

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 # 34055  
Name: H&M PETROLEUM CORPORATION  
Address 1: 13570 MEADOWGRASS DRIVE SUITE 120  
Address 2: \_\_\_\_\_  
City: COLORADO SPRINGS State: CO Zip: 80921 + \_\_\_\_\_  
Contact Person: SHANE BOILLOT  
Phone: ( 719 ) 590-6060  
CONTRACTOR: License # 33575  
Name: WW DRILLING LLC  
Wellsite Geologist: RICH BELL  
Purchaser: COFFEYVILLE RESOURCES

**RECEIVED**

**JAN 13 2011**

Designate Type of Completion: **KCC WICHITA**  
 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 #: \_\_\_\_\_

9/11/10    9/16/10    9/17/10

Spud Date or    Date Reached TD    Completion Date or  
Recompletion Date       Recompletion Date

API No. 15 - 15-163-23895-00-00

Spot Description: \_\_\_\_\_

SE SE SW Sec. 2 Twp. 7 S. R. 19  East  West

330 Feet from  North /  South Line of Section

2,970 Feet from  East /  West Line of Section

Footages Calculated from Nearest Outside Section Corner:

NE     NW     SE     SW

County: ROOKS

Lease Name: FORTUNE RIDGE Well #: 2

Field Name: WILDCAT

Producing Formation: LANSING

Elevation: Ground: 1997 Kelly Bushing: 2002

Total Depth: 3738 Plug Back Total Depth: \_\_\_\_\_

Amount of Surface Pipe Set and Cemented at: 5 JTS@218 Feet

Multiple Stage Cementing Collar Used?  Yes  No

If yes, show depth set: 1455 Feet

If Alternate II completion, cement circulated from: 1455

feet depth to: SURFACE w/ 140 sx cmt.

**Drilling Fluid Management Plan**

(Data must be collected from the Reserve Pit)

Chloride content: 1000 ppm Fluid volume: 200 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: Shane Boillot

Title: LAND MANAGER Date: 9/12/10

**KCC Office Use ONLY**

Letter of Confidentiality Received  
Date: 11/11/11 - 1/11/13

Confidential Release Date: \_\_\_\_\_

Wireline Log Received

Geologist Report Received

UIC Distribution

ALT  I  II  III Approved by: Dog Date: 11/14/11

*Denied*  
*11/14/11*

Operator Name: H&M PETROLEUM CORPORATION Lease Name: FORTUNE RIDGE Well #: 2  
 Sec. 2 Twp. 7 S. R. 19  East  West County: ROOKS

**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 checked="" type="checkbox"/> Yes <input 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>DI, MICRO, POROSITY</b>	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample  <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Name</th> <th style="text-align: left;">Top</th> <th style="text-align: left;">Datum</th> </tr> </thead> <tbody> <tr> <td>ANHYDRITE</td> <td>1521</td> <td>+481</td> </tr> <tr> <td>TOPEKA</td> <td>2962</td> <td>-960</td> </tr> <tr> <td>HEEBNER SHALE</td> <td>3167</td> <td>-1165</td> </tr> <tr> <td>TORONTO</td> <td>3190</td> <td>-1188</td> </tr> <tr> <td>LANSING A/BASE KANSAS CITY</td> <td>3208/3429</td> <td>-1206/-1427</td> </tr> <tr> <td>ARBUCKLE/REAGAN SAND</td> <td>3531/3656</td> <td>-1529/-1654</td> </tr> <tr> <td>GRANITE</td> <td>3773</td> <td>-1671</td> </tr> </tbody> </table>	Name	Top	Datum	ANHYDRITE	1521	+481	TOPEKA	2962	-960	HEEBNER SHALE	3167	-1165	TORONTO	3190	-1188	LANSING A/BASE KANSAS CITY	3208/3429	-1206/-1427	ARBUCKLE/REAGAN SAND	3531/3656	-1529/-1654	GRANITE	3773	-1671
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GRANITE	3773	-1671																							

