

RECEIVED ORIGINAL

MAY 18 2012

Form ACO-1  
June 2009

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

KCC WICHITA  
Form Must Be Typed  
Form must be Signed  
All blanks must be Filled

WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 31941  
Name: 3B Energy, Inc  
Address 1: PO Box 354  
Address 2: 315 Mill  
City: Neodesha State: KS Zip: 66757 + 0354  
Contact Person: Bruce B Burkhead  
Phone: ( 620 ) 330-7854  
CONTRACTOR: License # 5989  
Name: Finney Drilling  
Wellsite Geologist: \_\_\_\_\_  
Purchaser: Pacer Energy Marketing, LLC & Layne Energy

Designate Type of Completion:

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

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

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

03/19/2010 02/20/12 03/23/2010 2/25/12 2/25/12  
Spud Date or      Date Reached TD      Completion Date or  
Recompletion Date           Recompletion Date

*Dg - KCC - Drillers logs*

API No. 15 - 205-27996-00-00  
Spot Description: \_\_\_\_\_  
NW NE SW SE Sec. 26 Twp. 30 S. R. 16  East  West  
1,155 Feet from  North /  South Line of Section  
825 Feet from  East /  West Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
 NE     NW     SE     SW  
County: Wilson  
Lease Name: Phillips Well #: #41  
Field Name: Neodesha  
Producing Formation: Bartlesville  
Elevation: Ground: 822 Kelly Bushing: \_\_\_\_\_  
Total Depth: 877 Plug Back Total Depth: N/A  
Amount of Surface Pipe Set and Cemented at: 19 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set: \_\_\_\_\_ Feet  
If Alternate II completion, cement circulated from: 0  
feet depth to: 877 w/ 108 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 #: \_\_\_\_\_

**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: *B B Burkhead*  
Title: President Date: 05/15/2012

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: *Dg* Date: 5/22/12

Operator Name: 3B Energy, Inc Lease Name: Phillips Well #: #41  
 Sec. 26 Twp. 30 S. R. 16  East  West County: Wilson

**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 checked="" 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:	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample  Name Top Datum
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CASING RECORD <input 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 1/4 inch	7		19 ft	Portland	10	
Production	5 5/8 inch	2 7/8		864	POZ	108	

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
2	794-800	100 gal acid	
2	828-836	5000 lbs sand	
		110 bbl water	

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TUBING RECORD: Size: _____ Set At: _____ Packer At: _____		Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Date of First, Resumed Production, SWD or ENHR. <b>03/15/2012</b>		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	Oil Bbbs.	Gas Mcf	Water Bbbs. Gas-Oil Ratio Gravity

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5)</i> <i>(Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
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**Kepley Well Service, LLC**

19245 Ford Road  
Chanute, KS 66720

<b>Date</b>	<b>Invoice #</b>
2/28/2012	46606

# Cement Treatment Report

3 B Energy  
P.O. Box 354  
Neosdesha, KS 66757-0354

(x) Landed Plug on Bottom at 700 PSI  
 () Shut in Pressure 700  
 (x) Good Cement Returns  
 () Topped off well with \_\_\_\_\_ sacks  
 (x) Set Float Shoe

TYPE OF TREATMENT: Production Casing  
 HOLE SIZE: 5 3/4"  
 TOTAL DEPTH: 877

Well Name	Terms	Due Date		
	Net 15 days	3/14/2012		
Service or Product	Qty	Per Foot Pricing/Unit Pricing	Amount	
Run and cement 2 7/8"	864	3.00	2,592.00	
Sales Tax		6.30%	0.00	

Phillips #41  
Wilson County  
Section: 26  
Township: 30  
Range: 16

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Hooked onto 2 7/8" casing. Established circulation with 1.5 barrels of water, 2 GEL, METSO, COTTONSEED ahead, blended 108 sacks of 2% cement, dropped rubber plug, and pumped 5 barrels of water

<b>Total</b>	<b>\$2,592.00</b>
<b>Payments/Credits</b>	<b>\$0.00</b>
<b>Balance Due</b>	<b>\$2,592.00</b>