

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

12/12/09
ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 33979
Name: Clipper Energy, LLC
Address: 3838 Oak Lawn Ste 1310
City/State/Zip: Dallas, TX. 75219
Purchaser: Sem-Crude
Operator Contact Person: Bill Robinson
Phone: (214) 220-1080
Contractor: Name: Warren Drg.LLC
License: 33724
Wellsite Geologist: Steve Murphy

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DEC 12 2007

KCC

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SIOW Temp. Abd.
 Gas 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. _____

<u>10-13-07</u>	<u>10-17-07</u>	<u>12-3-07</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 065-23331 - 00-00

County: Graham

 - - - Sec. 24 Twp. 7 S. R. 21 East West

1650 feet from S / (N) (circle one) Line of Section

50 feet from E / (W) (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

(circle one) NE SE NW SW

Lease Name: Alexander-Dowdell Well #: 2

Field Name: Nicodemus, NW

Producing Formation: Toronto

Elevation: Ground: 2100 Kelly Bushing: 2108

Total Depth: 3660 Plug Back Total Depth: 3660

Amount of Surface Pipe Set and Cemented at 213 Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set 1637 Feet

If Alternate II completion, cement circulated from 1637

feet depth to surface w/ 300 sx cmt.

Drilling Fluid Management Plan AMTIN 4-9-09
(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: Bill Robinson

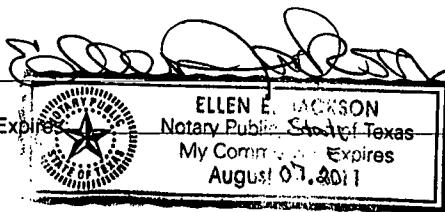
Title: agent Date: 12-3-07

Subscribed and sworn to before me this 3 day of December

20 07

Notary Public: _____

Date Commission Expires _____


ELLEN E. JACKSON
Notary Public, State of Texas
My Commission Expires
August 07, 2011

KCC Office Use ONLY

Letter of Confidentiality Received
 If Denied, Yes Date: _____ **RECEIVED**
 Wireline Log Received **KANSAS CORPORATION COMMISSION**
 Geologist Report Received
 UIC Distribution **DEC 12 2007**

CONSERVATION DIVISION
WICHITA, KS

Operator Name: Clipper Energy, LLC Lease Name: Alexander-Dowdell Well #: 2
 Sec. 24 Twp. 7 S. R. 21 East West County: Graham

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 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: RAG	<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>T /Anhydrite</td> <td>1698</td> <td>410</td> </tr> <tr> <td>B/KC</td> <td>3540</td> <td>-1432</td> </tr> </table>	Name	Top	Datum	T /Anhydrite	1698	410	B/KC	3540	-1432
Name	Top	Datum								
T /Anhydrite	1698	410								
B/KC	3540	-1432								

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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	12 1/4	8 5/8	24	213	common	150	3% cc 2% gel
production	7 7/8	5 1/2	14	3660	common	160	10 % salt+ 2% gel + 500 gal WFR 2

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	3320-24	A/250 15 %	3295

TUBING RECORD		Size	Set At	Packer At	Liner Run
		2 7/8	3295	na	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.			Producing Method		
12-3-07			<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
	25	na	50		

Disposition of Gas Vented Sold Used on Lease *(If vented, Submit ACO-18.)*

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled Other (Specify) _____

Production Interval _____

RECEIVED
KANSAS CORPORATION COMMISSION

DEC 12 2007

ALLIED CEMENTING CO., INC.

24743

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

SERVICE POINT: 72

DATE <u>11-27-07</u>	SEC. <u>24</u>	TWP. <u>7</u>	RANGE <u>21W</u>	CALLED OUT	ON LOCATION	JOB START <u>12:30 AM</u>	JOB FINISH <u>1:00 AM</u>
LEASE <u>ALEXANDER</u>	WELL # <u>2</u>	LOCATION <u>NICODENUS 1 1/2 W</u>			COUNTY <u>GRAHAM</u>	STATE <u>KS</u>	
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR ALLIANCE
 TYPE OF JOB PORT COLLAR
 HOLE SIZE _____ T.D. _____
 CASING SIZE 5/8 DEPTH _____
 TUBING SIZE 2 7/8 DEPTH 1637
 DRILL PIPE _____ DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ SHOE JOINT _____
 CEMENT LEFT IN CSG. _____
 PERFS. _____
 DISPLACEMENT _____

EQUIPMENT

PUMP TRUCK CEMENTER MARK
 # 366 HELPER DALE
 BULK TRUCK _____
 # 362 DRIVER CHUCK
 BULK TRUCK _____
 # _____ DRIVER _____

REMARKS:

PORT COLLAR @ 1637 TEST 5/8 TO 1000' OPEN TOOL - BROKE CIRC
MIXED 300 SK CIRC CEMENT
CLOSED TOOL TESTED TO 1000'
RAN 5 JTS REVERSED CLEAN W/ 20' 3BL HCL WATER

CHARGE TO: GREAT EASTERN CLEARER
 STREET _____
 CITY _____ STATE _____ ZIP _____

To Allied Cementing Co., Inc.
 You are hereby requested to rent cementing equipment and furnish cementer and helper 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 & understand the "TERMS AND CONDITIONS" listed on the reverse side.