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	12 1/4"	8 5/8"	23#	218	COMMON	150	3%CC/2%GEL
PRODUCTION	7 7/8	5 1/2	15.5#	3682	COMMON	385	10%SALT/5%GILSONITE

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				

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**KCC WICHITA**

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
4	3191-3194	SHOT	3194
4	3211-3213	SHOT	3213
4	3284-3286	SHOT	3286

TUBING RECORD: Size: <u>2 7/8"</u> Set At: <u>3206</u> Packer At: <u>3206</u> 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	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%;">Oil Bbbls.</td> <td style="width:25%;">Gas Mcf</td> <td style="width:25%;">Water Bbbls.</td> <td style="width:25%;">Gas-Oil Ratio</td> </tr> <tr> <td style="text-align: center;"><u>40</u></td> <td style="text-align: center;"><u>0</u></td> <td style="text-align: center;"><u>7</u></td> <td style="text-align: center;"><u>37.5</u></td> </tr> </table>	Oil Bbbls.	Gas Mcf	Water Bbbls.	Gas-Oil Ratio	<u>40</u>	<u>0</u>	<u>7</u>	<u>37.5</u>
Oil Bbbls.	Gas Mcf	Water Bbbls.	Gas-Oil Ratio						
<u>40</u>	<u>0</u>	<u>7</u>	<u>37.5</u>						

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 checked="" 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: <u>3191-3194</u>
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01/11/2011

I would like to request the maximum confidentiality of 2 years before releasing information on side two of the Fortune Ridge #2 Well Completion Form. Thank you

Sincerely,



Shane Boillot  
Land Manager

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JAN 13 2011  
KCC WICHITA

# QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025  
Cell: 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 4306

Date	9-17-10	Sec.	2	Twp.	7	Range	19	County	ROCKS	State	KS	On Location		Finish	7:30pm
Lease	FARMER Ridge		Well No.		2		Location								
Contractor													WJL #4		
Type Job													D.J. Top		
Hole Size													7 7/8		
Csg.													5 1/2 1530		
Tbg. Size															
Tool													D.V. Tool		
Cement Left in Csg.															
Meas Line													Displace 34 1/2		

Owner  
To Quality Oilwell Cementing, Inc.  
You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.

Charge To  
HAM

Street  
City  
State

The above was done to satisfaction and supervision of owner agent or contractor.

Cement Amount Ordered 275 QMDC 1/4# FLO

### EQUIPMENT

Pumptrk	9	No.	Cementer	rag
			Helper	
Bulktrk		No.	Driver	brake
			Driver	
Bulktrk	810	No.	Driver	brake
			Driver	

Common
Poz. Mix
Gel.
Calcium
Hulls
Salt
Flowseal 687H
Kol-Seal
Mud CLR 48
CFL-117 or CD110 CAF 38
Sand
Handling
Mileage

### JOB SERVICES & REMARKS

Remarks:

Rat Hole 3022

Mouse Hole

Centralizers

Baskets

DV or Port Collar @ 1435

Tool opened @ 2000 ft Plug Release

Mix Cement on top stage Mix 2550

Displace Plug Cement 2550

Plug landed 2550 ft Release

Pressure Drill

### FLOAT EQUIPMENT

Guide Shoe
Centralizer
Baskets
AFU Inserts
Float Shoe
Latch Down

Circulated 455K TO PT

Quality Oilwell Cementing

Signature: [Handwritten Signature]

Top Stage Prod. Logging

Pumptrk Charge
Mileage
Tax
Discount
Total Charge

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# QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025  
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 4305

