



Confidentiality Requested:

Yes No

KANSAS CORPORATION COMMISSION 1076223
OIL & GAS CONSERVATION DIVISION

Form ACO-1
August 2013

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

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # _____

Name: _____

Address 1: _____

Address 2: _____

City: _____ State: _____ Zip: _____ + _____

Contact Person: _____

Phone: (_____) _____

CONTRACTOR: License # _____

Name: _____

Wellsite Geologist: _____

Purchaser: _____

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

| | | |
|-----------------------------------|-----------------|---|
| Spud Date or Recompletion Date | Date Reached TD | Completion Date or Recompletion Date |
|-----------------------------------|-----------------|---|

API No. 15 - _____

Spot Description: _____

_____ - _____ - _____ Sec. _____ Twp. _____ S. R. _____ East West

_____ Feet from North / South Line of Section

_____ 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: _____

Lease Name: _____ Well #: _____

Field Name: _____

Producing Formation: _____

Elevation: Ground: _____ Kelly Bushing: _____

Total Vertical Depth: _____ Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at: _____ Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set: _____ Feet

If Alternate II completion, cement circulated from: _____

feet depth to: _____ w/ _____ sx cmt.

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 #: _____

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.

Submitted Electronically

KCC Office Use ONLY

- Confidentiality Requested
Date: _____
- Confidential Release Date: _____
- Wireline Log Received
- Geologist Report Received
- UIC Distribution
- ALT I II III Approved by: _____ Date: _____

1076223

Operator Name: _____ Lease Name: _____ Well #: _____

Sec. _____ Twp. _____ S. R. _____ East West County: _____

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 <input type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input type="checkbox"/> No Electric Log Run <input type="checkbox"/> Yes <input type="checkbox"/> No List All E. Logs Run: _____ | <input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum |
|--|---|

| 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 type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone | | | | |
| | | | | |

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 <i>(Amount and Kind of Material Used)</i> | Depth |
|----------------|---|--|-------|
| | | | |
| | | | |
| | | | |
| | | | |

TUBING RECORD: Size: _____ Set At: _____ Packer At: _____ Liner Run: Yes No

Date of First, Resumed Production, SWD or ENHR: _____ Producing Method:
 Flowing Pumping Gas Lift Other *(Explain)* _____

| Estimated Production Per 24 Hours | Oil Bbls. | Gas Mcf | Water Bbls. | Gas-Oil Ratio | Gravity |
|-----------------------------------|-----------|---------|-------------|---------------|---------|
| | | | | | |

| | | |
|--|---|---|
| DISPOSITION OF GAS: <input 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 type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5)</i> <input type="checkbox"/> Other <i>(Specify)</i> _____ <i>(Submit ACO-4)</i> | PRODUCTION INTERVAL: _____ _____ |
|--|---|---|

| | |
|-----------|-------------------------|
| Form | ACO1 - Well Completion |
| Operator | Lario Oil & Gas Company |
| Well Name | K-2 Farms A 1-25 |
| Doc ID | 1076223 |

All Electric Logs Run

| |
|------------|
| |
| CDL/CNL/PE |
| MEL |
| SON |
| DIL |

| | |
|-----------|-------------------------|
| Form | ACO1 - Well Completion |
| Operator | Lario Oil & Gas Company |
| Well Name | K-2 Farms A 1-25 |
| Doc ID | 1076223 |

Tops

| Name | Top | Datum |
|---------------|------|-------|
| Heebner | 3904 | -967 |
| Lansing | 3945 | -1008 |
| Stark Sh | 4221 | -1284 |
| Hushpuckney | 4255 | -1318 |
| Base KC | 4308 | -1371 |
| Marmaton | 4338 | -1401 |
| Pawnee | 4424 | -1487 |
| Ft. Scott | 4450 | -1513 |
| Johnson | 4540 | -1603 |
| Morrow | 4576 | -1639 |
| Basal Penn | 4598 | -1661 |
| Mississippian | 4626 | -1689 |

Conservation Division
Finney State Office Building
130 S. Market, Rm. 2078
Wichita, KS 67202-3802



Phone: 316-337-6200
Fax: 316-337-6211
<http://kcc.ks.gov/>

Mark Sievers, Chairman
Ward Loyd, Commissioner
Thomas E. Wright, Commissioner

Sam Brownback, Governor

March 19, 2012

Jay Schweikert
Lario Oil & Gas Company
301 S MARKET ST
WICHITA, KS 67202-3805

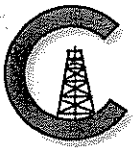
Re: ACO1
API 15-109-21078-00-00
K-2 Farms A 1-25
SE/4 Sec.25-15S-32W
Logan County, Kansas

Dear Production Department:

We are herewith requesting that the Well Completion Form ACO-1 and attached information for the subject well be held confidential for a period of two years.

