

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL
Form ACO-1
June 2009
Form Must Be Typed
Form must be Signed
Blanks must be Filled

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 33625
Name: Hertel Oil Company, LLC
Address 1: 704 East 12th Street
Address 2: _____
City: Hays State: KS Zip: 67601 + _____
Contact Person: David Hertel
Phone: (785) 628-2445
CONTRACTOR: License # 31548
Name: Discovery Drilling Co., Inc.
Wellsite Geologist: Randall Kilian
Purchaser: Coffeville Resoures LLC

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>5/27/2011</u>	<u>6/2/2011</u>	<u>6/3/2011</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 065-23,739-00-00
Spot Description: 190' W of
NE NE SE Sec. 25 Twp. 7 S. R. 22 East West
2,310 Feet from North / South Line of Section
520 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Graham
Lease Name: Stehno Well #: 1
Field Name: Worcester Southeast
Producing Formation: Arbuckle
Elevation: Ground: 2182 Kelly Bushing: 2190
Total Depth: 3750 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at: 234.97 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set: 1729 Feet
If Alternate II completion, cement circulated from: 1729
feet depth to: Surface w/ 155sks (Circ 20 sx cmr.)

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)
Chloride content: 16,000 ppm Fluid volume: 320 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 #: _____

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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: _____
Title: Managing member Date: August 20, 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: DLC Date: 8/25/11

Operator Name: Hertel Oil Company, LLC Lease Name: Stehno Well #: 1
 Sec. 25 Twp. 7 S. R. 22 East West County: Graham

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 (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: <u>sonic cement log, micro. dual compensated, dual induction</u>	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum see attached sheet
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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	20	234.97	Common	175	2%Gel&3%CC
Production String	7 7/8	5 1/2	14	3748	EA/2	150	
			D V Tool @:1	1729	SMDC	155	Circ 20sks To Pit

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				Note: well has cathodic protection

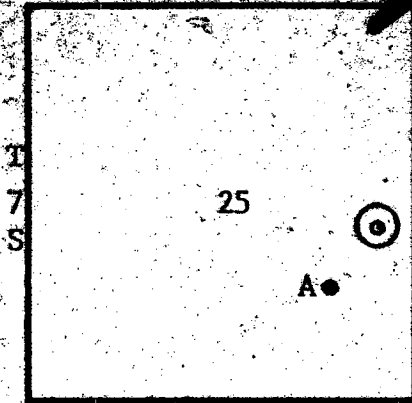
Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
4 per ft.	3710-3714 / 3696-3702 arb.	used 450 gallons mud acid	arb
4 per ft.	3320-3323 / 3388-3390 kc/tp.	3388-90 used total 750g1.	acid KC
		3320-23 used 750 gallons acid	Platt

TUBING RECORD: Size: <u>2 7/8</u> Set At: <u>3718</u> Packer At:		Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Date of First, Resumed Production, SWD or ENHR. <u>July 5, 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>28</u>	Gas Mcf <u>13</u>	Water Bbls. Gas-Oil Ratio Gravity <u>21-23</u>

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease (If vented, Submit ACO-18.)	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input 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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FORMATION TOPS & STRUCTURAL GEOLOGY

R 22 W



REFERRED TO:

- A: BLACK DIAMOND OIL, INC.
- Stepno #1 SW SW NE SE 25
- B: _____
- C: _____
- D: _____
- E: _____

STRATIGRAPHIC MARKERS	SUBJECT WELL			STRUCTURAL POSITION				
	SAMPLE	E. LOG	DATUM	A	B	C	D	E
Anhydrite	1740'	1740'	+ 450	+ 450				
Base	1771'	1772'	+ 418	+ 417				
Topeka	3161'	3160'	- 970	- 973				
Heeb. Sh.	3366'	3366'	-1176	-1180				
Toronto	3385'	3387'	-1197	-1201				
Lausine	3401'	3400'	-1210	-1217				
BKc	3601'	3602'	-1412	-1413				
Arbuckle	3682'	3694'	-1504	-1507				
TD	3750'	3749'	-1559	-1524				

Pipe strap 3.05' long.

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*Structural position of subject well as compared to referred well

ALLIED CEMENTING CO., LLC. 039948

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

SERVICE POINT: Oakley, KS

DATE <u>5/23/11</u>	SEC. <u>25</u>	TWP. <u>7</u>	RANGE <u>22</u>	CALLED OUT	ON LOCATION <u>6:00pm</u>	JOB START <u>8:30pm</u>	JOB FINISH <u>9:00pm</u>
LEASE <u>STENO</u>	WELL # <u>1</u>	LOCATION <u>Hill City E To Rd 340</u>			COUNTY <u>Osage</u>	STATE <u>Ks</u>	
OLD OR NEW (Circle one)			<u>2 1/2 N NO INFO</u>				

CONTRACTOR Discovery Drilling #1 OWNER Same

TYPE OF JOB Surface

HOLE SIZE <u>7 7/8</u>	T.D. <u>235'</u>
CASING SIZE <u>8 5/8</u>	DEPTH <u>234'</u>
TUBING SIZE	DEPTH
DRILL PIPE	DEPTH
TOOL	DEPTH
PRES. MAX	MINIMUM
MEAS. LINE	SHOE JOINT
CEMENT LEFT IN CSG. <u>15'</u>	
PERFS.	
DISPLACEMENT	

CEMENT AMOUNT ORDERED 175 Can 370cc

270 gel

COMMON <u>175</u>	@ <u>16.25</u>	<u>2843.75</u>
POZMIX	@	
GEL <u>3</u>	@ <u>21.25</u>	<u>63.75</u>
CHLORIDE <u>6</u>	@ <u>58.00</u>	<u>349.20</u>
ASC	@	

EQUIPMENT

PUMP TRUCK # <u>422</u>	CEMENTER <u>Alan</u>
	HELPER <u>Wayne</u>
BULK TRUCK # <u>404</u>	DRIVER <u>Mike</u>
BULK TRUCK #	DRIVER

HANDLING 1.84

MILEAGE 119.5K/mile

TOTAL 4986.30

REMARKS: Lost Circulation 8-9 FT From Surface while Drilling
Run 8 5/8 Cas, Circulate, mix Cement
Hour 1 SK, Hello in First 20 SK.
Displace Cement.
Cement in Cellar.
Thank You Alan, Wayne, Mike

SERVICE

DEPTH OF JOB	<u>234 FT</u>
PUMP TRUCK CHARGE	<u>1125.00</u>
EXTRA FOOTAGE	@
MILEAGE <u>65 X 2</u>	@ <u>2.00</u> <u>910.00</u>
MANIFOLD	@
<u>Cite Vehicle 65 X 2</u>	@ <u>4.00</u> <u>520.00</u>

CHARGE TO: Hertel O.I LLC

STREET _____

CITY _____ STATE _____ ZIP _____

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TOTAL 2555.00

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PLUG & FLOAT EQUIPMENT**

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 Cliff Mayfield

SALES TAX (If Any) _____

TOTAL CHARGES _____

DISCOUNT _____ IF PAID IN 30 DAYS

ALLIED CEMENTING CO., LLC. 039948

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

SERVICE POINT:
Oakley, KS

DATE <i>5/27/11</i>	SEC. <i>25</i>	TWP. <i>7</i>	RANGE <i>22</i>	CALLED OUT	ON LOCATION <i>6:00pm</i>	JOB START <i>8:30pm</i>	JOB FINISH <i>9:00pm</i>
LEASE <i>Stano</i>	WELL # <i>1</i>	LOCATION <i>Hill City ETO Rd 340</i>		COUNTY <i>Crawford</i>	STATE <i>Ks</i>		
OLD OR NEW (Circle one) <input checked="" type="radio"/>		<i>2 1/2 N NO info</i>					

CONTRACTOR *Discovery Drilling #1*

TYPE OF JOB *Surface*

HOLE SIZE *7 7/8* T.D. *235'*

CASING SIZE *8 5/8* DEPTH *234'*

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG. *15'*

PERFS.

