

**CONFIDENTIAL**

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

**ORIGINAL**

3/24/10

Form ACO-1  
October 2008  
Form Must Be Typed

**WELL COMPLETION FORM**

**WELL HISTORY - DESCRIPTION OF WELL & LEASE**

OPERATOR: License # 33924  
Name: ABARTA Oil & Gas Co., Inc.  
Address 1: 1000 Gamma Drive  
Address 2: Suite 400  
City: Pittsburgh State: PA Zip: 15238 +  
Contact Person: Ken Fleeman  
Phone: ( 412 ) 963-6134  
CONTRACTOR: License # 33905  
Name: Royal Drilling **MAR 24 2009**  
Wellsite Geologist: Jim Musgrove **KCC**  
Purchaser: N/A

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.: \_\_\_\_\_  
01/14/2009 01/21/2009 02/14/2009  
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 167-23524-0000  
Spot Description: \_\_\_\_\_  
-- NE SE NE Sec. 22 Twp. 15 S. R. 14  East  West  
1,360 Feet from  North /  South Line of Section  
330 Feet from  East /  West Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
 NE  NW  SE  SW  
County: Russell  
Lease Name: OCHS Well #: 4  
Field Name: Trapp  
Producing Formation: Arbuckle  
Elevation: Ground: 1887 Kelly Bushing: 1892  
Total Depth: 3650 Plug Back Total Depth: 3650  
Amount of Surface Pipe Set and Cemented at: 911 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/ ALT-1-Dig-4/13/09 <sup>sx cmt.</sup>

**Drilling Fluid Management Plan**  
(Data must be collected from the Reserve Pit)  
Chloride content: 42,000 ppm Fluid volume: 1000 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: James J. Fleeman  
Title: Manager of Engineering Date: 3/17/2009

Subscribed and sworn to before me this 17<sup>th</sup> day of March, 2009.

Notary Public: Mary R. Cemicky  
Date Commission Expires: \_\_\_\_\_

**COMMONWEALTH OF PENNSYLVANIA**  
Notarial Seal  
Mary R. Cemicky, Notary Public  
City Of Arnold, Westmoreland County  
My Commission Expires Aug. 27, 2010  
Member, Pennsylvania Association of Notaries

**KCC Office Use ONLY**  
 Letter of Confidentiality Received  
 If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
 UIC Distribution  
**RECEIVED**  
KANSAS CORPORATION COMMISSION  
**MAR 26 2009**

CONSERVATION DIVISION  
WICHITA, KS

CONFIDENTIAL

Side Two

Operator Name: ABARTA Oil & Gas Co., Inc. Lease Name: OCHS Well #: 4  
Sec. 22 Twp. 15 S. R. 14  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)

List All E. Logs Run: ACO1 rec'd w/ 3 LOGS:

MICRO LOG; DIL; COMPSD. DENSITY  
NEUTRON PE LOG

Log Formation (Top), Depth and Datum  Sample

Name	Top	Datum
Anhydrite	899	+933
Heebner	3018	-1126
Lansing	3083	-1191
Base Kansas City	3289	-1397
Arbuckle	3325	-1433
Reagan Sand	3517	-1625

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"	23	906	CLA	350	2% gel, 3% cc
Production	7 - 7/8"	5 - 1/2"	15.5	3392	60/40 & CLA	300	6% gel, 10% cc

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

TUBING RECORD: Size: 2 - 3/8" Set At: 3170' Packer At: 3170' Liner Run:  Yes  No

Date of First, Resumed Production, SWD or Enhr. Shut-In: \_\_\_\_\_ Producing Method:  Flowing  Pumping  Gas Lift  Other (Explain) \_\_\_\_\_

Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
	0	0	0		

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: \_\_\_\_\_

# ALLIED CEMENTING CO., LLC. 34932

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

SERVICE POINT: Russell

DATE <u>1-21-09</u>	SEC. <u>22</u>	TWP. <u>15</u>	RANGE <u>14</u>	CALLED OUT	ON LOCATION	JOB START <u>6:00 p.m.</u>	JOB FINISH <u>7:00 p.m.</u>
LEASE <u>Ochs</u>	WELL # <u>4</u>	LOCATION <u>Winterset Rd 1/2 w S into</u>			COUNTY <u>Russell</u>	STATE <u>KS</u>	
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR Royal #1

TYPE OF JOB Production String

HOLE SIZE 7 7/8 T.D. 3650

CASING SIZE 5 1/2 IS 5F DEPTH 3391

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT 30.43

CEMENT LEFT IN CSG. 30.43

PERFS.

DISPLACEMENT 80 BK

OWNER

CEMENT

AMOUNT ORDERED 100 69/40 6% salt  
200 60m 10% salt

**KCC**  
FEB 24 2009  
**CONFIDENTIAL**

EQUIPMENT

PUMP TRUCK CEMENTER Craig/walt

# 417 HELPER mat

BULK TRUCK

# 345 DRIVER John G.B.

BULK TRUCK

# 378 DRIVER Rocky

COMMON	<u>200</u>	@	<u>13.50</u>	<u>2700.00</u>
POZMIX		@		
GEL		@		
CHLORIDE		@		
ASC		@		
<u>Lite</u>	<u>100</u>	@	<u>11.85</u>	<u>1185.00</u>
<u>Salt</u>	<u>8</u>	@	<u>21.25</u>	<u>170.00</u>
RECEIVED KANSAS CORPORATION COMMISSION				
MAR 26 2009				
CONSERVATION DIVISION WICHITA, KS				
HANDLING	<u>300</u>	@	<u>2.25</u>	<u>675.00</u>
MILEAGE	<u>110/54 mile</u>			<u>300.00</u>
TOTAL				<u>5030.00</u>

REMARKS:

Tool Opened @ 1500PSI

Insert set @ 3360.57

Rathole 30SK

Mopse hole 15SK

Plug landed 1200PSI. Held.

Thanks!

SERVICE

DEPTH OF JOB				
PUMP TRUCK CHARGE				<u>1957.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>8</u>	@	<u>7.00</u>	<u>56.00</u>
MANIFOLD		@		
		@		
		@		
TOTAL				<u>2013.00</u>

CHARGE TO: Albarta Oil & Gas

STREET \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

PLUG & FLOAT EQUIPMENT

<u>1 5/8 Packershoe</u>				<u>1451.00</u>
<u>2 Baskets</u>	@	<u>181.00</u>		<u>362.00</u>
<u>6 Turbolizers</u>	@	<u>77.00</u>		<u>462.00</u>
<u>1 Catchdown Assembly</u>	@	<u>c</u>		<u>449.00</u>
	@			
	@			
TOTAL				<u>2724.00</u>

To Allied Cementing Co., LLC:  
You are hereby requested to rent cementing equipment and furnish cementer and helper(s) 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 and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

PRINTED NAME \_\_\_\_\_

SIGNATURE [Signature]

SALES TAX (If Any) \_\_\_\_\_

TOTAL CHARGES \_\_\_\_\_

DISCOUNT 30% IF PAID IN 30 DAYS

Faxed  
1-21-09

## GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "ALLIED" shall mean Allied Cementing Co., LLC, 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 willful 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.