Should you have any questions or need additional information regarding subject well, please contact our office.

Respectfully,
Jay Schweikert



CONSOLIDATED
Oil Well Services, LLC

REMIT TO
Consolidated Oil Well Services, LLC
Dept. 970
P.O. Box 4346
Houston, TX 77210-4346

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

INVOICE

Invoice # 248431

Invoice Date: 03/19/2012 Terms: 15/15/30,n/30

Page 1

LARIO OIL & GAS
P.O. BOX 1093
GARDEN CITY KS 637846
(316)265-5611

K2 FARMS "A" 1-25
33802
25-15S-32W
3-15-2012
KS

Drilling
AFE-12-036
CK 3/23/12

| Part Number | Description | Qty | Unit Price | Total |
|-------------|-------------------------|--------|------------|---------|
| 1131 | 60/40 POZ MIX | 205.00 | 15.1000 | 3095.50 |
| 1118B | PREMIUM GEL / BENTONITE | 705.00 | .2500 | 176.25 |
| 1107 | FLO-SEAL (25#) | 51.25 | 2.8200 | 144.53 |
| 4432 | 8 5/8" WOODEN PLUG | 1.00 | 96.0000 | 96.00 |

| Sublet Performed | Description | Total |
|------------------|---------------|---------|
| 9999-130 | CASH DISCOUNT | -526.84 |
| 9999-130 | CASH DISCOUNT | -267.75 |

| Description | Hours | Unit Price | Total |
|---------------------------------|-------|------------|---------|
| 439 MIN. BULK DELIVERY | 1.00 | 410.00 | 410.00 |
| 520 P & A NEW WELL | 1.00 | 1325.00 | 1325.00 |
| 520 EQUIPMENT MILEAGE (ONE WAY) | 10.00 | 5.00 | 50.00 |

Exp 1 File 1
MAR
[Handwritten signature]

Amount Due 5571.24 if paid after 04/18/2012

| | | | | | | | |
|--------|---------|-----------|-----|---------|---------|----|---------|
| Parts: | 3512.28 | Freight: | .00 | Tax: | 232.87 | AR | 4735.56 |
| Labor: | .00 | Misc: | .00 | Total: | 4735.56 | | |
| Sublt: | -794.59 | Supplies: | .00 | Change: | .00 | | |

Signed _____ Date _____



CONSOLIDATED
Oil Well Services, LLC

PO Box 884, Chanute, KS 66720
620-431-9210 or 800-467-8676



FIELD TICKET & TREATMENT REPORT
CEMENT

TICKET NUMBER 33802
LOCATION Oakley KS
FOREMAN Miles Shaw

| DATE | CUSTOMER # | WELL NAME & NUMBER | SECTION | TOWNSHIP | RANGE | COUNTY |
|--|------------|--------------------|------------|---------------|---------|----------|
| 3-15-12 | 4743 | 1/2 Farms 'A' | 25 | 155 | 32W | Logan KS |
| CUSTOMER <u>Lario Oil & Gas</u> | | | TRUCK # | DRIVER | TRUCK # | DRIVER |
| MAILING ADDRESS | | | <u>520</u> | <u>John S</u> | | |
| CITY | | | <u>439</u> | <u>Jim M</u> | | |
| STATE | | | | | | |
| ZIP CODE | | | | | | |

JOB TYPE DTA HOLE SIZE 7 7/8 HOLE DEPTH 4750 CASING SIZE & WEIGHT _____
 CASING DEPTH _____ DRILL PIPE 4 1/2 TUBING _____ OTHER _____
 SLURRY WEIGHT B-8 SLURRY VOL _____ WATER gal/sk _____ CEMENT LEFT in CASING _____
 DISPLACEMENT _____ DISPLACEMENT PSI _____ MIX PSI _____ RATE _____

