

American Energies  
Corporation

155 N. Market, Suite 710, Wichita, KS 67202  
316-263-5785, 316-263-1851 fax

**DRILLING AND COMPLETION REPORT**  
**Thissen #4-27**

**LOCATION:** 2520' FNL & 1965' FWL in NW/4 Section 27-27S-7W  
**COUNTY:** Kingman  
**API:** 15-095-22253-0000  
**CONTRACTOR:** Landmark Drilling, Rig #6  
**GEOLOGIST:** David Goldak  
**NOTIFY:** American Energies Corp.  
Dianne Y. DeGood Family Trust, Gar Oil Corp.,  
Hyde Resources, Inc., Debbie Schmitt, LLC  
MTM Petroleum, Inc., Pickrell Drilling,  
Kathleen A. Hill, Buffalo Creek Oil and Gas, LLC,  
R & T Investments

**SURFACE CASING:** 8 5/8", 23# set at 307'  
**PRODUCTION CASING:** 5 1/2", 15.5# New set at 4363'  
**ANTICIPATED RTD:** 4300'  
**RTD:** 4360'  
**G.L.:** 1597' **K.B.:** 1606'  
**SPUD DATE:** 4-19-12  
**COMPLETION DATE:** 4-26-12  
**REFERENCE WELLS:**  
#1 – AEC's Thissen 1-27 – NE NW SW 27-27S-7W  
#2 – AEC's Thissen 2-27 – SE SW NW 27-27S-7W

FORMATION:	SAMPLE LOG:	Comparison:		ELECTRIC LOG TOPS:	Comparison:	
		#1-27	#2-27		#1-27	#2-27
Onaga Shale	2029 - 423	+2	+3	2030 -424	+1	+2
Indian Cave	2056 - 450	+3	+1	2066 -460	-7	flat
Wabaunsee	2114 - 508	+3	-2	2116 -510	+1	flat
Heebner	2973 -1367	Flat	-4	2974 -1368	-1	-5
Lansing	3224 -1618	+3	-4	3226 -1620	+1	-6
Stark Shale	3570 -1964	+5	+1	3572 -1966	+3	-1
Cherokee	3810 -2204	+6	+2	3813 -2207	+3	-1
Mississippian	3923 -2317	+11	+7	3926 -2320	+8	+4
Kinderhook	4124 -2518	+7	+6	4140 -2534	-9	-10
Viola	4256 -2650	+2	+2	4259 -2653	-1	-1
Simpson Ss A	4276 -2670	+3	N/A	4282 -2676	-3	NA
Simpson Ss B	4293 -2687	+1	N/A	4298 -2692	-4	NA
Total Depth	4360 -2754			4364 -2758		

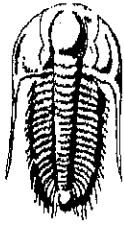
- 04-19-12 Landmark Drilling, LLC, Rig #6 – MIRT, RURT
- 04-20-12 Drilling out cement plug, at 310' and waiting on cement. Spud well at 11:15 a.m. on 4-19-12, set surface casing 307'. Drilled 12 1/4" surface hole. Ran in 7 jts of 8 5/8" new 23# surface casing set at 307'. Allied cemented w 175 sx Class A Cement w 2% CC, 3% Gel. Plug down at 10:45 p.m.
- 04-21-12 Drilling ahead at 1780'.
- 04-22-12 Drilling ahead 2676'.
- 04-23-12 Drilling ahead at 3395'.
- 04-24-12 Tripping in hole @ 3576' at 7:00 a.m. after DST #1. Results DST #1: 3542 – 3576' (Dennis) Times:15-30-45-60, IF: Strong blow off bottom of bucket in 20 seconds. FF: Strong blow off bottom of bucket in 10 seconds. GTS in 9 minutes – too small to measure into second flow period. Rec: 10' GO, (20% G, 80% O), 115' GOCM (30% G, 20% O, 50% M), ISIP: 667, FSIP: 578, IFP: 35-40, FFP: 38-68, IHP: 1764, FHP: 1704 Temperature 113 degrees.
- 04-25-12 Circulating for samples at 3940'.
- 04-26-12 At 4260' and tripping in hole for DST #2, Viola: 4256-60' Times:30-60-30-60. Rec 2700' TF, reversed out fluid 2615' clean gassy oil, 115' GOWCM (5% g, 13% oil, 30% SW, 52% Mud. Should make a good well, and run open hole logs. DIL, CNL/FDCwGR. IF: Strong Blow, BOB in 30 seconds. ISI: 2" Blow Back. FF: Strong Blow, BOB in 90seconds. GTS in 3 minutes, too small to measure. FSI: BOB Blow back in 10 minutes. IFP:156-616, ISIP:1537, FFP:617-958, FSIP:1537 IH: 2118', FH: 2091, Gravity:41, Temperature 140 degrees.
- 04-27-12 At 4360'. TOH for Logs, Logging today and running pipe.
- 04-27-12 In reviewing the logs The Viola pay zone from 4260 to 68 appears to be separated from a lower bench of Viola porosity by a 4' shale zone. The upper bench has good resistivity and the lower bench is wet. We will run 5 1/2" casing cement it in with 125Sxs proceeded by 500 gallons of mud flush. Cementing is scheduled for around midnight.

