



KANSAS CORPORATION COMMISSION 1072987
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 # 31725
Name: Shelby Resources LLC
Address 1: 2717 Canal Blvd.
Address 2: Suite C
City: HAYS State: KS Zip: 67601 +
Contact Person: Chris gottschalk
Phone: (785) 623-1524
CONTRACTOR: License # 5142
Name: Sterling Drilling Company
Wellsite Geologist: Charlie Sturdavant
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 #: _____

12/07/2011	12/15/2011	12/15/2011
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-145-21659-00-00
Spot Description: _____
NW SW SW NE Sec. 16 Twp. 21 S. R. 16 East West
2035 Feet from North / South Line of Section
2470 Feet from East / West Line of Section

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

County: Pawnee
Lease Name: RGW Well #: 1-16
Field Name: _____
Producing Formation: Arbuckle
Elevation: Ground: 1991 Kelly Bushing: 2002
Total Depth: 3900 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at: 1032 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: 43000 ppm Fluid volume: 1000 bbls
Dewatering method used: Hauled to Disposal
Location of fluid disposal if hauled offsite: _____
Operator Name: Shelby Resources L.L.C.
Lease Name: Eakin #2-7 License #: 31725
Quarter SE Sec. 7 Twp. 22 S. R. 16 East West
County: Pawnee Permit #: D-30939

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 Gorbis Date: 04/16/2012



1072987

Operator Name: Shelby Resources LLC Lease Name: RGW Well #: 1-16
 Sec. 16 Twp. 21 S. R. 16 East West County: Pawnee

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" 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: Attached	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input checked="" type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>Topeka</td> <td>3112</td> <td>-1110</td> </tr> <tr> <td>Heebner</td> <td>3377</td> <td>-1375</td> </tr> <tr> <td>Lansing</td> <td>3472</td> <td>-1470</td> </tr> <tr> <td>Base KC</td> <td>3730</td> <td>-1728</td> </tr> <tr> <td>Arbuckle</td> <td>3830</td> <td>-1828</td> </tr> </table>	Name	Top	Datum	Topeka	3112	-1110	Heebner	3377	-1375	Lansing	3472	-1470	Base KC	3730	-1728	Arbuckle	3830	-1828
Name	Top	Datum																	
Topeka	3112	-1110																	
Heebner	3377	-1375																	
Lansing	3472	-1470																	
Base KC	3730	-1728																	
Arbuckle	3830	-1828																	

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	12.25	8.625	23	1032	AA-2	500	2% gel, 3% cc

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

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: <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)</i> <i>(Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
-------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------

Form	ACO1 - Well Completion
Operator	Shelby Resources LLC
Well Name	RGW 1-16
Doc ID	1072987

All Electric Logs Run

Dual Induction
Compensated Neutron
Micro
Sonic

ALLIED CEMENTING CO., LLC. 042313

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:

Great Bend KS

DATE <u>12-8-11</u>	SEC. <u>16</u>	TWP. <u>21S</u>	RANGE <u>16W</u>	CALLED OUT	ON LOCATION <u>100 pm</u>	JOB START <u>1130 pm</u>	JOB FINISH <u>1200 am</u>
LEASE <u>RGW</u>		WELL# <u>1-16</u>		LOCATION <u>Larned KS East on SG to Rd local</u>		COUNTY <u>Rawnee</u>	STATE <u>KS</u>
OLD OR NEW (Circle one) <u>NEW</u>				<u>7 in. Cement</u>			

CONTRACTOR Stirling rig #1
 TYPE OF JOB Surface
 HOLE SIZE 17 1/4 T.D. 1034
 CASING SIZE 8 5/8 24# DEPTH 1032
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE 4 1/2 DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ SHOE JOINT _____
 CEMENT LEFT IN CSG. 26.10 #
 PERFS. _____
 DISPLACEMENT Freshwater
 EQUIPMENT _____
 PUMP TRUCK CEMENTER Bob
 # 398 HELPER Shane K.
 BULK TRUCK _____
 # 344-170 DRIVER Heum W.
 BULK TRUCK _____
 # _____ DRIVER _____

OWNER Shelby Resources
 CEMENT AMOUNT ORDERED 500 cu Com 3% cc 2800
 COMMON 500 @ 14.25 8125.00
 POZMIX _____ @ _____ _____
 GEL 9 @ 21.25 191.25
 CHLORIDE 18 @ 58.20 1047.60
 ASC _____ @ _____ _____
 _____ @ _____ _____
 _____ @ _____ _____
 _____ @ _____ _____
 _____ @ _____ _____
 HANDLING 527 @ 2.25 1185.75
 MILEAGE 527 x 24x.11 1.371.28
 TOTAL 11976.00

REMARKS:

Pipe on bottom break circulation with rig mud.
Mix 500 cu Common 3% cc 2800
Shut down release plug and displace with
4.08 bbl Freshwater and shut in.
Cement did circulate

SERVICE

DEPTH OF JOB 1032
 PUMP TRUCK CHARGE 1125.00
 EXTRA FOOTAGE 734 @ .90 660.60
 MILEAGE Hum 48 @ 7.00 336.00
 MANIFOLD _____ @ _____ _____
Hum 48 @ 4.00 192.00
Wait Time @ AK NC
 TOTAL 2313.60

CHARGE TO: Shelby Resources
 STREET _____
 CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

8 3/4 Basket x 1 @ 478.00 478.00
8 3/4 baffle plate x 1 @ 112.00 112.00
8 3/4 Rubber plug x 1 @ 112.00 112.00
 _____ @ _____ _____
 _____ @ _____ _____
 TOTAL 702.00

To Allied Cementing Co., LLC.
 You are hereby requested to rent cementing equipment and furnish cementer and helper(s) to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

PRINTED NAME Wilford M. Bartz
 SIGNATURE Wilford M. Bartz

Thank you

SALES TAX (If Any) _____
 TOTAL CHARGES 17955.60
~~50% 20%~~ 3.566.40
 DISCOUNT _____ IF PAID IN 30 DAYS
11388.20

Scale 1:240 Imperial

Well Name: RGW Unit # 1-16
Surface Location: 2035' FNL, 2470' FEL, Sec 16-21S-16W
Bottom Location:
API: 15-145-21659-00-00
License Number:
Spud Date: 12/7/2011 Time: 1:00 PM
Region: Pawnee County
Drilling Completed: 12/14/2011 Time: 2:00 PM
Surface Coordinates: 568603 & 1831770
Bottom Hole Coordinates:
Ground Elevation: 1991.00ft
K.B. Elevation: 2002.00ft
Logged Interval: 2900.00ft To: 3900.00ft
Total Depth: 3900.00ft
Formation: Arbuckle
Drilling Fluid Type: Chemical/Fresh Water Gel

OPERATOR

Company: Captiva II, LLC
Address: 445 Union Blvd., Suite 208
Lakewood, CO 80228

Contact Geologist: Janine Sturdavant
Contact Phone Nbr: 303-907-2295
Well Name: RGW Unit # 1-16
Location: 2035' FNL, 2470' FEL, Sec 16-21S-16W API: 15-145-21659-00-00
Pool: Wildcat Field: Wildcat
State: Kansas Country: USA

LOGGED BY



Company: Charlie Sturdavant Consulting
Address: 920 12th Street
Golden, CO 80401

Phone Nbr: 303-907-2295----303-384-9481
Logged By: Geologist Name: Charlie Sturdavant

NOTES

The Captiva II RGW Unit #1-16 well was drilled to a LTD of 3898', bottoming in the Arbuckle. A Tooke DAQ gas detector was employed during the penetration of all prospective formations. No significant gas kicks were noted during drilling operations. Weak sample shows were noted in the Lansing "F" zone, and spotty, dead oil staining was noted near the top of the Arbuckle. DST #1 covered the top 14' of the Arbuckle. The recovery of 2220' of slightly gas cut, muddy water and 120' of mud, essentially condemned the possibility of production from this formation.

