

ORIGINAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

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 # 6142
Name: Town Oil Company, Inc.
Address 1: 16205 W. 287th Street
Address 2: _____
City: Paola State: KS Zip: 66071 + 8482
Contact Person: Lester Town
Phone: (913) 294-2125
CONTRACTOR: License # 6142
Name: Town Oil Company, Inc.
Wellsite Geologist: _____
Purchaser: Pacer Energy Marketing

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 #: _____
11/8/2010 11/10/2010 11/29/2010
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 059-25512-00-00
Spot Description: _____
SW NE SE NE Sec. 24 / Twp. 17 S. R. 20 East West
3,505 Feet from North / South Line of Section
495 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Franklin
Lease Name: Killough Well #: 2
Field Name: Paola-Rantoul
Producing Formation: Squirrel
Elevation: Ground: 961 Kelly Bushing: NA
Total Depth: 737 Plug Back Total Depth: 6
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: 20
feet depth to: Surface w/ 3 sx cmt.

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)
Chloride content: 1500-3000 ppm Fluid volume: 80 bbls
Dewatering method used: on lease
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: Roberta Town
Title: Agent Date: 12-22-10

KCC Office Use ONLY
RECEIVED
 Letter of Confidentiality Received
Date: _____
 Confidential Release Date: DEC 27 2010
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
KCC WICHITA
ALT I II III Approved by: Dg Date: 12/29/10

Operator Name: Town Oil Company, Inc. Lease Name: Killough Well #: 2
 Sec. 24 Twp. 17 S. R. 210 East West County: Franklin

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 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: <p style="text-align: center;">Gamma Ray Neutron Completion Log</p> | <input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum (See Attached Copy) |
|---|---|

| 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 | 7 | 6 1/4 | | 20 | Portland | 3 | |
| Completion | 5 5/8 | 2 7/8 | | 731 | Portland | 103 | 50/50 POZ |
| | | | | | | | |

| 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 |
|----------------|---|--|-------|
| 2 | 691.5-698.5 (22 shots) | | |
| | | | |
| | | | |

| | | | |
|---|-----------|---|-----------------------------------|
| TUBING RECORD: Size: _____ Set At: _____ Packer At: _____ | | Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No | KCC WICHITA |
| Date of First, Resumed Production, SWD or ENHR. _____ | | Producing Method: <input type="checkbox"/> Flowing <input 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 type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5) (Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) _____ | PRODUCTION INTERVAL: _____ _____ |
|---|--|--|

Franklin County, KS
 Well: Killough # 2
 Lease Owner: T.O.C.

Town Oilfield Service, Inc.
 (913) 837-8400

Commenced Spudding:
 11/8/2010

WELL LOG

| Thickness of Strata | Formation | Total Depth |
|---------------------|-----------------|-----------------------|
| 2 | Soil and Clay | 2 |
| 2 | Rocks | 4 |
| 7 | Sandstone | 11 |
| 6 | Shale | 17 |
| 24 | Lime | 41 |
| 24 | Shale | 65 |
| 34 | Lime | 99 |
| 74 | Shale | 173 |
| 21 | Lime | 194 |
| 19 | Shale | 213 |
| 3 | Red Bed | 216 |
| 7 | Shale with Lime | 223-Lime Streaks |
| 7 | Lime | 230 |
| 22 | Shale | 252 |
| 8 | Lime | 260-Drum |
| 23 | Shale & Slate | 283 |
| 26 | Lime | 309-Winteraset |
| 9 | Shale & Slate | 318 |
| 22 | Lime | 340-Bethany Falls |
| 4 | Shale & Slate | 344 |
| 3 | Lime | 347-KC |
| 5 | Shale & Slate | 352 |
| 4 | Lime | 356-Hertha |
| 110 | Shale & Slate | 466 |
| 12 | Sand | 478-Limey |
| 33 | Shale | 511 |
| 6 | Shale with Lime | 517 |
| 3 | Lime | 520 |
| 4 | Shale | 524 |
| 5 | Lime | 529 |
| 49 | Shale | 578 |
| 3 | Lime | 581-Brown |
| 9 | Shale | 590 |
| 7 | Lime | 597-Sandy Shale |
| 7 | Shale | 604-Dark |
| 9 | Lime | 613-Good Odor & Show |
| 5 | Shale | 618-No Show |
| 1 | Sand | 619-Broken, Good Show |
| 3 | Sand | 622-Solid |
| 6 | Sandy Shale | 628 |

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 DEC 27 2010
 KCC WICHITA



CONSOLIDATED
Oil Well Services, LLC

REMIT TO
Consolidated Oil Well Services, LLC
Dept. 970
P.O. Box 4346
Houston, TX 77210-4346

MAIN OFFICE
P.O. Box 884
Chanute, KS 66720
620/431-9210 • 1-800/467-8676
FAX 620/431-0012