REMARKS: Safety meeting & rig up on Picket #10 Plug as ordered
1st 25 sls @ 2365'
2nd 100 sls @ 1280'
3rd 40 sls @ 300'
4th 10 sls @ 40'
BA 305 sls
205 sls @ 1/40 Poz 48 gal 1/4" Flused

Thank you Miles & crew

| ACCOUNT CODE | QUANTITY or UNITS | DESCRIPTION of SERVICES or PRODUCT | UNIT PRICE | TOTAL |
|--------------|-------------------|------------------------------------|-----------------|----------|
| 5405N | 1 | PUMP CHARGE | 1325.00 | 1325.00 |
| 5406 | 10 | MILEAGE | 5.00 | 50.00 |
| 5407 | 8.81 | Ton delivery | 410.00 | 410.00 |
| 1131 | 205 | 60/40 sls Poz | 15.10 | 3,095.50 |
| 1118B | 705 # | Bentonite gel | .25 | 176.25 |
| 1107 | 51.25 | Cello Plokes Flo seal | 2.82 | 144.53 |
| 4432 | 1 | 5/8" wooden Plug | 96.00 | 96.00 |
| | | | Subtotal | 5297.28 |
| | | | Loss / discount | 794.59 |
| | | | Subtotal | 4502.69 |
| | | | SALES TAX | 232.87 |
| | | | ESTIMATED TOTAL | 4735.56 |

Ravin 3737

AUTHORIZATION Miles Shaw TITLE P.S.

DATE 3-15-12

I acknowledge that the payment terms, unless specifically amended in writing on the front of the form or in the customer's account records, at our office, and conditions of service on the back of this form are in effect for services identified on this form.



CONSOLIDATED
Oil Well Services, LLC

REMIT TO
Consolidated Oil Well Services, LLC
Dept. 970
P.O. Box 4346
Houston, TX 77210-4346

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

INVOICE

Invoice # 248188

Invoice Date: 03/08/2012 Terms: 10/10/30,n/30

Page 1

LARIO OIL & GAS
P.O. BOX 1093
GARDEN CITY KS 637846
(316) 265-5611

K2 FARMS A #1-25
33865
25-15S-32W drilling APR 12-036
03-02-2012 3-12-12 LK
KS

| Part Number | Description | Qty | Unit Price | Total |
|-------------|-------------------------|--------|------------|---------|
| 1104S | CLASS "A" CEMENT (SALE) | 200.00 | 17.6500 | 3530.00 |
| 1102 | CALCIUM CHLORIDE (50#) | 564.00 | .8900 | 501.96 |
| 1118B | PREMIUM GEL / BENTONITE | 376.00 | .2500 | 94.00 |
| 4432 | 8 5/8" WOODEN PLUG | 1.00 | 96.0000 | 96.00 |

| Sublet Performed | Description | Total |
|------------------|---------------|---------|
| 9999-130 | CASH DISCOUNT | -422.20 |
| 9999-130 | CASH DISCOUNT | -154.50 |

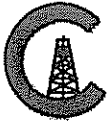
| | Description | Hours | Unit Price | Total |
|-----|-----------------------------|-------|------------|---------|
| 399 | CEMENT PUMP (SURFACE) | 1.00 | 1085.00 | 1085.00 |
| 399 | EQUIPMENT MILEAGE (ONE WAY) | 10.00 | 5.00 | 50.00 |
| 460 | MIN. BULK DELIVERY | 1.00 | 410.00 | 410.00 |

ye *ok*
MAR 14 2012
ye

Amount Due 6096.27 if paid after 04/07/2012

| | | | | | | | |
|--------|---------|-----------|-----|---------|---------|----|---------|
| Parts: | 4221.96 | Freight: | .00 | Tax: | 296.38 | AR | 5486.64 |
| Labor: | .00 | Misc: | .00 | Total: | 5486.64 | | |
| Sublt: | -576.70 | Supplies: | .00 | Change: | .00 | | |

Signed _____ Date _____



CONSOLIDATED
Oil Well Services, LLC



TICKET NUMBER 33865
LOCATION Oakley
FOREMAN Kelly Gabe

PO Box 884, Chanute, KS 66720
620-431-9210 or 800-467-8676

FIELD TICKET & TREATMENT REPORT
CEMENT

KS

| DATE | CUSTOMER # | WELL NAME & NUMBER | SECTION | TOWNSHIP | RANGE | COUNTY |
|-----------------------------|------------|--------------------|----------|----------|-----------------|--------|
| 3-2-12 | 4793 | K2 Farms A #1-25 | 25 | 155 | 32 ^W | Logan |
| CUSTOMER Lorio Oil & Gas | | | Oakley | | | |
| MAILING ADDRESS | | | South V | | | |
| CITY | | | Winto | | | |
| STATE | | | ZIP CODE | | | |
| TRUCK # | | DRIVER | | TRUCK # | | DRIVER |
| 399 | | Miles S | | | | |
| 460 | | Gory D | | | | |

JOB TYPE Surface HOLE SIZE 12 1/4 HOLE DEPTH 316 CASING SIZE & WEIGHT 8 5/8 24#
 CASING DEPTH 316 DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 148 SLURRY VOL _____ WATER gal/sk _____ CEMENT LEFT in CASING 20'
 DISPLACEMENT 18 3/4 DISPLACEMENT PSI _____ MIX PSI _____ RATE _____

REMARKS: Safety meeting, Rigged up on Pickeral Drilling Rig #10. Hooked up to circulate, Mixed 200 sks com 390 cc @ 200 gpm. Shut down, Released Plug, displaced with 18 3/4 bbl water shut in, washed pumps & lines, rigged down & left location

Cement did circulate

Approx 410 bbl to pit

Thank you Kelly & crew

| ACCOUNT CODE | QUANTITY or UNITS | DESCRIPTION of SERVICES or PRODUCT | UNIT PRICE | TOTAL |
|----------------------|-------------------|------------------------------------|------------|---------|
| 54015 | 1 | PUMP CHARGE | 1085.00 | 1085.00 |
| 5406 | 10 | MILEAGE | 50.00 | 500.00 |
| 11045 | 200 sks | Class A Cement | 17.65 | 3530.00 |
| 1102 | 564# | Calcium chloride | .89 | 501.96 |
| 11183 | 376# | Bentonite | .25 | 94.00 |
| 5407 | 9.40 | Ton Mileage (min) | 162 | 410.00 |
| 4432 | 1 | 8 5/8 Wooden Plug | 96.00 | 96.00 |
| <u>AS per bid</u> | | | | |
| | | | | 5766.96 |
| <u>Less 10% disc</u> | | | | 5190.26 |
| | | | | 5190.26 |
| SALES TAX | | | | 296.39 |
| ESTIMATED TOTAL | | | | 5486.64 |

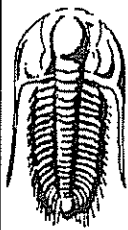
Plavin 3737

8:00 AM AUTHORIZATION Mike Kun

TITLE _____

DATE 3-2-12

I acknowledge that the payment terms, unless specifically amended in writing on the front of the form or in the customer's account records, at our office, and conditions of service on the back of this form are in effect for services identified on this form.



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

Lario Oil & Gas Co.

25-15s-32w Logan Co. KS

301 S. Market St.
Wichita KS 67202

K-2 Farms A #1-25

Job Ticket: 45140

DST#: 1

ATTN: Wes Hansen

Test Start: 2012.03.10 @ 23:44:00

GENERAL INFORMATION:

Formation: Lansing "j"
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 01:58:10
Time Test Ended: 08:09:09

I+J

Test Type: Conventional Bottom Hole (Initial)
Tester: Will MacLean
Unit No: 40

Interval: 4160.00 ft (KB) To 4190.00 ft (KB) (TVD)
Total Depth: 4190.00 ft (KB) (TVD)
Hole Diameter: 7.88 inches-Hole Condition: Good

Reference Elevations: 2937.00 ft (KB)
2930.00 ft (CF)
KB to GR/CF: 7.00 ft

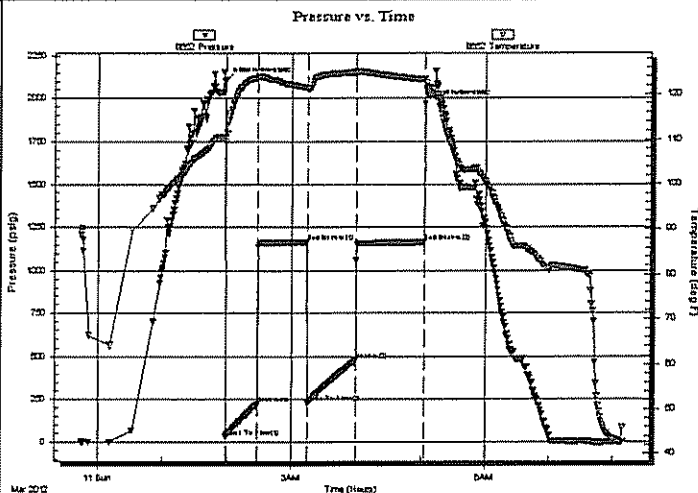
Serial #: 8652

Inside

Press@RunDepth: 477.52 psig @ 4162.00 ft (KB)
Start Date: 2012.03.10 End Date: 2012.03.11
Start Time: 23:44:00 End Time: 08:09:09

Capacity: 8000.00 psig
Last Calib.: 2012.03.11
Time On Btm: 2012.03.11 @ 01:57:55
Time Off Btm: 2012.03.11 @ 05:03:39

TEST COMMENT: IF- Surface Blow Built to BOB in 6 1/4min
IS- No Blow
FF- Surface Blow Built to BOB in 7 min
FS- No Blow



PRESSURE SUMMARY

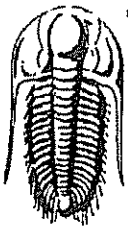
| Time (Min.) | Pressure (psig) | Temp (deg F) | Annotation |
|-------------|-----------------|--------------|----------------------|
| 0 | 2104.72 | 110.61 | Initial Hydro-static |
| 1 | 31.11 | 109.40 | Open To Flow (1) |
| 31 | 222.22 | 123.62 | Shut-In(1) |
| 76 | 1166.72 | 121.48 | End Shut-In(1) |
| 77 | 228.99 | 121.14 | Open To Flow (2) |
| 122 | 477.52 | 124.81 | Shut-In(2) |
| 186 | 1165.02 | 123.20 | End Shut-In(2) |
| 186 | 1967.81 | 123.45 | Final Hydro-static |

Recovery

| Length (ft) | Description | Volume (bbl) |
|-------------|---------------|--------------|
| 186.00 | MCW 5%m 95%w | 2.61 |
| 434.00 | MCW 10%m 90%w | 6.09 |
| 248.00 | MCW 30%m 70%w | 3.48 |
| 144.00 | WCM 15%w 85%m | 2.02 |
| | | |

Gas Rates

| | Choke (Inches) | Pressure (psig) | Gas Rate (Mcf/d) |
|--|----------------|-----------------|------------------|
| | | | |



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

FLUID SUMMARY

Lario Oil & Gas Co.

25-15s-32w Logan Co. KS

301 S. Market St.
Wichita KS 67202

K-2 Farms A #1-25

Job Ticket: 45140

DST#: 1

ATTN: Wes Hansen

Test Start: 2012.03.10 @ 23:44:00

Mud and Cushion Information

Mud Type: Gel Chem
Mud Weight: 9.00 lb/gal
Viscosity: 48.00 sec/qt
Water Loss: 7.98 in³
Resistivity: ohm.m
Salinity: 1800.00 ppm
Filter Cake: 1.00 inches

Cushion Type:
Cushion Length: ft
Cushion Volume: bbl
Gas Cushion Type:
Gas Cushion Pressure: psig

