

STATE OF MISSOURI  
MISSOURI DEPARTMENT OF NATURAL RESOURCES  
GEOLOGICAL SURVEY PROGRAM

FORM OGC-3

**APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK**

APPLICATION TO DRILL     DEEPEN     PLUG BACK     FOR AN OIL WELL     OR GAS WELL

NAME OF COMPANY OR OPERATOR: Osborn Energy, LLC    DATE: 10/20/2006

ADDRESS: 24850 Farley    CITY: Bucyrus    STATE: KS    ZIP CODE: 66013

**DESCRIPTION OF WELL AND LEASE**

NAME OF LEASE: Osborn    WELL NUMBER: 46-17    ELEVATION (GROUND): 990'

WELL LOCATION (GIVE FOOTAGE FROM SECTION LINES): 2145 ft. from  North  South section line    0 ft. from  East  West section line

WELL LOCATION: Sec. 17 Township 43 North Range 33  East  West    COUNTY: Cass

NEAREST DISTANCE FROM PROPOSED LOCATION TO PROPERTY OR LEASE LINE: 495 FEET

DISTANCE FROM PROPOSED LOCATION TO NEAREST DRILLING, COMPLETED OR APPLIED - FOR WELL ON THE SAME LEASE: 330 FEET

PROPOSED DEPTH: 600'    DRILLING CONTRACTOR, NAME AND ADDRESS: Osborn Energy, LLC    ROTARY OR CABLE TOOLS: air    APPROX. DATE WORK WILL START: 11/06/2006

NUMBER OF ACRES IN LEASE: 4000    NUMBER OF WELLS ON LEASE INCLUDING THIS WELL, COMPLETED IN OR DRILLING TO THIS RESERVOIR: 8    NUMBER OF ABANDONED WELLS ON LEASE: None

IF LEASE PURCHASED WITH ONE OR MORE WELLS DRILLED, FROM WHOM PURCHASED?    NO. OF WELLS PRODUCING: \_\_\_\_\_    INJECTION: \_\_\_\_\_    INACTIVE: \_\_\_\_\_    ABANDONED: \_\_\_\_\_

NAME: \_\_\_\_\_    ADDRESS: \_\_\_\_\_

STATUS OF BOND:  SINGLE WELL AMOUNT \$ \_\_\_\_\_     BLANKET BOND AMOUNT \$ 34000.00     ON FILE     ATTACHED

REMARKS: (IF THIS IS AN APPLICATION TO DEEPEN OR PLUG BACK, BRIEFLY DESCRIBE WORK TO BE DONE, GIVING PRESENT PRODUCING/INJECTION ZONE AND EXPECTED NEW INJECTION ZONE; USE BACK OF FORM IF NEEDED)

PROPOSED CASING PROGRAM				APPROVED CASING - TO BE FILLED IN BY STATE GEOLOGIST			
AMOUNT	SIZE	WT/FT	CEMENT	AMOUNT	SIZE	WT/FT	CEMENT
20'	7"		to surface	20'	7"		Portland to Surface
600'	2 7/8"		to surface	600'	2 7/8"		" "

I, the Undersigned, state that I am the Agent of the OELLC (Company), and that I am authorized by said company to make this report, and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct, and complete to the best of my knowledge.

SIGNATURE: *Matthew S. Penn*    DATE: Oct 25, 2006

PERMIT NUMBER: 20772     DRILLER'S LOG REQUIRED     E-LOGS REQUIRED IF RUN

APPROVED DATE: 11-1-06     CORE ANALYSIS REQUIRED IF RUN     DRILL SYSTEM TEST INFO REQUIRED IF RUN

APPROVED BY: *Matthew S. Penn*     SAMPLES REQUIRED     SAMPLES NOT REQUIRED

WATER SAMPLES REQUIRED AT

**NOTE:** THIS PERMIT NOT TRANSFERABLE TO ANY OTHER PERSON OR TO ANY OTHER LOCATION.

APPROVAL OF THIS PERMIT BY THE OIL AND GAS COUNCIL DOES NOT CONSTITUTE ENDORSEMENT OF THE GEOLOGIC MERITS OF THE PROPOSED WELL NOR ENDORSEMENT OF THE QUALIFICATIONS OF THE PERMITTEE.

