KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

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

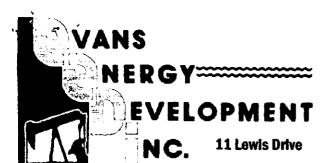
| OPERATOR: License # 32461 | API No. 15 - 003-25020-00-00 |
|---|---|
| Name: Tailwater, Inc. | Spot Description: |
| Address 1: 6421 Avondale Dr., Ste. 212 | ne_sw_nw_sw_Sec. 22_Twp. 20 s. R. 20 Fast west |
| Address 2: | 1815 Feet from North / South Line of Section |
| City: OKC State: OK Zip: 73116 + | 495 Feet from East / West Line of Section |
| Contact Person: Christian L. Martin | Footages Calculated from Nearest Outside Section Corner: |
| Phone: (405) 810-0900 | □ NE □ NW □ SE □ SW |
| CONTRACTOR: License #_8509 | County: Anderson |
| Name: Evans Energy Development Inc. | Lease Name: South Kempnich Well #: 17-T |
| Wellsite Geologist: n/a | Field Name: Garnett Shoestring |
| Purchaser: Pacer Energy | Producing Formation: Squirrel |
| Designate Type of Completion: | Elevation: Ground: 968 est Kelly Bushing: n/a |
| ✓ New Well Re-Entry Workover | Total Depth: 740' Plug Back Total Depth: n/a |
| · · · · · · · · · · · · · · · · · · · | Amount of Surface Pipe Set and Cemented at: 20.7 Feet |
| ☑ Oil | |
| Gas GSW Temp. Abd. | Multiple Stage Cementing Collar Used? Yes No |
| CM (Coal Bed Methane) | If yes, show depth set: Feet If Alternate II completion, cement circulated from: 0 |
| Cathodic Other (Core, Expl., etc.): | feet depth to: 20.7' w/ 6 sx cmt. |
| If Workover/Re-entry: Old Well Into as follows: | sx cmt. |
| Operator: | |
| Well Name: | Drilling Fluid Management Plan (Data must be collected from the Reserve Pit) |
| Original Comp. Date: Original Total Depth; | |
| Deepening Re-perf. Conv. to ENHR Conv. to SWD | Chloride content:ppm Fluid volume:bbls |
| Conv. to GSW | Dewatering method used: <u>evaporation</u> |
| Plug Back: Plug Back Total Depth | Location of fluid disposal if hauled offsite: |
| Commingled Permit #: | Operator Name: |
| Dual Completion Permit #: | Lease Name: License #: |
| SWD Permit #: | Quarter Sec. Twp. S. R. East West |
| ENHR Permit #: | |
| GSW Permit #: | County:Permit #:RECEIVED |
| 4/29/2011 4/30/11 5/11/11 Spud Date or Date Reached TD Completion Date or | SEP 0 1 2011 |
| Recompletion Date Recompletion Date | JE: 0 1 2011 |
| Kansas 67202, within 120 days of the spud date, recompletion, workover or of side two of this form will be held confidential for a period of 12 months if re | th the Kansas Corporation Commission, 130 S. MacC HAGO HAGO TO Chita, conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information equested in writing and submitted with the form (see rule 82-3-107 for confidence) report shall be attached with this form. ALL CEMENTING TICKETS MUST form with all temporarily abandoned wells. |
| 700 | |
| AFFIDAVIT | KCC Office Use ONLY |
| I am the affiant and I hereby certify that all requirements of the statutes, rules an lations promulgated to regulate the oil and gas industry have been fully compile | " |
| and the statements herein are complete and correct to the best of my knowled | dge. Date: |
| (A) | Confidential Release Date: |

Geologist Report Received

ALT | | | | | | | | | | | | Approved by:

UIC Distribution

| Operator Name: <u>Tai</u> | <u>ilwater, Inc.</u> | | Lease N | lame: _ | South Kem | onich | . Well #: <u>17</u> | <u>'-T</u> | |
|--|------------------------------|---|----------------|-----------------------|------------------------|------------------------|---------------------|---------------------------------------|-------------------------|
| Sec. <u>22</u> twp. <u>20</u> |)s. r. <u>20</u> | ☑ East ☐ West | County: | And | erson | | | | |
| time tool open and cle recovery, and flow rat | osed, flowing and shu | d base of formations per it-in pressures, whether s est, along with final chart(well site report. | hut-in press | sure rea | ched static level, | hydrostatic press | sures, bottom l | hole temp | erature, fluid |
| Drlil Stem Tests Taker (Attach Additional | | ☐ Yes ☑ No | | ∠ L | og Formation | ı (Top), Depth an | d Datum | | Sample |
| Samples Sent to Geo | logical Survey | Yes 🗹 No | | Nam Squi | | | Тор | ſ | Datum |
| Cores Taken Electric Log Run Electric Log Submitte (If no, Submit Cop | | ☐ Yes ☑ No ☑ Yes ☐ No ☑ Yes ☐ No | | | er's Log atta | ached | | | |
| List Ali E. Logs Run: Gamma Ray/I | Neutron | | | | | | | | |
| | | CASING Report all strings set- | RECORD | No. | _ | on atc | | | |
| Purpose of String | Size Hole Drilled | Size Casing Set (in O.D.) | Weig | ht | Setting Depth | Type of Cernent | # Sacks Used | | and Percent dditives |
| surface | 9 7/8" | 7" | | | 20.7' | Portland | 6 | | |
| completion | 5 5/8" | 2 7/8" | | | 731.9' | Portland | 98 | 50/50 | POZ |
| | | ADDITIONAL | CEMENTIN | NG / SQL | JEEZE RECORD | | | | |
| Purpose: Perforate Protect Casing Plug Back TD Plug Off Zone | Depth Top Bottom | Type of Cement | # Sacks | Used | | Type and F | Percent Additives | 3 | |
| Shots Per Foot | PERFORATI Specify | ON RECORD - Bridge Plug Footage of Each Interval Per | gs Set/Type | | | cture, Shot, Cement | | ıd | Depth |
| 2 | 652' - 659' (1 | 5 shots) | | | 75 gal. 15 | % HCL | | | |
| - | | | | | 30 sx san | d - 150 bbl | H2O | | |
| | , | | | | | | | | |
| TUBING RECORD: | Size: 2 7/8" | Set At: 731.9' | Packer Af | <u> </u> | Liner Run: | Yes No | | | |
| | Production, SWD or EN | | hod: Pumpin | g 🗀 | Gas Lift C | ther (Explain) | | | |
| Estimated Production Per 24 Hours | 0ii 10 | Bbls. Gas | Mcf | Wat | _{ет в} n/a | bis. (| Gas-Oll Ratio | · · · · · · · · · · · · · · · · · · · | Gravity |
| Vented Sol | ION OF GAS: d Used on Lease | <u></u> | METHOD OF | COMPLI Dually (Submit | Comp. Cor | nmingled mit ACO-4) | PRODUCTI | ON INTER | VAL: |



Oil & Gas Well Drilling Water Wells Geo-Loop Installation

> Phone: 913-557-9083 Fax: 913-557-9084

Paola, KS 66071

WELL LOG
Tailwater, Inc.
South Kempnich #17-T
API#15-003-25,020

April 29 - April 30, 2011

| | • | | |
|---------------------|------------------|-----------------------|--|
| Thickness of Strata | <u>Formation</u> | <u>Total</u> | |
| 5 | soil & clay | 5 | |
| 96 | shale | 101 | |
| 32 | lime | 133 | |
| 13 | shale | 146 | |
| 7 | lime | 153 | |
| 32 | shale | 185 | |
| 2 | lime | 187 | |
| 5 | shale | 192 | |
| 8 | lime | 200 | |
| 2 | shale | 202 | |
| 6 | lime | 208 | |
| 5 | shale | 213 | |
| 4 | lime | 217 | |
| 2 | shale | 219 | |
| 15 | lime | 234 | |
| 4 | shale | 238 | |
| 14 | lime | 252 | |
| 2 | shale | 254 | |
| 21 | lime | 275 | |
| 5 | shale | 280 | |
| 8 | lime | 288 | |
| 4 | shale | 292 | |
| 6 | lime | 298 | |
| . 179 | shale | 477 | RECEIVED |
| 5 | lme | 482 | |
| 7 | shale | 489 | SEP 0 1 2011 |
| 8 | lime | 497 | |
| 3 | shale | 500 | KCC WICHITA |
| 3 | broken sand | 503 | MO MONIA |
| 8 | lime | 511 | |
| 7 | broken sand | 518 very lite bleedir | na. aood odor |
| 2 | shale | 520 | -G1 G2 - G - C - C - C - C - C - C - C - C - C |
| 20 | broken sand | 540 lite bleeding | |
| 7 | silty shale | 547 | |
| 6 | shale | 553 | |
| 15 | lime | 568 | |
| | | | |

| South | Kempa | ıich | #17 | 7-T |
|-------|-------|------|-----|-----|

| Page | 2 |
|-------|---|
| . ~5~ | - |

| 6 | shale | 574 |
|----|---------------|------------------------------|
| 3 | lime | 57 7 |
| 18 | shale | 595 |
| 14 | lime | 609 |
| 15 | shale | 624 |
| 12 | lime | 636 |
| 4 | shale | 640 |
| 1 | lime & shells | 641 |
| 9 | shale | 650 |
| 1 | lime & shells | 651 |
| 2 | shale | 653 |
| 7 | broken sand | 660 good odor, good bleeding |
| 5 | silty shale | 665 |
| 28 | shale | 693 |
| 6 | broken sand | 699 good bleeding |
| 5 | silty shale | 704 |
| 36 | shale | 740 TD |

Drilled a 9 7/8" hole to 20.7' Drilled a 5 5/8" hole to 740'

Set 20.7' of 7" surface casing cemented with 6 sacks of cement.

Set 731.9' of 2 7/8" threaded and coupled 8 round upset tubing including 3 centralizers, 1 float shoe, 1 clamp.

RECEIVED
SEP 0 1 2011
KCC WICHITA



API - 15-003-25020.00-00

LOCATION OXYAWA KS
FOREMAN Fred Wader

PO Box 884, Chanute, KS 66720 620-431-9210 or 800-467-8676

FIELD TICKET & TREATMENT REPORT

| DATE . | CUSTOMER# | WELL | NAME & NUMBI | ER | SECTION | TOWNSHIP | RANGE | COUNTY |
|---|---------------------------------|-----------------------------------|---|-------------------------------|-----------------|-------------------|---|--|
| 8/2/11 | 7806 | So Rom | o nich | 17-2 | 22 | 20 | 20 | BN |
| B/2/11 JSTOMER | | | | 1 | | | 不过 图本 | |
| Ta | il water | Inc. | | | TRUCK# | DRIVER | TRUCK# | DRIVER |
| | SS | | } | 1 | 506 | Fred | Safa | 4 mg |
| 6421 | Avondal | L DV. | | • | 368 | Ken | KN_ | |
| TY | s | STATE | ZIP CODE | • | 370 | Arlen | ARM | |
| Klaho | ma City | OK | 73116 | | 510 | Dereil | DM | |
| B TYPE La | | IOLE SIZE | 6 | HOLE DEPTI | 742 | _ CASING SIZE & V | VEIGHT 274 | EUE |
| SING DEPTH | N N | RILL PIPE | | TUBING | | | OTHER | |
| URRY WEIGH | | BLURRY VOL_ | | WATER gal/s | ik | CEMENT LEFT In | CASING 24 | Plus |
| SPLACEMENT | | DISPLACEMENT | | MIX PSI | | RATE_48P | | |
| | stablish | | la XI on | | + Pums | A | miom Gd | Eluch |
| | | | | | | | | |
| | | | 50/50 | | | | Cement | |
| <u> </u> | urface | FIUSA | pump | 204 | r clean | · Displa | CE NA | 1.0000 |
| Alnc | to cari | $\frac{\sim}{2}$, $\frac{7D}{2}$ | J/ 4. 25 | 300 | resk | water. Pr | essure | <u> </u> |
| 7.00 | PSI R | elease p | ressure | No se | + Floax | Value | SHUK IM (| 2512 |
| | | | | <u> </u> | | | | |
| | | | | | | | 1 | |
| _ From | & Energy | Dav. Inc | | | | | welWad | <u>u </u> |
| | - , | | | | | | | |
| | | | • | | | | | |
| ACCOUNT | OTTANITY - | | J 555 | | (OCD)//OCO | | | |
| CODE | QUANITY o | X UNITS | ון שבי | CRIPTION of | 1 SEKAICES OF | PRODUCT | UNIT PRICE | TOTAL |
| CODE | QUANTITO | OF UNITS | | | T SERVICES OF | PRODUCT | UNIT PRICE | |
| STOL | | | PUMP CHARGE | | SERVICES OF | PRODUCT | UNIT PRICE | 97500 |
| 2406 2401 | 2 | 5 m: | PUMP CHARGE | | | PRODUCT | UNIT PRICE | 97500 |
| 5406 5406 | 735 | 5 m; | PUMP CHARGE MILEAGE | footag | | PRODUCT | UNIT PRICE | 975 00 00 100 00 |
| 5401 5406 5407 | 7.35 7.36 | 5 m; | PUMP CHARGE MILEAGE Cas.v. | footag | 34 | PRODUCT | UNIT PRICE | 97500 1005 N/C 16500 |
| 5406 5406 | 7.35 7.36 | 5 m; | PUMP CHARGE MILEAGE Cas.v. | footag | 34 | PRODUCT | UNIT PRICE | 97500 1005 N/C 16500 |
| 5401 5406 5407 | 7.35 7.36 | 5 m; | PUMP CHARGE MILEAGE Cas.v. | footag | 34 | PRODUCT | UNIT PRICE | 975 00 55 N/C 16500 |
| 5401 5406 5407 | 7.35 7.36 | 5 m; | PUMP CHARGE MILEAGE Cas.v. | footag | 34 | PRODUCT | UNIT PRICE | 975 00 55 N/C 16500 |
| 5401 5406 5402 5407 5502C | 2: 7.35 7.36 7. Min 21 | 5m: 0 num é hvs | PUMP CHARGE MILEAGE Cas Ton Pr FU & B | footag iles Vac T | ruck | <i>y</i> | V | 975 00 55 N/C 16500 13500 |
| 5401 5406 5407 5502C | 7.35 Mining & 1' | 5m; num é hrs | PUMP CHARGE MILEAGE Cas Ton Pr FU & B | footag iles Vac T | ruck X Camm | <i>y</i> | V | 975 00 55 N/C 16505 13505 |
| 5401 5406 5407 5502C | 7.35 Mining & 1' | 5m: 0 num é hvs | PUMP CHARGE MILEAGE Ton PM FU & BC | Footagiles - Vac T | ruck x Camer | Y REC | EIVED | 975 00 55 N/C 16500 13500 1024 0 |
| 5406 5406 5407 5502C | 7.35 Mining & 1' | 5m; num é hrs | PUMP CHARGE MILEAGE Ton PM FU & BC | footagiles Vac T | ruck x Camer | <i>y</i> | V | 975 00 55 N/C /6500 /3500 /024 0 |
| 5401 5406 5407 5502C | 7.35 Mining & 1' | 5m; num é hrs | PUMP CHARGE MILEAGE Ton PM FU & BC | Footagiles - Vac T | ruck x Camer | Y REC | V | 975 00 55 N/C /6500 /3500 /024 0 |
| 5401 5406 5407 5502C | 7.35 Mining & 1' | 5m; num é hrs | PUMP CHARGE MILEAGE Casic Ton PY EV & BO STO/STO PY OMN! 2/2" R | Footagiles Vac. T Pormi | ruck x Camer | Y REC | V | 975 00 55 N/C /6500 /3500 /024 0 |
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| 5406 5406 5407 5502C 1124 1118B 4402 | 7.35 Mining & 1' | 5m; num é hrs | PUMP CHARGE MILEAGE Casic Ton PY EV & BO STO/STO PY OMN! 2/2" R | Footagiles Vac. T Pormi | ruck x Camer | Y REC | EIVED 9 1 2011 VICHITA SALES TAX | 975 00 55 N/C 1/65 00 1/35 00 1/35 00 28 00 28 00 |
| 5401 5406 5407 5502C 1124 1118-B 4402 | 7.35 Mining & 1' | 5m; num é hrs | PUMP CHARGE MILEAGE Casic Ton PY EV & BO STO/STO PY OMN! 2/2" R | Footagiles Vac. T Pormi | ruck x Camer | X REC | EIVED 9 1 2011 VICHITA SALES TAX ESTIMATED | 975 00 50 N/C /6500 1/3500 1/3500 28400 1/3500 28400 1/350 |
| 5401 5406 5407 5502C 1124 1118B 4402 | 7.35 7.36 7.20 7.20 | 5m; num é hrs | PUMP CHARGE MILEAGE Ton PM FU IL BU STO/STO Promit 2/2" R | Footagiles Vac. T Pormi | ruck x Camer | X REC | EIVED 9 1 2011 VICHITA SALES TAX | 975°°° 100°° N/C /65°° /35°°° /35°°° 28°°° 28°°° |