

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

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

5/4/12

OPERATOR: License # 5259
Name: Mai Oil Operations, Inc.
Address 1: P.O. Box 33
Address 2: _____
City: Russell State: Ks. Zip: 67665 + _____
Contact Person: Allen Bangert
Phone: (785) 483-1676
CONTRACTOR: License # 33350
Name: Southwind Drilling, Inc.
Wellsite Geologist: Kitt Noah
Purchaser: NCRA

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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 #: _____

Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date
01/22/2011	01/29/2011	01/29/2011

API No. 15 - 167-23690-0000
Spot Description: 45' South & 75' East
SW SE SE SW Sec. 34 Twp. 14 S. R. 14 East West
70 Feet from North / South Line of Section
2,170 Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:

- NE NW SE SW

County: Russell
Lease Name: Krug-Mai Unit Well #: 1
Field Name: Hall-Gurney
Producing Formation: Arbuckle
Elevation: Ground: 1715' Kelly Bushing: 1723'
Total Depth: 3225 Plug Back Total Depth: 3196'
Amount of Surface Pipe Set and Cemented at: 418 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: 65000 ppm Fluid volume: 80 bbls
Dewatering method used: Hauled Offsite
Location of fluid disposal if hauled offsite:
Operator Name: Mai Oil Operations, Inc.
Lease Name: Louie License #: 5259
Quarter SW Sec. 34 Twp. 14 S. R. 14 East West
County: Russell Permit #: E-24559

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: Allen Bangert
Title: Prod. Supt. Date: 04/27/2011

KCC Office Use ONLY **RECEIVED**

Letter of Confidentiality Received
Date: 5/4/11 - 5/4/12 **MAY 04 2011**

Confidential Release Date: _____

Wireline Log Received

Geologist Report Received

UIC Distribution

ALT I II III Approved by: NS Date: 5-0-11

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Operator Name: Mai Oil Operations, Inc. Lease Name: Krug-Mai Unit Well #: 1

Sec. 34 Twp. 14 S. R. 14 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 Wire-line Logs surveyed. Attach final geological well site report.

<p>Drill Stem Tests Taken <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i></p> <p>Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Electric Log Submitted Electronically <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(If no, Submit Copy)</i></p> <p>List All E. Logs Run: CNFD, DIL, Micro</p>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td><input checked="" type="checkbox"/> Log</td> <td>Formation (Top), Depth and Datum</td> <td><input type="checkbox"/> Sample</td> </tr> <tr> <td>Name</td> <td>Top</td> <td>Datum</td> </tr> <tr> <td>Anhydrite</td> <td>714'</td> <td>+1009</td> </tr> <tr> <td>Topeka</td> <td>2612'</td> <td>-889</td> </tr> <tr> <td>Heebner</td> <td>2839'</td> <td>-1116</td> </tr> <tr> <td>Toronto</td> <td>2856'</td> <td>-1133</td> </tr> <tr> <td>Lansing</td> <td>2900'</td> <td>-1177</td> </tr> <tr> <td>Base Kansas City</td> <td>3100'</td> <td>-1377</td> </tr> <tr> <td>Arbuckle</td> <td>3147'</td> <td>-1424</td> </tr> </table>	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample	Name	Top	Datum	Anhydrite	714'	+1009	Topeka	2612'	-889	Heebner	2839'	-1116	Toronto	2856'	-1133	Lansing	2900'	-1177	Base Kansas City	3100'	-1377	Arbuckle	3147'	-1424
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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 1/4"	8 5/8"	20#	418'	60-40 POZ	225	2% Gel, 3 % CC
Production	7 7/8"	5 1/2"	14#	3222'	60-40 POZ	275	

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
4	3150-56'	250 gal. 15% FENE	

TUBING RECORD: Size: <u>2 7/8"</u> Set At: <u>3190'</u> Packer At: _____		Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or ENHR. <u>03/02/2011</u>	Producing Method: <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) _____	
Estimated Production Per 24 Hours	Oil Bbls. <u>20</u>	Gas Mcf _____
	Water Bbls. <u>100</u>	Gas-Oil Ratio _____
		Gravity _____

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input checked="" 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) (Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL <u>3150-56'</u> RECEIVED MAY 04 2011
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ALLIED CEMENTING CO., LLC. 034088

KCC

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

MAY 04 2011

SERVICE POINT:

Russell Ks

CONFIDENTIAL

DATE / -29-2011	SEC. 34	TWP. 14	RANGE 14	CALLED OUT	ON LOCATION	JOB START Am	JOB FINISH 3:15 Am
KRUG-MAI LEASE UNIT	WELL # 1	LOCATION Russell Ks 6S 1W 1N 2E INTO			COUNTY Russell	STATE KANSAS	
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR SOUTHWIND DRLG. Rig# 3
 TYPE OF JOB PRODUCTION STRING
 HOLE SIZE 7 7/8 T.D. 3225'
 CASING SIZE 5 1/2 New DEPTH 3222'
 TUBING SIZE 14# CSG DEPTH
~~DRILL~~ PIPE 8 7/8 SURFACE DEPTH 410'
 TOOL LATCH Down Plug Assy DEPTH 3202'
 PRES. MAX 1700# MINIMUM
 MEAS. LINE SHOE JOINT 20'
 CEMENT LEFT IN CSG. 20'
 PERFS.
 DISPLACEMENT 78 BBL

OWNER
 CEMENT
 AMOUNT ORDERED 275 SX 60% 140 po2
18% SALT 28 GEL 1/4# FIO-Seal PER SX.
1,000 GAL. WFR 2 MUD-FLUSH

COMMON _____ @ _____
 POZMIX _____ @ _____
 GEL _____ @ _____
 CHLORIDE _____ @ _____
 ASC _____ @ _____
 _____ @ _____
 _____ @ _____
 _____ @ _____
 _____ @ _____
 _____ @ _____
 _____ @ _____
 HANDLING _____ @ _____
 MILEAGE _____ @ _____

EQUIPMENT

PUMP TRUCK CEMENTER Glenn - Silane
 # 409 HELPER ROY
 BULK TRUCK
 # 481 DRIVER TODD - TONY
 BULK TRUCK
 # DRIVER

REMARKS:

REN 78 JT'S New 14# CSG. Set @ 3222'
Circulate ON Bottom 1 HR. Pump mud flush
Cement Rathole w/ 30sx. Cement Down - Hole w/
245 SX 60% 18% SALT, 28 GEL, w/ 1/4# FIO-Seal, Clear-
Line, & Release LATCH DOWN Plug. Displace w/
78 1/4 BBL H2O - LAND Plug @ 1700# Release
AND PLUG - HELD.
30sx @ Rathole
THANK'S

TOTAL _____
 SERVICE
 DEPTH OF JOB _____
 PUMP TRUCK CHARGE _____
 EXTRA FOOTAGE _____ @ _____
 MILEAGE _____ @ _____
 MANIFOLD _____ @ _____
 _____ @ _____

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CHARGE TO: MAI OIL OPERATIONS INC.
 STREET _____
 CITY _____ STATE _____ ZIP _____

TOTAL _____

PLUG & FLOAT EQUIPMENT

Guide Shoe w/ AF4 INSERT
1 BASKET @ _____
15 TURBO-CENTRALIZERS @ _____
1 LATCH DOWN PLUG ASSY @ _____
 _____ @ _____
 _____ @ _____

To Allied Cementing Co., LLC.
 You are hereby requested to rent cementing equipment

QUALITY OILWELL CEMENTING, INC.