I, Agent of the OELLC (Company), confirm that an approved drilling permit has been obtained by the owner of this well. Council approval of this permit will be shown on this form by presence of a permit number and signature of authorized council representative.

DRILLER'S SIGNATURE: *Matthew S. Penn*    DATE: Oct 25, 2006



STATE OF MISSOURI  
MISSOURI DEPARTMENT OF NATURAL RESOURCES  
GEOLOGICAL SURVEY PROGRAM

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FORM OGC-5

FEB 13 2009

**WELL COMPLETION OR RECOMPLETION REPORT AND WELL LOG**

NEW WELL  WORKOVER  DEEPEN  PLUG BACK  INJECTION  SAME RESERVOIR  DIFFERENT RESERVOIR  OIL  GAS  DRY

Mo Oil & Gas Council

OWNER <b>Osborn Energy, LLC</b>		ADDRESS <b>24850 Farley, Bucyrus, KS 66013</b>	
LEASE NAME <b>Osborn</b>		WELL NUMBER <b>46-17</b>	
LOCATION OF WELL SEC TWN RNG OR BLOCK AND SURVEY <b>Sec. 17 Twp 43 North, Rng 33 <input type="checkbox"/> East <input checked="" type="checkbox"/> West OR 2145 ft. from <input checked="" type="checkbox"/> North <input type="checkbox"/> South 0 ft. from <input checked="" type="checkbox"/> East <input type="checkbox"/> West</b>		LATITUDE	LONGITUDE
COUNTY <b>Cass</b>	PERMIT NUMBER (OGC-3 OR OGC-31) <b>20772</b>		
DATE SPUDDED <b>11/27/2006</b>	DATE TOTAL DEPTH REACHED <b>11/28/2006</b>	DATE COMPLETED READY TO PRODUCE OR INJECT <b>12/28/2006</b>	ELEVATION (DF, RKR, RT, OR Gr.) FEET <b>990</b>
TOTAL DEPTH <b>518</b>		ELEVATION OF CASING HD. FLANGE <b>FEET</b>	
PRODUCING OR INJECTION INTERVAL(S) FOR THIS COMPLETION <b>459.5-468.5</b>		ROTARY TOOLS USED (INTERVAL) <b>0 TO 518</b>	CABLE TOOLS USED (INTERVAL)
WAS THIS WELL DIRECTIONALLY DRILLED? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		DRILLING FLUID USED <i>air</i>	DATE FILED
WAS DIRECTIONAL SURVEY MADE? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		WAS COPY OF DIRECTIONAL SURVEY FILED? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	DATE FILED
TYPE OF ELECTRICAL OR OTHER LOGS RUN (JUST LOGS FILED WITH THE STATE GEOLOGIST) <b>Gamma Ray Neutron</b>			DATE FILED

**CASING RECORD**

CASING (REPORT ALL STRINGS SET IN WELL - CONDUCTOR, SURFACE, INTERMEDIATE, PRODUCING, ETC.)

PURPOSE	SIZE HOLE DRILLED	SIZE CASING SET	WEIGHT (LB. FT)	DEPTH SET	SACKS CEMENT	AMOUNT PULLED
Surface	9 1/2"	7"	17	20'	6	
Production	6 3/4"	2 7/8"	6 1/2"	501	96	

**TUBING RECORD**

**LINER RECORD**

SIZE	DEPTH SET	PACKER SET AT	SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN
INCH	FEET	FEET	INCH	FEET	FEET		FEET

**PERFORATION RECORD**

**ACID, SHOT, FRACTURE, CEMENT SQUEEZE RECORD**

NUMBER PER FEET	SIZE AND TYPE	DEPTH INTERVAL	AMOUNT AND KIND OF MATERIAL USED	DEPTH INTERVAL
2	2" DML RTG	459.5-468.5	50gal 15% HCL/ 3500#	459.5-468.5