Date	9-17-10	Sec.	2	Twp.	7	Range	19	County	ROCKS	State	KS	On Location		Finish	5:30p.m.
Lease	Fortune Ridge			Well No.	2			Location	Webster 24 FA 12 3N 14W Unit 2						
Contractor	W W #4							Owner	To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.						
Type Job	DV Job							Charge To	H&M						
Hole Size	7 7/8			T.D.	3738			Street							
Csg.	5" 15.5"			Depth	3634			City	State						
Tbg. Size				Depth				The above was done to satisfaction and supervision of owner agent or contractor.							
Tool	DV Tool #52			Depth	1455			Cement Amount Ordered 140 Com 10% Salt 5% Gelation re							
Cement Left in Csg.	22.67			Shoe Joint	22.67			300 gal Mud Clear 48							
Meas Line				Displace	8786			Common							

### EQUIPMENT

Pumptrk	9	No.	Cementor	CA's
			Helper	W&R
Bulktrk		No.	Driver	
Bulktrk		No.	Driver	

Common	
Poz. Mix	
Gel.	
Calcium	
Hulls	
Salt	18
Flowseal	
Kol-Seal	700
Mud CLR 48	500 gal
CFL-117 or CD110 CAF 38	
Sand	
Handling	18
Mileage	

### JOB SERVICES & REMARKS

Remarks:

Rat Hole

Mouse Hole

Centralizers 1,3,5,7,9,11,13,15

Baskets #5, #5.1

DV or Port Collar #52 @ 1455

5/2 set @ 3634 Insert set @ 3661

Est Circulation Start Mud Flush

Start Cement Clear line Displace

Plug - Drop sub water 2100

Mud 6.6 water Plug lead

1500 ps before pressure Dry

Thru

Guide Shoe	
Centralizer	
Baskets	
AFU inserts	DV Tool
Float Shoe	AFU
Latch Down	100 Scoopels
Pumptrk Charge	Bottom Stage Prod Long string
Mileage	53

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Signature: *[Handwritten Signature]*

Tax

Discount

Total Charge



**WHITEHALL EXPLORATION**

---

**WELLSITE GEOLOGICAL CONSULTING**

**GEOLOGICAL ANALYSIS & WELL REPORT**

**H & M Petroleum Corp.**

**FORTUNE RIDGE No. 2**

330' FSL & 2,970" FEL  
C-SE-SE-SW

Section 2 - Township 7 South - Range 19 West  
Rooks County, Kansas

October 11, 2010

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## GENERAL INFORMATION

Elevation: G.L. 1,997' K.B. 2,002'  
All measurements are from K.B.

Field: Wildcat

Drilling Contractor/Rig No.: WW Drilling/Rig 4

Total Depth: RTD: 3,738' LTD: 3,736'

Surface Casing: 8 5/8" @ 218'

Production Casing: 5 1/2" set @ 3,682'

Drill Time Kept: 2,900'-3,738' RTD

Samples Examined: 2,900'-3,738' RTD

Geological Supervision: 2,900'-3,738' RTD

Wellsite Geologist: Rich Bell  
Consulting Wellsite Geologist - Hill City, KS

Drill Stem Tests: 1) Toronto Formation - Open hole test  
2) Lansing "A"- "F" Zone's - Open hole test  
3) Kansas City "H"- "K" Zone's - Open hole test

