

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 # 6039  
Name: L D DRILLING, INC.  
Address 1: 7 SW 26 AVE.  
Address 2: \_\_\_\_\_  
City: GREAT BEND State: KS Zip: 67530 + 6525  
Contact Person: L D DAVIS  
Phone: ( 620 ) 793-3051

CONTRACTOR: License # 5929  
Name: DUKE DRILLING CO., INC.  
Wellsite Geologist: KIM SHOEMAKER  
Purchaser: MV PURCHASING

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.: \_\_\_\_\_

08/14/2009 08/22/2009 09/02/2009  
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 151-22339-00-00

Spot Description: \_\_\_\_\_  
NE SW NE NE Sec. 3 Twp. 26 S. R. 15  East  West  
4411 Feet from  North /  South Line of Section  
726 Feet from  East /  West Line of Section

Footages Calculated from Nearest Outside Section Corner:  
 NE  NW  SE  SW

County: PRATT  
Lease Name: GILES Well #: 1

Field Name: GRIZZELL

Producing Formation: LANSING

Elevation: Ground: 2027' Kelly Bushing: 2040'

Total Depth: 4500' Plug Back Total Depth: \_\_\_\_\_

Amount of Surface Pipe Set and Cemented at: 388 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/ \_\_\_\_\_

AIH-Dg-3/16/10 <sup>sx cmt</sup>

Drilling Fluid Management Plan  
*(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: \_\_\_\_\_

Title: CLERK Date: MARCH 09, 2010

Subscribed and sworn to before me this 10 day of March

20 10

Notary Public: Sharis Bayless

Date Commission Expires: 7-02-2013



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

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KCC WICHITA

Operator Name: L D DRILLING, INC. Lease Name: GILES Well #: 1  
 Sec. 3 Twp. 26 S. R. 15  East  West County: PRATT

**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 checked="" type="checkbox"/> Yes <input 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: <b>DUAL INDUCTION, DUAL COMPENSATED POROSITY,                  MICRORESISTIVITY, &amp; SONIC CEMENT BOND LOG</b>	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum   SEE ATTACHED
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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#	388'	60/40 POZMIX/COMMON	225/150	
1" 50 JTS					COMMON	50	
PRODUCTION	7 7/8"	4 1/2"	10.5#	4495'	60/40 POZMIX	375	18%Salt,.5%CFR,.5#Gil

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	3898 - 3904'	1000 gal 20% HCL	

TUBING RECORD: Size: <u>2 3/8"</u> Set At: <u>4492'</u> Packer At:		Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or Enhr. <b>SEPTEMBER 5, 2009</b>		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. <u>14</u>	Gas Mcf _____ Water Bbls. <u>50</u> 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-1B.)</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: _____ _____
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 KCC WICHITA

**DAILY DRILLING REPORT**

OPERATOR: **L. D. DRILLING, INC.**

LEASE: **GILES #1**

NE SW NE NE Sec 3-26-15

WELLSITE GEOLOGIST: **Kim Shoemaker**

Pratt Co., KS

CONTRACTOR: **DUKE DRILLING**

ELEVATION: GR: 2027'

KB: 2040'

SPUD: 8/14/09 @ 8:00 P.M.

PTD: 4650'

SURFACE: Ran 9 jts New 24# 8 5/8" Surface Casing, Set @ 388', w/ 225 sx 60/40 Pozmix & 150 sx Common, Did Not Circulate, Ran 50' of 1", w/ 50 sx Common, 2% CC, Plug Down @ 4:00 A.M. on 8/15/09, Cement 1" complete @ 6:00 A.M. 8/15/09 by Basic Energy

8/14/09 Move in, rig up & spud

8/15/09 395' Waiting on Cement

8/16/09 1200' Drilling

8/17/09 2580' Drilling

8/18/09 3340' Drilling

8/19/09 3912' Trip out of Hole for DST #1

8/20/09 4185' Drilling

8/21/09 4358' Trip in w/ Bit

8/22/09 4500' RTD Logging

Ran 111jts New 10.5# 4 1/2" Production Casing Set @ 4495', w/ 375 sx 60/40 Pozmix, 18% Salt, .5% CFR & 5# Gilsonite, by Basic Energy Plug Down @ 10:00 P.M. on 8/22/09

DST #1 3874 - 3912' Lansing B

TIMES: 30-45-45-60

BLOW: 1st Open: strong - bob 1 min

2nd Open: strong - bob 9 min

RECOVERY: 2200' gip, 140'mgco

(15%m,35%g,50%o); 80'slmcw(10%m,90%w)

