

RECEIVED

JUL 31 2012

KCC WICHITA

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 # 3942
Name: Orville Monroe dba Big O, L.L.C.
Address 1: 2820 Paseo Dr, Great Bend, Ks. 67530
Address 2: _____
City: Great Bend State: Ks Zip: 67530 + _____
Contact Person: Orville Monroe
Phone: (620) 793-2134
CONTRACTOR: License # KLN 8253
Name: G & L Well Service, Inc.
Wellsite Geologist: none
Purchaser: NCRA

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: ESP Development Well P&A
Well Name: Krug #1
Original Comp. Date: 1-2-2012 Original Total Depth: 3264
 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 #: _____

4-23-12 4-27-12 5-17-2012
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15-167-23763-00-01
Spot Description: _____
_____ Sec. 1 Twp. 13 S. R. 14 East West
1963 Feet from North / South Line of Section
924 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Russell
Lease Name: Krug Well #: 1
Field Name: Bachman
Producing Formation: L-KC
Elevation: Ground: 1656 Kelly Bushing: 1663
Total Depth: 3264 Plug Back Total Depth: 2990
Amount of Surface Pipe Set and Cemented at: 292 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set: _____ Feet
If Alternate II completion, cement circulated from: 3264
feet depth to: 2700 w/ 100 sx cmt.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content: 16,000 ppm Fluid volume: 240 bbls
Dewatering method used: put drilling mud in btm of farmers pond NE/4 1-13-14
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: [Signature]
Title: owner-operator Date: 7-23-12

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: 8/6/12

Operator Name: Big O, L.L.C. Lease Name: Krug Well #: 1
 Sec. 1 Twp. 13 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 Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <i>(Attach Additional Sheets)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	XXX Log Formation (Top), Depth and Datum Name Top Datum Cement bond log top cmt 2680 Lansing-KC 2838 3111 base
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 <i>(If no. Submit Copy)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
List All E. Logs Run:	<u>Cement Bond Log</u>	

RECEIVED
JUL 31 2012

KCC WICHITA

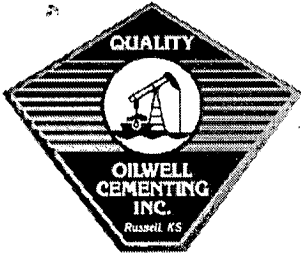
CASING RECORD <input type="checkbox"/> New <input checked="" type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Production	7 7/8	4 1/2	9.5#	3264	common	100	10% salt

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
Perforate				
Protect Casing				
Plug Back TD				
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 per ft	2838-44,	2862-66	2872-76	2882-86	
2 per ft	2938-46	3004-3010	3018-3022	Did not acidize at this time		

TUBING RECORD:	Size: <u>2 3/8</u>	Set At: <u>2930</u>	Packer At:	Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or ENHR:	<u>June 22 2012</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 <u>X</u>	Bbbs. <u>7.00</u>	Gas <u>yes</u> Mcf	Water <u>X</u> Bbbs. <u>34.00</u>
				Gas-Oil Ratio <u>38.5</u>

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)</i> <input type="checkbox"/> Other (Specify)	PRODUCTION INTERVAL: <u>2838-2886</u>
--	---	--



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: 5-1-2012
 Invoice # 403

P.O.#:
 Due Date: #VALUE!
 Division: Russell

Invoice

Contact:
 BIG O
Address/Job Location:
 BIG O
 2820 PASEO DR
 GREAT-BEND KS 67530

Reference:
 KRUG 1

Description of Work:
 PROS LONG STRING

*pd 5-2-12
 C 7395*

RECEIVED
 JUL 31 2012
 KCC WICHITA

Services / Items Included:	Quantity	Price	Taxable	Item	Quantity	Price	Taxable
Labor		\$ 1,005.76	No				
Common-Class A	100	\$ 1,343.77	Yes				
Mud Clear	500	\$ 407.54	Yes				
4 1/2" Turbolizer	6	\$ 304.00	Yes				
Auto Fill Float Shoe, 4 1/2"	1	\$ 304.00	Yes				
Pump Truck Mileage-Job to Nearest Camp	25	\$ 274.81	No				
Bulk Truck Matl-Material Service Charge	109	\$ 240.12	No				
4 1/2" AFU Insert	1	\$ 158.61	Yes				
Bulk Truck Mileage-Job to Nearest Bulk Plant	25	\$ 160.81	No				
Salt (Fine)	9	\$ 138.39	Yes				
4 1/2" Top Rubber Plug	1	\$ 41.86	Yes				

Invoice Terms:

Net 30 *Discount Available ONLY if Invoice is Paid & Received within listed terms of invoice:*

SubTotal:	\$	4,379.65
Discount Available	\$	(656.95)
SubTotal for Taxable Items:	\$	2,293.43
SubTotal for Non-Taxable Items:	\$	1,429.27
Total:	\$	3,722.70
Tax:	\$	190.35
Amount Due:	\$	3,913.06
Applied Payments:		
Balance Due:	\$	3,913.06

8.30% Russell 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.
 ©2008-2013 Straker Investments, LLC. All rights reserved.

QUALITY OILWELL CEMENTING, INC.

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

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

No. 403

Date	4-27-12	Sec.	1	Twp.	13	Range	14	County	Russell	State	Ks	On Location		Finish	7:15 PM
Lease	Krug		Well No.	1		Location	281 st Landfill Rd, 2E, 5 Into								
Contractor	G+L well service							Owner	To Quality Oilwell Cementing, Inc.						
Type Job	production							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	7 7/8"		T.D.	3264'		Charge To	Big O								
Csg.	4 1/2" 9.5#		Depth	3000 3265'		RECEIVED									
Tbg. Size			Depth			Street	JUL 31 2012								
Tool			Depth			City	State		KCC WICHITA						
Cement Left in Csg.	15'		Shoe Joint	15'		The above was done to satisfaction and supervision of owner agent or contractor.									
Meas Line			Displace	53 BLS		Cement Amount Ordered	100 sx Common 10% Salt								
EQUIPMENT						500 gal Mud Clear 48									
Pumptrk	9	No.	Cementer	Matt		Common	700								
Bulktrk	8	No.	Driver	Nick		Poz. Mix									
Bulktrk	p.u.	No.	Driver	Rick		Gel.									
JOB SERVICES & REMARKS						Calcium.									
Remarks:	pipe on bottom, break Circ.					Hulls									
Rat Hole	pump 500 gal Mud Clear 48					Salt	9								
Mouse Hole	pump 10 BLS water.					Flowseal									
Centralizers	mix 100 sx Common 10% Salt					Kol-Seal									
Baskets	shut down, wash pump + lines					Mud CLR 48	500								
D/V or Port Collar	Released plug & displaced with 53 BLS of water.					CFL-117 or CD110 CAF 38									
	Released + held.					Sand									
	Lift pressure 400#					Handling									
	Land plug to 1200#					Mileage									
FLOAT EQUIPMENT															
						Guide Shoe									
						Centralizer	6								
						Baskets									
						AFU Inserts	1								
						Float Shoe	1								
						Latch Down									
						1 - Rubber plug									
						Pumptrk Charge	prod Long String								
						Mileage	7 (min 25)								
Signature						Tax									
Discount															
Total Charge															

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 unknown 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.