

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 # 4058  
Name: American Warrior, Inc  
Address 1: P O Box 399  
Address 2: \_\_\_\_\_  
City: Garden City State: KS Zip: 67846 + \_\_\_\_\_  
Contact Person: Kevin Wiles, Sr  
Phone: ( 620 ) 275-2963  
CONTRACTOR: License # 5929  
Name: Duke Drilling Co  
Wellsite Geologist: James C Musgrove  
Purchaser: NCRA

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 #: \_\_\_\_\_  
6/3/10    6/7/10    1/13/11  
Spud Date or    Date Reached TD    Completion Date or  
Recompletion Date    Recompletion Date

API No. 15 - 159-22, 613-0000  
Spot Description: NE-SE-SW-NW  
NE SE SW NW Sec. 18 Twp. 19 S. R. 9  East  West  
2,200 Feet from  North /  South Line of Section  
1,290 Feet from  East /  West Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
 NE     NW     SE     SW  
County: Rice  
Lease Name: Buckley Well #: 2-18  
Field Name: Chase-Silica  
Producing Formation: Arbuckle  
Elevation: Ground: 1743' Kelly Bushing: 1751'  
Total Depth: 3378' Plug Back Total Depth: 3351'  
Amount of Surface Pipe Set and Cemented at: 310' 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: 19,200 ppm Fluid volume: 105 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: [Signature]  
Title: Geologist Date: 1/24/11

**KCC Office Use ONLY**  
**RECEIVED** 1-27-11  
 Letter of Confidentiality Received    KANSAS CORPORATION COMMISSION  
Date: 1/26/11 - 1/26/13  
 Confidential Release Date: JAN 26 2011  
 Wireline Log Received  
 Geologist Report Received    CONSERVATION DIVISION  
 UIC Distribution    WICHITA, KS  
ALT  I  II  III Approved by: Dg Date: 1/27/11

Operator Name: American Warrior, Inc Lease Name: Buckley Well #: 2-18  
 Sec. 18 Twp. 19 S. R. 9  East  West County: Rice

**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 type="checkbox"/> No <i>(If no, Submit Copy)</i>  List All E. Logs Run: <b>DIL, DC/PL, MIL, BHCL</b>	<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>Topeka</td> <td>2511'</td> <td>-760</td> </tr> <tr> <td>Heebner</td> <td>2777'</td> <td>-1026</td> </tr> <tr> <td>Toronto</td> <td>2799'</td> <td>-1048</td> </tr> <tr> <td>Lansing</td> <td>2930'</td> <td>-1179</td> </tr> <tr> <td>Base Kansas City</td> <td>3221'</td> <td>-1470</td> </tr> <tr> <td>Arbuckle</td> <td>3266'</td> <td>-1515</td> </tr> </table>	Name	Top	Datum	Topeka	2511'	-760	Heebner	2777'	-1026	Toronto	2799'	-1048	Lansing	2930'	-1179	Base Kansas City	3221'	-1470	Arbuckle	3266'	-1515
Name	Top	Datum																				
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Lansing	2930'	-1179																				
Base Kansas City	3221'	-1470																				
Arbuckle	3266'	-1515																				

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#	310'	Common	250	3%cc2%gel
Production	7-7/8"	5-1/2"	14#	3377'	Common	175	

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
4	3271'-3275'	None	

TUBING RECORD: Size: <u>2-3/8"</u> Set At: <u>3372'</u> Packer At: _____		Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or ENHR. <u>N/A</u>	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. <u>N/A</u>	Gas Mcf <u>N/A</u> Water Bbls. <u>N/A</u> Gas-Oil Ratio _____ Gravity _____

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input checked="" 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>3271'-3275'</u> RECEIVED KANSAS CORPORATION COMMISSION
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Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

JAN 26 2011

CONSERVATION DIVISION  
WICHITA, KS

REQUEST FOR NEW WELL INFORMATION CONFIDENTIALITY

AMERICAN WARRIOR, INC

We request the enclosed well information to be held confidential for as long as the law allows:

Buckley #2-18 Rice County

Section 18 Township 19 South Range 9 West

Well #: 15-159-22, 613

NE-SE-SW-NW 2200'FNL 1290'FWL

Spud Date: 6/3/2010

RTD Date: 6/7/2010

Completion Date: 1/13/11

Thank you,



Gil Linenberger, Geologist AWI

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CONSERVATION DIVISION  
WICHITA, KS



CHARGE TO:  
*American Warriors, Inc*  
 ADDRESS:  
 CITY, STATE, ZIP CODE:

Attn: Gil  
 3 pages

TICKET  
 17646  
 RECEIVED  
 KANSAS CORPORATION COMMISSION  
 JAN 28 2011  
 CONSERVATION DIVISION  
 WICHITA, KS

SERVICE LOCATIONS 1. <i>Wagon, Ks</i>	WELL PROJECT NO. <i>2-18</i>	LEASE <i>Buckley</i>	COUNTY/PARISH <i>Rice</i>	STATE <i>Ks</i>	CITY	DATE <i>6-8-10</i>
2. <i>Ness City, Ks</i>	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <i>Duke Dike</i>	RIG NAME/NO. <i>#8</i>	SHIPPED VIA <i>OT</i>	DELIVERED TO <i>N/Chase, Ks</i>	ORDER NO.
3.	WELL TYPE <i>Oil</i>	WELL CATEGORY <i>infield</i>	JOB PURPOSE <i>Cement 5 1/2" Longstring</i>	WELL PERMIT NO.	WELL LOCATION	
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS					

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UNIT PRICE		AMOUNT
		LOC	ACCT	DF			UM			
575		1			MILEAGE #113	80	mi		5.00	400.00
578		1			Pump Charge - Put Longstring	1	ea	337.6	1400.00	1400.00
221		1			Liquid KCL	2	gal		25.00	50.00
281		1			Mud Flush	500	gal		1.00	500.00
290		1			D-Air	2	gal		35.00	70.00
402		1			Centralizer	6	can	5 1/2 in	55.00	330.00
403		1			Cement Basket	1	ea	5 1/2 in	200.00	200.00
406		1			Latch down Plug & Baffle	1	ea	5 1/2 in	225.00	225.00
407		1			Insert Float Shoe w/ Auto-Rel	1	ea	5 1/2 in	275.00	275.00

LEGAL TERMS: Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

X  
 DATE SIGNED: *6-8-10* TIME SIGNED:  A.M.  P.M.

REMIT PAYMENT TO:  
 SWIFT SERVICES, INC.  
 P.O. BOX 466  
 NESS CITY, KS 67560  
 785-798-2300

SURVEY	AGREE	UN-DECIDED	DIS-AGREE	P.1	3450.00
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				P.2	4430.39
WE UNDERSTOOD AND MET YOUR NEEDS?				subtotal	7880.39
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				Rice TAX 16.3%	320.37
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				TOTAL	8200.76
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES	<input type="checkbox"/> NO			
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND					

CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES The customer hereby acknowledges receipt of the materials and services listed on this ticket.

SWIFT OPERATOR: *Don Lawrence* APPROVAL:

Thank You!

P. 001/003 (FAX) 785 798 2384

01/24/2011 16:11 Swift Services



PO Box 466  
Ness City, KS 67560  
Off: 785-798-2300

TICKET CONTINUATION

TICKET No. 17046

CUSTOMER: *American Landmark, Inc.* WELL: *# 2-18 Buckley* DATE: *Jan 8 2010* PAGE 2 OF 2

PRICE REFERENCE	SECONDARY REFERENCE PART NUMBER	ACCOUNTING	DATE	DESCRIPTION	WELL		UNIT PRICE	AMOUNT
					GRAB	CON		
325		2		Standard Cement EA-2	175	SKS	11.450/lbs	2000.00
276		2		Fluocbe	44	lbs	1.50	660.00
283		2		Salt	875	lbs	15	13125
284		2		Carlson	800	lbs	5 1/2	4400
292		2		Halod 322	129	lbs	3/4 P/A	967.50
581		2		SERVICE CHARGE Cement		CUBIC FEET	1.50	262.50
583		2		WEIGHT TOTAL WEIGHT 18316 lbs		LOADED MILES 80	1.00	732.64