Oil API: deg API
Water Salinity: 42000 ppm

Recovery Information

Recovery Table

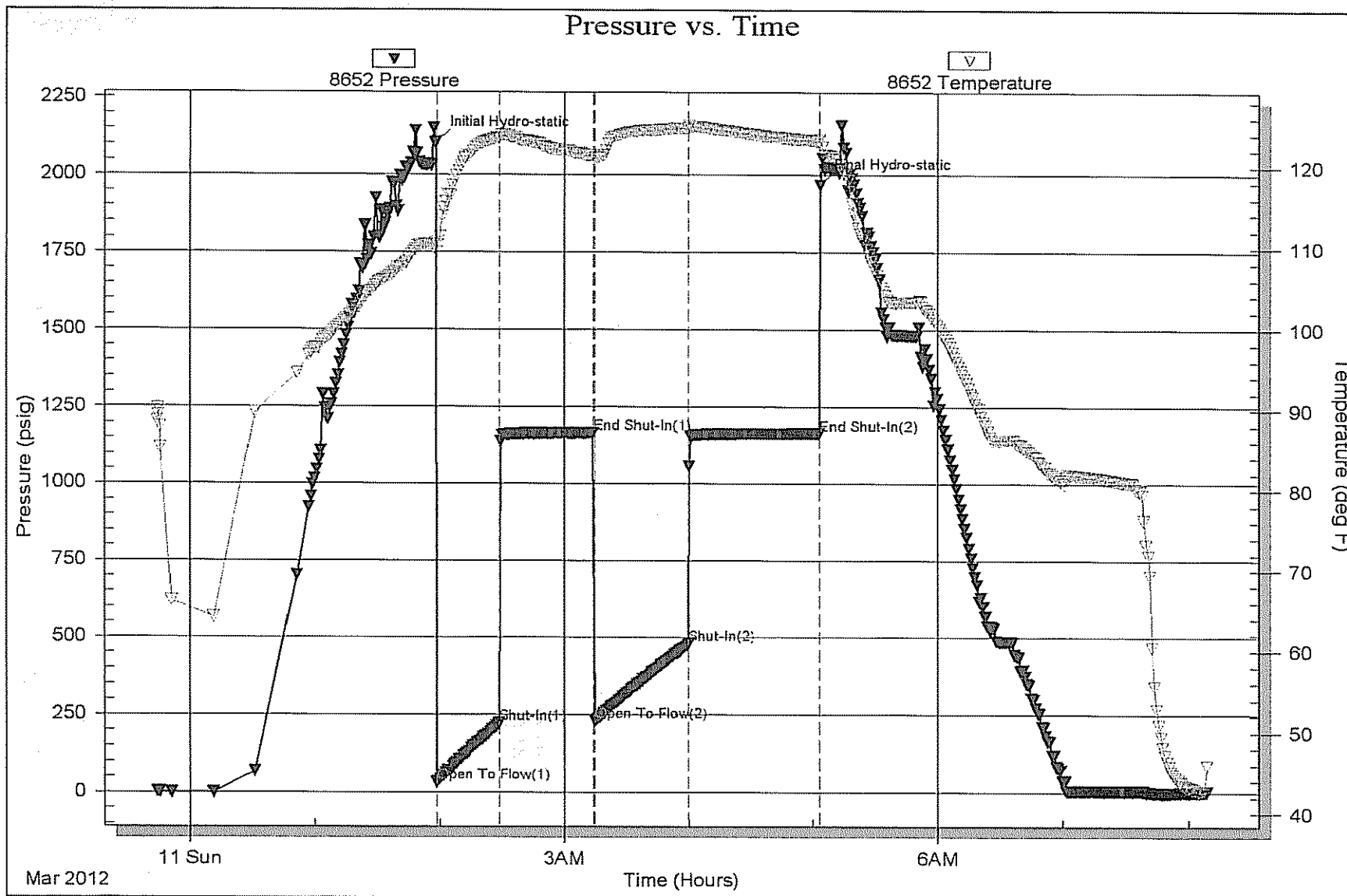
| Length ft | Description | Volume bbl |
|--------------|-------------------------------|---------------|
| 186.00 | MCW 5% <i>m</i> 95% <i>w</i> | 2.609 |
| 434.00 | MCW 10% <i>m</i> 90% <i>w</i> | 6.088 |
| 248.00 | MCW 30% <i>m</i> 70% <i>w</i> | 3.479 |
| 144.00 | WCM 15% <i>w</i> 85% <i>m</i> | 2.020 |

