



KANSAS CORPORATION COMMISSION 1064711
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 # 33711
Name: B-C Steel, LLC
Address 1: 209 N FRY ST
Address 2: _____
City: YATES CENTER State: KS Zip: 66783 + 1280
Contact Person: Bert Carlson
Phone: (620) 625-2999
CONTRACTOR: License # 33734
Name: Hat Drilling LLC
Wellsite Geologist: Mark Brecheisen
Purchaser: _____

Designate Type of Completion:

- New Well Re-Entry Workover
- Oil WSW SWD SLOW
- 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>8/1/2011</u>	<u>8/11/2011</u>	<u>9/5/2011</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-035-24434-00-00

Spot Description: _____
E2 NW NW NE Sec. 17 Twp. 33 S. R. 6 East West
330 Feet from North / South Line of Section
2127 Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW

County: Cowley

Lease Name: DARFUS STEWART Well #: 17-2

Field Name: _____

Producing Formation: Mississippian

Elevation: Ground: 1329 Kelly Bushing: 1337

Total Depth: 3190 Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at: 466 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: 330 ppm Fluid volume: 3000 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: _____
- Wireline Log Received
- Geologist Report Received
- UIC Distribution
- ALT I II III Approved by: Deanna Garcia Date: 10/21/2011



1064711

Operator Name: B-C Steel, LLC Lease Name: DARFUS STEWART Well #: 17-2
 Sec. 17 Twp. 33 S. R. 6 East West County: Cowley

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 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 checked="" type="checkbox"/> Yes <input 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: Gammy Ray Neutron Cement bond	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Name</th> <th style="text-align: left;">Top</th> <th style="text-align: left;">Datum</th> </tr> </thead> <tbody> <tr> <td>Altamont</td> <td>2786</td> <td>2754</td> </tr> <tr> <td>Pawnee</td> <td>2798</td> <td>2804</td> </tr> <tr> <td>Fort Scott</td> <td>2850</td> <td>2854</td> </tr> <tr> <td>Mississippian</td> <td>3122</td> <td>3124</td> </tr> <tr> <td>Mulberry</td> <td>2786</td> <td>2788</td> </tr> <tr> <td>lexington</td> <td>2816</td> <td>2820</td> </tr> <tr> <td>mulky shale coal</td> <td>2858</td> <td>2862</td> </tr> </tbody> </table>	Name	Top	Datum	Altamont	2786	2754	Pawnee	2798	2804	Fort Scott	2850	2854	Mississippian	3122	3124	Mulberry	2786	2788	lexington	2816	2820	mulky shale coal	2858	2862
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lexington	2816	2820																							
mulky shale coal	2858	2862																							

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	9.2500	8.675	20	466	cement	100	kol-seal
longstring	6.7500	4.500	16.60	3190	quick set	100	kol-seal

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: <u>2.8700</u>	Set At: <u>3190</u>	Packer At:	Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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Date of First, Resumed Production, SWD or ENHR. <u>10/6/2011</u>	Producing Method: <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) _____
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Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
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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) (Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
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Invoice

McPherson Drilling Co.

15256 112th Road
Winfield, Kansas 67156

Phone/Fax: 620-221-3560

Customer:

BC Management Services Corp.
1432 Nighthawk Rd
Yates Center, KS 66783

Date:

8/3/2011

Invoice No.:

20110803

Terms:

Due on receipt

DESCRIPTION	QTY	RATE	AMOUNT
Lease name: Darfus-Stewart #17-2 TD: 466'; set 466' 8 5/8" casing	466	12.50	5,825.00
Cemented with 120 sx pos mix; pumped plug to 440'	1	3,000.00	3,000.00

Total	\$8,825.00
Payments/Credits	\$-6,000.00
Balance Due	\$2,825.00

Thank you for your business! CK# 8762 →
 Bill McPherson
 CK# 8773 →

If mailing payment please send to:
 McPherson Drilling Co.
 PO Box 41
 Burden, KS 67019



CONSOLIDATED
Oil Well Services, LLC

REMIT TO
Consolidated Oil Well Services, LLC
Dept. 970
P.O. Box 4346
Houston, TX 77210-4346

MAIN OFFICE
P.O. Box 884
Chanute, KS 66720
620/431-9210 • 1-800/467-8676
FAX 620/431-0012

INVOICE

Invoice # 243485

Invoice Date: 08/18/2011 Terms:

Page 1

B.C. STEEL GAS LLC
209 N. FRY
P.O. BOX 326
YATES CENTER KS 66783
(620) 625-2999

DARFUS STEWART 17-2
31417
17-338-6E
08-12-11
KS

Part Number	Description	Qty	Unit Price	Total
1126A	THICK SET CEMENT	100.00	18.3000	1830.00
1110A	KOL SEAL (50# BAG)	500.00	.4400	220.00
1123	CITY WATER	3000.00	.0156	46.80
4404	4 1/2" RUBBER PLUG	1.00	45.0000	45.00

Description	Hours	Unit Price	Total
437 80 BBL VACUUM TRUCK (CEMENT)	4.00	90.00	360.00
479 TON MILEAGE DELIVERY	385.01	1.26	485.11
520 CEMENT PUMP	1.00	975.00	975.00
520 EQUIPMENT MILEAGE (ONE WAY)	70.00	4.00	280.00

Parts:	2141.80	Freight:	.00	Tax:	145.64	AR	4387.55
Labor:	.00	Misc:	.00	Total:	4387.55		
Sublt:	.00	Supplies:	.00	Change:	.00		

Signed _____

Date _____

BARTLESVILLE, Ok
918/338-0808

ELDORADO, KS
318/322-7022

EUREKA, Ks
620/583-7664

GILLETTE, WY
307/686-4914

OAKLEY, KS
785/672-2227

OTTAWA, Ks
785/242-4044

THAYER, KS
620/839-5269

WORLAND, WY
307/347-4577



CONSOLIDATED
Oil Well Services, LLC

PO Box 884, Chanute, KS 66720
620-431-9210 or 800-487-8876



ENTERED

FIELD TICKET & TREATMENT REPORT

TICKET NUMBER 31417
LOCATION Eureka, KS
FOREMAN Shannon Feick

CEMENT API # 15-035-24434

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
8-12-11	1102	Darius Stewart 17-2	17	33S	6E	Cowley
CUSTOMER B.C. Stoll LLC			Hat DRLL			
MAILING ADDRESS 209 N. Fry			TRUCK #	DRIVER	TRUCK #	DRIVER
CITY Yates Center			520	Allen B		
STATE KS			479	Calin H		
ZIP CODE 66783			437	Jim M		

JOB TYPE 1/5 oil HOLE SIZE 6 3/4" HOLE DEPTH 3190' CASING SIZE & WEIGHT 4 1/2"
 CASING DEPTH 3170 DRILL PIPE --- TUBING --- OTHER ---
 SLURRY WEIGHT 13.6 # SLURRY VOL 40 Bbl WATER gal/sk 9.0 CEMENT LEFT in CASING None
 DISPLACEMENT 48.5 Bbl DISPLACEMENT PSI 900 MIX PSI 1300 bump Plug RATE 5 BPM

REMARKS: Rig up to 4 1/2" casing. Break circulation with 10 Bbl water, mixed 100 SKS @ 13.6 #. Thick set cement with 5# Kol-seal/sk @ 13.6 #. Shut down wash out pump & lines. Release 4 1/2" Rubber Plug & displace with 48.5 Bbl Water. Final Pumping Pressure of 900 psi, bumped Plug to 1300psi. Wait two minutes release pressure. Plug held good. Job complete

"Thanks Shannon & Crew"

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	975.00	975.00
5406	70	MILEAGE	4.00	280.00
1126 A	100 SKS	Thick Set Cement	18.30	1830.00
1110 A	500 #	Kol-seal @ 5#/SK	.44	220.00
5407A	5.5 Tons	Ton-mileage bulk truck	1.26	485.11
5502 C	4 Hours	90 Bbl Vac Truck	90.00/Hour	360.00
1123	3000 gal	City Water	15.00/1000 gal	46.80
4404	1	4 1/2 Rubber Plug	45.00	45.00
			Sub total	4241.91
			6.8% SALES TAX	145.61
			ESTIMATED TOTAL	4387.55

Revin 3737

AUTHORIZATION Bert Whitmer TITLE 2043485 DATE 8-12-11

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.

Geological Report

Darfus Stewart #17-2
330' FNL; 2127' FEL
NW NW NE; Sec. 17, T33S; R6E
Cowley County, KS
API # 035-24434-00-00

Operator: B-C Steel, LLC., C/O Bert Carlson, 209 North Fry, Yates Center, KS, 66783. (License # 33734)

Drilling Contractor: Hat Drilling. Midway Mud Rotary Rig #2.

