

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE**

ORIGINAL

Form ACO-1
June 2009
**Form Must Be Typed
Form must be Signed
All blanks must be Filled**

OPERATOR: License # 33970
Name: Kerr Oil LLC.
Address 1: 1651 2000 St.
Address 2: _____
City: Iola State: Ks Zip: 66749 + _____
Contact Person: Matt Kerr
Phone: (620) 365-0550

CONTRACTOR: License # 33977
Name: EK Energy
Wellsite Geologist: EK Energy
Purchaser: Pacer Marketing

- 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: 10/10/11 Original Total Depth: 960'
 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 #: _____

10-14-11 10-16-11 10-17-11
Spud Date or Date Reached TD Completion Date or
Recompletion Date ReCompletion Date

API No. 15 - 001-30237-00-00
Spot Description: Kerr Lease
sW Se NW NW Sec. 8 Twp. 24 S. R. 19 East West
1,155 Feet from North / South Line of Section
825 Feet from East / West Line of Section

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

County: Allen
Lease Name: Kerr Well #: 17

Field Name: Tucker
Producing Formation: Tucker

Elevation: Ground: 1000' Kelly Bushing: _____
Total Depth: 960' Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at: 21'3" Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set: _____ Feet
 If Alternate II Completion, cement circulated from: None 960
feet depth to: 0 w/ 105 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 #: _____

**RECEIVED
NOV 09 2011**

KCC WICHITA

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: Matt K
Title: Operator Date: 10-17-11

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: OCT 19 2011
12/21/11

**RECEIVED
OCT 19 2011
KCC WICHITA**

Operator Name: Kerr Oil LLC. Lease Name: Kerr Well #: 17
 Sec. 8 Twp. 24 S. R. 19 East West County: Allen

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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Submitted Electronically <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(If no, Submit Copy)</i> List All E. Logs Run:	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum
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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
casing	5 5/8	2 7/8"		960'	Monarch	105	
surface	9 7/8	7"		20' 1"	Monarch	5	

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

TUBING RECORD: Size: <u>2 7/8</u> Set At: <u>950'</u> Packer At: <u>"</u> Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Date of First, Resumed Production, SWD or ENHR. <u>10/18/11</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. <u>1</u> Gas Mcf <u> </u> Water Bbls. <u>1</u> Gas-Oil Ratio <u> </u> Gravity <u>22</u>

DISPOSITION OF GAS: <input checked="" type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input checked="" 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: <div style="text-align: center; font-weight: bold; font-size: 1.2em;">RECEIVED</div> <div style="text-align: center; font-weight: bold; font-size: 1.2em;">OCT 19 2011</div>
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802 N. Incial Rd.
P.O. Box 664
Iola, Kansas 66749
Phone: (620) 365-5588

Payless Concrete Products, **LLC**



CONDITIONS:
Concrete to be delivered to the nearest accessible point over passable road, under truck's own power. Due to delivery at owner's or intermediary's direction, seller assumes no responsibility for damages in any manner to sidewalks, roadways, driveways, buildings, trees, shrubbery, etc., which are at customer's risk. The maximum allotted time for unloading trucks is 5 minutes per yard. A charge will be made for holding trucks longer. This concrete contains correct water contents for strength or mix indicated. We do not assume responsibility for strength test when water is added at customer's request.

NOTICE TO OWNER:
Failure of this contractor to pay those persons supplying material or services to complete this contract can result in the filing of a mechanic's lien on the property which is the subject of this contract.

RECEIVED
NOV 09 2011
KCC WICHITA

TIME	FORMULA	LOAD SIZE	YARDS ORDERED	DRIVER/TRUCK	PLANT/TRANSACTION #	
10:30	WELL	10.50 yd	10.50 yd			
DATE	LOAD #	YARDS DEL	BATCH #	WATER TRIM	SLUMP	TICKET NUMBER
10-11-11	aday		10099	R/yd	70.0	30439

WARNING
IRRITATING TO THE SKIN AND EYES
Contains Portland Cement. Wear Rubber Boots and Gloves. PROLONGED CONTACT MAY CAUSE BURNS. Avoid Contact With Eyes and Prolonged Contact With Skin. In Case of Contact With Skin or Eyes, Flush Thoroughly With Water. If Irritation Persists, Get Medical Attention. KEEP CHILDREN AWAY.

CONCRETE is a PERISHABLE COMMODITY and BECOMES the PROPERTY of the PURCHASER UPON LEAVING the PLANT. ANY CHANGES OR CANCELLATION of ORIGINAL INSTRUCTIONS MUST be TELEPHONED to the OFFICE BEFORE LOADING STARTS.

The undersigned promises to pay all costs, including reasonable attorneys' fees, incurred in collecting any sums owed.

All accounts not paid within 30 days of delivery will bear interest at the rate of 24% per annum.

Not Responsible for Reactive Aggregate or Color Quality. No Claim Allowed Unless Made at Time Material is Delivered.

A \$25 Service Charge and Loss of the Cash Discount will be collected on all Returned Checks.

Excess Delay Time Charged @ \$50/HR.

PROPERTY DAMAGE RELEASE
(To be signed if delivery to be made inside curb line)

Dear Customer: The driver of this truck in presenting this RELEASE to you for your signature is of the opinion that the size and weight of his truck may possibly cause damage to the premises and/or adjacent property if it places the material in this load where you desire it. It is our wish to help you in every way that we can, but in order to do this the driver is requesting that you sign this RELEASE, relieving him and this supplier from any responsibility from any damage that may occur to the premises and/or adjacent property, buildings, sidewalks, driveways, curbs, etc., by the delivery of this material, and that you also agree to help him remove mud from the wheels of his vehicle so that he will not litter the public street. Further, as additional consideration, the undersigned agrees to indemnify and hold harmless the driver of this truck and this supplier for any and all damage to the premises and/or adjacent property which may be claimed by anyone to have arisen out of delivery of this order.

SIGNED _____

Excessive Water is Detrimental to Concrete Performance
H₂O Added By Request/Authorized By _____

GAL X _____

WEIGHMASTER _____

NOTICE: MY SIGNATURE BELOW INDICATES THAT I HAVE READ THE HEALTH WARNING NOTICE AND SUPPLIER WILL NOT BE RESPONSIBLE FOR ANY DAMAGE CAUSED WHEN DELIVERING INSIDE CURB LINE.

LOAD RECEIVED BY _____

X _____

QUANTITY	CODE	DESCRIPTION	UNIT PRICE	EXTENDED PRICE
10.50	WELL	WELL (10 BAGS PER UNIT)	70.00	735.00
2.00	TRUCK TIME	TRUCKING CHARGE	50.00	100.00

KCC
11/9/11

RETURNED TO PLANT	LEFT JOB	FINISH UNLOADING	DELAY EXPLANATION / CYLINDER TEST TAKEN	TIME ALLOWED
		1:40	1. JOB NOT READY 2. SLOW POUR OR PUMP 3. TRUCK AHEAD ON JOB 4. CONTRACTOR BROKE DOWN 5. ADDED WATER	
	ARRIVED JOB	START UNLOADING	6. TRUCK BROKE DOWN 7. ACCIDENT 8. CITATION 9. OTHER	
	1:25	1:30		
TOTAL ROUND TRIP	TOTAL AT JOB	UNLOADING TIME	DELAY TIME	

Total \$ 835.00

7.553 67.92

802.92

802.92

ADDITIONAL CHARGE 1 _____

ADDITIONAL CHARGE 2 _____

GRAND TOTAL _____

KCC OIL/GAS REGULATORY OFFICES

Inspection Date 12/08/2011 District: 3 Incident Number: 4495

- New Situation Lease Inspection
 Response to Request Complaint
 Follow-up Field Report

Operator License No: 33970 API: 15-001-30237-00-00 Q3 SE Q2: NW Q1: NW
Operator Name: Kerr Oil LLC SEC 8 TWP 24 RGE 19 RGEDIR E
Address: 1651 2000 St. FSL: 4125
City: Iola FEL: 4455
State KS Zip Code: 66749 Lease: Kerr Well No.: 17
Phone contact: 620-365-0550 County: AL

Reason for Investigation:

Steve Korf, District #3 supervisor, received a request from Wichita to see if well #17 had been completed Alt II.

Problem:

ACO-1's show no Alt II completion done.

Persons contacted:

Matt Kerr, owner of Kerr Oil LLC

Findings:

I visited with Mr. Kerr on 11/16/2011 about well #17 that was drilled on the Kerr lease in Allen county. Mr. Kerr told me that well #17 had been drilled and completed Alt II style. I asked Mr. Kerr if he could send me cement tickets for this well. He told me he would fax a copy of the cement ticket to the District #3 office. I went to this well location on 12/8/2011 to visually inspect well #17. Cement was apparent around the casing location. The cement had fallen back but this well had been cemented up the backside. *Contacted Kerr Oil LLC They will bring cement to surface.*

Actions / Recommendation

Follow-up Require

Deadline Date:

Send a copy of this report to Mr. Steve Korf and ask he submit it to Wichita.

Photo's Taken: 0

- RBDMS KGS TA DBF **Report Prepared By:** Ryan M. Duling
 T1 DBF District Files Courthouse **Position:** PIRT II

P.0037003

(FAX)

11/16/2011 13:16 Humboldt High School

802 N. Inc. ial Rd.
P.O. Box 664
Iola, Kansas 66749
Phone: (620) 365-5583

Payless Concrete Products, D.W.

CONDITIONS:
Concrete to be delivered to the nearest accessible point over passable road, under truck's own power. Due to delivery at owner's or intermediary's discretion, seller assumes no responsibility for damages in any manner to sidewalks, roadways, driveways, buildings, trees, shrubbery, etc., which are at customer's risk. The maximum allowed time for unloading trucks is 5 minutes per yard. A charge will be made for holding trucks longer. This concrete contains correct water contents for strength or mix indicated. We do not assume responsibility for strength test when water is added at customer's request.

NOTICE TO OWNER:
Failure of this contractor to pay those persons supplying material or services to complete this contract can result in the filing of a mechanic's lien on the property which is the subject of this contract.

TIME	FORMULA	LOAD SIZE	YARDS ORDERED	DRIVER/TRUCK	PLANT/TRANSACTION #
DATE	LOAD #	YARDS DEL.	BATCH #	WATER TRIM	TICKET NUMBER
11/16/11	01	10			

WARNING
IRRITATING TO THE SKIN AND EYES
Concrete Causes Prolonged Contact May Cause Burns. Avoid Contact With Eyes and Prolonged Contact With Skin. In Case of Contact With Skin or Eyes, Flush Thoroughly With Water. If Irritation Persists, Get Medical Attention. KEEP CHILDREN AWAY.

CONCRETE IS A PERISHABLE COMMODITY AND BECOMES THE PROPERTY OF THE PURCHASER UPON LEAVING THE PLANT. ANY CHANGES OR CANCELLATION OF ORIGINAL INSTRUCTIONS MUST BE TELEPHONED TO THE OFFICE BEFORE LOADING STARTS.

The undersigned promises to pay all costs, including reasonable attorney's fees, incurred in collecting any sums owed.

All accounts not paid within 30 days of delivery will bear interest at the rate of 2 1/2% per annum.

Not Responsible for Receive Approvals or Color Quality. No Cash Allowed Unless Made at Time Material is Delivered.

A \$25 Service Charge and Loss of the Cash Discount will be collected on all Returned Checks.

Excess Delay Time Charged @ \$50/Hr.

PROPERTY DAMAGE RELEASE
(TO BE SIGNED IF DELIVERY TO BE MADE INSIDE CURB LINE)

I, the Customer, by driver of this truck in entering this RELEASE in your presence, hereby release the driver and the trucking company from any and all liability for any damage to the property, buildings, sidewalks, shrubbery, etc., by the delivery of this material, and that you also agree to help him remove and clean the vehicle so that he will not litter the public street further, as additional consideration, the undersigned agrees to indemnify and hold harmless the driver of this truck and the supplier for any and all damage to his person and/or adjacent property which may be caused by anyone to have been out of delivery of the truck.

SIGNED: _____

Excessive Water is Detrimental to Concrete Performance
H₂O Added By Request/Authorized By _____

GAL. X _____

WEIGHMASTER:

LOAD RECEIVED BY: _____

NOTICE: MY SIGNATURE BELOW INDICATES THAT I HAVE READ THE HEALTH WARNING NOTICE AND SUPPLIER WILL NOT BE RESPONSIBLE FOR ANY DAMAGE CAUSED WHEN DELIVERING INSIDE CURB LINE.

QUANTITY	CODE	DESCRIPTION	UNIT PRICE	EXTENDED PRICE
10.00	WELL	WELL DELIVERY SALTS PER MIN	75.00	750.00
10.00	TRUCK END	TRUCK END CHARGE	10.00	100.00

Rec'd we 11/17/11

RETURNED TO PLANT	LEFT JOB	FINISH UNLOADING	DELAY EXPLANATION/CYLINDER TEST TAKEN	TIME ALLOWED
		1:40	1. JOB NOT READY 2. SLOW POUR OR PUMP 3. TRUCK AHEAD ON JOB 4. CONTRACTOR BROKE DOWN 5. ADDED WATER	5:00
LEFT PLANT	ARRIVED JOB	START UNLOADING		TIME DUE
7:11	10:25	1:00	6. TRUCK BROKE DOWN 7. ACCIDENT 8. OTHER	5:00
TOTAL ROUND TRIP		TOTAL AT JOB	UNLOADING TIME	DELAY TIME
				ADDITIONAL CHARGE 1
				ADDITIONAL CHARGE 2
				GRAND TOTAL