

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
June 2009

ORIGINAL Form Must Be Typed
Form must be Signed
All blanks must be Filled

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 32325
Name: POPP OPERATING, INC.
Address 1: PO BOX 187
Address 2: _____
City: HOISINGTON State: KS Zip: 67544 + 0187
Contact Person: RICKEY POPP
Phone: (620) 786-5514
CONTRACTOR: License # 31548
Name: DISCOVERY DRILLING CO., INC.
Wellsite Geologist: MARC DOWNING
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 #: _____

<u>3/18/2011</u>	<u>3/22/2011</u>	<u>4/14/2011</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 167-23,697-00-00

Spot Description: SW/4

E/2_NW_SW_SW Sec. 32 Twp. 15 S. R. 13 East West

990 Feet from North / South Line of Section

480 Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:

- NE NW SE SW

County: RUSSELL

Lease Name: MICHEALIS Well #: 3

Field Name: TRAPP

Producing Formation: ARBUCKLE

Elevation: Ground: 1913' Kelly Bushing: 1921'

Total Depth: 3420' Plug Back Total Depth: 3372'

Amount of Surface Pipe Set and Cemented at: 885 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: 16,000 ppm Fluid volume: 480 bbls

Dewatering method used: HAUL FREE FLUIDS

Location of fluid disposal if hauled offsite:

Operator Name: POPP OPERATING, INC

Lease Name: BOOMHOWER A License #: 32325

Quarter NW/4 Sec. 32 Twp. 15 S. R. 13 East West

County: RUSSELL Permit #: D-28,918

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: Rickey Popp

Title: PRESIDENT Date: 5/02/2011

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: 5/12/11

RECEIVED
MAY 05 2011

KCC WICHITA

Operator Name: POPP OPERATING, INC. Lease Name: MICHEALIS Well #: 3

Sec. 32 Twp. 15 S. R. 13 East West County: RUSSELL

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 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 <i>(If no, Submit Copy)</i> List All E. Logs Run: CNL/CDL, DIL, MEL & CBL	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <tr> <th style="text-align: left;">Name</th> <th style="text-align: left;">Top</th> <th style="text-align: left;">Datum</th> </tr> <tr> <td>ANHYDRITE</td> <td>886'</td> <td>+1035</td> </tr> <tr> <td>TOPEKA</td> <td>2798'</td> <td>-877</td> </tr> <tr> <td>HEEBNER</td> <td>3030'</td> <td>-1109</td> </tr> <tr> <td>DOUGLAS</td> <td>3062'</td> <td>-1141</td> </tr> <tr> <td>LKC</td> <td>3102'</td> <td>-1181</td> </tr> <tr> <td>ARBUCKLE</td> <td>3347'</td> <td>-1426</td> </tr> </table>	Name	Top	Datum	ANHYDRITE	886'	+1035	TOPEKA	2798'	-877	HEEBNER	3030'	-1109	DOUGLAS	3062'	-1141	LKC	3102'	-1181	ARBUCKLE	3347'	-1426
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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 PIPE	12 1/4"	8-5/8"	24#	885'	COMMON	320	2%GEL & 3%CC
PRODUCTION STRING	7-7/8"	5 1/2"	14#	3419'	ECONOBOND	150	4%GEL-2%CC

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 (Amount and Kind of Material Used)	Depth
4	3346-47'	NONE	

TUBING RECORD: Size: <u>2-7/8"</u> Set At: <u>3362'</u> Packer At: <u>A/C 3313'</u>		Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Date of First, Resumed Production, SWD or ENHR. <u>4/18/2011</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>37</u>	Gas Mcf <u>196</u>	Water Bbls. Gas-Oil Ratio Gravity <u>39</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>3346-47'</u>
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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. 4792

Date	3-19-11	Sec.	Twp.	Range	County	State	On Location	Finish
Lease	Michaudis	Well No.	3	Location	Russell S. to Co Line SE 35 1/4 N			1:37 PM
Contractor	Discovery Drilling Rig 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.					
Type Job	Surface	Charge To	Popp Operating					
Hole Size	12 1/4	T.D.	886	Street				
Csg.	8 3/8 2#	Depth		City	State			
Tbg. Size		Depth		The above was done to satisfaction and supervision of owner agent or contractor.				
Tool	Ball & Plate	Depth		Cement Amount Ordered 320 Com Ball Plate				
Cement Left in Csg.		Shoe Joint	38 1/2					
Meas Line		Displace	5.32134					

EQUIPMENT

Pumptrk	9	No.	Cementer	Common	320
			Helper Steve		
Bulktrk	10	No.	Driver	Poz. Mix	
			Driver Dave		
Bulktrk		No.	Driver	Gel.	6
			Driver		

JOB SERVICES & REMARKS

Remarks:	Hulls	RECEIVED MAY 13 2011 KCC WICHITA
Rat Hole	Salt	
Mouse Hole	Flowseal	
Centralizers	Kol-Seal	
Baskets	Mud CLR 48	
D/V or Port Collar	CFL-117 or CD110 CAF 38	

Cement and Circulate

Sand	
Handling	337
Mileage	

FLOAT EQUIPMENT

Guide Shoe	
Centralizer	
Baskets	
AFU Inserts	
Float Shoe	
Latch Down	
Ball & Plate	
Rubber Plug	
Pumptrk Charge	Long Surface
Mileage	17

Quality Oilwell

Cementing

Thank You
Jimmy Wheel

Tax	
Discount	
Total Charge	

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MAY 13 2011

TREATMENT REPORT

Customer POPP OPER. INC	Lease No. KCC WICHITA	Date 3-23-11
Lease MICHAELIS	Well # 3	
Field Order # 03640A	Station Pratt, Ks.	Casing 3 1/2'
Type Job 5/2' long string	Formation CMU	Depth 3419'
		County Russell
		State KANS.
		Legal Description 32-15-13

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME	
Casing Size 3 1/2"	Tubing Size 2 1/2"	Shots/Ft 20	Acid 15 Bbls 2 1/2% KCL	RATE	PRESS	ISIP	
Depth 3419'	Depth	From 12	To 12	Pre-Pad 15 Bbls MUD Flush	Max	5 Min.	
Volume 22.3	Volume	From	To 15	Pad 0.5K Econo	Min 15.8 #/gal	10 Min.	
Max Press 1200	Max Press	From	To	Frac Plus Rat Hole	Avg 3 Bbls 60/40 P2	15 Min.	
Well Connection P2	Annulus Vol.	From	To	Plus Mouse Hole	HHP Used 1/20 = 1.5 60/40 P2	Annulus Pressure	
Plug Depth 377	Packer Depth	From	To	Flush 15.50 2% KCL	Gas Volume	Total Load	

Customer Representative **Rick Popp** Station Manager **scotty** Treater **Allen**

Service Units 2x443	Driver Names North	19826	19860
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Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
9:30 AM					Francis assign. Service Log
9:40 AM					ON Loc. Discuss Safety, safety Plan Job
10:50					Righting up on well 11 pipe
12:50					out of hole 1.5 ft out of hole
17:10					Plug with Rank 5/2 casing 94 #
1:50	250+		20	5	Start casing string 42.17 w/
	1		12	5	float shoe L.O. in the center
			3	5	cont. 1-2-5-6-7
			40		Casing 30-3419 HHP 15.8 #/gal
1:46	4.0			6	Pump 12 Bbl 2 1/2% KCL
3:00	1500+		8.23	4	Pump 12 Bbl mud flush
	0+				Pump 3 Bbl KCL (60/40 P2)
					with 4000 1500K Econo 15.8 #/gal
					flushing out well at 1000 psi
					Next L.O. Plug contact 1000 psi
					5/2 casing 1.5 ft out of hole
					Plug 15.8 #/gal
					Plug with 15.8 #/gal 60/40 P2
					1700 M.H. and 1500K 60/40 P2
					with 4000 1500K Econo 15.8 #/gal
					Tubing completed
					11:00 AM - J. C. Daley, Supervisor

Agreement of Terms and Conditions

All sales of services, products, or materials by Basic Energy Services LP, (hereinafter called BES) to any Customer, unless otherwise set out in writing, are subject to the terms and conditions set out herein.

