

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

RECEIVED 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  
KCC WICHITA

OPERATOR: License # 5663  
Name: Hess Oil Company  
Address 1: P. O. Box 1009  
Address 2: \_\_\_\_\_  
City: McPherson State: KS Zip: 67460 + 1009  
Contact Person: Bryan Hess  
Phone: ( 620 ) 241-4640  
CONTRACTOR: License # 4958  
Name: Mallard JV, Inc.  
Wellsite Geologist: James C. Hess  
Purchaser: NCRA

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>2/25/2010</u>	<u>3/4/2010</u>	<u>6/10/2010</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 135-25038-00-00  
Spot Description: Approx  
S2 NW NW NE Sec. 17 Twp. 17 S. R. 22  East  West  
590 Feet from  North /  South Line of Section  
2,310 Feet from  East /  West Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
 NE     NW     SE     SW  
County: Ness  
Lease Name: Margie "C" Well #: 1  
Field Name: \_\_\_\_\_  
Producing Formation: Cherokee  
Elevation: Ground: 2314' Kelly Bushing: 2319'  
Total Depth: 4390' Plug Back Total Depth: 4361'  
Amount of Surface Pipe Set and Cemented at: 217 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set: 1585 Feet  
If Alternate II completion, cement circulated from: 1585  
feet depth to: surface w/ 200 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: Bryan Hess  
Title: Bryan Hess, President Date: 7/16/2010

**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: DJg Date: 7/22/10

Operator Name: Hess Oil Company Lease Name: Margie "C" Well #: 1  
 Sec. 17 Twp. 17 S. R. 22  East  West County: Ness

**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 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 Electric Log Submitted Electronically <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(If no, Submit Copy)</i>  List All E. Logs Run: <b>Dual Induction, Dual Compensated Porosity, Gamma Ray Correlation</b>	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample  Name Top Datum
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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"	20#	217'	60/40 pozmix	150	2% gel, 3% cc
Production	7-7/8"	5-1/2"	14#	4376'	EA-2	150	
					and SMDC	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 <i>(Amount and Kind of Material Used)</i>	Depth
4	4251'-4259'		

TUBING RECORD:	Size: <u>2-3/8"</u>	Set At: <u>4254'</u>	Packer At:	Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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Date of First, Resumed Production, SWD or ENHR. <u>7/2/2010</u>	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>34</u>	Gas Mcf <u>0</u>	Water Bbls. <u>41</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-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>4251'-4259'</u>
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**HESS OIL COMPANY**P.O. Box 1009  
McPherson, KS 67460RECEIVED  
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**ACO-1 Completion Form Attachment**

## Sample Tops

**Margie "C" #1**Approx. S2 NW NW NE  
590' FNL, 2310' FEL  
Section 17-17-22W, Ness County

Elev: 2319' KB

Formation	Margie C #1	(datum)
Anhydrite	1609	+710
Base Anhydrite	1645	+674
Heebner	3712	-1393
Lansing	3753	-1434
Base Kansas City	4037	-1718
Pawnee	4135	-1816
Fort Scott	4225	-1906
Cherokee Shale	4243	-1924
Mississippi	4339	-2020
RTD	4390	-2071

**DST #1: 4240'-4269'**

Times: 15-15-0-0

Blows: IF – BOB in 15 sec, GTS in 6 min

Recovered: 95' mud w/scum of oil  
62' HOCWM (40% O, 50% W, 10% M)  
124' GOCMW (10% G, 10% O, 15% W, 65% M)  
3955' GIP

Pressures: IH 2144, FH 2085, IF 124-176, FF none, ISI 219, FSI none

**DST #2: 4240'-4269'**

Times: 30-30-30-30

Blows: IF – BOB in 15 sec, GTS in 6 min

ISI – continuous off BOB w/GTS

FF – continuous off BOB w/GTS

FSI – continuous off BOB w/GTS

Recovered: 95' HOCGM (65% M, 10% G, 25% O)  
186' HOCGMW (35% O, 20% G, 20% M, 25% W)  
62' SOCMW (5% O, 20% M, 75% W)  
3893' GIP

Pressures: IH 2164, FH 2085, IF 122-210, FF 154-209, ISI 216, FSI 213

**DST #3: 4298'-4344'**

Times: 60-30-30-30

Blows: IF – weak blow built to ½", died back to ¼"

