

**ORIGINAL**  
**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  
 Name: Tailwater, Inc.  
 Address 1: 6421 Avondale Dr., Ste. 212  
 Address 2: \_\_\_\_\_  
 City: OKC State: OK Zip: 73116 + \_\_\_\_\_  
 Contact Person: Christian L. Martin  
 Phone: ( 405 ) 810-0900  
 CONTRACTOR: License # 8509  
 Name: Evans Energy Development Inc.  
 Wellsite Geologist: n/a  
 Purchaser: Pacer 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 #: \_\_\_\_\_

4/30/2011      5/2/2011      5/4/11  
 Spud Date or      Date Reached TD      Completion Date or  
 Recompletion Date           Recompletion Date

API No. 15 - 003-25026-00-00  
 Spot Description: \_\_\_\_\_  
se SW NW SW Sec. 22 Twp. 20 S. R. 20  East  West  
1485 Feet from  North /  South Line of Section  
495 Feet from  East /  West Line of Section  
 Footages Calculated from Nearest Outside Section Corner:  
 NE       NW       SE       SW  
 County: Anderson  
 Lease Name: South Kempnich Well #: 23-T  
 Field Name: Garnett Shoestring  
 Producing Formation: Squirrel  
 Elevation: Ground: 976 est Kelly Bushing: n/a  
 Total Depth: 740' Plug Back Total Depth: n/a  
 Amount of Surface Pipe Set and Cemented at: 21.5' 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: 21.5' w/ 6 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. \_\_\_\_\_  
 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: Steve B. Martin  
 Title: Office Mgr Date: 8/26/11

**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: 9/8/11

Operator Name: Tailwater, Inc. Lease Name: South Kempnich Well #: 23-T  
 Sec. 22 Twp 20 S. R. 20  East  West County: Anderson

**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 Wireline 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: <b>Gamma Ray/Neutron</b>	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample  Name Top Datum <b>Squirrel</b> <b>Driller's Log attached</b>
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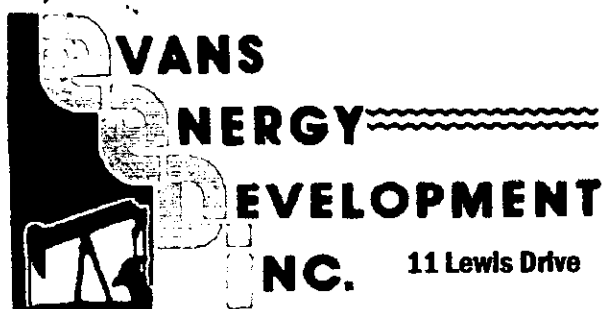
CASING RECORD <input type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (in O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
surface	9 7/8"	7"		21.5'	Portland	6	
completion	5 5/8"	2 7/8"		729.7'	Portland	97	50/50 POZ

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
2	650' - 655' (11 shots)	75 gal. 15% HCL	
		30 sx sand - 152 bbl H2O	

TUBING RECORD:		Size: <u>2 7/8"</u>	Set At: <u>729.7'</u>	Packer At:	Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No
Date of First, Resumed Production, SWD or ENHR. <u>5/4/11</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.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
	10	0	n/a		

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"/> Part. <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: _____ _____
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**VANS  
ENERGY  
DEVELOPMENT  
INC.**

11 Lewis Drive

Paola, KS 66071

**Oil & Gas Well Drilling  
Water Wells  
Geo-Loop Installation**

Phone: 913-557-9083

Fax: 913-557-9084

**WELL LOG**

Tailwater, Inc.  
South Kempnich #23-T  
API#15-003-25,0206  
April 30 - May 2, 2011

<u>Thickness of Strata</u>	<u>Formation</u>	<u>Total</u>
4	soil & clay	4
3	gravel	7
91	shale	98
30	lime	128
69	shale	197
10	lime	207
6	shale	213
36	lime	249
6	shale	255
41	lime	296
180	shale	476
4	lime	480
3	shale	483
10	lime	493
9	shale	502
3	broken sand	505
3	silty shale	508
9	shale	517
1	coal	518
2	shale	520
17	broken sand	537
3	silty shale	540
5	shale	545
10	lime	555
11	shale	566
6	lime	572
12	shale	584
16	lime	600
12	shale	612
7	lime	619
17	shale	636
1	lime & shells	637
12	shale	649
6	broken sand	655
5	silty shale	660
15	shale	675
5	lime	680

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7	shale	687
1	lime & shells	688
7	broken sand	695
5	silty shale	700
40	shale	740 TD

Drilled a 9 7/8" hole to 21.5'

Drilled a 5 5/8" hole to 740'

Set 21.5' of 7" surface casing cemented with 6 sacks of cement.

Set 729.7' of 2 7/8" threaded and coupled 8 round upset tubing including 3 centralizers, 1 float shoe, 1 clamp.

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**CONSOLIDATED**  
Oil Well Services, LLC

API-15-003-25026-00-00

TICKET NUMBER 31906  
LOCATION Ottawa KS  
FOREMAN Fred Maden

PO Box 884, Chanute, KS 66720  
820-431-9210 or 800-467-8678

**FIELD TICKET & TREATMENT REPORT**  
**CEMENT**

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
5/2/11	7806	50 Kempnich # 237	SW 23	20	20	AN
CUSTOMER <u>Trailwater Inc</u>			TRUCK #			
MAILING ADDRESS <u>6421 Avondale Dr</u>			DRIVER			
CITY <u>Oklahoma City</u>			TRUCK #			
STATE <u>OK</u>			DRIVER			
ZIP CODE <u>73116</u>			TRUCK #			
JOB TYPE <u>Longstring</u>			DRIVER			
HOLE SIZE <u>6"</u>			TRUCK #			
HOLE DEPTH <u>740</u>			DRIVER			
CASING DEPTH <u>7290</u>			TRUCK #			
SLURRY WEIGHT			DRIVER			
SLURRY VOL			TRUCK #			
WATER gal/sk			DRIVER			
CEMENT LEFT In CASING <u>2 1/2" Plug</u>			TRUCK #			
DISPLACEMENT <u>6.24</u>			DRIVER			
DISPLACEMENT PSI			TRUCK #			
MIX PSI			DRIVER			
RATE <u>40 BPM</u>			TRUCK #			
REMARKS: <u>Establish circulation. Mix Pump 100# Premium Gal Flush</u>						
<u>Mix Pump 97 sks 50/50 Poz Mix Cement 2% Gal. Cement</u>						
<u>to surface. Flush pump &amp; lines clean. Displace 2 1/2" Rubber</u>						
<u>plug to casing TD w/ 624 BBL Fresh water. Pressure to</u>						
<u>700 PSI. Release pressure to set float valve. Shut in casing</u>						
<u>Evans Energy Dev. Inc</u>			<u>Fred Maden</u>			

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE		975 <sup>00</sup>
5406	0	MILEAGE Truck on lease		N/C
5402	729'	Casing Footage		N/C
5407	1/2 Minimum	Ten Miles		165 <sup>00</sup>
5402C	1 1/2 hrs	80 BBL Vac Truck		135 <sup>00</sup>
1124	97	50/50 Poz Mix Cement		1013 <sup>65</sup>
1116B	263#	Premium Gal	RECEIVED	52 <sup>60</sup>
4402	1	2 1/2" Rubber Plug	SEP 01 2011	28 <sup>00</sup>
		WD # 241116	KCC, WICHITA	
		7.8%	SALES TAX	85 <sup>34</sup>
			ESTIMATED TOTAL	2454 <sup>99</sup>

Revin 3737

AUTHORIZATION [Signature] TITLE \_\_\_\_\_ DATE \_\_\_\_\_

I acknowledge that the payment terms, unless specifically amended in writing on the front of the form or in the customer's account records, at our office, and conditions of service on the back of this form are in effect for services identified on this form.