Based on the lack of live oil shows, the negative DST, and log analysis, it was determined by all parties involved, that the well should be plugged and abandoned.

The dry samples were saved and will be available for review at the Kansas Geological Survey well sample library, located in Wichita, Kansas.

Respectfully submitted,
Charlie Sturdavant
Consulting Geologist

Charlie Sturdavant Consulting

WELL COMPARISON SHEET

DRILLING WELL Captiva II #1-16 RGW Unit 2035' FNL & 2470' FEL Sec. 16, T21S R16W					COMPARISON WELL Captiva II #1-21 Airport 1716' FSL & 1950' FEL Sec. 21, T21S R16W				COMPARISON WELL Allen Drilling # 1-21 Boyd C-E/2-SE-NE Sec. 21, T21S R16W			
2002 KB					2021 KB		Structural Relationship		1990 KB		Structural Relationship	
Formation	Sample	Sub-Sea	Log	Sub-Sea	Log	Sub-Sea	Sample	Log	Log	Sub-Sea	Sample	Log
Anhydrite	990	1012	1006	996	1006	1015	-3	-19	979	1011	1	-18
Tarkio	2830	-826	2826	-824	2841	-820	-8	-4	2811	-821	-7	-3
Elmont	2888	-886	2884	-882	2900	-879	-7	-3	2868	-878	-8	-4
Howard	3030	-1028	3027	-1025	3045	-1024	-4	-1	3014	-1024	-4	-1
Topeka	3112	-1110	3107	-1105	3122	-1101	-9	-4	3093	-1103	-7	-2
Heebner	3377	-1375	3374	-1372	3401	-1380	5	8	3363	-1373	-2	1
Toronto	3392	-1390	3390	-1388	3416	-1395	5	7	3384	-1394	4	6
Douglas	3408	-1406	3404	-1402	3433	-1412	6	10	3398	-1408	2	6
Brown Lime	3465	-1463	3464	-1462	3492	-1471	8	9	3459	-1469	6	7
Lansing	3472	-1470	3474	-1472	3502	-1481	11	9	3472	-1482	12	10
Stark Shale	3677	-1675	3675	-1673	3706	-1685	10	12	3672	-1682	7	9
Base KC	3730	-1728	3726	-1724	3758	-1737	9	13	3718	-1728	0	4
Marmaton	3740	-1738	3744	-1742	3770	-1749	11	7	3735	-1745	7	3
Conglomerate	3762	-1760	3759	-1757	3786	-1765	5	8	3754	-1764	4	7
Simpson Shale	3806	-1804	3801	-1799	3812	-1791	-13	-8	3785	-1795	-9	-4
Arbuckle	3830	-1828	3826	-1824	3847	-1826	-2	2	3842	-1852	24	28
Total Depth	3900	-1898	3898	-1896	4025	-2004	106	108	4123	-2133	235	237

Daily Drilling Report

Charlie Sturdavant Consulting

DAILY DRILLING REPORT

Company: Charlie Sturdavant Consulting
920 12th Street
Golden, CO 80401

Well: #1-16 RGW Unit
Location: 2035' FNL & 2470' FEL
Sec. 16 T21S R16W
Pawnee County, KS

Captiva II Office: 303-274-4682
Jim Waechter Cell: 303-478-3388

Wellsite Geologist: Charlie Sturdavant
Cell: (303) 907-2295
Office: (303) 384-9481

Elevation: 2002' KB 1991' GL
Field: Wildcat
API No.: 15-145-21659-0000
Surface Casing: 8 5/8" set @ 1010' KB

Drilling Contractor: Sterling Drilling Rig #1 620-388-8234, Tool Pusher: Billy Bortz, cell: 620-388-4904

DATE	7:00 AM DEPTH	REMARKS
12/7/2011	0 ft.	Moving in and rigging up.
12/8/2011	800' ft.	Drilling ahead.
12/9/2011	1034 ft.	Waiting on cement. Ran 24 joints of new 24# 8-5/8" surface csg. Set @ 1032'.
12/10/2011	1725 ft.	Drilling ahead.
12/11/2011	2500 ft.	Drilling ahead.
12/12/2011	3196 ft.	Drilling ahead.
12/13/2011	3755 ft.	Drilling ahead.

12/14/2011

3840 ft. Pulling DST #1. Reach TD @ 1400 hrs.
RTD 3900 ft. Complete logging operations @ 2245 hrs.
LTD 3898 ft

SURFACE CO-ORDINATES

Well Type: Vertical
Longitude: Latitude:
N/S Co-ord: 568603
E/W Co-ord: 1831770

CONTRACTOR

Contractor: Sterling Drilling, Co
Rig #: 1
Rig Type: mud rotary
Spud Date: 12/7/2011 Time: 1:00 PM
TD Date: 12/14/2011 Time: 2:00 PM
Rig Release: Time:

ELEVATIONS

K.B. Elevation: 2002.00ft Ground Elevation: 1991.00ft
K.B. to Ground: 11.00ft

ROCK TYPES

Cht vari	Lmst fw<7	Shgy	shale, red
Chtcongl	Lmst fw7>	shale, gry	Shcol
Dolsec	shale, grn	Carbon Sh	Ss

ACCESSORIES

MINERAL

— Argillaceous
⊥ Calcareous
△ Chert White
▲ Chert, dark
↙ Dolomitic
P Pyrite

FOSSIL

↗ Algae
∩ Bioclastic or Fragmental
◇ Brachiopod
∩ Bryozoa
○ Crinoids
F Fossils < 20%
◇ Fossiliferous
○ Gastropod
○ Oolites
⊕ Oomoldic
• Pelloids
♂ Pellets
x Sponge Spicules
▲ Spicules

STRINGER

■ Limestone
▨ Siltstone
▨ Shale
— green shale
■ red shale

OTHER SYMBOLS

MISC

Daily Report
 Digital Photo
 Document
 Folder
 Link
 Vertical Log File
 Horizontal Log File
 Core Log File
 Drill Cuttings Rpt