INVOICE

Invoice # 237988

Invoice Date: 11/15/2010 Terms: 0/30,n/30

Page 1

TOWN OIL COMPANY
16205 W. 287 STREET
PAOLA KS 66071
(785) 294-2125

KILLOUGH 2
27245
NE 1-17-20 FR
11/10/2010

| Part Number | Description | Qty | Unit Price | Total |
|-------------|-----------------------------|--------|------------|---------|
| 1124 | 50/50 POZ CEMENT MIX | 103.00 | 9.8400 | 1013.52 |
| 1118B | PREMIUM GEL / BENTONITE | 277.00 | .2000 | 55.40 |
| 4402 | 2 1/2" RUBBER PLUG | 1.00 | 23.0000 | 23.00 |
| Description | | Hours | Unit Price | Total |
| 368 | CEMENT PUMP | 1.00 | 925.00 | 925.00 |
| 368 | EQUIPMENT MILEAGE (ONE WAY) | 15.00 | 3.65 | 54.75 |
| 368 | CASING FOOTAGE | 732.00 | .00 | .00 |
| 503 | MIN. BULK DELIVERY | 1.00 | 315.00 | 315.00 |

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| | | | | | | | |
|--------|---------|-----------|-----|---------|---------|----|---------|
| Parts: | 1091.92 | Freight: | .00 | Tax: | 85.16 | AR | 2471.83 |
| Labor: | .00 | Misc: | .00 | Total: | 2471.83 | | |
| Sublt: | .00 | Supplies: | .00 | Change: | .00 | | |

Signed _____ Date _____

BARTLESVILLE, OK
918/338-0808

ELDORADO, KS
316/322-7022

EUREKA, KS
620/583-7664

GILLETTE, WY
307/686-4914

OAKLEY, KS
785/672-2227

OTTAWA, KS
785/242-4044

THAYER, KS
620/839-5269

WORLAND, WY
307/347-4577



CONSOLIDATED
OIL FIELD SERVICES, LLC

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

TICKET NUMBER 27245

LOCATION Ottawa KS

FOREMAN Fred Mader

FIELD TICKET & TREATMENT REPORT
CEMENT

| DATE | CUSTOMER # | WELL NAME & NUMBER | SECTION | TOWNSHIP | RANGE | COUNTY |
|---|------------|--------------------|---------|----------|-------------|--------|
| 11/10/10 | 7823 | Killough # 2 | NE 1 | 17 | 20 | FR |
| CUSTOMER <u>Town Oil Co</u> | | | TRUCK # | DRIVER | TRUCK # | DRIVER |
| MAILING ADDRESS <u>16205 W 287th</u> | | | 506 | Fred | Safety Mutg | |
| CITY <u>Paola</u> STATE <u>KS</u> ZIP CODE <u>66071</u> | | | 368 | Ken | KH | |
| JOB TYPE <u>long string</u> | | | 503 | Derek | JM | |

HOLE SIZE 5 7/8 HOLE DEPTH 737' CASING SIZE & WEIGHT 8 RD EUE 2 1/2"
 CASING DEPTH 732' DRILL PIPE Pin in TUBING @ 726' OTHER _____
 SLURRY WEIGHT _____ SLURRY VOL _____ WATER gal/sk _____ CEMENT LEFT IN CASING 2 1/2" PLUG
 DISPLACEMENT 4.22 BBL DISPLACEMENT PSI _____ MIX PSI _____ RATE 43 BPM

REMARKS: Establish circulation. Mix + Pump 100# Premium Gel
Flush. Mix + Pump 105 SKS 50/50 Por Mix Cement 2 1/2" Gel
Cement to Surface. Flush pump + lines clean. Displace 2 1/2"
rubber plug to pin in casing w/ 4.22 BBLs fresh water.
Pressure to 500 PSI. Shut in casing.

Customer Supplied Water

Fred Mader

| ACCOUNT CODE | QUANTITY of UNITS | DESCRIPTION of SERVICES or PRODUCT | UNIT PRICE | TOTAL |
|--------------|-------------------|------------------------------------|------------|--------------------|
| 5401 | 1 | PUMP CHARGE | | |
| 5406 | 15 | MILEAGE | | 925 ⁰⁰ |
| 5402 | 732' | Casing footage | | 5475 |
| 5407 | Minimum | Ten Miles | | NIC |
| | | | | 315 ⁰⁰ |
| 1124 | 103 SKS | 50/50 Por Mix Cement | | 1013 ⁵³ |
| 1118B | 277# | Premium Gel | | 55 ⁴⁰ |
| 4402 | 1 | 2 1/2" Rubber Plug | | 23 ⁰⁰ |
| | | <u>WO # 237988</u> | | |

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Ravin 3737 7.8% SALES TAX 85¹⁶
 ESTIMATED TOTAL 2471⁸³

AUTHORIZATION Scott L. Kirkwood TITLE _____

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.