



KANSAS CORPORATION COMMISSION 1074224
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 # 34461
Name: CRECO Operating, LLC
Address 1: 210 PARK AVE, STE 1140
Address 2: _____
City: OKLAHOMA CITY State: OK Zip: 73102 + _____
Contact Person: Jay Jimmerson
Phone: (405) 606-7481
CONTRACTOR: License # 34600
Name: Horizon Energy Services, LLC
Wellsite Geologist: Dave Carman
Purchaser: _____

API No. 15 - 15-035-24452-00-00
Spot Description: _____
NW NW SE SW Sec. 16 Twp. 34 S. R. 3 East West
1154 Feet from North / South Line of Section
1398 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Cowley
Lease Name: Payday Well #: 1
Field Name: _____
Producing Formation: Upper Mississippi Chat
Elevation: Ground: 1171 Kelly Bushing: 1181
Total Depth: 3886 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at: 310 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.

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil WSW SWD SIOW
 Gas D&A ENHR SIGW
 OG GSW Temp. Abd.
 CM (Coal Bed Methane)
 Cathodic Other (Core, Expl., etc.): _____

If Workover/Re-entry: Old Well Info as follows:
Operator: _____

Well Name: _____
Original Comp. Date: _____ Original Total Depth: _____
 Deepening Re-perf. Conv. to ENHR Conv. to SWD
 Conv. to GSW
 Plug Back: _____ Plug Back Total Depth
 Commingled Permit #: _____
 Dual Completion Permit #: _____
 SWD Permit #: _____
 ENHR Permit #: _____
 GSW Permit #: _____

10/09/2011	10/17/2011	01/17/2012
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)
Chloride content: _____ ppm Fluid volume: _____ bbls
Dewatering method used: Hauled to Disposal
Location of fluid disposal if hauled offsite:
Operator Name: Soil farmed in Kay Co. OK
Lease Name: none License #: 0
Quarter SE Sec. 15 Twp. 29 S. R. 1 East West
County: Kay Permit #: 0

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 Garrison Date: 03/15/2012



1074224

Operator Name: CRECO Operating, LLC Lease Name: Payday Well #: 1
 Sec. 16 Twp. 34 S. R. 3 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 <i>(Attach Additional Sheets)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Name	Top	Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Compensation		1181
Electric Log Run	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Induction		1181
Electric Log Submitted Electronically <i>(If no, Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Microlog		1181
List All E. Logs Run:				
Compensation Neutron Induction Microlog				

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	13.5	10.75	41	310	Class A	225	
Production	9.5	7	55	3875	60/40 poz	175	

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 <i>(Amount and Kind of Material Used)</i>	Depth
4	3446-3453	Acid 24 bbls 15% HCLFE	

TUBING RECORD:	Size: <u>2.875</u>	Set At: <u>3436</u>	Packer At:	Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or ENHR. <u>03/06/2012</u>	Producing Method: <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other <i>(Explain)</i> _____			
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio
				Gravity

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 checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5)</i> <i>(Submit ACO-4)</i> <input type="checkbox"/> Other <i>(Specify)</i> _____	PRODUCTION INTERVAL: _____ _____
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CONSOLIDATED
Oil Well Services, LLC

REGISTERED

TICKET NUMBER 33274

LOCATION Eureka, KS

FOREMAN Shannon Felk

PO Box 884, Chanute, KS 66720
620-431-9210 or 800-467-8676

FIELD TICKET & TREATMENT REPORT

CEMENT API # 15-035-24452

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
10-09-11	2144	Payday #1	16	34S	3E	Cowley
CUSTOMER <u>Cresco Operating, LLC</u>			Horizon Energy Services			
MAILING ADDRESS <u>210 Park Ave Ste 1140</u>						
CITY <u>Oklahoma City</u>			TRUCK #	DRIVER	TRUCK #	DRIVER
STATE <u>OK</u>			<u>445</u>	<u>Cliff S.</u>		
ZIP CODE <u>73602</u>			<u>515</u>	<u>Danny B</u>		

JOB TYPE Surface ^{oil} HOLE SIZE 13 1/2" HOLE DEPTH 318' CASING SIZE & WEIGHT 10 3/4 @ 40.5#
 CASING DEPTH 310' 6L DRILL PIPE --- TUBING --- OTHER ---
 SLURRY WEIGHT 14.5-15# SLURRY VOL 55Bbl WATER gal/sk 6.5-7.0 CEMENT LEFT in CASING 20'
 DISPLACEMENT 30 Bbl DISPLACEMENT PSI --- MIX PSI --- RATE 4-5 Bpm

REMARKS: Rig up to 10 3/4" casing, Pump 1 Bbl water through mixer and go straight to mixing cement. Mixed 225 sks Class "A" cement with 3% Calcium, 2% gel & 1/4" Flo-cel/sk @ 14.5-15# gallons. Displace with 30 Bbl water & shut well in. Good circulation @ all times. 18 Bbl Slurry to pit. Job complete.

"Thanks Shannon & crew"

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401 J	1	PUMP CHARGE	775.00	775.00
5406	70	MILEAGE	4.00	280.00
1104S	225 sks	Class "A" Cement	14.25	3206.25
1102	635#	Calcium @ 3%	.70	444.50
1118 B	423#	Gel @ 2%	.20	84.60
1107	60#	Flo-cel @ 1/4"/sk	2.22	133.20
5407 A	10.6	Ton-mileage bulk truck	1.24/mile	931.92
			Sub total	5858.47
			6.8% SALES TAX	263.09
			ESTIMATED TOTAL	6121.54

Revin 8737

AUTHORIZATION [Signature]

TITLE 044906

DATE

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



CONSOLIDATED
ON Well Services, LLC



ENTERED

TICKET NUMBER 33282

LOCATION Eureka

FOREMAN Rick Ledford

PO Box 884, Chanute, KS 66720
620-431-9210 or 800-467-8676

FIELD TICKET & TREATMENT REPORT

CEMENT API-15-035-24452

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
10/18/11	2144	Payday # 1	116	3YS	3E	Cowley
CUSTOMER			HORIZON			
Cresco Operating LLC			Dr 19			
MAILING ADDRESS			TRUCK #	DRIVER	TRUCK #	DRIVER
210 Park Ave Ste 1140			520	John		
CITY	STATE	ZIP CODE	601 L	Chris B.		
Oklahoma City	OK	73102	525 T	Celia		

JOB TYPE L/S 0 HOLE SIZE 9 1/2" HOLE DEPTH 3876' CASING SIZE & WEIGHT 7" 23# NEW
 CASING DEPTH 3875' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 12.6-13.5# SLURRY VOL 108 BW WATER gal/sk 9.0 CEMENT LEFT in CASING 2'
 DISPLACEMENT 152.2 DISPLACEMENT PSI 1200 PSI 1600 PSI RATE _____

REMARKS: Safety meeting - Rig up to 7" casing. Pump 30 bbl fresh water ahead. Mixed 125
 sacks 100/40 Pozmix cement w/ 8% gel + 1# phenoseal/sk @ 12.6#/gal. yield 1.80. Tail in w/ 150
 sacks thickset cement w/ 5# Rol-seal/sk, 1/2# phenoseal/sk + 14% CSE-115 @ 13.5#/gal. yield 1.75. Shut
 down, washout pump + lines, release 7" rubber plug. Displace w/ 152.2 bbls KCL water. Final pump
 pressure 1200 PSI. Pump plug to 1100 PSI. release pressure, float + plug held. Good circulation
 @ all times while cementing. Job complete. Rig down.

Plug down @ 6:20 p.m.

..THANK YA..

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
5402	3875'	casing footage	.21	813.75
1131	175 sacks	100/40 Pozmix cement	11.95	2091.25
11186	1200#	8% gel	.20	240.00
1107A	175#	1# phenoseal/sk	1.22	213.50
1120A	150 sacks	thickset cement	18.30	2745.00
1100A	750#	5# Rol-seal/sk	.44	330.00
1107A	75#	1/2# phenoseal/sk	1.22	91.50
1135A	35#	14% CSE-115	9.95	348.25
5407A	15.78	tax mileage bulk trucks	1.26	1391.80
3172	32 gals	KCL displacement water	33.50	1072.00
4409	1	7" top rubber plug	82.00	82.00
4206	1	7" guide shoe	253.00	253.00
4187	1	7" float collar AFU	525.00	525.00
			Subtotal	11,452.05
			SALES TAX 6.8%	470.53
			ESTIMATED TOTAL	11,922.58

Revin 8737

Brett Merrill

245136

AUTHORIZATION

TITLE

DATE

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