



INVOICE

PO Box 93999
Southlake, TX 76092

Invoice Number: 131782

Invoice Date: Jul 2, 2012

Page: 1

Voice: (817) 546-7282

Fax: (817) 246-3361



3008.007

Bill To:
American Energies Corp. 155 N. Market Ste. #710 Wichita, KS 67202

Customer ID	Well Name/# or Customer P.O.	Payment Terms	
Am Eng	Murphy #2-25	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS2-00	Medicine Lodge Acid	Jul 2, 2012	8/1/12

Quantity	Item	Description	Unit Price	Amount
2,000.00	MAT	15% HCL Acid	1.85	3,700.00
2,000.00	MAT	NE/FE System	0.26	520.00
5.00	MAT	KCL Liquid	24.46	122.30
5.00	MAT	Surfactant	20.05	100.25
5.00	MAT	NE-120	22.68	113.40
5.00	MAT	MX-120	23.62	118.10
138.00	MAT	Balls	2.30	317.40
1.00	SER	Pump Truck Charge	950.00	950.00
1.00	SER	Transport	250.00	250.00
36.00	SER	Heavy Vehicle Mileage (2 trucks)	7.00	252.00
1.00	SER	Ball Gun	150.00	150.00
1.00	CEMENTER	Danny Wright		
1.00	OPER ASSIST	Jozsef Fejos		
1.00	CEMENTER	Virgil Newton		

ALL PRICES ARE NET, PAYABLE
30 DAYS FOLLOWING DATE OF
INVOICE. 1 1/2% CHARGED
THEREAFTER. IF ACCOUNT IS
CURRENT, TAKE DISCOUNT OF

\$ 659.35

ONLY IF PAID ON OR BEFORE

Jul 27, 2012

Subtotal	6,593.45
Sales Tax	
Total Invoice Amount	6,593.45
Payment/Credit Applied	
TOTAL	6,593.45

5934.10

REC'D BY: [unclear]

Russell, KS
785-483-2003

ALLIED CEMENTING CO. LLC
(ACID)
P.O. Box 31
Russell, Kansas 67865
785-483-2627

11273
Medicine Lodge, KS
620-886-5926

FED ID #20-5976804

DATE: 7-2-12 POB: Thad star Location: Isabel, (N on 42 Hwy), (W) 421 Wingo
 Owner: American Energias Lease: Murphy Well: 2-25 (County) Barber State: Kansas
 Station: Medicine Lodge, KS. Section: 25 Township: R15 Range: 12NW Formation: Contractor: ALLIANCE

WELL DATA				PERFORATIONS	TREATMENT	INFO:
SIZE	WEIGHT	DEPTH	VOLUME	SHOTS FT.	Max. Pressure	
2 7/8				From 4752 to 4458	1900	To: Allied Cementing Company LLC (ACID)
4 1/2				From 446 to	200	You are hereby requested to rent additional equipment to do work as listed.
				From to	Avg. Inf. Rate 4	Charge To: American Energias
		9350		From to	Avg. Tot Pressure 1150	Street
				From to	Total Fluid Pumped 181 Bbls	City
						State

TIME A.M./P.M.	PRESSURE		TOTAL FLUID PUMPED	FLUID IN FORMATION	INDIVIDUAL FLUID PUMPED	INJECTION RATE	EXPLANATION
	TBG	CSG					
	1300		98	Reset Counter	4	Kill well 3 times	
	200				2 1/2	start acid	
	200	5			2 1/2	start balls (3 per bbl)	
	1500		13		4	Rate Increase	
	1750		20		4 1/2	" "	
	1900		48		4 1/2	Acid in - start flush	
	1900		53		4 3/4	Rate Increase	
	1900		83 1/4		4 3/4	Flush in - shut down	
						LSIP = 400#	
						3 minutes to vacuum	

