

KANSAS CORPORATION COMMISSION 1087490
OIL & GAS CONSERVATION DIVISION

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

OPERATOR: License # 3208
 Name: K & N Petroleum, Inc.
 Address 1: 1105 Walnut
 Address 2: _____
 City: Great Bend State: KS Zip: 67530 + _____
 Contact Person: Ed Nemnich
 Phone: (620) 793-6005
 CONTRACTOR: License # 33350
 Name: Southwind Drilling, Inc.
 Wellsite Geologist: Jim Musgrove
 Purchaser: Plains Marketing LLC

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 #: _____

<u>04/02/2012</u>	<u>04/09/2012</u>	<u>04/12/2012</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-009-25674-00-00

Spot Description: _____
NE NW NW Sec. 34 Twp. 18 S. R. 11 East West
330 Feet from North / South Line of Section
990 Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW

County: Barton

Lease Name: KLEPPER Well #: 1-34

Field Name: N/A

Producing Formation: Lansing/KC

Elevation: Ground: 1790 Kelly Bushing: 1796

Total Depth: 3400 Plug Back Total Depth: 3364

Amount of Surface Pipe Set and Cemented at: 362 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: 51000 ppm Fluid volume: 1200 bbls

Dewatering method used: Hauled to Disposal

Location of fluid disposal if hauled offsite:

Operator Name: Outlaw Tank Service

Lease Name: Wirtz License #: 31070

Quarter NE Sec. 33 Twp. 19 S. R. 12 East West

County: Barton Permit #: E-28319

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.

Submitted Electronically

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: Deanna Garcia Date: 07/24/2012



1087490

Operator Name: K & N Petroleum, Inc. Lease Name: KLEPPER Well #: 1-34
 Sec. 34 Twp. 18 S. R. 11 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 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: Submitted Electronically	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum See Geo Report Submitted
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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	12.250	8.6250	24	362	Common CC	300	3% CC
Production	7.0250	5.5000	15.5	3389	60/40 Poz	150	2% gal. 10% Sol. 1/2% CFR2. 2% gal ac

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 (Amount and Kind of Material Used)	Depth
4	3069-78	4000 gal Acid w/balls	
4	3090-94	4000 gal Acid w/balls	
4	3110-14	4000 gal Acid w/balls	
4	3125-29	4000 gal Acid w/balls	
4	3135-45	4000 gal Acid w/balls	

TUBING RECORD: Size: <u>2.3750</u> Set At: <u>3246</u> Packer At: <u> </u> Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No
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Date of First, Resumed Production, SWD or ENHR. <u>04/18/2012</u>	Producing Method: <input checked="" type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) <u> </u>
Estimated Production Per 24 Hours	Oil Bbls. <u>80</u> Gas Mcf <u>0</u> Water Bbls. <u>0</u> Gas-Oil Ratio <u> </u> Gravity <u> </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> <i>(Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) <u> </u>	PRODUCTION INTERVAL: <u>Lansing/KC Various</u>
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ELAND

Acid & Cement

BURRTON, KS ♦ GREAT BEND, KS
 (620) 463-5161 (620) 793-3366
 FAX (620) 463-2104 FAX (620) 793-3536

POST OFFICE BOX 438
 HAYSVILLE, KS 67060
 (316) 524-1225
 (316) 524-1027 FAX

Invoice

Page: 1

BILL TO:

K & N PETROLEUM
 1105 WALNUT
 GREAT BEND, KS 67530

LEASE: KLEPPER 1-34

INVOICE NUMBER:
 C39319-IN

DATE	ORDER	SALESMAN	ORDER DATE	PURCHASE ORDER	SPECIAL INSTRUCTIONS	
04/12/2012	C39319		04/10/2012		NET 30	
QUANTITY	U/M	ITEM NO./DESCRIPTION		D/C	PRICE	EXTENSION
15.00	MI	CEMENT MILEAGE PU TRUCK		0.00	2.00	30.00
15.00	MI	CEMENT MILEAGE PUMP TRUCK		0.00	4.00	60.00
1.00	EA	CEMENT PUMP CHARGE		0.00	1,600.00	1,600.00
175.00	SAX	60-40 POZ MIX 2% GEL		0.00	9.25	1,618.75
400.00	LB	GILSONITE		0.00	0.50	200.00
100.00	LB	FRICTION REDUCER C-37		0.00	3.75	375.00
1,200.00	LB	SALT		0.00	0.18	216.00
750.00	LB	MUD FLUSH		0.00	0.80	600.00
5.00	EA	5 1/2" CENTRALIZERS		0.00	65.00	325.00
1.00	EA	BASKET		0.00	155.00	155.00
1.00	EA	5 1/2" LATCH DOWN PLUG/BAFFLE		0.00	175.00	175.00
1.00	EA	5 1/2" INSERT FLOAT SHOE W/AUTO		0.00	355.00	355.00
201.00	EA	CEMENT PUMP CHARGE		0.00	1.25	251.25
1.00	MI	MIN. CEMENT MILEAGE PUMP TRUCK		0.00	150.00	150.00
REMIT TO:		COP		Net Invoice:		6,111.00
P.O. BOX 438 HAYSVILLE, KS 67060		FUEL SURCHARGE IS NOT TAXABLE AND IS ADDED TO MILEAGE, PUMP AND OTHER CHARGES		BATCO Sales Tax:		208.87
RECEIVED BY _____		K & N PETROLEUM, INC		Invoice Total:		6,319.87
		Lease Name _____		30 DAYS		Klepper #1-34

*Cement - Float Equipment to Cement
 Long String*

There will be a charge of 1.5% "per month" (18% annual rate) on all accounts over 30 days past due.

Copeland Acid Cement is a subsidiary of Copeland Oil Field Service
 Grossed Oil Field Service reserves a security interest in the goods sold until they are paid for. It is reserved all the rights of a secured party under the Uniform Commercial Code

OTHER POSTED

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KCC WICHITA

Copeland

POST OFFICE BOX 438
 HAYSVILLE, KS 67060
 (316) 524-1225
 (316) 524-1027 FAX

Invoice

Page: 1

Acid & Cement

BURRTON, KS GREAT BEND, KS
 (620) 463-5181 (620) 793-3366
 FAX (620) 463-2104 FAX (620) 793-3536

INVOICE NUMBER:
 C39315-IN

BILL TO:
 K & N PETROLEUM
 1105 WALNUT
 GREAT BEND, KS 67530

LEASE: KLEPPER 1-34

DATE	ORDER	SALESMAN	ORDER DATE	PURCHASE ORDER	SPECIAL INSTRUCTIONS	
04/11/2012	C39315		04/03/2012		NET 30	
QUANTITY	U/M	ITEM NO./DESCRIPTION		D/C	PRICE	EXTENSION
15.00	MI	CEMENT MILEAGE PUMP TRUCK		0.00	4.00	60.00
15.00	MI	CEMENT MILEAGE PU TRUCK		0.00	2.00	30.00
1.00	EA	CEMENT PUMP CHARGE		0.00	1,100.00	1,100.00
300.00	SAX	COMMON CEMENT		0.00	11.25	3,375.00
11.00	SAX	CALCIUM CHLORIDE - SAX		0.00	40.00	440.00
1.00	EA	8 5/8 WOOD PLUG		0.00	65.00	65.00
1.00	EA	8 5/8 BAFFLE PLATE		0.00	105.00	105.00
311.00	EA	BULK CHARGE		0.00	1.25	388.75
218.10	MI	BULK TRUCK - TON MILES		0.00	1.10	239.91
<p><i>Cement Surface Prep</i></p> <p>K & N PETROLEUM, INC.</p> <p>Lease Name <u>Klepper 1-34</u></p> <p>JIB <input checked="" type="checkbox"/> OFFICE <input type="checkbox"/></p> <p>OTHER <input type="checkbox"/> POSTED <input type="checkbox"/></p>						
REMIT TO:		COP		Net Invoice:		5,803.66
P.O. BOX 438 HAYSVILLE, KS 67060		FUEL SURCHARGE IS NOT TAXABLE AND IS ADDED TO MILEAGE, PUMP AND OR DELIVERY CHARGES ONLY.		BATCO Sales Tax:		92.71
RECEIVED BY _____		NET 30 DAYS		Invoice Total:		<u>5,896.37</u>

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There will be a charge of 1.5% "per month" (18% annual rate) on all accounts over 30 days past due.

Copeland Acid & Cement is a subsidiary of Gressel Oil Field Service
 Gressel Oil Field Service reserves a security interest in the goods sold until the same are paid for in full and reserve all the rights of a secured party under the Uniform Commercial Code . . .

SOUTHWIND DRILLING, INC.

RIG #6

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

DRILLING REPORT

Klepper #1-34

Location: 330' FNL & 990' FWL
API#: 15-009-25674-00-00

Section: 34-18S-11W
Barton County, Kansas

OWNER: K&N Petroleum
CONTRACTOR: Southwind Drilling, Inc.

COMMENCED: 04/02/2012
COMPLETED: 04/10/2012

TOTAL DEPTH: Driller: 3400'
Logger: 3400'

Ground Elevation: 1788'
KB Elevation: 1796'

LOG:

0'	-	365'	Surface Hole
365'	-	2040'	Sand / Shale
2040'	-	3096'	Lime / Shale
3096'	-	3109'	Lansing A&B
3109'	-	3385'	Lime / Shale
3385'	-	3400'	Arbuckle
		3400'	RTD

CASING RECORDS

Surface casing

Ran 9 joints with new 24# 8 5/8" casing, Tally @ 352', Set @ 362', cemented with 300 sacks of common, 3% cc, cement did circulate, by Copeland (Ticket #C39315), plug was down @ 5:45 am on 4/3/2012.

Production casing

Ran 81 joints of new 15.5# 5 1/2" casing, Tally @ 3381', Set @ 3389', cemented with 150 sacks of 60/40 Poz, 2% gel, 18% salt, 1/2% CFR2, 2% gilsonite, by Copeland (Ticket #C39319), plug was down @ 1:15 am on 4/10/2012.

DEVIATION SURVEYS

0 degree(s) @ 365'
1/2 degree(s) @ 3096'

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MORNING DRILLING REPORT

SOUTHWIND DRILLING, INC.

PO Box 276

8 North Main

Ellinwood, Kansas 67526

PH: (620) 564-3800

Fax: (620) 564-3845



Well Name: Klepper #1-34

Location: 330' FNL & 990' FWL

Section: 34-185-11W

Barton County, Kansas

Elevation: G.L. 1788'

K.B. 1796'

API# 15-009-25674-00-00

Rig #6

Toolpusher (Wes Pfaff): (620) 566-7094

Rig #6 (Doghouse): (620) 566-7156

Wellsite Geologist: (Jim Musgrove) (620) 786-0839

Est. RTD - 3450'

K&N Petroleum

1105 Walnut

Great Bend, KS 67530

PH: (620) 793-6005

Email to: **K&N Petroleum**

Day **1**

Date **4/2/2012** **Monday**

Spud @ 7:30 pm on 4/2/2012

Ran 5.25 drilling (4.75 drilling, .50 drill rat hole), down 18.75 hours (10.00 move and rig up, 1.50 connections, 2.00 repair, .25 jet, .25 survey, .50 circulate, 1.75 run casing, .50 cement, 1.25 WOC, .75 trip).

Daily Mud Cost = \$0.00, Mud Cost to Date = \$0.00

Mud Weight = 9.8, VIS = 35

Weight on Bit = 8,000, RPM = 100, Pump Pressure = 600

Hours on Bit = #1 - 4.75 hours

Fuel usage: 163.35 gallons (63" used 4" = 59", delivered 21" = 80")

Ran 9 joints with new 24# 8 5/8" casing, Tally @ 352', Set @ 362', cemented with 300 sacks of common, 3% cc, cement did circulate, by Copeland (Ticket #C39315), plug was down @ 5:45 am on 4/3/2012.

Day **2**

Date **4/3/2012** **Tuesday** **Survey @ 0 degree @ 365'**

7:00 am Wait on cement @ 365'

Hole Made: 365'

Ran 13.75 drilling (12.75 drilling, 1.00 drill plug), down 10.25 hours (6.75 WOC, 2.25 connections, 1.00 repair, .25 jet)

Daily Mud Cost = \$0.00, Mud Cost to Date = \$0.00

Mud Weight = 9.8, VIS = 35

Weight on Bit = 10,000, RPM = 75, Pump Pressure = 800

Hours on Bit = #1 - 4.75 hours, #2 - 13.75 hours

Fuel usage: 244.94 gallons (80" used 9" = 71")

Day **3**

Date **4/4/2012** **Wednesday**

7:00 am Drilling @ 1105'

Hole Made: 740'

Ran 20.25 drilling, down 3.75 hours (2.75 connections, .50 jet, .50 repair)

Daily Mud Cost = \$2375.95, Mud Cost to Date = \$2375.95

Mud Weight = 9.6, VIS = 30

Weight on Bit = 21,000, RPM = 70, Pump Pressure = 850

Hours on Bit = #1 - 4.75 hours, #2 - 34.00 hours

Fuel usage: 333.45 gallons (71" used 9" = 62")

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MORNING DRILLING REPORT

SOUTHWIND DRILLING, INC.
PO Box 276
8 North Main
Ellinwood, Kansas 67526
PH: (620) 564-3800
Fax: (620) 564-3845



Well Name: Klepper #1-34
Location: 330' FNL & 990' FWL
Section: 34-18S-11W
Barton County, Kansas
Elevation: G.L. 1788'
K.B. 1796'
API# 15-009-25674-00-00
Est. RTD - 3450'
K&N Petroleum
1105 Walnut
Great Bend, KS 67530
PH: (620) 793-6005
Email to: K&N Petroleum

Rig #6
Toolpusher (Wes Pfaff): (620) 566-7094
Rig #6 (Doghouse): (620) 566-7156
Wellsite Geologist: (Jim Musgrove) (620) 786-0839

Day	4	Date	4/5/2012	Thursday	Displaced @ 2576'
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7:00 am Drilling @ 2040'
Hole Made: 935'
Ran 20.25 drilling, down 3.75 hours (1.75 connections, .75 jet, 1.00 repair, .25 displace).

Daily Mud Cost = \$3615.20, Mud Cost to Date = \$5991.15
Mud Weight = 8.6, VIS = 70
Weight on Bit = 30,000, RPM = 75, Pump Pressure = 800
Hours on Bit = #1 - 4.75 hours, #2 - 55.25 hours

Fuel usage: 338.20 gallons (62" used 8" = 54")

Day	5	Date	4/6/2012	Friday	
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7:00 am Drilling @ 2760'
Hole Made: 720'
Ran 10.75 drilling, down 13.25 hours (1.00 connections, 3.25 circulate, 5.25 trip, .25 survey, .75 tool, 2.75 testing).

Daily Mud Cost = \$387.70, Mud Cost to Date = \$6378.85
Mud Weight = 8.9, VIS = 55, WL = 7.6
Weight on Bit = 30,000, RPM = 80, Pump Pressure = 850
Hours on Bit = #1 - 4.75 hours, #2 - 66.00 hours

Fuel usage: 268.27 gallons (54" used 6" = 48")

Day	6	Date	4/7/2012	Saturday	Survey @ 1/2 degree @ 3096'
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DST #1 (3049' - 3096')
Rec. 2614' gas in pipe
130' gassy oil cut mud
300' muddy gas cut oil
Pipe Strap - 0.03 long to the board

7:00 am Testing DST #1 @ 3096'
Hole Made: 336'
Ran 4.75 drilling, down 19.25 hours (2.75 circulate, 10.25 trip, 1.50 tool, 3.25 testing, 1.50 repair).

Daily Mud Cost = \$0.00, Mud Cost to Date = \$6378.85
Mud Weight = 8.8, VIS = 56
Weight on Bit = 30,000, RPM = 75, Pump Pressure = 650
Hours on Bit = #1 - 4.75 hours, #2 - 66.00 hours, #3 - 4.75 hours

Fuel usage: 136.63 gallons (48" used 3" = 45")

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MORNING DRILLING REPORT

SOUTHWIND DRILLING, INC.
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8 North Main
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PH: (620) 564-3800
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Well Name: Klepper #1-34
Location: 330' FNL & 990' FWL
Section: 34-18S-11W
Barton County, Kansas
Elevation: G.L. 1788'
K.B. 1796'
API# 15-009-25674-00-00
Est. RTD - 3450'
K&N Petroleum
1105 Walnut
Great Bend, KS 67530
PH: (620) 793-6005
Email to: K&N Petroleum

Rig #6
Toolpusher (Wes Pfaff): (620) 566-7094
Rig #6 (Doghouse): (620) 566-7156
Wellsite Geologist: (Jim Musgrove) (620) 786-0839

Day 7

Date 4/8/2012 Sunday

DST #2 (3100' - 3151')

Rec. 95' gassy mud cut oil

DST #3 (3221' - 3290')

Rec. 15' mud

7:00 am Drilling @ 3200'

Hole Made: 104'

Ran 9.00 drilling, down 15.00 hours (.50 connections, 4.75 circulate, 6.25 trip, 1.00 tool, 2.25 testing, .25 fill pre-mix).

Daily Mud Cost = \$906.65, Mud Cost to Date = \$7285.50

Mud Weight = 8.9, VIS = 50, WL = 9.6

Weight on Bit = 30,000, RPM = 80, Pump Pressure = 600

Hours on Bit = #1 - 4.75 hours, #2 - 66.00 hours, #3 - 13.75 hours

Fuel usage: 183.15 gallons (45" used 4" = 41")

Day 8

Date 4/9/2012 Monday

RTD = 3400'

LTD = 3400'

7:00 am Drilling @ 3385'

Hole Made: 185'

Ran .50 drilling, down 23.50 hours (2.00 jet, 3.50 trip, 2.50 circulate, 4.75 logs, 1.00 nipple down, lay down Kelly and swivel, 3.25 lay down pipe, 2.00 run casing, .75 cement, 3.75 rig down).

Daily Mud Cost = \$483.65, Mud Cost to Date = \$7769.15

Mud Weight = 9.0, VIS = 46, WL = 10.4

Weight on Bit = 30,000, RPM = 80, Pump Pressure = 800

Hours on Bit = #1 - 4.75 hours, #2 - 66.00 hours, #3 - 14.25 hours

Fuel usage: 182.74 gallons (41" used 4" = 37")

Ran 81 joints of new 15.5# 5 1/2" casing, Tally @ 3381', Set @ 3389', cemented with 150 sacks of 60/40 Poz, 2% gel, 18% salt, 1/2% CFR2, 2% gilsonite, by Copeland (Ticket #C39319), plug was down @ 1:15 am on 4/10/2012.

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