

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 # 31428
Name: Lonestar Oil Company
Address 1: P O Box 417
Address 2: _____
City: Victoria State: KS Zip: 67671 +
Contact Person: Jeff Crawford
Phone: (785) 735-4585
CONTRACTOR: License # 33350
Name: Southwind Drilling, Inc.
Wellsite Geologist: Francis C. Whisler
Purchaser: _____

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 (Corr. 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 #: _____
4/11/2011 4/17/2011 4/17/11
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 167-23704-00-00
Spot Description: _____
C S/2 11W/4 Sec. 4 Twp. 14 S. R. 15 East ☒ West
1980' Feet from ☒ North / ☐ South Line of Section
1320' Feet from ☐ East / ☒ West Line of Section
Footages Calculated from Nearest Outside Section Corner:
☐ NE ☒ NW ☐ SE ☐ SW
County: Russell
Lease Name: J. Dortland Well #: 21
Field Name: Gorham
Producing Formation: _____
Elevation: Ground: 1884 Kelly Bushing: 1892
2846
Total Depth: _____ Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at: 932 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

(Date must be collected from the Reserve Pit)

Chloride content: 0 ppm Fluid volume: 400 bbls
Dewatering method used: let pits dry & backfill
Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____ License #: _____
Quarter _____ Sec. _____ Twp. _____ S. R. 15 East ☐ West
County: _____ Permit #: _____

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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: [Signature]
Title: OWNER Date: 2-17-2012

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: 2/28/12

Operator Name: Jeff Crawford Lease Name: J. Dortland Well #: 21
 Sec. 4 Twp. 14 S. R. 15 ☐ East ☒ West County: Russell

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 Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken ☐ Yes ☒ No
 (Attach Additional Sheets)

Samples Sent to Geological Survey ☐ Yes ☒ No

Cores Taken ☐ Yes ☒ No

Electric Log Run ☐ Yes ☒ No

Electric Log Submitted Electronically ☐ Yes ☐ No
 (If no, Submit Copy)

List All E. Logs Run:

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

Name	Top	Datum
Anhydrite	925	+ 967
Grand Haven	2443	- 551
Dover	2474	- 582
Tarkio	2514	-622
Elmont	2569	-677
Topeka	2767	-875
Total Depth	2846	-953

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 1/4"	8 5/8"	23	932	common	350	3% cc 2% gel

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: 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. ☐ Commingled
 (Submit ACO-5) (Submit ACO-4)
☐ Other (Specify) _____

PRODUCTION INTERVAL

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QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 5064

Date <u>4-13-11</u>	Sec. <u>4</u>	Twp. <u>14</u>	Range <u>15</u>	County <u>Russell</u>	State <u>Kansas</u>	On Location	Finish <u>2:15 PM</u>
Lease <u>S. Donahoe</u>	Well No. <u>21</u>	Location <u>Graham 1E 1/2S E1/4</u>					
Contractor <u>Southwind Drilling Rigs</u>	Owner			To Quality Oilwell Cementing, Inc.			
Type Job <u>Surface</u>	You are hereby requested to rent cementing equipment and furnish			cement and helper to assist owner or contractor to do work as listed.			
Hole Size <u>12 1/4</u>	T.D. <u>932</u>	Charge To <u>Lonestar Oil Company</u>					
Csg. <u>8 5/8 23b</u>	Depth <u>932</u>	Street					
Tbg. Size	Depth	City					
Tool	Depth	State					
Cement Left in Csg. <u>34 1/2</u>	Shoe Joint <u>34 1/2</u>	The above was done to satisfaction and supervision of owner agent or contractor.					
Meas Line	Displace <u>57 Bbl</u>	Cement Amount Ordered <u>350 Common 30cc</u>					
EQUIPMENT							
Pumptrk <u>9</u>	No. <u>1</u>	Cementer <u>Steve</u>	Common <u>3</u>				
Bulktrk <u>4</u>	No. <u>1</u>	Driver <u>Paul</u>	Poz. Mix				
Bulktrk	No. <u>1</u>	Driver <u>Rocky</u>	Gel. <u>7</u>				
JOB SERVICES & REMARKS				Calcium <u>12</u>			
Remarks:				Hulls			
Rat Hole				Salt			
Mouse Hole				Flowseal			
Centralizers				Kol-Seal			
Baskets				Mud CLR 48			
D/V or Port Collar				CFL-117 or CD110 CAF 38			
<u>Cement did Circulate</u>				Sand			
				Handling <u>369</u>			
				Mileage			
				FLOAT EQUIPMENT			
				Guide Shoe			
				Centralizer			
				Baskets			
				AFU Inserts			
				Float Shoe			
				Latch Down			
				<u>Ball Valve</u>			
				<u>& Rubber Plug</u>			
				Pumptrk Charge <u>Long Surface</u>			
				Mileage <u>9</u>			
<u>Thank You</u>				Tax			
				Discount			
				Total Charge			
X Signature							

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DEFINITIONS: In these terms and conditions, "Quality" shall mean Quality Oilwell Cementing, Inc., and "Customer" shall refer to the party identified by that term on the front of this contract. As applicable, "Job" relates to the services described on the front side of this contract, "merchandise" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

- **TERMS:** Unless satisfactory credit has been established, "CUSTOMER" must tender full cash payment to "QUALITY" before the job is undertaken or merchandise is delivered. If satisfactory credit has been established, the terms of payment for the job and/or merchandise, including bulk cement, are net cash, payable in 30 days from the completion of the job and/or delivery of the merchandise. For all past due invoices, "CUSTOMER" agrees to pay interest on amounts invoiced at a rate of 18 percent per annum until paid. Notwithstanding the foregoing in no event shall this Contract provide for interest exceeding the maximum rate of interest that "CUSTOMER" may agree to pay under applicable law. If any such interest should be provided for, it shall be and hereby is deemed to be a mistake, and this contract shall be automatically reformed to lower the rate of interest to the maximum legal contract rate, any amounts previously paid as excess interest shall be deducted from the amounts owing from the "CUSTOMER" or at the option of "QUALITY," refunded directly to "CUSTOMER." For purposes of this paragraph, QUALITY and CUSTOMER agree that KANSAS law shall apply. Any discounts granted with this contract are null and void if the charges are not paid when due.

- **ATTORNEY FEES:** In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the term of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limit to, a reasonable sum as and attorney's fees.

- **PRICES AND TAXES:** All merchandise listed in "QUALITY'S" current price shall schedule are F.O.B. QUALITY'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by QUALITY shall be added to the quoted prices charged to CUSTOMER.

- **TOWING CHARGES:** QUALITY will make a reasonable attempt to get to and from each job site using its own equipment. Should QUALITY be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ a tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMER or, if furnished by QUALITY, will be charged to and paid by CUSTOMER.

- **PREPARATION CHARGES:** If a job and/or merchandise is ordered and CUSTOMER cancels the order after preparation of a chemical solution or other material, CUSTOMER will pay QUALITY for the expenses incurred by QUALITY as a result of the cancellation.

- **DEADHAUL CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charges as set forth in QUALITY'S current price book will be charged each way for each service unit which is ordered by CUSTOMER but not used.

- **SERVICE CONDITIONS AND LIABILITIES:** 1. QUALITY carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond QUALITY'S control, QUALITY shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. Customer shall be responsible for and indemnify, defend, and hold harmless QUALITY, its officers, agents and employees, from and against any and all claims or suits for:

(A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with QUALITY'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of QUALITY or its employees.

2. With respect to any of QUALITY'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to QUALITY at the landing, CUSTOMER shall either recover the lost item without cost to QUALITY or reimburse QUALITY the current replacement cost of the item unless the loss or damage results from the sole negligence of QUALITY or its employees.

3. QUALITY does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

WARRANTIES: 1. QUALITY warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. QUALITY'S obligation under this warranty is expressly limited to repair replacement, or allowance for credit, at its option, for any merchandise which is determined by QUALITY to be defective. THIS IS THE SOLE WARRANTY OF QUALITY AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE. CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and QUALITY shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.

2. More specifically:

(A) Nothing in this contract shall be constructed as a warranty by QUALITY of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.

(B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by QUALITY or any interpretation of test, meter readings, chart information, analysis or research, or recommendations made by QUALITY, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of QUALITY or its employees in the preparation or furnishing of such facts, information or data. (C) Work done by QUALITY shall be under the direct supervision and control of the CUSTOMER or his agent and QUALITY will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.

QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 5066

Date <u>4-16-11</u>	Sec.	Twp.	Range	County <u>Russell</u>	State <u>Kansas</u>	On Location	Finish <u>6:15 PM</u>
Lease <u>S Portland</u>	Well No. <u>21</u>			Location <u>Graham 1E 1 1/2 S Eimb</u>			
Contractor <u>Southwind Drilling Rig 3</u>				Owner			
Type Job <u>plug back</u>				To Quality Oilwell Cementing, Inc.			
Hole Size <u>7 7/8</u>				You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.			
Csg.				Charge To <u>Lonestar Oil</u>			
Tbg. Size				Street			
Tool				City State			
Cement Left in Csg.				Shoe Joint			
Meas Line				Displace			
				The above was done to satisfaction and supervision of owner agent or contractor.			
				Cement Amount Ordered <u>75 Cem 43cc 1/16 Flt Seal</u>			

EQUIPMENT

Pumptrk <u>5</u>	No.	Cementer <u>Steve</u>	Common <u>75</u>
Bulktrk <u>8</u>	No.	Helper <u>Brandon</u>	Poz. Mix
Bulktrk	No.	Driver <u>Matt</u>	Gel.

JOB SERVICES & REMARKS

Remarks:	Calcium <u>4</u>
Rat Hole	Hulls
Mouse Hole	Salt
Centralizers	Flowseal <u>37#</u>
Baskets	Kol-Seal
D/V or Port Collar	Mud CLR 48
	CFL-117 or CD110 CAF 38
	Sand
	Handling <u>79</u>
	Mileage

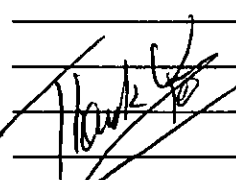
FLOAT EQUIPMENT

	Guide Shoe
	Centralizer
	Baskets
	AFU Inserts
	Float Shoe
	Latch Down

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	Pumptrk Charge <u>plug (Back)</u>	Tax
	Mileage <u>9</u>	Discount
		Total Charge
X Signature		

DEFINITIONS: In these terms and conditions, "Quality" shall mean Quality Oilwell Cementing, Inc., and "Customer" shall refer to the party identified by that term on the front of this contract. As applicable, "Job" relates to the services described on the front side of this contract, "merchandise" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

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– **ATTORNEY FEES:** In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the term of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limit to, a reasonable sum as and attorney's fees.

– **PRICES AND TAXES:** All merchandise listed in "QUALITY'S" current price shall schedule are F.O.B. QUALITY'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by QUALITY shall be added to the quoted prices charged to CUSTOMER.

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(A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with QUALITY'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of QUALITY or its employees.

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WARRANTIES: 1. QUALITY warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. QUALITY'S obligation under this warranty is expressly limited to repair replacement, or allowance for credit, at its option, for any merchandise which is determined by QUALITY to be defective. THIS IS THE SOLE WARRANTY OF QUALITY AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and QUALITY shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.

2. More specifically:

(A) Nothing in this contract shall be constructed as a warranty by QUALITY of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.

(B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by QUALITY or any interpretation of test, meter readings, chart information, analysis or research, or recommendations made by QUALITY, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of QUALITY or its employees in the preparation or furnishing of such facts, information or data. (C) Work done by QUALITY shall be under the direct supervision and control of the CUSTOMER or his agent and QUALITY will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.

QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 5067

Date <u>4-17-11</u>	Sec.	Twp.	Range	County <u>Russell</u>	State <u>Kansas</u>	On Location	Finish <u>9:00am</u>
Lease <u>S. D. Dillard</u>	Well No. <u>21</u>			Location <u>Goodman IE KS</u>			
Contractor <u>Southern Drilling</u>				Owner			
Type Job <u>plug</u>				To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.			
Hole Size <u>7 7/8</u>				T.D.			
Csg.				Depth			
Tbg. Size				Depth			
Tool				Depth			
Cement Left in Csg.				Shoe Joint			
Meas Line				Displace			
				Charge To <u>Lawster Oil</u>			
				Street			
				City			
				State			
				The above was done to satisfaction and supervision of owner agent or contractor.			
				Cement Amount Ordered <u>215 cbls 40 lb 1/2 # Flow Seal</u>			
EQUIPMENT							
Pumptrk <u>5</u>	No.	Cement	Helper	Common	<u>129</u>		
Bulktrk <u>10</u>	No.	Driver	<u>1000</u>	Poz. Mix	<u>86</u>		
Bulktrk	No.	Driver	<u>1000</u>	Gel.	<u>8</u>		
JOB SERVICES & REMARKS							
Remarks:				Calcium			
Rat Hole				Hulls			
Mouse Hole				Salt			
Centralizers				Flowseal <u>50#</u>			
Baskets				Kol-Seal			
D/V or Port Collar				Mud CLR 48			
<u>2nd " @ 970</u>				CFL-117 or CD110 CAF 38			
<u>3rd " @ 410</u>				Sand			
<u>4th " @ 40</u>				Handling <u>223</u>			
<u>Rat Hole</u>				Mileage			
FLOAT EQUIPMENT							
				Guide Shoe			
				Centralizer			
				Baskets			
				AFU Inserts			
				Float Shoe			
				Latch Down			
				<u>85 Wood Plug</u>			
				Pumptrk Charge <u>plug</u>			
				Mileage <u>9</u>			
				Tax			
				Discount			
				Total Charge			
X Signature <u>Guy Shinn</u>							

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DEFINITIONS: In these terms and conditions, "Quality" shall mean Quality Oilwell Cementing, Inc., and "Customer" shall refer to the party identified by that term on the front of this contract. As applicable, "Job" relates to the services described on the front side of this contract, "merchandise" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

- **TERMS:** Unless satisfactory credit has been established, "CUSTOMER" must tender full cash payment to "QUALITY" before the job is undertaken or merchandise is delivered. If satisfactory credit has been established, the terms of payment for the job and/or merchandise, including bulk cement, are net cash, payable in 30 days from the completion of the job and/or delivery of the merchandise. For all past due invoices, "CUSTOMER" agrees to pay interest on amounts invoiced at a rate of 18 percent per annum until paid. Notwithstanding the foregoing in no event shall this Contract provide for interest exceeding the maximum rate of interest that "CUSTOMER" may agree to pay under applicable law. If any such interest should be provided for, it shall be and hereby is deemed to be a mistake, and this contract shall be automatically reformed to lower the rate of interest to the maximum legal contract rate, any amounts previously paid as excess interest shall be deducted from the amounts owing from the "CUSTOMER" or at the option of "QUALITY," refunded directly to "CUSTOMER." For purposes of this paragraph, QUALITY and CUSTOMER agree that KANSAS law shall apply. Any discounts granted with this contract are null and void if the charges are not paid when due.

- **ATTORNEY FEES:** In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the term of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limit to, a reasonable sum as and attorney's fees.

- **PRICES AND TAXES:** All merchandise listed in "QUALITY'S" current price shall schedule are F.O.B. QUALITY'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by QUALITY shall be added to the quoted prices charged to CUSTOMER.

- **TOWING CHARGES:** QUALITY will make a reasonable attempt to get to and from each job site using its own equipment. Should QUALITY be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ a tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMER or, if furnished by QUALITY, will be charged to and paid by CUSTOMER.

- **PREPARATION CHARGES:** If a job and/or merchandise is ordered and CUSTOMER cancels the order after preparation of a chemical solution or other material, CUSTOMER will pay QUALITY for the expenses incurred by QUALITY as a result of the cancellation.

- **DEADHAUL CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charges as set forth in QUALITY'S current price book will be charged each way for each service unit which is ordered by CUSTOMER but not used.

- **SERVICE CONDITIONS AND LIABILITIES:** 1. QUALITY carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond QUALITY'S control, QUALITY shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. Customer shall be responsible for and indemnify, defend, and hold harmless QUALITY, its officers, agents and employees, from and against any and all claims or suits for:

(A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with QUALITY'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of QUALITY or its employees.

2. With respect to any of QUALITY'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to QUALITY at the landing, CUSTOMER shall either recover the lost item without cost to QUALITY or reimburse QUALITY the current replacement cost of the item unless the loss or damage results from the sole negligence of QUALITY or its employees.

3. QUALITY does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

WARRANTIES: 1. QUALITY warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. QUALITY'S obligation under this warranty is expressly limited to repair replacement, or allowance for credit, at its option, for any merchandise which is determined by QUALITY to be defective. THIS IS THE SOLE WARRANTY OF QUALITY AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE. CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and QUALITY shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.

2. More specifically:

(A) Nothing in this contract shall be constructed as a warranty by QUALITY of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.

