

**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 # 33530
Name: Reif Oil & Gas Co., LLC
Address 1: P.O. Box 298
Address 2: _____
City: Hoisington State: KS Zip: 67544 + _____
Contact Person: Don J. Reif
Phone: (620) 786-5698
CONTRACTOR: License # _____
Name: South Winds Rig #4
Wellsite Geologist: Jim Muskgrove
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 (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 #: _____

1-25-12 1-30-12 1-30-12
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 009-25654-00-00
Spot Description: _____
SE-SW-SE-NW Sec. 10 Twp. 17 S. R. 14 East West
1480 Feet from North / South Line of Section
2070 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Barton
Lease Name: Reidl Well #: 1
Field Name: Larkin West
Producing Formation: Arbuckle
Elevation: Ground: 1980 Kelly Bushing: 1987
Total Depth: 3500 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at: 971 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 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: Donald J. Reif
Title: President Date: 4-1-12

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: Dlg Date: 5/7/12

Operator Name: Reif Oil & Gas Co., LLC Lease Name: Reidl Well #: 1
 Sec. 10 Twp. 17 S. R. 14 East West County: Barton

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 checked="" type="checkbox"/> No Electric Log Submitted Electronically <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(If no, Submit Copy)</i> List All E. Logs Run:	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum <p style="text-align: center; font-size: 1.2em;">Per Geo Report</p>
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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		23#	8 5/8	971			

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				
			D&A	

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
	D&A		

TUBING RECORD:	Size:	Set At:	Packer At:	Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No	KCC WICHITA
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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	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravty
	D & A				

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: _____ _____
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SOUTHWIND DRILLING, INC.

RIG #4

PO Box 276, Ellinwood, KS 67526
Office Phone 620-564-3800, Fax 620-564-3845

DRILLING REPORT

Riedl #1

Location: 1480' FSL & 2070' FEL
API#: 15-009-25654-00-00

Section: 10-17S-14W
Barton County, Kansas

OWNER: Reif Oil & Gas Co, LLC
CONTRACTOR: Southwind Drilling, Inc.

COMMENCED: 01/25/2012
COMPLETED: 01/30/2012

TOTAL DEPTH: Driller: 3500'
Logger: N/A

Ground Elevation: 1980'
KB Elevation: 1987'

LOG:

0'	-	971'	Surface Hole
971'	-	1015'	Anhydrite
1015'	-	2853'	Sand / Shale
2853'	-	3245'	Lime / Shale
3245'	-	3445'	Lansing / KC
3445'	-	3500'	Arbuckle
		3500'	RTD

CASING RECORDS

Surface casing

Ran 22 joints of new 24# 8 5/8" casing, Tally @ 961', Set @ 971', cemented with 370 sacks of common, 3% cc, 2% gel, cement did circulate, by Quality (Ticket #573), plug was down @ 3:45 am on 1/26/2012.

Production casing

N/A - Plugged Well

DEVIATION SURVEYS

3/4 degree(s) @ 971'
1 1/4 degree(s) @ 3245'

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Southwind Drilling, Inc.
Plugging Orders & Reports

Lease: Riedl #1

Plugging Received from KCC Representative:

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Name: Ray Dinkel Date: 1-30-12 Time: 11:00 AM

1 st plug @ <u>20'</u> ^{above orb} feet, <u>25</u> sacks	Stands <u>55</u>
2 nd plug @ <u>988'</u> feet, <u>25</u> sacks	Stands <u>15</u>
3 rd plug @ <u>400'</u> feet, <u>80</u> sacks	Stands <u>4</u>
4 th plug @ <u>40'</u> feet, <u>10</u> sacks ^{or wiper plug}	Stands <u>1</u>
5 th plug @ _____ feet, _____ sacks	Stands _____

Mousehole: _____ sacks

Rathole: 30 sacks

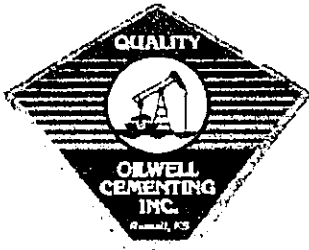
Total Cement Used: 170 sacks

Type of cement: 60/40 pos 4% gel 1/4" Flo Seal per sack

Plug Down @ 1:55 p.m. 1-30-12 by quality cementing

Call KCC When Completed:

Name: Ray Dinkel Date: 1-31-12 Time: 9:40



QUALITY OILWELL CEMENTING, INC.
 PO Box 32 - 740 West Wichita Ave, Russell KS 67665
 Phone: 785-324-1041 fax: 785-483-1087
 Email: cementing@ruraltel.net

Date: 2/3/2012
 Invoice # 453

P.O.#:
 Due Date: 3/4/2012
 Division: Russell

Invoice

Contact:
 REIF OIL & GAS
Address/Job Location:
 REIF OIL & GAS
 P.O. BOX 298
 HOISINGTON KS 67544

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Reference:
 RIEDEL 1

Description of Work:
 PLUG JOB

Services / Items Included:	Quantity	Price	Taxable	Item	Quantity	Price	Taxable
Labor		\$ 991.39	Yes				
Common-Class A	102	\$ 1,351.06	Yes				
Bulk Truck Matl-Material Service Charge	176	\$ 382.17	Yes				
POZ Mix-Standard	68	\$ 339.61	Yes				
Pump Truck Mileage-Job to Nearest Camp	22	\$ 238.38	Yes				
Bulk Truck Mileage-Job to Nearest Bulk Plant	22	\$ 139.49	Yes				
Premium Gel (Bentonite)	6	\$ 106.05	Yes				
Flo Seal	42	\$ 91.20	Yes				
Dry Hole Plug	1	\$ 60.80	Yes				

Invoice Terms:

Net 30

SubTotal: \$ 3,700.16
 Discount Available ONLY if Invoice is Paid & Received
 within listed terms of invoice: \$ (555.02)

SubTotal for Taxable Items:	\$ 3,145.13
SubTotal for Non-Taxable Items:	\$ -
Total:	\$ 3,145.13
Tax:	\$ 229.59
Amount Due:	\$ 3,374.73
Applied Payments:	
Balance Due:	\$ 3,374.73

7.30% Barton County Sales Tax

Thank You For Your Business!

Past Due Invoices are subject to a service charge (annual rate of 24%)
 This does not include any applicable taxes unless it is listed.
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QUALITY OILWELL CEMENTING, INC.
 PO Box 32 - 740 West Wichita Ave, Russell KS 67665
 Phone: 785-324-1041 fax: 785-483-1087
 Email: cementing@ruraltel.net

Date: 1/28/2012
 Invoice # 573
 P.O.#:
 Due Date: 2/27/2012
 Division: Russell

Invoice

Contact:
 REIF OIL & GAS
Address/Job Location:
 REIF OIL & GAS
 P.O. BOX 298
 HOISINGTON KS 67544

Reference:
 REIDEL 1

Description of Work:
 LONG SURFACE JOB

Services / Items Included:	Quantity	Price	Taxable	Item	Quantity	Price	Taxable
Labor		\$ 977.42	No				
Common-Class A	370	\$ 4,831.89	Yes				
Bulk Truck Matl-Material Service Charge	390	\$ 834.93	No				
Calcium Chloride	13	\$ 524.06	Yes				
Pump Truck Mileage-Job to Nearest Camp	22	\$ 235.02	No				
Bulk Truck Mileage-Job to Nearest Bulk Plant	22	\$ 137.53	No				
Premium Gel (Bentonite)	7	\$ 121.99	Yes				
8 5/8" Top Rubber Plug	1	\$ 113.46	Yes				
Baffle Plate Aluminum, 8 5/8"	1	\$ 96.34	Yes				

Invoice Terms:

Net 30

SubTotal: \$ 7,872.64
 Discount Available ONLY if Invoice is Paid & Received within listed terms of invoice: \$ (1,180.90)

SubTotal for Taxable Items:	\$ 4,834.57
SubTotal for Non-Taxable Items:	\$ 1,857.17
Total:	\$ 6,691.74
Tax:	\$ 352.92
Amount Due:	\$ 7,044.66
Applied Payments:	
Balance Due:	\$ 7,044.66

7.30% Barton County Sales Tax

Thank You For Your Business!