EQUIPMENT AND PERSONNEL		MATERIALS USED		AMOUNT	UNIT PRICE	TOTAL COST
Danny W	518	PUMP charge		1	950.00	950.00 ^S
Joe Jeff Pette	854	1520 HCL Acid		2000	1.825	3700.00
Vicpil	534	NE/FE system		2000	.26	520.00
		TRANS POTT		1	250.00	250.00 ^S
		Mileage x 2		36	7.00	252.00 ^S
		RCL Liquid		5	24.46	122.30
		Surfactant		5	20.05	100.25
		NE-120		5	22.68	113.40
		MS-120		5	23.62	118.10
		Ball gun		1	150.00	150.00 ^S
		Balls		138	2.30	317.40

New Producer Terms: 10% discount will be allowed if paid in 30 days from invoice date. Sub-Total: 6593.44
 Old Producer Tax: Total: 5934.11
 Old Producer - New Zones
 New SWD or Injection
 Old SWD or Injection
 Pressure Test

x Thad Star Thad Starr
 Customer Signature Customer Print Name

As consideration, the above names (well owner or contractor) agrees to: (a) pay you in accordance with your current price schedule; (b) Allied Cementing Company LLC (ACID) shall not be liable for damage to property of well owner and/or customer unless caused by its willful negligence, this provision applying but not limited to subsurface damage and surface damage arising from subsurface damage. Well owner and/or customer shall be responsible for and secure Allied Cementing Company LLC (ACID) against any liability for reservoir loss or damage, or property damage arising from a well blowout, unless such loss or damage is caused by willful negligence of Allied Cementing Company LLC (ACID). If equipment or instruments of Allied Cementing Company LLC (ACID) are lost or damaged at the well, well owner and/or customer shall either recover the same or pay for such equipment or instruments unless, however, such loss or damage is caused by the negligence of Allied Cementing Company LLC (ACID); (c) that you make no guarantee of the effectiveness of the materials to be used or the results of treatments; and (d) that you will not be bound by any representation or agreement not herein contained. It is understood you will pay wages (and payroll taxes and withholding thereon) and comply with workman's compensation statutes applicable to servicemen you furnish.



INVOICE

PO Box 93999
Southlake, TX 76092

Invoice Number: 131408

Invoice Date: Jun 5, 2012

Voice: (817) 546-7282

Fax: (817) 246-3361

Page: 1

3001.002



Bill To:
American Energies Corp. 155 N. Market Ste. #710 Wichita, KS 67202

Customer ID	Well Name/# or Customer P.O.	Payment Terms	
Am Eng	Murphy # 2-25	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS1-02	Medicine Lodge	Jun 5, 2012	7/5/12

Quantity	Item	Description	Unit Price	Amount
18.00	MAT	Class A Commn	16.25	292.50
12.00	MAT	Pozmix	8.50	102.00
1.00	MAT	Gel	21.25	21.25
150.00	MAT	ASC	19.00	2,850.00
750.00	MAT	KolSeal	0.89	667.50
70.00	MAT	FL-160	17.20	1,204.00
500.00	MAT	ASF	1.27	635.00
230.00	SER	Handling	2.25	517.50
14.00	SER	Ton Miles	25.30	354.20
1.00	SER	Production	2,405.00	2,405.00
14.00	SER	Heavy Vehicle Mileage	7.00	98.00
14.00	SER	Light Vehicle Mileage	4.00	56.00
1.00	EQP	4 1/2 AFU Float Shoe	327.00	327.00
1.00	EQP	4 1/2 Latch Down Plug	233.00	233.00
7.00	EQP	4 1/2 Centralizers	48.00	336.00
1.00	CEMENTER	Jason Thimesch		
1.00	CEMENTER	Matt Thimesch		

ALL PRICES ARE NET, PAYABLE
30 DAYS FOLLOWING DATE OF
INVOICE. 1 1/2% CHARGED
THEREAFTER. IF ACCOUNT IS
CURRENT, TAKE DISCOUNT OF

\$ 2019.79

ONLY IF PAID ON OR BEFORE
Jun 30, 2012

Subtotal	10,098.95
Sales Tax	486.78
Total Invoice Amount	10,585.73
Payment/Credit Applied	
TOTAL	10,585.73

