

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

WELL PLUGGING APPLICATION

Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act,
MUST be submitted with this form.

Form CP-1
March 2010

This Form must be Typed
Form must be Signed
All blanks must be Filled

OPERATOR: License #: 32204
Name: REDLAND RESOURCES, INC.
Address 1: 6001 NW 23RD STREET
Address 2: _____
City: OKLAHOMA CITY State: OK Zip: 73127 + _____
Contact Person: ALAN THROWER
Phone: (405) 789-7104

API No. 15 - 083-21186-00-01
If pre 1967, supply original completion date: _____
Spot Description: _____
NW SW NE NE Sec. 31 Twp. 23 S. R. 24 ☐ East ☒ West
966 Feet from ☒ North / ☐ South Line of Section
2,356 Feet from ☒ East / ☐ West Line of Section
Footages Calculated from Nearest Outside Section Corner:
☒ NE ☐ NW ☐ SE ☐ SW
County: HODGEMAN COUNTY
Lease Name: BAILEY SWD OWWO Well #: 1

Check One: ☐ Oil Well ☐ Gas Well ☐ OG ☒ ~~OG~~ ☐ Cathodic ☐ Water Supply Well ☒ Other: LTH
☐ SWD Permit #: _____ ☐ ENHR Permit #: _____ ☐ Gas Storage Permit #: _____

Conductor Casing Size: _____ Set at: _____ Cemented with: _____ Sacks
Surface Casing Size: 8.625" Set at: 477' Cemented with: UNKNOWN Sacks
Production Casing Size: _____ Set at: _____ Cemented with: _____ Sacks

List (ALL) Perforations and Bridge Plug Sets:

Elevation: 2442' (☒ G.L. / ☐ K.B.) T.D.: 1033' PBTD: _____ Anhydrite Depth: _____
(Stone Corral Formation)

Condition of Well: ☐ Good ☐ Poor ☐ Junk in Hole ☒ Casing Leak at: 845-900
(Interval)

Proposed Method of Plugging (attach a separate page if additional space is needed):

PER KCC ORDERS

Is Well Log attached to this application? ☐ Yes ☒ No Is ACO-1 filed? ☒ Yes ☐ No

If ACO-1 not filed, explain why:

Plugging of this Well will be done in accordance with K.S.A. 55-101 et. seq. and the Rules and Regulations of the State Corporation Commission

Company Representative authorized to supervise plugging operations: DAVID HICKMAN
Address: P O BOX 693 City: LAVERNE State: OK Zip: 73848 + _____
Phone: (580) 334-7013
Plugging Contractor License #: 5929 Name: DUKE DRILLING CO
Address 1: P O BOX 823 Address 2: _____
City: GREAT BEND State: KS Zip: 67530 + _____
Phone: (620) 793-8366
Proposed Date of Plugging (if known): 07/22/11

Payment of the Plugging Fee (K.A.R. 82-3-118) will be guaranteed by Operator or Agent

Date: 10/25/11 Authorized Operator / Agent: _____

Alan Thrower
(Signature)

RECEIVED

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

OCT 27 2011

KCC WICHITA

ALR. PLUGGED - NO LTR.

POST. 1

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

**CERTIFICATION OF COMPLIANCE WITH THE
KANSAS SURFACE OWNER NOTIFICATION ACT**

Form KSONA-1
July 2010
Form Must Be Typed
Form must be Signed
All blanks must be Filled

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: ☐ C-1 (Intent) ☐ CB-1 (Cathodic Protection Borehole Intent) ☐ T-1 (Transfer) ☒ CP-1 (Plugging Application)

OPERATOR: License # 32204
Name: REDLAND RESOURCES, INC.
Address 1: 6001 NW 23RD STREET
Address 2: _____
City: OKLAHOMA CITY State: OK Zip: 73127 + _____
Contact Person: ALAN THROWER
Phone: (405) 789-7104 Fax: (405) 789-7116
Email Address: at.redland@gmail.com

