

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

RECEIVED
JUL 22 2010

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

KCC WICHITA

7/22/11

OPERATOR: License # 5259
Name: Mai Oil Operations, Inc.
Address 1: P.O. Box 33
Address 2:
City: Russell State: Ks. Zip: 67665
Contact Person: Allen Bangert
Phone: (785) 483-2169
CONTRACTOR: License # 33350
Name: Southwind Drilling, Inc.
Wellsite Geologist: Kitt Noah
Purchaser: N/A

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KCC

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 #:

05/10/2010 05/17/2010 05/17/2010
Spud Date or Recompletion Date Date Reached TD Completion Date or Recompletion Date

API No. 15 - 009-25416-0000
Spot Description:
NW NW NW Sec. 14 Twp. 17 S. R. 15 East West
350 Feet from North / South Line of Section
125 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Barton
Lease Name: Axman-Helfrich Well #: 1
Field Name: Mater South
Producing Formation: N/A
Elevation: Ground: 1983' Kelly Bushing: 1991'
Total Depth: 3601' Plug Back Total Depth: N/A
Amount of Surface Pipe Set and Cemented at: 1018' 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: 81000 ppm Fluid volume: 100 bbls
Dewatering method used: Let dry
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: Allen Bangert
Title: Prod. Supt. Date: 07/16/2010

KCC Office Use ONLY

- Letter of Confidentiality Received Date: 7/22/10 - 7/22/11
- Confidential Release Date:
- Wireline Log Received
- Geologist Report Received
- UIC Distribution
- ALT I II III Approved by: NJ Date: 7-27-10

DA

SHERRI UNDERWOOD
NOTARY PUBLIC
STATE OF KANSAS
My Appt Exp. 10-30-12

Sherril Underwood

CONFIDENTIAL

Operator Name: Mai Oil Operations, Inc. Lease Name: Axman-Helfrich Well #: 1
 Sec. 14 Twp. 17 S. R. 15 East West County: Barton **JUL 22 '09**

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: CNFD, DIL, Micro	<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:50%;">Name</td> <td style="width:25%;">Top</td> <td style="width:25%;">Datum</td> </tr> <tr> <td>Anhydrite</td> <td>1021'</td> <td>+970</td> </tr> <tr> <td>Topeka</td> <td>2980'</td> <td>-989</td> </tr> <tr> <td>Heebner</td> <td>3213'</td> <td>-1222</td> </tr> <tr> <td>Toronto</td> <td>3327'</td> <td>-1236</td> </tr> <tr> <td>Lansing</td> <td>3275'</td> <td>-1284</td> </tr> <tr> <td>Base Kansas City</td> <td>3504'</td> <td>-1513</td> </tr> <tr> <td>Arbuckle</td> <td>3546'</td> <td>-1555</td> </tr> </table>	Name	Top	Datum	Anhydrite	1021'	+970	Topeka	2980'	-989	Heebner	3213'	-1222	Toronto	3327'	-1236	Lansing	3275'	-1284	Base Kansas City	3504'	-1513	Arbuckle	3546'	-1555
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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	12 1/4"	8 5/8"	23#	1018	60-40 POZ	350	2% Gel, 3%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 <i>(Amount and Kind of Material Used)</i>	Depth

TUBING RECORD: Size: _____ Set At: _____ Packer At: _____		Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Date of First, Resumed Production, SWD or ENHR. _____		Producing Method: <input type="checkbox"/> Flowing <input 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> <input type="checkbox"/> Other (Specify) _____ <i>(Submit ACO-4)</i>	PRODUCTION INTERVAL: _____ _____
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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. 3875

Date	5-11-10	Sec.	14	Twp.	17	Range	15	County	Barton	State	Kansas	On Location	CONFIDENTIAL	Finish	7:30 AM
Lease	Amaral Holtrich		Well No.	1		Location	Galatia 1E 4S 16W			JUL 22 2010					
Contractor	Southwind Drilling Rig 3				Owner	KCC									
Type Job	Surface				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.										
Hole Size	12 1/4		T.D.	1018		Charge To	Main Oil Operations								
Csg.	8 5/8 236		Depth	1018		Street									
Tbg. Size			Depth			City	State								
Tool	Ballie Plate		Depth			The above was done to satisfaction and supervision of owner agent or contractor.									
Cement Left in Csg.	42'		Shoe Joint			Cement Amount Ordered	350 gal 38 cc 28 ml								
Meas Line			Displace	62 Bbl											

EQUIPMENT

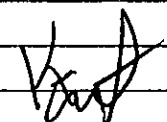
Pumptrk	1	No.	Cementer	Steve	3	Common	210
			Helper				
Bulktrk	4	No.	Driver	Blanda	3	Poz. Mix	140
			Driver				
Bulktrk		No.	Driver	Dug	3	Gel	6 B
			Driver				