Terms:

All Service Charges and materials included in service price list are NET. Unless satisfactory credit has been established, cash payment will be required in advance. Credit Customer agrees to pay BES in its office in Cisco, Texas, for all services and materials on or before the 20th of the following month after the date of the invoice. Customers invoice is considered in default if payment has not been received by the last day of the month following the month in which the invoice is dated and services delivered. Past due accounts will be subject to a charge for interest at the highest rate allowable by law, and if placed in the hands of an attorney for collection, Customer agrees to pay all collection costs, reasonable attorney fees and court costs.

Taxes:

All prices are exclusive of any Federal, State or Special Taxes imposed on the sale or use of the merchandise and services listed, which taxes will be added to quoted prices where applicable. If payment of any applicable royalty or license fee is required in connection with any service performed by BES for Customer, such royalty or license fee will be billed to the Customer in addition to the price of the services performed.

Special Pricing Provisions:

All materials listed in the price schedule are F.O.B. our field stock.

All prices are subject to change without notice. The prices in this price list apply to normal operations. Special jobs under unusual circumstances on jobs requiring unusual mobilization of equipment and/or personnel, such as blowouts, experimental jobs, etc., are to be subject to special price quotations.

Orders for products of special design, size or materials are not subject to cancellation after processing of such order has begun by BES. Equipment altered, made to Customer's specifications, or requiring special handling, is subject to special prices.

If materials or services are ordered and the Customer cancels same after the materials have been prepared, a charge will be made to the Customer for expenses incurred.

Customer states that the well and all support personnel and services not being supplied by BES are ready and in condition to receive the materials and services being supplied by BES. Customer will be subject to a charge for "stand-by" time incurred by BES. For all BES services, stand-by time is all time our equipment is on location prior to commencement of operations or after completion of operations and is not operating for reasons not within the control of BES. Stand-by time is calculated from time of arrival on location or arrival time as scheduled by Customer, whichever is later, and until equipment is released by Customer.

Towing Charges:

We will make reasonable attempts to get to and from the well under our own power. Should we be unable to do so because of poor or inadequate road conditions, and it becomes necessary to employ a tractor or other pulling equipment, such equipment will be supplied by the customer, or if furnished by us, the cost will be charged to the customer. In either event, Customer assumes liability for any damages arising from such pulling or arising from inadequate access to the well site.

Product Return:

Any BES Products that have been in the hands of the Customer, if not special or obsolete, will be accepted for credit, subject to our approval and inspection, if they are new unused and in salable condition. The Customer will pay the return freight, and will receive credit at the original purchase price less the original outbound freight. Any material classified or ordered as special is not subject to return or cancellation privileges.

Service Warranty:

There are obviously many conditions in and about the well which we can have no knowledge and over which we can have no control. Therefore, we do not guarantee any particular results from services to be performed hereunder. In interpreting information and making recommendations, either written or oral, as to type or amount of material or service to be furnished, or manner of performance, or in predicting results to be obtained therefrom, BES will give Customer the benefit of its best judgment based on its experience in the field. However, due to the Customer's control of the well the impracticality of providing BES with all the data concerning same, and the necessary reliance of BES upon supporting services, data and facts supplied by others, BES does not guarantee or warrant the accuracy or correctness of any facts, information or data furnished by BES or any interpretation of tests, meter readings, chart information, analysis of research or recommendations made by BES, unless caused by the willful misconduct or gross negligence of BES in the preparation of furnishing of such facts, information or data and NO WARRANTY IS GIVEN CONCERNING THE RECOMMENDATIONS MADE OR SERVICES RENDERED BY THE COMPANY AND NO WARRANTY IS MADE CONCERNING THE RESULTS SOUGHT TO BE OBTAINED THROUGH USE OF MATERIALS RECOMMENDED BY THE COMPANY. The Company's liability for injury to all persons or damage to any property or property rights, including but not limited to reservoir damage sub-surface trespass or drainage, etc., occasioned by reason of materials sold or rented or services performed hereunder shall be limited to those occurring due to the acts of willful misconduct or gross negligence of BES, and Customer agrees to be responsible for and indemnify BES against any loss or damage it may sustain by reason of materials sold or rented or services performed hereunder, unless such loss or damage is caused by the willful misconduct or gross negligence of BES.

