

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

OPERATOR: License # 5259  
 Name: Mai Oil Operations, Inc.  
 Address 1: P.o. Box 33  
 Address 2: \_\_\_\_\_  
 City: Russell State: Ks. Zip: 67665 + \_\_\_\_\_  
 Contact Person: Allen Bangert  
 Phone: ( 785 ) 483-1676  
 CONTRACTOR: License # 33350  
 Name: Southwind Drilling, Inc.  
 Wellsite Geologist: Kitt Noah  
 Purchaser: NCRA  
 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.: \_\_\_\_\_  

<u>1-04-2010</u>	<u>1-13-2010</u>	<u>1-13-2010</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 167-23603-0000  
 Spot Description: \_\_\_\_\_  
 NW SE SE NW Sec. 35 Twp. 15 S. R. 15  East  West  
2040 Feet from  North /  South Line of Section  
2300 Feet from  East /  West Line of Section  
 Footages Calculated from Nearest Outside Section Corner:  
 NE  NW  SE  SW  
 County: Russell  
 Lease Name: Vernon Well #: 1  
 Field Name: Boxberger West  
 Producing Formation: Lansing  
 Elevation: Ground: 1936' Kelly Bushing: 1944'  
 Total Depth: 3448' Plug Back Total Depth: 3414'  
 Amount of Surface Pipe Set and Cemented at: 454' 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/ \_\_\_\_\_ <sup>sx cmt</sup> Alt I - Dlg - 62/10

**Drilling Fluid Management Plan**  
 (Data must be collected from the Reserve Pit)  
 Chloride content: 90000 ppm Fluid volume: 200 bbls  
 Dewatering method used: Let dry and backfill  
 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: Allen Bangert  
 Title: Prod. Supt. Date: 05/13/2010

Subscribed and sworn to before me this 20 day of May, 2010.

Notary Public: Lori Crathorne  
 Date Commission Expires: 7-7-2010

NOTARY PUBLIC - State of Kansas  
**LORI CRATHORNE**  
 My Appt. Expires 7-7-2010

**KCC Office Use ONLY**

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

RECEIVED  
 MAY 24 2010  
 KCC WIC-117

Operator Name: Mai Oil Operations, Inc. Lease Name: Vernon Well #: 1  
 Sec. 35 Twp. 15 S. R. 15  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:  
**CNFD, DIL, Micro**

<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Name	Top	Datum
Anhydrite	958'	+986
Topeka	2880'	-936
Heebner	3109'	-1165
Toronto	3125'	-1181
Lansing	3168'	-1224
Base Kansas City	3395'	-1451
Arbuckle	3428'	-1481

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"	20#	454'	60-40 POZ	225	2%Gel, 3%CC
Production	7 7/8"	5 1/2"	14#	3442'	60-40 POZ	130	

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
..... Perforate				
..... Protect Casing				
..... Plug Back TD				
..... 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	3330-34', 3239-43', 3202-06'	1500 gal. 20% HCL	

TUBING RECORD: Size: 2 7/8" Set At: 3410' Packer At: \_\_\_\_\_ Liner Run:  Yes  No

Date of First, Resumed Production, SWD or Enhr. 04/05/2010 Producing Method:  Flowing  Pumping  Gas Lift  Other (Explain)  
 Estimated Production Per 24 Hours: Oil 10 Bbls. Gas 100 Mcf Water 100 Bbls. Gas-Oil Ratio \_\_\_\_\_ Gravity \_\_\_\_\_

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input checked="" type="checkbox"/> Used on Lease (If vented, Submit ACO-18.)	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: <u>3202-3334' OA</u>
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**TRILOBITE TESTING, INC**

### DRILL STEM TEST REPORT

Mai Oil Operations Inc  
 8411 Preston RD STE 800  
 Dallas TX 75225  
 ATTN: Kitt Noah

