

ORIGINAL

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

OPERATOR: License # 4485  
Name: Verde Oil Company  
Address 1: 1020 NE Loop 410  
Address 2: Suite 555  
City: San Antonio State: TX Zip: 78209 + 1224  
Contact Person: Jeffrey L. Dale  
Phone: ( 620 ) 754-3800  
CONTRACTOR: License # 5675  
Name: McPherson Drilling  
Wellsite Geologist: Jeffrey L. Dale  
Purchaser: Coffeyville Resources

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.: \_\_\_\_\_  
10/21/08      10/27/08      2/25/09  
Spud Date or      Date Reached TD      Completion Date or  
Recompletion Date                Recompletion Date

API No. 15 - 001-29864-00-00  
Spot Description: \_\_\_\_\_  
NW NE NE SW Sec. 29 Twp. 26 S. R. 20  East  West  
2310 Feet from  North /  South Line of Section  
3300 Feet from  East /  West Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
 NE  NW  SE  SW  
County: Allen  
Lease Name: Manson Well #: 45-45  
Field Name: Humboldt/Chanute  
Producing Formation: Bartlesville  
Elevation: Ground: 989' Kelly Bushing: 989'  
Total Depth: 908' Plug Back Total Depth: 881'  
Amount of Surface Pipe Set and Cemented at: 23 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set: \_\_\_\_\_ Feet  
If Alternate II completion, cement circulated from: 903  
feet depth to: 0' w/ 133 <sup>sq cmt.</sup> 142-Dlg-1/B/10

Drilling Fluid Management Plan  
(Data must be collected from the Reserve Pit)  
Chloride content: 6000 ppm Fluid volume: 50 bbls  
Dewatering method used: Evaporation  
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: [Signature]  
Title: Jeffrey L. Dale VP Date: April 22, 2009  
Subscribed and sworn to before me this 22 day of April,  
2009.  
Notary Public: Kaylene Wlick  
Date Commission Expires: 10-11-09

  
KAYLENE DICK  
Notary Public - State of Kansas  
My Appt. Expires 10-11-09

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

RECEIVED  
JUN 22 2009  
KCC WICHITA  
RECEIVED  
APR 24 2009  
KCC WICHITA

Operator Name: Verde Oil Company Lease Name: Manson Well #: 45-45  
 Sec. 29 Twp. 26 S. R. 20  East  West County: Allen

**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: <p style="text-align: center;"><b>Gamma Ray/Neutron/Casing Collar Log</b></p>	<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:70%;">Name</td> <td style="width:15%;">Top</td> <td style="width:15%;">Datum</td> </tr> <tr> <td>Bartlesville Tucker</td> <td>825'</td> <td>+164'</td> </tr> </table>	Name	Top	Datum	Bartlesville Tucker	825'	+164'
Name	Top	Datum					
Bartlesville Tucker	825'	+164'					

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	11.0"	7"	24	23'	A Neat	4	None
Production	6-1/4"	2-7/8"	6.4	903'	50/50 Poz	133	5% Kaf Seal 3% Salt 1% Phenosaal

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
2	Perf: 825' - 845'	Acid: 300 gallons 15% HCl	825' - 845'
		Frac: 1100# 12/20 Ottawa Sand	825' - 845'

TUBING RECORD: Size: <u>1"</u> Set At: <u>823'</u> Packer At: <u>NA</u> Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		<b>RECEIVED</b> <b>JUN 22 2009</b>
Date of First, Resumed Production, SWD or Enhr. <b>March 2, 2009</b>	Producing Method: <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <b>KCC WICHITA</b>	
Estimated Production Per 24 Hours	Oil Bbls. <u>3.0</u>	Gas Mcf <u>TSTM</u>
	Water Bbls. <u>65</u>	Gravity <u>21.6</u>
	Gas-Oil Ratio <u>TSTM</u>	

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input checked="" 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: <u>825' - 845'</u>
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Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

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**McPherson Drilling LLC Drillers Log**

<b>Rig Number:</b> 2	<b>S. 29</b>	<b>T. 26</b>	<b>R. 20E</b>
<b>API No. 15- 001-29864</b>	<b>County: ALLEN</b>		
<b>Elev. 989</b>	<b>Location: N2 NE SW</b>		

