

Confidentiality Requested:

Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
July 2014

Form must be Typed
Form must be Signed
All blanks must be Filled

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Squeeze

OPERATOR: License # 32446

Name: Merit Energy Company, LLC

Address 1: 13727 Noel Rd Ste 120

Address 2: _____

City: Dallas State: TX Zip: 75240 + _____

Contact Person: Idania Medina

Phone: (620) 629-4228

KCC WICHITA

CONTRACTOR: License # 32721

Name: Eldredge

MAY 17 2017

Wellsite Geologist: _____

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Purchaser: _____

Designate Type of Completion:

- New Well
- Re-Entry
- Workover
- Oil
- Gas
- OG
- CM (Coal Bed Methane)
- Cathodic
- Other (Core, Expl., etc.): _____
- WSW
- D&A
- SWD
- ENHR
- GSW
- SIOW
- SIGW
- Temp. Abd.

If Workover/Re-entry: Old Well Info as follows:

Operator: OXY USA, INC.

Well Name: Atkins N-1

Original Comp. Date: 10/06/2000 Original Total Depth: 5350

- Deepening
- Plug Back
- Re-perf.
- Conv. to ENHR
- Conv. to GSW
- Conv. to SWD
- Conv. to Producer
- Commingled
- Dual Completion
- SWD
- ENHR
- GSW
- Permit #: _____
- Permit #: _____
- Permit #: _____
- Permit #: _____

<u>12/5/2016</u>	<u>12/14/2016</u>
Spud Date or Recompletion Date	Date Reached TD Completion Date or Recompletion Date

API No. 15 - 081-21342 ~ 00-01

Spot Description: _____

N2_S2_SE Sec. 4 Twp. 27 S. R. 33 East West

866 Feet from North / South Line of Section

1,271 Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:

NE NW SE SW

GPS Location: Lat: _____, Long: _____

(e.g. XX.XXXXX)

(e.g. XXX.XXXXX)

Datum: NAD27 NAD83 WGS84

County: Haskell

Lease Name: AMU Well #: 401

Field Name: Atkins

Producing Formation: Morrow

Elevation: Ground: 2937 Kelly Bushing: 2950

Total Vertical Depth: 5350 Plug Back Total Depth: 5263

Amount of Surface Pipe Set and Cemented at: 1821 Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set: 3105 Feet

If Alternate II completion, cement circulated from: _____

feet depth to: _____ w/ _____ sx cml.

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: The original 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. If confidentiality is requested and approved, side two of this form will be held confidential for a period of 2 years. Rules 82-3-130, 82-3-106 and 82-3-107 apply. Drill Stem Test, Cement Tickets and Geological Well Report must be attached.

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: Idania Medina

Title: Regulatory Analyst Date: 5/17/2017

KCC Office Use ONLY

Confidentiality Requested

Date: _____

Confidential Release Date: _____

Wireline Log Received

Geologist Report Received

UIC Distribution

ALT I II III Approved by: KOR Date: 5-18-2017

Operator Name: Merit Energy Company, LLC Lease Name: AMU Well #: 401
 Sec. 4 Twp. 27 S. R. 33 East West County: Haskell

INSTRUCTIONS: Show important tops 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.

Final Radioactivity Log, Final Logs run to obtain Geophysical Data and Final Electric Logs must be emailed to kcc-well-logs@kcc.ks.gov. Digital electronic log files must be submitted in LAS version 2.0 or newer AND an Image file (TIFF or PDF).

Drill Stem Tests Taken Yes No
 (Attach Additional Sheets)

Samples Sent to Geological Survey Yes No

Cores Taken Yes No

Electric Log Run Yes No

List All E. Logs Run:

Log Formation (Top), Depth and Datum Sample
 Name Top Datum

SEE ORIGINAL

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CASING RECORD <input 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

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input checked="" type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone	4170-4205	Class H	150	See Attached

Did you perform a hydraulic fracturing treatment on this well? Yes No (If No, skip questions 2 and 3)
 Does the volume of the total base fluid of the hydraulic fracturing treatment exceed 350,000 gallons? Yes No (If No, skip question 3)
 Was the hydraulic fracturing treatment information submitted to the chemical disclosure registry? Yes No (If No, fill out Page Three of the ACO-1)