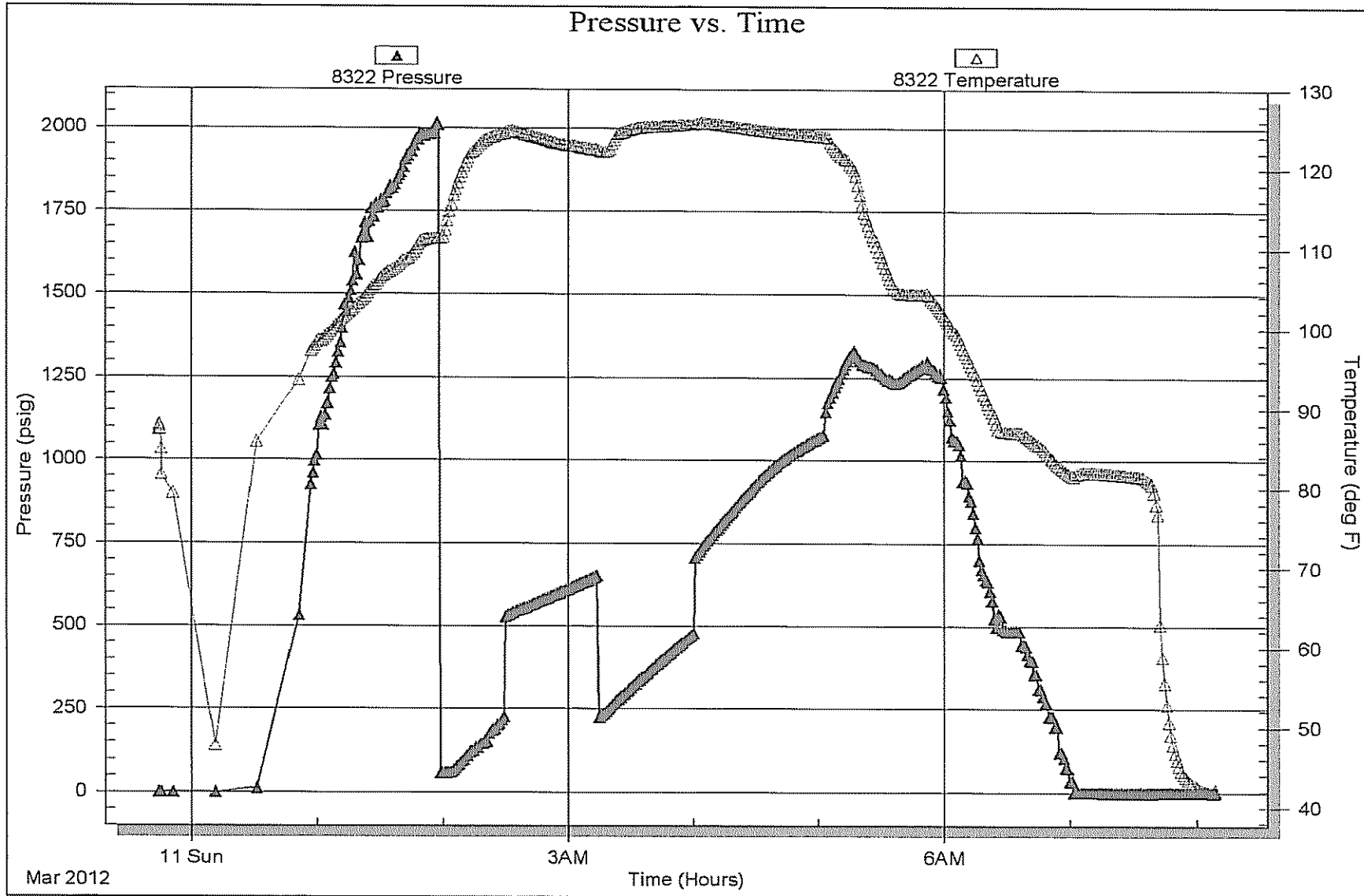
Total Length: 1012.00 ft Total Volume: 14.196 bbl

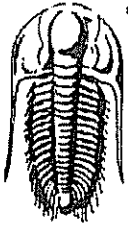
Num Fluid Samples: 0 Num Gas Bombs: 0 Serial #:

Laboratory Name: Laboratory Location:

Recovery Comments: RW is .235 @ 51f = 42000







**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

Lario Oil & Gas Co.

25-15s-32w Logan Co. KS

301 S. Market St.
Wichita KS 67202

K-2 Farms A #1-25

Job Ticket: 46456

DST#: 2

ATTN: Wes Hansen

Test Start: 2012.03.12 @ 22:00:05

GENERAL INFORMATION:

Formation: **Johnson Zone**

Deviated: **No Whipstock** 0.00 ft (KB)

Time Tool Opened: 03:25:00

Time Test Ended: 08:57:00

Test Type: **Conventional Bottom Hole (Reset)**

Tester: **Cole Archibald**

Unit No: **40**

Interval: **4525.00 ft (KB) To 4574.00 ft (KB) (TVD)**

Total Depth: **4190.00 ft (KB) (TVD)**

Hole Diameter: **7.88 inches** Hole Condition: **Fair**

Reference Elevations: **2937.00 ft (KB)**

2930.00 ft (CF)

KB to GRVCF: **7.00 ft**

Serial #: **8652**

Inside

Press@RunDepth: **50.92 psig @ 4526.00 ft (KB)**

Capacity: **8000.00 psig**

Start Date: **2012.03.12**

End Date:

2012.03.12

Last Calib.: **2012.03.13**

Start Time: **01:40:00**

End Time:

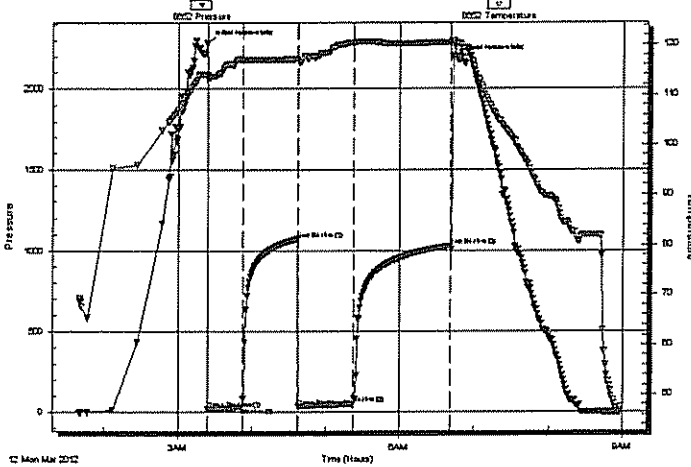
08:57:39

Time On Btm: **2012.03.12 @ 03:24:10**

Time Off Btm: **2012.03.12 @ 06:47:39**

TEST COMMENT: built to 1 3/4 inch blow over 30 min
no return
1/4 inch blow
no return

Pressure vs. Time



PRESSURE SUMMARY

| Time (Min.) | Pressure (psig) | Temp (deg F) | Annotation |
|-------------|-----------------|--------------|----------------------|
| 0 | 2280.05 | 113.99 | Initial Hydro-static |
| 1 | 19.33 | 112.89 | Open To Flow (1) |
| 28 | 31.71 | 116.93 | Shut-In(1) |
| 73 | 1073.06 | 117.11 | End Shut-In(1) |
| 74 | 34.15 | 116.77 | Open To Flow (2) |
| 119 | 50.92 | 120.40 | Shut-In(2) |
| 197 | 1029.80 | 120.41 | End Shut-In(2) |
| 204 | 2183.41 | 120.21 | Final Hydro-static |

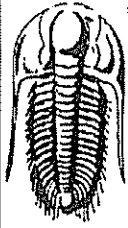
Recovery

| Length (ft) | Description | Volume (bbl) |
|-------------|-------------------|--------------|
| 70.00 | M oil spots 100%M | 0.98 |
| | | |
| | | |
| | | |
| | | |

* Recovery from multiple tests

Gas Rates

| | Choke (inches) | Pressure (psig) | Gas Rate (Mcf/d) |
|--|----------------|-----------------|------------------|
| | | | |



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

FLUID SUMMARY

Lario Oil & Gas Co.

25-15s-32w Logan Co. KS

301 S. Market St.
Wichita KS 67202

K-2 Farms A #1-25

Job Ticket: 46456

DST#: 2

ATTN: Wes Hansen

Test Start: 2012.03.12 @ 22:00:05

Mud and Cushion Information

Mud Type: Gel Chem
Mud Weight: 9.00 lb/gal
Viscosity: 48.00 sec/qt
Water Loss: 7.99 in²
Resistivity: 0.00 ohm.m
Salinity: 1600.00 ppm
Filter Cake: 1.00 inches

Cushion Type:
Cushion Length: ft
Cushion Volume: bbl
Gas Cushion Type:
Gas Cushion Pressure: psig

Oil API: deg API
Water Salinity: ppm

Recovery Information

Recovery Table

| Length ft | Description | Volume bbl |
|--------------|-------------------|---------------|
| 70.00 | M oil spots 100%M | 0.982 |

Total Length: 70.00 ft Total Volume: 0.982 bbl

Num Fluid Samples: 0

Num Gas Bombs: 0

Serial #:

Laboratory Name:

Laboratory Location:

Recovery Comments:

