

*NEW ACOI COMPLETED BY OPER. IN LIEU OF CORRECTS. INCOMP. ACOI REC'D 3/11/09

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
October 2008
Form Must Be Typed

ORIGINAL

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 5675

Name: McPherson Drilling

Address 1: P.O. Box 129

Address 2: _____

City: Sycamore State: KS Zip: 67363 + _____

Contact Person: Ron McPherson

Phone: (620) 336-2662

CONTRACTOR: License # 5675

Name: Company Tools

Wellsite Geologist: _____

Purchaser: _____

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.: _____

11/25/08 11/26/08 12/05/08

Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date
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API No. 15 - 125-31797-0000

Spot Description: _____

SW _SW_ NE _SW_ Sec. 13 Twp. 31 S. R. 16 East West

1485 Feet from North / South Line of Section

3795 Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:

NE NW SE SW

County: MONTGOMERY

Lease Name: McPherson Well #: 12

Field Name: Neodesha

Producing Formation: Bartlesville

Elevation: Ground: 908 Kelly Bushing: _____

Total Depth: 1004 Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at: 25 Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set: _____ Feet

If Alternate II completion, cement circulated from: surface

feet depth to: 25' w/ 4 sx cmt.

Drilling Fluid Management Plan AH II SUR 1-26-10
(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.

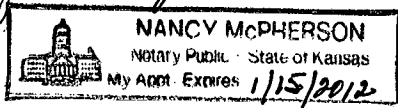
Signature: Ron McPherson

Title: Owner Date: 07/27/09

Subscribed and sworn to before me this 27th day of July,
20 09.

Notary Public: Nancy McPherson

Date Commission Expires: January 15, 2012



KCC Office Use ONLY

Letter of Confidentiality Received

If Denied, Yes Date: _____

Wireline Log Received

_____ Geologist Report Received

_____ UIC Distribution

KANSAS CORPORATION COMMISSION

JUL 28 2009
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Operator Name: McPherson Drilling Lease Name: McPherson Well #: 12
 Sec. 13 Twp. 31 S. R. 16 East West County: MONTGOMERY

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: CORNISH WIRELINE SERVICES, INC. See attached log w/original correspondence	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum SEE ATTACHED COPY OF DRILLERS LOG WITH ORIGINAL CORRESPONDENCE
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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	11'	7"	20	25'	Portland	4	
Long String	5 3/4"	2 7/8"	6.9	1000	See attached	Consolidated	Invoice

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
1	884'-982'	See Attached Consolidated Invoice	
1	918'-928'		

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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. 12/10/08		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. 4	Gas Mcf	Water Bbls. 3
			Gas-Oil Ratio Gravity

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 type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
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Rig Number: 2	S. 13 T. 31 R. 16E
API No. 15- 125-31797	County: MG
Elev. 908	Location: SW SW NE SW

Gas Tests:	
	MCF
	MCF
	MCF
	MCF
	MCF
	MCF
	MCF
	MCF
	MCF
Comments:	
Start injecting @	503

Operator: MCPHERSON DRILLING LLC
Address: 6032 CR 4900 CHERRYVALE KS 67335
Well No: #12 Lease Name: MCPHERSON
Footage Location: 1485 ft. from the South Line
3795 ft. from the East Line
Drilling Contractor: McPherson Drilling LLC
Spud date: .11/25/2008 Geologist:
Date Completed: .11/26/2008 Total Depth: 1004

Casing Record			Rig Time:	
	Surface	Production		
Size Hole:	11"	5 3/4"		
Size Casing:	8 3/8" 7"			
Weight:	20#			
Setting Depth:	25'	MCPHERSON	Driller:	NICK HILYARD
Type Cement:	Portland			
Sacks:	4	MCPHERSON		

Well Log									
Formation	Top	Btm.	Formation	Top	Btm.	Formation	Top	Btm.	
soil	0	2	oil sand	891	899				
sand	2	7	shale	899	951				
shale	7	93	sand	951	961				
lime	93	96	shale	961	1004				
shale	96	161							
lime	161	205							
shale	205	209							
lime	209	357							
shale	357	378							
lime	378	478							
shale	478	615							
pink lime	615	636							
black shale	636	639							
shale	639	689							
oswego	689	723							
summit	723	734							
lime	734	751							
mulky	751	759							
lime	759	768							
shale	768	779							
coal	779	781							
shale	781	813							
coal	813	814							
shale	814	891							

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CONSOLIDATED
Oil Well Services, L.L.C.