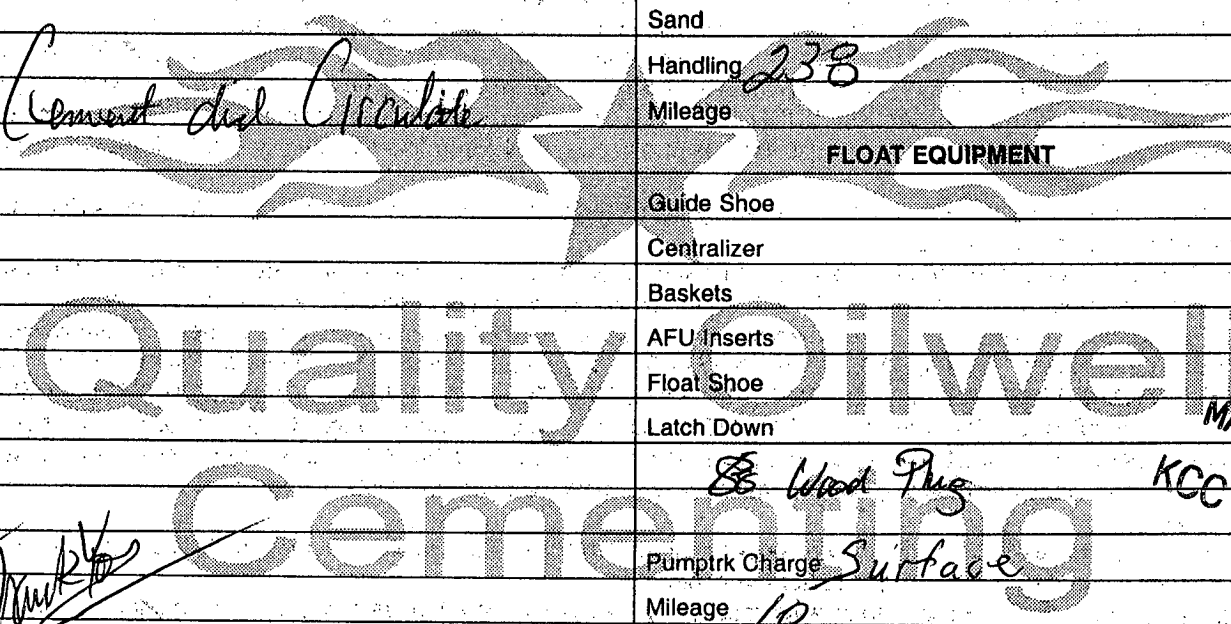
KCC

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

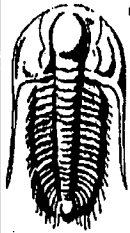
Home Office P.O. Box 32 Russell, KS 67665

MAY 04 2011 No. 4683

Date	Sec.	Twp.	Range	County	State	CONFIDENTIAL Location	Finish
1-23-11	34	14	14	Russell	Kansas		5:45AM
Lease King-Main Unit	Well No. 1		Location Russell 85 1W 1N E10				
Contractor Southwind Drilling Rig 3				Owner			
Type Job Surface				To Quality Oilwell Cementing, Inc.			
Hole Size 4 1/8 12 1/4				You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.			
Csg. 4 1/8 8 3/4 20 1/2		T.D. 418		Charge To Mai Oil Operations			
Tbg. Size		Depth 418		Street			
Tool		Depth		City State			
Cement Left in Csg. 10-15'		Shoe Joint		The above was done to satisfaction and supervision of owner agent or contractor.			
Meas Line		Displace		Cement Amount Ordered 225 60/40 48/60			
EQUIPMENT							
Pumptrk 5	No.	Cementer Steve	Cell 2 1/2 gal				
Bulktrk 10	No.	Driver Blunden	Common 135				
Bulktrk	No.	Driver B. F.	Poz. Mix. 90				
			Gel. 4				
			Calcium 9				
JOB SERVICES & REMARKS							
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			
				Sand			
				Handling 238			
				Mileage			
FLOAT EQUIPMENT							
				Guide Shoe			
				Centralizer			
				Baskets			
				AFU Inserts			
				Float Shoe			
				Latch Down			
				Wood Plug			
				Pumptrk Charge Surface			
				Mileage 10			
				Tax			
				Discount			
				Total Charge			
Signature Jay Driver							



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TRILOBITE TESTING, INC

DRILL STEM TEST REPORT

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Mai Oil Operations, Inc
 8411 Preston Rd
 Ste 800 Dallas Tx 75225+5520
 ATTN: Allen Bangert

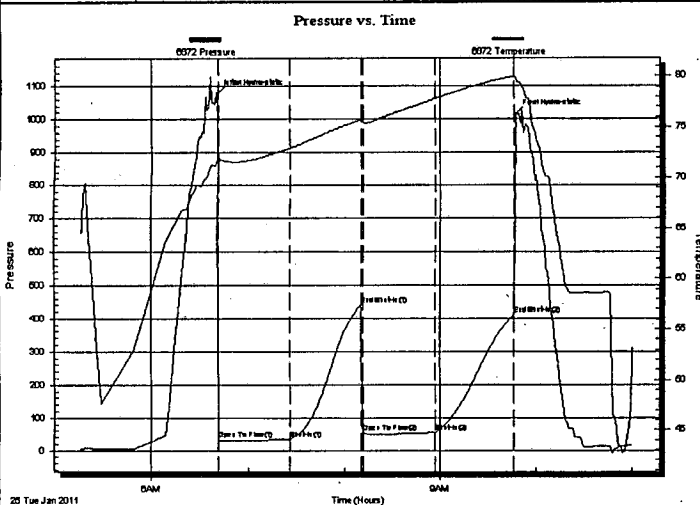
Krug-Mai #1
 34-14s14w Russell KS
 Job Ticket: 041733 DST#: 1
 Test Start: 2011.01.25 @ 05:16:49