**INITIAL PRODUCTION**

DATE OF FIRST PRODUCTION OR INJECTION <b>12/28/2006</b>		PRODUCING METHOD (INDICATE IF FLOWING, GAS LIFT, OR PUMPING - IF PUMPING, SHOW SIZE AND TYPE OF PUMP.) <b>Pumping 1 1/2" insert bbl</b>				
DATE OF TEST	HOURS TESTED	CHOKE SIZE	OIL PRODUCED DURING TEST	GAS PRODUCED DURING TEST	WATER PRODUCED DURING TEST	OIL GRAVITY
	<b>24</b>		<b>2 BBLs</b>	<b>MCF</b>	<b>2 BBLs</b>	<b>API (CORR.)</b>
TUBING PRESSURE	CASING PRESSURE	CALCULATED RATE OF PRODUCTION PER 24 HOURS		OIL	GAS	WATER
				<b>2 BBLs</b>	<b>0MCF</b>	<b>2 BBLs</b>

DISPOSITION OF GAS (STATE WHETHER VENTED, USED FOR FUEL OR SOLD)

METHOD OF DISPOSAL OF MUD PIT CONTENTS

Let water evaporate, then fill pit with a backhoe

**CERTIFICATE:** I, the Undersigned, state that I am the Agent of the OELLC (Company), and that I am authorized by said company to make this report, and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

DATE <b>2.9.09</b>	SIGNATURE <i>Curtis Hauken</i>
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NORTHWEST CORNER  
SECTION 17-43-33



SECTION LINE

SECTION LINE

2145'

2475'

PROPOSED GAS  
WELL No. 47

PROPOSED GAS  
WELL No. 46

PROPOSED GAS  
WELL No. 44

330'

330'

330'

330'

PROPOSED GAS  
WELL No. 45

PROPOSED GAS  
WELL No. 43

PROPOSED GAS  
WELL No. 53

330'

PROPOSED GAS  
WELL No. 54

PROPOSED GAS  
WELL No. 56

330'

330'

330'

330'

PROPOSED GAS  
WELL No. 52

PROPOSED GAS  
WELL No. 55

97'

SOUTHEAST CORNER  
SECTION 17-43-33



- PROPOSED GAS WELL
- FOUND MONUMENT @ SECTION CORNER

FOR: OSBORN ENERGY

GAS WELL LOCATIONS



**JOHN RENNER**  
 LAND SURVEYOR  
 6247 BROOKSIDE BOULEVARD  
 SUITE 204  
 KANSAS CITY, MO 64113  
 816-333-8841

NOTES:

THIS IS NOT A BOUNDARY SURVEY. IT IS FOR  
PROPOSED GAS WELL LOCATION.

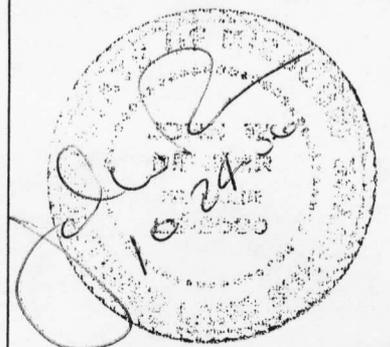
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Mo Oil & Gas Council

DATE: 10-20-2006

JOB No.: 10-06-024



# Geological Report

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## Osborn 46-17

Section 17-T43N-R33W  
Cass Co., Missouri  
Permit #20772  
Elevation: ' GL  
Drilling Contractor: Osborn Energy, LLC  
Spud 11-27-06  
Total Rotary Depth: 518' on 11-28-06

Mo Oil & Gas Council

<u>Formation</u>	<u>Driller Log Tops</u>	<u>Datum</u>
South Mound	269'	'
Anna Shale (Lexington)	391'	'
Summit Shale	436'	'
Mulky Coal/Shale	455'	'
Squirrel Sand	461'	'
Total Depth	518'	

459-461 Shale, grey, sandy

461-463 Sandstone, clear, grey, shaly, fine grained, angular to sub-rounded, moderately sorted, well cemented

463-468 Sandstone, clear, frosted, brown oil stain, fine grained, angular to sub-rounded, moderately sorted, poorly cemented, good porosity, strong odor, free oil