- 04-28-12 Ran 104 jts of new 5 1/2", 15.5# production casing to 4363' and tagged bottom. Came up 3' to 4360' and circulated for 1 hour. Hooked up Allied Cementing and started down with 500 gallons mud flush and then 125 sx of ASC cement. Plug down at 5:00 a.m. circulated throughout. Allied Ticket #38055.  
Set 21' shoe joint, Centralizers at 4343, 4301, 4217, 4175 and 4091'.
- 05/07/12 RU American Energies Rig #2. Log Tech of Kansas, ran Cement Bond Log, indicated good cement bond. Swabbed to 2300'.
- 05/08/12 Rig up Perforator's, TIH w Perf gun, **Perforated at 4260', 2 shots.** Swab down SION.
- 05/09/12 Swabbed fluid at 4300' with 75' gas w/trace of oil. Swabbed 25' fluid with gassy oil on top. Swabbed down, no fluid entry Spotted 250' MCA on perfs & 2000' water on acid, continued to add 500' every 30" for 1-1/2 hours. Fluid level 800' from Surface, started the last 12-1/2 bbls, zone broke down, went on vacuum. Static level at 1500' from surface, started swabbing Swabbed back 30 bbls of water. SION.
- 05/10/12 7:00 a.m. – Gas at surface went on in with casing sub, pulled 250 bbl fluid, well kicked off flowing at a rate of 14 barrels of oil per hour. Will allow well to die and run 2-7/8" tubing, rods and pump.
- 05/11/12 Went in tagged fluid 450' from surface. Pulled 250' & had 240' oil with good show of gas. After 5 minutes, well stated flowing:  
1<sup>st</sup> hour: Flowed 10 bbls  
2<sup>nd</sup> hour: Flowed 3.5 bbls  
3<sup>rd</sup> hour: Flowed 0 bbls, just gas.

Ran MA, SN & 110 joints new 2-7/8" tubing to 4218'. Ran 14' RWB pump, 30 7/8" rods, 68 3/4" & 70 7/8 rods, 22' polish rod with 2 -5' subs. Hook up well head & RDMO. Will set equipment next week.

- 05/21/12 **Set 228 Century Pumping Unit with 25 HP Electric motor. Will use existing tank battery.**
- 05/24/12 Started pumping unit and well began pumping at 1:00 p.m. today.

	<b>BO – Total Lease Production</b>	<b>NOTES</b>
05/25/12	65	
05/26/12	85	97% Oil and 3% Water at wellhead
05/27/12	86	
05/28/12	70	Thissen 4-27 making approx. 68 BOPD, 1-27, 2-27, 3-27 making 18 BOPD
05/29/12	71	
05/30/12	42	Hooking up chemical pump today – having some water problems. Removed 20 bbls water from Heater Treater
05/31/12	30	Storm came thru around 5:00 p.m. and knocked out power - wells all down when pumper arrived on location this morning.
06/01/12	65	
06/02/12	71	
06/03/12	63	#2 well down with motor problems – still making approximately 3% water.
06/04/12	65	
06/05/12	65	#2 well up and running – motor repaired.
06/06/12	66	
06/07/12	65	



**TRILOBITE  
TESTING, INC.**

# DRILL STEM TEST REPORT

American Energies Corporation

27-27S-7W Kingman

155 N Market Ste 710  
Wichita, KS 67202

Thiessen 4-27

Job Ticket: 47486

DST#: 1

ATTN: Dave Goldak

Test Start: 2012.04.23 @ 22:46:01

## GENERAL INFORMATION:

Formation: **Dennis**

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 00:52:16

Time Test Ended: 05:32:01

Test Type: Conventional Bottom Hole (Initial)