Mud Company/Mud Type/Engineer: Morgan Mud/Chemical/Dave Lines

Electric Logging Company: Log-Tech

Log Suite Run: -Dual Induction  
-Micro Log  
-Neutron/Density Porosity

Samples: Examined & discarded

Total Depth Formation: Granite

Well Status: Production casing set to further test the Toronto  
Formation

## DAILY DRILLING CHRONOLOGY

<u>2010</u> <u>Date</u>	<u>7:00 A.M.</u> <u>Depth</u>	<u>24 Hour</u> <u>Footage</u>	<u>7:00 A.M. Operation; 24 Hour Activity</u>
09/11/10	0	0	MIRU; spud @ 1:45 P.M., drilling, jet cellar, circ., TOOH, run 5 jts 8 5/8" 23# surf. csg. set @ 218', cement csg.w/150 sx-plug down @ 6:00 P.M., Wait On Cement 8', TIH w/ bit, drill out @ 2:00 A.M., drilling.
09/12/10	670'	670'	Drilling ahead; jet, drilling, jet, drilling, jet, drilling.
09/13/10	2,345'	1,670'	Drilling ahead; jet, drilling, jet, drilling, jet and displace hole @ 2,796' (620 bbls), drilling, jet, drilling.
09/14/10	3,190'	845'	Drilling ahead; CFS @ 3,204', short trip 36 stands (2 hrs), circ. 1', drop dev. survey and TOOH strapping pipe (0.83' long), pick up test tool, TIH, run DST #1, TOOH, lay down test tool, TIH w/bit, drilling, CFS @ 3,216', drilling, CFS @ 3,230', drilling, CFS @ 3,255', drilling, CFS @ 3,278', drilling, CFS @ 3,302', TOOH, pick up test tool, TIH, run DST #2.
09/15/10	3,302'	112'	Running DST No. 2; TOOH, lay down test tool, TIH w/bit, drilling, CFS @ 3,372', drilling, CFS @ 3,390', drilling, CFS @ 3,415', TOOH, pick up test tool, TIH, run DST #3.
09/16/10	3,415'	113'	Running DST No. 3; TOOH, lay down test tool, TIH w/bit, drilling, CFS @ 3,481', drilling, reach 3,738' RTD @ 9:15 P.M., short trip, circ. 1', TOOH, rig up loggers, logging (1:30 A.M.-5:00 A.M. 9/17/10), rig down loggers, TIH w/collars - lay down collars.
09/17/10	3,738'	323'	Trip in hole w/ drill pipe; circ., TOOH laying down drill pipe, rig up and run 5 1/2" prod. csg. set @ 3,682'-did not land, cement csg.-plug down @ 7:30 P.M., rig released @ 9:30 P.M..



## DEVIATION SURVEYS

<u>Depth</u>	<u>Deviation (Degrees)</u>
219'	0.50
3,204'	1.00
3,738'	1.00

## REFERENCE WELLS

Reference Well "A": F & M Oil Co.  
Riseley No. 1  
SW-NW-SW  
Section 2-T7S-R19W  
Rooks County, Kansas  
KB: 2,026'  
RTD: 3,532'  
Date Drilled: March, 1976  
TD Formation: Arbuckle  
Status: Abandoned non-commercial Lansing "A" Zone oil well

Reference Well "B": Ladd Petroleum Corp.  
Riseley No. 1  
NE-NE-SW  
Section 2-T7S-R19W  
Rooks County, KS  
KB: 1,998'  
RTD: 3,560'  
Date Drilled: September, 1982  
TD Formation: Arbuckle  
Status: Dry & Abandoned

Reference Well "C": H & M Petroleum Corp.  
Fortune Ridge No. 1  
SE-SE-NE  
Section 2-T7S-R19W  
Rooks County, KS  
KB: 1,985'  
LTD: 3,835'  
Date Drilled: September 2010  
TD Formation: Granite  
Status: Dry & Abandoned

## FORMATION TOPS

	FORTUNE RIDGE No. 2			F & M Oil Riseley #1	Ladd Pet. Riseley #1	H & M Pet. Fortune Ridge #1			
FORMATION	SAMPLE	ELECTRIC LOG		REFERENCE	REFERENCE	REFERENCE	DIFFERENCE TO		
	TOPS	TOPS	DATUM	WELL "A"	WELL "B"	WELL "C"	WELL "A"	WELL "B"	WELL "C"
PERMIAN									
Anhydrite	1528	1521	+481	+480	NA	+479	-1	NA	-2
PENNSYLVANIAN									
Topeka	2963	2962	-960	-958	-959	-964	-2	-1	+4
Heebner Shale	3169	3167	-1165	-1159	-1161	-1166	-6	-4	+1
Toronto	3192	3190	-1188	-1184	-1185	-1193	-4	-3	+5
Top/Lansing "A"	3210	3208	-1206	-1200	-1203	-1208	-6	-3	+2
Base/Kansas City	3431	3429	-1427	-1415	-1420	-1428	-12	-7	+1
Arbuckle	3533	3531	-1529	-1477	-1473	-1487	-52	-56	-42
Reagan Sandstone	3658	3656	-1654	NDE	NA	-1721	NA	NA	+67
Granite	3676	3773	-1671	NDE	NDE	-1740	NA	NA	+69