GENERAL INFORMATION:

Formation: **Tarkio-1st-2nd**
 Deviated: **No Whipstock:** ft (KB)
 Time Tool Opened: 06:41:19
 Time Test Ended: 11:00:19
 Interval: **2284.00 ft (KB) To 2330.00 ft (KB) (TVD)**
 Total Depth: **2330.00 ft (KB) (TVD)**
 Hole Diameter: **7.88 inches** Hole Condition: **Good**
 Test Type: **Conventional Bottom Hole**
 Tester: **Jeff Brown**
 Unit No: **44**
 Reference Elevations: **1723.00 ft (KB)**
 1713.00 ft (CF)
 KB to GR/CF: **10.00 ft**

Serial #: 6672 **Inside**
 Press@RunDepth: **54.74 psig @ 2290.00 ft (KB)** Capacity: **8000.00 psig**
 Start Date: **2011.01.25** End Date: **2011.01.25**
 Start Time: **05:16:50** End Time: **11:00:19**
 Last Calib.: **2011.01.25**
 Time On Btm: **2011.01.25 @ 06:40:49**
 Time Off Btm: **2011.01.25 @ 09:47:19**

TEST COMMENT: IFP-Good blow BOB in 36 1/2 min
 ISI-Weak blow back built to 1/4 in
 FFP-Good blow BOB in 10 min
 FSI-Weak blow back built to 1/4 in



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1078.18	71.85	Initial Hydro-static
1	34.59	71.54	Open To Flow (1)
45	35.36	72.92	Shut-In(1)
90	442.46	75.72	End Shut-In(1)
91	54.53	75.50	Open To Flow (2)
136	54.74	77.81	Shut-In(2)
186	411.61	79.96	End Shut-In(2)
187	1014.62	79.81	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
31.00	OCM10%O90%M	0.15
62.00	HOCGM25%O20%G55%M	0.30
0.00	126 GIP	0.00

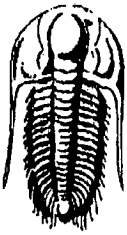
Gas Rates

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

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041733



TRILOBITE TESTING, INC

DRILL STEM TEST REPORT

Mai Oil Operations, Inc
 8411 Preston Rd
 Ste 800 Dallas Tx 75225+5520
 ATTN: Allen Bangert

Krug-Mai #1
34-14s14w Russell KS
 Job Ticket: 041734 **DST#: 2**
 Test Start: 2011.01.27 @ 15:00:56

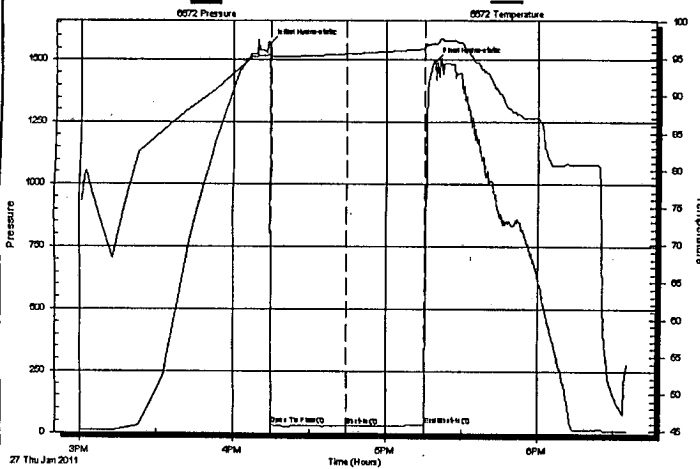
GENERAL INFORMATION:

Formation: **Arbuckle**
 Deviated: **No Whipstock:** ft (KB)
 Test Type: **Conventional Bottom Hole**
 Time Tool Opened: 16:14:56
 Tester: **Jeff Brown**
 Time Test Ended: 18:35:56
 Unit No.: **.44**
 Interval: **3117.00 ft (KB) To 3149.00 ft (KB) (TVD)**
 Reference Elevations: **1723.00 ft (KB)**
 Total Depth: **3149.00 ft (KB) (TVD)**
1713.00 ft (CF)
 Hole Diameter: **7.88 inches** Hole Condition: **Good**
 KB to GR/CF: **10.00 ft**