DST

■ DST Int
■ DST alt

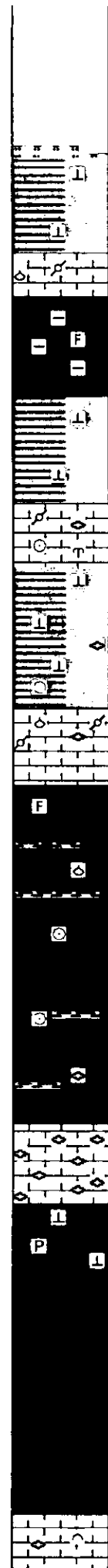
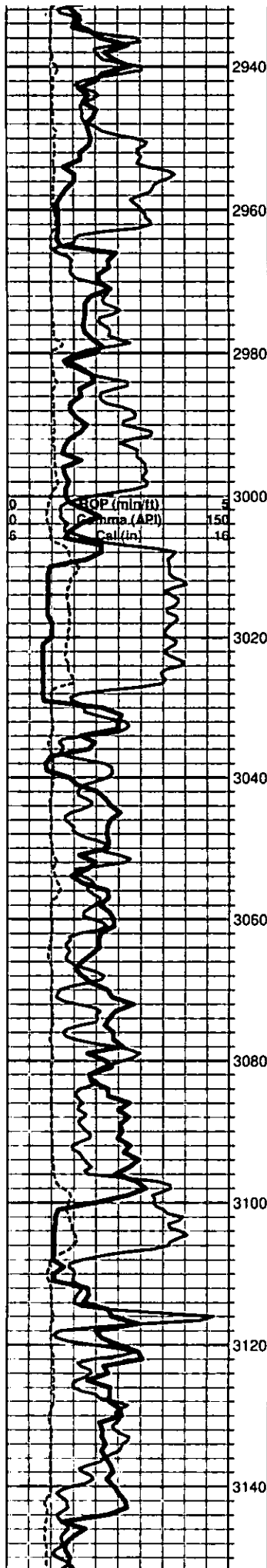
Curve Track #1		Depth Intervals	DST	Lithology	Oil Show	Geological Descriptions	TG, C1 - C5		
ROP (min/ft)	Cal (in)						Total Gas (units)	C1 (units)	C2 (units)
1:240 Imperial							1:240 Imperial		
0	ROP (min/ft)	5					0	Total Gas (units)	50
0	Gamma (API)	150					0	C1 (units)	100
6	Cal (in)	16					0	C2 (units)	100
							0	C3 (units)	100
							0	C4 (units)	100
		2760							
		2780							
		2800							
0	ROP (min/ft)	5					0	Total Gas (units)	50
0	Gamma (API)	150					0	C1 (units)	100
6	Cal (in)	16					0	C2 (units)	100
							0	C3 (units)	100
							0	C4 (units)	100
		2820							
		2840							
		2860							
		2880							
		2900							
		2920							

Captiva II, LLC
RGW Unit # 1-16
2035' FNL & 2470' FEL
Sec. 16, T21S, R16W
Pawnee County, Kansas
KB = 2002'

Tarkio 2830 (-828)

Elmont 2888 (-886)

Mud-Co mud check
 2590 ft. @ 0920 hrs.
 12/11/2011
 Vis 29, Wt. 9.8
 PV: NA, YP: NA,
 WL NA, Cake NA
 pH: 7.0, Ca: Heavy
 CHL: 97,000 ppm
 Sol: 4.9, LCM: 0
 DMC: \$1,824.45
 CMC: \$6,419.95



Shale: gray, calcareous, mica flakes, tr lt gray, qtzose, calc., siltstone

Limestone: lt gray to brown, fossiliferous, brach, fussulinids, pellets, packstone.

Limestone: brown to gray, fossiliferous, argillaceous, wackestone.

Shale: gray to brownish-gray, calc, soft.

Limestone: Lt gray to grayish-brown, fossiliferous, brach, fuss, bryozoans, crinoids, some is clean packstone, some is mud-supported w/ argillaceous content, wackestone.

Shale: med gray, fissile, calc, blocky, fussulinids, crinoids.

Howard 3030 (-1028)

Limestone: Lt gray, pelletal, fossiliferous, fuss, brach., packstone to brown, f-xln, to micro-xln, sli foss, sli arg, mudstone.

Limestone: lt gray, sli fossiliferous, vf-xln, micro-succrosic to micro-xln, tr crin, brach, wackestone to mudstone. Tr brown, sli arg, sli foss wackestone.

Limestone: lt gray to tan, mud-supported, sli foss, crin, fuss, locally argillaceous, mudstone to wackestone.

Limestone: lt tan, fussulind-rich packstone w/ f-xln matrix. No shows.

10' samples begin at 3100'.

Shale: gray to lt gray, tr foss., calc, tr pyritic laminations, soft.

Topeka 3112 (-1110)

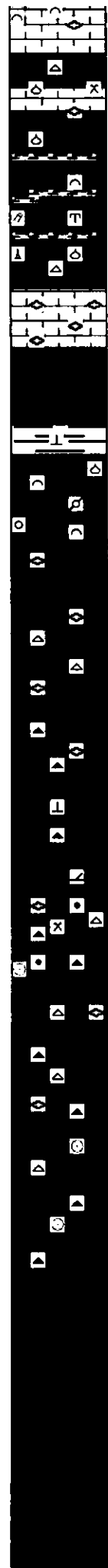
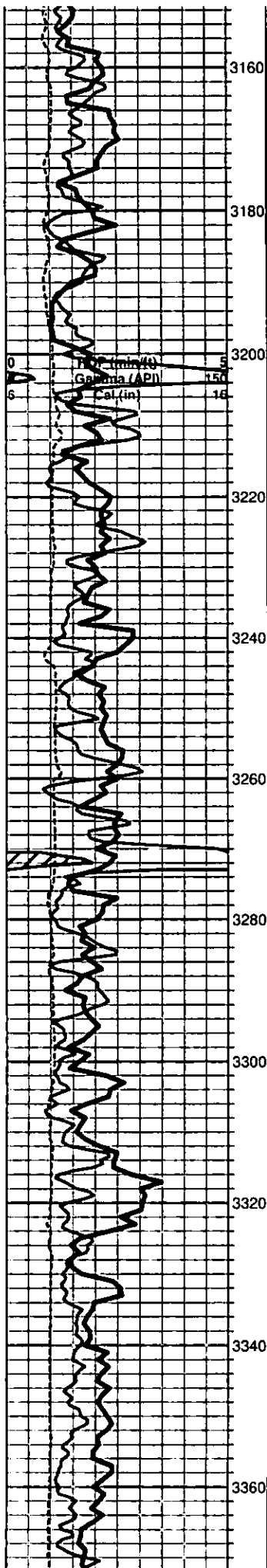
Limestone: lt gray to tan, micro- to crypto-xln, tr foss, brach, tr crin, tr pellets, tr oolites, mudstone to wackestone.

Limestone: lt gray to tan to lt brown, vf- to crypto-xln, tr fossil frags, mudstone to micrite.

Limestone: lt gray to tan, mudstone as above w/ tr f-xln, f-succrosic, fragmental, granular, clean ls.

Limestone: lt tan to lt gray, fragmental fossiliferous, fussulinids, tr pellets, f-xln matrix, fair inter-xln porosity, packstone, no shows.

Total Ggs (units)	50
C1 (units)	100
C2 (units)	100
C3 (units)	100
C4 (units)	100



Limestone: lt tan, f-xn matrix, fossiliferous, brach, fussulinids, spicules, wackestone to packstone.

Limestone: tan, thinly laminated w/ brown to gray shale stringers, also brown micrite. Fossils include bryo., brach., fuss., spicules, algal laminations, set in a f-xm matrix. Wackestone to mudstone. Tr fossiliferous chert: vitreous, tan to lt gray.