NA = Not Available

NDE = Not Deep Enough

## ZONES OF INTEREST

<u>Formation</u>	<u>Log Depth</u>	<u>Lithologic &amp; Show Descriptions, Remarks</u>
Toronto	3,190'-3,194'	<p>Limestone, off white-tan, fine crystalline, oolitic, friable, trace chert, pin point porosity, GOOD SHOW: fair odor, abundant light brown oil stain, some light brown saturated oil stain, pin point show free oil, light rainbow show oil.</p> <p>DST No. 1 isolated this formation and recovered 140 feet of total fluid consisting of 70 feet of clean oil and 70 feet of oil cut mud (40% oil, 60% mud) with flow pressures of 19-46 p.s.i. and 52-62 p.s.i. with shut in pressures of 982-1,060 p.s.i.</p> <p>Log-Tech logs show this zone has fair SP development, a very clean gamma ray, fair microlog development, has maximum 11% neutron porosity, 5.5% density porosity, and has a maximum 10 ohms deep resistivity.</p>
Lansing "A"	3,208'-3,213'	<p>Limestone, off white-tan, fine crystalline, slightly oolitic, trace pin point porosity, SLIGHT SHOW: no odor, spotty light brown oil stain in part, no show free oil.</p> <p>Log-Tech logs show this zone has a very clean gamma ray, intermediate SP, microlog development from 3,211-3,213 feet, maximum 11% density porosity, maximum 14% neutron porosity, and has maximum 10 ohms deep resistivity.</p>
	3,227'-3,235'	<p>Limestone, off white-tan, fine crystalline, scattered isolated vugs, inter-crystalline porosity, SLIGHT SHOW: no odor, oil stain in vugs, mostly barren.</p> <p>Log-Tech logs show this zone has a clean gamma ray, intermediate SP, good microlog development from 3,228-3,235 feet, maximum 6% density and neutron porosity, has maximum 45 ohms deep resistivity, and the computer processed log notes a pay flag in this zone.</p> <p>DST No. 2 included these two Zone's on a test covering the Lansing "A" through Lansing "F" Formation's and recovered 745 feet of total fluid consisting of 500 feet of mud and 245 feet of oil cut mud (3% oil, 97% mud), with shut in pressures of 1,217-1,127 p.s.i.</p>

Lansing "C" 3,248'-3,252'

Limestone, tan, fine crystalline, slightly sucrosic, pin point porosity, slight vuggy porosity, GOOD SHOW: no odor, light rainbow show of oil, pin point show free oil on break.

DST No. 2 included this Zone on a test covering the Lansing "A" through Lansing "F" Formation's and recovered 745 feet of total fluid consisting of 500 feet of mud and 245 feet of oil cut mud (3% oil, 97% mud), with shut in pressures of 1,217-1,127 p.s.i.

Log-Tech logs show this zone has fair SP development, a clean gamma ray, microlog development, has maximum 14% neutron porosity, maximum 10% density porosity, and has a maximum 10 ohms deep resistivity.

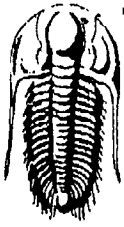
Lansing "F" 3,293'-3,298'

Limestone, white-tan, fine crystalline, slightly oolitic, white chert, friable porosity, GOOD SHOW: no odor, fair spotty light brown oil stain, pin point show free oil on break.

DST No. 2 included this Zone on a test covering the Lansing "A" through Lansing "F" Formation's and recovered 745 feet of total fluid consisting of 500 feet of mud and 245 feet of oil cut mud (3% oil, 97% mud), with shut in pressures of 1,217-1,127 p.s.i.

