

KANSAS CORPORATION COMMISSION  
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**

ORIGINAL

OPERATOR: License # 6037  
Name: Staab Oil Company  
Address 1: 1607 Hopewell Road  
Address 2: \_\_\_\_\_  
City: Hays State: KS Zip: 67601 + \_\_\_\_\_  
Contact Person: Francis C. Staab  
Phone: ( 785 ) 625-5013  
CONTRACTOR: License # 5184  
Name: Shields Drilling Co.  
Wellsite Geologist: Randall Kilian  
Purchaser: none

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 #: \_\_\_\_\_

3-17-12    3-20-12    3/28/12  
Spud Date or    Date Reached TD    Completion Date or  
Recompletion Date       Recompletion Date

API No. 15 - 065-23818-0000

Spot Description: \_\_\_\_\_  
E2-SW-SE-NW Sec. 9 Twp. 10 S. R. 24  East  West  
2,970 Feet from  North /  South Line of Section  
3,320 Feet from  East /  West Line of Section

Footages Calculated from Nearest Outside Section Corner:

- NE     NW     SE     SW

County: Graham

Lease Name: Herman North Well #: 1

Field Name: \_\_\_\_\_

Producing Formation: \_\_\_\_\_

Elevation: Ground: 2507 Kelly Bushing: 2512

Total Depth: 4110 Plug Back Total Depth: \_\_\_\_\_

Amount of Surface Pipe Set and Cemented at: \_\_\_\_\_ 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: \_\_\_\_\_ ppm Fluid volume: \_\_\_\_\_ bbls

Dewatering method used: \_\_\_\_\_

Location of fluid disposal if hauled offsite: \_\_\_\_\_

Operator Name: \_\_\_\_\_

Lease Name: \_\_\_\_\_ License #: \_\_\_\_\_

Quarter \_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  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 2048, 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.

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**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: Francis C. Staab  
Title: Partner Date: 4-10-12

**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: Dg Date: 4/24/12

Operator Name: Staab Oil Company Lease Name: Herman North Well #: 1  
 Sec. 9 Twp. 10 S. R. 24  East  West County: Graham

**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 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: <b>Dual Induction, Dual Induction Porosity, Micro</b>	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample  <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Name</th> <th style="text-align: left;">Top</th> <th style="text-align: left;">Datum</th> </tr> </thead> <tbody> <tr> <td>Any</td> <td>2156</td> <td>+356</td> </tr> <tr> <td>Base</td> <td>2192</td> <td>+320</td> </tr> <tr> <td>Top</td> <td>3596</td> <td>-1084</td> </tr> <tr> <td>Heebner</td> <td>3812</td> <td>-1300</td> </tr> <tr> <td>Toronto</td> <td>3835</td> <td>-1323</td> </tr> <tr> <td>Lansing</td> <td>3849</td> <td>-1337</td> </tr> <tr> <td>BKC</td> <td>4076</td> <td>-1564</td> </tr> </tbody> </table>	Name	Top	Datum	Any	2156	+356	Base	2192	+320	Top	3596	-1084	Heebner	3812	-1300	Toronto	3835	-1323	Lansing	3849	-1337	BKC	4076	-1564
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CASING RECORD <input type="checkbox"/> New <input type="checkbox"/> Used T.D. 4110 -1598							
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 Pipe	12 1/4	8 5/8	20	213	Common	150	

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 <i>(Amount and Kind of Material Used)</i>	Depth
	PLUGGED & ABANDONED		
	DRY		

TUBING RECORD:	Size:	Set At:	Packer At:	Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No
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Date of First, Resumed Production, SWD or ENHR.	Producing Method: <input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) _____					
Estimated Production Per 24 Hours	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:15%;">Oil Bbls.</td> <td style="width:15%;">Gas Mcf</td> <td style="width:15%;">Water Bbls.</td> <td style="width:15%;">Gas-Oil Ratio</td> <td style="width:15%;">Gravity</td> </tr> </table>	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
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<b>DISPOSITION OF GAS:</b> <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	<b>METHOD OF COMPLETION:</b> <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) _____	<b>PRODUCTION INTERVAL:</b> _____ _____
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# QUALITY WELL SERVICE, INC.