468-470 Sandstone, clear, grey, shaly, fine grained, angular to sub-rounded, moderately sorted, well cemented, oil show

470-473 Shale, grey, sandy

Total Depth 518' on 11-28-06

### Brief Summary

South Mound	Small open flow
Lexington	Small open flow
Weiser Sand	No show
Squirrel Sand	7' of pay, moderate bleed

CEMENTING WORK ORDER

CONSOLIDATED OIL WELL SERVICES, INC.  
Phone (620) 431-9210 Chanute, Kansas 66720

DAY Monday  
DATE 12/18/2006  
Month / Day / Time

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NAME OF CUSTOMER: Osborn

Mo Oil & Gas Council

LEASE # Osborn WELL # 46

JOB DESCRIPTION longstring

PIPE SIZE: 2 7/8 SIZE OF HOLE: 6 1/4

DEPTH OF WELL: 543

TYPE OF RIG: AIR MUD

AMOUNT OF CEMENT NEEDED: 96 sks 50/50 Poz

% OF GEL NEEDED: 2%

MATERIALS: 94 sks poz, 236# gel

TRUCKS: VAC TRANSPORT

LOCATION OF JOB

506-FM, 368-MM, 510-KH

ORDER TAKEN BY: Jim Green

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TICKET NUMBER 08950

CONSOLIDATED OIL WELL SERVICES, INC.  
P.O. BOX 884, CHANUTE, KS 66720  
20-431-9210 OR 800-467-8676

LOCATION Ottawa KS  
FOREMAN Fred Maden

Mo Oil & Gas Co  
TREATMENT REPORT & FIELD TICKET  
CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
12/18/06	6073	Osborn # 46				Cass Co Mo
CUSTOMER <u>Osborn Energy Ltd</u>			TRUCK #			
MAILING ADDRESS <u>24850 Farley</u>			DRIVER			
CITY <u>Bucyrus</u>			TRUCK #			
STATE <u>KS</u>			DRIVER			
ZIP CODE <u>66013</u>			TRUCK #			
JOB TYPE <u>Long string</u>			DRIVER			
CASING DEPTH <u>5010</u>			TRUCK #			
SLURRY WEIGHT			DRIVER			
DISPLACEMENT <u>3.8BL</u>			TRUCK #			
HOLE SIZE <u>6 1/4</u>			DRIVER			
HOLE DEPTH <u>543</u>			TRUCK #			
CASING SIZE & WEIGHT <u>2 7/8" EUE</u>			DRIVER			
DRILL PIPE			TRUCK #			
TUBING			DRIVER			
OTHER			TRUCK #			
WATER gal/sk			DRIVER			
CEMENT LEFT in CASING <u>2 1/2" Plug</u>			TRUCK #			
RATE <u>40PM</u>			DRIVER			

REMARKS: Check casing depth w/ measuring line. Establish Circulation  
Mix Pump 100# Premium Gel Flush. Mix Pump 96 sks  
50/50 Poz Mix Cement 2 7/8" Casing to Surface. Flush  
Pump + lines clean. Displace 2 1/2" Rubber Plug to  
casing TD w/ 3.8BL Fresh water. Pressure to 700# PSI  
Shut in casing.

Customer supplied H<sub>2</sub>O.

Fred Maden

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE <u>Cement Pump</u>	368	800 <sup>00</sup>
5406	10mi	MILEAGE <u>Pump Truck 1 well of 5</u>	368	31 <sup>50</sup>
5407A	4.08 Ton	<u>Ton Mileage</u>	510	214 <sup>20</sup>
1124	94 sks	<u>50/50 Poz Mix Cement</u>		831 <sup>20</sup>
1118B	263#	<u>Premium Gel</u>		36 <sup>82</sup>
4402	1	<u>2 1/2" Rubber Plug</u>		20 <sup>00</sup>
<u>Sub Total</u>				<u>1934<sup>42</sup></u>
<u>Tax @ 6.8%</u>				<u>60.43</u>
SALES TAX ESTIMATE TOTAL				<u>1994.85</u>

AUTHORIZATION \_\_\_\_\_ TITLE WOT# 211145 DATE \_\_\_\_\_