WELL COMPLETION/RE-COMPLETION REPORT
Form No. R3 (Formerly Form No. R4-5-1991)
Revised on 8/16/1999

INDIANA DEPARTMENT OF NATURAL RESOURCES
Division of Oil and Gas
402 W. Washington St., Rm. 293
Indianapolis, IN 46204
Phone (317) 232-4055
FAX (317) 232-1550
Internet: http://www.state.in.us/dngoil

Purpose of report
☑ Completion ☐ Re-completion ☐ Conversion
☐ Check here if you want the completion information to remain confidential for 1 year.

FOR STATE USE ONLY
Date filed
Date released

Name of operator
Jack W. Racer

Telephone number
(765)289-8264

Permit number
53547

Address of operator (☐ Check here if this is a new address)
5900 S. C.R. 575E.

City
Selma

State
IN

Zip code
47383

Name of lease
Hargis

Well number
#1

Elevation (G.L.)
1025

Section
19N

Township
11E

Range
¾ SW

¾ SE

¾ SW

Footage's: 165 ft. from □ N, □ S, □ NW, □ SE line

204 ft. from □ E, □ SW, □ NE, □ SW line

County
Delaware

Distance to the nearest well capable of producing from the same formation _____ ft.

NOTE: This information is only required for Oil, Gas and Dual completion wells.

NOTE: This information is not required for Geologic/ structure test wells or Individual/ county test holes

Casing Specifications

<table>
<thead>
<tr>
<th>Casing size O.D.</th>
<th>Wt./ft. (lbs.) - Grade</th>
<th>Setting depth</th>
<th>Stage 1 Volume</th>
<th>Stage 1 Class-yield per sack</th>
<th>Stage 2 or total volume if 1 stage</th>
<th>Stage 2 or total Class-yield per sack</th>
<th>Depth</th>
<th>Diameter (Inches)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surface 8.625</td>
<td>24 lbs. - N/A</td>
<td>138 ft.</td>
<td>46 SAC</td>
<td>Class A -1.43</td>
<td>-</td>
<td>-</td>
<td>137 ft.</td>
<td>12.25</td>
</tr>
<tr>
<td>Intermed.</td>
<td>lbs. -</td>
<td>ft.</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>ft.</td>
<td></td>
</tr>
<tr>
<td>Long str. 6.625</td>
<td>19 lbs. - N/A</td>
<td>402 ft.</td>
<td>48</td>
<td>Class A -1.43</td>
<td>-</td>
<td>-</td>
<td>402 ft.</td>
<td>7.875</td>
</tr>
<tr>
<td>Tubing</td>
<td>lbs. -</td>
<td>ft.</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>ft.</td>
<td></td>
</tr>
</tbody>
</table>

Packer setting depth _____ ft.
Packer setting depth _____ ft.
Packer setting depth _____ ft.

Centralizers at _____ ft. _____ ft. _____ ft. _____ ft.

Casing perforated
From _____ ft. to _____ ft.
From _____ ft. to _____ ft.
From _____ ft. to _____ ft.
From _____ ft. to _____ ft.

Hole

NOTE: For Class II Enhanced recovery and Saltwater disposal wells the well construction information must match the specifications of the written permit. If the information is different you must submit form no. A7 to request a modification of the existing permit conditions.

Completion type (Check one only)
☐ Dry hole
☐ Oil well
☑ Gas well
☐ Non commercial gas well

Gas storage/ observation well
Geologic/ structure test well
Non potable water supply well
Saltwater disposal Class II well
Enhanced recovery Class II well
Dual completion Oil/ Class II well
Dual completion Gas/ Class II well

Date (Enter one only)
Completed: 7/4/2008
Re-completed
Converted

Tools
Total Depths
Drillers 1400 ft.
Loggers ft.

Cable from _____ ft. to _____ ft.

Continued on next page
### Geophysical Logs

<table>
<thead>
<tr>
<th>Completion Intervals</th>
<th>Well Treatments</th>
</tr>
</thead>
<tbody>
<tr>
<td>From ft. to ft</td>
<td>Frac. with</td>
</tr>
<tr>
<td>+ ft.</td>
<td>gallons Frac.</td>
</tr>
<tr>
<td>+ ft.</td>
<td>with lbs. sand</td>
</tr>
<tr>
<td>Acidized with</td>
<td></td>
</tr>
<tr>
<td>Acidized with</td>
<td></td>
</tr>
<tr>
<td>Shot with</td>
<td></td>
</tr>
</tbody>
</table>

#### Producing formation

<table>
<thead>
<tr>
<th>Name</th>
<th>Initial production (First 24 hours)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other trenton</td>
<td>Oil barrels Gas MCF</td>
</tr>
</tbody>
</table>

#### Intervals

<table>
<thead>
<tr>
<th>Intervals</th>
<th>Formation Names/Types</th>
<th>Special Test Descriptions (DST's, Pump tests, Fill ups, etc...)</th>
</tr>
</thead>
<tbody>
<tr>
<td>From 965 ft. to 980 ft</td>
<td>Other trenton</td>
<td>Good gas show</td>
</tr>
<tr>
<td>From ft. to ft</td>
<td>Other</td>
<td></td>
</tr>
<tr>
<td>From ft. to ft</td>
<td>Other</td>
<td></td>
</tr>
</tbody>
</table>

#### Rock Description

<table>
<thead>
<tr>
<th>Intervals</th>
<th>Rock Description</th>
<th>Intervals</th>
<th>Rock Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>From 0 ft. to 136 ft</td>
<td>Glacial drift</td>
<td>From ft. to ft</td>
<td></td>
</tr>
<tr>
<td>From 136 ft. to 265 ft</td>
<td>Limestone</td>
<td>From ft. to ft</td>
<td></td>
</tr>
<tr>
<td>From 265 ft. to 960 ft</td>
<td>Gray brown shale</td>
<td>From ft. to ft</td>
<td></td>
</tr>
<tr>
<td>From 966 ft. to 1400 ft</td>
<td>Limestone &amp; dolomite</td>
<td>From ft. to ft</td>
<td></td>
</tr>
<tr>
<td>From ft. to ft</td>
<td></td>
<td>From ft. to ft</td>
<td></td>
</tr>
<tr>
<td>From ft. to ft</td>
<td></td>
<td>From ft. to ft</td>
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<td>From ft. to ft</td>
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<td></td>
</tr>
<tr>
<td>From ft. to ft</td>
<td></td>
<td>From ft. to ft</td>
<td></td>
</tr>
</tbody>
</table>

### Special Requirements

1. Only those persons whose names appear in PARTS V or VI of the Organizational Report are authorized to sign this report.
2. If this is a directional or horizontal well you must submit a copy of the directional survey with this report.
3. You must submit 3 copies of ALL geophysical logs run on this well.

I affirm under penalty of perjury that the information provided in this report is true to the best of my knowledge and belief.

Signature of operator or authorized agent: [Signature]

Date signed: 9/14/08

SEP 19 2008