATION DIVISION  
WICHITA, KS