

STATE OF MISSOURI
MISSOURI DEPARTMENT OF NATURAL RESOURCES
GEOLOGICAL SURVEY PROGRAM
APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK

FORM OGC-3

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

NAME OF COMPANY OR OPERATOR: Osborn Energy, LLC DATE: 12/6/2006

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

DESCRIPTION OF WELL AND LEASE

NAME OF LEASE: Osborn WELL NUMBER: 48-17 ELEVATION (GROUND): 990'

WELL LOCATION (GIVE FOOTAGE FROM SECTION LINES): 2145 ft. from North South section line 660 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: 12/7/2006

NUMBER OF ACRES IN LEASE: 4000 NUMBER OF WELLS ON LEASE INCLUDING THIS WELL, COMPLETED IN OR DRILLING TO THIS DATE: 8

NUMBER OF ABANDONED WELLS ON LEASE: None

IF LEASE PURCHASED WITH ONE OR MORE WELLS DRILLED, FROM WHOM PURCHASED? NAME: _____ ADDRESS: _____

NO. OF WELLS PRODUCING: _____ INJECTION: _____ INACTIVE: 7 ABANDONED: _____

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" | | Portland to Surface |

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: *[Signature]* DATE: Dec 6, 2006

PERMIT NUMBER: 20784 APPROVED DATE: 1-11-07

APPROVED BY: *[Signature]*

DRILLER'S LOG REQUIRED E-LOGS REQUIRED IF RUN
 CORE ANALYSIS REQUIRED IF RUN DRILL SYSTEM TEST INFO REQUIRED IF RUN
 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: *[Signature]* DATE: Dec 6, 2006

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'

97'

330'

330'

330'

PROPOSED GAS
WELL NO. 52

PROPOSED GAS
WELL NO. 55

SOUTHEAST CORNER
SECTION 17-43-33



0 200



-  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.

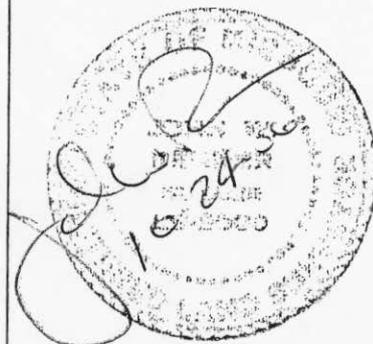
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Mo Oil & Gas Council

DATE: 10-20-2006

JOB No.: 10-06-024



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AUG 04 2010

FORM OGC-5



STATE OF MISSOURI
MISSOURI DEPARTMENT OF NATURAL RESOURCES
GEOLOGICAL SURVEY PROGRAM

Mo Oil & Gas Council

WELL COMPLETION OR RECOMPLETION REPORT AND WELL LOG

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

OWNER: OSBORN ENERGY, LLC ADDRESS: 24850 FARLEY BUCYRUS, KS 66013

LEASE NAME: Osborn WELL NUMBER: 48-17

LOCATION OF WELL: Sec. 17 Township 43 North, Range 33 East West 2145 ft. from North South 660 ft. from East West

COUNTY: Cass PERMIT NUMBER (OGC-3 OR OGC-31): 20784

DATE SPUNNED: 12/8/2006 DATE TOTAL DEPTH REACHED: 12/11/2006 DATE COMPLETED READY TO PRODUCE OR INJECT: 6/8/2007 ELEVATION (DF, RKR, RT, OR Gr.) FEET: 990 ELEVATION OF CASING HD. FLANGE FEET:

TOTAL DEPTH: 543 PLUG BACK TOTAL DEPTH:

PRODUCING OR INJECTION INTERVAL(S) FOR THIS COMPLETION: 462-466 ROTARY TOOLS USED (INTERVAL) 0 TO 543 DRILLING FLUID USED air CABLE TOOLS USED (INTERVAL):

WAS THIS WELL DIRECTIONALLY DRILLED? Yes No WAS DIRECTIONAL SURVEY MADE? Yes No WAS COPY OF DIRECTIONAL SURVEY FILED? Yes No DATE FILED:

TYPE OF ELECTRICAL OR OTHER LOGS RUN (JUST LOGS FILED WITH THE STATE GEOLOGIST): Gamma Ray Neutron DATE FILED: 8/4/2010

CASING RECORD

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

Table with 7 columns: PURPOSE, SIZE HOLE DRILLED, SIZE CASING SET, WEIGHT (LB. FT), DEPTH SET, SACKS CEMENT, AMOUNT PULLED. Rows include surface and Casing.

TUBING RECORD

LINER RECORD

Table with 8 columns: SIZE INCH, DEPTH SET FEET, PACKER SET AT FEET, SIZE INCH, TOP FEET, BOTTOM FEET, SACKS CEMENT, SCREEN FEET.

PERFORATION RECORD

ACID, SHOT, FRACTURE, CEMENT SQUEEZE RECORD

Table with 5 columns: NUMBER PER FOOT, SIZE AND TYPE, DEPTH INTERVAL, AMOUNT AND KIND OF MATERIAL USED, DEPTH INTERVAL. Row: 2, 2" DML RTG, 462-466, 30 sx sand, 20# gel, 462-466.