SIGNATURE Joel Lawton

OWNER _____

CEMENT
 AMOUNT ORDERED 330 60/60 6% C.E.L
1/2 LB TO SEAL 1/2 LB
USED 300 SK

COMMON	<u>180</u>	@	<u>11'</u>	<u>1998⁰⁰</u>
POZMIX	<u>120</u>	@	<u>6.50</u>	<u>768⁰⁰</u>
GEL	<u>20</u>	@	<u>16.65</u>	<u>333⁰⁰</u>
CHLORIDE		@		
ASC		@		
<u>KCL</u>	<u>2 GAL</u>	@	<u>25⁰⁰</u>	<u>50⁰⁰</u>
<u>1/2 SEAL</u>	<u>75'</u>	@	<u>2⁰⁰</u>	<u>150⁰⁰</u>
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>350</u>	@	<u>1.20</u>	<u>420⁰⁰</u>
MILEAGE	<u>91 SK/MILE</u>			<u>2205⁰⁰</u>

RECEIVED
 KANSAS CORPORATION COMMISSION

DEC 12 2007 SERVICE

DEPTH OF LOG DIVISION				
PUMP TRUCK CHARGE				<u>955⁰⁰</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>70</u>	@	<u>6⁰⁰</u>	<u>420⁰⁰</u>
MANIFOLD		@		
		@		
		@		

71.50
75.14⁰⁰

TOTAL 1375⁰⁰

CONFIDENTIAL
 PLUG & FLOAT EQUIPMENT
 DEC 12 2007

	@			
	@			
	@			
	@			
	@			

TOTAL _____

TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

PRINTED NAME _____

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "Allied" shall mean Allied Cementing Co., Inc., and "Customer" shall refer to the party identified by that term on the front of this contract. As applicable, "Job" relates to the services described on the front side of this contract, "merchandise" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

—**TERMS:** Unless satisfactory credit has been established, "CUSTOMER" must tender full cash payment to "ALLIED" before the job is undertaken or merchandise is delivered. If satisfactory credit has been established, the terms of payment for the job and/or merchandise, including bulk cement, are net cash, payable in 30 days from the completion of the job and/or delivery of the merchandise. For all past due invoices, "CUSTOMER" agrees to pay interest on amounts invoiced at a rate of 18 percent per annum until paid. Notwithstanding the foregoing, in no event shall this Contract provide for interest exceeding the maximum rate of interest that "CUSTOMER" may agree to pay under applicable law. If any such interest should be provided for, it shall be and hereby is deemed to be a mistake, and this contract shall be automatically reformed to lower the rate of interest to the maximum legal contract rate, any amounts previously paid as excess interest shall be deducted from the amounts owing from the "CUSTOMER" or at the option of "ALLIED," refunded directly to "CUSTOMER." For purposes of this paragraph, ALLIED and CUSTOMER agree that KANSAS law shall apply. Any discounts granted with this contract are null and void if the charges are not paid when due.

—**ATTORNEY FEES:** In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the terms of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limited to, a reasonable sum as and for attorney's fees.

—**PRICES AND TAXES:** All merchandise listed in "ALLIED'S" current price schedule are F.O.B. ALLIED'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by ALLIED shall be added to the quoted prices charged to CUSTOMER.

—**TOWING CHARGES:** ALLIED will make a reasonable attempt to get to and from each job site using its own equipment. Should ALLIED be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ a tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMER or, if furnished by ALLIED, will be charged to and paid by CUSTOMER.

—**PREPARATION CHARGES:** If a job and/or merchandise is ordered and CUSTOMER cancels the order after preparation of a chemical solution or other material, CUSTOMER will pay ALLIED for the expenses incurred by ALLIED as a result of the cancellation.

—**DEADHAUL, CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charge as set forth in ALLIED'S current price book will be charged each way for each service unit which is ordered by CUSTOMER but not used.

—**SERVICE CONDITIONS AND LIABILITIES:** 1. ALLIED carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond ALLIED'S control, ALLIED shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. Customer shall be responsible for and indemnify, defend, and hold harmless ALLIED, its officers, agents and employees, from and against any and all claims or suits for:

(A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with ALLIED'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of ALLIED or its employees.

2. With respect to any of ALLIED'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to ALLIED at the landing, CUSTOMER shall either recover the lost item without cost to ALLIED or reimburse ALLIED the current replacement cost of the item unless the loss or damage results from the sole negligence of ALLIED or its employees.

3. ALLIED does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

WARRANTIES: 1. ALLIED warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. ALLIED'S obligation under this warranty is expressly limited to repair, replacement, or allowance for credit, at its option, for any merchandise which is determined by ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and ALLIED shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.

2. More specifically:

(A) Nothing in this contract shall be construed as a warranty by ALLIED of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.

(B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by ALLIED or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by ALLIED, unless the inaccuracy or incorrectness is caused by the wilful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.

(C) Work done by ALLIED shall be under the direct supervision and control of the CUSTOMER or his agent and ALLIED will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.

ALLIED CEMENTING CO., INC.

24763

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

CONFIRMED
DEC 12 2007

SERVICE POINT:

DATE <u>12-18-07</u>	SEC. <u>24</u>	TWP. <u>7S</u>	RANGE <u>21W</u>	CALLED OUT	LOCATION <u> </u>	JOB START	JOB FINISH
LEASE <u>Alexander</u>	WELL # <u>2</u>	LOCATION <u>N Codemous 2 1/2 N E...</u>	COUNTY <u>Geary</u>	STATE <u>Ks</u>			
OLD OR NEW (Circle one)							

CONTRACTOR Warren Drilling Rig # 14
 TYPE OF JOB Production
 HOLE SIZE 7 7/8 T.D.
 CASING SIZE 5 1/2 DEPTH 3660
 TUBING SIZE 14" DEPTH 3669.22
 DRILL PIPE DEPTH
 TOOL DEPTH 1638
 PRES. MAX 13.45 MINIMUM
 MEAS. LINE 13.45 SHOE JOINT
 CEMENT LEFT IN CSG. 13.45
 PERFS.
 DISPLACEMENT 86.67 bbl 89.11
 EQUIPMENT

OWNER
 CEMENT
 AMOUNT ORDERED 160 Con 100 Salt
25 bbl 500 Gal WFA-2
10 Gal KCL
 COMMON 160 @ 11.10 = 1776.00
 POZMIX 3 @ 16.60 = 49.80
 GEL @ =
 CHLORIDE @ =
 ASC @ =
Salt 15 @ 14.00 = 210.00
KCL 10 Gal @ 25.00 = 250.00
WFA-2 500 Gal @ 1.00 = 500.00
 HANDLING @ =
 MILEAGE 175 @ 1.07/52/mile = 306.75
 TOTAL 3342.55

PUMP TRUCK CEMENTER Shane
 # 366 HELPER John Roberts
 BULK TRUCK DRIVER Matt Davis
 # 378 DRIVER
 # DRIVER

REMARKS:

Ret 16/0 15 sks
Insert @ 3551.77
Land on Aug @ 1300 ps.
Float Held!

CHARGE TO: Clipper Energy
 STREET
 CITY STATE ZIP

SERVICE

DEPTH OF JOB
 PUMP TRUCK CHARGE
 EXTRA FOOTAGE @ 1613.00
 MILEAGE @ 6.15 = 92.25
 MANIFOLD @ =
 @ =
 @ =

TOTAL 2022.00

8892.55
 13.45
 889.20

\$ 8003.39

PLUG & FLOAT EQUIPMENT

Blue Plug @ 17.00 = 17.00
Float Shoe @ 470.00 = 470.00
Catch drum Assembly @ 41.00 = 41.00
11 Conduit coils @ 50.00 = 550.00
2 Baskets @ 16.00 = 32.00

TOTAL 312.00

To Allied Cementing Co., Inc.
 You are hereby requested to rent cementing equipment and furnish cementer and helper 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 & understand the "TERMS AND CONDITIONS" listed on the reverse side.

SIGNATURE

TAX
 TOTAL CHARGE
 DISCOUNT

RECEIVED
KANSAS CORPORATION COMMISSION

DEC 12 2007 PAID 30 DAYS

CONSERVATION DIVISION
MCHIT KS

PRINTED NAME

GENERAL TERMS AND CONDITIONS

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(A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with ALLIED'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of ALLIED or its employees.

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3. ALLIED does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

WARRANTIES: 1. ALLIED warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. ALLIED'S obligation under this warranty is expressly limited to repair, replacement, or allowance for credit, at its option, for any merchandise which is determined by ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and ALLIED shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.

2. More specifically:

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(C) Work done by ALLIED shall be under the direct supervision and control of the CUSTOMER or his agent and ALLIED will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.