DISPLACEMENT

OWNER *Same*

CEMENT AMOUNT ORDERED *175 Can 300CC*

270 gel

COMMON	<i>175</i>	@	<i>16.25</i>	<i>2843.75</i>
POZMIX		@		
GEL	<i>3</i>	@	<i>21.25</i>	<i>63.75</i>
CHLORIDE	<i>6</i>	@	<i>58.00</i>	<i>349.20</i>
ASC		@		
		@		
		@		
		@		
		@		
		@		
		@		
		@		
		@		

EQUIPMENT

PUMP TRUCK CEMENTER *Alan*

422 HELPER *Wayne*

BULK TRUCK

404 DRIVER *Mike*

BULK TRUCK

DRIVER

HANDLING *1.84*

MILEAGE *119.5K/mile*

TOTAL *4986.30*

REMARKS: *Lost Circulation 8-9 FT From Surface while Drilling. Run 8 5/8 Cas, Circulate, Mix Cement Run 1 Sk. Holes in First 20 Sk. Displace Cement. Cement in Cellar. TT park for Alan, Wayne, Mike*

SERVICE

DEPTH OF JOB	<i>234 FT</i>		
PUMP TRUCK CHARGE	<i>1125.00</i>		
EXTRA FOOTAGE	@		
MILEAGE <i>65K2</i>	@	<i>2.00</i>	<i>910.00</i>
MANIFOLD	@		
<i>Cite Vehicle 65K2</i>	@	<i>4.00</i>	<i>520.00</i>
	@		
TOTAL			<i>2555.00</i>

CHARGE TO: *Hertel Oil LLC*

STREET

CITY STATE ZIP

PLUG & FLOAT EQUIPMENT

	@		
	@		
	@		
	@		

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

turn over →



CHARGE TO: Hortel Oil L.L.C.
 ADDRESS:
 CITY, STATE, ZIP CODE:

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TICKET
19760

PAGE 1 OF 2

SERVICE LOCATIONS 1. <u>Blays, KS</u>	WELL/PROJECT NO. <u>#1</u>	LEASE <u>Stehno</u>	COUNTY/PARISH <u>Graham</u>	STATE <u>KS</u>	CITY	DATE <u>6-2-11</u>	OWNER
2. <u>Ness City, KS</u>	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <u>Discovery</u>	RIG NAME/NO. <u>#1 cliff</u>	SHIPPED VIA <u>CT</u>	DELIVERED TO <u>NE/Hill City, KS</u>	ORDER NO.	
3.	WELL TYPE <u>oil</u>	WELL CATEGORY <u>wildcat</u>	JOB PURPOSE <u>2-stage cement logging</u>	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	100	mi	5.00		300.00
579		1			Pump Charge - cont 2-stage	100		1750.00		1750.00
221		1			Liquid MCL	4	gal	25.00		100.00
291		1			Mudflush	500	gal	1.00		500.00
290		1			D-Air	4	gal	35.00		140.00
402		1			Controlizers	8	00	5 1/2 in	65.00	520.00
403		1			Cement Bricks	2	00	5 1/2 in	230.00	460.00
407		1			Insert Float Shoe w/ Auto-RV	1	00	5 1/2 in	300.00	300.00
408		1			DV Tool Set	1	00	5 1/2 in	2750.00	2750.00
417		1			D.V. Latch Down Plug & Bottle	1	00	5 1/2 in	200.00	200.00

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 [Signature]
 DATE SIGNED 6-2-11 TIME SIGNED 2:00
 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		
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				1/1 PAGE TOTAL	7020.00
WE UNDERSTOOD AND MET YOUR NEEDS?				P. 2	7130.48
OUR SERVICE WAS PERFORMED WITHOUT DELAY?					14150.48
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				TAX	
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				TOTAL	
<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 [Signature] APPROVAL _____

Thank You!



