

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

RECEIVED ORIGINAL  
JAN 06 2011  
KCC WICHITA  
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 # 34224  
Name: Red Cloud Exploration Operating LLC  
Address 1: 1611 St, Andrews Dr. 3rd Fl  
Address 2: \_\_\_\_\_  
City: Lawrence State: KS Zip: 66047 + \_\_\_\_\_  
Contact Person: Kevin Sylla  
Phone: ( 415 ) 850-9183  
CONTRACTOR: License # 33986  
Name: Owens Petroleum Services, LLC  
Wellsite Geologist: George Peterson  
Purchaser: Coffeyville Resources

Designate Type of Completion:  
 New Well       Re-Entry       Workover  
 Oil       WSW       SWD       SLOW  
 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 #: \_\_\_\_\_  
12/8/09      12/15/09      1/18/10  
Spud Date or      Date Reached TD      Completion Date or  
Recompletion Date           Recompletion Date

API No. 15 - 207-27547-00-00  
Spot Description: \_\_\_\_\_  
SW\_NE\_SW\_SW Sec. 21 Twp. 25 S. R. 17  East  West  
825 Feet from  North /  South Line of Section  
825 Feet from  East /  West Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
 NE     NW     SE     SW  
County: Woodson  
Lease Name: Reno Well #: 1-09  
Field Name: Humboldt-Chanute  
Producing Formation: Squirrel  
Elevation: Ground: 972 Kelly Bushing: NA  
Total Depth: 860 Plug Back Total Depth: \_\_\_\_\_  
Amount of Surface Pipe Set and Cemented at: 40 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set: \_\_\_\_\_ Feet  
If Alternate II completion, cement circulated from: \_\_\_\_\_  
feet depth to: \_\_\_\_\_ w/ \_\_\_\_\_ sx cmt.

**Drilling Fluid Management Plan**  
(Data must be collected from the Reserve Pit)  
Chloride content: fresh ppm Fluid volume: 300 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: \_\_\_\_\_  
Title: Manager Date: 20, Dec 10

**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: Dlg Date: 1/13/10

Operator Name: Red Cloud Exploration Operating LLC Lease Name: Reno Well #: 1-09  
 Sec. 21 Twp. 25 S. R. 17  East  West County: Woodson

**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 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:	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample  <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>U. Squirrel</td> <td>762</td> <td>+210</td> </tr> <tr> <td>L. Squirrel</td> <td>784</td> <td>+188</td> </tr> </table>	Name	Top	Datum	U. Squirrel	762	+210	L. Squirrel	784	+188
Name	Top	Datum								
U. Squirrel	762	+210								
L. Squirrel	784	+188								

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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	9-7/8"	7"	17	40'	Monarch	20	
Production Casing	5-5/8"	2-7/8	6.7	848	OWC	108	

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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
3164	785.0-791.0	Spotted 1BBLS of 15% HCL on zone; frac with 164 sacks of sand	

TUBING RECORD:	Size: <b>2/7/8</b>	Set At: <b>848</b>	Packer At:	Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed 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 type="checkbox"/> Open Hole <input 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: _____ _____
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# KWS, LLC

19245 Ford Road  
Chanute, KS 66720

(620) 431-9212

Mobile (620) 431-8945

FED # 20-8746618

Red Cloud Exploration Operating LLC

ATTN: Kevin Sylla

161 St. Andrews Drive, 3rd Floor

Lawrence, KS 66047

1cep

Date	Invoice
12/15/2009	912-1300

Date: 12-15-09  
Well Name: Reno 1-09  
Section: 21  
Township: 25  
Range: 17  
County: Woodson County  
API:  
PO#

## CEMENT TREATMENT REPORT

TYPE OF TREATMENT: Production Casing  
HOLE SIZE: 5 5/8"  
TOTAL DEPT: 860  
WIRE LINE READING BEFORE:  
WIRE LINE READING AFTER:

- Landed Plug on Bottom at 500 PST
- Shut in Pressure
- Lost Circulation
- Good Cement Returns
- Topped off well with \_\_\_\_\_ Sacks
- Set Float Shoe - Shut In

Service or Product	Quantity	Per Foot Pricing/Unit Pricing	Amount
Run and cement 2 7/8"	842	3.00	2,526.00

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Hooked onto 2 7/8" casing. Established circulation with 5 barrels of water, 4 GEL, 1 METSO, COTTONSEED ahead, blended 108 sacks of OWC cement, dropped rubber plug, and pumped 5 barrels of water.

<b>Subtotal</b>	\$2,526.00
<b>Sales Tax (6.3%)</b>	\$0.00
<b>Balance Due</b>	\$2,526.00

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## GEOLOGISTS REPORT

For

**RED CLOUD EXPLORATION OPERATING LLC**

**RENO 1-09**

**SW ¼, NE ¼, SW ¼, SW ¼,  
Sec 21, T25S, R17E  
Woodson County, Kansas**

*The formation tops and intervals for this report were taken from the Gamma / Neutron log and are based on a ground level elevation of 972' which was taken from a U.S.G.S 7 ½, minute quad sheet.*

	<i>Depth</i>	<i>Datum</i>	<i>Thickness</i>
<i>Base Kansas City Group:</i>	392	+580	
<i>Altamont ls</i>	582	+390	
<i>Mulkey coal</i>	756	+216	
<i>U. Squirrel sd</i>	762	+210	12'
<i>L. Squirrel</i>	784	+188	32'

**RTD 860 LTD 840**

*Sample returns were examined microscopically and under black light from the top of the Cherokee through the Squirrel sand sequence. Samples were caught at 2 foot intervals until the top of the lower Squirrel was found and then samples were caught at 4-6 foot intervals.*

*The upper sand had a thickness of approximately 12'. There was a slight petroleum odor but there was only a very slight indication that oil might be present. This upper sand does not appear to have the potential to produce commercial quantities of oil. There was very limited fluorescence and no visible cuts.*

*The lower Squirrel samples consisted of a fine to medium to coarse grained quartz sand that appeared to be slightly shaly in nature. The log also indicates that there are shale laminations within the unit. There was a strong petroleum odor present in the samples and a good show of medium brown free oil. There was good yellow fluorescence when exposed to a black light. This oil show continued for some time and when the Gamma log was run the log indicated that the sand continued with increasing amounts of shale and shale partings to about 826 feet. There was a good show of free oil on the pit and a very strong petroleum was also present.*

*Based on the log response and the show of oil in the samples, the determination was made to perforate from 785-791 with 3 shots per foot.*

*The next RENO location needs to have the drilling closely monitored to see if the sand becomes cleaner through its total thickness, or if the cleaner sands may lay in another direction on the lease.*

**CONCLUSIONS AND RECOMMENDATIONS:**

*The decision to use three shots per foot was based on the clean appearing sand and the appearance of a moderate to strong gas cap at the top. The increasing shalyness below the prefs did not justify perforating below 791.*

*This well appears to have the potential to produce commercial quantities of oil. To evaluate which direction to develop the lease, it becomes important to obtain reasonably accurate elevations on the existing wells so that cross sections can be developed to aid in determining the best way to develop the lease.*

*It is hoped that the geograph can be repaired in the near future so that the various geologic tops can be more easily determined during the drilling process.*

*At some point a good set of logs, to include both resistivity and compensated neutron density/porosity logs will be necessary if there is a need to develop reserve information.*

**DISCLAIMER:**

*The author of this report has no working or over riding royalty interest in this well or in any wells on this lease. This report is based on the opinions and observations of the author based on training, experience gained from other wells in the area and information gained from the samples and logs from this well.*

*Should additional information be required, please contact me.*

*Respectfully submitted;*

*George E. Petersen*  
George E. Petersen, L.G., C.P.G.  
#166  
DEACON GEOLOGY, INC.  
KANSAS  
GEOLOGIST

