KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

1060074

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 # 31725
Name: Shelby Resources LLC
Address 1: 2717 Canal Blvd.
Address 2: Suite C
City: HAYS State: KS Zip: 67601 + ____
Contact Person: Chris Gottschalk
Phone: (786) 623-1524
CONTRACTOR: License # 5142
Name: Sterling Drilling Company
Wellsite Geologist: Charlie Sturdavant
Purchaser: ____

Designate Type of Completion:

- [x] New Well
- [ ] Re-Entry
- [ ] Workover

- [ ] Oil
- [ ] WSW
- [ ] SWD
- [ ] SIOW
- [ ] Gas
- [x] 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 #: ____

05/16/2011	05/25/2011	05/26/2011
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-145-21629-00-00
Spot Description: ____
NW - SE - NW - SE Sec. 21 Twp. 21 S. R. 16 [ ] East [x] West
1765 Feet from [ ] North / [x] South Line of Section
1970 Feet from [x] East / [ ] West Line of Section
Footages Calculated from Nearest Outside Section Corner:
[ ] NE [ ] NW [x] SE [ ] SW
County: Pawnee
Lease Name: Airport Well #: 1-21
Field Name: ____
Producing Formation: Arbuckle
Elevation: Ground: 2010 Kelly Bushing: 2021
Total Depth: 3980 Plug Back Total Depth: ____
Amount of Surface Pipe Set and Cemented at: 1038 Feet
Multiple Stage Cementing Collar Used? [ ] Yes [x] 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: 6500 ppm Fluid volume: 1000 bbls
Dewatering method used: Evaporated
Location of fluid disposal if hauled offsite:
Operator Name: ____
Lease Name: ____ License #: ____
Quarter ____ Sec. ____ Twp. ____ S. R. ____ [ ] East [ ] West
County: ____ Permit #: ____

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.

Submitted Electronically

KCC Office Use ONLY

- [ ] Letter of Confidentiality Received
  Date: ____
- [ ] Confidential Release Date: ____
- [x] Wireline Log Received
- [x] Geologist Report Received
- [ ] UIC Distribution

ALT [x] I [ ] II [ ] III Approved by: Deanna Garrison Date: 10/11/2011

Side Two

1060074

Operator Name: Shelby Resources LLC Lease Name: Airport Well #: 1-21

Sec. 21 Twp. 21 S. R. 16 ☐ East ☑ West County: Pawnee

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 (Attach Additional Sheets)	☑ Yes	☐ No
Samples Sent to Geological Survey	☐ Yes	☑ No
Cores Taken	☐ Yes	☑ No
Electric Log Run	☑ Yes	☐ No
Electric Log Submitted Electronically (If no, Submit Copy)	☑ Yes	☐ No

List All E. Logs Run:

Dual Induction
Compensated Neutron Density

☐ Log Formation (Top), Depth and Datum ☑ Sample

Name	Top	Datum
Heebner	3389	-1368
Lansing	3499	-1478
Base KC	3745	-1724
Marmaton	3763	-1742
Simpson Shale	3801	-1780
Arbuckle	3845	-1824
Total Depth	4000	-1979

CASING RECORD ☑ New ☐ 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	12.25	8.625	23	1038	60/40 Poz	400	2% gel, 3% cc

ADDITIONAL CEMENTING / SQUEEZE RECORD

Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
___ Perforate ___ Protect Casing ___ Plug Back TD ___ 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

TUBING RECORD: Size: Set At: Packer At: Liner Run: ☐ Yes ☐ No

Date of First, Resumed Production, SWD or ENHR. Producing Method: ☐ Flowing ☐ Pumping ☐ Gas Lift ☐ Other (Explain) _____

Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity

DISPOSITION OF GAS: ☐ Vented ☐ Sold ☐ Used on Lease (If vented, Submit ACO-18.)

METHOD OF COMPLETION: ☐ Open Hole ☐ Perf. ☐ Dually Comp. (Submit ACO-5) ☐ Commingled (Submit ACO-4) ☐ Other (Specify) _____

PRODUCTION INTERVAL:

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

ALLIED CEMENTING CO., LLC. 038808

TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:
Great Bend KS

DATE 5-18-11	SEC. 21	TWP. 21S	RANGE 16W	CALLED OUT	ON LOCATION	JOB START	JOB FINISH 5:45 AM
LEASE Airport	WELL # 1-21		LOCATION Hanover KS 1 East To 100 RD			COUNTY Pawnee	STATE KS
OLD OR (NEW) (Circle one)			North To ORD ½ west North-To				

CONTRACTOR Sterling Rig 2
TYPE OF JOB Surface
HOLE SIZE 12¼ T.D. 1043
CASING SIZE 8⅝ DEPTH 1041
TUBING SIZE DEPTH
DRILL PIPE DEPTH
TOOL DEPTH
PRES. MAX 900 MINIMUM
MEAS. LINE SHOE JOINT 42.87
CEMENT LEFT IN CSG. 42.87
PERFS.
DISPLACEMENT 63.50

OWNER Shelby Resources

EQUIPMENT

PUMP TRUCK CEMENTER Wayne
366 HELPER Gues
BULK TRUCK
344-170 DRIVER Trent
BULK TRUCK
DRIVER

CEMENT

AMOUNT ORDERED 400sx 60/40 3%cc +2% Gel +¼ Flo seal

COMMON	240	@ 16.25	3900.00
POZMIX	160	@ 8.50	1360.00
GEL	7	@ 21.25	148.75
CHLORIDE	13	@ 58.20	756.60
ASC		@	
Flo seal	100#	@ 2.70	270.00
		@	
		@	
		@	
		@	
		@	
		@	
		@	
HANDLING	424	@ 2.25	954.00
MILEAGE	424 x 17 x .11		792.88
		TOTAL	8,182.23

REMARKS:

Pipe on Bottom Break Circulation with Rig mud Shut Down Drop Ball circulated Ball Threw Mix 400sx 60/40 + 3%cc + 2% Gel + ¼ flo seal Shut Down Release Plug Displace 63.50 BBLS fresh water land Plug at 900 P.S.I. Release and held. wash up Rig Down

SERVICE

DEPTH OF JOB	1041		
PUMP TRUCK CHARGE			1125.00
EXTRA FOOTAGE	700	@ .95	665.00
MILEAGE	34	@ 7.00	238.00
MANIFOLD		@	
Light Truck	34	@ 4.00	136.00
		@	
		TOTAL	2164.00

CHARGE TO: Shelby Resources
STREET
CITY STATE ZIP

PLUG & FLOAT EQUIPMENT

1 GS		@ 394.00	394.00
1 Rubber Plug		@ 394.00	112.00
1 AFU insert		@ 382.00	382.00

To Allied Cementing Co., LLC.

ALLIED CEMENTING CO., LLC. 038750

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

SERVICE POINT: Great Bend KS

DATE 5-25-11	SEC. 21	TWP. 21S	RANGE 16W	CALLED OUT	ON LOCATION	JOB START 1030am	JOB FINISH 1130am
LEASE Airport	WELL # 1-21	LOCATION Larned KS East side of Airport				COUNTY Pawnee	STATE KS
OLD OR NEW (Circle one)							

CONTRACTOR Sterling #2
TYPE OF JOB Rotary plug
HOLE SIZE 7 7/8 T.D. 3855 3881
CASING SIZE DEPTH
TUBING SIZE DEPTH
DRILL PIPE 4 1/2 DEPTH 3855
TOOL DEPTH
PRES. MAX MINIMUM
MEAS. LINE SHOE JOINT
CEMENT LEFT IN CSG.
PERFS.
DISPLACEMENT Fresh Water / Rig mud

OWNER Shelby Resources

CEMENT

AMOUNT ORDERED 210 sx 60/40 4% gel 1/4 Flosea1

EQUIPMENT

PUMP TRUCK # 366 CEMENTER Bob Reh / Wayne
HELPER Greg R.
BULK TRUCK # 341 DRIVER Trent H.
BULK TRUCK # DRIVER

COMMON	126	@ 16.25	2047.50
POZMIX	84	@ 8.50	714.00
GEL	7	@ 21.25	148.75
CHLORIDE		@	
ASC		@	
Flosea1	52.9#	@ 2.70	140.40
		@	
		@	
		@	
		@	
		@	
		@	
		@	
HANDLING	219	@ 2.25	492.75
MILEAGE	219 x 17 x .11		409.53
		TOTAL	3.952.93

REMARKS:

1st plug at 3855ft mix 50sx
2nd plug at 1080ft mix 50sx
3rd plug at 300ft mix 40sx
4th plug at 60ft mix 20sx
Rathole mix 30sx
Mousehole mix 20sx
Washup / Rig down

SERVICE

DEPTH OF JOB	3855		
PUMP TRUCK CHARGE			1250.00
EXTRA FOOTAGE		@	
MILEAGE	Truck 34	@ 7.00	238.00
MANIFOLD		@	
	Light Truck 34	@ 4.00	136.00
		@	
		TOTAL	1624.00

CHARGE TO: Shelby Resources
STREET
CITY STATE ZIP

PLUG & FLOAT EQUIPMENT

		@	
		@	
		@	
		@	

To Allied Cementing Co., LLC.

