

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
**WELL COMPLETION FORM**  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

Form ACO-1  
June 2009  
Form Must Be Typed  
Form must be Signed  
All blanks must be Filled

OPERATOR: License # 31941  
Name: 3B Energy, Inc.  
Address 1: PO Box 354  
Address 2: 3494 Saline Rd  
City: Neodesha State: Ks Zip: 66757 + 0354  
Contact Person: Bruce B Burkhead  
Phone: ( 620 ) 330-7854  
CONTRACTOR: License # 5675  
Name: Mc Pherson Drilling  
Wellsite Geologist: \_\_\_\_\_  
Purchaser: Pacer Energy Marketing, LLC & Layne Energy

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 #: \_\_\_\_\_

06-16-2010 06-17-2010 08-18-2010  
Spud Date or Date Reached TD Completion Date or  
Recompletion Date Recompletion Date

API No. 15 - 205-27,847-00-00  
Spot Description: \_\_\_\_\_  
SE NE SW SW Sec. 26 Twp. 30 S. R. 16 ☒ East ☐ West  
825 Feet from ☐ North / ☒ South Line of Section  
1,155 Feet from ☐ East / ☒ West Line of Section

Footages Calculated from Nearest Outside Section Corner:

☐ NE ☐ NW ☐ SE ☒ SW

County: Wilson  
Lease Name: Phillips Well #: 45  
Field Name: Neodesha

Producing Formation: Bartlesville

Elevation: Ground: 815 Kelly Bushing: \_\_\_\_\_

Total Depth: 860 Plug Back Total Depth: N/A

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: 0

feet depth to: 862 w/ 109 sx cmt.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content: \_\_\_\_\_ ppm Fluid volume: \_\_\_\_\_ 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: B. B. BUD  
Title: President Date: 12-27-2010

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: 4/6/11

Operator Name: 3B Energy, Inc. Lease Name: Phillips Well #: 45  
 Sec. 26 Twp. 30 S. R. 16 ☒ East ☐ West County: Wilson

**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 (Attach Additional Sheets)  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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No (If no, Submit Copy)  List All E. Logs Run:	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample  Name Top Datum
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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	11 Inch	8 5/8		20 Ft	Portland	5	
Production	5.75 Inch	2 7/8		858	OWC	109	

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
____ Perforate				
____ Protect Casing				
____ Plug Back TD				
____ Plug Off Zone				

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
2	778-791	100 gal acid	
2	816-826	7000 lbs sand	
		160 bbl water	

TUBING RECORD: Size: <u>1 inch</u> Set At: <u>840</u> Packer At: <u>N/A</u>		Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Date of First, Resumed Production, SWD or ENHR. <u>08-18-2010</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>5</u>	Gas Mcf <u>10</u>	Water Bbls. <u>1</u>
		Gas-Oil Ratio	Gravity <u>36</u>

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input checked="" type="checkbox"/> Sold <input type="checkbox"/> Used on Lease (If vented, Submit ACO-18.)	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled (Submit ACO-5) (Submit ACO-4) <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
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**Kepley Well Service, LLC**

19245 Ford Road  
Chanute, KS 66720

**Date**

6/18/2010

**Invoice #**

A-45014

# Cement Treatment Report

3 B Energy  
P.O. Box 354  
Neosdesha, KS 66757-0354

- (x) Landed Plug on Bottom at 800 PSI
- (x) Shut in Pressure 800
- (x) Good Cement Returns
- ( ) Topped off well with \_\_\_\_\_ sacks
- (x) Set Float Shoe - shut it

TYPE OF TREATMENT: Production Casing  
HOLE SIZE: 5 1/2"  
TOTAL DEPTH: 867

Well Name	Terms	Due Date		
	Net 15 days	7/3/2010		
Service or Product		Qty	Per Foot Pricing/Unit Pricing	Amount
Cement 2 7/8"		861	3.00	2,583.00
Sales Tax			5.30%	0.00
<div>Phillips #45 Wilson County Section: 26 Township: 30 Range: 16</div>				
RECEIVED APR 01 2011 KCC WICHITA				

Hooked onto 2 7/8" casing. Established circulation with 6.5 barrels of water, 3 GEL, 1 METSO, COTTONSEED ahead, blended 109 sacks of OWC cement, dropped 2 rubber plugs, and pumped 5 barrels of water

<b>Total</b>	<b>\$2,583.00</b>
<b>Payments/Credits</b>	<b>\$0.00</b>
<b>Balance Due</b>	<b>\$2,583.00</b>

PL 712  
4587

KCC WICHITA

APR 01 2011

RECEIVED

Burne  
 Here is the receipt.

My address is  
 Lang Marshall  
 413 Nth 6th  
 Fredonia KS 66735

Buyer's Name  
 Or Number  
 Item or  
 Lot Number  
 20 \$ 100 = \$ 200  
 books

REMARKS:

This receipt verifies payment and delivery of the above.  
 Sold as is, where is. All sales final. Thank you.  
 • Reader Form CT Missouri Auction School www.auctionschool.com