INITIAL PRODUCTION

DATE OF FIRST PRODUCTION OR INJECTION: 6/13/2007 PRODUCING METHOD (INDICATE IF FLOWING, GAS LIFT, OR PUMPING - IF PUMPING, SHOW SIZE AND TYPE OF PUMP.): pumping-1" pump

DATE OF TEST, HOURS TESTED, CHOKE SIZE, OIL PRODUCED DURING TEST (BBLs), GAS PRODUCED DURING TEST (MCF), WATER PRODUCED DURING TEST (BBLs), OIL GRAVITY (API (CORR.))

TUBING PRESSURE, CASING PRESSURE, CALCULATED RATE OF PRODUCTION PER 24 HOURS, OIL (BBLs), GAS (MCF), WATER (BBLs), GAS OIL RATIO

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

METHOD OF DISPOSAL OF MUD PIT CONTENTS: Let water evaporate, then fill with a back hoe

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: 8/4/2010 SIGNATURE: Custer Hauken

Geological Report

RECEIVED

AUG 04 2010

Mo Oil & Gas Council

Osborn 48-17

Section 17-T43N-R33W
Cass Co., Missouri
Permit # 20784
Elevation: GL
Drilling Contractor: Osborn Energy, LLC
Spud 12-08-06
Total Rotary Depth: 543' on 12-11-06

| <u>Formation</u> | <u>Driller Log Tops</u> | <u>Datum</u> |
|------------------------|-------------------------|--------------|
| Anna Shale (Lexington) | 391' | ' |
| Summit Shale | 436' | ' |
| Mulky Coal/Shale | 457' | ' |
| Squirrel Sand | 464' | ' |
| Total Depth | 543' | |

461-463 SH: grey, sandy

463-468 SS: clear, grey, shaly, fine grained, angular to sub-rounded, moderately sorted, well cemented, weak oil show

468-478 SH: grey, sandy, no show

Total Depth 543' on 12-11-06

Brief Summary

| | |
|---------------|-----------------------|
| Lexington | Small open flow |
| Squirrel Sand | 4' of pay, poor bleed |

CEMENTING WORK ORDER

RECEIVED

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

AUG 04 2010

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

Mo Oil & Gas Council

NAME OF CUSTOMER: Osborn

LEASE # Osborn WELL # 48-17

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, 363# gel

TRUCKS: VAC TRANSPORT

LOCATION OF JOB: _____

506-FM, 368-MM, 510-KH

ORDER TAKEN BY: Jim Green

CONSOLIDATED
OIL WELL
SERVICES, LLC

REMIT TO
Consolidated Oil Well Services, Inc.
Dept. 1228
Denver, CO 80256

MAIN OFFICE
P.O. Box 884
Chanute, KS 66720
620/431-9210 • 1-800/467-8676
FAX 620/431-0012

INVOICE

Invoice # 211152

Invoice Date: 12/27/2006 Terms: 0/30,n/30

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OSBORN ENERGY LLC
24850 FARLEY
BUCYRUS KS 66013
(913)533-9900

OSBORN 48
CASS CO
8951
12/18/06
MO

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| Part Number | Description | Qty | Unit Price | Total |
|-------------|-------------------------|--------|------------|--------|
| 1124 | 50/50 POZ CEMENT MIX | 94.00 | 8.8500 | 831.90 |
| 1118B | PREMIUM GEL / BENTONITE | 363.00 | .1400 | 50.82 |
| 4402 | 2 1/2" RUBBER PLUG | 1.00 | 20.0000 | 20.00 |

| | Description | Hours | Unit Price | Total |
|-----|-----------------------------|-------|------------|--------|
| 368 | CEMENT PUMP | 1.00 | 800.00 | 800.00 |
| 368 | EQUIPMENT MILEAGE (ONE WAY) | 10.00 | 3.15 | 31.50 |
| 510 | TON MILEAGE DELIVERY | 1.00 | 214.20 | 214.20 |

| | | | | | | | |
|--------|--------|-----------|-----|---------|---------|----|---------|
| Parts: | 902.72 | Freight: | .00 | Tax: | 61.39 | AR | 2009.81 |
| Labor: | .00 | Misc: | .00 | Total: | 2009.81 | | |
| Sublt: | .00 | Supplies: | .00 | Change: | .00 | | |

Signed _____ Date _____

BARTLESVILLE, Ok
278 CR 2706 74003
918/338-0808

EUREKA, Ks
820 E. 7th 67045
620/583-7664

OTTAWA, Ks
2631 So. Eisenhower Ave. 66067
785/242-4044

GILLETTE, WY
300 Enterprise Avenue 82716
307/686-4914

THAYER, Ks
8655 Dorn Road 66776
620/839-5269

WORLAND, WY
837 Hwy US 16 E 82401
307/347-4577