Tester: Leal Cason

Unit No: 45

Interval: **3542.00 ft (KB) To 3576.00 ft (KB) (TVD)**

Total Depth: 3576.00 ft (KB) (TVD)

Hole Diameter: 7.88 inches Hole Condition: Good

Reference Elevations: 1606.00 ft (KB)

1597.00 ft (CF)

KB to GR/CF: 9.00 ft

Serial #: **6798**

Inside

Press@RunDepth: 67.66 psig @ 3543.00 ft (KB)

Start Date: 2012.04.23

End Date:

2012.04.24

Start Time: 22:46:02

End Time:

05:32:01

Capacity: 8000.00 psig

Last Calib.: 2012.04.24

Time On Btm: 2012.04.24 @ 00:49:46

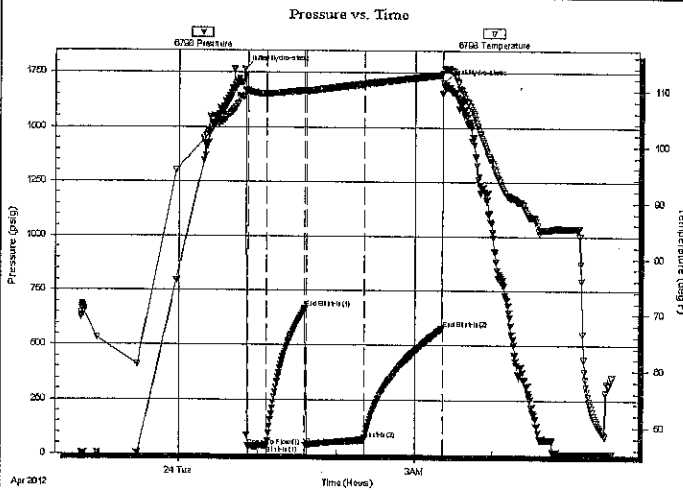
Time Off Btm: 2012.04.24 @ 03:21:46

TEST COMMENT: IF: Strong Blow, BOB in 20 seconds

IS: No Blow Back

FF: Strong Blow, BOB in 10 seconds, GTS in 9 minutes, TSTM

FS: No Blow Back



## PRESSURE SUMMARY

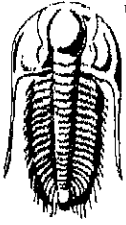
Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1763.54	109.05	Initial Hydro-static
3	35.25	109.89	Open To Flow (1)
17	40.35	109.38	Shut-In(1)
47	667.19	110.06	End Shut-In(1)
48	37.92	109.87	Open To Flow (2)
92	67.66	111.18	Shut-In(2)
151	578.02	112.82	End Shut-In(2)
152	1703.71	113.68	Final Hydro-static

## Recovery

Length (ft)	Description	Volume (bbl)
0.00	3401 GIP	0.00
115.00	GOCM 30%G 20%O 50%M	0.57
10.00	GSY OIL 20%G 80%O	0.14

## Gas Rates

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



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# DRILL STEM TEST REPORT

**FLUID SUMMARY**

American Energies Corporation

**27-27S-7W Kingman**

155 N Market Ste 710  
Wichita, KS 67202

**Thiessen 4-27**

Job Ticket: 47486

**DST#: 1**

ATTN: Dave Goldak

Test Start: 2012.04.23 @ 22:46:01

## Mud and Cushion Information

Mud Type: Gel Chem

Cushion Type:

Oil API:

36.3 deg API

Mud Weight: 9.00 lb/gal

Cushion Length:

ft

Water Salinity:

ppm

Viscosity: 53.00 sec/qt

Cushion Volume:

bbbl

Water Loss: 9.19 in<sup>3</sup>

Gas Cushion Type:

Resistivity: ohm.m

Gas Cushion Pressure:

psig

Salinity: 5000.00 ppm

Filter Cake: 0.20 inches

## Recovery Information

Recovery Table

Length ft	Description	Volume bbbl
0.00	3401 GIP	0.000
115.00	GOCM 30%G 20%O 50%M	0.566
10.00	GSY OIL 20%G 80%O	0.140

Total Length: 125.00 ft      Total Volume: 0.706 bbl

Num Fluid Samples: 0

Num Gas Bombs: 0

Serial #:

Laboratory Name:

Laboratory Location:

Recovery Comments: Gravity Was 36.3 @ 60 degrees

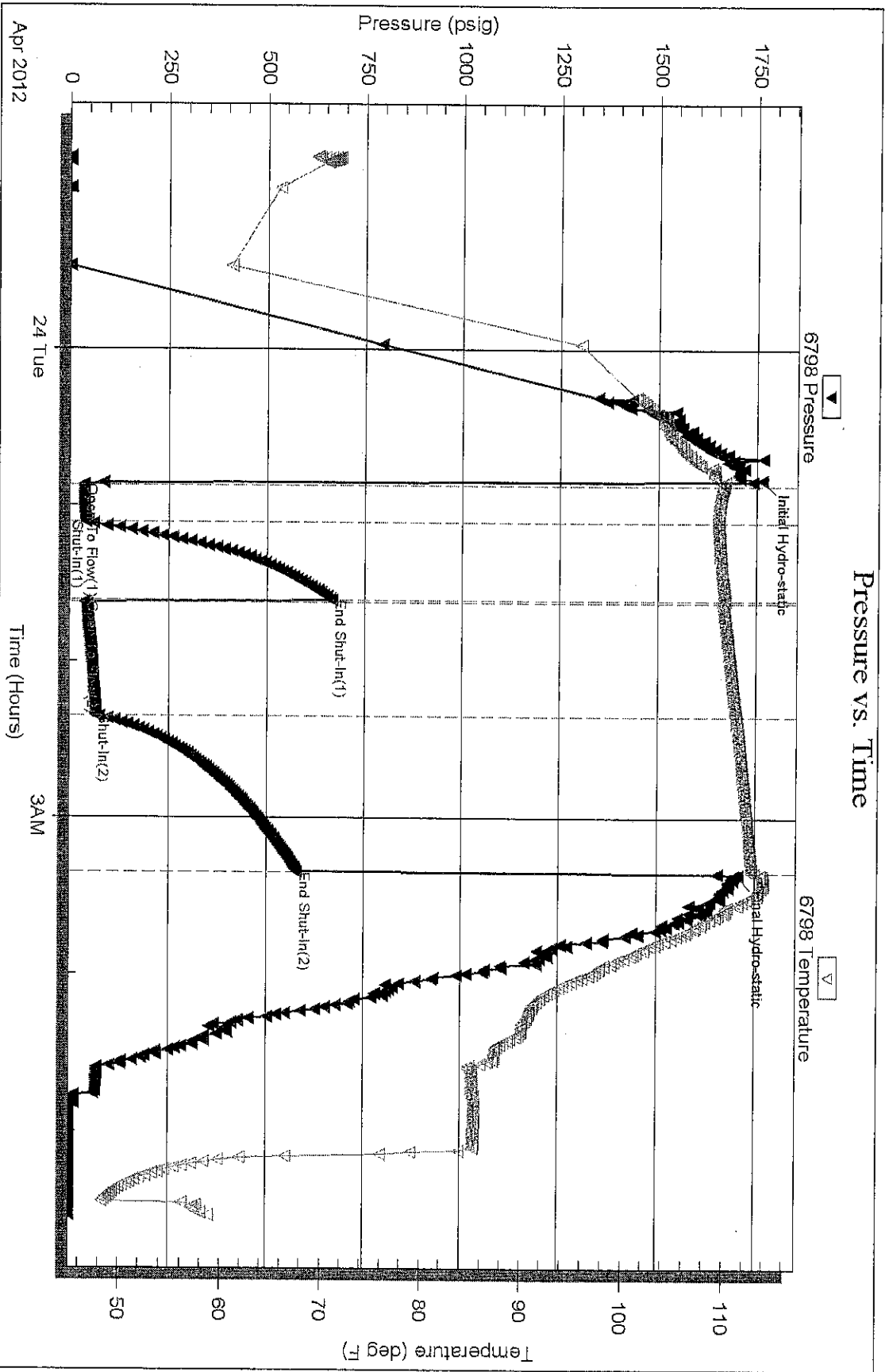
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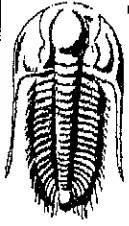
Inside

American Energies Corporation

Thiessen 4-27

DST Test Number: 1





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## DRILL STEM TEST REPORT

American Energies Corporation

**27-27S-7W Kingman**

155 N Market Ste 710  
Wichita, KS 67202

**Thiessen 4-27**

Job Ticket: 47487

**DST#: 2**

ATTN: Dave Goldak

Test Start: 2012.04.26 @ 06:02:09

### GENERAL INFORMATION:

Formation: **Viola**

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 08:36:39

Time Test Ended: 16:16:09

Test Type: Conventional Bottom Hole (Reset)

