

**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 ) 483-2169  
CONTRACTOR: License # 33350  
Name: Southwind Drilling, Inc.  
Wellsite Geologist: Kitt Noah  
Purchaser: NCRA

**KCC**  
**MAY 04 2011**  
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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 #: \_\_\_\_\_

03/28/2011	04/03/2011	04/03/2011
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 167-23700-0000  
Spot Description: 5' North & 85' East  
SE    NW    NE    Sec. 33 Twp. 14 S. R. 14  East  West  
440 Feet from  North /  South Line of Section  
2,110 Feet from  East /  West Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
 NE  NW  SE  SW  
County: Russell  
Lease Name: Merlin Ney Well #: 2  
Field Name: Hall-Gurney  
Producing Formation: N/A  
Elevation: Ground: 1785' Kelly Bushing: 1793'  
Total Depth: 3272' Plug Back Total Depth: 3272'  
Amount of Surface Pipe Set and Cemented at: 435 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: 58000 ppm Fluid volume: 160 bbls  
Dewatering method used: Hauled Off  
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: 05/02/2011

**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 **KCC WICHITA**

Geologist Report Received

UIC Distribution

ALT  I  II  III Approved by: NY Date: 5-10-11

KCC  
MAY 04 2011  
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Operator Name: Mai oil Operations, Inc. Lease Name: Merlin Ney Well #: 2  
 Sec. 33 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.

Drill Stem Tests Taken <input checked="" type="checkbox"/> Yes <input 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 checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Electric Log Submitted Electronically <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(If no, Submit Copy)</i>  List All E. Logs Run: <b>CNFD, DIL, Micro</b>	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input 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>Anhydrite</td> <td>782'</td> <td>+1011</td> </tr> <tr> <td>Topeka</td> <td>2684'</td> <td>-891</td> </tr> <tr> <td>Heebner</td> <td>2914'</td> <td>-1121</td> </tr> <tr> <td>Toronto</td> <td>2931'</td> <td>-1138</td> </tr> <tr> <td>Lansing</td> <td>2975'</td> <td>-1182</td> </tr> <tr> <td>Base Kansas City</td> <td>3173'</td> <td>-1380</td> </tr> <tr> <td>Arbuckle</td> <td>3230'</td> <td>-1437</td> </tr> </table>	Name	Top	Datum	Anhydrite	782'	+1011	Topeka	2684'	-891	Heebner	2914'	-1121	Toronto	2931'	-1138	Lansing	2975'	-1182	Base Kansas City	3173'	-1380	Arbuckle	3230'	-1437
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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#	435'	60-40 POZ	225	2% Gel, 3% CC

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

TUBING RECORD: Size: _____ Set At: _____ Packer At: _____		Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No
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 _____ 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: _____ _____
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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

04 2011

No. 4799

CONFIDENTIAL

Date	3-29-11	Sec.	33	Twp.	14	Range	14	County	Russell	State	Kansas	On Location		Finish	4:30am
Lease	Merlin Key	Well No.	2		Location Russell 75 Winko										
Contractor	Southern Drilling Rig 3							Owner							
Type Job	Surface							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.							
Hole Size	12 1/4		T.D.		435										
Csg.	2 3/8 20lb		Depth		435										
Tbg. Size			Depth												
Tool			Depth												
Cement Left in Csg.	1015		Shoe Joint		26 3/4										
Meas Line			Displace		<del>27.7</del> 26.1										
Cement Amount Ordered													225 gal 40 Gall 26.1		

**EQUIPMENT**

Pumptrk	5	No.	Cementer		Common	135
			Helper	Steve		
Bulktrk		No.	Driver	Brandon	Poz. Mix	90
			Driver			
Bulktrk		No.	Driver	Susan	Gel.	4
			Driver			