<b>Operator:</b> VERDE OIL COMPANY	<b>#4485</b>
<b>Address:</b> 1020 NE LOOP 410 , STE 555 SAN ANTONIO TX 78209	
<b>Well No:</b> 45-45	<b>Lease Name:</b> MANSON
<b>Footage Location:</b> 2310 ft. from the SOUTH Line	
3300 ft. from the EAST Line	
<b>Drilling Contractor:</b> McPherson Drilling LLC	
<b>Spud date:</b> .10/21/2008	<b>Geologist:</b>
<b>Date Completed:</b> .10/27/2008	<b>Total Depth:</b> 908

<b>Gas Tests:</b>	
	MCF
	MCF
	MCF
	MCF
	MCF
	MCF
	MCF
	MCF
	MCF
<b>Comments:</b>	
<b>Start injecting @</b>	861

<b>Casing Record</b>			<b>Rig Time:</b>	
	<b>Surface</b>	<b>Production</b>	2.00	HR(S) DOZER
<b>Size Hole:</b>	11"	6 1/4"		
<b>Size Casing:</b>	7"			
<b>Weight:</b>				
<b>Setting Depth:</b>	23'	MCPHERSON		
<b>Type Cement:</b>	Portland		<b>Driller:</b>	NICK HILYARD
<b>Sacks:</b>	4	MCPHERSON		

<b>Well Log</b>									
<b>Formation</b>	<b>Top</b>	<b>Btm.</b>	<b>Formation</b>	<b>Top</b>	<b>Btm.</b>	<b>Formation</b>	<b>Top</b>	<b>Btm.</b>	
soil	0	7	shale	858	905				
sand	7	9	Mississippi	905	908				
lime	9	16							
shale	16	19							
lime	19	104							
shale	104	107							
lime	107	143							
shale	143	251							
lime	251	274							
shale	274	416							
coal	416	417							
shale	417	419							
lime	419	440							
shale	440	476							
coal	476	478							
lime	478	498							
shale	498	586							
coal	586	587							
shale	587	610							
coal	610	611							
shale	611	749							
black shale	749	750							
shale	750	826							
oil sand	826	858							

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**APR 24 2009**  
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**CONSOLIDATED**  
Oil Well Services, LLC

TICKET NUMBER 19814

LOCATION Ottawa KS

FOREMAN Fred Maden

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
10/27/08	8520	Manson #45-45	29	26	20	AL
CUSTOMER			TRUCK #	DRIVER	TRUCK #	DRIVER
Verde Oil			506	Fred		
MAILING ADDRESS			495	Casey		
3345 Arizona Rd			370	Ken		
CITY	STATE	ZIP CODE	510	Gerid		
Swanburg	KS	66722				

JOB TYPE long string HOLE SIZE 5 7/8 HOLE DEPTH 920' CASING SIZE & WEIGHT 2 7/8 EUE  
 CASING DEPTH 905' DRILL PIPE Baffle @ 886' OTHER \_\_\_\_\_  
 SLURRY WEIGHT \_\_\_\_\_ SLURRY VOL \_\_\_\_\_ WATER gal/sk \_\_\_\_\_ CEMENT LEFT in CASING 2 1/2" Plug  
 DISPLACEMENT 5.2 BBL DISPLACEMENT PSI \_\_\_\_\_ MIX PSI \_\_\_\_\_ RATE \_\_\_\_\_

REMARKS: Check casing depth w/ wireline. Mix + Pump 100# Premium Gel Flush. Mix + Pump 160 sks 50/50 Por Mix Cement. 2% Gel 5% Salt 5# Kol Seal 4# pheno Seal per sack. Cement to surface. Flush pump + lines clean. Displace 2 1/2" Rubber plug to ~~surface~~ Baffle Ring in casing @ 886' w/ 5.2 BBL Fresh water. Pressure to 650# PSI. Release pressure to Set float valve. Shut in casing.

McPherson Drilling

Fred Maden

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1 of 3	PUMP CHARGE Cement Pump		925.00
5406	1/2 of 70 mi	MILEAGE Pump Truck		85.12
5407A	6.72 Ton	Ton Mileage		564.48
5502R	2 hrs	80 BBL Vac Truck		200.00
1124	133 sks	50/50 Por Mix Cement		1296.75
1118B	369#	Premium Gel		627.3
1111	336#	Granulated Salt	RECEIVED	110.88
1110A	800#	Kol Seal	APR 24 2009	336.00
1107A	40#	Pheno Seal		46.00
4402	1	2 1/2" Rubber Plug	KCC WICHITA	23.00
		Sub Total		3650.01
		Tax @ 6.3%		118.16

Revin 3737

AUTHORIZATION [Signature]

TITLE 226936

SALES TAX ESTIMATED TOTAL 3768.17  
DATE \_\_\_\_\_