

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

**ORIGINAL**

Form ACO-1

June 2009

Form Must Be Typed

Form must be Signed

All blanks must be Filled

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

OPERATOR: License # 31941  
Name: 3B Energy Inc  
Address 1: PO Box 354  
Address 2: 3494 Saline Rd  
City: Neodesha State: KS Zip: 66757 + 0354  
Contact Person: Bruce B Burkhead  
Phone: ( 620 ) 330-7854  
CONTRACTOR: License # 5675  
Name: McPherson Drilling  
Wellsite Geologist: \_\_\_\_\_  
Purchaser: Pacer Energy Marketing, LLC

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>12-04-2009</u>	<u>12-07-2009</u>	<u>12-18-2009</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 205-27809-00-00

Spot Description: \_\_\_\_\_  
NW SW SW SW Sec. 26 Twp. 30 S. R. 16  East  West  
495 Feet from  North /  South Line of Section  
165 Feet from  East /  West Line of Section

Footages Calculated from Nearest Outside Section Corner:

- NE     NW     SE     SW

County: Wilson

Lease Name: Phillips Well #: 32

Field Name: Neodesha

Producing Formation: Bartlesville

Elevation: Ground: 805 Kelly Bushing: N/A

Total Depth: 855 Plug Back Total Depth: N/A

Amount of Surface Pipe Set and Cemented at: 20 Feet

Multiple Stage Cementing Collar Used?  Yes  No

If yes, show depth set: \_\_\_\_\_ Feet

If Alternate II completion, cement circulated from: 0

feet depth to: 855 w/ 115 sx cmt.

**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 #: \_\_\_\_\_

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: [Signature]

Title: President

RECEIVED  
KANSAS CORPORATION COMMISSION  
Date: \_\_\_\_\_

JUN 10 2010

CONSERVATION DIVISION  
WICHITA, KS

**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: [Signature] Date: 6-5-10

Operator Name: 3B Energy Inc Lease Name: Phillips Well #: 32  
 Sec. 26 Twp. 30 S. R. 16  East  West County: Wilson

**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  Yes  No  
 (Attach Additional Sheets)

Samples Sent to Geological Survey  Yes  No

Cores Taken  Yes  No

Electric Log Run  Yes  No

Electric Log Submitted Electronically  Yes  No  
 (If no, Submit Copy)

Log Formation (Top), Depth and Datum  Sample  
 Name Top Datum

List All E. Logs Run:  
Gamma Ray Neutron Completion log

CASING RECORD <input type="checkbox"/> New <input checked="" 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	11 inch	8 5/8		20 feet		4	
Production	5.75	2 7/8		847 feet		115	

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
3	759-766	100 gal acid	
3	776-782	7000 lbs sand	
2	801-811	160 bbl water	

TUBING RECORD:	Size: 1 inch	Set At: 850 feet	Packer At: N/A	Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or ENHR. 12-18-2009	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. 65	Gas Mcf 25	Water Bbls. 8	Gas-Oil Ratio _____ Gravity 36

<b>DISPOSITION OF GAS:</b> <input type="checkbox"/> Vented <input checked="" type="checkbox"/> Sold <input type="checkbox"/> Used on Lease (If vented, Submit ACO-18.)	<b>METHOD OF COMPLETION:</b> <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled (Submit ACO-5) (Submit ACO-4) <input type="checkbox"/> Other (Specify) _____	<b>PRODUCTION INTERVAL:</b> _____ _____
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# KWS, LLC

19245 Ford Road  
 Chanute, KS 66720  
 (620) 431-9212  
 Mobile (620) 431-8945

3B Enc., inc.  
 P.O. Box 354  
 Neodesha, KS 66757-0354

Date	Invoice
12/8/2009	912-1293

Date: 12-8-09  
 Well Name: Phillips #32  
 Section: 26  
 Township: 30  
 Range: 16  
 County: Wilson County  
 API:  
 PO#

## CEMENT TREATMENT REPORT

TYPE OF TREATMENT: Production Casing  
 HOLE SIZE: 5 3/4"  
 TOTAL DEPT: 855  
 WIRE LINE READING BEFORE:  
 WIRE LINE READING AFTER:

Landed Plug on Bottom at 600 PSI  
 Shut in Pressure  
 Lost Circulation  
 Good Cement Returns  
 Topped off well with \_\_\_\_\_ Sacks  
 Set Float Shoe - Shut In

Service or Product	Quantity	Per Foot Pricing/Unit Pricing	Amount
Run and cement 2 7/8"	850	3.00	2,550.00

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 KANSAS CORPORATION COMMISSION  
 JUN 10 2010  
 CONSERVATION DIVISION  
 WICHITA, KS

Hooked onto 2 7/8" casing. Established circulation with 5 barrels of water, 4 GEL, 1 METSO, COTTONSEED ahead, blended 115 sacks of OWC cement, dropped rubber plug, and pumped 5 barrels of water.

<b>Subtotal</b>	2,550.00
<b>Sales Tax (5.3%)</b>	\$0.00
<b>Balance Due</b>	2,550.00