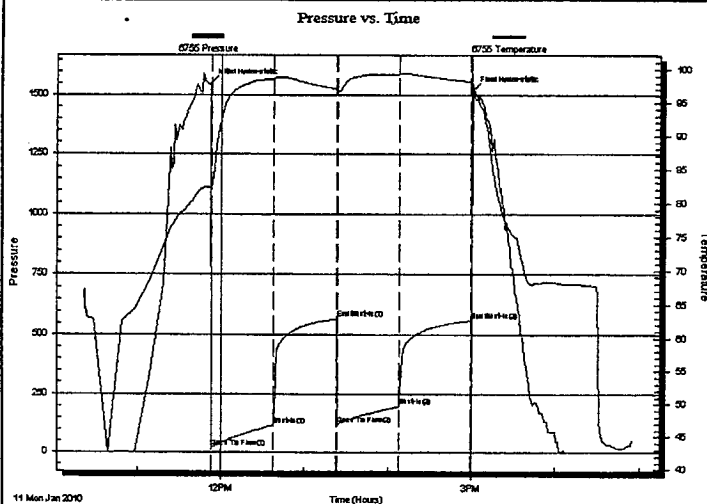
**Vernon #1**  
**35-15s15w Russell KS**  
 Job Ticket: 37105      DST#: 1  
 Test Start: 2010.01.11 @ 10:21:19

**GENERAL INFORMATION:**

Formation:	LKC-"B-C"		
Deviated:	No	Whipstock:	ft (KB)
Time Tool Opened:	11:52:49	Test Type:	Conventional Bottom Hole
Time Test Ended:	16:55:19	Tester:	jason
		Unit No:	32
Interval:	3184.00 ft (KB) To 3220.00 ft (KB) (TVD)	Reference Elevations:	1944.00 ft (KB)
Total Depth:	3220.00 ft (KB) (TVD)		1936.00 ft (CF)
Hole Diameter:	7.80 inches	Hole Condition:	Good
		KB to GR/CF:	8.00 ft

<b>Serial #: 6755</b>	<b>Inside</b>		
Press@RunDepth:	196.81 psig @ 3187.00 ft (KB)	Capacity:	8000.00 psig
Start Date:	2010.01.11	End Date:	2010.01.11
Start Time:	10:21:21	End Time:	16:55:19
		Last Calib.:	2010.01.11
		Time On Btrr:	2010.01.11 @ 11:52:19
		Time Off Btm:	2010.01.11 @ 15:00:49

**TEST COMMENT:** IFF-Good blow ,bob in 9min  
 IS-Weak surface blow back  
 FFP- Good blow , bob in 16min  
 FSI-Weak surface blow back



**PRESSURE SUMMARY**

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1547.28	82.39	Initial Hydro-static
1	21.27	81.99	Open To Flow (1)
45	115.81	98.58	Shut-In(1)
91	568.78	97.11	End Shut-In(1)
91	120.58	96.85	Open To Flow (2)
136	196.81	99.33	Shut-In(2)
187	561.17	98.20	End Shut-In(2)
189	1521.25	97.74	Final Hydro-static

**Recovery**

Length (ft)	Description	Volume (bbl)
5.00	Clean Oil	0.07
365.00	Muddy Water	5.12

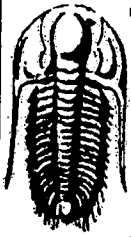
**Gas Rates**

Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)

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MAY 24 2010

KCC WICHITA



**TRILOBITE  
TESTING, INC.**

# DRILL STEM TEST REPORT

Mai Oil Operations Inc  
8411Preston RD STE 800  
Dallas TX 75225  
ATTN: Kitt Noah

**Vernon #1**  
**35-15s15w Russell KS**  
Job Ticket: 37106      DST#: 2  
Test Start: 2010.01.12 @ 00:36:45

## GENERAL INFORMATION:

Formation: **LKC-"E-F"**  
Deviated: No Whipstock: ft (KB)  
Time Tool Opened: 02:07:45  
Time Test Ended: 05:34:15

Test Type: Conventional Bottom Hole  
Tester: Jason McClemore  
Unit No: 32

Interval: **3230.00 ft (KB) To 3274.00 ft (KB) (TVD)**  
Total Depth: 3274.00 ft (KB) (TVD)  
Hole Diameter: 7.80 inches Hole Condition: Good

Reference Elevations: 1944.00 ft (KB)  
1936.00 ft (CF)  
KB to GR/CF: 8.00 ft

## Serial #: 6755

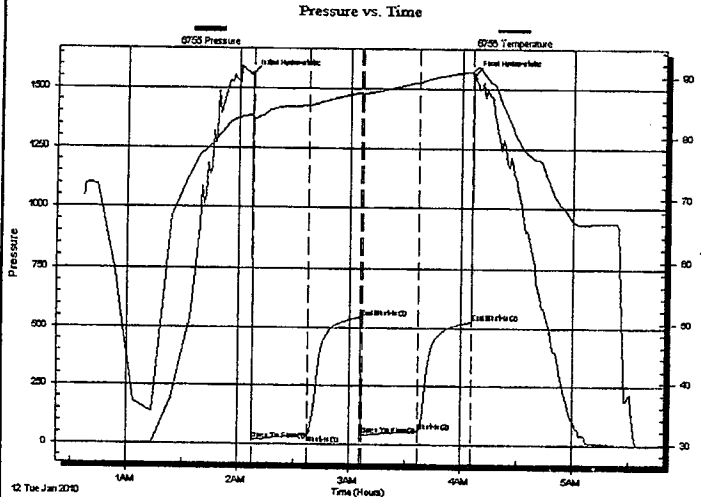
Inside

Press@RunDepth: 57.83 psig @ 3237.00 ft (KB)  
Start Date: 2010.01.12      End Date: 2010.01.12  
Start Time: 00:36:47      End Time: 05:34:15

Capacity: 8000.00 psig  
Last Calib.: 2010.01.12  
Time On Btm: 2010.01.12 @ 02:07:15  
Time Off Btm: 2010.01.12 @ 04:06:45

**TEST COMMENT:** IFF- Good blow , bob in 9 min  
IS- Weak surface blow back  
FFP- Good blow , bob in 10 min  
FS- Dead

## PRESSURE SUMMARY



Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1560.99	83.47	Initial Hydro-static
1	17.10	82.95	Open To Flow (1)
30	36.62	85.12	Shut-In(1)
59	546.58	87.29	End Shut-In(1)
60	40.80	87.07	Open To Flow (2)
90	57.83	89.05	Shut-In(2)
119	529.71	90.80	End Shut-In(2)
120	1561.27	91.25	Final Hydro-static

## Recovery

Length (ft)	Description	Volume (bbl)
105.00	gocw m 25%G-25%O-15%W-35%M	1.47

## Gas Rates

Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)

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**TRILOBITE TESTING, INC**

**DRILL STEM TEST REPORT**

Mai Oil Operations Inc  
 8411Preston RD STE 800  
 Dallas TX 75225  
 ATTN: Kitt Noah

**Vernon #1**  
**35-15s15w Russell KS**  
 Job Ticket: 37107 **DST#: 3**  
 Test Start: 2010.01.12 @ 15:35:14

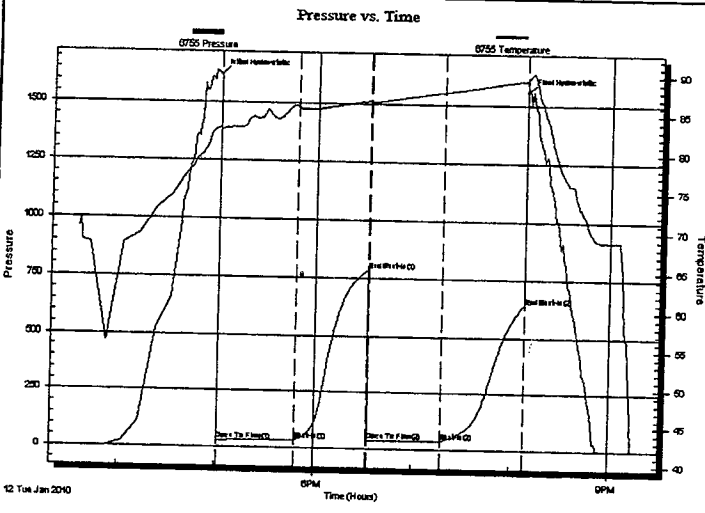
**GENERAL INFORMATION:**

Formation: **LKC-"H-I-J"**  
 Deviated: **No Whipstock** ft (KB)  
 Time Tool Opened: 17:01:14  
 Time Test Ended: 21:14:14  
 Interval: **3310.00 ft (KB) To 3360.00 ft (KB) (TVD)**  
 Total Depth: **3360.00 ft (KB) (TVD)**  
 Hole Diameter: **7.80 inches** Hole Condition: **Good**

Test Type: **Conventional Bottom Hole**  
 Tester: **Jason McLemore**  
 Unit No: **32**  
 Reference Elevations: **1944.00 ft (KB)**  
**1936.00 ft (CF)**  
**KB to GR/CF: 8.00 ft**

**Serial #: 6755** Inside  
 Press@RunDepth: **39.71 psig @ 3347.00 ft (KB)**  
 Start Date: **2010.01.12** End Date: **2010.01.12** Capacity: **8000.00 psig**  
 Start Time: **15:35:16** End Time: **21:14:14** Last Calib.: **2010.01.12**  
 Time On Btm: **2010.01.12 @ 17:00:44**  
 Time Off Btm: **2010.01.12 @ 20:08:44**

**TEST COMMENT:** IFP-Weak blow , Built to 2"  
 IS-Dead  
 FFP-Weak blow , built to 1/2"  
 FS-Dead



**PRESSURE SUMMARY**

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1624.33	83.04	Initial Hydro-static
1	30.96	82.53	Open To Flow (1)
48	35.64	85.64	Shut-In(1)
92	784.21	86.61	End Shut-In(1)
92	36.67	86.24	Open To Flow (2)
137	39.71	87.79	Shut-In(2)
188	638.90	89.44	End Shut-In(2)
188	1559.60	89.72	Final Hydro-static

**Recovery**

Length (ft)	Description	Volume (bbl)
10.00	drilling mud	0.14

**Gas Rates**

Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)

**RECEIVED**  
**MAY 26 2010**  
**KCC WICHITA**

# ALLIED CEMENTING CO., LLC. 33688

P.O. BOX 31  
RUSSELL, KANSAS 67665

SERVICE POINT:  
Russell KS

DATE <u>1-5-10</u>	SEC. <u>35</u>	TWP. <u>15</u>	RANGE <u>15</u>	CALLED OUT	ON LOCATION	JOB START <u>5:30am</u>	JOB FINISH <u>6:00am</u>
LEASE <u>Vernon #1</u>	WELL # <u>1</u>	LOCATION <u>Millburger KS 2 1/2 West South</u>			COUNTY <u>Russell</u>	STATE <u>KS</u>	
OLD OR <u>NEW</u> (Circle one)			<u>into.</u>				

CONTRACTOR Southwind #3

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D. 454

CASING SIZE 8 5/8 20" DEPTH 454

TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_

DRILL PIPE \_\_\_\_\_ DEPTH \_\_\_\_\_

TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_

PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_

MEAS. LINE \_\_\_\_\_ SHOE JOINT ✗

CEMENT LEFT IN CSG. 15'

PERFS. \_\_\_\_\_

DISPLACEMENT 27.95 Bbl

OWNER \_\_\_\_\_

CEMENT

AMOUNT ORDERED 225 60/40 3% CC 2 1/2 Gal

COMMON	<u>135</u>	@	<u>13.50</u>	<u>1822.50</u>
POZMIX	<u>90</u>	@	<u>7.55</u>	<u>679.50</u>
GEL	<u>4</u>	@	<u>20.25</u>	<u>81.00</u>
CHLORIDE	<u>7</u>	@	<u>51.50</u>	<u>360.50</u>
ASC		@		
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>112 SK</u>	@	<u>2.25</u>	<u>252.00</u>
MILEAGE	<u>.10/sk/mile</u>			<u>11.20</u>

**EQUIPMENT**

PUMP TRUCK CEMENTER John Roberts

# 417 HELPER Matt

BULK TRUCK

# 378 DRIVER Glenn

BULK TRUCK

# \_\_\_\_\_ DRIVER \_\_\_\_\_

RECEIVED  
MAY 21 2010

REMARKS:

Est. Circulation

Mix 225 sk cement

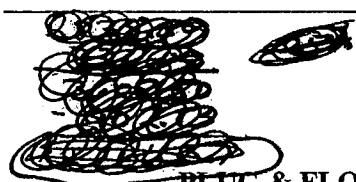
Displace w/ 27.95 Bbl H2O

Cement Did Circulate!

KCC WICHITA

**SERVICE**

DEPTH OF JOB _____			
PUMP TRUCK CHARGE _____			<u>\$ 700.00</u>
EXTRA FOOTAGE _____	@		
MILEAGE _____	@	<u>7.00</u>	<u>70.00</u>
MANIFOLD _____	@		
	@		
	@		
			TOTAL <u>770.00</u>



**PLUG & FLOAT EQUIPMENT**

_____	@		
_____	@		
<u>8 5/8 Plug</u>	@		
_____	@		
_____	@		

CHARGE TO: Mai Oil Operations

STREET \_\_\_\_\_

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

To Allied Cementing Co., LLC.  
You are hereby requested to rent cementing equipment and furnish cementer and helper(s) to assist owner or

# ALLIED CEMENTING CO., LLC. 041304

TO P.O. BOX 31  
RUSSELL, KANSAS 67665

SERVICE POINT: Russell

DATE <u>1-13-10</u>	SEC <u>35</u>	TWP. <u>15</u>	RANGE <u>15</u>	CALLED OUT	ON LOCATION	JOB START <u>7:45pm</u>	JOB FINISH <u>8:15pm</u>
LEASE <u>Vernon</u>	WELL # <u>1</u>	LOCATION <u>Milberger 2 1/2 W S 120</u>			COUNTY <u>Russell</u>	STATE <u>KS</u>	
OLD OR NEW (Circle one)							

CONTRACTOR Southwest 3  
 TYPE OF JOB Production String  
 HOLE SIZE 7 7/8 T.D. 3448  
 CASING SIZE 5 1/2 14# DEPTH 3442  
 TUBING SIZE DEPTH  
 DRILL PIPE DEPTH  
 TOOL DEPTH  
 PRES. MAX MINIMUM  
 MEAS. LINE SHOE JOINT 21'  
 CEMENT LEFT IN CSG. 21'  
 PERFS  
 DISPLACEMENT 83 1/2 BC  
 EQUIPMENT

PUMP TRUCK CEMENTER Craig  
 # 417 HELPER MATT  
 BULK TRUCK  
 # 260 DRIVER Wayne GB  
 BULK TRUCK  
 # DRIVER

REMARKS:

Pipe set @ 3442  
In set set @ 3412  
Start mud flush 1000 gal  
Plug Recharge 30SK & Start Cement down  
Casing Cement down wash ups Displace plug  
Dual landed 1500PS & held - Release pressure  
Dry

Thank's!

CHARGE TO: Main Oil  
 STREET  
 CITY STATE ZIP

OWNER

CEMENT

AMOUNT ORDERED 160 60% 10% Salt

1000 gal WFR-2 7 1/2 Gal

COMMON	<u>96</u>	@	<u>13.50</u>	<u>1296.00</u>
POZMIX	<u>64</u>	@	<u>7.55</u>	<u>483.20</u>
GEL	<u>3</u>	@	<u>20.25</u>	<u>60.75</u>
CHLORIDE		@		
ASC		@		
<u>Salt</u>	<u>7</u>	@	<u>21.25</u>	<u>148.75</u>
<u>Flt Seal</u>	<u>40</u>	@	<u>2.45</u>	<u>98.00</u>
<u>WFR-2</u>	<u>1000 Gal</u>	@		<u>N-C</u>
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>160</u>	@	<u>2.25</u>	<u>360.00</u>
MILEAGE	<u>110/5k/mile</u>			<u>160.00</u>
				TOTAL <u>2606.70</u>

SERVICE

DEPTH OF JOB				
PUMP TRUCK CHARGE				<u>1957.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>10</u>	@	<u>7.00</u>	<u>70.00</u>
MANIFOLD		@		
		@		
		@		
RECEIVED				
MAY 24 2010				TOTAL <u>2027.00</u>

KCC WICHITA

PLUG & FLOAT EQUIPMENT

5 1/2

<u>Float shoe</u>	@		<u>106.00</u>
<u>Latch down Assembly</u>	@		<u>164.00</u>
<u>10 Tetherizers</u>	@	<u>42.00</u>	<u>420.00</u>
	@		
	@		

To Allied Cementing Co., LLC.  
 You are hereby requested to rent cementing equipment