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 WICHITA, KS

CONTINUATION TOTAL 4430.39

P. 002/003  
 (FAX) 785 798 2364  
 01/24/2011 16:11 Swift Services

**JOB LOG**

**SWIFT Services, Inc.**

DATE: 1-8-10 PAGE NO: 1

CUSTOMER: American Warrior Inc 2-18 WELL NO.: LEASE: Buckley JOB TYPE: Cement Longstring TICKET NO.: 17646

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1000							On location w/ Float Equip
	1030							TD- 3378' - Pipe set 2' off bottom Rig start 5 1/2" 14 #/ft. casing to 3376 Insert float shoe w/ Auto R-10 1" D. Baffle - 5.5 - 23 1/4 Cant - 2-5-7-10-12-15 Cement Basket # 3 Drop fill up ball - 6 lbs out Tag bit hear - Fix run casing Rig air casing Fix air - Plug RH-30SKS MH-15SKS EA-2000 200 Pump 500 gal mt. 400 Pump 20 BBL KCL flush Fix flushes Start 130 SKS EA-2-cut Fix cut Wash out Pump & Lines Drop LD - Plug - 300 Start H <sub>2</sub> O Displ (82) 500/400 Change Access 500/400 Start rate 1350 Plug down - Hold - Release & Hold 1400 Job complete - Wash & Packup  Dan, Doug & Lane
			75					
		6	12					
		6	20					
		6	32					
		8						
		8	60					
		5	75					
	1350		82					
	1400							

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JAN 26 2011  
CONSERVATION DIVISION  
WICHITA, KS

# ALLIED CEMENTING CO., LLC. 062312

REMIT TO P.O. BOX 31  
RUSSELL, KANSAS 67665

SERVICE POINT:

Russell KS

DATE <u>6-3-10</u>	SEC. <u>18</u>	TWP. <u>19</u>	RANGE <u>9</u>	CALLED OUT	ON LOCATION	JOB START <u>9:00pm</u>	JOB FINISH <u>9:30pm</u>
LEASE <u>Buckley</u>	WELL # <u>2-18</u>	LOCATION <u>Chase KS 1 West 3 1/2 North Rice</u>			COUNTY	STATE <u>KS</u>	
OLD OR <u>NEW</u> (Circle one)			<u>East side</u>				

CONTRACTOR Duke Drilling #8

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D. 310'

CASING SIZE 8 5/8 23# DEPTH 310'

TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_

DRILL PIPE \_\_\_\_\_ DEPTH \_\_\_\_\_

TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_

PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_

MEAS. LINE \_\_\_\_\_ SHOE JOINT \_\_\_\_\_

CEMENT LEFT IN CSG. 15'

PERFS. \_\_\_\_\_

DISPLACEMENT 18.78 Bbl

EQUIPMENT \_\_\_\_\_

PUMP TRUCK CEMENTER John Roberts

# 417 HELPER Glenn

BULK TRUCK

# 481/292 DRIVER Ron M.L.

BULK TRUCK

# \_\_\_\_\_ DRIVER \_\_\_\_\_

REMARKS:

Est. Circulation

Mix 250 sk cement

Displace w/ 18.78 Bbl H<sub>2</sub>O

Cement Did Circulate!