Log-Tech logs show this zone has very good SP development, a mostly clean gamma ray, 4 feet of microlog development, has maximum 19% neutron porosity, maximum 10% density porosity, has a maximum 4.5 ohms deep resistivity, and indicates a pay flag on the computer processed log.





**TRILOBITE TESTING, INC.**

**DRILL STEM TEST REPORT**

H&M Petroleum Corp  
 13570 Meadow grass Dr Ste 101  
 Colorado Spring Co 80921  
 ATTN: Don Allen

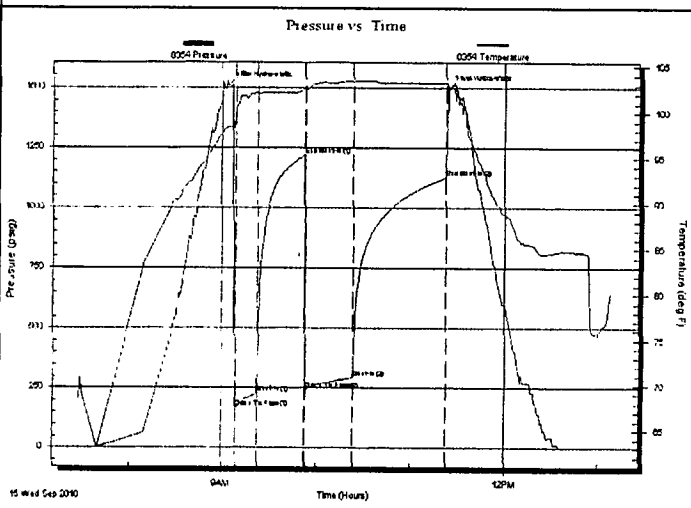
**Fortune Ridge # 2**  
**2-7-19-Rooks-Ks**  
 Job Ticket: 039942      DST#: 2  
 Test Start: 2010.09.15 @ 07:27:49

**GENERAL INFORMATION:**

Formation: **A-C-D-E-F LK**  
 Deviated: No Whipstock: ft (KB)  
 Time Tool Opened: 09:08:49  
 Time Test Ended: 13:09:34  
 Interval: **3202.00 ft (KB) To 3302.00 ft (KB) (TVD)**  
 Total Depth: **3302.00 ft (KB) (TVD)**  
 Hole Diameter: **7.88 inches** Hole Condition: Good  
 Test Type: Conventional Bottom Hole  
 Tester: Dan Bangle  
 Unit No: 38  
 Reference Elevations: 2002.00 ft (KB)  
 1997.00 ft (CF)  
 KB to GR/CF: 5.00 ft

**Serial #: 8354** Inside  
 Press@RunDepth: 294.02 psig @ 3205.00 ft (KB) Capacity: 8000.00 psig  
 Start Date: 2010.09.15 End Date: 2010.09.15 Last Calib.: 2010.09.15  
 Start Time: 07:27:49 End Time: 13:09:34 Time On Btm: 2010.09.15 @ 09:03:49  
 Time Off Btm: 2010.09.15 @ 11:24:04

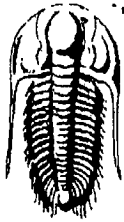
TEST COMMENT: IF-Strong B-B in 20- sec  
 FF-Strong B-B in 8 min



PRESSURE SUMMARY			
Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1508.82	98.47	Initial Hydro-static
5	166.18	100.31	Open To Flow (1)
19	226.90	102.18	Shut-In(1)
50	1217.62	102.81	End Shut-In(1)
50	243.05	102.52	Open To Flow (2)
80	294.02	103.41	Shut-In(2)
140	1127.07	103.30	End Shut-In(2)
141	1494.74	102.95	Final Hydro-static

Recovery		
Length (ft)	Description	Volume (bbl)
245.00	Sltly OCM 3% o 97% m	2.32
500.00	Drig Mud	7.01

Gas Rates			
	Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)