Serial #: 6672 Inside
 Press@RunDepth: **28.99 psig @ 3122.00 ft (KB)**
 Capacity: **8000.00 psig**
 Start Date: **2011.01.27** End Date: **2011.01.27**
 Last Calib.: **2011.01.27**
 Start Time: **15:00:57** End Time: **18:35:56**
 Time On Btm: **2011.01.27 @ 16:14:26**
 Time Off Btm: **2011.01.27 @ 17:19:26**

TEST COMMENT: IFP-Weak blow built to 1/4 in died back to 1/8 in
 ISI-Dead no blow back

Pressure vs. Time



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1564.33	95.51	Initial Hydro-static
1	34.68	95.23	Open To Flow (1)
30	28.99	95.61	Shut-In(1)
61	35.08	96.33	End Shut-In(1)
65	1495.16	97.04	Final Hydro-static

Recovery

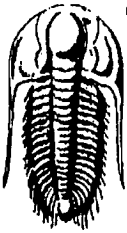
Length (ft)	Description	Volume (bbl)
1.00	VSOCM2%O98%M	0.01

Gas Rates

Choke (Inches)	Pressure (psig)	Gas Rate (MMcf/d)

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**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

Mai Oil Operations, Inc
8411 Preston Rd
Ste 800 Dallas Tx 75225+5520

ATTN: Allen Bangert

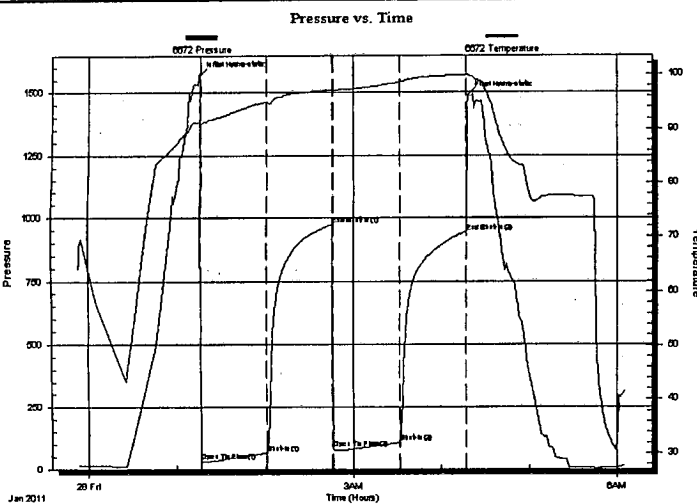
Krug-Mai #1
34-14s14w Russell KS
Job Ticket: 041735 **DST#: 3**
Test Start: 2011.01.27 @ 23:53:41

GENERAL INFORMATION:

Formation: Arbuckle	Test Type: Conventional Bottom Hole
Deviated: No Whipstock: ft (KB)	Tester: Jeff Brown
Time Tool Opened: 01:16:11	Unit No: 44
Time Test Ended: 06:05:11	Reference Elevations: 1723.00 ft (KB)
Interval: 3125.00 ft (KB) To 3160.00 ft (KB) (TVD)	1713.00 ft (CF)
Total Depth: 3160.00 ft (KB) (TVD)	KB to GR/CF: 10.00 ft
Hole Diameter: 7.88 inches	Hole Condition: Good

Serial #: 6672 Inside	Capacity: 8000.00 psig
Press@RunDepth: 106.82 psig @ 3130.00 ft (KB)	Last Calib.: 2011.01.28
Start Date: 2011.01.27 End Date: 2011.01.28	Time On Btm: 2011.01.28 @ 01:15:41
Start Time: 23:53:42 End Time: 06:05:11	Time Off Btm: 2011.01.28 @ 04:18:11

TEST COMMENT: IFP-Good blow BOB in 13 min
ISI-Weak blow back built to 1 1/8 in
FFP-Good blow BOB in 17 min
FSI-Weak blow back built to 1 1/2 in



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1568.72	91.48	Initial Hydro-static
1	33.20	90.85	Open To Flow (1)
45	65.29	94.98	Shut-In(1)
90	973.83	97.17	End Shut-In(1)
91	83.93	97.01	Open To Flow (2)
136	106.82	98.65	Shut-In(2)
181	944.22	99.95	End Shut-In(2)
183	1488.29	99.79	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
53.00	OCGM10G20%O70%M	0.74
199.00	Gassy Oil 20%G80%O	2.79
0.00	157 GIP	0.00

Gas Rates

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