Limestone: tan to lt brown, f- to med-xn, some secondary, micro-vuggy porosity, fussulinid-rich packstone to wackestone.

Tr chert: brown, vitreous, spicular.

Shale: black, carbonaceous, dolomitic. King Hill Shale

Shale: greenish-gray, calc, soft.

Limestone: lt tan to lt brown, pellets, oolites, fossiliferous, fussulinids (some w/ white chert spots), brach, foss frags & debris, f- to vf-xn, wackestone.

Limestone: brownish-gray to tan, mostly mudstone to micritic, but some as above. Tr fossiliferous (fussulinids), vitreous chert.

Limestone: lt tan to lt gray, to lt brown, f- to vf-xn, fossils as above, wackestone to mudstone, some thin shale laminations, dark gray and lt gray, spicular, vitreous chert.

Shale: maroon, soft.

Queen Hill 3272 (-1270)

Shale: black, carbonaceous, dolomitic.

Limestone: lt gray to tan, packstone w/ pellets, fuss., spicules, crinoids, set in a f- to vf-xn matrix. Chert: very fossiliferous w/ spicules, fussulinids, vitreous, lt gray to dark gray, tan.

Limestone lt gray to tan, f- to med-xn, some secondary porosity development in a vf-xn mud matrix, tr fossils, fuss., brach, spicules, wackestone to mudstone. Chert as above.

Limestone: as above, lt gray to tan, granular to micritic in the same fragment, med- to crypto-xn., fair inter-xn porosity. No shows. Tr chert: gray to lt gray, vitreous, spicular.

Samples from 3340-70 had an anomalous amount of gray, red, and green shale (cavings?).

Limestone: lt tan, vf- to micro-xn, sub-chalky, soft, tr coarsely-xn sparry calcite, mudstone w/ reddish-brown spots, fair secondary porosity. No shows.

Total Gas (units)	50
G1 (units)	100
G2 (units)	100
G3 (units)	100
G4 (units)	100

Mud-Co Mud
Check
3246 ft. @ 0820
hrs.
12/12/2011
Vis 53, Wt. 9.0
PV 16, YP 15
WL 8.0, Cake 1/32
pH: 10.0, Ca:
20ppm
CHL: 5400 ppm
Sol: 4.7, LCM: Tr
DMC: \$1,218.75
CMC: \$7,628.70

Heebner 3377 (-1375)

Shale: black, carbonaceous, dolomitic.

Shale: gray, calc, fissile, dark gray carbonaceous specks.

Limestone: cream to lt gray, f-xln to spots of med-xln, oolitic grainstone to fussulinid packstone, fair porosity in the oolitic ls, no shows.
Tr pyrite.

Shale: vari-colored, maroon, gray, lt gray, brown, black.

Total Gas (units)	50
C1 (units)	100
C2 (units)	100
C3 (units)	100
C4 (units)	100

Brown Lime 3465 (-1463)

Limestone: brown, f- to micro-xln, fossil debris, wackestone.

Lansing 3472 (-1470)

Limestone: cream to white: f-xln to micro-xln, weak porosity, soft, chalky, no shows.

Limestone: tan to brown, fossiliferous, crinoids, set in a vl- to micro-xln matrix, wackestone, tight, no shows.

Limestone: cream to tan, f-xln, tr foss., crin., tr sparry calcite w/ local porosity, wackestone to mudstone, no shows.

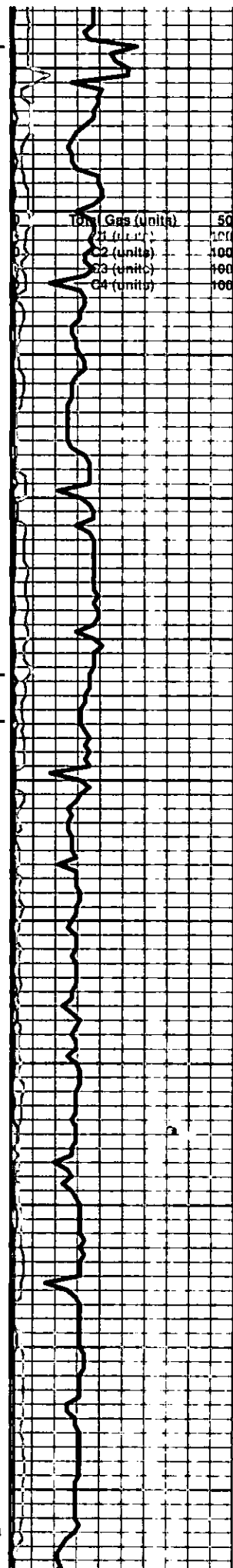
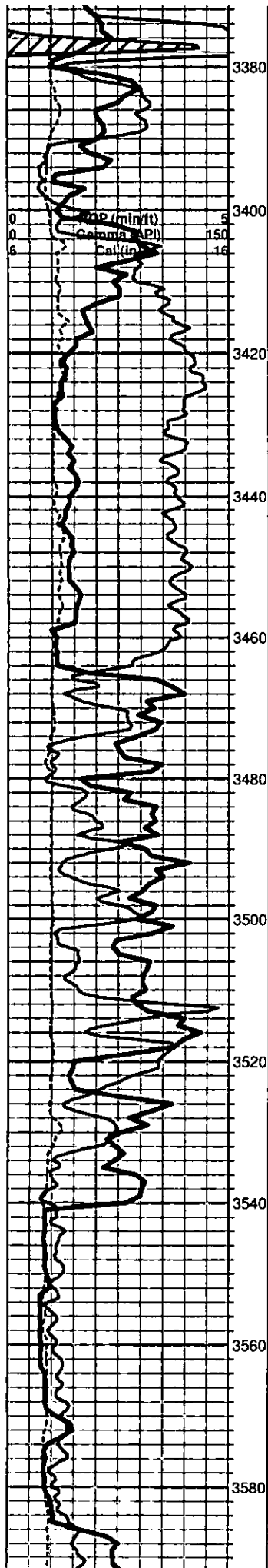
Limestone: lt tan to lt gray, micro- to crypto-xln, mudstone, tight, hard, no shows.

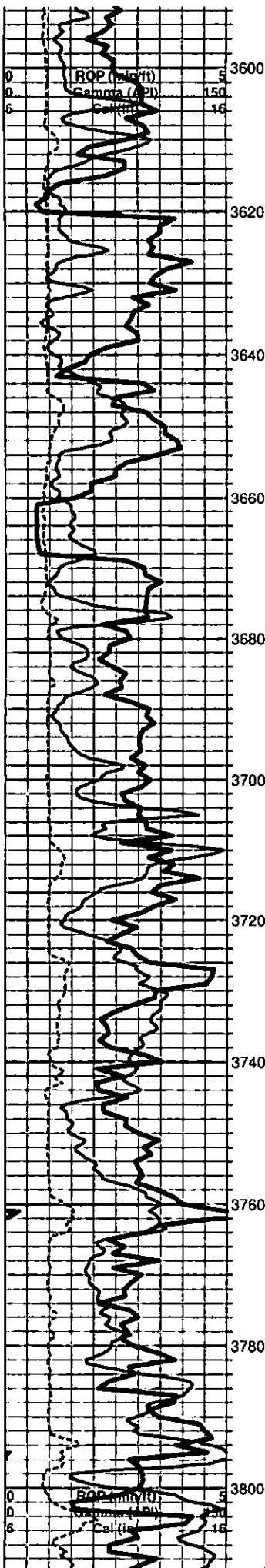
Limestone: tan, cream, crypto-xln, micrite, w/ chert: tan, honey, and orange, vitreous. One fragto had irregular oil staining in secondary porosity, no fluor, but cut slowly w/ bright yellow fluor.