Well Location: NW SW NE NE Sec. 31 Twp. 23 S. R. 24 ☐ East ☒ West
County: HODGEMAN COUNTY
Lease Name: BAILEY SWD OWWO Well #: 1

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Surface Owner Information:

Name: FRANK E. BAILEY, JR.
Address 1: P O BOX 41
Address 2: _____
City: LEWIS State: KS Zip: 67552 + _____

When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

- ☒ I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- ☐ I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 10/25/11 Signature of Operator or Agent: Alan Thrower Title: PRESIDENT

RECEIVED
OCT 27 2011
KCC WICHITA

Redland Resources, Inc.

October 26, 2011

Kansas Corporation Commission
Conservation Division
130 S. Market Street, Suite 410
Wichita, KS 67202

Re: Bailey SWD OWWO #1
API # 15-083-21186-00-01
Section 31-23S-24W
Hodgeman County, OK

Gentlemen:

The Well Completion Form, Plugging Application and Well Plugging Record for the above referenced well were mailed from our office yesterday without including the cementing ticket for the plugging of the well. The cementing ticket is enclosed.

Please let me know if you have any questions.

Sincerely

REDLAND RESOURCES



Alan Thrower
President

RECEIVED
OCT 28 2011
KCC WICHITA



BASIC
ENERGY SERVICES
PRESSURE PUMPING & WIRELINE

10244 NE Hwy. 61
P.O. Box 8613
Pratt, Kansas 67124
Phone 620-672-1201

FIELD SERVICE TICKET
1718 04477 A

DATE _____ TICKET NO. _____

DATE OF JOB 7-22-11		DISTRICT KANSAS		NEW WELL <input checked="" type="checkbox"/> OLD WELL <input type="checkbox"/> PROD <input type="checkbox"/> INJ <input type="checkbox"/> WDW <input type="checkbox"/> CUSTOMER ORDER NO.:	
CUSTOMER Red Land Resources, Inc.		LEASE Baily SWD		WELL NO. 1	
ADDRESS		COUNTY Hodgeman		STATE KANSAS	
CITY		STATE		SERVICE CREW Allen, Mike, McGraw	
AUTHORIZED BY		JOB TYPE: PTA		CNW	
EQUIPMENT#	HRS	EQUIPMENT#	HRS	EQUIPMENT#	HRS
28443 P.U.	2				
19903-19905	2				
19932-21010	2				
TRUCK CALLED 7-22-11				DATE	TIME
ARRIVED AT JOB 7-22-11				AM	1200
START OPERATION 7-22-11				AM	515
FINISH OPERATION 7-22-11				AM	800
RELEASED 7-22-11				AM	800
MILES FROM STATION TO WELL 100-miles					

CONTRACT CONDITIONS: (This contract must be signed before the job is commenced or merchandise is delivered).

The undersigned is authorized to execute this contract as an agent of the customer. As such, the undersigned agrees and acknowledges that this contract for services, materials, products, and/or supplies includes all of and only those terms and conditions appearing on the front and back of this document. No additional or substitute terms and/or conditions shall become a part of this contract without the written consent of an officer of Basic Energy Services LP.

SIGNED: [Signature]
(WELL OWNER, OPERATOR, CONTRACTOR OR AGENT)

ITEM/PRICE REF. NO.	MATERIAL, EQUIPMENT AND SERVICES USED	UNIT	QUANTITY	UNIT PRICE	\$ AMOUNT
CP103	60/40 Poz	SK	170		\$ 2040.00
CC200	cement Gel	lb	294		\$ 78.50
CC102	Cell Flake	lb	43		\$ 159.10
F100	Unit mileage charge Pickup	mi	100		\$ 425.00
F101	Heavy Equip mileage	mi	200		\$ 1400.00
F113	Bulk Delivery chg	Tm	73.5		\$ 1176.00
CE202	Depth Charge 1001-2000'	4-hr	1		\$ 1500.00
CE240	Bleeding & mixing Service chg.	SK	170		\$ 238.00
S003	Service Supervisor first 8 hrs on job	EA	1		\$ 125.00
					RECEIVED
					OCT 28 2011
					KCC WICHITA

