

CONFIDENTIAL

ORIGINAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

11/03/10

Operator: License # 32294
Name: OSBORN ENERGY, LLC
Address: 24850 FARLEY
City/State/Zip: BUCYRUS, KS 66013
Purchaser: AKAWA NATURAL GAS, LLC
Operator Contact Person: Curstin Hamblin
Phone: (913) 533-9900
Contractor: Name: OSBORN ENERGY, LLC
License: 32294

Wellsite Geologist: Curstin Hamblin

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SIOW Temp. Abd.
 Gas ENHR SIGW
 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./SWD
 Plug Back _____ Plug Back Total Depth _____
 Commingled _____ Docket No. _____
 Dual Completion _____ Docket No. _____
 Other (SWD or Enhr.?) _____ Docket No. _____

<u>10/2/2008</u>	<u>10/6/2008</u>	<u>10/29/2008</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 121-28664-0000
County: Miami
SW NE SW Sec. 16 Twp. 16 S. R. 25 East West
1650 feet from (S) N (circle one) Line of Section
3630 feet from (E) W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE (SE) NW SW
Lease Name: Deco, Inc Well #: 4-16
Field Name: Louisburg

Producing Formation: MARMATON AND CHEROKEE
Elevation: Ground: 1042 Kelly Bushing: _____
Total Depth: 550 Plug Back Total Depth: _____
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 416 w/ 73 sx cmt.

Drilling Fluid Management Plan Att II NJ 1-23-09
(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 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: Curstin Hamblin
Title: Geologist Date: 11-3-08

Subscribed and sworn to before me this 3rd day of November

20 08
Notary Public: Jane Brewer
Date Commission Expires: _____

**Jane Brewer
Notary Public
State of Kansas
My Commission Expires 3-23-11**

KCC Office Use ONLY
Y Letter of Confidentiality Received
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

RECEIVED
KANSAS CORPORATION COMMISSION

NOV 05 2008

CONSERVATION DIVISION
WICHITA, KS

Operator Name: OSBORN ENERGY, LLC Lease Name: Deco, Inc Well #: 4-16
 Sec. 16 Twp. 16 S. R. 25 East West County: Miami

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 <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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run:	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum
--	---

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 1/4"	8 5/8"		20'	PORTLAND	6	WATER
PRODUCTION	7 7/8"	5 1/2"		416	50/50 poz	73	gel

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		Acid, Fracture, Shot, Cement Squeeze Record		Depth
	Specify Footage of Each Interval Perforated		(Amount and Kind of Material Used)		

TUBING RECORD		Size	Set At	Packer At	Liner Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.			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.	Gas Mcf	Water Bbls.	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 checked="" type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	Production Interval _____
--	--	---------------------------

RECEIVED
KANSAS CORPORATION COMMISSION

NOV 05 2008

CONSERVATION DIVISION
WICHITA, KS

Geological Report

Deco, Inc # 4-16

1650 FSL, 3630 FEL
Section 16-T16-R25E
Miami Co., Kansas
API# 15-121-28664-0000
Elevation: 1042' GL
Drilling Contractor: Osborn Energy, L.L.C (Lic. # 32294)
Spud: 10/2/2008
Production Bore Hole: 7 7/8"
Rotary Total Depth: 550' on 10/6/2008
Drilling Fluid: air
Surface Csg.: 8 5/8" casing, 12 1/4" hole
Production Csg.: 5 1/2" set at 416.37'
Geologist: Curstin Hamblin
Driller: Brian Schwab

<u>Formation</u>	<u>Driller Log Tops</u>	<u>Datum</u>
Stark Shale	135-137'	907'
Hushpuckney Shale	162-165'	880'
Base Kansas City	178'	864'
Knobtown Sand	202-206'	840'
Carbonaceous Zone in Tacket Fm.	No call	
"Big Lake" Sand	No Call	
South Mound Zone	326-328'	716'
Hepler (Wayside) Sand	No call	
"Upper" Mulberry Zone	No call	
Mulberry Zone	No call	
Weiser Sand	No call	
Myrick Station	414-417'	628'
Anna Shale (Lexington Coal Zone)	418-420'	624'
Peru Sand	No call	
Summit Shale Zone	455-458'	587'
Mulky Coal/Shale Zone	477-481'	565'
Squirrel Sand	490'	552'
Bevier	541'	501'
Croweburg	550-?'	492'
Rotary Total Depth	550'	492'

RECEIVED
KANSAS CORPORATION COMMISSION

NOV 05 2008

CONSERVATION DIVISION
WICHITA, KS

Drilling at 101.5' in the Kansas City on 10/3/2008 at 12:00pm
Background Gas (BG) 20 units

Drilling with water, hit water above 100', but not as much as we did on Deco 2

*** Add .5 to all of these depths

102-111: LS: dk grey, some crinoid stems
112-121: LS: grey, white
CG of 120 units over BG
122-131: LS: white/grey

STARK FORMATION Geologist called @ 135-137', Chromatograph was rebooting due to low voltage

****GAS TEST @ 141', 0 MCF, too small to measure ****

136: SH: black, no gas in the samples

132-141: LS: white/grey, SH: black, some grey
CG of 1600 units over BG
142-151: LS: white/grey, 100%

Gas kick of 886.4 units around 155'

152-161: LS: white/grey, some quartz, some quartz inclusions/crystals, SS: grey, large grained, I don't see a lot of sand, but the water is gritty, like it was all broke up when it came out. I saw ls from 152-160, 161 was shale. The sand layer must have been really small. According to the chromatograph, there is no way this open flow came from the Hushpuckney. The kick was around 155ish, it was all limestone!

****GAS TEST @ 161', 54 MCF, 54 MCF open flow, 54 MCF total****

HUSHPUCKNEY SHALE Geologist called @ 162-165', gas kick of 220 units over BG

****GAS TEST @ 181', 0 MCF, 49 MCF open flow, 54 MCF total****

165: SH: black, no coal, NO gas in the samples

162-171: SH: limey, grey, black
172-181: LS: grey, SH: grey, gummy, sandy
CG of 1592 over BG
182-191: SH: grey almost green, gummy, sandy, SS: grey, fine grained
192-201: SS: dk grey, fine grained, some pyrite

Knobtown Sand, Geologist called @ 202', gas kick of 100 units

****GAS TEST @ 221', 0 MCF, 49 MCF open flow, 54 MCF Total****

202-211: SS: grey, medium grained, about 5' thick

212-221: SS: grey, fine grained, gummy
CG of 1600 units
222-231: SS: dk grey, fine grained, some pyrite
232-241: SH: grey, gummy, sandy, SS: dk grey, limey
242-251: SS: dk grey, limey, fine grained
252-261: SS: dk grey, limey, fine grained
CG 1600 over BG
262-271: SS: grey, fine grained, crinoid stems, gummy
272-281: SS: grey, fine grained, some is gummy
282-291: SS: grey/brown (282-287) medium to large grained, SH: grey/green
292-301: SS: lt grey, fine grained
CG 1080 over BG
302-311: SS: grey, fine grained
312-321: SS: grey, fine grained
Gas kick of 70 units at 314

****GAS TEST @ 321', 21 MCF, 70 MCF open flow, 75 MCF Total****

CG of 1648 units

RECEIVED
KANSAS CORPORATION COMMISSION

NOV 05 2008

CONSERVATION DIVISION
WICHITA, KS

I really don't know where this gas came from. The u-tube initially read 49 mcf open flow, but the longer I held it up there, the mcf kept rising and finally leveled at 70 mcf open flow. I was doing this test to make sure that I got an accurate read when we went through the south mound.

SOUTH MOUND ZONE Geologist called @ 326-328', gas kick of 360 units over BG
****GAS TEST @ 341', 3 MCF, 73 MCF open flow, 78 MCF Total****

327: good to very good gas in the samples!, as good as the Lexington on deco 3

322-331: SH: grey, sandy, black

332-341: SH: grey, gummy

342-351: SS: grey, very fine grained, gummy

352-361: SS: grey, very fine grained, gummy

CG of 1360 units

362-371: LS: 368-371, white/peach, 362-367: SH: grey, gummy

371-381: SH: grey/green, sandy, LS: brown

Gas kick of 280 units at 386

382-391: LS: sandy, tan, SH: grey

392-401: SS: dk grey, well cemented, medium to large grained, some brown, medium to large grained, SH: grey, sandy, gummy

****GAS TEST @401', 0 MCF, 69 MCF Open flow, 78 MCF Total****

Stopped drilling at 401' on 10/3/2008 at 5:00pm

Started drilling at 402' on 10/6/2008 at 8:10am

****GAS TEST @401', 0 MCF, 35 MCF open flow, 78 MCF Total****

402-411: SH: grey, sandy, lots of pyrite

LEXINGTON COAL ZONE Geologist called @ 418-420', gas kick of 1304 units over BG
****GAS TEST @421', 127 MCF, 162 MCF open flow, 205 MCF Total****

420: SH: black, lots of coal, good gas in the samples, some grey coal and lots of pyrite

***The Lexington was only 2.5 feet thick. The last .5-1 foot was mostly coal

*** It is hard to tell if the Lexington is making water because there is a lot of water coming in from up hole

412-421: LS: brown, SH: grey, gummy

Gas kick of 140 units at 412'

422-431: SS: grey, limey, 426-431: LS, lt grey

432-441: SH: grey, gummy

****GAS TEST @441', 0 MCF, 132 MCF open flow, 205 MCF Total ****

I adjusted the air flow on the chromatograph from .2 to 1.0

442-451: LS: lt grey

SUMMIT SHALE ZONE Geologist called @ 455-458', gas kick of 105 units over BG
****GAS TEST @461', 30 MCF, 162 open flow, 235 MCF Total ****

456: SH: black, okay gas in the samples

452-461: SH: black, grey, no coal, LS: lt grey, some

462-471: SH: grey

MULKY COAL/SHALE ZONE Geologist called @477-481', gas kick of 450 units over BG
****GAS TEST @481', 39-47 MCF, surging, 201-209 open flow, 274-282 MCF Total ****

478: Poor gas in the samples

481: SH: black, lots of coal, very little gas in the samples, some of the coal had good gas

RECEIVED
KANSAS CORPORATION COMMISSION

NOV 05 2008

CONSERVATION DIVISION
WICHITA, KS

Picked up some water

472-481: SH: black, some coal, some pyritic growth, some grey

SQUIRREL SAND Geologist called @490'

482-491: SS: grey/white, very fine grained, SS: brown, medium grained, SH: grey, limey

492-501: SS: brown, medium to large grained

****GAS TEST @501', 0-9 MCF, 209-218 Open flow, 282-291 MCF Total ****

Mulky gas still

502-511: SS: brown, large grained, slight odor

512-521: SS: brown, large grained

522-531: SS: brown, large grained

532-541: SS: brown, large grained

541: some black shale/coal

542-550: SS: brown, large grained, some coal, some shale

Gas kick of 600 units at 543'- I don't believe this is accurate because the chromatograph was not stable. It kept surging from a high number to a very negative number.

Picked up a lot of water all of the sudden. It showed at 546' and we think it came from the squirrel

550': coal, & Black shale, poor gas in the samples

Total Rotary Depth, 550 on 10/6/2008

****GAS TEST @550', open flow surging between 209-256 MCF ****

Summary:

Stark: 0 MCF

Dodds Creek SS: 54 MCF

Hushpuckney: 0 MCF

Knobtown Sand: 0 MCF

21 MCF- somewhere between knobtown and south mound

South Mound: 3 MCF

Lexington: 127 MCF

Summit: 30 MCF

Mulky: 48-56

Total: 283-291 MCF- some water is making the test surge

Comparison of wells around the area

Well:	Deco 4		Deco 2		Deco 3-16		Harris 1	
Elev:	1042		1037		1035		1015	
	Top	Datum	Top	datum	top	datum	top	datum
Stark:	135	907	138	899				
Hush:	162	880	165	872	172	863	169	846
BKC:	178	864	185	852	190	845	184	831
Knobtown:	202	840	~207	830				
SM:	326	716	329	708	337	698	347	668
Lex:	418	624	421	616	429	606	424	591
Summit:	455	587	461	576	468	567	468	547
Mulky:	477	565	486	551	492	543	488	527

RECEIVED
KANSAS CORPORATION COMMISSION

NOV 05 2008

CONSERVATION DIVISION
WICHITA, KS



CONSOLIDATED
Oil Well Services, LLC

TICKET NUMBER 19799
LOCATION Ottawa
FOREMAN Alan Mader

PO Box 884, Chanute, KS 66720
620-431-9210 or 800-467-8676

FIELD TICKET & TREATMENT REPORT
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
10-29-08	6073	Deco 4-16	16	16	25	Mi
CUSTOMER <u>Osborn Energy</u>			TRUCK #	DRIVER	TRUCK #	DRIVER
MAILING ADDRESS <u>24850 Farley</u>			<u>316</u>	<u>Alan M</u>		
CITY <u>Bucyrus</u>			<u>368</u>	<u>Bill 2</u>		
STATE <u>KS</u>			<u>503</u>	<u>Gerid S</u>		
ZIP CODE <u>66013</u>						

JOB TYPE Fill up HOLE SIZE 7 7/8 HOLE DEPTH 430 CASING SIZE & WEIGHT 5 1/2
CASING DEPTH 430 DRILL PIPE _____ TUBING 3/4" OTHER _____
SLURRY WEIGHT _____ SLURRY VOL _____ WATER gal/sek _____ CEMENT LEFT in CASING _____
DISPLACEMENT _____ DISPLACEMENT PSI _____ MIX PSI _____ RATE 1 gpm

REMARKS: Mixed & pumped 50# gel followed by 75.5x 50/150 per 2" drill. Packer started leaking. Pulled 3/4 out and ran 2 7/8 tubing inside of 5 1/2 & washed clean.

Customer supplied water.

Alan Mader

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE		925.00
5406	—	MILEAGE		—
5402	430'	Casing footage		—
5407A	Vamin	ton mileage		157.50
1118.13	179.5y	gel		30.43
1124	73.5y	50/150 per 2"		711.75
		Sub		1824.68

RECEIVED
KANSAS CORPORATION COMMISSION
NOV 05 2008
CONSERVATION DIVISION
WICHITA, KS

6.55%

SALES TAX 48.64
ESTIMATED TOTAL 1873.29

Rev 3737
Brian Schwab was there
AUTHORIZATION _____

TITLE 227006

DATE _____