



## ORIGINAL

Form ACO-1

October 2008 Form Must Be Typed

### Kansas Corporation Commission Oil & Gas Conservation Division **WELL COMPLETION FORM**

### **WELL HISTORY - DESCRIPTION OF WELL & LEASE**

OPERATOR: License # 33979	API No. 15 - 15-137-20498 - 6000
Name: Clipper Energy LLC	Spot Description.
Address 1: 3838 Oak Lawn	sw_nw_se_sec. 27_twp. 5_s. R. 21_
Address 2:	Feet from North / South Line of Section
City: Dallas State: TX Zip: 75219 +	
Contact Person: Bill Robinson	Footages Calculated from Nearest Outside Section Corner:
Phone: (214 ) 220-1080	□ NE □ NW ☑ SE □ SW
CONTRACTOR: License # 33724 AMBIDENTIAL	County: Norton
Name: Warren Drilling, LLC  Market Contains Bill Robinson	Lease Name: Schneider Well #: 2
Wellsite Geologist: Bill Robinson	Field Name: Ray, W.
Purchaser: Coffeyville	Producing Formation: Reagan
Designate Type of Completion:	Elevation: Ground: 2230 Kelly Bushing: 2238
New Well Re-Entry Workover	Total Depth: 3718 Plug Back Total Depth: 3718
	Amount of Surface Pipe Set and Cemented at: 222 Feet
Gas ENHR SIGW	Multiple Stage Cementing Collar Used?   ✓ Yes   No
CM (Coal Bed Methane) Temp. Abd.	If yes, show depth set:Feet
Dry Other	If Alternate II completion, cement circulated from: 1781
(Core, WSW, Expl., Cathodic, etc.)	feet depth to: surface w/ 500 sx cmt.
If Workover/Re-entry: Old Well Info as follows:	
Operator:	Drilling Fluid Management Plan AI + II N 3309 (Data must be collected from the Reserve Pit)
Well Name:	
Original Comp. Date: Original Total Depth:	Chloride content:ppm Fluid volume:bbls
Deepening Re-perf Conv. to Enhr Conv. to SWD	Dewatering method used:
Plug Back: Plug Back Total Depth Commingled Docket No.:	Location of fluid disposal if hauled offsite:
Dual Completion Docket No.:	Operator Name:
Other (SWD or Enhr.?) Docket No.:	Lease Name: License No.:
11-25-08 11-29-08 12-19-08	Quarter Sec TwpS. R
Spud Date or Recompletion Date  Date Reached TD  Recompletion Date  Completion Date or Recompletion Date	County: Docket No.:
Kansas 67202, within 120 days of the spud date, recompletion, workover or confidential for a period of 12 months if recompletion.	the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information quested in writing and submitted with the form (see rule 82-3-107 for confidenell report shall be attached with this form. ALL CEMENTING TICKETS MUST rule with all temporarily abandoned wells.
All requirements of the statutes, rules and regulations promulgated to regulate t are complete and correct to the best of my knowledge.	the oil and gas industry have been fully complied with and the statements herein
Signature: B: M	KCC Office Use ONLY
Title: Geologist Date: 12-19-02	<b>\</b> /
(04)	Letter of Confidentiality Received
, ,	
20 <u>08</u> . <b>1</b>	Wireline Log Received  Geologist Report Received RECEIVED
Notary Public: Sheryla Civelson	KANSAS CORPORATION COMMISSIO
7-7417	UIC Distribution
NOTAR	Axelson DEC 2 2 2008
STATE O STATE OF KINSAS My App. Exp.	F KANSAS 7-24-12 CONSERVATION DIVISION

#### Side Two

Operator Name: Clipp	per Energy LL	C	Lease	Lease Name: Schneider			Well #: _2_		
Sec. 27 Twp. 5	S. R. <u>21</u> ·	East	County	y: Nort	on				
time tool open and clos	sed, flowing and sharing sif gas to surface	and base of formations penut-in pressures, whether test, along with final char report.	shut-in pres	ssure rea	ched static level	, hydrostatic pre:	ssures, bottom	hole tem	perature, f
Drill Stem Tests Taken				✓ Log Formation (Top), D			, Depth and Datum		
				Name			Тор		Datum
Cores Taken Electric Log Run (Submit Copy)	`	Yes No		T/An B/KC	hydrite		1823 3605		415 -1367
List All E. Logs Run: RAG									
		CASING Report all strings set	G RECORD	✓ Ne	_	ion etc			•
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Wei	ght	Setting Depth	Type of Cement	# Sacks Used	s Type and Percer	
surface	12 1/4	8 5/8	23		222	common	160	3%cc + 2% ge	
production	7 7/8	5 1/2	14		3718	common	175	500 gals WF	
		ADDITIONA	L CEMENTI	NG / SQL	JEEZE RECORD				
Purpose:  —— Perforate	Depth Top Bottom	Type of Cement	ement #Sacks Use		Type and Percent Additives				
Protect Casing     Plug Back TD     Plug Off Zone									
Shots Per Foot		TON RECORD - Bridge Plu Footage of Each Interval Pe				cture, Shot, Cemer		rd	Depth
4 ;	3651				natural				na
							KANSA		CEIVED
			*					DEC	2 2 200
							(	CONSERV	ATION DIVI CHITA, KS
TUBING RECORD: 2 7/		Set At: 3625	Packer A	t:	Liner Run:	Yes 🗸 No	)	- VVIC	<del>лии, 10</del>
Date of First, Resulmed Pr	roduction, SWD or Er	nhr. Producing Met	thod:	Flowing	9 Pumpir	ig Gas Li	ift 🗍 Oth	er (Explain,	)
Estimated Production Per 24 Hours	Oil 5	Bbls. Gas 0	Mcf	Wate	er Bi 100	ols.	Gas-Oil Ratio		Gravity 32
DISPOSITION		İ	METHOD OF	_	_		PRODUCTION	ON INTER	VAL:
✓ Vented Sold	Used on Lease	Open Hole Other (Specify)	Perf.	Dually	Comp. Com	nmingled	901	WP HUIE	WHAL





December 19, 2008

Kansas Corporation Commission Finney State Office Building 1300 South Market Room 2078 Wichita, KS 67202-3802

Re: ACO1 Filings, Schneider #2 API #15-137-20498

Gentlemen:

Clipper Energy, LLC hereby requests that the information included with this letter be held in confidence for the maximum time allowed.

Sincerely,

Sheryln Ayelson
Sheryln Axelson
Field Office Secretary

/sda

RECEIVED KANSAS CORPORATION COMMISSION

DEC 2 2 2008

CONSERVATION DIVISION WICHITA, KS

CONFIDENTIAL DEC 19 2203

KCC

CONFIDENTIAL DEC 19 0003

KCC

Telephone: 214-220-1080 Fax: 214-720-1048

Clipper Energy, LLC Two Turtle Creek Suite 1310 3838 Oak Lawn Dallas, TX 75219

## ALLIED CEMENTING CO., LLC. 34874

REMIT TO 'P.O. BOX 31 RUSSELL, KANSAS 67665	SERVICE POINT:					
DATE 1 3008 SEC. TWP RANGE	CALLED OUT ON LOCATION JOB START JOB FINISH					
LEASE WELL# 2 LOCATION Box	COUNTY STATE COUNTY STATE					
OLD OBSTITUTE (C. 1	N'x Winter					
CONTRACTOR VISION #2 TOP Stag						
HOLE SIZE 71/8 T.D. 3725	CEMENT 500					
CASING SIZE < 1/2 14# DEPTH						
TUBING SIZE DEPTH	The second secon					
DRILL PIPE DEPTH						
PRES MAY						
PRES. MAX MINIMUM MEAS. LINE SHOE JOINT 120 ₹	COMMON					
MEAS. LINE SHOE JOINT 12.73  CEMENT LEFT IN CSG. 12.63						
PERFS.	GEL					
DISPLACEMENT 43 123 (	ASC @					
EQUIPMENT	Flo Seal = 12516 @ 24516 306 25					
EQUI MENT	RECEIVED @					
PUMPTRUCK CEMENTER Cras	KANSAS CORPORATION COMMISSION @					
# 4/7 HELPER Me + +						
BULK TRUCK	@@					
# 378 DRIVER Charles	CONSERVATION DIVISION @					
BULK TRUCK	WICHITA, KS					
# 396 DRIVER Negle	HANDLING AND 2					
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	@					
To Allied Cementing Co., LLC.	@					
You are hereby requested to rent cementing equipment	@					
and furnish cementer and helper(s) to assist owner or	@					
contractor to do work as is listed. The above work was						
done to satisfaction and supervision of owner agent or						
contractor. I have read and understand the "GENERAI						
TERMS AND CONDITIONS" listed on the reverse sid						
	TOTAL CHARGES					
PRINTED NAME Teel Laushorn						
MINIED INAIVIE and Govern R. C. C. C. III D & Ph.	DISCOUNT IF PAID IN 30 DAYS					
The state of the s	CONFIDENTIAL					
SIGNATURE act author	DEC 19 2008					
	KCC					

### **GENERAL TERMS AND CONDITIONS**

DEFINITIONS: In these terms and conditions, "ALLIED" shall mean Allied Cementing Co., LLC, and "CUSTOMER" shall refer to the party identified by that term on the front of this contract. As applicable, "Job" relates to the services described on the front side of this contract, "Merchandise" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

- —TERMS: Unless satisfactory credit has been established, CUSTOMER must tender full cash payment to ALLIED before the job is undertaken or merchandise is delivered. If satisfactory credit has been established, the terms of payment for the job and/or merchandise, including bulk cement, are net cash, payable in 30 days from the completion of the job and/or delivery of the merchandise. For all past due invoices, CUSTOMER agrees to pay interest on amounts invoiced at a rate of 18 percent per annum until paid. Notwithstanding the foregoing, in no event shall this Contract provide for interest exceeding the maximum rate of interest that CUSTOMER may agree to pay under applicable law. If any such interest should be provided for, it shall be and hereby is deemed to be a mistake, and this contract shall be automatically reformed to lower the rate of interest to the maximum legal contract rate, any amounts previously paid as excess interest shall be deducted from the amounts owing from the CUSTOMER or at the option of ALLIED, refunded directly to CUSTOMER. For purposes of this paragraph, ALLIED and CUSTOMER agree that Kansas law shall apply. Any discounts granted with this contract are null and void if the charges are not paid when due.
- —ATTORNEY FEES: In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the terms of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limited to, a reasonable sum as and for attorney's fees.
- —PRICES AND TAXES: All merchandise listed in ALLIED'S current price schedule are F.O.B. ALLIED'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by ALLIED shall be added to the quoted prices charged to CUSTOMER.
- —TOWING CHARGES: ALLIED will make a reasonable attempt to get to and from each job site using its own equipment. Should ALLIED be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ a tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMER or, if furnished by ALLIED, will be charged to and paid by CUSTOMER.
- —PREPARATION CHARGES: If a job and/or merchandise is ordered and CUSTOMER cancels the order after preparation of a chemical solution or other material, CUSTOMER will pay ALLIED for the expenses incurred by ALLIED as a result of the cancellation.
- —DEADHAUL, CHARGES: Unless otherwise specified on the front of this Contract, a deadhaul charge as set forth in ALLIED'S current price book will be charged each way for each service unit which is ordered by CUSTOMER but not used.
  - —SERVICE CONDITIONS AND LIABILITIES:
- 1. ALLIED carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond ALLIED'S control, ALLIED shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. CUSTOMER shall be responsible for and indemnify, defend, and hold harmless ALLIED, its officers, agents and employees, from and against any and all claims or suits for:
- (A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:
- (B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with ALLIED'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of ALLIED or its employees.
- 2. With respect to any of ALLIED'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to ALLIED at the landing, CUSTOMER shall either recover the lost item without cost to ALLIED or reimburse ALLIED the current replacement cost of the item unless the loss or damage results from the sole negligence of ALLIED or its employees.
- 3. ALLIED does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

  WARRANTIES:
- 1. ALLIED warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. ALLIED'S obligation under this warranty is expressly limited to repair, replacement, or allowance for credit, at its option, for any merchandise which is determined by ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and ALLIED shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.
  - 2. More specifically:
- (A) Nothing in this contract shall be construed as a warranty by ALLIED of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.
- (B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by ALLIED or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by ALLIED, unless the inaccuracy or incorrectness is caused by the wilful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.
- (C) Work done by ALLIED shall be under the direct supervision and control of the CUSTOMER or his agent and ALLIED will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.

# ALLIED CEMENTING CO., LLC. 34873

REMIT TO P.O. BOX 31	SERVICE POINT:	
RUSSELL, KANSAS 67665	Kussell	
SEC. TWP. RANGE CA	ALLED OUT ON LOCATION JOB START JOB FINISH	<del></del>
DATE 11-30-68 27 3 21	7:30p.m 8:300.1	
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CONTRACTOR 1/15:04 7 2	OWNER DOITEM Stage	
TYPE OF JOB DU TOO	CEMENT	
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CASING SIZE 5 1/2 14# DEPTH 3)18	AMOUNT ORDERED 1750m	
TUBING SIZE DEPTH	500 ag 1 WFR- 2	a a
DRILL PIPE DEPTH		
TOOL \\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	COMMON /75 @ /3.32 2.63	·
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# HELPER MUTT		
BULK FRUCK	<u>@ 1                                   </u>	
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# DRIVER DEC 2 2 2008	HANDLING 17.5 @ 2	
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REMARKS: CONSERVATION DIVISION WICHITA, KS	TOTAL 43.5%.	15
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CHARGE TO: Cl. sper Ensur  STREET  CITY STATE ZIP  To Allied Cementing Co., LLC.	PUMP TRUCK CHARGE  EXTRA FOOTAGE  MILEAGE  MANIFOLD  @  ##3377  ##337	
CHARGE TO: Cl. ppc. Firm  STREET  CITY STATE ZIP  To Allied Cementing Co., LLC. You are hereby requested to rent cementing equipment	PUMP TRUCK CHARGE  EXTRA FOOTAGE  MILEAGE  MANIFOLD  @  @  12, 951. 25  PLUG & FLOAT EQUIPMENT  PLUG & FLOAT EQUIPMENT  11) V Trol  1 Architecture  9 Total  1 B. SKet  @  1 10 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2	
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CHARGE TO:	PUMP TRUCK CHARGE  EXTRA FOOTAGE  MILEAGE  MANIFOLD  @  TOTAL  12, 951, 25  PLUG & FLOAT EQUIPMENT  PLUG & FLOAT EQUIPMENT  1 10 1 20 1 20 1 20 1 20 1 20 1 20 1 2	

KCC

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  - —SERVICE CONDITIONS AND LIABILITIES:
- 1. ALLIED carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond ALLIED'S control, ALLIED shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. CUSTOMER shall be responsible for and indemnify, defend, and hold harmless ALLIED, its officers, agents and employees, from and against any and all claims or suits for:
- (A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:
- (B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with ALLIED'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of ALLIED or its employees.
- 2. With respect to any of ALLIED'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to ALLIED at the landing, CUSTOMER shall either recover the lost item without cost to ALLIED or reimburse ALLIED the current replacement cost of the item unless the loss or damage results from the sole negligence of ALLIED or its employees.
- 3. ALLIED does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

  WARRANTIES:
- 1. ALLIED warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. ALLIED'S obligation under this warranty is expressly limited to repair, replacement, or allowance for credit, at its option, for any merchandise which is determined by ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and ALLIED shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.
  - 2. More specifically:
- (A) Nothing in this contract shall be construed as a warranty by ALLIED of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.
- (B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by ALLIED or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by ALLIED, unless the inaccuracy or incorrectness is caused by the wilful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.
- (C) Work done by ALLIED shall be under the direct supervision and control of the CUSTOMER or his agent and ALLIED will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.

# ALLIED CEMENTING CO., LLC. 35087

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