

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

2/11/10
Form ACO-1
September 1999
Form Must Be Typed

Operator: License # 6044
Name: Stelbar Oil Corporation, Inc.
Address: 1625 N. Waterfront Parkway, Suite #200
City/State/Zip: Wichita, KS 67206-6602
Purchaser: N/A
Operator Contact Person: Roscoe L. Mendenhall
Phone: (316) 264-8378
Contractor: Name: Sterling Drilling Company
License: 5142
Wellsite Geologist: Dave Goldak

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. _____

01/12/2008

01/28/2008

Spud Date or
Recompletion Date

Date Reached TD

Completion Date or
Recompletion Date

API No. 15 - 187-21111-0000

County: Stanton

SW/4 NW/4 NE/4 Sec. 24 Twp. 30 S. R. 41 ☐ East ☒ West

700' feet from XX N (circle one) Line of Section

2180' feet from E XXX (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

(circle one) NE SEXXXXXXXSW

Lease Name: Armstrong Well #: 3-24

Field Name: _____

Producing Formation: _____

Elevation: Ground: 3342' Kelly Bushing: 3353'

Total Depth: 5580' Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at 1704' set @ 1716' KB Feet

Multiple Stage Cementing Collar Used? ☐ Yes ☒ No

Yes, show depth set _____ Feet

If Alternate II completion, cement circulated from _____

feet depth to _____ w/ _____ sx cmt.

Drilling Fluid Management Plan PANS 6809
(Data must be collected from the Reserve Pit)

Chloride content 700 ppm Fluid volume 2000 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: Roscoe L. Mendenhall Roscoe L. Mendenhall

Title: Vice-President / Operations Date: February 11, 2008

Subscribed and sworn to before me this 11th day of February

20 08

Notary Public: Ginger L. Kelley (Ginger L. Kelley)

Date Commission Expires: 07/01/2008

GINGER L. KELLEY
Notary Public - State of Kansas
My Appt. Expires 07-01-2008

KCC Office Use ONLY

☒ Letter of Confidentiality Attached

☒ If Denied, Yes ☐ Date: _____

☒ Wireline Log Received

☒ Geologist Report Received

☐ UIC Distribution

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FEB 11 2008
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Side Two

Operator Name: Stelbar Oil Corporation, Inc. Lease Name: Armstrong Well #: 3-24
Sec. 24 Twp. 30 S. R. 41 ☐ East ☒ West County: Stanton County, Kansas

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) List All E. Logs Run: 1. Compact Photo Density Compensated Neutron Log. 2. Array Induction Shallow Focussed Electric Log. 3. Compensated Sonic Integrated Transit Time Log. 4. Micro Resistivity Log.	☐ Log Formation (Top), Depth and Datum ☒ Sample <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Name</th> <th>Top</th> <th>Datum</th> </tr> </thead> <tbody> <tr> <td>Heebner Shale</td> <td>3619'</td> <td>- 266</td> </tr> <tr> <td>Lansing Ls.</td> <td>3717'</td> <td>- 364</td> </tr> <tr> <td>Marmaton Ls.</td> <td>4288'</td> <td>- 935</td> </tr> <tr> <td>Cherokee Shale</td> <td>4484'</td> <td>-1131</td> </tr> <tr> <td>Atoka Shale</td> <td>4821'</td> <td>-1468</td> </tr> <tr> <td>Morrow Shale</td> <td>4926'</td> <td>-1573</td> </tr> <tr> <td>Lwr. Morrow Marker</td> <td>5224'</td> <td>-1871</td> </tr> <tr> <td>Chester</td> <td>5339'</td> <td>-1986</td> </tr> <tr> <td>St. Gen. Ls.</td> <td>5349'</td> <td>-1996</td> </tr> <tr> <td>St. Louis 'C'</td> <td>5518'</td> <td>-2165</td> </tr> </tbody> </table>	Name	Top	Datum	Heebner Shale	3619'	- 266	Lansing Ls.	3717'	- 364	Marmaton Ls.	4288'	- 935	Cherokee Shale	4484'	-1131	Atoka Shale	4821'	-1468	Morrow Shale	4926'	-1573	Lwr. Morrow Marker	5224'	-1871	Chester	5339'	-1986	St. Gen. Ls.	5349'	-1996	St. Louis 'C'	5518'	-2165
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CASING RECORD ☒ New ☐ 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#	1716' KB	400 sx. A-Con cont. 3% cc & 1/4# celloflake	200 sx. Common cont. 2% cc & 1/4# celloflake	