IFP: 44-93 ISIP: 1188

FFP: 88-137 FSIP: 1143

TEMP: 118 degrees

DST #2 4289 - 4358' Mississippi

TIMES: 30-45-45-60

BLOW: 1st Open: stg-bob 3 min,gts 20 min,  
gauge 16 mcf

2nd Open: stg - bob imd, gauge 16 mcf  
decrease to 7 mcf

RECOVERY: 40' gcm (25%g, 75%m)

IFP: 31-31 ISIP: 1038

FFP: 32-35 FSIP: 970

TEMP: 123 degrees

DST #3 4374 - 4407' Mississippi

TIMES: 30-30

BLOW: 1st Open: weak dead 2 min

2nd Open: did not run

RECOVERY: 5' drilling mud

IFP: 28-30 ISIP: 70

TEMP: 114 degrees

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KCC WICHITA

**DAILY DRILLING REPORT**

OPERATOR: L. D. DRILLING, INC. LEASE: GILES #1  
NE SW NE NE Sec 3-26-15  
WELLSITE GEOLOGIST: Kim Shoemaker Pratt Co., KS  
CONTRACTOR: DUKE DRILLING ELEVATION: GR: 2027'  
KB: 2040'  
SPUD: 8/14/09 @ 8:00 P.M. PTD: 4650'

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**SAMPLE TOPS:**

Anhy	Top	993	(+1047)	994	(+1046)
Anhy	Base	1010	(+1030)	1011	(+1029)
Stotler		3068	(-1028)	3065	(-1025)
Howard		3272	(-1232)	3269	(-1229)
Heebner		3700	(-1660)	3698	(-1658)
Brown Lime		3845	(-1805)	3844	(-1804)
Lansing		3870	(-1830)	3870	(-1830)
Base Kansas City		4187	(-2147)	4188	(-2148)
Mississippi		4316	(-2276)	4314	(-2274)
Viola		4466	(-2426)	4464	(-2424)
Simple Viola				4466	(-2426)
RTD / LTD		4500	(-2460)	4502	(-2462)



**BASIC**<sup>SM</sup>  
ENERGY SERVICES  
PRESSURE PUMPING & WIRELINE

10244 NE Hwy. 61  
P.O. Box 8613  
Pratt, Kansas 67124  
Phone 620-672-1201

FIELD SERVICE TICKET  
1718 0337 A

DATE \_\_\_\_\_ TICKET NO. \_\_\_\_\_

DATE OF JOB 03-11-09		DISTRICT 1047		NEW WELL <input checked="" type="checkbox"/> OLD WELL <input type="checkbox"/>		PROD <input type="checkbox"/> INJ <input type="checkbox"/> WDW <input type="checkbox"/>		CUSTOMER ORDER NO.:			
CUSTOMER 1047				LEASE 7-1-08				WELL NO. 1			
ADDRESS				COUNTY PRATT				STATE KS			
CITY				STATE K.				SERVICE CREW			
AUTHORIZED BY				JOB TYPE: NEW 8 3/8 Surface							
EQUIPMENT#	HRS	EQUIPMENT#	HRS	EQUIPMENT#	HRS	TRUCK CALLED	DATE	AM	TIME		
19539/12070	20 m						03-11-09	PM	2:30		
19514/19860	50 m							PM	1:15		
								AM	03:10		
								AM	06:00		
								AM	06:30		
								PM	06:30		
						MILES FROM STATION TO WELL			25		

CONTRACT CONDITIONS: (This contract must be signed before the job is commenced or merchandise is delivered).

The undersigned is authorized to execute this contract as an agent of the customer. As such, the undersigned agrees and acknowledges that this contract for services, materials, products, and/or supplies includes all of and only those terms and conditions appearing on the front and back of this document. No additional or substitute terms and/or conditions shall become a part of this contract without the written consent of an officer of Basic Energy Services LP.

SIGNED: \_\_\_\_\_  
(WELL OWNER, OPERATOR, CONTRACTOR OR AGENT)

ITEM/PRICE REF. NO.	MATERIAL, EQUIPMENT AND SERVICES USED	UNIT	QUANTITY	UNIT PRICE	\$ AMOUNT
CP 103	Cable 1/2" Sch 40	SK	225		2,700.00
CP 100	Concrete	SK	150		2,400.00
CC 102	Gravel	lb	94		347.80
CC 107	Calcium chloride	lb	958	1.05	1,005.90
CF 103	Wooden Plug 8 3/4"	PL	1		100.00
P 101	Wing Bolt	PL	50		950.00
P 113	Ball Bearing	PL	478		764.80
C 100	Wing nut	m	25		106.25
CF 243	1/2" x 1/2" wing chips	SK	425		595.00
SW 3	Sewer Sump	PL	1		175.00
CF 200	Depth Charge 6" x 6"	PL	1		1,000.00
CE 504	Plug Customized Part	PL	1		250.00
CF 1003	Ball nut	PL	1		315.00
CP 100	Concrete	SK	50		800.00
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<b>MAR 11 2010</b>					
<b>KCC WICHITA</b>					
SUB TOTAL					