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

TUBING RECORD:		Size: <u>2.8750</u>	Set At: <u>5188</u>	Packer At:	Liner Run: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date of First, Resumed Production, SWD or ENHR. <u>12/14/2016</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>13.1</u>	Gas Mcf	Water Bbls. <u>178</u>	Gas-Oil Ratio	Gravity

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease (If vented, Submit ACO-18.)	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. (Submit ACO-5) <input type="checkbox"/> Commingled (Submit ACO-4) <input checked="" type="checkbox"/> Other (Specify) <u>Squeeze</u>	PRODUCTION INTERVAL: <u>Morrow</u>
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Cementing Services
Field Ticket

KCC WICHITA

MAY 17 2017

Printed on 12/9/2016 at 11:46 AM

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Field Ticket Number: L1b1612091044 Field Ticket Date: Friday, December 09, 2016

Billed To:
MERIT ENERGY COMPANY
Liberal, KS 67801
P O Box 1293 / 1800 W 2nd St

Job Name: 05 Squeeze
Well Location: Haskell, KS
Well Name: AMU
Well Number: 401
Well Type: New Well
Rig Number:
Shipping Point: Liberal, KS
Sales Office: Mid Con

PERSONEL		EQUIPMENT	
Hector Esqueda	Carlos Ibarra	983-541	705-467
Cristian Camacho		1038-2	

SERVICES - SERVICES - SERVICES							
Category	Qty	Unit	Unit Am	Gross Am	Unit Price	Discount	Net Am
PUMP, TUBING/SQZ CEMENT 4001-5000 FT	1.00	min. 4 hr	2,810.84	2810.84	1,770.83	37.0%	1,770.83
PHDL	158.00	per cu. FL	2.48	388.88	1.58	37.0%	243.73
DRYG	360.00	ton-mile	2.75	990.00	1.73	37.0%	623.70
MILV	50.00	per mile	4.40	220.00	2.77	37.0%	138.80
MIHV	50.00	per mile	7.70	385.00	4.85	37.0%	242.55

FLOAT EQUIPMENT -- FLOAT EQUIPMENT -- FLOAT EQUIPMENT

MATERIALS - MATERIALS - MATERIALS

		bbl	0.00	0.00	0.00	37.0%	0.00
CCHP	0.00	sack	25.28	0.00	15.93	37.0%	0.00
CCHP	150.00	sack	25.28	3,792.00	15.93	37.0%	2,388.88
CA-100	100.00	pound	1.10	110.00	0.68	37.0%	69.30

ADDITIONAL ITEMS - ADDITIONAL ITEMS - ADDITIONAL ITEMS

Additional hours, in excess of set hours		per hour	440.00	0.00	277.20	37.0%	0.00
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	Gross	Discount	Final
Services Total	4,792.72	1,773.91	3,018.81
Equipment Total	0.00	0.00	0.00
Materials Total	3,902.00	1,443.74	2,458.28
Additional Items	0.00	0.00	0.00
Final Total	8,694.72	3,217.65	5,477.07

Allied Rep: _____
Customer Agent: _____

This output does NOT include taxes. Applicable sales tax will be billed on the final invoice.
Customer hereby acknowledges receipt of the materials and services described above and on the attached documents.
I have read and understand the "GENERAL TERMS AND CONDITIONS" listed on the following page.

X _____
Customer Signature

Field Ticket Total (USD): **\$5,477.07**

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "ALLIED" shall mean Allied Oil & Gas Services, 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 28 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.



Cement Job Summary

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Job Number: Lib1612091044	Job Purpose: 05 Squeeze
Customer: MERIT ENERGY COMPANY	Date: 12/9/2016
Well Name: AMU	Number: 401
County: Haskell	City:
Cust. Rep:	Phone:
Legal Desc:	Rig Name:
Distance: 50 miles (one way)	Supervisor: Hector Esqueda

Employees:	Emp ID:	Employees:	Emp ID:
Hector Esqueda		Carlos Ibarra	
Cristian Camacho			