Tester: Leal Cason

Unit No: 45

Interval: **4256.00 ft (KB) To 4260.00 ft (KB) (TVD)**

Total Depth: 4260.00 ft (KB) (TVD)

Hole Diameter: 7.88 inches Hole Condition: Good

Reference Elevations: 1606.00 ft (KB)

1597.00 ft (CF)

KB to GR/CF: 9.00 ft

**Serial #: 6798** Inside

Press@RunDepth: 957.78 psig @ 4257.00 ft (KB)

Start Date: 2012.04.26

End Date: 2012.04.26

Start Time: 06:02:10

End Time: 16:16:09

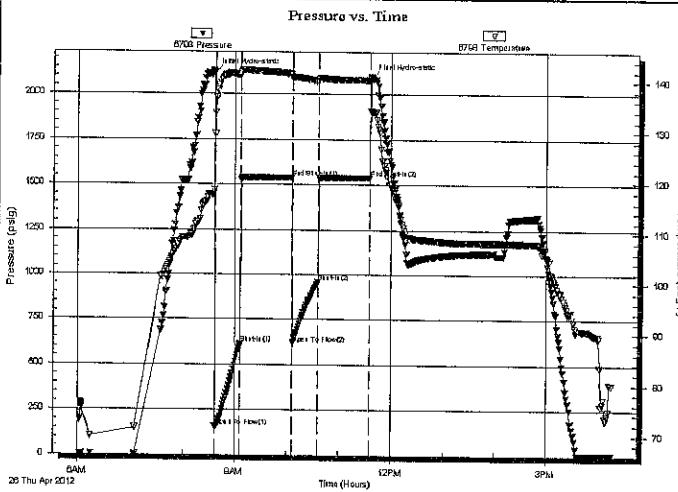
Capacity: 8000.00 psig

Last Calib.: 2012.04.26

Time On Btm: 2012.04.26 @ 08:35:54

Time Off Btm: 2012.04.26 @ 11:36:39

**TEST COMMENT:** IF: Strong Blow, BOB in 30 seconds  
IS: 2 inch Blow Back  
FF: Strong Blow, BOB in 90 seconds, GTS in 3 minutes, TSTM  
FSI: BOB Blow Back in 10 minutes



### PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2118.29	118.57	Initial Hydro-static
1	156.23	129.53	Open To Flow (1)
31	616.22	141.17	Shut-In(1)
90	1537.14	141.55	End Shut-In(1)
91	616.95	140.53	Open To Flow (2)
120	957.78	140.10	Shut-In(2)
180	1537.12	140.30	End Shut-In(2)
181	2090.63	134.21	Final Hydro-static

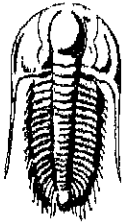
### Recovery

Length (ft)	Description	Volume (bbl)
0.00	1514 GIP	0.00
115.00	GOWCM 5%G 13%O 30%W 52%M	0.57
2615.00	Oil	36.68

\* Recovery from multiple tests

### Gas Rates

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



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# DRILL STEM TEST REPORT

**FLUID SUMMARY**

American Energies Corporation

**27-27S-7W Kingman**

155 N Market Ste 710  
Wichita, KS 67202

**Thiessen 4-27**

Job Ticket: 47487

**DST#: 2**

ATTN: Dave Goldak

Test Start: 2012.04.26 @ 06:02:09

## Mud and Cushion Information

Mud Type: Gel Chem

Cushion Type:

Oil API:

41.4 deg API

Mud Weight: 9.00 lb/gal

Cushion Length:

ft

Water Salinity:

65000 ppm

Viscosity: 46.00 sec/qt

Cushion Volume:

bbbl

Water Loss: 9.99 in<sup>3</sup>

Gas Cushion Type:

Resistivity: ohm.m

Gas Cushion Pressure:

psig

Salinity: 3500.00 ppm

Filter Cake: 0.20 inches

## Recovery Information

Recovery Table

Length ft	Description	Volume bbbl
0.00	1514 GIP	0.000
115.00	GOWCM 5%G 13%O 30%W 52%M	0.566
2615.00	Oil	36.682

Total Length: 2730.00 ft      Total Volume: 37.248 bbl

Num Fluid Samples: 0

Num Gas Bombs: 0

Serial #:

Laboratory Name:

Laboratory Location:

Recovery Comments: Gravity Was 44.4 @ 90 degrees

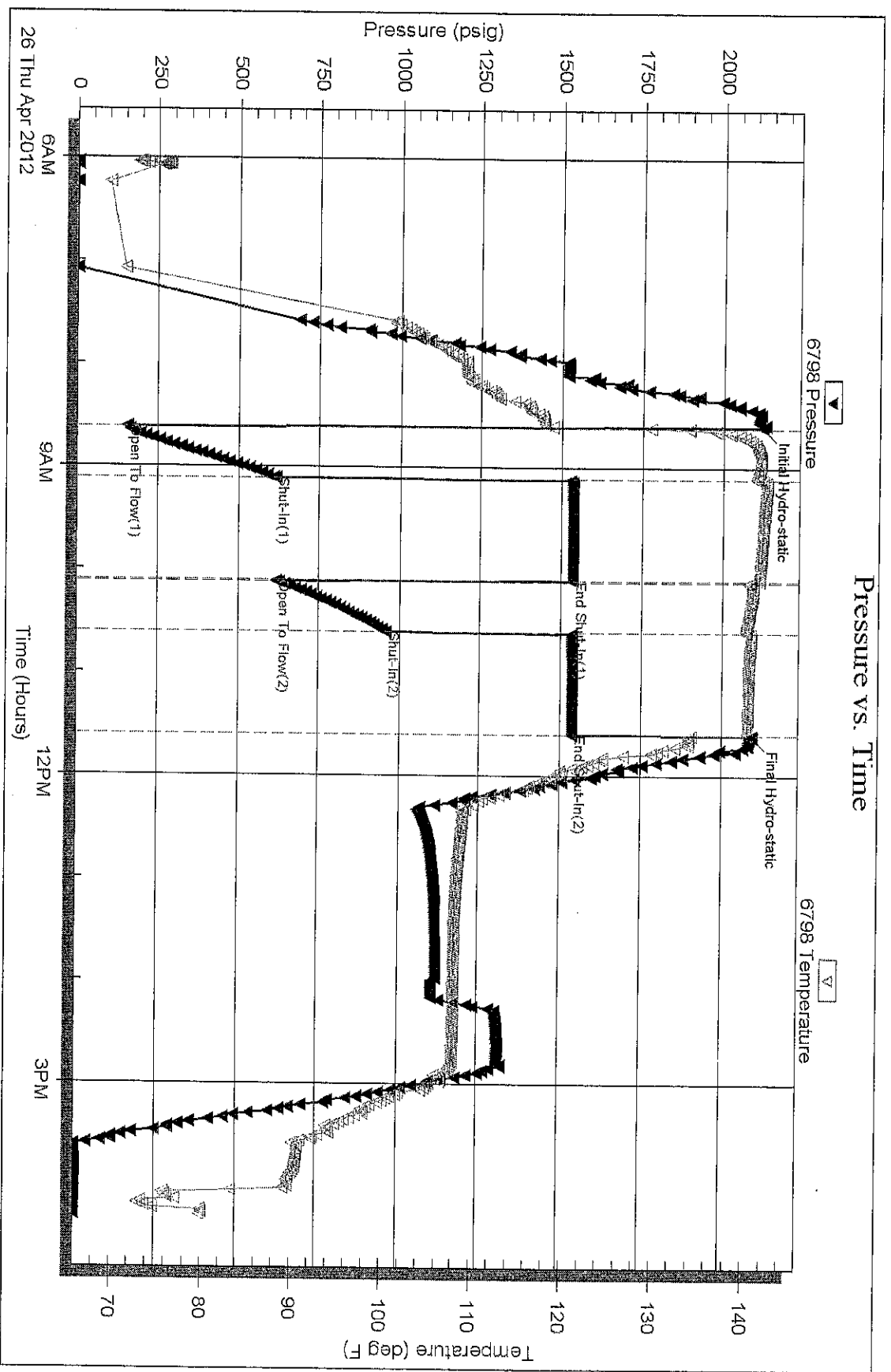
RW was .085 @ 90 degrees

Serial #: 6798

Inside American Energies Corporation

Thiessen 4-27

DST Test Number: 2



Triobite Testing, Inc

Ref. No: 47487

Printed: 2012.04.27 @ 08:05:13