CHARGE TO: American Warrior

STREET \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

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 "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

PRINTED NAME \_\_\_\_\_

SIGNATURE Steve Wilson

OWNER \_\_\_\_\_

CEMENT

AMOUNT ORDERED 250 com 3% cc 2% Gel

COMMON	<u>250</u>	@	<u>13.50</u>	<u>3375.00</u>
POZMIX		@		
GEL	<u>5</u>	@	<u>20.25</u>	<u>101.25</u>
CHLORIDE	<u>9</u>	@	<u>51.50</u>	<u>463.50</u>
ASC		@		
		@		
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>250</u>	@	<u>2.25</u>	<u>562.50</u>
MILEAGE	<u>110/sk/mile</u>			<u>500.00</u>

TOTAL 5,002.25

SERVICE

DEPTH OF JOB				
PUMP TRUCK CHARGE				<u>991.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>20</u>	@	<u>7.00</u>	<u>140.00</u>
MANIFOLD		@		

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JAN 26 2011

CONSERVATION DIVISION  
WICHITA, KS

TOTAL 1131.00

PLUG & FLOAT EQUIPMENT

		@		
		@		
<u>8 5/8 Wooden Plug</u>		@		<u>N-C</u>
		@		
		@		

TOTAL N-C

SALES TAX (If Any) \_\_\_\_\_

TOTAL CHARGES ~~5002.25~~

DISCOUNT ~~5002.25~~ IF PAID IN 30 DAYS

## 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 willful 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.



**JAMES C. MUSGROVE**

Petroleum Geologist  
212 Main Street  
P.O. Box 215  
Claflin, KS 67525

Office (620) 588-4250

Res. Claflin (620) 587-3444

American Warrior Inc.  
Buckley #2-18  
NE-SE-SW-SW (2200' FNL & 1290' FWL)  
Section 18-19s-9w  
Rice County, Kansas  
Page 1

3271 - 3274 A&B

Could PERF Full Interval

3271 - 3279

**5 1/2" Production Casing**

**Contractor:** Duke Drilling Company (Rig #8)  
**Commenced:** June 3, 2010  
**Completed:** June 8, 2010  
**Elevation:** 1751' K.B.; 1749' D.F; 1743' G.L.  
**Casing program:** Surface; 8/58" @ 310'  
Production; 5 1/2" @ 3377'  
**Sample:** Samples saved and examined 2500' to the Rotary Total Depth.  
**Drilling time:** One (1) foot drilling time recorded and kept 2500 ft to the Rotary Total Depth.  
**Measurements:** All depths measured from the Kelly Bushing.  
**Formation Testing:** There was one (1) Drill Stem Test ran by Trilobite Testing Co.  
**Electric Log:** By Log Tech; Dual Induction, Dual Compensated Porosity Log, Micro and Sonic Log.

<u>Formation</u>	<u>Log Depth</u>	<u>Sub-Sea Datum</u>
Anhydrite	401	+1350
Base Anhydrite	412	+1339
Topeka	2511	-760
Heebner	2777	-1026
Toronto	2799	-1048
Douglas	2810	-1059
Brown Lime	2901	-1150
Lansing	2930	-1179
Base Kansas City	3221	-1470
Arbuckle	3266	-1515
Rotary Total Depth	3378	-1627
Log Total Depth	3378	-1627

(All tops and zones corrected to Electric Log measurements).

**SAMPLE ANALYSIS, SHOWS OF OIL, TESTING DATA, ETC.**

**TOPEKA SECTION**

2730-2744' Limestone; tan, white, finely crystalline, few finely oomoldic, fair pinpoint to vuggy porosity, brown and black stain, show of free oil (heavy to black and no odor in fresh samples).

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**TORONTO SECTION**

2799-2810' Limestone; tan to white dolomitic, poor visible porosity.

**LANSING SECTION**

2930-2935' Limestone; tan, gray, fossiliferous, chalky, poor visible porosity, questionable stain, no show of free oil and no odor.

2952-2958' Limestone; tan, gray, fossiliferous, oomoldic, scattered oomoldic porosity, poor light brown stain, trace of free oil and faint odor in fresh samples.

2971-2974' Limestone; gray, fossiliferous, few medium crystalline, trace poor brown edge staining, no show of free oil and faint odor in fresh samples.

2995-3001' Limestone; gray, highly fossiliferous, chalky, gray, stain, no show of free oil and faint odor in fresh samples.

3007-3020' Limestone; tan/buff, finely crystalline, oomoldic, fair to good oomoldic porosity, light brown stain to golden brown stain, show of free oil and faint odor in fresh samples.

3020-3040' Limestone; as above, decreasing stain.

3076-3082' Limestone; white/cream, finely oomoldic, fair to good oomoldic porosity, trace spotty brown stain, show of free oil and fair odor in fresh samples.

3096-3106' Limestone; white, cream, oolitic, chalky in part, black and dark brown stain, show of free oil and fair odor in fresh samples.

3120-3133' Limestone; gray, oomoldic, scattered oomoldic porosity, trace stain, no show of free oil and no odor in fresh samples.

3150-3160' Limestone; gray, oomoldic, fair oomoldic porosity, dark brown and gray stain and saturation, show of free oil and fair odor in fresh samples.

3187-3194' Limestone; gray, highly oolitic, chalky in part, poor porosity, no shows.

3209-3216' Limestone; gray, white, fossiliferous, oolitic, chalky, trace brown and dark brown stain, weak show of free oil and faint odor in fresh samples.

**ARBUCKLE SECTION**

3266-3269' Dolomite; cream, tan, finely crystalline, sucrosic, poor porosity, trace stain, no show of free oil and faint odor in fresh samples.

3269-3278' Dolomite; tan, sucrosic, fair pinpoint type porosity, light brown stain, show of free oil and fair odor in fresh samples.

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**Drill Stem Test #1** **3216-3278'**

**Times:** 45-30-30-45

**Blow:** Strong

**Recovery:** 345' gas in pipe  
90' clean gassy oil  
125' heavy oil and gas cut mud  
(28% gas, 35% oil, 37% mud)

**Pressures:** ISIP 1067 psi  
FSIP 1071 psi  
IFP 37-71 psi  
FFP 74-96 psi  
HSH 1577-1562 psi

- 3278-3288' Dolomite; tan, medium crystalline, fair intercrystalline porosity, light brown stain, trace of free oil and fair odor in fresh samples, plus white and gray chert.
- 3288-3310' Dolomite; tan, gray, fine and medium crystalline, few sub oomoldic, fair vuggy type porosity, poor stain, trace of free oil and faint odor in fresh samples.
- 3310-3330' Dolomite; gray, tan, white, finely crystalline, few medium crystalline, scattered porosity, no shows.
- 3330-3350' Dolomite; as above, plus gray and white chert.
- 3350-3360' Dolomite; tan, fine and medium crystalline, poor to fair porosity, no shows.
- 3360-3378' Dolomite; tan, buff, fine and medium crystalline, slightly cherty, plus white and gray boney and opaque chert, no shows.

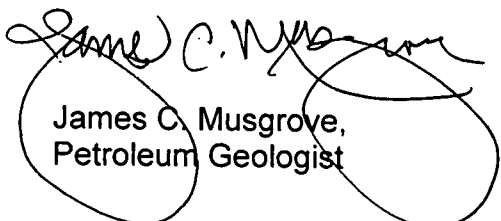
**Rotary Total Depth** 3378 (-1627)  
**Log Total Depth** 3378 (-1627)

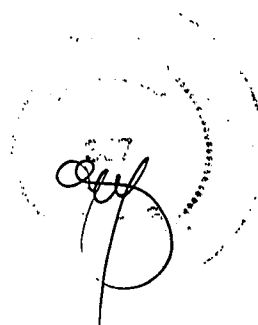
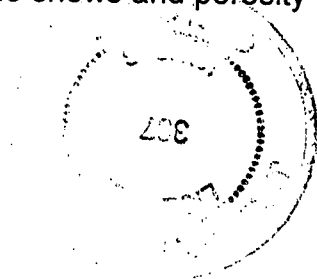
**Recommendations:**

On the basis of the favorable structural position and positive results of Drill Stem Test, it was recommended by all parties involved to set and cement 5 1/2" production casing at 3377' (one foot off bottom) and the following zones should be tested in the Buckley #2-18.

1. Arbuckle Dolomite
2. Lansing zones with sample shows and porosity

Respectfully submitted;

  
James C. Musgrove,  
Petroleum Geologist



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