Product Warranty:

BES warrants all materials, products and supplies manufactured or furnished by it to be free from defects in material and workmanship, under normal use and service, when installed, used and serviced in the manner provided and intended, and that it can convey good title thereto. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, OR MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. BES's liability and Customer's exclusive remedy in any cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale of use of any products, supplies or materials is expressly limited to the replacement of such products, supplies or materials on the return to BES or at BES's option, to the allowance to the customer of credit for the cost of such items. In no event shall BES be liable for special, incidental, indirect, punitive or consequential damages.

Service Conditions:

Because there are so many uncertain and unknown conditions not subject to our control, we can neither be liable for injuries to property or persons nor for loss or damage arising from the performance of our services or resulting therefrom.

BES shall not be liable or responsible for a Customer shall defend, indemnify, and save BES harmless, and its officers, agents or employees, from and against any and all claims or causes of action for damage to Customer's property and of the well owner, or any third person, and for bodily injury, sickness or disease, including death resulting thereof, brought by or on behalf of Customer, the well owner, or any third person, arising out of or in connection with BES's performance of services or the furnishing of materials, products and supplies, unless caused by the willful misconduct or gross negligence of BES.

Customer shall also be responsible for and shall defend, indemnify and save BES harmless, and its officers, agents or employees, from and against any and all claims, causes of action and liabilities for damages occur-

ring as a result of sub-surface trespass arising out of any oil well operations or services performed by BES, this provision applying to any claims or legal actions or royalty owners, working interest holders, overriding royalty interest holders, or any other person or concern.

Should any of our equipment, tools or instruments become lost in the well when performing or attempting to perform our services hereunder, it is understood that the Customer shall make reasonable effort to recover the lost equipment. The Customer shall assume the entire responsibility for such fishing operations in the recovery or attempted recovery of any such lost equipment, tools or instruments and if such equipment, tools or instruments are not recovered, Customer shall pay BES its replacement cost unless such loss is due to the sole negligence of BES. If BES's equipment, tools or instruments are damaged in the well, Customer shall pay BES the lesser of its replacement cost or the cost of repairs unless such damage is caused by the sole negligence of BES.

Work done by BES shall be under the direction, supervision and control of the owner, operator, or his agent and BES will perform the work as an independent contractor and not as an employee or agent of the owner or operator.

The Customer shall at all times have complete care, custody and control of the well, the drilling and production equipment at the well and the premises about the well.

Any delays or failure by BES in the performance of this contract shall be excused if and to the extent caused by war, fire, flood, strike, labor trouble, accident riot, acts of God, or any contingencies beyond the reasonable control of BES. Disposal of the chemicals used in the performance of this contract is the responsibility of Customer. Customer agrees the chemicals will be disposed of in accordance with all applicable Federal, State and local laws and regulations.

General Provisions:

Wherever the initials BES appear in this document, they are intended solely to be an abbreviation of Basic Energy Services LP, and are used in substitution of such full name as if the full name were set out in each instance.

Any modifications to this document by the Customer, and all additional or different terms included in the Customer's purchase order or any other document responding to this document, are hereby objected to BY REQUESTING ANY OF THE GOODS AND SERVICES SET FORTH HEREIN BUYER AGREES TO ALL THE TERMS AND CONDITIONS CONTAINED IN THIS DOCUMENT.

BES reserves the right to change or modify the design of any BES product without obligation to furnish or install such changes or modification on products previously or subsequently sold.

Information regarding our services rendered in Customer's well is held in strict confidence and will be released to others only upon written approval by owner, or when required by Federal, State or Local Laws, Regulations, Orders or Ordinances, or for use as evidence in court proceedings involving the subject matter of services rendered.

Failure to enforce any or all of the herein specified terms or conditions in any particular instance shall not constitute a continuing waiver, or preclude subsequent enforcement thereof.

No employee, representative or agent other than an officer of BES is empowered to alter any of the herein specified terms and conditions.

These terms and condition shall be governed by the laws of the State of Texas, and in case of any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.