Scale 1:240 Imperial

Well Name:	# 1-21 Airport		
Surface Location:	1716'FSL, 1950'FEL, sec 21-21S-16W		
Bottom Location:			
API:	15-145-21629-00-00		
License Number:			
Spud Date:	5/16/2011	Time:	6:15 PM
Region:	Pawnee County		
Drilling Completed:	5/24/2011	Time:	1:13 PM
Surface Coordinates:	561783 & 1832295		
Bottom Hole Coordinates:			
Ground Elevation:	2010.00ft		
K.B. Elevation:	2021.00ft		
Logged Interval:	3000.00ft	To:	3980.00ft
Total Depth:	3980.00ft		
Formation:	Arbuckle		
Drilling Fluid Type:	Chemical/Fresh Water Gel		

OPERATOR

Company:	Captiva II, LLC		
Address:	445 Union Blvd., Suite 208 Lakewood, CO 80228 303-274-4682		
Contact Geologist:	Janine Sturdavant		
Contact Phone Nbr:	303-907-2209		
Well Name:	# 1-21 Airport		
Location:	1716'FSL, 1950'FEL, sec 21-21S-16W	API:	15-145-21629-00-00
Pool:		Field:	Larned
State:	Kansas	Country:	USA

LOGGED BY

Charlie Sturdavant Consulting

Company:	Charlie Sturdavant Consulting		
Address:	920 12th Street Golden, CO 80401		
Phone Nbr:	303-907-2295----303-384-9481		
Logged By:	Geologist	Name:	Charlie Sturdavant

NOTES

The Captiva II #1-21 Airport well TD'd in the Arbuckle Group. A Tooke DAQ gas detector was employed during the penetration of all prospective formations. Gas kicks were minimal, but are noted on the gas curve chart of this geolog. The only sample show noted in this well was in the Simpson sand/siltstone section. DST #1 covered the top 13 feet of the Arbuckle, as well as the Marmaton, Conglomerate, and Simpson sections, and yielded only water. Based on the negative DST and on log analysis, it was determined by all parties involved, that this well should be plugged and abandoned.

The dry samples were saved and will be available for review at the Kansas Geological Survey well sample library, located in Wichita, Kansas.

Respectfully submitted,
Charlie Sturdavant
Consulting Geologist

Well Comparison Sheet

Charlie Sturdavant Consulting

Charlie Sturdavant Consulting

WELL COMPARISON SHEET

	DRILLING WELL Captiva II #1-21 Airport 1716' FSL & 1950' FEL Sec. 21, T21S R16W				COMPARISON WELL Allen Drilling # 1-28 Hewson S/2-NE-SW Sec.28, T21S R16W				COMPARISON WELL Allen Drilling # 1-21 Boyd C-E/2-SE-NE Sec. 21, T21S R16W			
	2021 KB				2028 KB		Structural Relationship		1990 KB		Structural Relationship	
Formation	Sample	Sub-Sea	Log	Sub-Sea	Log	Sub-Sea	Sample	Log	Log	Sub-Sea	Sample	Log
Anhydrite	1005	1016	1005	1016	1007	1021	-5	-5	979	1011	5	5
Tarkio	2842	-821	2841	-820	2841	-813	-8	-7	2811	-821	0	1
Elmont	2900	-879	2900	-879	2900	-872	-7	-7	2868	-878	-1	-1
Howard	3046	-1025	3045	-1024	3048	-1020	-5	-4	3014	-1024	-1	0
Topeka	3126	-1105	3122	-1101	3125	-1097	-8	-4	3093	-1103	-2	2
Heebner	3401	-1380	3401	-1380	3407	-1379	-1	-1	3363	-1373	-7	-7
Toronto	3419	-1398	3416	-1395	3427	-1399	1	4	3384	-1394	-4	-1
Douglas	3435	-1414	3433	-1412	3443	-1415	1	3	3398	-1408	-6	-4
Brown Lime	3490	-1469	3492	-1471	3506	-1478	9	7	3459	-1469	0	-2
Lansing	3505	-1484	3502	-1481	3516	-1488	4	7	3472	-1482	-2	1
Stark Shale	3712	-1691	3706	-1685	3707	-1679	-12	-6	3672	-1682	-9	-3
Base KC	3762	-1741	3758	-1737	3758	-1730	-11	-7	3718	-1728	-13	-9
Marmaton	3782	-1761	3770	-1749	3780	-1752	-9	3	3735	-1745	-16	-4
Conglomerate	3800	-1779	3786	-1765	3794	-1766	-13	1	3754	-1764	-15	-1
Simpson Shale		2021	3812	-1791	3806	-1778		-13	3785	-1795		4
Arbuckle	3850	-1829	3847	-1826	3854	-1826	-3	0	3842	-1852	23	26
Total Depth	3980	-1959	3980	-1959	4025	-1997	38	38	4123	-2133	174	174

Daily Drilling Report

Charlie Sturdavant Consulting

DAILY DRILLING REPORT

Company: Charlie Sturdavant Consulting
920 12th Street
Golden, CO 80401

Well: #1-21 Airport
Location: 1716' FSL & 1950' FEL
Sec. 21 T21S R16W
Pawnee County, KS

Captiva II
Jim Waechter
Office: 303-274-4682
Cell: 303-478-3388

Wellsite Geologist: Charlie Sturdavant
Cell: (303) 907-2295
Office: (303) 384-9481

Elevation: 2021' KB 2010' GL
Field: Wildcat
API No.: 15-145-21629-0000
Surface Casing: 8 5/8" set @ 1038' KB

Drilling Contractor: Sterling Drilling Rig #2 620-388-5651, Tool Pusher: Shane Downs, cell: 620-388-3474

DATE	7:00 AM DEPTH	REMARKS
5/16/2100	0 ft.	Moving in and rigging up.
5/17/2011	657 ft.	Drilling ahead with a 12 1/4" long tooth bit.
5/18/2011	770 ft.	Trip out of hole to change liner on mud pump.
5/19/2011	1043 ft.	Set surface casing at 1043'. Waiting on cement to set. 8-5/8" Surface casing set at 1038' KB.

5/20/2011	1907 ft.	Drilling ahead.
5/21/2011	2706 ft.	Drilling ahead.
5/22/2011	3345 ft.	Drilling ahead.
5/23/2011	3755 ft.	Drilling ahead.
5/24/2011	3860 ft.	Tripping back into hole after DST #1: rec. 500' Muddy water, 2000' water.
5/25/2011	3980 ft.	Completed logging operations @ 0100 hrs. Geologist off location @ 0200 hrs.

Drill Stem Test # 1, 3782'-3860'

DRILL STEM TEST REPORT

Shelby Resources L.L.C.

Canal Blvd 2717 Suite C
Hays ,Kansas 67601

ATTN: Charlie Sturdavant

Airport #1-21

21-21s-16w Pawnee

Job Ticket: 16499 **DST#: 1**

Test Start: 2011.05.24 @ 10:25:00

GENERAL INFORMATION:

Formation: **Simpson-Arbuckle**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 00:00:00
Time Test Ended: 00:00:00

Test Type: Conventional Bottom Hole (Initial)
Tester: Gene Budig
Unit No: 3335-42

Interval: 3782.00 ft (KB) To 3860.00 ft (KB) (TVD)
Total Depth: 3860.00 ft (KB) (TVD)
Hole Diameter: 7.88 inches Hole Condition: Fair

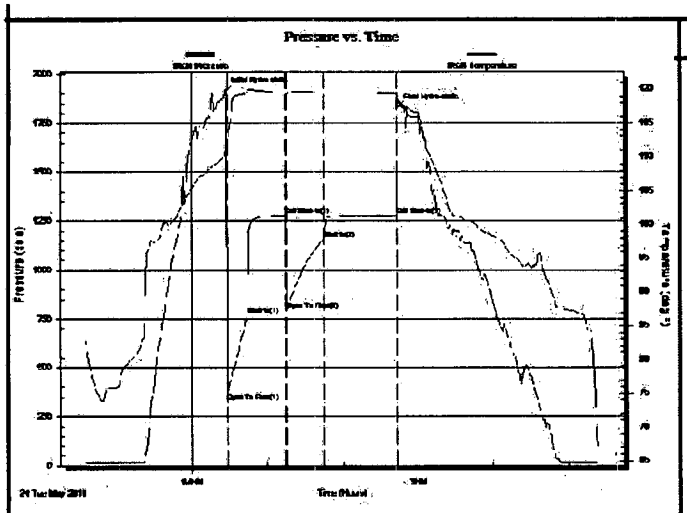
Reference Elevations: 2021.00 ft (KB)
2010.00 ft (CF)
KB to GR/CF: 11.00 ft