CHEMICAL / ACID DATA:			

SERVICE & EQUIPMENT	%TAX ON \$
MATERIALS	%TAX ON \$

Thank you  
TOTAL 5923 67  
DLS

SERVICE REPRESENTATIVE: <i>Phil J. Williams</i>	THE ABOVE MATERIAL AND SERVICE ORDERED BY CUSTOMER AND RECEIVED BY: <i>Christina Davis</i> (WELL OWNER OPERATOR CONTRACTOR OR AGENT)
FIELD SERVICE ORDER NO.	

# Agreement of Terms and Conditions

All sales of services, products, or materials by Basic Energy Services LP, (hereinafter called BES) to any Customer, unless otherwise set out in writing, are subject to the terms and conditions set out herein.

## Terms:

All Service Charges and materials included in service price list are NET. Unless satisfactory credit has been established, cash payment will be required in advance. Credit Customer agrees to pay BES in its office in Cisco, Texas, for all services and materials on or before the 20th of the following month after the date of the invoice. Customers invoice is considered in default if payment has not been received by the last day of the month following the month in which the invoice is dated and services delivered. Past due accounts will be subject to a charge for interest at the highest rate allowable by law, and if placed in the hands of an attorney for collection, Customer agrees to pay all collection costs, reasonable attorney fees and court costs.

## Taxes:

All prices are exclusive of any Federal, State or Special Taxes imposed on the sale or use of the merchandise and services listed, which taxes will be added to quoted prices where applicable. If payment of any applicable royalty or license fee is required in connection with any service performed by BES for Customer, such royalty or license fee will be billed to the Customer in addition to the price of the services performed.

## Special Pricing Provisions:

All materials listed in the price schedule are F.O.B. our field stock.

All prices are subject to change without notice.

The prices in this price list apply to normal operations. Special jobs under unusual circumstances on jobs requiring unusual mobilization of equipment and/or personnel, such as blowouts, experimental jobs, etc., are to be subject to special price quotations.

Orders for products of special design, size or materials are not subject to cancellation after processing of such order has begun by BES. Equipment altered, made to Customer's specifications, or requiring special handling, is subject to special prices.

If materials or services are ordered and the Customer cancels same after the materials have been prepared, a charge will be made to the Customer for expenses incurred.

Customer states that the well and all support personnel and services not being supplied by BES are ready and in condition to receive the materials and services being supplied by BES. Customer will be subject to a charge for "stand-by" time incurred by BES. For all BES services, stand-by time is all time our equipment is on location prior to commencement of operations or after completion of operations and is not operating for reasons not within the control of BES. Stand-by time is calculated from time of arrival on location or arrival time as scheduled by Customer, whichever is later, and until equipment is released by Customer.

## Towing Charges:

We will make reasonable attempts to get to and from the well under our own power. Should we be unable to do so because of poor or inadequate road conditions, and it becomes necessary to employ a tractor or other pulling equipment, such equipment will be supplied by the customer, or if furnished by us, the cost will be charged to the customer. In either event, Customer assumes liability for any damages arising from such pulling or arising from inadequate access to the well site.

## Product Return:

Any BES Products that have been in the hands of the Customer, if not special or obsolete, will be accepted for credit, subject to our approval and inspection, if they are new unused and in salable condition. The Customer will pay the return freight, and will receive credit at the original purchase price less the original outbound freight. Any material classified or ordered as special is not subject to return or cancellation privileges.