Wellsite Geologist: Mark Brecheisen.

Dates Drilled: August 9th, 2011 to August 11th, 2011.

Size Hole: 8 1/4"

Total Depth: 3190'

Elevation: 1337'

Drilling Fluid: Freshwater, bentonite and additives.

Surface Casing: 300' of 8-5/8" casing cement to surface.

Formation Tops: Formation tops were picked from cased- hole electric logs.

Field Name: Wilson

Status: Oil Well.

Oil Shows: Altamont Limestone @2786'-2754'.
Pawnee Limestone @ 2798'-2804'.
Fort Scott Limestone @2850'-2854'
Mississippian Chert (chat) @3122'-3124' & 3137'-3139'

Gas Shows: Mulberry Coal @ 2786'-2788', 56 unit gas kick on hotwire.
Pawnee Limestone @ 2798'-2804', 33 unit gas kick on hotwire.
Lexington Coal and Shale @ 2816'-2820', 48 unit gas kick on hotwire.
Fort Scott Limestone @ 2850'-2854', 66 unit gas kick on hotwire. .
Mulky Shale and Coal @ 2858'-2862' 34 unit gas kick on hot wire.

Water Encountered: No appreciable water encountered upon drilling.

On Location: August 09, 2011, @ 11:30 AM: Left location @ TD. Well Depth of 3190'
@11:23 AM. August 11th, 2011.

1800'-2580': Samples examined for oil content – no sample description available. No oil content observed within this interval; no petroliferous odor/show.

2580'-2590': Limestone, dusky yellowish brown to olive gray, fine crystalline, fairly hard, sucrosic. No petroliferous odor/show.

2590'-2600': South Mound Shale, black, carbonaceous in part; trace of thinly banded vitrain coal present.

2603'-2625': Shale, medium dark gray with traces of red shale present, soft, silty to sandy with few scattered sandstone laminae present.

2625'-2637': Limestone, olive gray, fine crystalline, hard, dense, slightly sucrosic, mottled, no visible porosity. No fluorescence, no petroliferous odor/show.

2637'-2649': Shale, dark gray with traces of red shale present. Soft, greasy to silty/sandy. Traces of black shale present. Calcareous in part, carbonaceous in part

Top of Lenap Limestone @ 2649'(-1329')

2649'-2652': Limestone, olive gray, fine crystalline, hard, dense, sucrosic. No fluorescence, no petroliferous odor/show.

2652'-2666': Cleveland Sandstone, light to medium gray, very fine grained, well sorted with sub-angular to sub-rounded grains, fairly friable, argillaceous, no visible oil staining present.

2666'-2722': Shale, medium to medium dark gray, silty/sandy, fairly hard.

Top of Altamont Limestone @ 2722'(-1385')

2722'-2770': Limestone, dark yellowish brown to olive gray, fine crystalline, good friability, good inter-crystalline porosity in some samples, hard, dense in basal section. A drilling break was encountered from 2744'-2754', a description of that interval is as follows:

- Limestone, light brown to olive gray, fine crystalline, good friability, pinpoint and vugular porosity on samples with light brown oil stain, saturation is uneven, fair to good milky blue cut with good residual oil show to tray under ultraviolet light. Wet acid cut left visible oil in dimple tray under white light indicating good oil saturation. Overall, 60% mottled, bright yellow hydrocarbon fluorescence, excellent petroliferous odor/good show.

It should be noted that a strong petroliferous odor was observed on the drilling floor when this interval was cut. No appreciable gas kick was observed after drilling this interval.

2770'-2786': Shale, medium to medium dark gray with traces of red shale present. Soft and greasy to silty/sandy.

2786'-2788': Mulberry Coal, thinly banded vitrain coal, < 10% flat cleat faces, many conchoidal fractures present. A 56 unit gas kick was observed, on the hotwire, after drilling this interval.

2788'-2790': Shale, dark gray with traces of white underclay present.

Top of Pawnee Limestone @ 2790'(-1453')

2790'-2816': Limestone, dark to dusky yellowish brown, fine crystalline, mottled. very hard, dense, no visible porosity, sucrosic in part. A drilling break was encountered from

2798'-2804', A description of that interval is as follows:

- Limestone, dark yellowish brown, fine crystalline, pinpoint and vugular porosity on 40% to 50% of samples. These samples exhibited mottled to even light brown oil stain on their surfaces, saturation was mottled to even. When tested for oil content, samples showed a slow, uneven, fair to good milky blue cut; oil visible in dimple tray with wet acid cut, good residual show to tray after cut when examined under ultraviolet light. Strong petroliferous odor/good show.