Past Due Invoices are subject to a service charge (annual rate of 24%)
 This does not include any applicable taxes unless it is listed.
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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. 573

Date	1-26-12	Sec.	10	Twp.	17	Range	14	County	Barton	State	Ks	On Location		Finish	3:45 AM	
Lease	Riedl	Well No.	1	Location	281 + 4 5/8", 3N, 1/2 W, N/1s											
Contractor	Southwind #4							Owner	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.							
Type Job	Surface							Hole Size	12 1/4"	T.D.	971'					
Csg.	8 5/8"							Depth	971'							
Tbg. Size								Charge To	Reif oil + gas							
Tool								Street								
Cement Left in Csg.	40'							Shoe Joint	40'							
Meas Line								Displace	59 1/4 BLS							
								Cement Amount Ordered	370 sx Common 3%CC							

EQUIPMENT		
Pumptrk	15 No.	Cementer Helper Cisco
Bulktrk	13 No.	Driver Driver Mike
Bulktrk	ph No.	Driver Driver Rick

JOB SERVICES & REMARKS		
Remarks	Cement did Circulate.	
Rat Hole		
Mouse Hole		
Centralizers		
Baskets		
D/V or Port Collar		
	Sand	
	Handling 390	
	Mileage	

FLOAT EQUIPMENT		
Guide Shoe		
Centralizer	RECEIVED	
Baskets	APR 03 2012	
AFU Inserts		
Float Shoe	KCC WICHITA	
Latch Down	1 Baffle p'.	
	1 - Rubber plug	
Pumptrk Charge	Long Surface	
Mileage	22	
	Tax	
	Discount	
	Total Charge	

X Signature

Don J. Reed

GENERAL TERMS AND CONDITIONS

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 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.

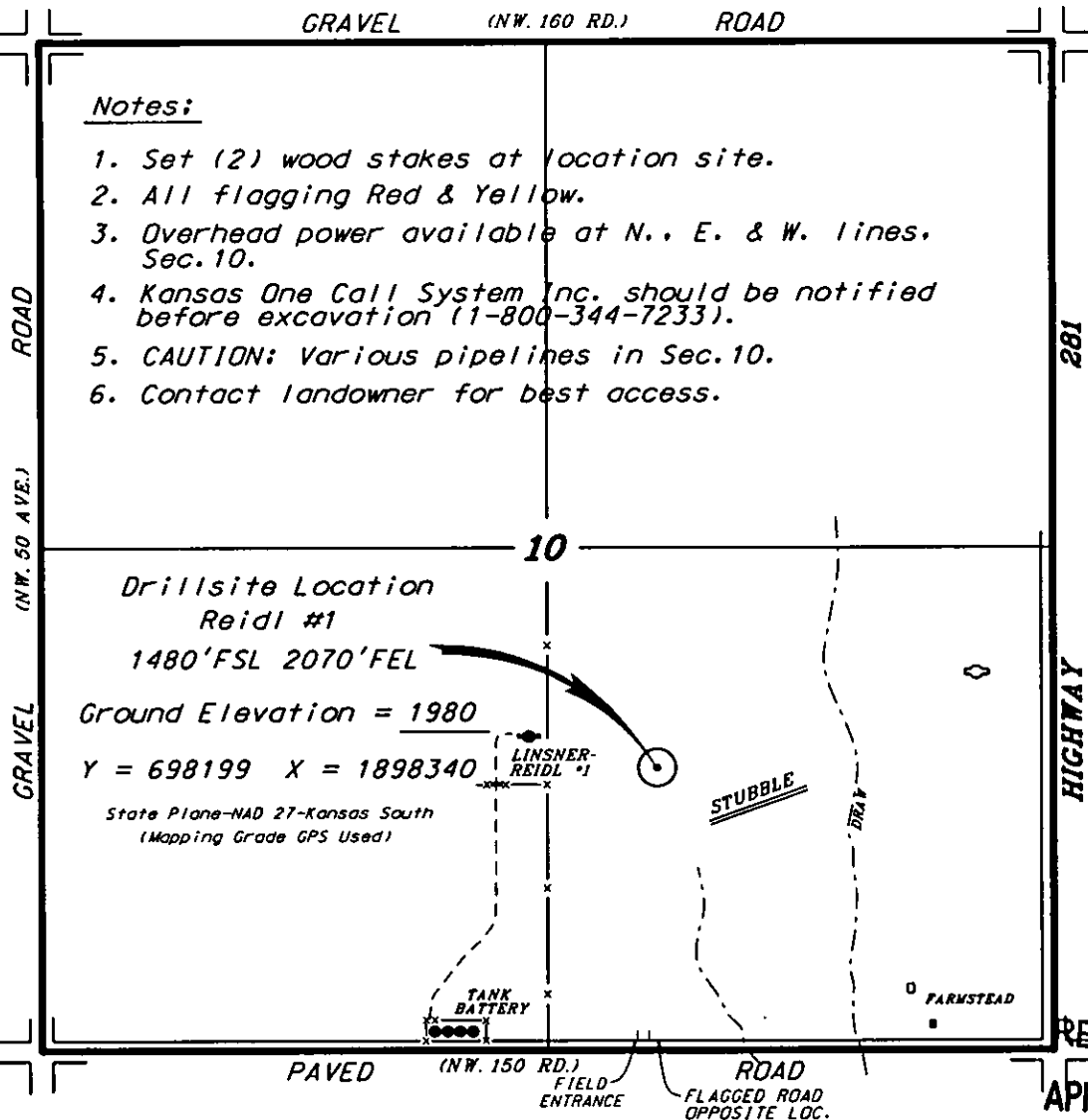
REIF OIL & GAS COMPANY, LLC
 REIDL LEASE
 SE. 1/4, SECTION 10, T17S, R14W
 BARTON COUNTY, KANSAS