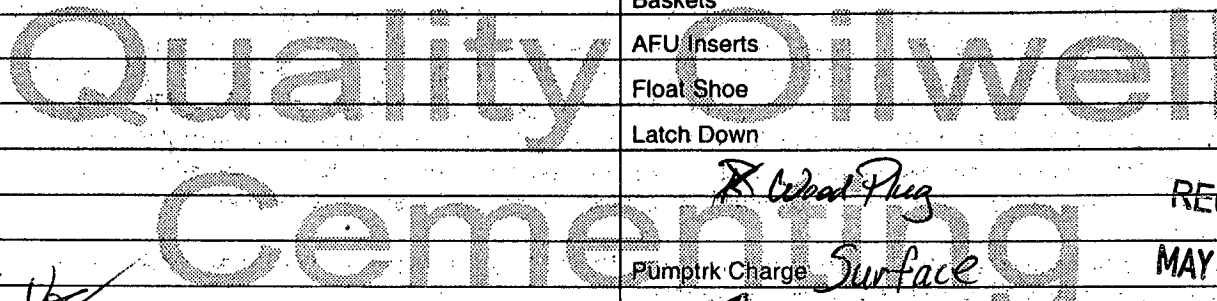
**JOB SERVICES & REMARKS**

Remarks:		Calcium	8
Rat Hole		Hulls	
Mouse Hole		Salt	
Centralizers		Flowseal	
Baskets		Kol-Seal	
D/V or Port Collar		Mud CLR 48	
		CFL-117 or CD110 CAF 38	
		Sand	
		Handling	237
		Mileage	

*Cement did Circulate*

**FLOAT EQUIPMENT**

Guide Shoe	
Centralizer	
Baskets	
AFU Inserts	
Float Shoe	
Latch Down	



*[Signature]*  
Signature Jay Shivers

*[Signature]*  
Pumptrk Charge Surface  
Mileage 7

RECEIVED  
MAY 04 2011  
KCC WICHITA

Discount  
Total Charge

# ALLIED CEMENTING CO., LLC. 034024

KCC

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

MAY 04 2011  
CONFIDENTIAL

SERVICE POINT:  
Russell

DATE <u>4/3/11</u>	SEC. <u>33</u>	TWP. <u>14</u>	RANGE <u>14</u>	CALLED OUT	ON LOCATION	JOB START <u>6:00 AM</u>	JOB FINISH <u>7:00 AM</u>
LEASE <u>Merlin</u>	WELL # <u>2</u>	LOCATION <u>Russell - 2nd St.</u>			COUNTY <u>Russell</u>	STATE <u>Ks.</u>	
OLD OR <u>NEW</u> (Circle one)		<u>Fairfield Rd 1 1/2 1/2 S Wild</u>					

CONTRACTOR Southern Drilling

TYPE OF JOB PTA

HOLE SIZE 7 1/2 T.D. 3225'

CASING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_

TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_

DRILL PIPE 4 1/2 DEPTH 3212

TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_

PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_

MEAS. LINE \_\_\_\_\_ SHOE JOINT \_\_\_\_\_

CEMENT LEFT IN CSG. \_\_\_\_\_

PERFS. \_\_\_\_\_

DISPLACEMENT \_\_\_\_\_

OWNER \_\_\_\_\_

CEMENT AMOUNT ORDERED 170 6% 4261

4 1/2 # Flo

COMMON	<u>102</u>	@	<u>16.25</u>	<u>1657.50</u>
POZMIX	<u>68</u>	@	<u>8.50</u>	<u>578.00</u>
GEL	<u>6</u>	@	<u>21.25</u>	<u>127.50</u>
CHLORIDE		@		
ASC		@		
		@		
	<u>Flo Seal 42#</u>	@	<u>2.70</u>	<u>113.40</u>
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>176</u>	@	<u>2.25</u>	<u>396.00</u>
MILEAGE	<u>111/1/2</u>			<u>135.52</u>
TOTAL				<u>3007.92</u>

EQUIPMENT

PUMP TRUCK CEMENTER Shane, Heall

# 409 HELPER Tony

BULK TRUCK

# 378 DRIVER Todd

BULK TRUCK

# \_\_\_\_\_ DRIVER \_\_\_\_\_

REMARKS:

3212' 25 stks.

800' 25 stks

485' 80 stks

40' 10 stks

Rat Hk 30 stks

CHARGE TO: Ma. Oil Operations

STREET \_\_\_\_\_

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

*Thanks!*

To Allied Cementing Co., LLC.  
You are hereby requested to rent cementing equipment  
and furnish cement and labor.