## Service Warranty:

There are obviously many conditions in and about the well which we can have no knowledge and over which we can have no control. Therefore, we do not guarantee any particular results from services to be performed hereunder. In interpreting information and making recommendations, either written or oral, as to type or amount of material or service to be furnished, or manner of performance, or in predicting results to be obtained therefrom, BES will give Customer the benefit of its best judgment based on its experience in the field. However, due to the Customer's control of the well the impracticality of providing BES with all the data concerning same, and the necessary reliance of BES upon supporting services, data and facts supplied by others, BES does not guarantee or warrant the accuracy or correctness of any facts, information or data furnished by BES or any interpretation of tests, meter readings, chart information, analysis of research or recommendations made by BES, unless caused by the willful misconduct or gross negligence of BES in the preparation of furnishing of such facts, information or data and NO WARRANTY IS GIVEN CONCERNING THE RECOMMENDATIONS MADE OR SERVICES RENDERED BY THE COMPANY AND NO WARRANTY IS MADE CONCERNING THE RESULTS SOUGHT TO BE OBTAINED THROUGH USE OF MATERIALS RECOMMENDED BY THE COMPANY. The Company's liability for injury to all persons or damage to any property or property rights, including but not limited to reservoir damage sub-surface trespass or drainage, etc., occasioned by reason of materials sold or rented or services performed hereunder shall be limited to those occurring due to the acts of willful misconduct or gross negligence of BES, and Customer agrees to be responsible for and indemnify BES against any loss or damage it may sustain by reason of materials sold or rented or services performed hereunder, unless such loss or damage is caused by the willful misconduct or gross negligence of BES.

## Product Warranty:

BES warrants all materials, products and supplies manufactured or furnished by it to be free from defects in material and workmanship, under normal use and service, when installed, used and serviced in the manner provided and intended, and that it can convey good title thereto. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, OR MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. BES's liability and Customer's exclusive remedy in any cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale of use of any products, supplies or materials is expressly limited to the replacement of such products, supplies or materials on the return to BES or at BES's option, to the allowance to the customer of credit for the cost of such items. In no event shall BES be liable for special, incidental, indirect, punitive or consequential damages.

## Service Conditions:

Because there are so many uncertain and unknown conditions not subject to our control, we can neither be liable for injuries to property or persons not for loss or damage arising from the performance of our services or resulting therefrom.

BES shall not be liable or responsible for a Customer shall defend, indemnify, and save BES harmless, and its officers, agents or employees, from and against any and all claims or causes of action for damage to Customer's property and of the well owner, or any third person, and for bodily injury, sickness or disease, including death resulting thereof, brought by or on behalf of Customer, the well owner, or any third person, arising out of or in connection with BES's performance of services or the furnishing of materials, products and supplies, unless caused by the willful misconduct or gross negligence of BES.

Customer shall also be responsible for and shall defend, indemnify and save BES harmless, and its officers, agents or employees, from and against any and all claims, causes of action and liabilities for damages occur-

ring as a result of sub-surface trespass arising out of any oil well operations or services performed by BES, this provision applying to any claims or legal actions or royalty owners, working interest holders, overriding royalty interest holders, or any other person or concern.

Should any of our equipment, tools or instruments become lost in the well when performing or attempting to perform our services hereunder, it is understood that the Customer shall make reasonable effort to recover the lost equipment. The Customer shall assume the entire responsibility for such fishing operations in the recovery or attempted recovery of any such lost equipment, tools or instruments and if such equipment, tools or instruments are not recovered, Customer shall pay BES its replacement cost unless such loss is due to the sole negligence of BES. If BES's equipment, tools or instruments are damaged in the well, Customer shall pay BES the lesser of its replacement cost or the cost of repairs unless such damage is caused by the sole negligence of BES.

Work done by BES shall be under the direction, supervision and control of the owner, operator, or his agent and BES will perform the work as an independent contractor and not as an employee or agent of the owner or operator.

The Customer shall at all times have complete care, custody and control of the well, the drilling and production equipment at the well and the premises about the well.

Any delays or failure by BES in the performance of this contract shall be excused if and to the extent caused by war, fire, flood, strike, labor trouble, accident riot, acts of God, or any contingencies beyond the reasonable control of BES. Disposal of the chemicals used in the performance of this contract is the responsibility of Customer. Customer agrees the chemicals will be disposed of in accordance with all applicable Federal, State and local laws and regulations.

## General Provisions:

Wherever the initials BES appear in this document, they are intended solely to be an abbreviation of Basic Energy Services LP, and are used in substitution of such full name as if the full name were set out in each instance.

Any modifications of this document by the Customer, and all additional or different terms included in the Customer's purchase order or any other document responding to this document, are hereby objected to BY REQUESTING ANY OF THE GOODS AND SERVICES SET FORTH HEREIN BUYER AGREES TO ALL THE TERMS AND CONDITIONS CONTAINED IN THIS DOCUMENT.

BES reserves the right to change or modify the design of any BES product without obligation to furnish or install such changes or modification on products previously or subsequently sold.

Information regarding our services rendered in Customer's well is held in strict confidence and will be released to others only upon written approval by owner, or when required by Federal, State or Local Laws, Regulations, Orders or Ordinances, or for use as evidence in court proceedings involving the subject matter of services rendered.

