

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 # 4485  
Name: Verde Oil Company  
Address 1: 1020 NE Loop 410  
Address 2: Suite 555  
City: San Antonio State: TX Zip: 78209 + 1224  
Contact Person: Jeffrey L. Dale  
Phone: ( 620 ) 754-3800  
CONTRACTOR: License # 5675  
Name: McPherson Drilling  
Wellsite Geologist: Jeffrey L. Dale  
Purchaser: Coffeyville Resources

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>8/10/2010</u>	<u>8/11/2010</u>	<u>10/14/2010</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 001-30087-00-00  
Spot Description: \_\_\_\_\_  
\_\_\_\_\_ N2 S2 Sec. 29 Twp. 26 S. R. 20  East  West  
1,980 Feet from  North /  South Line of Section  
2,640 Feet from  East /  West Line of Section

Footages Calculated from Nearest Outside Section Corner:  
 NE     NW     SE     SW  
County: Allen  
Lease Name: Campbell Well #: I-55-65  
Field Name: Humbolt/Chanute

Producing Formation: Bartlesville Tucker  
Elevation: Ground: 998' Kelly Bushing: 998'  
Total Depth: 907' Plug Back Total Depth: 884'  
Amount of Surface Pipe Set and Cemented at: 21 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set: \_\_\_\_\_ Feet  
If Alternate II completion, cement circulated from: 902'  
feet depth to: 0 w/ 118 sx cmt.

**Drilling Fluid Management Plan**

(Data must be collected from the Reserve Pit)  
Chloride content: 6000 ppm Fluid volume: 50 bbls  
Dewatering method used: Evaporation  
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: Vice President Date: 10/22/10

**KCC Office Use ONLY**

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**OCT 25 2010**  
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Letter of Confidentiality Received  
Date: \_\_\_\_\_  
 Confidential Release Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
 UIC Distribution  
ALT  I  II  III Approved by: DG Date: 11/15/10

Operator Name: Verde Oil Company Lease Name: Campbell Well #: I-55-65  
 Sec. 29 Twp. 26 S. R. 20  East  West County: Allen

**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 Wireline 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 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>Gamma Ray/Neutron/Casing Collar Log</b>	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample  <table style="width:100%; border: none;"> <tr> <td style="border: none;">Name</td> <td style="border: none;">Top</td> <td style="border: none;">Datum</td> </tr> <tr> <td style="border: none;">Tucker</td> <td style="border: none;">825'</td> <td style="border: none;">+173'</td> </tr> </table>	Name	Top	Datum	Tucker	825'	+173'
Name	Top	Datum					
Tucker	825'	+173'					

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	9 7/8"	7"	23	21'	A Neat	4	None
Production	5 3/4"	2 7/8"	6.4	902'	50/50 Poz	118	5% Kol Seal, 2% Salt, 1% Pheno Seal

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	825'-835' 835'-855'	Acid: 300 gallons 15% HCl	825'-835' 835'-855'
		Frac: 1800# 12/20 Ottawa sand in 75 bbl	825'-835' 835'-855'
		20# gelled water	

TUBING RECORD:	Size: <u>NA</u>	Set At: <u>NA</u>	Packer At: <u>NA</u>	Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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Date of First, Resumed Production, SWD or ENHR. <b>Waiting on injection docket approval</b>	Producing Method: <input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input checked="" type="checkbox"/> Other (Explain) <b>ENHR Well KCC WICHITA</b>
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Estimated Production Per 24 Hours	Oil Bbls. <u>NA</u>	Gas Mcf <u>NA</u>	Water Bbls. <u>NA</u>	Gas-Oil Ratio <u>NA</u>	Gravity <u>NA</u>
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DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input checked="" type="checkbox"/> Used on Lease <i>(If other, 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) _____ <i>(Submit ACO-5) (Submit ACO-4)</i>	PRODUCTION INTERVAL: <u>825'-835' 835'-855'</u>
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**McPherson Drilling LLC    Drillers Log**

<b>Rig Number:</b> 1	<b>S. 29</b>	<b>T. 26</b>	<b>R. 20E</b>
<b>API No. 15- 001-30087</b>	<b>County: AL</b>		
Elev. 998	<b>Location: N2 S2</b>		

<b>Operator:</b> Verde Oil Company			
<b>Address:</b> 1020 NE Loop 410 Ste 555 San Antonio, TX 78209			
<b>Well No:</b> 1-55-65	<b>Lease Name:</b> Manson/Campbell		
<b>Footage Location:</b>	1980 ft. from the	SOUTH Line	
	2640 ft. from the	EAST Line	
<b>Drilling Contractor:</b> McPherson Drilling LLC			
<b>Spud date:</b> 8/10/2010	<b>Geologist:</b> Jeffrey Dale		
<b>Date Completed:</b> 8/11/2010	<b>Total Depth:</b> 907'		

<b>Gas Tests:</b>
<b>Comments:</b> Start injecting @

Casing Record			Rig Time:	
	Surface	Production		
Size Hole:	9 7/8"	5 3/4"		
Size Casing:	7"			
Weight:	20#			
Setting Depth:	21.4	N/C	<b>DRILLER:</b>	Mac McPherson
Type Cement:	Portland			
Sacks:	4	McP		

Well Log									
Formation	Top	Btm.	Formation	Top	Btm.	Formation	Top	Btm.	
soil/clay	0	6	coal	616	618				
lime	6	20	shale	618	787				
shale	20	89	brkn oil sand	787	791				
lime	89	106	shale	791	811				
shale	106	110	sandy shale	811	823				
lime	110	152	oil sand	823	846				
shale	152	311	shale	846	849				
lime	311	336	sand(good shc	849	867				
shale	336	417	shale	867	875				
coal	417	419	coal	875	876				
shale	419	421	shale	876	905				
lime	421	443	Miss lime	905	907 TD				
coal	443	445							
shale	445	462							
coal	462	464							
sand shale	464	483							
lime	483	499							
summit	499	507							
lime	507	515							
mulky	515	519							
sand shale	519	531							
shale	531	591							
coal	591	593							
shale	593	616							

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OCT 25 2010  
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PO Box 884, Chanute, KS 6720  
620-431-9210 or 800-467-8776

TICKET NUMBER 27079  
LOCATION Ottawa KS  
FOREMAN Fred Mader

**FIELD TICKET & TREATMENT REPORT  
CEMENT**

DATE	CUSTOMER	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
8/11/10	8520	Manson # I-55-65	NW 29	26	20	AL
CUSTOMER			TRUCK #	DRIVER	TRUCK #	DRIVER
Verde Oil			506	Fred	Safety Mtg	
MAILING ADDRESS			368	Ken	KH	
3345 Arizona Rd			370	Derek	JM	
CITY	STATE	ZIP CODE	503	Cecil	CHP	
Savonburg	KS	66772				

JOB TYPE Long string HOLE SIZE \_\_\_\_\_ HOLE DEPTH 907' CASING SIZE & WEIGHT 2 7/8 EUE  
 CASING DEPTH 903' DRILL PIPE Baffle @ TUBING 886' OTHER \_\_\_\_\_  
 SLURRY WEIGHT \_\_\_\_\_ SLURRY VOL \_\_\_\_\_ WATER gal/sk \_\_\_\_\_ CEMENT LEFT in CASING 2 1/2" Plug  
 DISPLACEMENT 51588 DISPLACEMENT PSI \_\_\_\_\_ MIX PSI \_\_\_\_\_ RATE 4 BPM

REMARKS: Establish circulation. Mix Pump 100# Premium Gel Flush  
Mix Pump 115 sks 50/50 Poz Mix Cement 2% Gel 5% Salt  
5# Kol Seal per sack. Cement to surface. Flush pump + lines  
clean. Displace customer supplied 2 1/2" Rubber plug to  
Baffle in casing w/ 5.15 BBLs Freshwater. Pressure to 750  
PSI. Release pressure to set float valve. Shut in casing.

*Fred Mader*

*MacPherson Drilling*

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE Cement Pump		925.00
5406	70 mi	MILEAGE Pump Truck		255.50
5402	903'	Casing Footage		n/c
5407A	346.92	Tom Miles		416.30
5502C	3 1/2 hrs	80 BBL Vac Truck		350.00
1124	106 SKS	50/50 Poz Mix Cement		1043.04
1118B	298#	Premium Gel		59.60
1111	248#	Granulated Salt		81.84
1110A	590#	Kol Seal		247.80
			RECEIVED	
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			KCC WICHITA	
			7.3%	
			SALES TAX ESTIMATED TOTAL	104.53
				3483.63

Flavin 3737

AUTHORIZATION *[Signature]* TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
 I acknowledge that the payment terms, unless specifically amended in writing on the front of the form or in the customer's account records, at our office, and conditions of service on the back of this form are in effect for services identified on this form.