ISI – dead

FF – dead

FSI – dead

Recovered: 15' Mud

Pressures: IH 2163, FH 2107, IF 23-29, FF 29-28, ISI 67, FSI 57

**DST #4: 4298'-4350'**

Times: 60-30-30-30

Blows: IF – weak blow built to 2"

ISI dead

FF – weak blow built to ¾"

FSI – dead

Recovered: 75' Mud

Pressures: IH 2205, FH 2125, IF 19-36, FF 42-51, ISI 1242, FSI 1199

# HESS OIL COMPANY

225 N. Market, Suite 300

Wichita, Kansas 67202

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## GEOLOGICAL REPORT

### MARGIE #C - 1

590' FNL, 2310' FEL of

SECTION 17 - 17S - 22W

NESS COUNTY, KANSAS

Commenced: 2-25-10 Elevations: 2314' GR, 2319' KB  
Completed: 3-5-10 Surface Pipe: 8-5/8" @ 217' KB  
Contractor: Mallard J.V. Production Pipe: 5½"

One foot drilling time was kept to the nearest ½ min. from 1580 to 1660' KB and from 3600' to rotary total depth. Ten foot drilling samples (wet & dry) were kept from 4100' to RTD.

Following are sample tops, descriptions of zones of interest (including all shows of oil or gas), and the results of all drill stem tests.

<u>ANHYDRITE</u>	<u>1609</u>	<u>(-+710)</u>
<u>BASE ANHYDRITE</u>	<u>1645</u>	<u>( +674)</u>
<u>HEEBNER</u>	<u>3712</u>	<u>(-1393)</u>

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<u>LANSING</u>	<u>3753</u>	<u>(-1434)</u>
<u>BASE KANSAS CITY</u>	<u>4037</u>	<u>(-1718)</u>
<u>PAWNEE</u>	<u>4135</u>	<u>(-1816)</u>
<u>FORT SCOTT</u>	<u>4225</u>	<u>(-1906)</u>

4236-43' KB

Tan, finely crystalline, limestone. Weak show of free oil in very poor intercrystalline porosity, no odor, slight stain, and a weak cut.

CHEROKEE SHALE

4243 (-1924)

4243-52' KB

Tan to clear, fine to medium grained, well sorted, fairly rounded, loose sand grains. Weak show of free oil in tray, no odor, slight stain, fair cut. 1 cluster with show!

4258-69' KB

White to tan, finely crystalline, limestone. Weak show of free oil in fair intercrystalline porosity, no odor, weak stain, and a fair cut.

DRILL STEM TEST #1

4240' to 4269' KB 29' Anchor

Blow: bottom of bucket in 15 sec. -- GTS 6 min.

Times: Open 15, Closed 15, Open 0, Closed 0.

Recovered: 95' Mud w/oil show  
62' Mud cut Oil & Water (40% O, 50% SW, 10% M)  
124' (10% G, 10% O, 15% SW, 65% M)

Pressures: IH 2144# IF 124 - 176# ISIP 219#  
FH 2002# FF --- FSIP ---

DRILL STEM TEST #2

4240' to 4269' KB 29' Anchor

Blow: Bottom of bucket 15 sec. GTS 6 min. 2nd opening continuous blow to bottom of bucket throughout shutins and test !

Times: Open 30, Closed 30, Open 30, Closed 30.

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Margie #C-1

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## DRILL STEM TEST # 2 ( cont. )

Recovered: 95' (10% G, 25% O, 65% M)  
186' (20% G, 35% O, 25% W, 20% M)  
62' (5% O, 75% W, 20% M)

Pressures: IH 2164# IF 122 - 210# ISIP 216#  
FH 2024# FF 154 - 209# FSIP 213#

## MISSISSIPPI 4339 (-2020)

4339-44' KB White, sharp and tripolitic, chert -- with a fair show of free oil in poor "on edge" porosity. Some White, very finely crystalline, dense, dolomite with fair show of free oil in poor intercrystalline porosity. No odor, good stain, and a good cut.

## DRILL STEM TEST #3 4298' to 4344' KB 46' Anchor

Blow: Slight blow to  $\frac{1}{2}$ " -- then died back.