Equipment:	
993-541	705-467
1039-2	

Well Information						
Tubulars						
Description:	Size (in):	Wgt. (lb/ft)	ID (in)	Grade:	Top MD (ft)	Btm MD (ft)
PREVIOUS CASING	5 1/2	15.5	4.778		0	4,170
TUBING/DRILL PIPE	2 7/8	4.6	2.441		0	4,120
Squeeze Information						
Description:	# of Perfs	Perf/Leak Depth	Packer/Retainer Depth			
Leak	0	4170	4120			
Perfs		4170	4120			

Materials - Pumping Schedule						
Fluid Name	Description	Rqstd Qty	Density	Yield	Water (gal/sk)	
Spacer 1	Fresh Water	10	8.33	n/a	n/a	
Fluid Name	Description	Rqstd Qty	Density	Yield	Water (gal/sk)	
Lead 1	CLASS H PREMIUM	0	0.00	0.00	0.00	
Addl. Additive	Description	Conc. (lb/sk)	Determined by	Load Volume	UOM	
Fluid Name	Description	Rqstd Qty	Density	Yield	Water (gal/sk)	
Tail 1	CLASS H PREMIUM	150	15.60	1.20	5.24	
Addl. Additive	Description	Conc. (lb/sk)	Determined by	Load Volume	UOM	
CA-100	CALCIUM CHLORIDE, PELLETS OR FLAKE	1.88	% BWOC	282.0	lbm	
Fluid Name	Description	Rqstd Qty	Density	Yield	Water (gal/sk)	
Disp. 4	Displacement	23.8457962	8.33	n/a	n/a	

Job Number: Lib1612091044	Job Purpose: 05 Squeeze
Customer: MERIT ENERGY COMPANY	Date: 12/9/2016
Well Name: AMU	Number: 401
County: Haskell	City:
Cust. Rep:	Phone:
Distance: 50 miles (one way)	Rig Phone: 0
	Supervisor: Hector Esqueda

TIME	PRESSURE - (PSI)		FLUID PUMPED DATA		COMMENTS
AM/PM	CASING	ANNULUS	VOLUME	RATE (BPM)	
8:00:00 AM					arrived to location
8:10:00 AM					rig up iron
9:00:00 AM					prime up the pump truck



Cement Job Summary

9:20:00 AM	2200				pressure test line to 2200Psi
9:29:00 AM	300		1		loaded backside with 1BBL and pressured up to 300Psi close valve to backside and open up the 2' valve to the well to get Injection rate
9:31:00 AM	0			2.5	start getting injection rate
9:34:00 AM	480		9		took 9bbls of water to load the well
9:35:00 AM	850		11		shut down 11bbls were pumped in total the injection rate was 2bpm @ 850Psi
9:36:00 AM					start mixing the CC into the 6bbls of water to use for the 50sks of cement we are going to mix 150sks of neat cement 100sks straight neat and the last 50sks will be with CC
9:45:00 AM					start mixing the straight neat cement to get the necessary weight before pumping 15.60#
9:49:00 AM	720		21	2	start pumping the 100sks of straight cement at 15.60#
9:55:00 AM	260		10	3.7	start the 50sks of neat cement with CC
10:00:00 AM					shut down switch the manifold valve to wash up the pump to the pit
10:02:00 AM					start washing up the tub to the pit
10:07:00 AM					shut down washing up switch back to the well to start the displacement
10:09:00 AM	0		23	1.2	start the 23 1/4bbl displacement with fresh water ON VACUUM @ 1.2BPM
10:18:00 AM			8	.4	8bbls in still on VACUUM @ .4BPM
10:24:00 AM			9	.1	9bbls in still on VACUUM @.1BPM
10:34:00 AM			10	0-.1	10bbls in hardly moving
10:37:00 AM	1040		10	.2	10bbls gone kicked in the pumps to .2bpm @ 1040Psi
10:38:00 AM	540		10 1/4	.3	10 1/4bbls in and well broke back to 540
10:44:00 AM	2100		10 3/4		shut down 10 3/4bbls pumped of displacement and well squeezed of to 2100Psi
10:44:00 AM	1640				pressure went down to 1640Psi and held switch valves to the backside to put 1000Psi to it to release the retainer
10:45:00 AM	1000				pressure up backside to 1000Psi and release the retainer
10:47:00 AM	1040			1.5	start reversing out
11:03:00 AM			30		shut down 300bbls were pumped to reverse out
					rig down released from location @ 12:00

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