A 36 unit gas kick was observed on the hot wire after drilling this interval.

2816'-2820': Lexington Shale, black, fissile, and carbonaceous in part. A 48 unit gas kick was observed, on the hot wire, after drilling this interval.

2820'-2827': Shale, dark gray, hard, and calcareous in part.

Top of Fort Scott Limestone @ 2827'(-1490')

2827'-2847': Limestone, pale yellowish brown, fine crystalline, very friable, mottled in part. good inter-crystalline porosity. A drilling break was encountered from 2850'-2854': a description of that interval is as follows:

- Light brown oil stain on many sample surfaces, staining is mottled to mostly even, saturation is poor to fair: slow, uneven, fair milky blue cut: fair residual oil show to tray after cut when examined under ultraviolet light. No residual show to tray in white light. 25% mottled to even bright yellow hydrocarbon fluorescence. Good petroliferous odor/fair show.

A 66 unit gas kick was observed on the hot wire, after drilling this interval.

2847'-2854': Summit Shale, dark to black, carbonaceous in part.

2854'-2858': Limestone, pale yellowish brown, fine crystalline, fairly friable, sucrosic. 60% even medium bright yellow hydrocarbon fluorescence.

2858'-2862': Mulky Shale and Coal, shale dark gray to black, carbonaceous, pyritic with traces of thinly banded vitrain coal present. A 34 unit gas kick was observed, on the hot wire, after drilling this interval.

Top of the Cherokee Group @ 2862'(-1525')

2862'-2916': Shale medium dark gray, silty/sandy, micaceous in part, fairly soft, traces of sandstone present: medium dark gray, very fine grain, well sorted with subangular to subrounded grains, very friable micaceous.

argillaceous. Trace of even variegated, yellow mineral fluorescence.
No petroliferous odor/show.

2916'-2942': Shale, medium to dark gray with traces of black shale and coal present. Fissile in part, pyritic in part, silty/sandy in part, traces of sandstone present-medium dark gray, very fine grain, micaceous argillaceous, slight oil staining on surface of few samples, no saturation. Overall trace off mottled, very dull yellow hydrocarbon fluorescence. No petroliferous odor/show.

Top of the Ardmore (Verdigris) Limestone @ 2942' (-1605')

2942'-2944': Limestone, very dusky red, very fine crystalline, extremely hard, dense, no visible porosity. Trace of mottle dull yellow fluorescence, no petroliferous odor/show.

2944'-2949': Shale medium dark gray to black, carbonaceous in part, gas bubbles observed popping out of some black shale samples. No gas show on hot wire.

2949'-3119': Shale, medium to dark gray with traces of pale green, red and black present. Soft, greasy to silty/sandy. Few traces of interbedded limestone and sandstone present. Pyrite traces observed with black shale. Overall no fluorescence, no petroliferous odor/show.

Top of the Mississippian @ 3119' (-1782')

3119'-3140': Shale (40%), medium to dark gray pyritic in part, traces of pale green and dusky blue shale present. Limestone (35%) pale yellowish brown, fine crystalline, fairly friable glauconitic. Chert (25%) yellowish gray to light brown, very hard, amorphous. Oil shows from 3122'-3124' and 3137'-3139' are described as follows:

- Chert amorphous for most samples containing oil, few tripolitic samples present with pinpoint and vugular porosity present. Samples drusy in appearance with light brown pinpoint to mottled oil stain present. Samples containing oil represent a small percentage of total chert samples. Samples exhibit slow, uneven poor milky blue cut. Samples exhibit fair residual show to tray under ultraviolet light. Overall 20% pin point to mottled bright yellow mineral and hydrocarbon fluorescence. Weak petroliferous odor/poor show.

No gas show detected after drilling this interval. Mississippian is nonviable for commercial production due to poor oil content and low porosity.

3140'-3190': Limestone (60%), olive gray fine crystalline, very hard, dense, sucrosic, no visible porosity. Shale (40%), medium dark gray to dark gray, soft, greasy, calcareous. 5% trace, even, dull yellow mineral fluorescence. No petroliferous odor/show.

T.D. @ 3190' @ 11:23 pm, August 11th, 2011

Mark D. Brecheisen

Geologist