(B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by QUALITY or any interpretation of test, meter readings, chart information, analysis or research, or recommendations made by QUALITY, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of QUALITY or its employees in the preparation or furnishing of such facts, information or data. (C) Work done by QUALITY shall be under the direct supervision and control of the CUSTOMER or his agent and QUALITY will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.

FRANCIS C. WHISLER
CPG No. 1933
837 E. 1st.
Russell, Kansas

GEOLOGICAL REPORT FOR: Jeff Crawford dba Lonestar Oil Company
Lic. No. 31428
P. O. 417, Victoria, Kansas 67671

WELL: J. Dortland No. 21
C S/2 NW/4 Sec. 4 T 14 S R 15 W
Russell County, Ks.
API No. 167-23704-00-00

CONTRACTOR: Southwind Drilling Co. Inc.
Ellinwood, Ks.
Lic. No. 33350

DRILLING COMMENCED: April 11, 2011

DRILLING COMPLETED: April 17, 2011

CASING RECORD: 8 5/8" surface casing set at 932' and cemented
350 sax cement. 3% cc & 2% gel.

ELEVATIONS: Ground Level: 1884' Kelly Bushing: 1892'
Measurements From: KB.

FORMATION TOPS:	Anhydrite	925 (+ 967)
	Grand Haven:	2443 (-551)
	Dover:	2474 (-582)
	Tarkio Lime:	2514 (-622)
	Elmont Lime:	2569 (-677)
	Topeka Lime:	2767 (-875)
	Total Depth:	2846 (-954)

LITHOLOGY: ZONES OF INTEREST:

Dry Shale (1st. Tarkio Sand) 2454-74: Small amount of very fine grained sandstone, slightly micaceous with no oil stain or saturation noted.

Langdon Shale (2nd. Tarkio Sand) 2477-2514: Increase of very fine grain- ed sandstone, slightly micaceous with no oil stain or saturation noted.

Willard Shale (3rd. Tarkio Sand) 2536-69: Abundant shale, black, brown and pale green with increase in very fine grained micaceous sandstone with no oil stain or saturation.

LITHOLOGY, CONT.....

TOPEKA LIME: 2767-2777: LS-white, some buff, dense with no visible porosity. Rare light surface oil stain with good oil odor, but with no show of free oil. No value.

SUMMARY: Drilling was continued to the depth of 2836 which at that depth mud circulation was lost in the porosity zone at 2828 to 2836. Considerable attempts were tried to regain circulation with countless pits of drilling mud and lost circulation material were pumped into the system but circulation was not regained. Then; a 75 sack cement plug was pumped down to the lost circulation zone and let set for 10 hours. At which time drilling was continued to the depth of 2846 with a continuing loss of circulation.

At that depth it was decided that further attempts to regain circulation would be too costly and probably impossible, so the decision was made to plug and abandoned the J. Portland #21.

Respectfully submitted;



Francis C. Whisler
Geologist

RECEIVED

FEB 21 2012

KCC WICHITA

Depth	Drilling Time	Lithology	Remarks
2340		LONESTAR OIL COMPANY Dortland No. 21	
2350		C S/2 NW/4 Sec. 4, 14S, 15W Russell Co., Kansas Elev. 1892 KB	
60		LS - wht chky	
80		RECEIVED FEB 21 2012 LS - AA KCG WICHITA	
2400		Sh - Abnt Bk Gry & pale grn w/ siltst v fgrud ss N. str.	vis 62
20		Sh - Gry brn & pale grn NO SS NOTED	
40		GRAND HAVEN 2443 (-55) LS - wht H Gry dng to chky	
60		Sh - Abnt Gry brn & pale grn w/ v siltst v fgrud ss micaceous - NO SHOW	
80		DOVER 2474 (-582) Sh - AA w/ incr in v fgrud sli micaceous ss NO SHOW	
2500		Sh & ss - AA	
20		TARKIO LM 2514 (-622) LS - wht H Gry mostly dng some mott'd	
40		LS - AA	
60		Sh - Abnt Bk Gry & pale grn w/ incr in mica v fgrud ss - NO SHOW	
80		Mostly sh w/ ls - from above ELMONT 2569 (-677) LS - Gry dng to chky	
2600		LS - AA & wht dng - chky Sh - Gry - blk	vis 71 w/ ss LM 4