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

TICKET CONTINUATION

TICKET No. 19760

CUSTOMER: *Hortal Oil LLC* WELL: *#1 Stehno* DATE: *6-2-11* PAGE: *2* OF: *2*

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			TIME	DESCRIPTION	WELL		DATE		UNIT PRICE	AMOUNT
		LOC	ACCT	DF			QTY	U/M	QTY	U/M		
<i>375</i>		<i>1</i>				<i>Standard Cement</i>	<i>150</i>	<i>SKS</i>	<i>14100</i>	<i>lbs</i>	<i>1300</i>	<i>1800.00</i>
<i>376</i>		<i>1</i>				<i>Flocele</i>	<i>38</i>	<i>lbs</i>			<i>150</i>	<i>57.00</i>
<i>383</i>		<i>1</i>				<i>Salt</i>	<i>750</i>	<i>lbs</i>			<i>15</i>	<i>112.50</i>
<i>384</i>		<i>1</i>				<i>Calseal</i>	<i>705</i>	<i>lbs</i>	<i>7</i>	<i>SKS</i>	<i>3000</i>	<i>210.00</i>
<i>385</i>		<i>1</i>				<i>CFR-1</i>	<i>71</i>	<i>lbs</i>			<i>400</i>	<i>284.00</i>
<i>330</i>		<i>1</i>				<i>SMD Cement</i>	<i>200</i>	<i>SKS</i>	<i>19852</i>	<i>lbs</i>	<i>1500</i>	<i>3000.00</i>
<i>276</i>		<i>1</i>				<i>Flocele</i>	<i>50</i>	<i>lbs</i>				<i>75.00</i>
<i>481</i>		<i>2</i>				SERVICE CHARGE <i>Cement</i>					<i>150</i>	<i>525.00</i>
<i>583</i>		<i>2</i>				MILEAGE CHARGE	TOTAL WEIGHT <i>35566 lbs</i>	LOADED MILES <i>100</i>	TON MILES <i>1066.98</i>		<i>100</i>	<i>1066.98</i>

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CONTINUATION TOTAL *7130.48*

JOB LOG

SWIFT Services, Inc.

DATE 8-9-11 PAGE NO. 1

CUSTOMER Arctic Oil, LLC WELL NO. #1 LEASE Stephan JOB TYPE Cement Lining TICKET NO. 19760

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		TD-3750	DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING		
	1945					14" / ft.	5 1/2"		On location w / float equip Rig L.D.D.C
	2000								DC LD - Rig over for casing
	2115								Start 5 1/2" casing - 14" / ft. to 3749'
									Insert float shoe w / Auto-PII
									D.V. L.D. Baffle - 55 20.34' @ 3728.166'
									Cent Collars 1-3-5-8-10-12-14 - 49
									Cement Baskets: Round #2 - 50
									Div. in collar #50 @ 1717'
									Drop Ball 5 Jts out
	2230								Rig fin run casing - Tag Bottom
	2345								Start circulating casing
	2315								Fin circ - shock to Swift - Taboron Mud
									Pump 500 gpm Mud/Push
									Pump 30 BBL KCL Push
									Start 150 SKS cont (EA-2)
									Fin cont - Wash out Pump & Lines
		9						250	Drop D.V. L.D. Plug - Start Displ / 91 BBL
		9						250	Plugs 50 BBL H ₂ O
		8	50					250	Start 35 BBL Mud - Caught press @ 65 BBL
		7	75					500	Fin mud - Start 2 nd stage KCL Push
		5 1/2	85					600	Slow rate
4/2	2400		91					150	Plug Down - Hold - Release - Hold.
4/3	2005								Drop D.V. Opening Device
									Plug RH - 30 SKS SMD cont 14H-15 JTS SMD
	0025	5	5					100	Open D.V. - Continue Plug
		5						200	Fin Plug - Start 155 SKS SMD @ 11.2" / gal
			86					100	Fin cont - Drop D.V. Casing Plug.
		5						100	Start 40 BBL Displ
		5	32					300	cont circ to PIT - (20 SKS cont circ)
	0100		42					1400	Plug Down - D.V. Closed - Release - Hold
									Job Complete
									Wash up & Pack up
	1700								Empty Rig/Truck
									Archie Han, Doug T. Johnson

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