Failure to enforce any or all of the herein specified terms or conditions in any particular instance shall not constitute a continuing waiver, or preclude subsequent enforcement thereof.

No employee, representative or agent other than an officer of BES is empowered to alter any of the herein specified terms and conditions.

These terms and condition shall be governed by the laws of the State of Texas, and in case of any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

By PROPS IN 4W TO 11000 3/4 N W INTO

# BASIC

energy services, L.P.

## TREATMENT REPORT

Customer <i>L.O. Drilling</i>		Lease No.		Date <i>08-15-09</i>	
Lease <i>9iles</i>		Well # <i>#1</i>			
Field Order # <i>0337</i>	Station <i>PRATT</i>	Casing <i>8 5/8</i>	Depth <i>388'</i>	County <i>PRATT</i>	State <i>KS</i>
Type Job <i>CNW 8 5/8 Surface</i>			Formation	Legal Description <i>3-20-15</i>	

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME		
Casing Size	Tubing Size	Shots/Ft		Acid	RATE	PRESS	ISIR	
<i>8 5/8</i>								
Depth <i>388'</i>	Depth	From	To	Pre Pad	Max		5 Min.	
Volume <i>23</i>	Volume	From	To	Pad	Min		10 Min.	
Max Press <i>500</i>	Max Press	From	To	Frac	Avg		15 Min.	
Well Connection <i>PIC</i>	Annulus Vol.	From	To		HHP Used		Annulus Pressure	
Plug Depth <i>308'</i>	Packer Depth	From	To	Flush	Gas Volume		Total Load	

Customer Representative				Station Manager <i>DAVE SCOTT</i>		Treater <i>Robert Williams</i>			
Service Units	<i>19867</i>	<i>19959</i>	<i>20920</i>	<i>19832</i>	<i>19860</i>				
Driver Names	<i>Sullivan</i>	<i>Shildk</i>	<i>Greason</i>						

Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
<i>0115 Am</i>					<i>ON to Safety meeting</i>
					<i>Run 9 J.T.S 8 5/8" 24 CS9</i>
<i>0250</i>					<i>CASING ON BOTTOM</i>
<i>0300</i>					<i>Hook Rig to circ.</i>
<i>0310</i>	<i>150</i>		<i>5</i>	<i>4</i>	<i>At 4<sup>th</sup> SPACER</i>
			<i>50</i>	<i>45</i>	<i>Mix cmt 225 sk 60% POL</i>
			<i>32</i>	<i>45</i>	<i>Mix cmt 150 sk common</i>
					<i>Shut down &amp; Release Plug</i>
<i>0340</i>			<i>23</i>	<i>3</i>	<i>Stand Deep</i>
<i>0350</i>	<i>260</i>				<i>plug down</i>
					<i>DID NOT CIRC CMT</i>
<i>0550</i>				<i>1.5</i>	<i>ONE INCH 50' w 100 sk common 2% EC</i>
<i>0600</i>			<i>21</i>		<i>CMT TO SURFACE 50</i>

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MAR 11 2010

KCC WICHITA

*job complete*  
*Thank you*



**BASIC**<sup>SM</sup>  
ENERGY SERVICES  
PRESSURE PUMPING & WIRELINE

10244 NE Hwy. 61  
P.O. Box 8613  
Pratt, Kansas 67124  
Phone 620-672-1201

FIELD SERVICE TICKET

1718 0425 A

3-265-15W

DATE \_\_\_\_\_ TICKET NO. \_\_\_\_\_

DATE OF JOB 8-22-09	DISTRICT Pratt, Kansas	NEW WELL <input checked="" type="checkbox"/>	OLD WELL <input type="checkbox"/>	PROD <input type="checkbox"/>	INJ <input type="checkbox"/>	WDW <input type="checkbox"/>	CUSTOMER ORDER NO.:			
CUSTOMER L.D. Drilling, Incorporated		LEASE Giles				WELL NO. 1				
ADDRESS		COUNTY Pratt		STATE Kansas						
CITY		STATE		SERVICE CREW K. Gaudley; C. Messick; B. Shields; E. McGraw						
AUTHORIZED BY		JOB TYPE: C.N.W. Long string								
EQUIPMENT#	HRS	EQUIPMENT#	HRS	EQUIPMENT#	HRS	TRUCK CALLED	DATE	AM	PM	TIME
19,907	1						8-22-09			4:00
19,866	1									6:30
										9:20
19,959-20,920	1									10:20
										11:00
19,831-19,862	1									
						MILES FROM STATION TO WELL				

CONTRACT CONDITIONS: (This contract must be signed before the job is commenced or merchandise is delivered).

The undersigned is authorized to execute this contract as an agent of the customer. As such, the undersigned agrees and acknowledges that this contract for services, materials, products, and/or supplies includes all of and only those terms and conditions appearing on the front and back of this document. No additional or substitute terms and/or conditions shall become a part of this contract without the written consent of an officer of Basic Energy Services LP.

SIGNED: \_\_\_\_\_  
(WELL OWNER, OPERATOR, CONTRACTOR OR AGENT)

ITEM/PRICE REF. NO.	MATERIAL, EQUIPMENT AND SERVICES USED	UNIT	QUANTITY	UNIT PRICE	\$ AMOUNT
CP103	60/40 Poz Cement		400sh	\$ 4,800	00
CC111	Salt (Fine)		3,544lb	\$ 1,772	00
CC112	Cement Friction Reducer		1724	\$ 1,032	00
CC201	Gilsonite		2,000lb	\$ 1,340	00
CC704	CS-2L		1Gal	\$ 35	00
CC151	Mud Flush		500Gal	\$ 430	00
CF102	Top Rubber Plug, 4 1/2"		1ea	\$ 80	00
CF250	Regular Guide Shoe, 4 1/2"		1ea	\$ 225	00
CF1450	Insert Float Valve, 4 1/2"		1ea	\$ 200	00
CF1650	Turbolizer, 4 1/2"		8ea	\$ 680	00
CF1900	Basket, 4 1/2"		2ea	\$ 540	00
E101	Heavy Equipment Mileage		50mi	\$ 350	00
E113	Bulk Delivery		4301m	\$ 688	00
E100	Pickup Mileage		25mi	\$ 106	25
CE240	Blending and Mixing Service		400sh	\$ 560	00
5003	Service Supervisor		1ea	\$ 175	00
CE205	Cement Pump: 4,000 Feet To 5,000 Feet		1ea	\$ 2,520	00
CE504	Plug Container		1ea	\$ 250	00

RECEIVED  
MAR 11 2010

KCC WICHITA

SUB TOTAL \$9,154 29 DLS

CHEMICAL / ACID DATA:			

SERVICE & EQUIPMENT	%TAX ON \$	
MATERIALS	%TAX ON \$	
TOTAL		

SERVICE REPRESENTATIVE Christine R. Messick	THE ABOVE MATERIAL AND SERVICE ORDERED BY CUSTOMER AND RECEIVED BY: Fernando J. ...
FIELD SERVICE ORDER NO.	(WELL OWNER OPERATOR CONTRACTOR OR AGENT)



# Agreement of Terms and Conditions

All sales of services, products, or materials by Basic Energy Services LP, (hereinafter called BES) to any Customer, unless otherwise set out in writing, are subject to the terms and conditions set out herein.

## Terms:

All Service Charges and materials included in service price list are NET. Unless satisfactory credit has been established, cash payment will be required in advance. Credit Customer agrees to pay BES in its office in Cisco, Texas, for all services and materials on or before the 20th of the following month after the date of the invoice. Customers invoice is considered in default if payment has not been received by the last day of the month following the month in which the invoice is dated and services delivered. Past due accounts will be subject to a charge for interest at the highest rate allowable by law, and if placed in the hands of an attorney for collection, Customer agrees to pay all collection costs, reasonable attorney fees and court costs.

## Taxes:

All prices are exclusive of any Federal, State or Special Taxes imposed on the sale or use of the merchandise and services listed, which taxes will be added to quoted prices where applicable. If payment of any applicable royalty or license fee is required in connection with any service performed by BES for Customer, such royalty or license fee will be billed to the Customer in addition to the price of the services performed.

## Special Pricing Provisions:

All materials listed in the price schedule are F.O.B. our field stock.

All prices are subject to change without notice.

The prices in this price list apply to normal operations. Special jobs under unusual circumstances on jobs requiring unusual mobilization of equipment and/or personnel, such as blowouts, experimental jobs, etc., are to be subject to special price quotations.

Orders for products of special design, size or materials are not subject to cancellation after processing of such order has begun by BES. Equipment altered, made to Customer's specifications, or requiring special handling, is subject to special prices.

If materials or services are ordered and the Customer cancels same after the materials have been prepared, a charge will be made to the Customer for expenses incurred.

Customer states that the well and all support personnel and services not being supplied by BES are ready and in condition to receive the materials and services being supplied by BES. Customer will be subject to a charge for "stand-by" time incurred by BES. For all BES services, stand-by time is all time our equipment is on location prior to commencement of operations or after completion of operations and is not operating for reasons not within the control of BES. Stand-by time is calculated from time of arrival on location or arrival time as scheduled by Customer, whichever is later, and until equipment is released by Customer.

## Towing Charges:

We will make reasonable attempts to get to and from the well under our own power. Should we be unable to do so because of poor or inadequate road conditions, and it becomes necessary to employ a tractor or other pulling equipment, such equipment will be supplied by the customer, or if furnished by us, the cost will be charged to the customer. In either event, Customer assumes liability for any damages arising from such pulling or arising from inadequate access to the well site.

## Product Return:

Any BES Products that have been in the hands of the Customer, if not special or obsolete, will be accepted for credit, subject to our approval and inspection, if they are new unused and in salable condition. The Customer will pay the return freight, and will receive credit at the original purchase price less the original outbound freight. Any material classified or ordered as special is not subject to return or cancellation privileges.

## Service Warranty:

There are obviously many conditions in and about the well which we can have no knowledge and over which we can have no control. Therefore, we do not guarantee any particular results from services to be performed hereunder. In interpreting information and making recommendations, either written or oral, as to type or amount of material or service to be furnished, or manner of performance, or in predicting results to be obtained therefrom, BES will give Customer the benefit of its best judgment based on its experience in the field. However, due to the Customer's control of the well the impracticality of providing BES with all the data concerning same, and the necessary reliance of BES upon supporting services, data and facts supplied by others, BES does not guarantee or warrant the accuracy or correctness of any facts, information or data furnished by BES or any interpretation of tests, meter readings, chart information, analysis of research or recommendations made by BES, unless caused by the willful misconduct or gross negligence of BES in the preparation of furnishing of such facts, information or data and NO WARRANTY IS GIVEN CONCERNING THE RECOMMENDATIONS MADE OR SERVICES RENDERED BY THE COMPANY AND NO WARRANTY IS MADE CONCERNING THE RESULTS SOUGHT TO BE OBTAINED THROUGH USE OF MATERIALS RECOMMENDED BY THE COMPANY. The Company's liability for injury to all persons or damage to any property or property rights, including but not limited to reservoir damage sub-surface trespass or drainage, etc., occasioned by reason of materials sold or rented or services performed hereunder shall be limited to those occurring due to the acts of willful misconduct or gross negligence of BES, and Customer agrees to be responsible for and indemnify BES against any loss or damage it may sustain by reason of materials sold or rented or services performed hereunder, unless such loss or damage is caused by the willful misconduct or gross negligence of BES.

## Product Warranty:

BES warrants all materials, products and supplies manufactured or furnished by it to be free from defects in material and workmanship, under normal use and service, when installed, used and serviced in the manner provided and intended, and that it can convey good title thereto. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, OR MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. BES's liability and Customer's exclusive remedy in any cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale of use of any products, supplies or materials is expressly limited to the replacement of such products, supplies or materials on the return to BES or at BES's option, to the allowance to the customer of credit for the cost of such items. In no event shall BES be liable for special, incidental, indirect, punitive or consequential damages.

## Service Conditions:

Because there are so many uncertain and unknown conditions not subject to our control, we can neither be liable for injuries to property or persons nor for loss or damage arising from the performance of our services or resulting therefrom.

BES shall not be liable or responsible for a Customer shall defend, indemnify, and save BES harmless, and its officers, agents or employees, from and against any and all claims or causes of action for damage to Customer's property and of the well owner, or any third person, and for bodily injury, sickness or disease, including death resulting thereof, brought by or on behalf of Customer, the well owner, or any third person, arising out of or in connection with BES's performance of services or the furnishing of materials, products and supplies, unless caused by the willful misconduct or gross negligence of BES.

Customer shall also be responsible for and shall defend, indemnify and save BES harmless, and its officers, agents or employees, from and against any and all claims, causes of action and liabilities for damages occur-

ring as a result of sub-surface trespass arising out of any oil well operations or services performed by BES, this provision applying to any claims or legal actions or royalty owners, working interest holders, overriding royalty interest holders, or any other person or concern.

Should any of our equipment, tools or instruments become lost in the well when performing or attempting to perform our services hereunder, it is understood that the Customer shall make reasonable effort to recover the lost equipment. The Customer shall assume the entire responsibility for such fishing operations in the recovery or attempted recovery of any such lost equipment, tools or instruments and if such equipment, tools or instruments are not recovered, Customer shall pay BES its replacement cost unless such loss is due to the sole negligence of BES. If BES's equipment, tools or instruments are damaged in the well, Customer shall pay BES the lesser of its replacement cost or the cost of repairs unless such damage is caused by the sole negligence of BES.

Work done by BES shall be under the direction, supervision and control of the owner, operator, or his agent and BES will perform the work as an independent contractor and not as an employee or agent of the owner or operator.

The Customer shall at all times have complete care, custody and control of the well, the drilling and production equipment at the well and the premises about the well.

Any delays or failure by BES in the performance of this contract shall be excused if and to the extent caused by war, fire, flood, strike, labor trouble, accident riot, acts of God, or any contingencies beyond the reasonable control of BES. Disposal of the chemicals used in the performance of this contract is the responsibility of Customer. Customer agrees the chemicals will be disposed of in accordance with all applicable Federal, State and local laws and regulations.

## General Provisions:

Wherever the initials BES appear in this document, they are intended solely to be an abbreviation of Basic Energy Services LP, and are used in substitution of such full name as if the full name were set out in each instance.

Any modifications of this document by the Customer, and all additional or different terms included in the Customer's purchase order or any other document responding to this document, are hereby objected to BY REQUESTING ANY OF THE GOODS AND SERVICES SET FORTH HEREIN BUYER AGREES TO ALL THE TERMS AND CONDITIONS CONTAINED IN THIS DOCUMENT.

BES reserves the right to change or modify the design of any BES product without obligation to furnish or install such changes or modification on products previously or subsequently sold.

Information regarding our services rendered in Customer's well is held in strict confidence and will be released to others only upon written approval by owner, or when required by Federal, State or Local Laws, Regulations, Orders or Ordinances, or by legal evidence in court proceedings involving the subject matter of services rendered.

Failure to enforce any or all of the herein specified terms or conditions in any particular instance shall not constitute a continuing waiver, or preclude subsequent enforcement thereof.

No employee, representative or agent other than an officer of BES is empowered to alter any of the herein specified terms and conditions.

These terms and condition shall be governed by the laws of the State of Texas, and in case of any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

# BASIC

energy services, L.P.

## TREATMENT REPORT

Customer <b>LD DRUG</b>	Lease No.	Date <b>8-22-09</b>
Lease <b>GILES</b>	Well # <b>1</b>	
Field Order # <b>0425</b>	Station <b>PRATT, KS</b>	Casing <b>4 1/2</b>
Type Job <b>CNW-L.S.</b>	Depth <b>4495</b>	County <b>PRATT</b>
	Formation <b>TD-4500'</b>	State <b>KS</b>
		Legal Description <b>3-205-15W</b>

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME	
Casing Size <b>4 1/2</b>	Tubing Size	Shots/Ft		Acid	RATE	PRESS	ISIP
Depth <b>4495</b>	Depth	From	To	Pre Pad	Max		5 Min.
Volume <b>71.3</b>	Volume	From	To	Pad	Min		10 Min.
Max Press <b>1500 P.S.I.</b>	Max Press	From	To	Frac	Avg		15 Min.
Well Connection <b>Plug on</b>	Annulus Vol. <b>Trainer</b>	From	To		HHP Used		Annulus Pressure
Plug Depth <b>4483</b>	Packer Depth	From	To	Flush	Gas Volume		Total Load

Customer Representative <b>LD</b>	Station Manager <b>SCOTTY</b>	Treater <b>COVSELEY</b>
Service Units <b>19907</b>	19,866	19,959
Driver Names <b>KG. Messitt</b>	<b>Shields</b>	<b>Mc Graw</b>
20,920	19,831	19,862

Time P.M.	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
6:30					ON LOCATION
					RUN 4484' 4 1/2 CSB. 111 Jts.
					CENDE SIDE, INSERT FLOWLINE
					CENT-1-3-5-7-9-25-28-31
					BASKET-10-32 (4100' & 3200')
8:20					TRAG BOTTOM-DROP PLUG-CIRCULATE
					SET 4 1/2 AT 4495'
9:22	250		20	6	PUMP 20 bbl. 2% HCL H <sub>2</sub> O
			12	6	PUMP 12 bbl. MUD FLUSH
			3	6	PUMP 3 bbl. H <sub>2</sub> O
9:32	350		79	6	MIX 375 SLR 69/40 P02
					18% SMT, 1/2% CFR, 5" SK GILES WIRE
					STOP-WASH LINE-DROP PLUG
9:53	100		0	6	START DISP.
			43	6	LEFT CEMENT
			65	4	SLOW RATE
10:05	1,000		71.3	3	PLUG DOWN-HELD
					RECEIVED
					MAR 11 2010
11:00					KCC WICHITA
					PLUG RAT HOLE-15 SK 60/40 P02
					PLUG MOUSE HOLE-10 SK 60/40 P02
					JOB COMPLETE-KEVIN