8016 11

ALLIED OIL & GAS SERVICES, LLC 053815

Federal Tax I.D.# 20-5975804

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:
Medicine Lodge KS

DATE <u>06/05/2012</u>	SEC. <u>25</u>	TWP. <u>29 S</u>	RANGE <u>12 W</u>	CALLED OUT	ON LOCATION	JOB START	JOB FINISH
LEASE <u>Murphy</u>	WELL # <u>2-25</u>	LOCATION <u>Isabel KS, 1 North, West</u>	COUNTY <u>Pratt</u>	STATE <u>KS</u>			
OLD OR (NEW) (Circle one)		<u>North 1/4 mile, West into by tank battery</u>					

CONTRACTOR Landmark #6 OWNER Amer Energies

TYPE OF JOB <u>Production</u>	HOLE SIZE <u>7 7/8</u>	T.D. <u>4750</u>
CASING SIZE <u>4 1/2</u>	DEPTH <u>4747</u>	
TUBING SIZE	DEPTH	
DRILL PIPE	DEPTH	
TOOL	DEPTH	
PRES. MAX <u>1200</u>	MINIMUM	
MEAS. LINE	SHOE JOINT <u>42</u>	
CEMENT LEFT IN CSG. <u>42</u>		
PERFS.		
DISPLACEMENT <u>76 Hbls fresh H₂O</u>		
EQUIPMENT		

CEMENT		
AMOUNT ORDERED <u>30sx 60:40:4% Gel,</u>		
<u>150 sx Class A ASC + 5# Kalseal + 5%</u>		
<u>#1-160, 500 Gal ASF</u>		
COMMON	<u>18 SX @ 11.25</u>	<u>202.50</u>
POZMIX	<u>12 SX @ 8.50</u>	<u>102.00</u>
GEL	<u>1 SX @ 21.25</u>	<u>21.25</u>
CHLORIDE	@	
ASC <u>150 SX "A"</u>	@ <u>19.00</u>	<u>2850.00</u>
<u>Kalseal</u>	<u>750# @ .89</u>	<u>667.50</u>
<u>#1-160</u>	<u>70# @ 17.20</u>	<u>1204.00</u>
<u>ASF</u>	<u>500 gal @ 1.37</u>	<u>685.00</u>
	@	
	@	
	@	
	@	
	@	
HANDLING <u>230</u>	@ <u>2.25</u>	<u>517.50</u>
MILEAGE <u>14 x 2.30 x .11</u>		<u>334.20</u>
		TOTAL <u>\$10,413.95</u>

PUMP TRUCK # <u>538/555</u>	CEMENTER <u>Jason Thimerch</u>
BULK TRUCK # <u>421/252</u>	HELPER <u>Matt Thimerch</u>
BULK TRUCK #	DRIVER <u>Brett Goins</u>
BULK TRUCK #	DRIVER

REMARKS:
Plug Did hold

Thank you

CHARGE TO: Amer Energies
STREET _____
CITY _____ STATE _____ ZIP _____

To: Allied Oil & Gas Services, LLC.
You are hereby requested to rent cementing equipment and furnish cementer and helper(s) to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

PRINTED NAME Thad Stan
SIGNATURE Thad Stan

SERVICE		
DEPTH OF JOB <u>4747</u>		
PUMP TRUCK CHARGE		<u>2405-</u>
EXTRA FOOTAGE	@	
MILEAGE <u>14</u>	@ <u>7.00</u>	<u>98.00</u>
MANIFOLD	@	
<u>LV</u>	<u>14 @ 4.00</u>	<u>56-</u>
	@	
		TOTAL <u>\$2559-</u>

PLUG & FLOAT EQUIPMENT		
<u>4 1/2</u>		
<u>AFU float shoe</u>	<u>1 @</u>	<u>327-</u>
<u>Latch Down Plug</u>	<u>1 @</u>	<u>233-</u>
<u>centralizers</u>	<u>7 @ 48-</u>	<u>336-</u>
	@	
	@	
		TOTAL <u>896-</u>

SALES TAX (If Any) _____
TOTAL CHARGES \$10,098.95
DISCOUNT 20% \$2,019.79 IF PAID IN 30 DAYS
Net \$8,079.16



INVOICE

PO Box 93999
Southlake, TX 76092

Invoice Number: 131303

Invoice Date: May 26, 2012

Page: 1

Voice: (817) 546-7282
Fax: (817) 246-3361



2026.002

Bill To:
American Energies Corp. 155 N. Market Ste. #710 Wichita, KS 67202

Customer ID	Well Name# or Customer P.O	Payment Terms	
Am Eng	Mruphy #2-25	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS1-01	Great Bend	May 26, 2012	6/25/12

Quantity	Item	Description	Unit Price	Amount
126.00	MAT	Class A Common	16.25	2,047.50
84.00	MAT	Pozmix	8.50	714.00
4.00	MAT	Gel	21.25	85.00
7.00	MAT	Chloride	58.20	407.40
226.00	SER	Handling	2.10	474.60
14.00	SER	Ton miles	22.33	312.55
1.00	SER	Suface	1,125.00	1,125.00
14.00	SER	Heavy Vehicle Mileage	7.00	98.00
14.00	SER	Light Vehicle Mileage	4.00	56.00
1.00	EQP	5 5/8 Wooden Plug	92.00	92.00
1.00	EQUIP OPER	Dustin Chambers		
1.00	EQUIP OPER	Jonathon Ploutz		
1.00	OPER ASSIST	Kevin Weighous		

ALL PRICES ARE NET, PAYABLE
30 DAYS FOLLOWING DATE OF
INVOICE. 1 1/2% CHARGED
THEREAFTER. IF ACCOUNT IS
CURRENT, TAKE DISCOUNT OF

\$ 1363.01

ONLY IF PAID ON OR BEFORE

Jun 20, 2012

Subtotal	5,412.05
Sales Tax	244.25
Total Invoice Amount	5,656.30
Payment/Credit Applied	
TOTAL	5,656.30

4303.29

ALLIED OIL & GAS SERVICES, LLC 053622

Federal Tax I.D.# 20-5975804

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:
Great Bend, KS

DATE <u>5-26-12</u>	SEC. <u>25</u>	TWP. <u>29S</u>	RANGE <u>12W</u>	CALLED OUT	ON LOCATION	JOB START <u>12:30</u>	JOB FINISH <u>1:50</u>
LEASE <u>Murphy</u>		WELL# <u>2-25</u>		LOCATION <u>Sawyer 2E LN W 1/4</u>		COUNTY <u>PIOTT</u>	STATE <u>Kansas</u>
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR Leah Muth Drilling #16
 TYPE OF JOB Surface
 HOLE SIZE 12 1/4 T.D.
 CASING SIZE 4 5/8 DEPTH 302.24
 TUBING SIZE DEPTH
 DRILL PIPE 4 1/2 DEPTH
 TOOL DEPTH
 PRES. MAX MINIMUM
 MEAS. LINE SHOE JOINT
 CEMENT LEFT IN CSG. 15 ft
 PERFS.
 DISPLACEMENT 15,29 6 5/8 Freshwater

OWNER
 CEMENT
 AMOUNT ORDERED 210⁵⁶⁵ 60X-class A 40X
P-2 34.00 27 gal

EQUIPMENT
 PUMP TRUCK CEMENTER DUSTON C
 # 224 HELPER Tom P
 BULK TRUCK
 # 353 DRIVER Kevin V
 BULK TRUCK
 # DRIVER

COMMON	<u>126</u>	@ <u>16.25</u>	<u>2047.50</u>
POZMIX	<u>84</u>	@ <u>8.50</u>	<u>714.00</u>
GEL	<u>4</u>	@ <u>21.25</u>	<u>85.00</u>
CHLORIDE	<u>7</u>	@ <u>58.28</u>	<u>407.96</u>
ASC		@	
		@	
		@	
		@	
		@	
		@	
		@	
HANDLING	<u>226</u>	@ <u>2.10</u>	<u>474.60</u>
MILEAGE	<u>9.5 x 14%</u>	<u>235</u>	<u>312.55</u>
TOTAL			<u>441.55</u>

REMARKS:

See Cement Log
plug down 1:00

SERVICE

DEPTH OF JOB	<u>302</u>		
PUMP TRUCK CHARGE			<u>1125.00</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>NUM 14</u>	@ <u>7.00</u>	<u>98.00</u>
MANIFOLD		@	
	<u>NUM 14</u>	@ <u>4.00</u>	<u>56.00</u>
		@	
TOTAL			<u>1279.00</u>

CHARGE TO: American Energies Corp.
 STREET _____
 CITY _____ STATE _____ ZIP _____

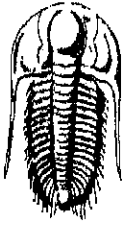
PLUG & FLOAT EQUIPMENT

<u>1 Wade Plug</u>	@ <u>92.00</u>	<u>92.00</u>
	@	
	@	
	@	
	@	
TOTAL		<u>92.00</u>

To: Allied Oil & Gas Services, LLC.
 You are hereby requested to rent cementing equipment and furnish cementer and helper(s) to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

SALES TAX (If Any) _____
 TOTAL CHARGES 5,412.55
 DISCOUNT 25% 1,353.01 IF PAID IN 30 DAYS
4,059.54

PRINTED NAME X JOSH COOK
 SIGNATURE X Josh Cook
Thank You!!



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

American Energies
155 N Market Ste 710
Wichita, KS 67202
ATTN: Dave Gould

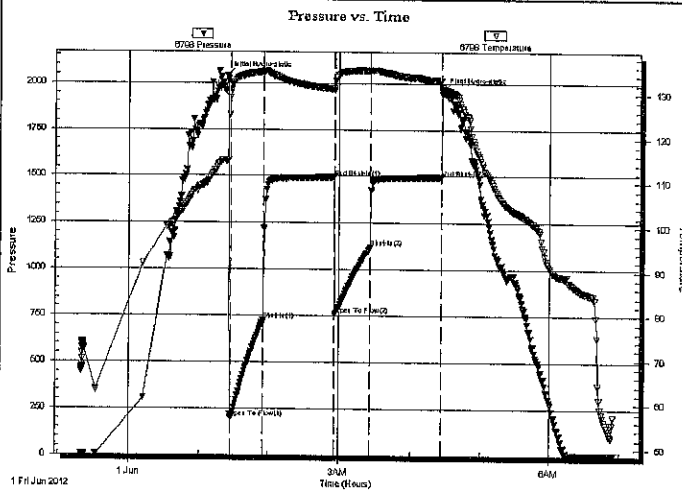
25-29S-12W Pratt
2-25 Murphy
Job Ticket: 47492 **DST#: 1**
Test Start: 2012.05.31 @ 23:20:02

GENERAL INFORMATION:

Formation: **Lansing**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 01:27:17
Time Test Ended: 06:54:32
Interval: **4106.00 ft (KB) To 4138.00 ft (KB) (TVD)**
Total Depth: 4138.00 ft (KB) (TVD)
Hole Diameter: 7.88 Inches Hole Condition: Good
Test Type: Conventional Bottom Hole (Initial)
Tester: Leal Cason
Unit No: 45
Reference Elevations: 1878.00 ft (KB)
1869.00 ft (CF)
KB to GR/CF: 9.00 ft

Serial #: 6798 Inside
Press@RunDepth: 1119.25 psig @ 4107.00 ft (KB) Capacity: 8000.00 psig
Start Date: 2012.05.31 End Date: 2012.06.01 Last Calib.: 2012.06.01
Start Time: 23:20:03 End Time: 06:54:32 Time On Btm: 2012.06.01 @ 01:24:32
Time Off Btm: 2012.06.01 @ 04:27:47

TEST COMMENT: IF: Strong Blow, BOB in 1 minute
ISI: No Blow Back
FF: Strong Blow, BOB in 2 minutes
FSI: No Blow Back



PRESSURE SUMMARY

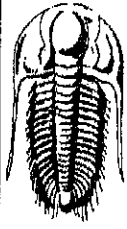
Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2040.63	114.91	Initial Hydro-static
3	196.84	129.15	Open To Flow (1)
31	723.59	134.89	Shut-in(1)
92	1494.46	131.16	End Shut-In(1)
92	756.35	130.81	Open To Flow (2)
122	1119.25	135.31	Shut-in(2)
182	1494.59	133.02	End Shut-In(2)
184	1956.89	131.09	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
1740.00	Water	24.41
310.00	MCW 10%M 90%W	4.35
186.00	VSO MCW 1%O 44%M 55%W	2.61