Limestone: tan, micrite as above, w/ chert as above.

Limestone: cream, oolitic grainstone, some oomoldic porosity, f-xln matrix w/ good inter-xln porosity, no shows.

Limestone: cream to tan, weakly fossiliferous, brach, foss frags, set in a micro-xln matrix, very-well cemented, wackestone to mudstone, no shows. A few well-cemented oolites.





Limestone: tan, crypto-xln, micrite, tr honey-colored chert, vitreous.

Shale: gray & dark gray, interlaminated, fossil frags, calc., soft.

Limestone: cream, mottled with brown, fossiliferous, brach, fussels, frags., set in vf-xln matrix, packstone, fair inter-xln porosity, no shows.

Limestone: cream to lt tan, micro- to crypto-xln, clean mudstone to micrite, dense, hard, no shows.

Limestone: cream, oolites, fossil frags, brach, set in a vf-xln matrix, weak porosity, packstone, no shows.

Shale: gray, maroon, lt greenish-gray, calc, fissile.

Limestone, lt tan, weakly fossiliferous, fragmental, micro-xln matrix, wackestone.

Limestone: lt tan to tan, oolitic grainstone, good oomoldic porosity, micro-xln cement, no shows.

Stark Shale 3677 (-1675)

Limestone: white to very lt gray, micro- to crypto-xln, mudstone to lithographic limestone. Tight, no shows.

Limestone: tan to mottled cream & reddish-brown, fossiliferous to barren, brach, oolites, set in a micro- to crypto-xln matrix. Cream micrite w/ pyrite.

Tr chert: vitreous, honey-colored, spicular.

Limestone: tan to brown w/ some reddis-brown mottling, micro-xln, mudstone to micrite. Tr gastropod. Tr gray shaley lime.

Shale: mixed colors, mainly gray, some greenish-gray, thinly laminated, fossiliferous, crinoids, calcareous, tr maroon. Tr pyrite.

Limestone: brown, fossil fragments, f-xln matrix, argillaceous, wackestone.

Base Kansas City 3730 (-1728)

Marmaton 3740 (-1738)

Limestone: lt gray to tan, micro- to crypto-xln w/ sparry patches, fair inter-xln porosity in the spar. Lithographic micrite. No shows.

Limestone: tan to lt brown, mottled w/ maroon patches of clay. Lt green shale patches in micrite.

Conglomerate 3762 (-1760)

Conglomerate: maroon shale mottled w/ lt gray patches. Vari-colored shale, gray, lt brown, greenish-gray. Limestone: lt gray to lt tan, mottled w/ red shale streaks. Chert: maroon to honey, vitreous.

Conglomerate: cherty, red, maroon, cream, honey, vitreous, weathered tan and maroon limestone, and vari-colored shale.

Cherty conglomerate: increasing chert content. Limbs if Rhombopora. Tr dirty siltstone interlaminated with aqua-green shale.

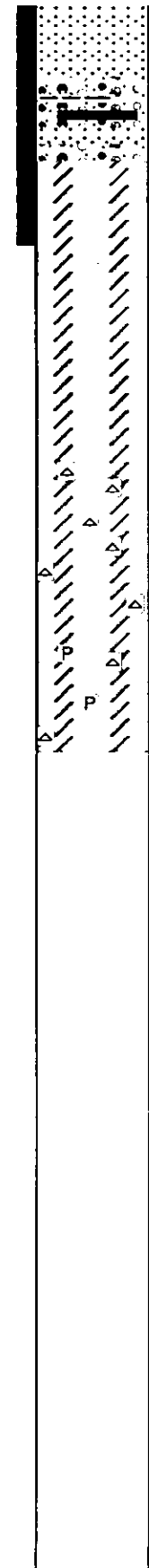
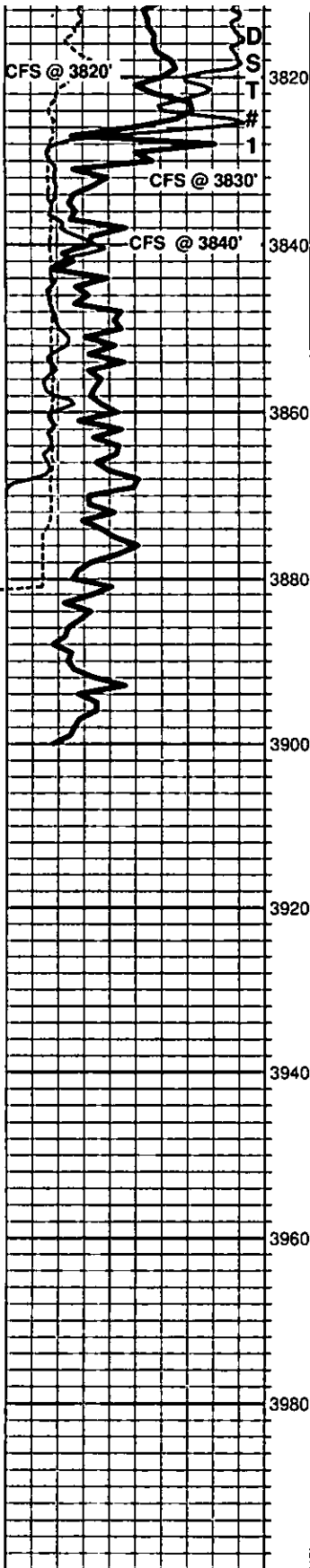
Simpson Shale 3806 (-1804)

Conglomerate as above w/ lt green, waxy shale. Sandstone: qtz-rich, found as individual, well-rounded, fine-grained grains in the bottom of the sample tray.

Total Gas (units)	50
C1 (units)	100
C2 (units)	100
C3 (units)	100
C4 (units)	100

Mud-Co mud check
3773 ft. @ 0810 hrs.
12/13/2011
Vis 54, Wt. 9.2
PV 16, YP 18,
WL 7.2, Cake 1/32
pH: 10.0, Ca: 20ppm
CHL: 6800 ppm
Sol: 6.0, LCM: 1
DMC: \$1,003.60
CMC: \$9,539.80


Total Gas (units)	50
C1 (units)	100
C2 (units)	100
C3 (units)	100
C4 (units)	100



60 min sample: Sandstone, f-gr, well-sorted, well-rounded grains, non-calcareous, qtz arenite.
 Conglomerate as above w/ olive shale, aqua-green shale, and yellow ochre, sandy shale.
 60 min sample shows the same conglomerate and sandstone as above. No shows.

Arbuckle 3830 (-1828)

Dolomite: lt tan, succrosic, rhombs to 0.1mm, a few fragments w/ spotty dead oil staining, no fluor., very weak cut.

 RGW #1-16 DST #10001.jpg

Dolomite: cream to lt tan, siccrosic, rhombs up to 0.2mm, fair to good inter-xln porosity, tr micro-vuggy porosity, no shows.

Dolomite: lt tan to cream, as above w/ some very tight dolomitic micrite.
 Chert: white to translucent honey, vitreous.

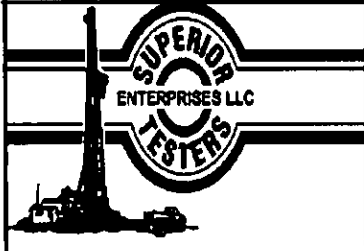
Dolomite: as above w/ pyrite.

RTD 3900 (-1898)

**Rotary TD 3900' @ 1400hrs 12/14/2011
 Superior Well Services Logged TD 3898'
 Completed logging operations @ 2245 hrs.**

**Geologist: Charlie Sturdavant off location
 0015 hrs @ 12/15/2011**

Pipe strap was
 2.94' long to the
 board.



DRILL STEM TEST REPORT

Shelby Resources LLC
 2717 Canal Boulevard
 Suite C
 Hays, Kansas 67601
 ATTN: Charlie Sturdavant

RGW Unit #1-16
16/21S/16W/Pawnee
 Job Ticket: 18811 **DST#: 1**
 Test Start: 2011.12.13 @ 22:50:00

GENERAL INFORMATION:

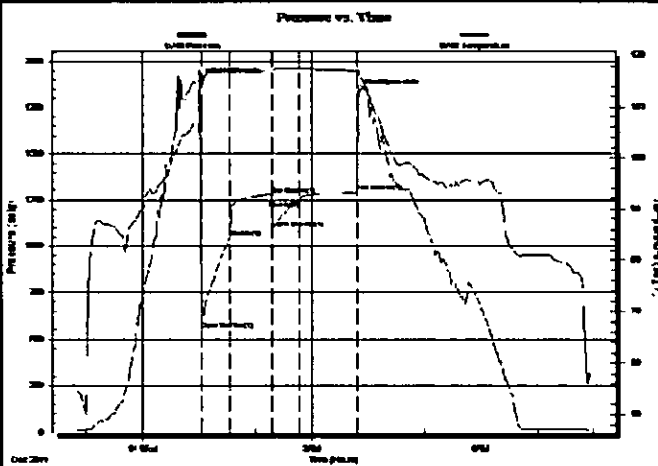
Formation: **Arbuckle**
 Deviated: **No** Whipstock: **ft (KB)**
 Time Tool Opened: 01:02:30
 Time Test Ended: 07:56:30
 Test Type: **Conventional Bottom Hole (Initial)**
 Tester: **Ken Swinney**
 Unit No: **3325 Great Bend/50**
 Interval: **3750.00 ft (KB) To 3840.00 ft (KB) (TVD)**
 Total Depth: **3840.00 ft (KB) (TVD)**
 Hole Diameter: **7.88 inches** Hole Condition: **Fair**
 Reference Elevations: **2002.00 ft (KB)**
1991.00 ft (CF)
KB to GR/CF: 11.00 ft

Serial #: 6748

Outside
 Press@RunDepth: **1246.50 psig @ 3836.92 ft (KB)**
 Start Date: **2011.12.13** End Date: **2011.12.14**
 Start Time: **22:50:00** End Time: **07:56:30**
 Capacity: **5000.00 psig**
 Last Calib : **2011.12.14**
 Time On Btm: **2011.12.14 @ 01:00:30**
 Time Off Btm: **2011.12.14 @ 03:50:00**

TEST COMMENT:

1ST Open 30 Minutes/Strong blow /Blow to bottom of bucket in 1 minute
1ST Shut In 45 Minutes/No blow back
2ND Open 30 Minutes/Strong blow /Blow to bottom of bucket in 1 minute
2ND Shut In 60 Minutes/No blow back



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1892.83	107.29	Initial Hydro-static
3	550.45	107.94	Open To Flow (1)
33	1047.18	117.37	Shut-in(1)
78	1278.31	118.94	End Shut-in(1)
78	1093.79	118.92	Open To Flow (2)
107	1246.50	117.44	Shut-in(2)
169	1294.18	117.14	End Shut-in(2)
170	1831.04	117.29	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbt)
2220.00	Slightly gas cut Muddy Water	30.43
0.00	Gas 1% Mud 15% Water 84%	0.00
120.00	Mud 100%	1.75
0.00	Recovery Chlorides 27000 ppm	0.00
0.00	Recov resistivity .58 ohms @ 65 degrees	0.00

Gas Rates

	Choke (inches)	Pressure (psig)	Gas Rate (Mcfd)

ALLIED CEMENTING CO., LLC. 037984

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:

Red Lodge

DATE <u>12/5/11</u>	SEC <u>16</u>	TWP. <u>21S</u>	RANGE <u>16W</u>	CALLED OUT	ON LOCATION	JOB START <u>12:00 pm</u>	JOB FINISH <u>12:00 am</u>
LEASE <u>R6W</u>	WELL # <u>H16</u>	LOCATION <u>Corralia F0156 to 100 1/4 Ave</u>			COUNTY <u>Lawrence</u>	STATE <u>KS</u>	
OLD OR NEW (Circle one)			<u>2 N, west into</u>				

CONTRACTOR Sterling Drilling
 TYPE OF JOB Rotary plug
 HOLE SIZE 7 7/8 T.D.
 CASING SIZE _____ DEPTH _____
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE 4 1/2 DEPTH 3880'
 TOOL _____ DEPTH _____
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ SHOE JOINT _____
 CEMENT LEFT IN CSG. _____
 PERFS. _____
 DISPLACEMENT _____

OWNER Shelby Resources
 CEMENT
 AMOUNT ORDERED 240 sacks @ 40' 1/4" x 1 1/4" + 1 sack

EQUIPMENT

PUMP TRUCK # <u>300265</u>	CEMENTER <u>and Throck</u>
BULK TRUCK # <u>363290</u>	HELPER <u>Dawn Shrock</u>
BULK TRUCK # _____	DRIVER <u>Edna Ager</u>
BULK TRUCK # _____	DRIVER _____

COMMON	<u>144 sacks "A"</u>	@ <u>11.25</u>	<u>2310-</u>
POZMIX	<u>96 sacks</u>	@ <u>8.50</u>	<u>816-</u>
GEL	<u>9 sacks</u>	@ <u>21.25</u>	<u>191.25</u>
CHLORIDE		@	
ASC		@	
Floceal	<u>60#</u>	@ <u>2.70</u>	<u>162-</u>
		@	
		@	
		@	
		@	
		@	
		@	
HANDLING	<u>251</u>	@ <u>2.25</u>	<u>564.75</u>
MILEAGE	<u>851/11/25</u>	@	<u>690.25</u>
			TOTAL <u>4764.25</u>

REMARKS:

plug 3880' pipe 10 1/2" x 120' m. r. and 50' cement
also 2 1/2" x 120' + 40' 1 1/2" x 120'
plug of 1080' pipe 10 1/2" x 120' m. r. and 50' cement
also 10 1/2" x 120'
plug of 570' pipe 10 1/2" x 120' m. r. and 50' cement
also 4 1/2" x 120'
plug of 210' pipe 10 1/2" x 120' m. r. and 40' cement
also 4 1/2" x 120'
plug of 60' m. r. and 20' x
m. r. and 20' x 40' cement.

SERVICE

DEPTH OF JOB	<u>3880'</u>		
PUMP TRUCK CHARGE		@	<u>1650-</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>50</u>	@ <u>7.00</u>	<u>350.00</u>
MANIFOLD		@	
<u>W</u>	<u>50</u>	@ <u>4.00</u>	<u>200.00</u>
			TOTAL <u>1800.00</u>

CHARGE TO: Shelby Resources
 STREET _____
 CITY _____ STATE _____ ZIP _____

To Allied Cementing Co., LLC.
 You are hereby requested to rent cementing equipment and furnish cementer and helper(s) to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

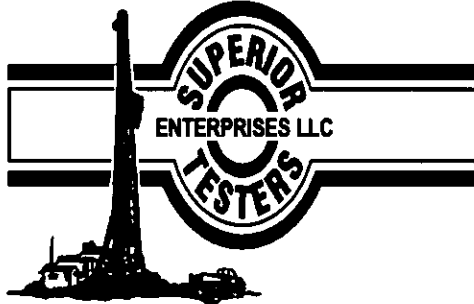
PLUG & FLOAT EQUIPMENT

	@	
	@	
	@	
	@	
	@	
TOTAL _____		

SALES TAX (If Any) _____

PRINTED NAME Jake Fahrnbach
 SIGNATURE Jake Fahrnbach

TOTAL CHARGES 6564.25
 DISCOUNT 50/20 IF PAID IN 30 DAYS
NET 4631.28



DRILL STEM TEST REPORT

Prepared For: **Shelby Resources LLC**

2717 Canal Boulevard
Suite C
Hays, Kansas 67601

ATTN: Charlie Sturdavant

16/21S/16W/Pawnee

RGW Unit #1-16

Start Date: 2011.12.13 @ 22:50:00

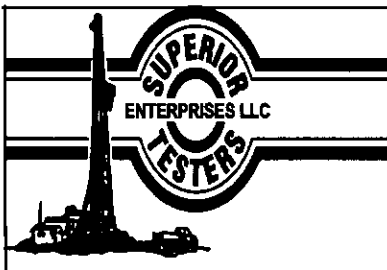
End Date: 2011.12.14 @ 07:56:30

Job Ticket #: 18811 DST #: 1

Superior Testers Enterprises LLC
PO Box 138 Great Bend KS 67530
1-800-792-6902

Printed: 2011.12.14 @ 06:21:45

Shelby Resources LLC RGW Unit #1-16 16/21S/16W/Pawnee DST # 1 Arbuckle 2011.12.13



DRILL STEM TEST REPORT

Shelby Resources LLC
 2717 Canal Boulevard
 Suite C
 Hays, Kansas 67601
 ATTN: Charlie Sturdavant

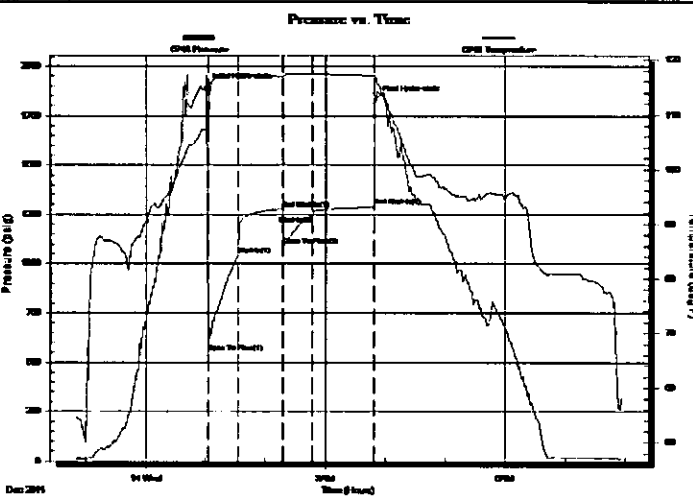
RGW Unit #1-16
16/21S/16W/Pawnee
 Job Ticket: 18811 **DST#: 1**
 Test Start: 2011.12.13 @ 22:50:00

GENERAL INFORMATION:

Formation: **Arbuckle**
 Deviated: No Whipstock: ft (KB)
 Time Tool Opened: 01:02:30
 Time Test Ended: 07:56:30
 Interval: **3750.00 ft (KB) To 3840.00 ft (KB) (TVD)**
 Total Depth: **3840.00 ft (KB) (TVD)**
 Hole Diameter: **7.88 inches** Hole Condition: Fair
 Test Type: **Conventional Bottom Hole (Initial)**
 Tester: **Ken Swinney**
 Unit No: **3325 Great Bend/50**
 Reference Elevations: **2002.00 ft (KB)**
 1991.00 ft (CF)
 KB to GR/CF: **11.00 ft**

Serial #: 6748 Outside
 Press@RunDepth: **1246.50 psig @ 3836.92 ft (KB)** Capacity: **5000.00 psig**
 Start Date: **2011.12.13** End Date: **2011.12.14** Last Calib.: **2011.12.14**
 Start Time: **22:50:00** End Time: **07:56:30** Time On Btm: **2011.12.14 @ 01:00:30**
 Time Off Btm: 2011.12.14 @ 03:50:00

TEST COMMENT: 1ST Open 30 Minutes/Strong blow/Blow to bottom of bucket in 1 minute
 1ST Shut In 45 Minutes/No blow back
 2ND Open 30 Minutes/Strong blow/Blow to bottom of bucket in 1 minute
 2ND Shut In 60 Minutes/No blow back



PRESSURE SUMMARY

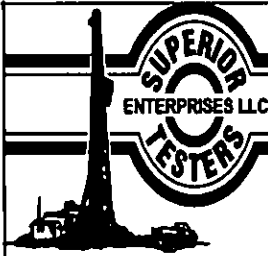
Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1892.83	107.29	Initial Hydro-static
3	550.45	107.94	Open To Flow (1)
33	1047.18	117.37	Shut-In(1)
78	1278.31	116.94	End Shut-In(1)
78	1093.79	116.92	Open To Flow (2)
107	1246.50	117.44	Shut-In(2)
169	1294.18	117.14	End Shut-In(2)
170	1831.04	117.29	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
2220.00	Slightly gas cut Muddy Water	30.43
0.00	Gas 1% Mud 15% Water 84%	0.00
120.00	Mud 100%	1.75
0.00	Recovery Chlorides 27000 ppm	0.00
0.00	Recov resistivity .58 ohms @ 65 degrees	0.00

Gas Rates

	Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)



DRILL STEM TEST REPORT

Shelby Resources LLC
 2717 Canal Boulevard
 Suite C
 Hays, Kansas 67601
 ATTN: Charlie Sturdavant

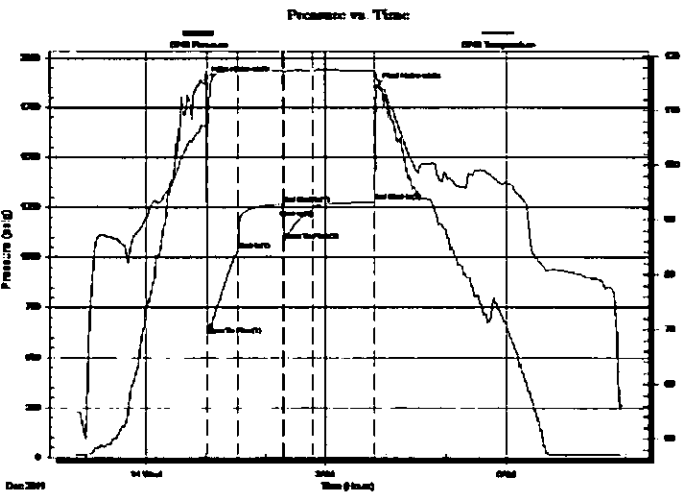
RGW Unit #1-16
16/21S/16W/Pawnee
 Job Ticket: 18811 **DST#: 1**
 Test Start: 2011.12.13 @ 22:50:00

GENERAL INFORMATION:

Formation: **Arbuckle**
 Deviated: **No Whipstock:** **ft (KB)**
 Time Tool Opened: **01:02:30**
 Time Test Ended: **07:56:30**
 Interval: **3750.00 ft (KB) To 3840.00 ft (KB) (TVD)**
 Total Depth: **3840.00 ft (KB) (TVD)**
 Hole Diameter: **7.88 inches** Hole Condition: **Fair**
 Test Type: **Conventional Bottom Hole (Initial)**
 Tester: **Ken Swinney**
 Unit No: **3325 Great Bend/50**
 Reference Elevations: **2002.00 ft (KB)**
1991.00 ft (CF)
KB to GR/CF: 11.00 ft

Serial #: 6749 **Inside**
 Press@RunDepth: **1277.92 psig @ 3835.92 ft (KB)** Capacity: **5000.00 psig**
 Start Date: **2011.12.13** End Date: **2011.12.14** Last Calib.: **2011.12.14**
 Start Time: **22:50:00** End Time: **07:56:00** Time On Btm: **2011.12.14 @ 01:00:00**
 Time Off Btm: **2011.12.14 @ 03:51:00**

TEST COMMENT: 1ST Open 30 Minutes/Strong blow/Blow to bottom of bucket in 1 minute
 1ST Shut In 45 Minutes/No blow back
 2ND Open 30 Minutes/Strong blow/Blow to bottom of bucket in 1 minute
 2ND Shut In 60 Minutes/No blow back



PRESSURE SUMMARY

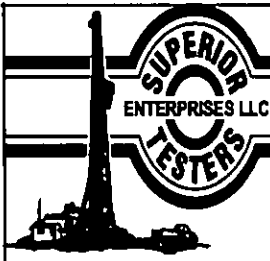
Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1887.66	107.33	Initial Hydro-static
2	615.50	107.03	Open To Flow (1)
33	1034.36	117.48	Shut-In(1)
78	1267.36	117.44	End Shut-In(1)
79	1082.44	117.03	Open To Flow (2)
107	1235.72	117.43	Shut-In(2)
169	1277.92	117.43	End Shut-In(2)
171	1855.75	116.05	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
2220.00	Slightly gas cut Muddy Water	30.43
0.00	Gas 1% Mud 15% Water 84%	0.00
120.00	Mud 100%	1.75
0.00	Recovery Chlorides 27000 ppm	0.00
0.00	Recov resistivity .58 ohms @ 65 degrees	0.00

Gas Rates

Choke (inches)	Pressure (psig)	Gas Rate (Mc/d)



DRILL STEM TEST REPORT

TOOL DIAGRAM

Shelby Resources LLC
 2717 Canal Boulevard
 Suite C
 Hays, Kansas 67601
 ATTN: Charlie Sturdavant

RGW Unit #1-16
16/21S/16W/Pawnee
 Job Ticket: 18811 **DST#: 1**
 Test Start: 2011.12.13 @ 22:50:00

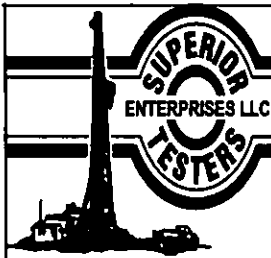
Tool Information

Drill Pipe:	Length: 3516.00 ft	Diameter: 3.88 inches	Volume: 51.42 bbl	Tool Weight:	2000.00 lb
Heavy Wt. Pipe:	Length: 0.00 ft	Diameter: 0.00 inches	Volume: 0.00 bbl	Weight set on Packer:	20000.00 lb
Drill Collar:	Length: 210.00 ft	Diameter: 2.25 inches	Volume: 1.03 bbl	Weight to Pull Loose:	76000.00 lb
			<u>Total Volume: 52.45 bbl</u>	Tool Chased	0.00 ft
Drill Pipe Above KB:	4.75 ft			String Weight: Initial	58000.00 lb
Depth to Top Packer:	3750.00 ft			Final	70000.00 lb
Depth to Bottom Packer:	ft				
Interval between Packers:	89.92 ft				
Tool Length:	118.67 ft				
Number of Packers:	2	Diameter: 6.75 inches			

Tool Comments:

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths
Shut-in tool	5.00			3726.25	
Hydrolic tool	5.00			3731.25	
Change over sub	0.75			3732.00	
Jars	6.00			3738.00	
Safety Joint	2.00			3740.00	
Packer	5.00			3745.00	28.75 Bottom Of Top Packer
Packer	5.00			3750.00	
Anchor	6.00			3756.00	
change over sub	0.75			3756.75	
drill pipe	63.42			3820.17	
change over sub	0.75			3820.92	
anchor	14.00			3834.92	
Recorder	1.00	6749	Inside	3835.92	
Recorder	1.00	6748	Outside	3836.92	
bull plug	3.00			3839.92	89.92 Bottom Packers & Anchor

Total Tool Length: 118.67



DRILL STEM TEST REPORT

FLUID SUMMARY

Shelby Resources LLC
 2717 Canal Boulevard
 Suite C
 Hays, Kansas 67601
 ATTN: Charlie Sturdavant

RGW Unit #1-16
16/21S/16W/Pawnee
 Job Ticket: 18811 **DST#: 1**
 Test Start: 2011.12.13 @ 22:50:00

Mud and Cushion Information

Mud Type: Gel Chem	Cushion Type:	Oil API:	deg API
Mud Weight: 9.00 lb/gal	Cushion Length:	Water Salinity:	ppm
Viscosity: 54.00 sec/qt	Cushion Volume:		
Water Loss: 7.20 in ³	Gas Cushion Type:		
Resistivity: ohm.m	Gas Cushion Pressure:		
Salinity: 6800.00 ppm			
Filter Cake: 1.00 inches			

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
2220.00	Slightly gas cut Muddy Water	30.427
0.00	Gas 1% Mud 15% Water 84%	0.000
120.00	Mud 100%	1.755
0.00	Recovery Chlorides 27000 ppm	0.000
0.00	Recov resistivity .58 ohms @ 65 degrees	0.000

Total Length: 2340.00 ft Total Volume: 32.182 bbl
 Num Fluid Samples: 0 Num Gas Bombs: 0 Serial #:
 Laboratory Name: Laboratory Location:
 Recovery Comments:

