

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

4/5/13

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 34392
Name: TexKan Exploration, LLC
Address 1: P.O. Box 191643
Address 2: _____
City: Dallas State: Tx. Zip: 75219 + _____
Contact Person: Bill Robinson
Phone: (785) 216-0064
CONTRACTOR: License # 33350
Name: Southwind Drilling, Inc.
Wellsite Geologist: Bill Robinson
Purchaser: NA

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 #: _____

2-28-11 3-4-11 3-16-11
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 147-20637-0600
Spot Description: _____
c nw sw nw Sec. 30 Twp. 4 S. R. 19 East West
1,650 Feet from North / South Line of Section
330 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Phillips
Lease Name: Adee Well #: 3
Field Name: Slinker
Producing Formation: Toronto
Elevation: Ground: 1983 Kelly Bushing: 1993
Total Depth: 3510 Plug Back Total Depth: 3510
Amount of Surface Pipe Set and Cemented at: 220 with 170 sks Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set: 1465 Feet
If Alternate II completion, cement circulated from: 1465
feet depth to: surface w/ 450 sx cmf.

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 #: _____

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: agent Date: 3-18-11

KCC Office Use ONLY
 Letter of Confidentiality Received
Date: 4/5/11 - 4/5/13 RECEIVED
 Confidential Release Date: _____
 Wireline Log Received APR 05 2011
 Geologist Report Received
 UIC Distribution
ALT I II III Approved by: [Signature] Date: _____

Operator Name: TexKan Exploration, LLC

Lease Name: Adee

Well #: 3

Sec. 30 Twp. 4 S. R. 19 East West

County: Phillips

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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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i></p> <p>Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input 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: Radiation Guard</p>	<p><input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample</p> <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>1520</td> <td>473</td> </tr> <tr> <td>B/KC</td> <td>3375</td> <td>-1382</td> </tr> </table>	Name	Top	Datum	Anhydrite	1520	473	B/KC	3375	-1382
Name	Top	Datum								
Anhydrite	1520	473								
B/KC	3375	-1382								

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	24	22	common	170	3% CC = 2% gel
production	7 7/8	5 1/2	17	3510	common	150	10% salt + 2% gel

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	3149- 52	250 gals mud acid	3125

TUBING RECORD: Size: <u>2 3/8</u> Set At: <u>3200</u> Packer At: <u>na</u> Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Date of First, Resumed Production, SWD or ENHR. <u>3-18-11</u>	Producing Method: <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other <i>(Explain)</i> _____
Estimated Production Per 24 Hours	Oil Bbls. <u>5</u> Gas Mcf <u>0</u> Water Bbls. <u>15</u> Gas-Oil Ratio <u>na</u> Gravity <u>36</u>

DISPOSITION OF GAS: <input checked="" 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 checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5)</i> <input type="checkbox"/> Other <i>(Specify)</i> _____	PRODUCTION INTERVAL: _____ _____
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ALLIED CEMENTING CO., LLC. 034120

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

KCC
APR 05 2011

SERVICE POINT:
Russell KS.

DATE <u>2-28-2011</u>	SEC. <u>30</u>	TWP <u>4</u>	RANGE <u>19</u>	CALLED OUT	ON LOCATION	JOB START <u>8:30 AM</u>	JOB FINISH <u>9:00 PM</u>
LEASE <u>Adee</u>	WELL # <u>3</u>	LOCATION <u>Logan 3E 3/4 N</u>			COUNTY <u>PHILIPS</u>	STATE <u>KANSAS</u>	
OLD OR NEW (Circle one)							

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CONTRACTOR SOUTHWIND DOLL RIG#1

TYPE OF JOB Compact SURFACE

HOLE SIZE 12" 4 T.D. 322

CASING SIZE 8 7/8 New DEPTH 320

TUBING SIZE 2 3/8 CSG DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG.

PERFS.

DISPLACEMENT 13.18 BBL

OWNER

CEMENT

AMOUNT ORDERED 170 SY 6/40 FOR

27 GEL

3% CC

EQUIPMENT

PUMP TRUCK CEMENTER Glenn

398 HELPER Woody

BULK TRUCK

378 DRIVER Tony

BULK TRUCK

DRIVER

COMMON @

POZMIX @

GEL @

CHLORIDE @

ASC @

HANDLING @

MILEAGE @

REMARKS:

Ran 5 NEW JOBS OF 8 7/8 (23#)

Set @ 220, Cement w/ 170 SY

6/40 2% GEL & 3% CC

Displaced 13 BBL H₂O &

Shut in @ 250 FT.

Cement DID CIRCULATE

TO SURFACE

THANKS

SERVICE

DEPTH OF JOB

PUMP TRUCK CHARGE

EXTRA FOOTAGE @

MILEAGE @

MANIFOLD @

RECEIVED
APR 05 2011
KCC WICHITA

CHARGE TO: Tex Kan Exploration

STREET

CITY STATE ZIP

PLUG & FLOAT EQUIPMENT

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@

@

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To Allied Cementing Co., LLC.
You are hereby requested to rent cementing equipment and furnish cementer and helper(s) to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

PRINTED NAME Frank Rowe

SIGNATURE Frank Rowe

TOTAL

SALES TAX (If Any)

TOTAL CHARGES

DISCOUNT IF PAID IN 30 DAYS

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "ALLIED" shall mean Allied Cementing Co., LLC, 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 ALLIED 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 ALLIED, refunded directly to CUSTOMER. For purposes of this paragraph, ALLIED 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 terms of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limited to, a reasonable sum as and for attorney's fees.

—**PRICES AND TAXES:** All merchandise listed in ALLIED'S current price schedule are F.O.B. ALLIED'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 ALLIED shall be added to the quoted prices charged to CUSTOMER.

—**TOWING CHARGES:** ALLIED will make a reasonable attempt to get to and from each job site using its own equipment. Should ALLIED 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 ALLIED, 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 ALLIED for the expenses incurred by ALLIED as a result of the cancellation.

—**DEADHAUL, CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charge as set forth in ALLIED'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. ALLIED carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond ALLIED'S control, ALLIED 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 ALLIED, 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 ALLIED'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 ALLIED or its employees.

2. With respect to any of ALLIED'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 ALLIED at the landing, CUSTOMER shall either recover the lost item without cost to ALLIED or reimburse ALLIED the current replacement cost of the item unless the loss or damage results from the sole negligence of ALLIED or its employees.

3. ALLIED 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. ALLIED 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. ALLIED'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 ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED 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 ALLIED 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 ALLIED 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 ALLIED or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by ALLIED, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.

(C) Work done by ALLIED shall be under the direct supervision and control of the CUSTOMER or his agent and ALLIED will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.

ALLIED CEMENTING CO., LLC. 034163

KCC

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

APR 05 2011 SERVICE POINT: Russell Ks

CONFIDENTIAL

DATE <u>3-5-11</u>	SEC. <u>30</u>	TWP. <u>4</u>	RANGE <u>19</u>	CALLED OUT	ON LOCATION	JOB START <u>4:00p - 5:00p</u>	JOB FINISH <u>2:20p</u>
LEASE <u>Adco</u>	WELL # <u>3</u>	LOCATION <u>Cogou - Hwy 9 3E</u>			COUNTY <u>Phillip</u>	STATE <u>Ks</u>	
OLD OR NEW (Circle one)			<u>Van Eit.</u>				

CONTRACTOR <u>Southward Drilling Ks #1</u>	OWNER _____
TYPE OF JOB <u>Production String - DV Job</u>	CEMENT <u>C.M.</u>
HOLE SIZE <u>7 7/8</u> T.D. <u>3510</u>	AMOUNT ORDERED <u>150 Gal 1055 ft 2 5/8</u>
CASING SIZE <u>5 1/2 12"</u> DEPTH <u>3510</u>	<u>1000 Gal WFR-2</u>
TUBING SIZE _____ DEPTH _____	<u>450 Gal 4 1/2" F/L</u>
DRILL PIPE _____ DEPTH _____	COMMON _____ @ _____
TOOL <u>DV Tool</u> DEPTH <u>1465</u>	POZMIX _____ @ _____
PRES. MAX _____ MINIMUM _____	GEL _____ @ _____
MEAS. LINE _____ SHOE JOINT <u>43.67</u>	CHLORIDE _____ @ _____
CEMENT LEFT IN CSG. <u>43.67</u>	ASC _____ @ _____
PERFS. _____	_____ @ _____
DISPLACEMENT <u>80,52661</u> <u>33,98661</u>	_____ @ _____

EQUIPMENT

PUMP TRUCK # <u>417</u>	CEMENTER <u>Shane Heath</u>
BULK TRUCK # <u>410</u>	HELPER <u>Tony</u>
BULK TRUCK # <u>423-187</u>	DRIVER <u>Nick</u>
	DRIVER <u>Todd</u>

REMARKS:

DV Tool @ 1465 - Rot. H. to 3050 ft. Must H. to 20
Inset @ 3470.90 Pipe on bottom
Est Circulation. Mixed 1000 gal
1000 Gal WFR-2 Mixed 1505 ft
Shut down. Washed pump + line. Displaced
805 bbl. Cement @ 1700 psi.
Flow L. Held. Opened DV Tool @ 1300
Cement. Circulated 20 min. to P.T.
Closed DV Tool @ 1505 psi.

SERVICE

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

CHARGE TO: Ter-Kow

STREET _____

CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT RECEIVED

<u>DV Tool</u> <u>10 Turbulizers</u> <u>1 Basket</u> <u>Catchdowns</u> <u>Flow L. Shoe</u> <u>Rot. H. Head</u>	<p style="text-align: center;">APR 05 2011</p> <p style="text-align: center;">KCC WICHITA</p>
_____ @ _____	TOTAL _____

To Allied Cementing Co., LLC.
 You are hereby requested to rent cementing equipment and furnish cementer and helper(s) to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

PRINTED NAME Joel Lawhorn

SIGNATURE [Signature]

SALES TAX (If Any) _____

TOTAL CHARGES _____

DISCOUNT _____ IF PAID IN 30 DAYS

Frank Rowe

GENERAL TERMS AND CONDITIONS

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(C) Work done by ALLIED shall be under the direct supervision and control of the CUSTOMER or his agent and ALLIED will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.