GRAVEL (NW. 160 RD.) ROAD

Notes:

1. Set (2) wood stakes at location site.
2. All flagging Red & Yellow.
3. Overhead power available at N., E. & W. lines. Sec. 10.
4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION: Various pipelines in Sec. 10.
6. Contact landowner for best access.

* Ingress and egress to location as shown on this plot is for public use only and may not be legally opened for public use. Contact landowner, tenant and county road department for access.



10
 Drillsite Location
 Reidl #1
 1480' FSL 2070' FEL
 Ground Elevation = 1980
 Y = 698199 X = 1898340
 State Plane-NAD 27-Kansas South
 (Mapping Grade GPS Used)

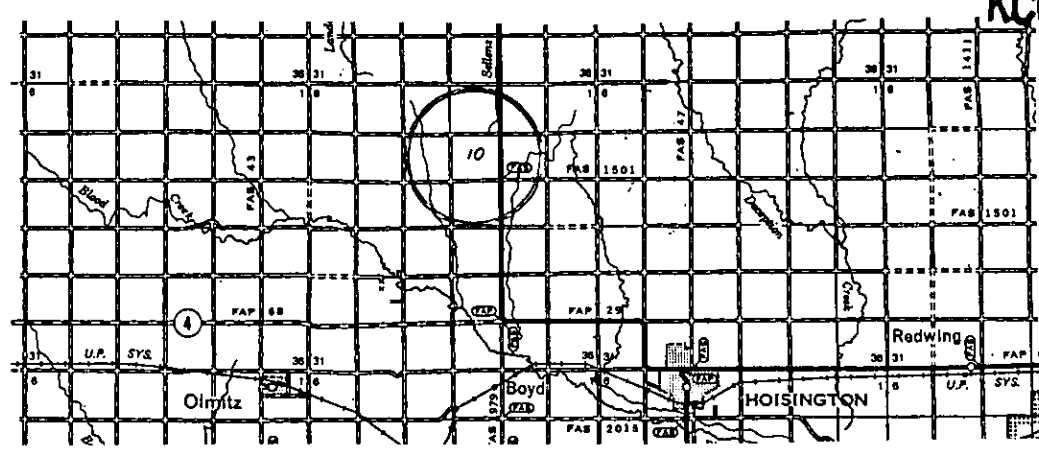
LINSNER-REIDL #1

TANK BATTERY

STUBBLE

FARMSTEAD

PAVED (NW. 150 RD.) ROAD
 FIELD ENTRANCE
 FLAGGED ROAD OPPOSITE LOC.



• Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 640 acres.
 • Approximate section lines were determined using the normal standard of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the drillsite location in the section is not guaranteed. Therefore, the operator securing this service and occupying this plot and all other parties relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, costs and expenses and said entities released from any liability from incidental or consequential damages.
 • Elevations derived from National Geodetic Vertical Datum.

Date January 13, 2012

T. 16 S.
T. 17 S.
4273

4272

4271

35'

4270

4269

6261 III SW
(OLMITZ)