JOB SERVICES & REMARKS

Remarks:	Hulls
Rat Hole	Salt
Mouse Hole	Flowseal
Centralizers	Kol-Seal
Baskets	Mud CLR 48
D/V or Port Collar	CFL-117 or CD110 CAF 38
	Sand
	Handling 369
	Mileage

FLOAT EQUIPMENT

	Guide Shoe	RECEIVED JUL 22 2010 KCC WICHITA
	Centralizer	
	Baskets	
	AFU Inserts	
	Float Shoe	
	Latch Down	
	1 Ballie Plate	
	1 8 5/8 Rubber Plug	
	Pumptrk Charge Long Surface	
	Mileage 27	

x Signature 	Russell	Tax
		Discount
		Total Charge

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "Quality" shall mean Quality Oilwell Cementing, Inc., 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 "QUALITY" 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 "QUALITY," refunded directly to "CUSTOMER." For purposes of this paragraph, QUALITY 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 term of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limit to, a reasonable sum as and attorney's fees.

- **PRICES AND TAXES:** All merchandise listed in "QUALITY'S" current price shall schedule are F.O.B. QUALITY'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 QUALITY shall be added to the quoted prices charged to CUSTOMER.

- **TOWING CHARGES:** QUALITY will make a reasonable attempt to get to and from each job site using its own equipment. Should QUALITY 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 QUALITY, 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 QUALITY for the expenses incurred by QUALITY as a result of the cancellation.

- **DEADHAUL, CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charges as set forth in QUALITY'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. QUALITY carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond QUALITY'S control, QUALITY 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 QUALITY, 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 QUALITY'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 QUALITY or its employees.

2. With respect to any of QUALITY'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 QUALITY at the landing, CUSTOMER shall either recover the lost item without cost to QUALITY or reimburse QUALITY the current replacement cost of the item unless the loss or damage results from the sole negligence of QUALITY or its employees.

3. QUALITY 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. QUALITY 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. QUALITY'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 QUALITY to be defective. THIS IS THE SOLE WARRANTY OF QUALITY 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 QUALITY 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 QUALITY 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 QUALITY or any interpretation of test, meter readings, chart information, analysis or research, or recommendations made by QUALITY, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of QUALITY or its employees in the preparation or furnishing of such facts, information or data. (C) Work done by QUALITY shall be under the direct supervision and control of the CUSTOMER or his agent and QUALITY will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.

ALLIED CEMENTING CO., LLC. 041594

P.O. BOX 31
RUSSELL, KANSAS 67665

JUL 22 2010

SERVICE POINT:

Russell KS

DATE <u>5-17-10</u>	SEC. <u>14</u>	TWP. <u>17</u>	RANGE <u>15</u>	CALLED OUT	ON LOCATION	JOB START <u>5:45pm</u>	JOB FINISH <u>6:30pm</u>
Ayman-Helfich LEASE		WELL #1	LOCATION <u>Galatia KS 3 South East into</u>		COUNTY <u>Barton</u>	STATE <u>KS</u>	
<input checked="" type="radio"/> OLD <input type="radio"/> NEW (Circle one)							

CONTRACTOR Southwind #3
 TYPE OF JOB Rotary Plug
 HOLE SIZE 7 7/8 T.D. 3600'
 CASING SIZE _____ DEPTH _____
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE 4 1/2 xH DEPTH 3426'
 TOOL _____ DEPTH _____
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ SHOE JOINT _____
 CEMENT LEFT IN CSG. _____
 PERFS. _____
 DISPLACEMENT _____

OWNER _____
 CEMENT AMOUNT ORDERED 205 6940 4% Gel 44# Flo

EQUIPMENT
 PUMP TRUCK CEMENTER John Roberts
 # 417 HELPER Matt
 BULK TRUCK # 473 DRIVER Heath
 BULK TRUCK # _____ DRIVER _____

COMMON	<u>123</u>	@	<u>13.50</u>	<u>1660.50</u>
POZMIX	<u>82</u>	@	<u>7.55</u>	<u>619.10</u>
GEL	<u>7</u>	@	<u>20.25</u>	<u>141.75</u>
CHLORIDE		@		
ASC		@		
<u>Flo Sol</u>	<u>51</u>	@	<u>2.45</u>	<u>124.95</u>
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>102</u>	@	<u>2.25</u>	<u>229.50</u>
MILEAGE	<u>110/sk/mile</u>			<u>153.00</u>
TOTAL				<u>2928.80</u>

REMARKS:

25sk @ 3426
40sk @ 1070
100sk @ 533
10sk @ 40
30sk Rathole

SERVICE

DEPTH OF JOB				
PUMP TRUCK CHARGE				<u>990.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>15</u>	@	<u>7.00</u>	<u>105.00</u>
MANIFOLD		@		
		@		
		@		

CHARGE TO: Mai Oil Operations
 STREET _____
 CITY _____ STATE _____ ZIP _____

RECEIVED

JUL 22 2010

TOTAL 10957.00

KCC WICHITA
PLUG & FLOAT EQUIPMENT

To Allied Cementing Co., LLC.
 You are hereby requested to rent cementing equipment