ADDITIONAL CEMENTING / SQUEEZE RECORD			
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used
☐ Perforate ☐ Protect Casing ☐ Plug Back TD ☐ Plug Off Zone ☒ Plug Well	50 sx. @ 1750', 40 sx. @ 630' & 20 sx. from 60' to surface.	Plug rathole w/15 sx. and mousehole w/10 sx.	
	All cement was 60/40 poz mix w/4% gel.		

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
TUBING RECORD		Liner Run ☐ Yes ☐ No	
Date of First, Resumed Production, SWD or Enhr.		Producing Method ☐ Flowing ☐ Pumping ☐ Gas Lift ☐ Other (Explain)	
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls. Gas-Oil Ratio Gravity

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 _____



Will file

INVOICE NUMBER

1975000679

**J
O
B

S
I
T
E**

LEASE NAME	Armstrong
WELL NO.	3-24
COUNTY	Stanton
STATE	Ks
JOB DESCRIPTION	Cement-New Well Casing/Pipe:
JOB CONTACT	

JOB #	EQUIPMENT #	PURCHASE ORDER NO.	TERMS	DUE DATE	
1975-00685	301		Net 30 DAYS	02/14/2008	
For Service Dates: 01/15/2008 to 01/15/2008 1975-00685 1975-20779A Cement-New Well Casing 1/15/08 Pump Charge-Hourly Casing Cement Pump Cement Float Equipment Basket, 8 5/8" Cement Float Equipment Centralizer, 8 5/8" Cement Float Equipment Insert Float Valve, 8 5/8" Cement Float Equipment Threadlock Compound Kit Cement Float Equipment Top Rubber Cement Plug, 8 5/8" Mileage Cement Service Charge Mileage Heavy Vehicle Mileage Mileage Proppant and Bulk Delivery Pickup Car, Pickup or Van Mileage Additives Cellflake Additives WCA-1 Calcium Chloride Cement A-Con Blend Cement Premium/Common Supervisor Service Supervisor		QTY	U of M	UNIT PRICE	INVOICE AMOUNT
		1.00	Hour	1376.000	1,376.00
		1.00	EA	332.500	332.50
		4.00	EA	90.000	360.00
		1.00	EA	275.000	275.00
		1.00	EA	30.000	30.00
		1.00	EA	145.700	145.70
		600.00	DH	1.500	900.00
		120.00	DH	5.000	600.00
		1,128.00	DH	1.600	1,804.80
		40.00	Hour	3.000	120.00
		141.00	EA	3.700	521.70 T
		38.00	EA	25.000	950.00 T
		1,504.00	EA	1.000	1,504.00 T
		400.00	EA	18.600	7,440.00 T
		200.00	EA	15.830	3,166.00 T
		1.00	Hour	150.000	150.00



Liberal

B STELBAR OIL CORPORATION, INC.
I 1625 N. WATERFRONT PKWAY
L SUITE #200
T WICHITA KS 67206-6602
O ATTN:

J LEASE NAME Armstrong
O WELL NO. 3-24
B COUNTY Stanton
S STATE Ks
I JOB DESCRIPTION Cement-New Well Casing/Pipe:
T JOB CONTACT
E

PAGE 2 of 2	CUST NO 1975-STE020	INVOICE DATE 01/15/2008
INVOICE NUMBER 1975000679		

JOB #	EQUIPMENT #	PURCHASE ORDER NO.		TERMS	DUE DATE
1975-00685	301			Net 30 DAYS	02/14/2008
		QTY	U of M	UNIT PRICE	INVOICE AMOUNT
					
PLEASE REMIT TO: BASIC ENERGY SERVICES, LP PO BOX 841903 DALLAS, TX 75284-1903 SEND OTHER CORRESPONDENCE TO: BASIC ENERGY SERVICES, LP PO BOX 10460 MIDLAND, TX 79702 BID DISCOUNT SUBTOTAL TAX INVOICE TOTAL -3,148.11 16,527.59 718.73 17,246.32					

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FEB 13 2008
CONSERVATION DIVISION
WICHITA, KS

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BASiL

energy services, L.P.

FIELD ORDER

20779

Subject to Correction

Date	1-15-2008	Customer ID	Steelbar Oil Corp	Lease	Armstrong	Well #	3-24	Legal	24-30-41
				County	Stanton	State	KS	Station	Liberal
				Depth		Formation		Shoe Joint	43
				Casing	8 5/8" J55K	Casing Depth	1704	TD	
				Customer Representative	Bill Craig	Treater	M. Cochran	Job Type	8 5/8" Surface CML
AFE Number		PO Number		Materials Received by	X W. S. Craig				

Station Code	Product Code	QUANTITY	MATERIALS, EQUIPMENT, and SERVICES USED	UNIT PRICE	AMOUNT
L	D101	400sk	A-con Blend		7440.00
L	D100	200sk	Premium		316.00
L	C310	1504lb	Calcium Chloride		1504.00
L	C194	141 lb	Cellulose		521.70
L	C196	381b	WCA-1		950.00
L	F233	1 ea	Insert w/fill		275.00
L	F123	1 ea	Basket		332.50
L	F103	4 ea	Centralizer		360.00
L	F800	1 ea	Threadlock		30.00
L	F145	1 ea	Top Plug		145.70
L	F193	1 ea	Guide shoe		235.40
L	E100	120mi	Heavy Vehicle Mileage 1-way		600.00
L	E107	600sk	Cement Service Chrg.		900.00
L	E104	1128tm	Bulk Delivery		1804.80
L	R204	1 ea	Casing Cement Pumper		1376.00
L	E101	40mi.	Pick-up Mileage 1-way		120.00
L	E891	1 ea	Service Supervisor		150.00
RECEIVED KANSAS CORPORATION COMMISSION FEB 13 2008 CONSERVATION DIVISION WICHITA, KS					
Discounted Total					
Plus TAX					16527.50

BASIC

energy services, L.P.

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FEB 11 2008

TREATMENT REPORT

Customer <i>Stelbar</i>	Lease No. <i>KCC</i>	Date <i>1-14-2008</i>
Lease <i>Armstrong</i>	Well # <i>3-24</i>	
Field Order # <i>20119</i>	Station <i>Liberal</i>	Casing <i>8 7/8</i>
Type Job <i>8 7/8 surface</i>	Formation <i>CNW</i>	Depth <i>1704</i>
		County <i>Stanton</i>
		State <i>KS</i>
		Legal Description <i>24-30-41</i>

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME		
Casing Size	Tubing Size	Shots/Ft		Acid		RATE	PRESS	ISIP
Depth	Depth	From	To	Pre Pad		Max		5 Min.
Volume	Volume	From	To	Pad		Min		10 Min.
Max Press	Max Press	From	To	Frac		Avg		15 Min.
Well Connection	Annulus Vol.	From	To			HHP Used		Annulus Pressure
Plug Depth	Packer Depth	From	To	Flush		Gas Volume		Total Load

Customer Representative <i>Bill Craig</i>	Station Manager <i>J. Bennett</i>	Treater <i>M. Cochran</i>
Service Units <i>21755 8122 19553 17805 17883</i>		
Driver Names <i>Cochran W. Gerard Harold</i>		

Time	Casing Pressure	Tubing Pressure	Bbbs. Pumped	Rate	Service Log
20:15					on Loc. / Held Safety Meeting
20:30					Spot Equip. + Rig up same
02:17	2500				Test Lines
02:49	200		5	2	Start fresh H ₂ O Ahead
02:51	350		220	5	Start Lead amt 400sk @ 11.5#
03:37	375		48	3	Start Tail amt 200sk @ 15#
03:55					Drop Plug
03:56	200		0	4	Start Displacement W/H ₂ O
04:18	700		87	2	Slow Rate
04:28	1200		107	2	Bump Plug
04:30			107		Release / Start Hold
					End Job

800 Pressure Before Plug Land

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CONSERVATION DIVISION
WICHITA KS



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FEB 11 2008
KCC

Liberal

BILL TO
STELBAR OIL CORPORATION, INC.
1625 N. WATERFRONT PKWAY
SUITE #200
WICHITA KS 67206-6602
ATTN:

JOB SITE
LEASE NAME Armstrong
WELL NO. 3-24
COUNTY Stanton
STATE Ks
JOB DESCRIPTION Cement-New Well Casing/Pipe
JOB CONTACT PTA Well

PAGE

1 of 1

CUST NO

1975-STE020

INVOICE DATE

01/30/2008

INVOICE NUMBER

1975000718

JOB #	EQUIPMENT #	PURCHASE ORDER NO.		TERMS	DUE DATE
1975-00724	301			Net 30 DAYS	02/29/2008
For Service Dates: 01/30/2008 to 01/30/2008		QTY	U of M	UNIT PRICE	INVOICE AMOUNT
1975-00724					
1975-20821 Cement-New Well Casing 1/30/08					
Pump Charge-Hourly		1.00	Hour	1376.000	1,376.00
Casing Cement Pump					
Mileage		135.00	DH	1.500	202.50
Cement Service Charge					
Mileage		80.00	DH	5.000	400.00
Heavy Vehicle Mileage					
Mileage		254.00	DH	1.600	406.40
Proppant and Bulk Delivery					
Pickup		40.00	Hour	3.000	120.00
Car, Pickup or Van Mileage					
Additives		254.00	EA	0.250	63.50 T
Cement Gel					
Cement		135.00	EA	11.730	1,583.55 T
60/40 POZ					
Supervisor		1.00	Hour	150.000	150.00
Service Supervisor					

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CONSERVATION DIVISION
WICHITA, KS



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FEB 13 2008

CONSERVATION DIVISION
WICHITA, KS

PLEASE REMIT TO:
BASIC ENERGY SERVICES, LP
PO BOX 841903
DALLAS, TX 75284-1903

SEND OTHER CORRESPONDENCE TO:
BASIC ENERGY SERVICES, LP
PO BOX 10460
MIDLAND, TX 79702

BID DISCOUNT	-430.19
SUBTOTAL	3,871.76
TAX	93.39
INVOICE TOTAL	3,965.15

20821

Subject to Correction

CHARGE

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FEB 11 2008
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~~CONSERVATION DIVISION~~
~~WICHITA, KS~~

Taylor Printing, Inc. • www.taylorprinting.us

TREATMENT REPORT

Customer <i>Stelhor</i>		Lease No.		Date <i>1-30-8</i>	
Lease <i>Armstrong</i>		Well # <i>3-24</i>			
Field Order # <i>20821</i>	Station <i>Liberal</i>	Casing <i>-</i>	Depth <i>1750</i>	County <i>Stanton</i>	State <i>K5</i>
Type Job <i>PTA CANN</i>			Formation	Legal Description <i>24-30-41</i>	

PIPE DATA		PERFORATING DATA		FLUID USED	TREATMENT RESUME		
Casing Size	Tubing Size	Shots/Ft		Acid	RATE	PRESS	ISIP
	4 1/2"			13.5% 60/1	40 PPS	1.5 PPS/FT	7.5 Gal-5K
Depth	Depth	From	To	Pre Pad	Max		5 Min.
	1750'						
Volume	Volume	From	To	Pad	Min		10 Min.
Max Press	Max Press	From	To	Frac	Avg.		15 Min.
Well Connection	Annulus Vol.	From	To		HHP Used		Annulus Pressure
Plug Depth	Packer Depth	From	To	Flush	Gas Volume		Total Load

Customer Representative <u>Bill Craig</u>				Station Manager <u>Jersey Bennett</u>				Treater <u>ISMAEL CHAVEZ</u>			
Service Units	<u>19891</u>	<u>19928</u>	<u>19919</u>	<u>19819</u>	<u>19566</u>						
Driver Names	<u>ISMAEL CHAVEZ</u>			<u>Dominick C</u>			<u>Harold M.</u>				

[illegible]