Home Office 324 Simpson St., Pratt, KS 67124

Todd's Cell 620-388-5422  
Office / Fax 620-672-3663

Rich's Cell 620-727-3409  
Brady's Cell 620-727-6964

Date	3-18-12	Sec.	9	Twp.	10	Range	24	County	Graham	State	Ks	On Location		Finish	2:00pm	
Lease	Herman North	Well No.	1	Location Wakeamy 10W to GRN 5.5W to 20CRU 2N 1/2 E RD												
Contractor	Shields	Owner										17 New N into				
Type Job	Surface	To Quality Well Service, 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	12 1/4	T.D.										216				
Csg.	8 5/8	Depth										206				
Tbg. Size		Depth														
Tool		Depth														
Cement Left in Csg.	15	Shoe Joint Landing										10				
Meas Line		Displace										12.8				
<b>EQUIPMENT</b>										3% CC						
Pumptrk	8	No.		Mud										Common	150	
Bulktrk	4	No.		Primary										Poz. Mix		
Bulktrk		No.												Gel.	3	
Pickup		No.												Calcium	5	
<b>JOB SERVICES &amp; REMARKS</b>										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						
Ran 5jts of New 20" 8 5/8 csg.										Sand						
Est circulation with Mud pump										Handling						158
										Mileage						50
										<b>FLOAT EQUIPMENT</b>						
Mixed 150sx common 2% Gel 3% CC										Guide Shoe						
released plug & Displaced with 12.8 bbls										Centralizer						
										Baskets						
Shot in 200psi										AFU Inserts						
										Float Shoe						
										Latch Down						
Cement did circulate										8 5/8 Western Plug						
										Pumptrk Charge						Surface
										Mileage						50
Signature										Tax						
										Discount						
										Total Charge						

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## GENERAL TERMS AND CONDITIONS

**DEFINITIONS:** In these terms and conditions, "Quality" shall mean Quality Well Service, 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 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 limited to, a reasonable sum as and attorney's fees.

– **PRICES AND TAXES:** All merchandise listed in "QUALITY'S" current price 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 charge 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 construed 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.

# ALLIED CEMENTING CO., LLC. 034636

REMIT TO P.O. BOX 31  
RUSSELL, KANSAS 67655

SERVICE POINT:

RUSSELL

DATE <u>3-28-12</u>	SEC <u>9</u>	TWP. <u>S 10</u>	RANGE <u>24</u>	CALLED OUT	ON LOCATION <u>8:30am</u>	JOB START <u>8:30am</u>	JOB FINISH <u>4 PM</u>
LEASE <u>NORTH</u>	WELL # <u>1</u>	LOCATION <u>WAKEBOY - 10" - 6" - 2" - 1.7"</u>			COUNTY <u>GRAHAM</u>	STATE <u>KS</u>	
OLD OR NEW (Circle one) <u>N INTO</u>							

CONTRACTOR Shield #1

TYPE OF JOB PTA

HOLE SIZE 7 7/8 T.D.

CASING SIZE 8 7/8 DEPTH 213

TUBING SIZE DEPTH

DRILL PIPE 4 1/2 DEPTH 2175

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG.

PERFS.

DISPLACEMENT

OWNER

CEMENT

AMOUNT ORDERED 220 SK 60% 40 49 60L  
1/4" P10-SEAL PER/SK

COMMON	<u>132</u>	@	<u>16.25</u>	<u>2145.00</u>
POZMIX	<u>88</u>	@	<u>8.50</u>	<u>748.00</u>
GEL	<u>8</u>	@	<u>21.25</u>	<u>170.00</u>
CHLORIDE		@		
ASC		@		
<u>FLO-SEAL 75</u>		@	<u>2.70</u>	<u>202.5</u>
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>231</u>	@	<u>2.25</u>	<u>519.75</u>
MILEAGE	<u>78 X 231 X .11</u>			<u>1981.98</u>
TOTAL				<u>5767.23</u>

REMARKS:

- P1 - 2175' - 25 SK
- P2 - 1275' - 100 SK
- P3 - 275' - 40 SK
- P4 - 40' - 10 SK
- RBT - 30 SK
- mouse - 15 SK

SERVICE

DEPTH OF JOB				
PUMP TRUCK CHARGE				<u>1250.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>H 78</u>	@	<u>7.00</u>	<u>546.00</u>
MANIFOLD		@		
	<u>Ldv m 78</u>	@	<u>4.00</u>	<u>312.00</u>
WAITING TIME	<u>1.5</u>	@	<u>300.00</u>	<u>450.00</u>
	<u>3 PM TO 7 PM 8:30 PM</u>			
TOTAL				<u>2558.00</u>

CHARGE TO: STAAB OIL

STREET \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

PLUG & FLOAT EQUIPMENT

<u>8 7/8 wooden plug</u>	@		<u>63.00</u>
	@		
	@		
	@		
TOTAL <u>63.00</u>			

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.

SALES TAX (If Any)	<u>633.31</u>
TOTAL CHARGES	<u>8388.23</u>
DISCOUNT <u>20/50</u>	<u>2529.64</u> IF PAID IN 30 DAYS

PRINTED NAME Kevin Vane

SIGNATURE Kevin Vane

William King

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