

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

ORIGINAL

Form ACO-1
June 2009
**Form Must Be Typed
Form must be Signed
All blanks must be Filled**

OPERATOR: License # 34290
Name: Statesman Resources, Inc.
Address 1: 200 E. 1st Street Suite 307
Address 2: _____
City: Wichita State: Ks Zip: 67202 + _____
Contact Person: Rod Andersen
Phone: (316) 204-3359
CONTRACTOR: License # 5929
Name: Duke Drilling
Wellsite Geologist: Rod Andersen
Purchaser: AICX

API No. 15 - 165-21870 -0000
Spot Description: _____
_____ SW NW Sec. 31 Twp. 17 S. R. 16 East West
1,980 Feet from North / South Line of Section
660 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Rush
Lease Name: Brack Well #: 1-31
Field Name: Reichel
Producing Formation: Chase
Elevation: Ground: 1981 Kelly Bushing: 1989
Total Depth: 2400 Plug Back Total Depth: 2241
Amount of Surface Pipe Set and Cemented at: 1085 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/ _____ sx cmt.

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil WSW SWD SIOW
 Gas D&A ENHR SIGW
 OG GSW Temp. Abd.
 CM (Coal Bed Methane)
 Cathodic Other (Core, Expl., 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
 Conv. to GSW
 Plug Back: _____ Plug Back Total Depth _____
 Commingled Permit #: _____
 Dual Completion Permit #: _____
 SWD Permit #: _____
 ENHR Permit #: _____
 GSW Permit #: _____

<u>2/16/10</u>	<u>2/19/10</u>	<u>6/5/10</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)
Chloride content: _____ ppm Fluid volume: _____ bbls
Dewatering method used: Evaporate
Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____ License #: _____
Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
County: _____ Permit #: _____

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.

AFFIDAVIT
I am the affiant and I hereby certify that 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: Rod Andersen
Title: Geologist Date: 6/1/10

KCC Office Use ONLY

Letter of Confidentiality Received
Date: _____
 Confidential Release Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
ALT I II III Approved by: DG Date: 6/22/10

Operator Name: Statesman Resources, Inc. Lease Name: Brack Well #: 1-31

Sec. 31 Twp. 17 S. R. 16 East West County: Rush

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 complete copy of all Electric Wire-line 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 checked="" type="checkbox"/> Yes <input 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 Electric Log Submitted Electronically <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(If no, Submit Copy)</i> List All E. Logs Run: Dual Porosity, Dual Induction, Micro	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>Herington</td> <td>1891</td> <td>98</td> </tr> <tr> <td>Krider</td> <td>1908</td> <td>81</td> </tr> <tr> <td>Winfield</td> <td>1941</td> <td>48</td> </tr> <tr> <td>Towanda</td> <td>2012</td> <td>-21</td> </tr> <tr> <td>Ft Riley</td> <td>2043</td> <td>-54</td> </tr> </table>	Name	Top	Datum	Herington	1891	98	Krider	1908	81	Winfield	1941	48	Towanda	2012	-21	Ft Riley	2043	-54
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Winfield	1941	48																	
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Ft Riley	2043	-54																	

CASING RECORD <input 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	12.25	8 5/8		1085	common	475	3% CaCl
Production	7 7/8	5 1/2		2241	60/40 Poz	200	

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
4	1891-1896 RECEIVED KANSAS CORPORATION COMMISSION	1,000 gals HCL	
4	2067-2069 JUN 18 2010	500 gals HCL	
4	2056-2061 CONSERVATION DIVISION WICHITA. KS	1,000 gals HCL	
4	2018-2022	no acid	

TUBING RECORD:	Size: <u>2 2/8</u>	Set At: <u>1816</u>	Packer At: <u>1820</u>	Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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Date of First, Resumed Production, SWD or ENHR.	Producing Method: <input checked="" type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) _____																
Estimated Production Per 24 Hours	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%;">Oil</td> <td style="width:10%;">Bbls.</td> <td style="width:10%;">Gas</td> <td style="width:10%;">Mcf</td> <td style="width:10%;">Water</td> <td style="width:10%;">Bbls. .</td> <td style="width:10%;">Gas-Oil Ratio</td> <td style="width:10%;">Gravity</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">20</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </table>	Oil	Bbls.	Gas	Mcf	Water	Bbls. .	Gas-Oil Ratio	Gravity			20					
Oil	Bbls.	Gas	Mcf	Water	Bbls. .	Gas-Oil Ratio	Gravity										
		20															

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input checked="" 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 checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5)</i> <i>(Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: <u>1891-1896</u>
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FIELD ORDER No C 35840

BOX 438 • HAYSVILLE, KANSAS 67060
316-524-1225

DATE 2-17-10 20

IS AUTHORIZED BY: Statesmen Resources
(NAME OF CUSTOMER)

Address _____ City _____ State _____

To Treat Well _____
As Follows: Lease Brack Well No. 1-31 Customer Order No. _____

Sec. Twp. _____
Range _____ County Rush State ks

CONDITIONS: As a part of the consideration hereof it is agreed that Copeland Acid Service is to service or treat at owners risk, the hereinbefore mentioned well and is not to be held liable for any damage that may accrue in connection with said service or treatment. Copeland Acid Service has made no representation, expressed or implied, and no representations have been relied on, as to what may be the results or effect of the servicing or treating said well. The consideration of said service or treatment is payable. There will be no discount allowed subsequent to such date. 8% interest will be charged after 60 days. Total charges are subject to correction by our invoicing department in accordance with latest published price schedules.

The undersigned represents himself to be duly authorized to sign this order for well owner or operator.

THIS ORDER MUST BE SIGNED BEFORE WORK IS COMMENCED

Jim L
Well Owner or Operator

By _____ Agent

CODE	QUANTITY	DESCRIPTION	UNIT COST	AMOUNT
4101	40	mileage pump truck.	3. ⁰⁰ / ₁₀₀	120. ⁰⁰ / ₁₀₀
4101	40	mileage pickup	1. ⁰⁰ / ₁₀₀	40. ⁰⁰ / ₁₀₀
4100	1	pump charge		1,000. ⁰⁰ / ₁₀₀
4001	475	Common	11. ²⁵ / ₁₀₀	5343. ⁷⁵ / ₁₀₀
4003	80	Calcium Chloride	8. ⁰⁰ / ₁₀₀	640. ⁰⁰ / ₁₀₀
3101	1	8 5/8" Baffle		105. ⁰⁰ / ₁₀₀
3101	1	8 9/8" Wiper-plus		65. ⁰⁰ / ₁₀₀
4200	475	Bulk Charge	1. ²⁵ / ₁₀₀	593. ⁷⁵ / ₁₀₀
4201		Bulk Truck Miles $22,337 \times 40 = 893,27m \times 1.$	1. ¹⁰ / ₁₀₀	982. ⁵⁴ / ₁₀₀
		Process License Fee on _____ Gallons		
TOTAL BILLING				8970.⁰⁰/₁₀₀

RECEIVED
KANSAS CORPORATION COMMISSION
JUN 18 2010
CONSERVATION DIVISION
WICHITA, KS

I certify that the above material has been accepted and used; that the above service was performed in a good and workmanlike manner under the direction, supervision and control of the owner, operator or his agent, whose signature appears below.

Copeland Representative Nathan W.

Station G.B.

Jim L
Well Owner, Operator or Agent

Remarks _____

NET 30 DAYS



FIELD ORDER No C 35843

BOX 438 • HAYSVILLE, KANSAS 67060
316-524-1225

DATE 2-19-10 20

IS AUTHORIZED BY: Statesman Resources
(NAME OF CUSTOMER)

Address _____ City _____ State _____

To Treat Well _____
As Follows: Lease Dick Well No. 1-31 Customer Order No. _____

Sec. Twp. _____
Range _____ County Rush State ks

CONDITIONS: As a part of the consideration hereof it is agreed that Copeland Acid Service is to service or treat at owners risk, the hereinbefore mentioned well and is not to be held liable for any damage that may accrue in connection with said service or treatment. Copeland Acid Service has made no representation, expressed or implied, and no representations have been relied on, as to what may be the results or effect of the servicing or treating said well. The consideration of said service or treatment is payable. There will be no discount allowed subsequent to such date. 6% interest will be charged after 60 days. Total charges are subject to correction by our invoicing department in accordance with latest published price schedules.

The undersigned represents himself to be duly authorized to sign this order for well owner or operator.

THIS ORDER MUST BE SIGNED BEFORE WORK IS COMMENCED

[Signature]
Well Owner or Operator

By _____ Agent

CODE	QUANTITY	DESCRIPTION	UNIT COST	AMOUNT
4101	40	mikase pump truck	3. ⁰⁰ / ₁	120. ⁰⁰ / ₁
4101	40	mikase pickup	1. ⁰⁰ / ₁	40. ⁰⁰ / ₁
4100	1	Pump Charge		1,500. ⁰⁰ / ₁
3101	7	Centralizers	90. ⁰⁰ / ₁	630. ⁰⁰ / ₁
3101	1	Basket	115. ⁰⁰ / ₁	115. ⁰⁰ / ₁
3101	1	Latch Down Plus & Baffle		175. ⁰⁰ / ₁
3101	1	Insert Float shoe & Fillup Assy.		285. ⁰⁰ / ₁
1002	600	mudflush	.75	450. ⁰⁰ / ₁
4000	200	60/40 pap. 2%	9. ²⁵ / ₁	1850. ⁰⁰ / ₁
1102	1560 [#]	Salt	.20	312. ⁰⁰ / ₁
4201	10	CFR-2	25. ⁰⁰ / ₁	250. ⁰⁰ / ₁
RECEIVED KANSAS CORPORATION COMMISSION JUN 18 2010 CONSERVATION DIVISION WICHITA, KS				
4200	200	Bulk Charge	1. ²⁵ / ₁	250. ⁰⁰ / ₁
4201		Bulk Truck Miles 8.87 x 40m = 352.7m x 1. ¹⁰ / ₁	1. ¹⁰ / ₁	387. ²⁰ / ₁
Process License Fee on _____ Gallons				
TOTAL BILLING				6364.⁰⁰/₁

I certify that the above material has been accepted and used; that the above service was performed in a good and workmanlike manner under the direction, supervision and control of the owner, operator or his agent, whose signature appears below.

Copeland Representative Nathan W.

Station G.R.

[Signature]
Well Owner, Operator or Agent

Remarks _____

NET 30 DAYS

TREATMENT REPORT

Acid Stage No. _____

Date: 2-19-10 District: G.R. F. O. No. C35848
 Company: Statesman Resources
 Well Name & No.: Deck 1-31
 Location: _____ Field: _____
 County: Rush State: KS
 Casing: Size: 5 1/2" Type & Wt.: 15.5 # Set at: 2240 ft.
 Formation: _____ Perf. _____ to _____
 Formation: _____ Perf. _____ to _____
 Formation: _____ Perf. _____ to _____
 Liner: Size: _____ Type & Wt.: _____ Top at: _____ ft. Bottom at: _____ ft.
 Cemented: Yes/No. Perforated from: _____ ft. to _____ ft.
 Tubing: Size & Wt.: _____ Spung at: _____ ft.
 Perforated from: _____ ft. to _____ ft.
 Open Hole Size: 7 1/2" T. I.: _____ ft. P. I.: _____ ft.

Type Treatment: Amt. _____ Type Fluid _____ Sand Size _____ Pounds of Mud _____
 Blowdown _____ Bbl. /Gal. _____
 _____ Bbl. /Gal. _____
 _____ Bbl. /Gal. _____
 _____ Bbl. /Gal. _____
 Flush _____ Bbl. /Gal. _____
 Treated from _____ ft. to _____ ft. No. ft. _____
 from _____ ft. to _____ ft. No. ft. _____
 from _____ ft. to _____ ft. No. ft. _____
 Actual Volume of (H₂O) to Load Hole: _____ Bbl. /Gal. _____
 Pump Trucks: No. Used: 300 Sp. _____ Twin _____
 Auxiliary Equipment: 327
 Packer: _____ Set at _____ ft.
 Auxiliary Tools _____
 Plugging or Sealing Materials: Type _____ (Gals. _____ lb. _____)

Company Representative: Jim L. Treater: Nathan W.

TIME a.m. (P.M.)	PRESSURES		Total Fluid Pumped	REMARKS
	Tubing	Casing		
1:30	-	5 1/2"		On Location. Rig up. Rig over to run 5 1/2"
:				Start 5 1/2" in hole.
:				Centralizer on jts. 2, 3, 4, 5, 6, 7, 8
:				Basket on jt. 10
:				Latch down plus & backble
:				Insert float shoe - Auto-Fill.
:				Run 25 jts. Circulate
:				Hook up to circulate. Circulate
:				RECEIVED KANSAS CORPORATION COMMISSION
:				to: 15 min
:				JUN 18 2010
:				CONSERVATION COMMISSION WICHITA
:				Tie on 5 1/2". Pump mud flush.
:				Plus Red-Hole w/ 30 sts.
:				Plus mouse-hole w/ 20 sts.
:				Tie on 5 1/2". Mix 150 sts. 60/wc 2%
:				w/ 18% salt & 3/4% CFR-2.
:				Release Plus. Displace w/ 52.6 bbls.
6:00 p.m.				@ 7 1/2 bpm @ 550 # Plus landed w/
:				1100 # Released. Flood Held.
:				Thank You!
:				Nathan W.