Serial #: 8524 **Inside**

Press@RunDepth: 1281.23 psia @ 3855.53 ft (KB)
Start Date: 2011.05.24 End Date: 2011.05.24
Start Time: 10:36:00 End Time: 17:24:00

Capacity: 5000.00 psia
Last Calib.: 2011.05.24
Time On Btm: 2011.05.24 @ 12:27:30
Time Off Btm: 2011.05.24 @ 14:44:00

TEST COMMENT: 1st Opening 15 Minutes-Good blow built to the bottom of a 5 gallon bucket in 1 minute and decreased
1st Shut-In 30 Minutes-No blow back
2nd Opening 30 Minutes-Good blow built to the botttom of a 5 gallon bucket in 1 minute and decreased
2nd Shut-In 60 Minutes-No blow back



PRESSURE SUMMARY

Time (Min.)	Pressure (psia)	Temp (deg F)	Annotation
0	1916.31	111.60	Initial Hydro-static
1	324.74	111.59	Open To Flow (1)
18	772.71	119.66	Shut-In(1)
47	1279.60	119.44	End Shut-In(1)
48	795.21	119.17	Open To Flow (2)
78	1161.34	119.51	Shut-In(2)
136	1281.23	119.39	End Shut-In(2)
137	1830.42	119.25	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
500.00	Muddy Water	5.10
2000.00	Water	28.05
0.00	Chlorides 32000	0.00
0.00	Resisitivity 1.1 @ 66 Degrees	0.00

Gas Rates

	Choke (inches)	Pressure (psia)	Gas Rate (Mcf/d)

Superior Testers Enterprises LLC Ref. No: 16499 Printed: 2011.05.24 @ 06:36:11

SURFACE CO-ORDINATES

Well Type: Vertical
Longitude: Latitude:
N/S Co-ord: 561783
E/W Co-ord: 1832295

CONTRACTOR

Contractor: Sterling Drilling Company
Rig #: 2
Rig Type: mud rotary
Spud Date: 5/16/2011 Time: 6:15 PM
TD Date: 5/24/2011 Time: 1:13 PM
Rig Release: Time:

ELEVATIONS

K.B. Elevation: 2021.00ft Ground Elevation: 2010.00ft
K.B. to Ground: 11.00ft

ROCK TYPES

Congl, Dolsec, Lmst fw<7, Lmst fw7>, Shgy, shale, gry, Carbon Sh, shale, red, Shcol, Ss, Sltst

ACCESSORIES

MINERAL
- Argillaceous
- Calcareous
- Chert White
- Chert, dark
- Dolomitic
- Glauconite
- Pyrite

FOSSIL
- Brachiopod
- Bryozoa
- Crinoids
- Echinoid
- Fossils < 20%
- Fussilinid
- Oolites
- Oomoldic

STRAT./SED. STRUCTS
- Stylolite

STRINGER
- Conglomerate
- Dolomite
- Siltstone
- Shale

- Pellets
- Pelloids
- Sponge Spicules
- Spicules

OTHER SYMBOLS

MISC

- Daily Report
- Digital Photo
- Document
- Folder
- Link
- Vertical Log File
- Horizontal Log File
- Core Log File
- Drill Cuttings Rpt

DST

- DST Int
- DST alt

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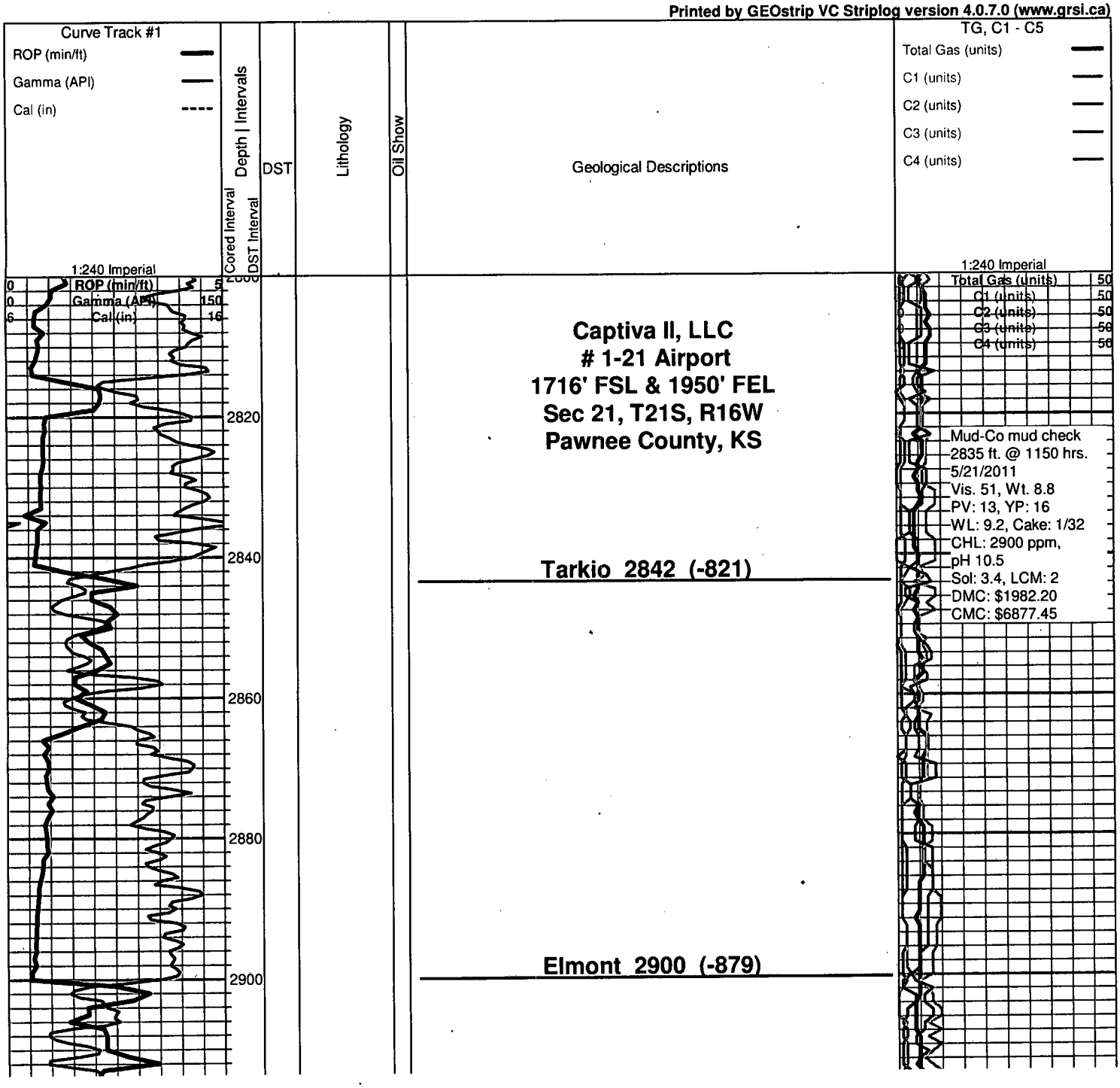
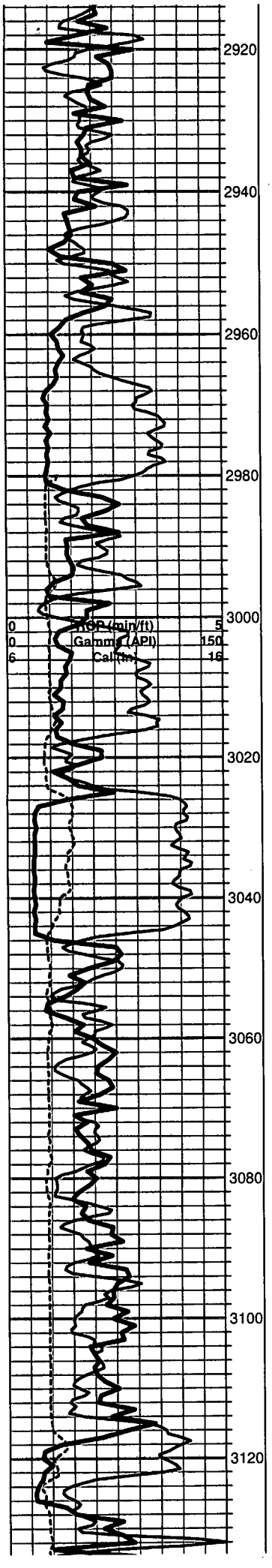
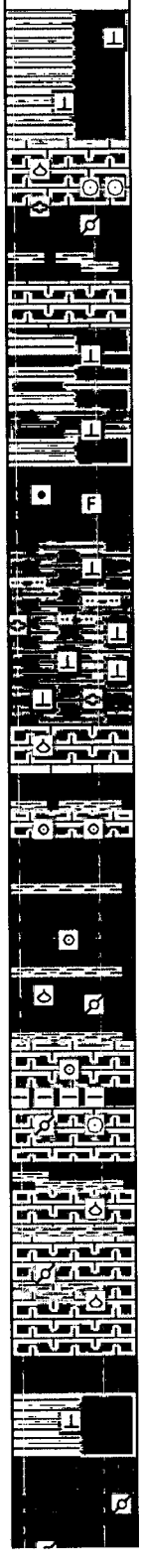






Shale: gray, calcareous.

Limestone: gray to lt gray to tan, fossiliferous, fussulinids, pellets, brach., f-xln packstone to wackestone to mudstone.

20' samples start @ 3000'.

Shale: vari-colored, tan brown, gray, reddish-brn, maroon, calcareous. Also argillaceous, f-xln, ls.

Limestone: gray to tan, fossil debris, fuss., pellets, organic matter, fecal pelletoids, f- to micro-xln, packstone to wackestone.

Shale: reddish-tan, gray to dark gray, calcareous, fussulinids, micaceous, silty streaks,

Howard 3046 (-1025)

Limestone: tan to lt gray, arg lams., pelletal packstone, brach., flattened oolites, fossil debris, f-xln.

Oolitic grainstone, cream, thin, chalky matrix. Fair porosity, no shows.

Limestone: gray to brown, dark-colored, micro-xln matrix, fossiliferous, brach, free oolites, wackestone.

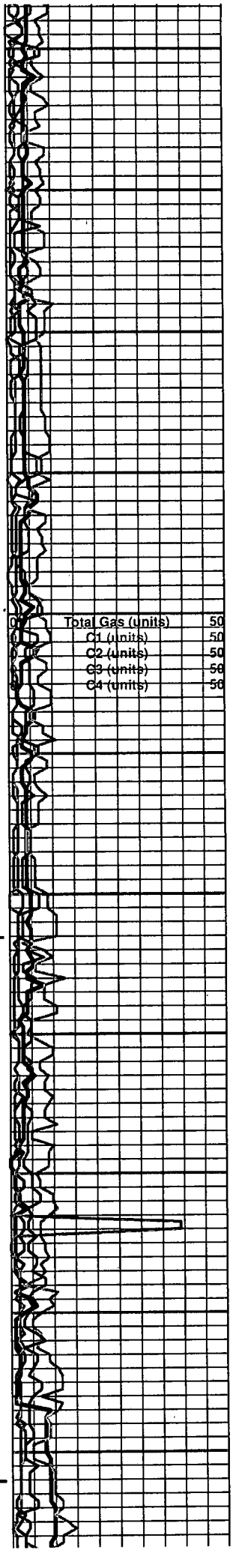
Limestone: lt gray to tan, f-xln, fossiliferous (crin, brach) to pelletal to oolite-bearing, grainstone to packstone. Tan micrite, argillaceous stringers.

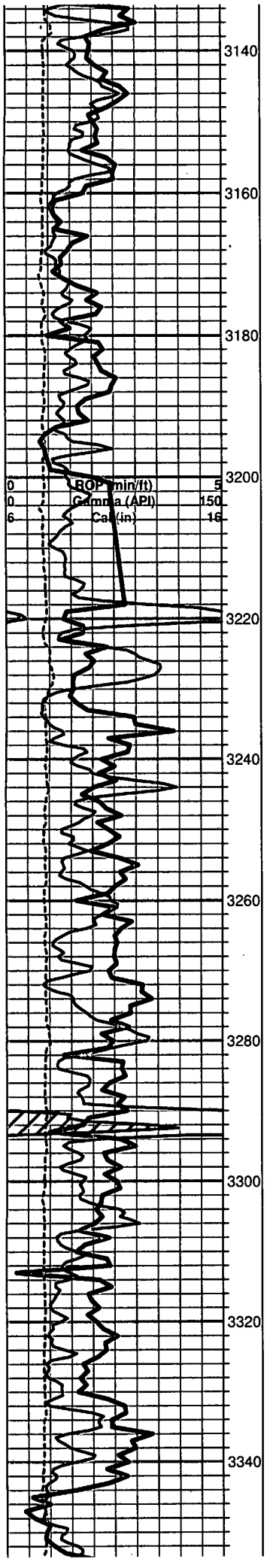
Limestone as above w/ shaley stringers.

Shale: gray, calcareous, fossils.

Topeka 3126 (-1105)

Limestone: brown to lt gray, fossil frags, pellets, arg, f- to crypto-xln wackestone to mudstone., tight, no shows.





Limestone: lt gray to lt tan, f-xln matrix, fossils: brach, fuss, spicules, wackestone, becomming mudstone w/ depth.

Limestone: cream to lt gray, fossil frags, pellets, med-xln to micro-xln matrix, wackestone. Tr lt gray to white mottled, fossiliferous, vitreous chert.

Limestone as above, w/o chert, some is packstone. Tr black shale, carbonaceous, calcareous.

Limestone: cream to lt tan to lt gray, fossiliferous, crin., fuss., brach., mostly f-xln, wackestone, tr sparry calcite (re-crystallized), Chert: vitreous, lt gray to white to lt tan, mottled, fossiliferous. Tr black shale.

Shale: black, carbonaceous, calcareous.

Limestone: cream to lt tan to lt gray, oolitic/fossiliferous grainstone to lithographic micrite. Tight, no shows.

Limestone: light gray to lt tan, lithographic micrite, to sli foss wackestone, crypto- to micro-xln.

Limestone: vy lt gray, sli foss, fuss., brach., debris, in a vf-xln matrix, wackestone, dense & tight, no shows.

Limestone: as above w/ crinoids, bryozoans. Also lt gray micrite, sli lithographic.

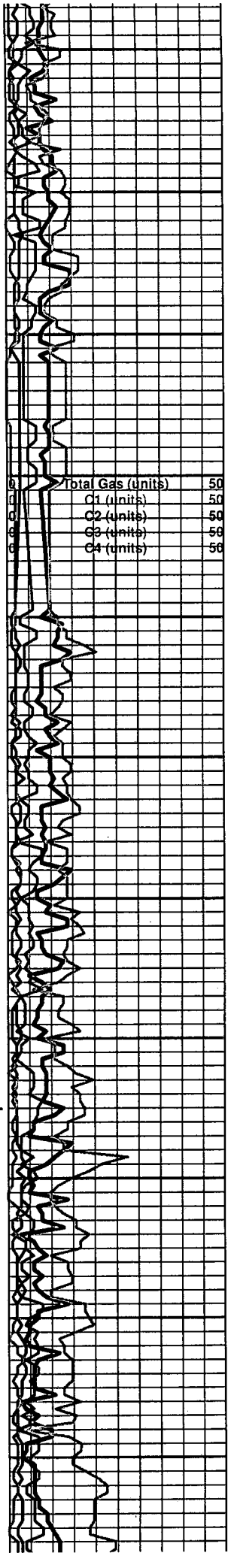
Queen Hill Shale 3290 (-1269)

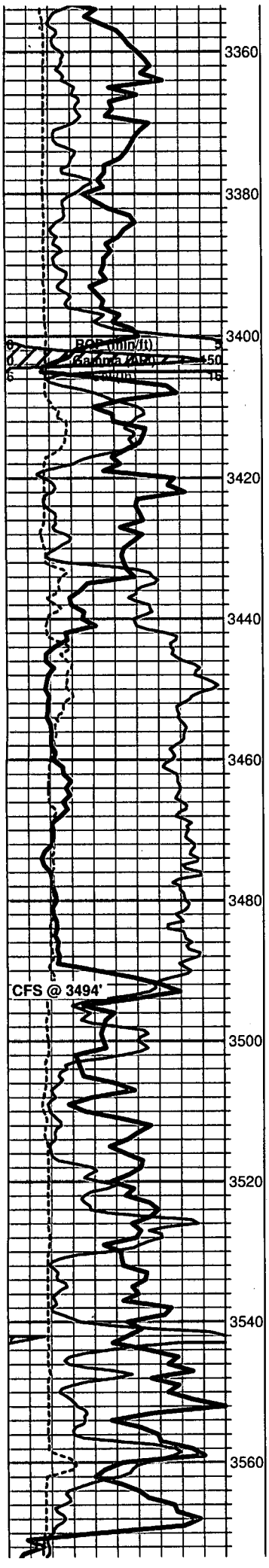
Shale: black, carbonaceous, dolomitic.

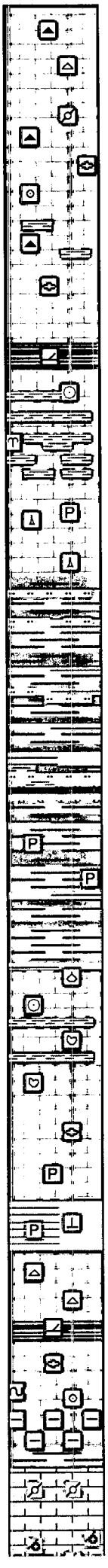
Limestone: lt gray, vy sli fossiliferous, crypto- to micro-xln, mudstone to wackestone. Some thin shale laminations.

Limestone as above w/ spicular, vitreous lt gray to gray chert.

Limestone as above w/ brown, grannular, med-xln wackestone.







Limestone: lt gray, micro- to f-xln, fossiliferous, fussulinids, tr oolites, tr pellets, mud-supported, wackestone. Tr gray fossiliferous, vitreous chert.

Limestone as above w/ thin shaly laminations and some micrite. Minor amounts of chert.

Limestone; lt gray, micritic w/ fussulinids.

10' samples begin at 3400'.

Heebner 3401 (-1380)

Shale: black, carbonaceous, dolomitic. First appeared in the 3430-3440' sample.

Limestone: brown to tan, fossiliferous, crinoids, bryo., argillaceous (mainly in laminations), f-xln, wackestone.

Toronto 3420 (-1399)

Limestone: white to cream to lt gray, micritic w/ sparry patches, lithographic. Clean lime-mud w/ tr pyrite. Tr fossil frags, spicules. Pyrite increases with depth.

Douglas 3435 (-1414)

Douglas Shale first appeared in the 3470-3480' sample.

Shale: brown, reddish-brn, gray, black, calc in spots, tr siltstone.

Shale: gray, dark gray, lt gray, brown, calcareous, w/ thin frags of siltstone. Tr pyrite.

Stop to circulate the gas kick. Change in background gas.

Brown Lime 3490 (-1469)

Limestone: brown, fossiliferous, crinoids, brach, and other fragments suspended in a f-xln to micro-xln matrix, wackestone.

Lansing 3505 (-1484)

Limestone: lt tan to white, crypto-xln, lithographic micrite. Stylolites, sparry patches. Echinoid spines. Hard, dense, tight, no porosity, no shows.

Tr fussulinids. Tr small (0.1mm) pyrite inclusions.

Shale: lt gray to med gray, soft, calc. Tr pyrite.

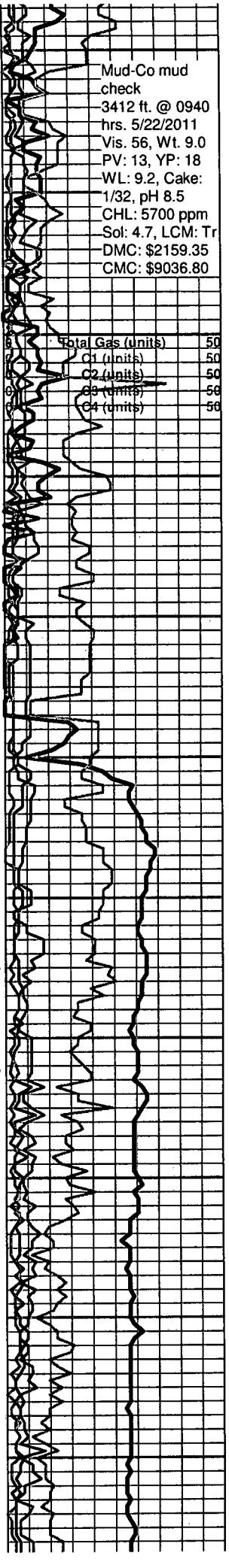
Limestone as above w/ chert: lt gray mottled with white fossils (spicules, fuss.), vitreous, conchoidal fractures. No shows.

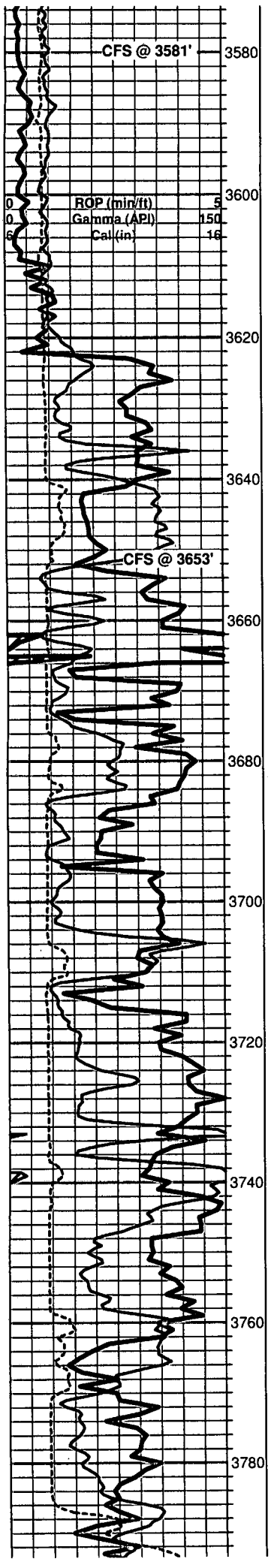
Black shale, carbonaceous, dolomitic.

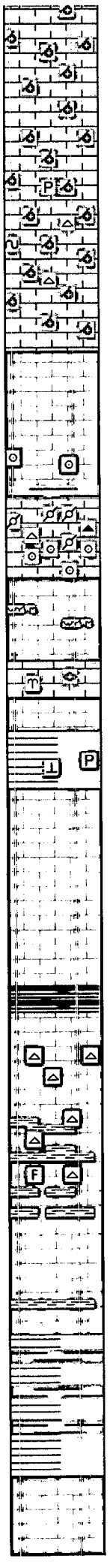
Limestone: tan, sli fossiliferous, fuss, tr glauc., tr oolites, f-xln to micro-xln matrix, wackestone. No shows.

Limestone: tan to mottled lt gray, pelletal, sli oolitic, some fossil debris, packstone. Inter-layered w/ argillaceous, brown wackestone. No shows.

Limestone: cream, oolitic grainstone w/ good inter-xln porosity, and excellent oomoldic porosity. Oolites range from 0.2-1.0mm in dia. No







excellent oomoldic porosity. Oolites range from 0.2-1.0mm in dia. No aroma, no shows, no gas.

Tr pyrite, glauconite, lt gray, vitreous chert.

Limestone: lt gray micrite, crypto-xln, tight, no shows.

Dense, well-cemented oolites.

Limestone: tan to lt brown, pelletal, crinoidal packstone, f-xln matrix w/ little porosity. Chert: lt brown to lt gray to tan, vitrious, translucent.

Oolitic grainstone w/ good oomoldic porosity, but no shows.

Limestone: cream to tan, crypto-xln, sli lithographic (sparry calcite), tr stylolites, tight, no shows.

Limestone as above, w/ brown, fossiliferous, bryo, spicules, fuss, f-xln, packstone, no shows.

Limestone: cream, micrite, dense, tight, no shows.

Shale: gray to dark gray, pyritic, calc., hard for a shale.

Limestone: cream to lt tan, crypto-xln, sli lithographic, micrite. No porosity, no shows.

Stark Shale 3712 (-1691)

Shale: black, carbonaceous, dolomitic.

Limestone: cream to lt gray, crypto-xln micrite, sli fossiliferous, crinoids, tr stylolites. Chert: tan, spicular, vitreous, conchoidal fractures w/ sharp edges.

Limestone: brown, sli foss., argillaceous streaks, shaley laminations, wackestone. No porosity, no shows.

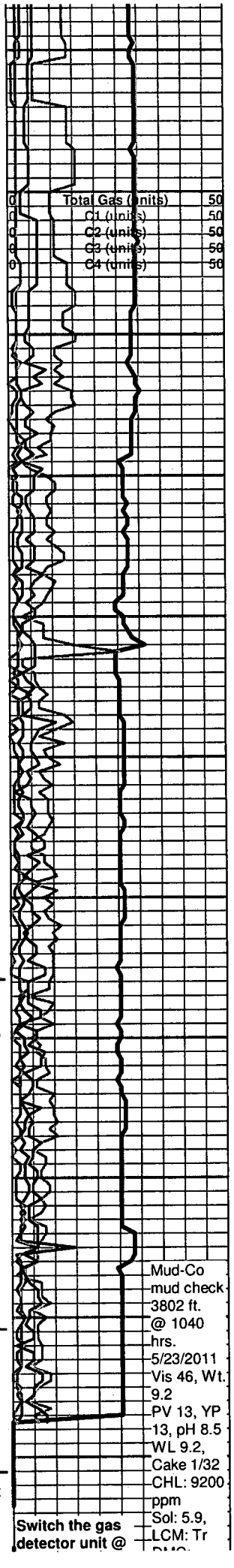
Limestone: cream to lt tan, crypto-xln micrite w/ a few sparry patches. tight, dense, no shows.

Shaley limestone gray to brown, f-xln, no shows.

Base Kansas City 3762 (-1741)

Marmaton 3782 (-1761)

Limestone: orange to mottled orange and white, f-xln, mudstone. Also lt tan micrite.



Circulate while fixing gas detector.

ROP (min/ft) 5
Gamma (API) 150
Cal (in) 16

3800
3820
3840
3860
3880
3900
3920
3940
3960
3980
4000

DST #1

CFS @ 3860'

Conglomerate flooded the samples after circ.

Conglomerate section: maroon and mottled gray and maroon shale. Also lt gray, gray and lt greeinsh-gray shale, non-calc.

Tr of lt gray, f-xln, dolomite w/ red streaks (karst-type).

Shale conglomerate as above w/ olive drab shale.

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As above, w/ f-gr individual sand fragments in the bottom of the tray, well-rounded, clear, glassy.

1.0 mm dia marcasite spheres..Shales as above. Same sand grains in the bottom of the tray. One small intact fragment of sandstone was found w/ spotty oil show, slow streaming cut, bright yellow fluor. Some frags w/ vfgr ss have dead oil flakes (gilsonite?) that cuts slowly.

Arbuckle 3850 (-1829)

60 min sample: dolomite, white, succrosic, arrenaceous, no show of oil. Fair hydrocarbon aroma in sample cup. The Simpson sand oil show came from the 60 min sample.

The first two samples after the DST were all conglomerate cavings.

Dolomite: white to cream, med-xln, succrosic, 0.1-0.2mm rhombs, good inter-xln porosity, sli arenaceous (vfgr sand to silt, and minor clay), no shows. Mixed with f- to micro-xln micritic dolo.

Dolomite as above w/ white to clear, translucent chert. No Shows.

Dolomite: lt tan with a faint pinkish cast, succrosic (0.1-0.4mm rhombs), good inter-xln porosity, no shows.

Dolomite as above, but lt tan in color. No shows.

Dolomite: cream to lt tan, succrosic, some frags with well-rounded, fgr sand grains. No shows.

Dolomite as above, but some fragments were originally oolitic ls. w/ round vugs and ghost oolites. No shows.

Dolomite, tan to cream, f- to med-xln, succrosic. No shows.

Tr gray to tan chert, vitreous, oolitic in parts.

RTD 3980' @ 1313 hrs.

Superior Well Services Logged TD 3980 ft.
Complete logging operations @ 0100 hrs.
5/25/2011

Geologist: Charlie Sturdavant off location @ 0230 hrs 5/25/2011

3802'.

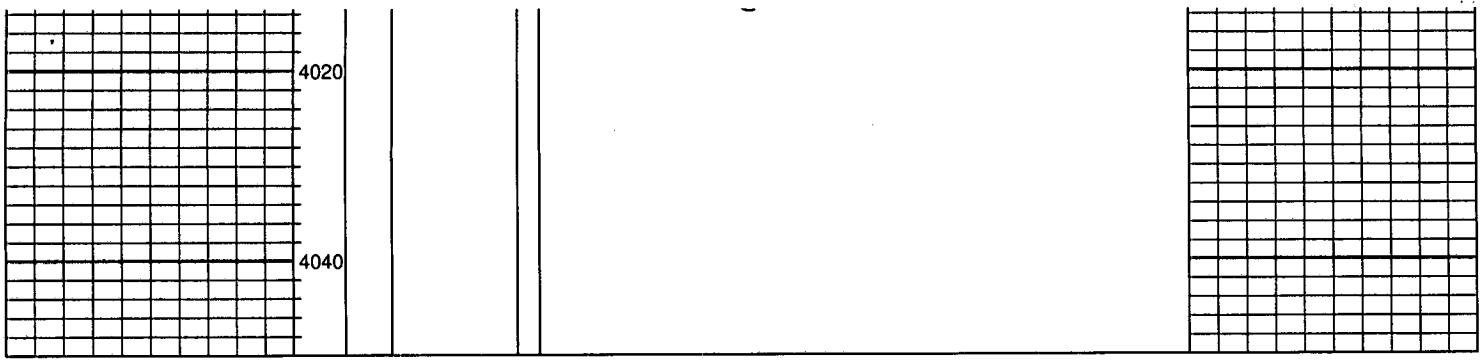
DMC: $1019.55
CMC: $10056.35

Total Gas (units) 50
C1 (units) 50
C2 (units) 50
C3 (units) 50
C4 (units) 50

Strap was 2.38' short to board.

Mud-Co mud check, 3860 ft. @ 0940 hrs. 5/24/2011
Vis 66, Wt. 9.1
PV 20, YP 17
WL 8.4, pH 12.0
Cake 1/32
CHL: 6500 ppm
Sol: 5.3, LCM: 0
DMC: $1830.75
CMC: $11887.10

Total Gas (units) 50
C1 (units) 50
C2 (units) 50
C3 (units) 50
C4 (units) 50



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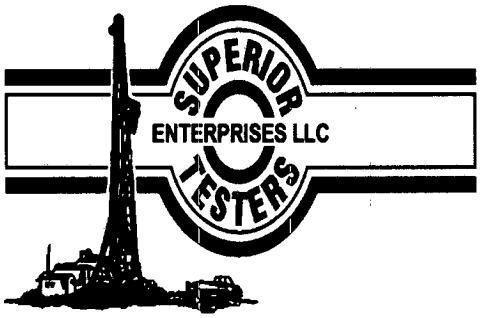


DRILL STEM TEST REPORT

Prepared For: **Shelby Resources L.L.C.**

Canal Blvd 2717 Suite C
Hays ,Ka nsas 67601

ATTN: Charlie Sturdavant

21-21s-16w Pawnee

Airport #1-21

Start Date: 2011.05.24 @ 10:25:00
End Date: 2011.05.24 @ 00:00:00
Job Ticket #: 16499 DST #: 1

Superior Testers Enterprises LLC
PO Box 138 Great Bend KS 67530
1-800-792-6902

Printed: 2011.05.24 @ 06:36:08

DRILL STEM TEST REPORT

Shelby Resources L.L.C.

Canal Blvd 2717 Suite C
Hays ,Ka nsas 67601

ATTN: Charlie Sturdavant

Airport #1-21

21-21s-16w Pawnee

Job Ticket: 16499 **DST#: 1**

Test Start: 2011.05.24 @ 10:25:00

GENERAL INFORMATION:

Formation: **Simpson-Arbuckle**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 00:00:00
Time Test Ended: 00:00:00

Test Type: Conventional Bottom Hole (Initial)
Tester: Gene Budig
Unit No: 3335-42

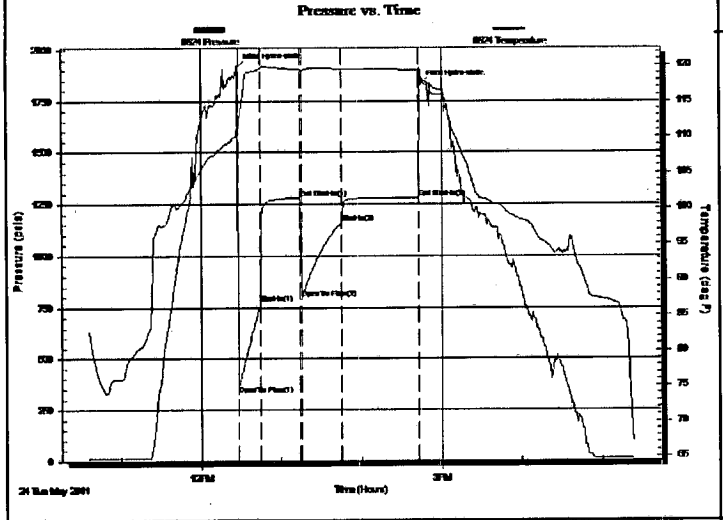
Interval: 3782.00 ft (KB) To 3860.00 ft (KB) (TVD)
Total Depth: 3860.00 ft (KB) (TVD)
Hole Diameter: 7.88 inches Hole Condition: Fair

Reference Elevations: 2021.00 ft (KB)
2010.00 ft (CF)
KB to GR/CF: 11.00 ft

Serial #: 8524 **Inside**
Press@RunDepth: 1281.23 psia @ 3855.53 ft (KB)
Start Date: 2011.05.24 End Date: 2011.05.24
Start Time: 10:36:00 End Time: 17:24:00

Capacity: 5000.00 psia
Last Calib.: 2011.05.24
Time On Btm: 2011.05.24 @ 12:27:30
Time Off Btm: 2011.05.24 @ 14:44:00

TEST COMMENT: 1st Opening 15 Minutes-Good blow built to the bottom of a 5 gallon bucket in 1 minute and decreased
1st Shut-In 30 Minutes-No blow back
2nd Opening 30 Minutes-Good blow built to the botttom of a 5 gallon bucket in 1 minute and decreased
2nd Shut-In 60 Minutes-No blow back



PRESSURE SUMMARY

Time (Min.)	Pressure (psia)	Temp (deg F)	Annotation
0	1916.31	111.60	Initial Hydro-static
1	324.74	111.59	Open To Flow (1)
18	772.71	119.66	Shut-In(1)
47	1279.60	119.44	End Shut-In(1)
48	795.21	119.17	Open To Flow (2)
78	1161.34	119.51	Shut-In(2)
136	1281.23	119.39	End Shut-In(2)
137	1830.42	119.25	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
500.00	Muddy Water	5.10
2000.00	Water	28.05
0.00	Chlorides 32000	0.00
0.00	Resisitivity 1.1 @ 66 Degrees	0.00

Gas Rates

	Choke (inches)	Pressure (psia)	Gas Rate (Mcf/d)

DRILL STEM TEST REPORT

Shelby Resources L.L.C.

Canal Blvd 2717 Suite C
Hays ,Ka nsas 67601

ATTN: Charlie Sturdavant

Airport #1-21

21-21s-16w Pawnee

Job Ticket: 16499 **DST#: 1**

Test Start: 2011.05.24 @ 10:25:00

GENERAL INFORMATION:

Formation: **Simpson-Arbuckle**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 00:00:00
Time Test Ended: 00:00:00

Test Type: Conventional Bottom Hole (Initial)
Tester: Gene Budig
Unit No: 3335-42

Interval: 3782.00 ft (KB) To 3860.00 ft (KB) (TVD)
Total Depth: 3860.00 ft (KB) (TVD)
Hole Diameter: 7.88 inches Hole Condition: Fair

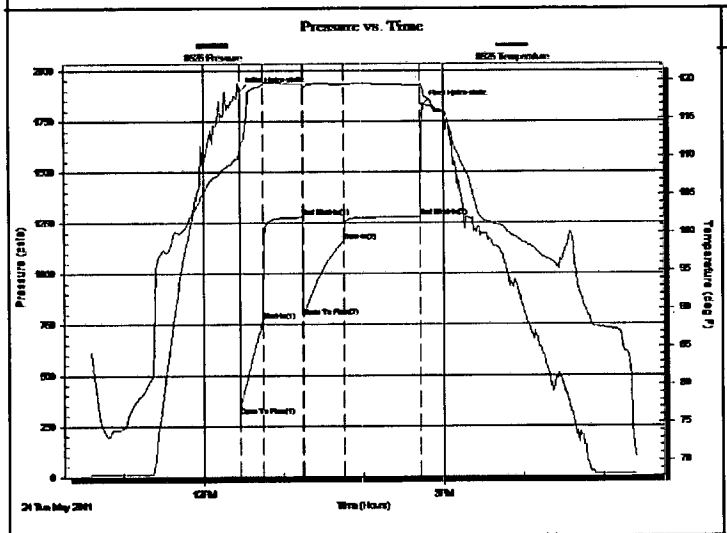
Reference Elevations: 2021.00 ft (KB)
2010.00 ft (CF)
KB to GR/CF: 11.00 ft

Serial #: 8525 **Outside**

Press@RunDepth: 1279.89 psia @ 3856.53 ft (KB)
Start Date: 2011.05.24 End Date: 2011.05.24
Start Time: 10:36:00 End Time: 17:24:30

Capacity: 5000.00 psia
Last Calib.: 2011.05.24
Time On Btm: 2011.05.24 @ 12:27:30
Time Off Btm: 2011.05.24 @ 14:44:30

TEST COMMENT:
1st Opening 15 Minutes-Good blow built to the bottom of a 5 gallon bucket in 1 minute and decreased
1st Shut-In 30 Minutes-No blow back
2nd Opening 30 Minutes-Good blow built to the botttom of a 5 gallon bucket in 1 minute and decreased
2nd Shut-In 60 Minutes-No blow back



PRESSURE SUMMARY

Time (Min.)	Pressure (psia)	Temp (deg F)	Annotation
0	1900.88	111.07	Initial Hydro-static
1	302.82	110.85	Open To Flow (1)
18	769.85	119.59	Shut-In(1)
48	1278.35	119.61	End Shut-In(1)
48	792.75	119.21	Open To Flow (2)
78	1160.05	119.52	Shut-In(2)
136	1279.89	119.37	End Shut-In(2)
137	1832.45	118.72	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
500.00	Muddy Water	5.10
2000.00	Water	28.05
0.00	Chlorides 32000	0.00
0.00	Resisitivity 1.1 @ 66 Degrees	0.00

Gas Rates

	Choke (inches)	Pressure (psia)	Gas Rate (Mcf/d)

DRILL STEM TEST REPORT

TOOL DIAGRAM

Shelby Resources L.L.C.

Canal Blvd 2717 Suite C
Hays ,Ka nsas 67601

ATTN: Charlie Sturdavant

Airport #1-21

21-21s-16w Pawnee

Job Ticket: 16499 **DST#: 1**

Test Start: 2011.05.24 @ 10:25:00

Tool Information

Drill Pipe:	Length:	3549.00 ft	Diameter:	3.80 inches	Volume:	49.78 bbl	Tool Weight:		2000.00 lb
Heavy Wt. Pipe:	Length:	0.00 ft	Diameter:	2.86 inches	Volume:	0.00 bbl	Weight set on Packer:		20000.00 lb
Drill Collar:	Length:	210.00 ft	Diameter:	2.25 inches	Volume:	1.03 bbl	Weight to Pull Loose:		95000.00 lb
					Total Volume:	50.81 bbl	Tool Chased		0.00 ft
Drill Pipe Above KB:		6.00 ft					String Weight:	Initial	68000.00 lb
Depth to Top Packer:		3782.00 ft						Final	82000.00 lb
Depth to Bottom Packer:		ft							
Interval betw een Packers:		77.53 ft							
Tool Length:		106.53 ft							
Number of Packers:		2	Diameter:	6.75 inches					

Tool Comments:

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths	
Shut-In Tool	5.00			3758.00		
Hydrolic Tool	5.00			3763.00		
Jars	7.00			3770.00		
Safety Joint	2.00		Fluid	3772.00		
Packer	5.00			3777.00	29.00	Bottom Of Top Packer
Packer	5.00			3782.00		
Anchor	2.00			3784.00		
Change Over Sub	0.75		Inside	3784.75		
Drill Pipe	64.03			3848.78		
Change Over Sub	0.75			3849.53		
Anchor	5.00			3854.53		
Recorder	1.00	8524	Inside	3855.53		
Recorder	1.00	8525	Outside	3856.53		
Bull Plug	3.00			3859.53	77.53	Bottom Packers & Anchor
Total Tool Length:	**106.53**					

DRILL STEM TEST REPORT

FLUID SUMMARY

Shelby Resources L.L.C.

Canal Blvd 2717 Suite C
Hays ,Ka nsas 67601

ATTN: Charlie Sturdavant

Airport #1-21

21-21s-16w Pawnee

Job Ticket: 16499 **DST#: 1**

Test Start: 2011.05.24 @ 10:25:00

Mud and Cushion Information

Mud Type:	Gel Chem	Cushion Type:		Oil API:	deg API
Mud Weight:	9.00 lb/gal	Cushion Length:	ft	Water Salinity:	ppm
Viscosity:	46.00 sec/qt	Cushion Volume:	bbl		
Water Loss:	9.19 in³	Gas Cushion Type:			
Resistivity:	ohm.m	Gas Cushion Pressure:	psia		
Salinity:	9200.00 ppm				
Filter Cake:	1.00 inches				

Recovery Information

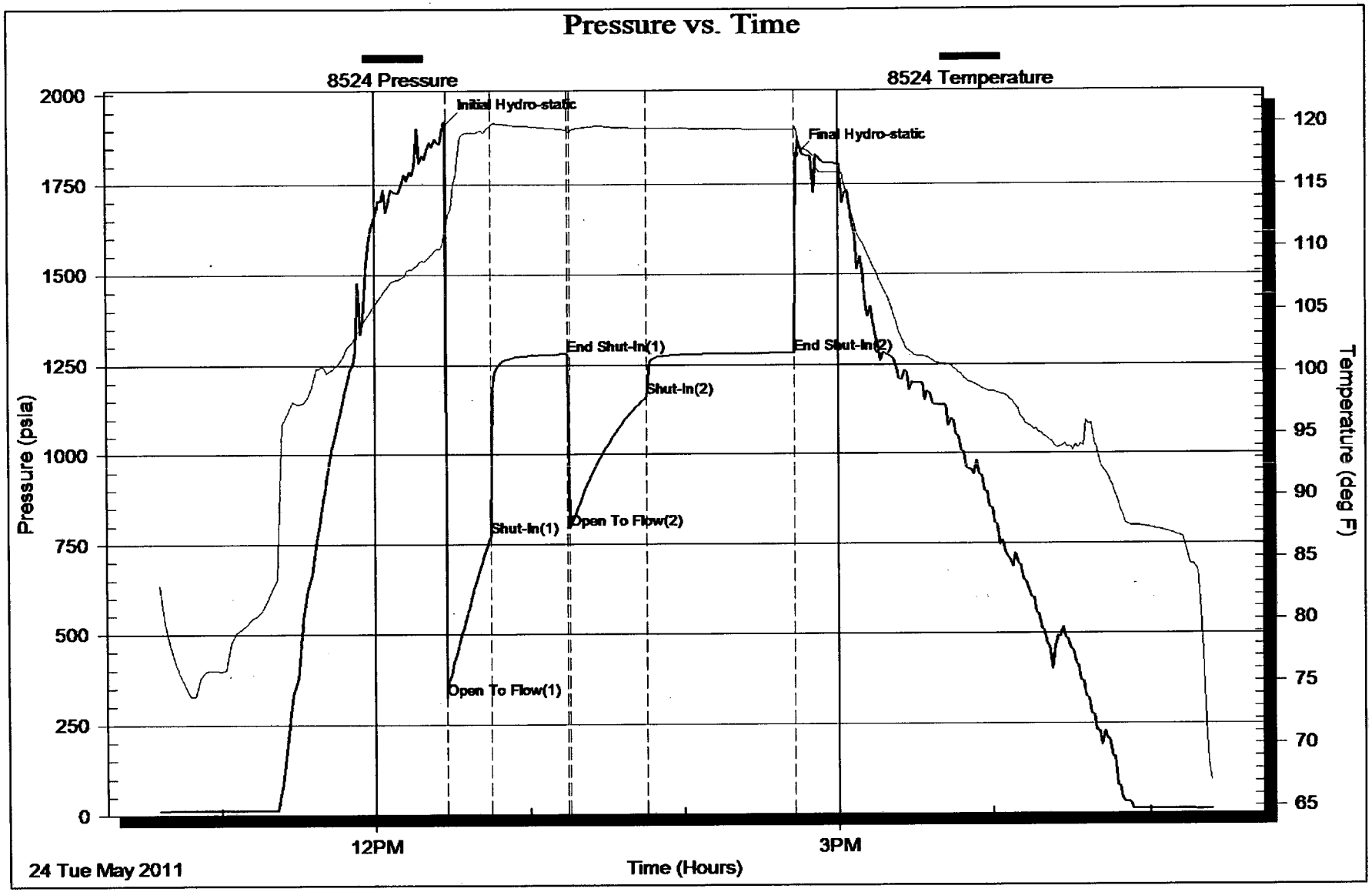
Recovery Table

Length ft	Description	Volume bbl
500.00	Muddy Water	5.101
2000.00	Water	28.055
0.00	Chlorides 32000	0.000
0.00	Resisitivity 1.1 @ 66 Degrees	0.000

Total Length: 2500.00 ft Total Volume: 33.156 bbl

Num Fluid Samples: 0 Num Gas Bombs: 0 Serial #:
Laboratory Name: Laboratory Location:
Recovery Comments:

Serial #: 8524 **Inside** Shelby Resources L.L.C. 21-21s-16w Pawnee DST Test Number: 1



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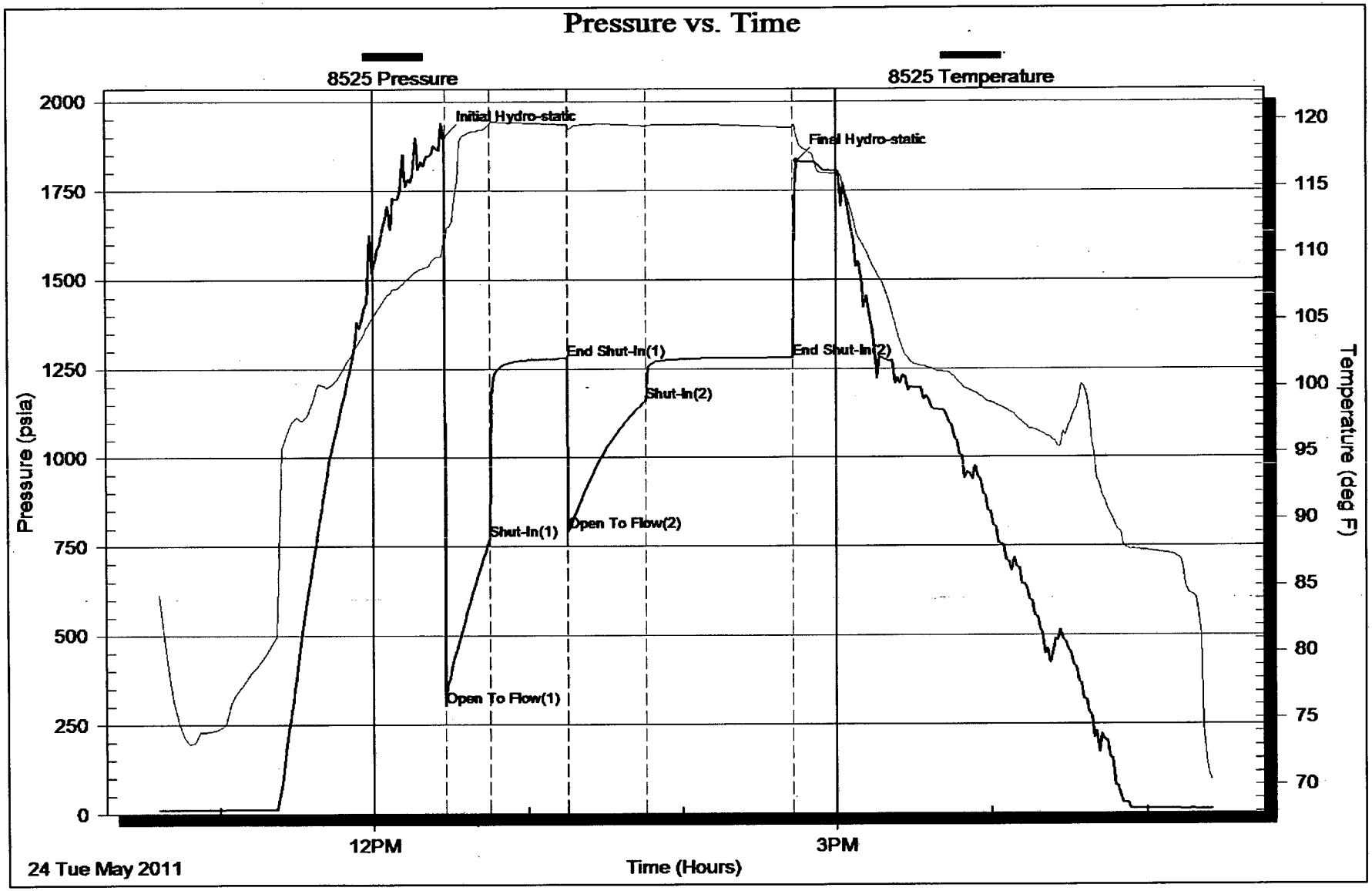
Serial #: 8525 **Outside** Shelby Resources L.L.C. 21-21s-16w Pawnee DST Test Number: 1



Superior Testers Enterprises LLC Ref. No: 16499 Printed: 2011.05.24 @ 06:36:19