Times: Open 60, Closed 30, Open 30, Closed 30.

Recovered: 15' Mud

Pressures: IH 2263# IF 23 - 29# ISIP 67#  
FH 2107# FF 29 - 28# FSIP 57#

4345-50' KB White, sharp & tripolitic, cherts. Some white finely crystalline dolomite as above. Fair show of free oil in poor to fair porosity, no odor, fair stain, and a good cut.

## DRILL STEM TEST #4 4298' to 4350' KB 52' Anchor

Blow: slow build to 2" 2nd opening - very slow build to  $\frac{3}{4}$ ".

Times: Open 60, Closed 30, Open 30, Closed 30.

Recovered: 75' Mud

Pressures: IH 2205# IF 19 - 36# ISIP 1242#  
FH 2078# FF 42 - 51# FSIP 1199#

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Margie #C-1  
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4350-56' KB White, sharp & tripolitic, cherts. Very little slight show of free oil in fair "on edge" porosity, no odor, slight stain, and a weak cut.

ROTARY TOTAL DEPTH                      4390      (-2071)

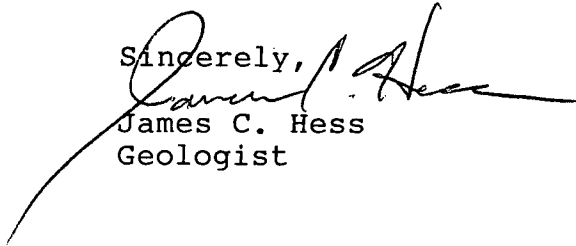
A set of Dual Induction & Compesated Neutron Density logs were run at a rotary depth of 4370' KB. A total of 10' of "A" sand was found in the Cherokee section, from 4250-60' KB. It was then decided to deepen the well and run casing for production & water flood.

At RTD 4390' KB, 103 jts of 5½" 14# casing was run and set @ 4376' KB w/150sx EA-II cement. Plug retainer is @ 4364' KB. A D.V. Tool was opened @ 1586' KB and mud was circulated for 4 hrs. Then the casing was cemented from the D.V. Tool to Surface with 200sx SMDC. 2nd Plug down 7:00am

Guide Shoe @ 4376' KB  
Plug Retainer @ 4364' KB

Basket @ 1600' KB  
D.V. Tool @ 1585-87' KB

Cent. (flowmasters) 4364', 4321', 4279', 4236', 4193' KB  
Reg. Cent. #6 @ 1629' KB

Sincerely,  
  
James C. Hess  
Geologist





JOB LOG

SWIFT Services, Inc.

DATE 3-4-10 PAGE NO.

CUSTOMER Hess Oil Corp. WELL NO. 1 LEASE Margie C JOB TYPE Cement 5 1/2 Casing TICKET NO. 18338

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1300							On Location TD-4390' Cent. 1,2,3,4,5, 32 TP-4376' Bucket 33 PS-4376 D.V. Tool #3-1585' SJ-12' 5 1/2 14#
	2330							Start 5 1/2 Casing
	0100							Break Circulation
	0145	6 3/4	32	✓				250 Pump Mud Flush & KCL Flush
	0150	4		✓				250 Start Cement 150 sks EA-2 @ 1515 ppm - Shut Down - Release Plug - Wash Pump Lines
			36					
	0215	6 3/4		✓				200 Start Displacement
		6 3/4	68	✓				200 Switch To Mud
		6 3/4	83	✓				300 Lift Cement
								800 Max Lift
	0230		106.4					1500 Land Plug - Release - Held
	0200							Drop Bomb - Let Fall Wash Truck
	0245			✓				1100 Open D.V. Tool Circulate 4 hrs
	0615	3	7	✓				Plug Rat hole 30 sks
	0620	3	5	✓				Plug Mousehole 20 sks
	0625	6 3/4	20	✓				200 Pump KCL Flush
	0630	5		✓				200 Start Cement 150 sks @ 11.2
			83					Shut Down - Release Plug
	0650	6 3/4		✓				250 Start Displacement
		6	24.8					400 Cement to Surface 25 sks stop it
	0700		38.6					1750 Land Plug - Close D.V. Tool Wash Truck Job Complete Thank you Brett, Dave & Jason

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