ENTERED

TICKET NUMBER 20717
LOCATION Eureka
FOREMAN Kevin McCoy

PO Box 884, Chanute, KS 66720
620-431-9210 or 800-467-8576

FIELD TICKET & TREATMENT REPORT
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
12-2-08	5337	McPherson # 12				OS
CUSTOMER McPherson Drilling LLC			TRUCK #	DRIVER	TRUCK #	DRIVER
MAILING ADDRESS P.O. Box 129			445	Justin		
CITY Sycamore			515	Jerrod		
STATE KS		ZIP CODE 67363				

JOB TYPE Longstring HOLE SIZE 5 3/4 HOLE DEPTH 1000' CASING SIZE & WEIGHT _____
 CASING DEPTH _____ DRILL PIPE _____ TUBING 2 7/8 Set @ 970' OTHER _____
 SLURRY WEIGHT 14.6 # SLURRY VOL 33 BBL WATER gal/sk 5.6 CEMENT LEFT In CASING 0'
 DISPLACEMENT 5.7 BBL DISPLACEMENT PSI 500 MAX PSI 1000 Shut IN RATE _____

REMARKS: Safety Meeting: Rig up to 2 7/8 Tubing. Break Circulation w/ 10 BBL fresh water. Pump 3 sks Gel Flush, 5 BBL water Spacer, 2 BBL Dye water. Mixed 150 sks 60/40 Pozmix Cement w/ 1% CaCl2, 2% Gel, @ 14.6 #/gal. Shut down. Wash out Pump & Lines. Plug 2 Plugs. Displace w/ 5.7 BBL fresh water. Final Pumping Pressure 500 PSI. Pump down to 1000 PSI. Shut Tubing IN @ 1000 PSI. Good Cement Returns to Surface. Job Complete. Rig down.

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	925.00	925.00
5406	0	MILEAGE in Field	0	0
1131	150 SKS	60/40 Pozmix Cement	11.35	1702.50
1118 A	250 #	Gel 2%	.17	42.50
1102	125 #	CaCl2 1%	.75	93.75
5407	6.45 TWS	Ten Mileage BULK TRUCK	466	3005.00
1118 A	150 #	Gel Flush	.17	25.50
4402	2	2 7/8 Top Rubber Plugs	23.00	46.00
			Sub Total	3150.25
			SALES TAX	101.24
			ESTIMATED TOTAL	3251.49

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THANK YOU 5.3%

RevIn 3737

AUTHORIZATION witnessed By Andy

221844
TITLE McPherson Co. Rep.

DATE _____

CORNISH WIRELINE SERVICES, INC.

P.O. DRAWER H • CHANUTE, KANSAS 66720

620-431-9308

INVOICE

SOLD TO: McPHERSON DRILLING
 P.O. BOX 129
 SYCAMORE, KS 67363

Date of Invoice 12-10-08Invoice # 14526PLEASE RETURN ONE COPY OF
INVOICE WITH PAYMENT.

DATE OF SERVICE	TYPE OF SERVICE	AMOUNT
12-5-08	McPHERSON NO. 12 MONTGOMERY COUNTY, KANSAS GAMMA RAY/NEUTRON LOG PERFORATE WITH 2" DML-RTG 9 SHOTS 884'-892' 11 SHOTS 918'-928' 20 2" DML-RTG SHOTS AT \$24.00 EACH 1 ADDITIONAL 2" DML-RTG GUN MAST CHARGE AMOUNT DUE THIS INVOICE	\$ 400.00 580.00 480.00 320.00 75.00 <hr/> \$1855.00
<p style="text-align: center;">THANK YOU. WE APPRECIATE YOUR BUSINESS!!</p> <p>TERMS: All invoices are due in full 30 days after invoice date. A FINANCE CHARGE of 1³/₄% (21% per annum) will be assessed after 30 days.</p>		

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