SUB TOTAL **\$ 5,677.41**

CHEMICAL / ACID DATA:			

SERVICE & EQUIPMENT	%TAX ON \$	
MATERIALS	%TAX ON \$	
TOTAL		

SERVICE REPRESENTATIVE [Signature]

THE ABOVE MATERIAL AND SERVICE ORDERED BY CUSTOMER AND RECEIVED BY: [Signature]

(WELL OWNER OPERATOR CONTRACTOR OR AGENT)

FIELD SERVICE ORDER NO.

Agreement of Terms and Conditions

All sales of services, products, or materials by Basic Energy Services LP, (hereinafter called BES) to any Customer, unless otherwise set out in writing, are subject to the terms and conditions set out herein.

Terms:

All Service Charges and materials included in service price list are NET. Unless satisfactory credit has been established, cash payment will be required in advance. Credit Customer agrees to pay BES in its office in Cisco, Texas, for all services and materials on or before the 20th of the following month after the date of the invoice. Customer's invoice is considered in default if payment has not been received by the last day of the month following the month in which the invoice is dated and services delivered. Past due accounts will be subject to a charge for interest at the highest rate allowable by law, and if placed in the hands of an attorney for collection, Customer agrees to pay all collection costs, reasonable attorney fees, and court costs.

Taxes:

All prices are exclusive of any Federal, State or Special Taxes imposed on the sale or use of the merchandise and services listed, which taxes will be added to quoted prices where applicable. If payment of any applicable royalty or license fee is required in connection with any service performed by BES for Customer, such royalty or license fee will be billed to the Customer in addition to the price of the services performed.

Special Pricing Provisions:

All materials listed in the price schedule are F.O.B. our field stock.

All prices are subject to change without notice.

The prices in this price list apply to normal operations. Special jobs under unusual circumstances on jobs requiring unusual mobilization of equipment and/or personnel, such as blowouts, experimental jobs, etc., are to be subject to special price quotations.

Orders for products of special design, size or materials are not subject to cancellation after processing of such order has begun by BES. Equipment altered, made to Customer's specifications, or requiring special handling, is subject to special prices.

If materials or services are ordered and the Customer cancels same after the materials have been prepared, a charge will be made to the Customer for expenses incurred.

Customer states that the well and all support personnel and services not being supplied by BES are ready and in condition to receive the materials and services being supplied by BES. Customer will be subject to a charge for "stand-by" time incurred by BES. For all BES services, stand-by time is all time our equipment is on location prior to commencement of operations or after completion of operations and is not operating for reasons not within the control of BES. Stand-by time is calculated from time of arrival on location or arrival time as scheduled by Customer, whichever is later, and until equipment is released by Customer.

Towing Charges:

We will make reasonable attempts to get to and from the well under our own power. Should we be unable to do so because of poor or inadequate road conditions, and it becomes necessary to employ a tractor or other pulling equipment, such equipment will be supplied by the customer, or if furnished by us, the cost will be charged to the customer. In either event, Customer assumes liability for any damages arising from such pulling or arising from inadequate access to the well site.

Product Return:

Any BES Products that have been in the hands of the Customer, if not special or obsolete, will be accepted for credit, subject to our approval and inspection, if they are new unused and in salable condition. The Customer will pay the return freight, and will receive credit at the original purchase price less the original outbound freight. Any material classified or ordered as special is not subject to return or cancellation privileges.

Service Warranty:

There are obviously many conditions in and about the well which we can have no knowledge and over which we can have no control. Therefore, we do not guarantee any particular results from services to be performed hereunder. In interpreting information and making recommendations, either written or oral, as to type or amount of material or service to be furnished, or manner of performance, or in predicting results to be obtained therefrom, BES will give Customer the benefit of its best judgment based on its experience in the field. However, due to the Customer's control of the well the impracticality of providing BES with all the data concerning same, and the necessary reliance of BES upon supporting services, data and facts supplied by others, BES does not guarantee or warrant the accuracy or correctness of any facts, information or data furnished by BES or any interpretation of tests, meter readings, chart information, analysis of research or recommendations made by BES, unless caused by the willful misconduct or gross negligence of BES in the preparation of furnishing of such facts, information or data and NO WARRANTY IS GIVEN CONCERNING THE RECOMMENDATIONS MADE OR SERVICES RENDERED BY THE COMPANY AND NO WARRANTY IS MADE CONCERNING THE RESULTS SOUGHT TO BE OBTAINED THROUGH USE OF MATERIALS RECOMMENDED BY THE COMPANY. The Company's liability for injury to all persons or damage to any property or property rights, including but not limited to reservoir damage sub-surface trespass or drainage, etc., occasioned by reason of materials sold or rented or services performed hereunder shall be limited to those occurring due to the acts of willful misconduct or gross negligence of BES, and Customer agrees to be responsible for and indemnify BES against any loss or damage it may sustain by reason of materials sold or rented or services performed hereunder, unless such loss or damage is caused by the willful misconduct or gross negligence of BES.

Product Warranty:

BES warrants all materials, products and supplies manufactured or furnished by it to be free from defects in material and workmanship, under normal use and service, when installed, used and serviced in the manner provided and intended, and that it can convey good title thereto. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, OR MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. BES's liability and Customer's exclusive remedy in any cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale of use of any products, supplies or materials is expressly limited to the replacement of such products, supplies or materials on the return to BES or at BES's option, to the allowance to the customer of credit for the cost of such items. In no event shall BES be liable for special, incidental, indirect, punitive or consequential damages.

Service Conditions:

Because there are so many uncertain and unknown conditions not subject to our control, we can neither be liable for injuries to property or persons nor for loss or damage arising from the performance of our services or resulting therefrom.

BES shall not be liable or responsible for a Customer shall defend, indemnify, and save BES harmless, and its officers, agents or employees, from and against any and all claims or causes of action for damage to Customer's property and of the well owner, or any third person, and for bodily injury, sickness or disease, including death resulting thereof, brought by or on behalf of Customer, the well owner, or any third person, arising out of or in connection with BES's performance of services or the furnishing of materials, products and supplies, unless caused by the willful misconduct or gross negligence of BES.

Customer shall also be responsible for and shall defend, indemnify and save BES harmless, and its officers, agents or employees, from and against any and all claims, causes of action and liabilities for damages occur-

ring as a result of sub-surface trespass arising out of any oil well operations or services performed by BES, this provision applying to any claims or legal actions or royalty owners, working interest holders, overriding royalty interest holders, or any other person or concern.

Should any of our equipment, tools or instruments become lost in the well when performing or attempting to perform our services hereunder, it is understood that the Customer shall make reasonable effort to recover the lost equipment. The Customer shall assume the entire responsibility for such fishing operations in the recovery or attempted recovery of any such lost equipment, tools or instruments and if such equipment, tools or instruments are not recovered, Customer shall pay BES its replacement cost unless such loss is due to the sole negligence of BES. If BES's equipment, tools or instruments are damaged in the well, Customer shall pay BES the lesser of its replacement cost or the cost of repairs unless such damage is caused by the sole negligence of BES.

Work done by BES shall be under the direction, supervision and control of the owner, operator, or his agent and BES will perform the work as an independent contractor and not as an employee or agent of the owner or operator.

The Customer shall at all times have complete care, custody and control of the well, the drilling and production equipment at the well and the premises about the well.

Any delays or failure by BES in the performance of this contract shall be excused if and to the extent caused by war, fire, flood, strike, labor trouble, accident riot, acts of God, or any contingencies beyond the reasonable control of BES. Disposal of the chemicals used in the performance of this contract is the responsibility of Customer. Customer agrees the chemicals will be disposed of in accordance with all applicable Federal, State and local laws and regulations.

General Provisions:

Wherever the initials BES appear in this document, they are intended solely to be an abbreviation of Basic Energy Services LP, and are used in substitution of such full name as if the full name were set out in each instance.

Any modifications of this document by the Customer, and all additional or different terms included in the Customer's purchase order or any other document responding to this document, are hereby objected to BY REQUESTING ANY OF THE GOODS AND SERVICES SET FORTH HEREIN. BUYER AGREES TO ALL THE TERMS AND CONDITIONS CONTAINED IN THIS DOCUMENT.

BES reserves the right to change or modify the design of any BES product without obligation to furnish or install such changes or modification on products previously or subsequently sold.

Information regarding our services rendered in Customer's well is held in strict confidence and will be released to others only upon written approval by owner, or when required by Federal, State or Local Laws, Regulations, Orders or Ordinances, or for use as evidence in court proceedings involving the subject matter of services rendered.

Failure to enforce any or all of the herein specified terms or conditions in any particular instance shall not constitute a continuing waiver, or preclude subsequent enforcement thereof.

No employee, representative or agent other than an officer of BES is empowered to alter any of the herein specified terms and conditions.

These terms and condition shall be governed by the laws of the State of Texas, and in case of any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

Customer <u>Redland Resources</u>		Lease No.		Date <u>7-22-11</u>	
Lease <u>Barly SWD</u>		Well # <u>#1</u>			
Field Order # <u>04427A</u>	Station <u>Pratt KS</u>	Casing	Depth	County <u>Hodge</u>	State <u>KS</u>
Type Job <u>PTA (New well)</u>		Formation <u>CNW T.O 1031</u>		Legal Description <u>31-23-24</u>	

PIPE DATA		PERFORATING DATA		FLUID USED	TREATMENT RESUME		
Casing Size	Tubing Size	Shots/Ft		Acid	RATE	PRESS	ISIP
Depth	Depth	From	To	Pre Pad	Max		5 Min.
Volume	Volume	From	To	Pad	Min		10 Min.
Max Press	Max Press	From	To	Frac	Avg		15 Min.
Well Connection	Annulus Vol.	From	To		HHP Used		Annulus Pressure
Plug Depth	Packer Depth	From	To	Flush	Gas Volume		Total Load

Customer Representative <u>David Hickman</u>		Station Manager <u>Scotty</u>		Treater <u>Allen</u>	
Service Units	<u>28443</u>	<u>19903</u>	<u>19905</u>	<u>19832</u>	<u>21010</u>
Driver Names	<u>Allen</u>	<u>Mike</u>	<u>Matt</u>	<u>Mike</u>	<u>McGraw</u>

Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
515					ON Loc. Discuss Safety, Setup, Plan Job
515					Start out of Hole w/ Plug Stands
538					Start Back in Hole w/ D.O
					1st Plug @ 1009
620			10	3	Pump 10 BBLs H ₂ O
			12 1/2	3	Mix + Pump 50 sks 60/40 Poz 4% gel 1/4" cell Flake @ 13.8
			3	3	Pump 3 BBL H ₂ O
630					Pull DP To 534 2nd Plug
645			5	3	D.P. 534 Pump 5 BBL H ₂ O
			12 1/2	3	Mix + Pump 50 sks 60/40 Poz 4% gel 1/4" cell Flake @ 13.8
			2	3	Pump 2 BBLs H ₂ O
700					Pull Drill Pipe
715			5	1	60' To Surface 20 sks 60/40
725					Poz 1/4" cell Flake @ 13.8 (Laydown Kelly)
730			7 1/2		Plug R.H w/ 30 sks (60/40 Poz 4% gel 1/4" CF)
			5		Plug M.H w/ 20 sks
845					Washup & Rack up Equip
					Job complete
					Thanks Allen, Mike & McGraw

RECEIVED
OCT 28 2011
KCC WICHITA