SERVICE

DEPTH OF JOB \_\_\_\_\_

PUMP TRUCK CHARGE \_\_\_\_\_ 1250.00

EXTRA FOOTAGE \_\_\_\_\_ @ \_\_\_\_\_

MILEAGE 14 @ 7.00 98.00

MANIFOLD \_\_\_\_\_ @ \_\_\_\_\_

LVM 14 @ 4.00 56.00

RECEIVED  
MAY 04 2011 TOTAL 1404.00

KCC WICHITA  
PLUG & FLOAT EQUIPMENT

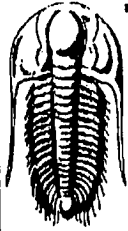
\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

Dr. Hk Plug @ 64.00

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_



**TRILOBITE TESTING, INC**

**DRILL STEM TEST REPORT**

**CONFIDENTIAL**

Mai Oil Operations, Inc

Merlin Ney #2

8411 Preston Road  
Suite 800  
Dallas, TX. 75225  
ATTN: Kitt Noah

33-14s14w Russell KS

Job Ticket: 42838

DST#: 1

Test Start: 2011.03.31 @ 09:10:28

**GENERAL INFORMATION:**

Formation: **Tarkio**  
Deviated: **No** Whipstock: **ft (KB)**  
Time Tool Opened: 11:39:28  
Time Test Ended: 15:57:28

Test Type: **Conventional Bottom Hole**  
Tester: **Jason McLemore**  
Unit No: **54**

Interval: **2354.00 ft (KB) To 2400.00 ft (KB) (TVD)**  
Total Depth: **2400.00 ft (KB) (TVD)**  
Hole Diameter: **7.80 inches** Hole Condition: **Good**

Reference Elevations: **1793.00 ft (KB)**  
**1785.00 ft (CF)**  
KB to GR/CF: **8.00 ft**

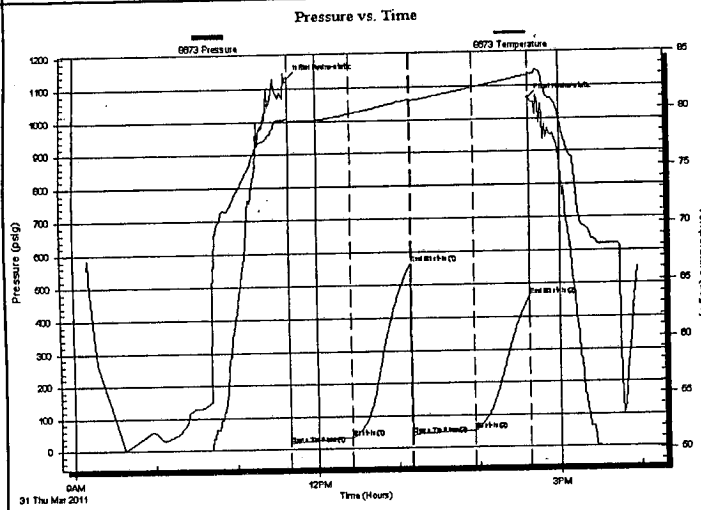
**Serial #: 8673**

**Inside**

Press@RunDepth: **51.37 psig @ 2392.00 ft (KB)**  
Start Date: **2011.03.31** End Date:  
Start Time: **09:10:30** End Time:

Capacity: **8000.00 psig**  
Last Calib.: **2011.03.31**  
Time On Btm: **2011.03.31 @ 11:39:13**  
Time Off Btm: **2011.03.31 @ 14:37:43**

**TEST COMMENT:** IFP-Weak Blow ,Built to 2-1/2"  
ISI-Dead  
FFP-Weak Blow ,Built to 2-1/4"  
FSI-Dead



**PRESSURE SUMMARY**

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1130.96	79.39	Initial Hydro-static
1	16.23	79.02	Open To Flow (1)
46	34.39	79.68	Shut-In(1)
90	565.16	80.89	End Shut-In(1)
91	38.94	80.74	Open To Flow (2)
137	51.37	81.89	Shut-In(2)
178	461.43	82.90	End Shut-In(2)
179	1062.59	83.17	Final Hydro-static

**Recovery**

Length (ft)	Description	Volume (bbl)
65.00	VSOCM-2%O-98%M	0.32

**Gas Rates**

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

**RECEIVED**  
**MAY 04 2011**  
**KCC WICHITA**

**ORIGINAL**