**TRILOBITE  
TESTING, INC**

# DRILL STEM TEST REPORT

H&M Petroleum Corp  
13570 Meadow grass Dr Ste 101  
Colorado Spring Co 80921  
ATTN: Don Allen

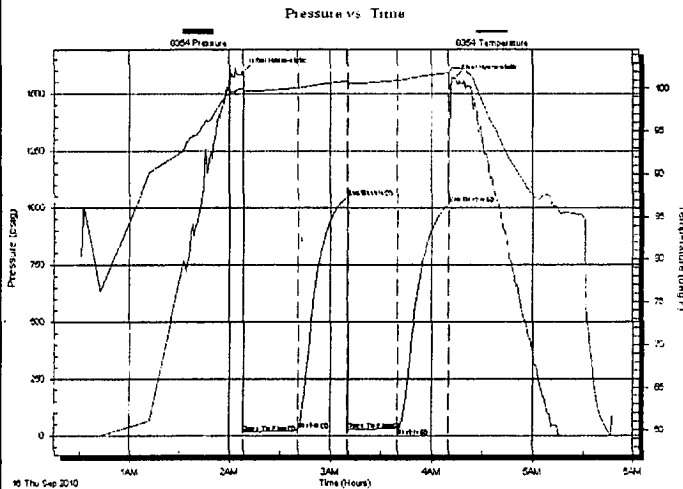
**Fortune Ridge # 2**  
**2-7-19-Rooks-Ks**  
Job Ticket: 039943      DST#: 3  
Test Start: 2010.09.16 @ 00:30:31

## GENERAL INFORMATION:

Formation: H-I-J-K LK  
Deviated: No Whipstock: ft (KB)  
Time Tool Opened: 02:08:46  
Time Test Ended: 05:48:01  
Interval: 3328.00 ft (KB) To 3415.00 ft (KB) (TVD)  
Total Depth: 3415.00 ft (KB) (TVD)  
Hole Diameter: 7.88 inches Hole Condition: Good  
Test Type: Conventional Bottom Hole  
Tester: Dan Bangle  
Unit No: 38  
Reference Elevations: 2002.00 ft (KB)  
1997.00 ft (CF)  
KB to GR/CF: 5.00 ft

Serial #: 8354      Inside  
Press@RunDepth: 36.34 psig @ 3331.00 ft (KB)      Capacity: 8000.00 psig  
Start Date: 2010.09.16      End Date: 2010.09.16      Last Calib.: 2010.09.16  
Start Time: 00:30:31      End Time: 05:48:01      Time On Btm: 2010.09.16 @ 02:08:31  
Time Off Btm: 2010.09.16 @ 04:13:16

TEST COMMENT: IF-Weak surface blow  
FF-No blow



## PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1595.57	99.96	Initial Hydro-static
1	15.68	99.46	Open To Flow (1)
33	25.23	100.08	Shut-In(1)
62	1049.64	100.86	End Shut-In(1)
63	27.75	100.61	Open To Flow (2)
92	36.34	100.97	Shut-In(2)
122	1020.08	101.83	End Shut-In(2)
125	1565.06	102.41	Final Hydro-static

## Recovery

Length (ft)	Description	Volume (bbl)
15.00	Drig Mud	0.07

## Gas Rates

	Choke (Inches)	Pressure (psig)	Gas Rate (Mcf/d)





- Lansing "A" Zone-Lower                      Slight Show: spotty light brown oil stain show in vugs (included on DST No. 2)
  
- Lansing "C" Zone:                              Good Show: light rainbow show of oil, pin point show free oil on break, (included on DST No. 2)
  
- Lansing "D" Zone:                              Poor Show: spotty light brown oil stain (included on DST No. 2)
  
- Lansing "E" Zone:                              Poor Show: light brown spotty oil stain in part (included on DST No. 2)
  
- Lansing "F" Zone:                              Good Show: fair spotty light brown oil stain, pin point show free oil on break (included on DST No. 2)
  
- Kansas City "H" Zone                        Poor Show: poor light brown spotty oil stain in part (included on DST No. 3)
  
- Kansas City "I" Zone                        Fair Show: faint odor, light brown oil stain in part, trace pin point free oil on break, tarry stain on edge (included on DST No. 3)
  
- Kansas City "J" Zone                        Poor Show: trace light edge stain, trace dark thick spotted oil stain (included on DST No. 3)
  
- Kansas City "K" Zone                        Intermediate Show: odor, trace asphaltic oil speaks, trace pin point free oil (included on DST No. 3)

The Toronto Formation and all Lansing/Kansas City hydrocarbon show zone's with free oil shows in the Fortune Ridge No. 2 were covered on one of the three drill stem tests run in the Lansing/Kansas City Group.

No observed sample hydrocarbon shows were recorded in the Topeka Formation, Kansas City "L" Zone, Arbuckle Formation or the Reagan Sandstone.

Complete lithologic descriptions and hydrocarbon sample shows can be found in the detailed "Zones of Interest" portion of this geologic report. Complete Drill Stem Test fluid recovery results and pressures can be found in this report under "Drill Stem Tests".

### **Structural Position**

The Fortune Ridge No. 2 well runs slightly to moderately structurally low throughout the well in relation to Reference Well's "A" and "B", and predominately structurally high relative to Reference Well "C", which were used for structural correlation for this wildcat test.

Compared to Reference Well "A"/ F & M Oil Co. Riseley No. 1 abandoned Lansing "A" Zone oil well (SW-NW-SW-Section 2-T7S-R219W), the Fortune Ridge No. 2 runs: -4 feet low at the Toronto, -6 feet low at the Top/Lansing "A", -12 feet low at the Base/Kansas City, and -52 feet low at the Arbuckle.

Compared to Reference Well "B"/ Ladd Petroleum Riseley No. 1 dry hole (NE-NE-SW-Section 2-T7S-R219W), the Fortune Ridge No. 2 runs: -3 feet low at the Toronto, -3 feet low at the Top/Lansing "A", -7 feet low at the Base/Kansas City, and -56 feet low at the Arbuckle.

Compared to Reference Well "C"/ H & M Pet. Corp. Fortune Ridge No. 1 dry hole (SE-SE-NE-Section 2-T7S-R219W), the Fortune Ridge No. 2 runs: +5 feet high at the Toronto, +2 feet high at the Top/Lansing "A", +1 foot high at the Base/Kansas City, and -42 feet low at the Arbuckle.

A structural comparison of the Formation Tops in this well, in relation to Reference Well's "A", "B", and "C", can be found in the detailed "Formation Tops" table in this geologic report.

### Conclusion

The Fortune Ridge No. 2 wildcat location was determined through geophysical interpretation of the Fortune Ridge 3-D seismic survey which indicated this location should be on a moderate relief pop up structural closure at the Lansing/Kansas City datum. Log-Tech logs show that the Fortune Ridge No. 2 runs moderately low structurally throughout the well (Stone Corral Anhydrite through Arbuckle Formations) relative to Reference Well's "A" and "B".

Although the Fortune Ridge No. 2 runs lower structurally than predicted, free oil was recovered on a DST of the Toronto Formation with good bottom hole pressures, and oil cut mud and mud were recovered on a DST covering the Lansing "A" through "F" Zone's.

The Toronto Formation was isolated on DST No. 1 and recovered 70 feet of clean oil and 70 feet of oil cut mud with shut in pressures of 982-1,060 p.s.i

Therefore, based on the free oil and oil cut mud recovered on DST's No. 1 and 2, with very good associated bottom hole pressures, and Log-Tech logs evaluation and analysis confirming the structural position, the production casing was run in the Fortune Ridge No. 2 in order to production test the commercial potential of the Toronto Formation and the Lansing "A" Zone.

Respectfully Submitted,

*Richard J. Hall*

Richard J. Hall

Certified Petroleum Geologist No. 5820

Whitehall Exploration