Gas Rates

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



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

American Energies
155 N Market Ste 710
Wichita, KS 67202
ATTN: Dave Gould

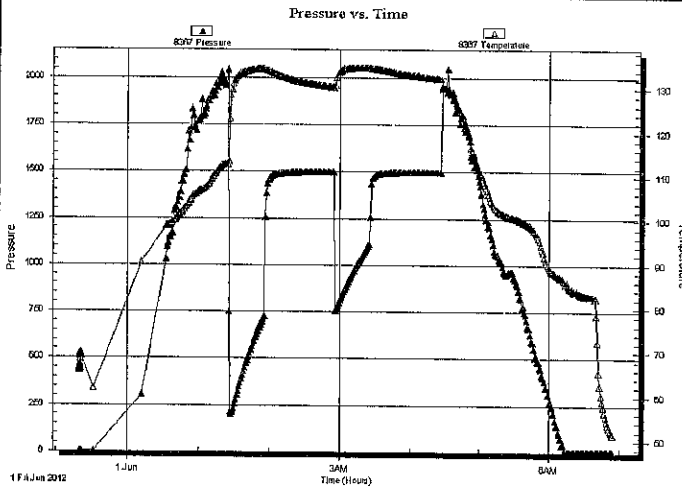
25-29S-12W Pratt
2-25 Murphy
Job Ticket: 47492 DST#: 1
Test Start: 2012.05.31 @ 23:20:02

GENERAL INFORMATION:

Formation: **Lansing**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 01:27:17
Time Test Ended: 06:54:32
Interval: **4106.00 ft (KB) To 4138.00 ft (KB) (TVD)**
Total Depth: 4138.00 ft (KB) (TVD)
Hole Diameter: 7.88 inches Hole Condition: Good
Test Type: Conventional Bottom Hole (Initial)
Tester: Leal Cason
Unit No: 45
Reference Elevations: 1878.00 ft (KB)
1869.00 ft (CF)
KB to GR/CF: 9.00 ft

Serial #: 8367 Outside
Press@RunDepth: psig @ 4107.00 ft (KB) Capacity: 8000.00 psig
Start Date: 2012.05.31 End Date: 2012.06.01 Last Calib.: 2012.06.01
Start Time: 23:20:03 End Time: 06:54:17 Time On Btm:
Time Off Btm:

TEST COMMENT: IF: Strong Blow, BOB in 1 minute
IS: No Blow Back
FF: Strong Blow, BOB in 2 minutes
FSI: No Blow Back



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation

Recovery

Length (ft)	Description	Volume (bbi)
1740.00	Water	24.41
310.00	MCW 10%M 90%W	4.35
186.00	V SOMCW 1%O 44%M 55%W	2.61

Gas Rates

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



TRILOBITE
TESTING, INC.

DRILL STEM TEST REPORT

FLUID SUMMARY

American Energies
155 N Market Ste 710
Wichita, KS 67202
ATTN: Dave Gould

25-29S-12W Pratt
2-25 Murphy
Job Ticket: 47492 DST#: 1
Test Start: 2012.05.31 @ 23:20:02

Mud and Cushion Information

Mud Type:	Gel Chem	Cushion Type:		Oil API:	deg API
Mud Weight:	9.00 lb/gal	Cushion Length:	ft	Water Salinity:	100000 ppm
Viscosity:	48.00 sec/qt	Cushion Volume:	bbl		
Water Loss:	9.19 in ³	Gas Cushion Type:			
Resistivity:	ohm.m	Gas Cushion Pressure:	psig		
Salinity:	4000.00 ppm				
Filter Cake:	0.02 inches				

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
1740.00	Water	24.408
310.00	MCW 10%M 90%W	4.348
186.00	V SOMCW 1%O 44%M 55%W	2.609

Total Length: 2236.00 ft Total Volume: 31.365 bbl

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

Laboratory Name: Laboratory Location:

Recovery Comments: RW was .11 @ 50 degrees

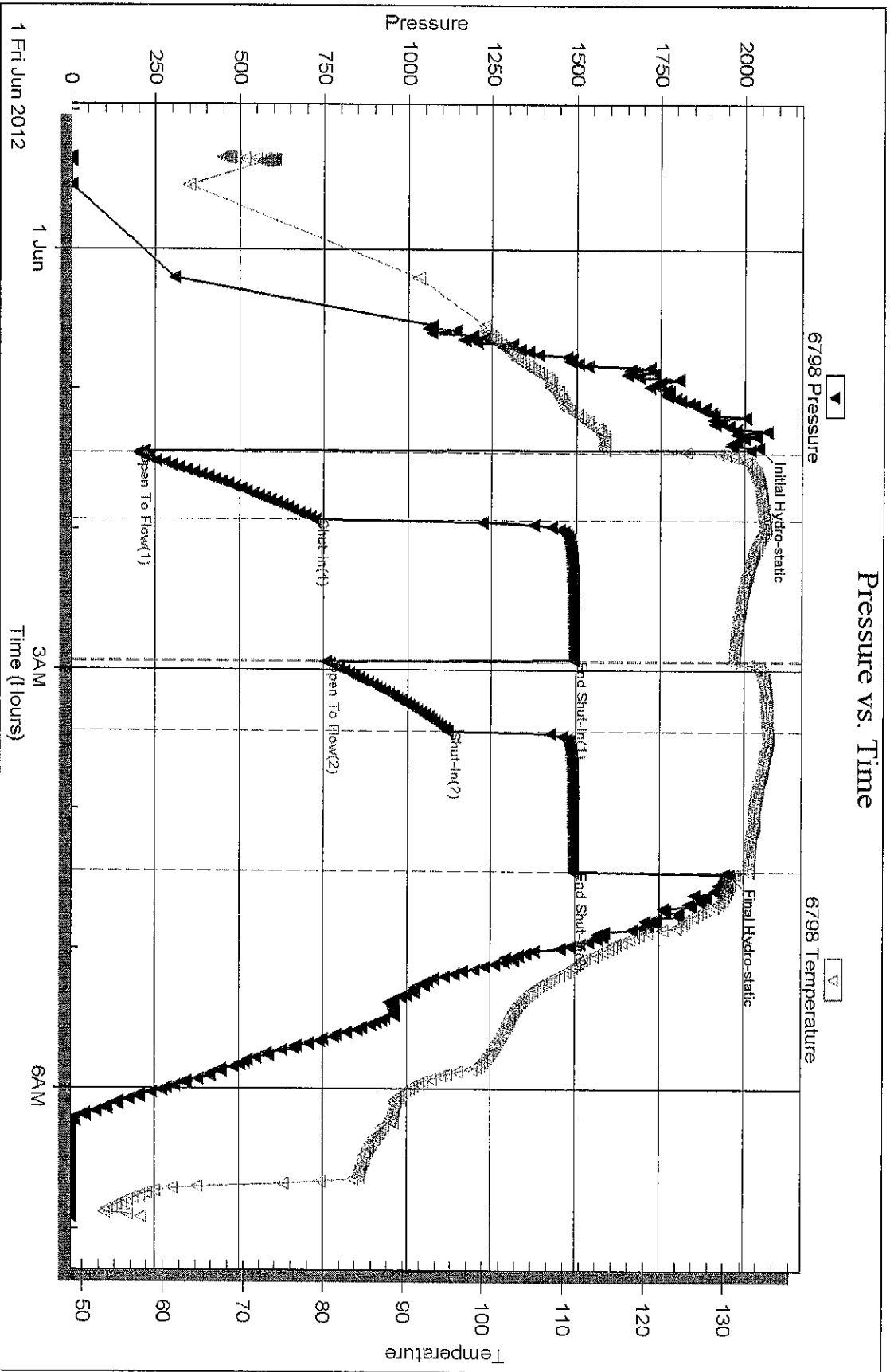
Serial #: 6798

Inside

American Energies

2-25 Murphy

DST Test Number: 1



Trilobite Testing, Inc.

Ref. No: 47492

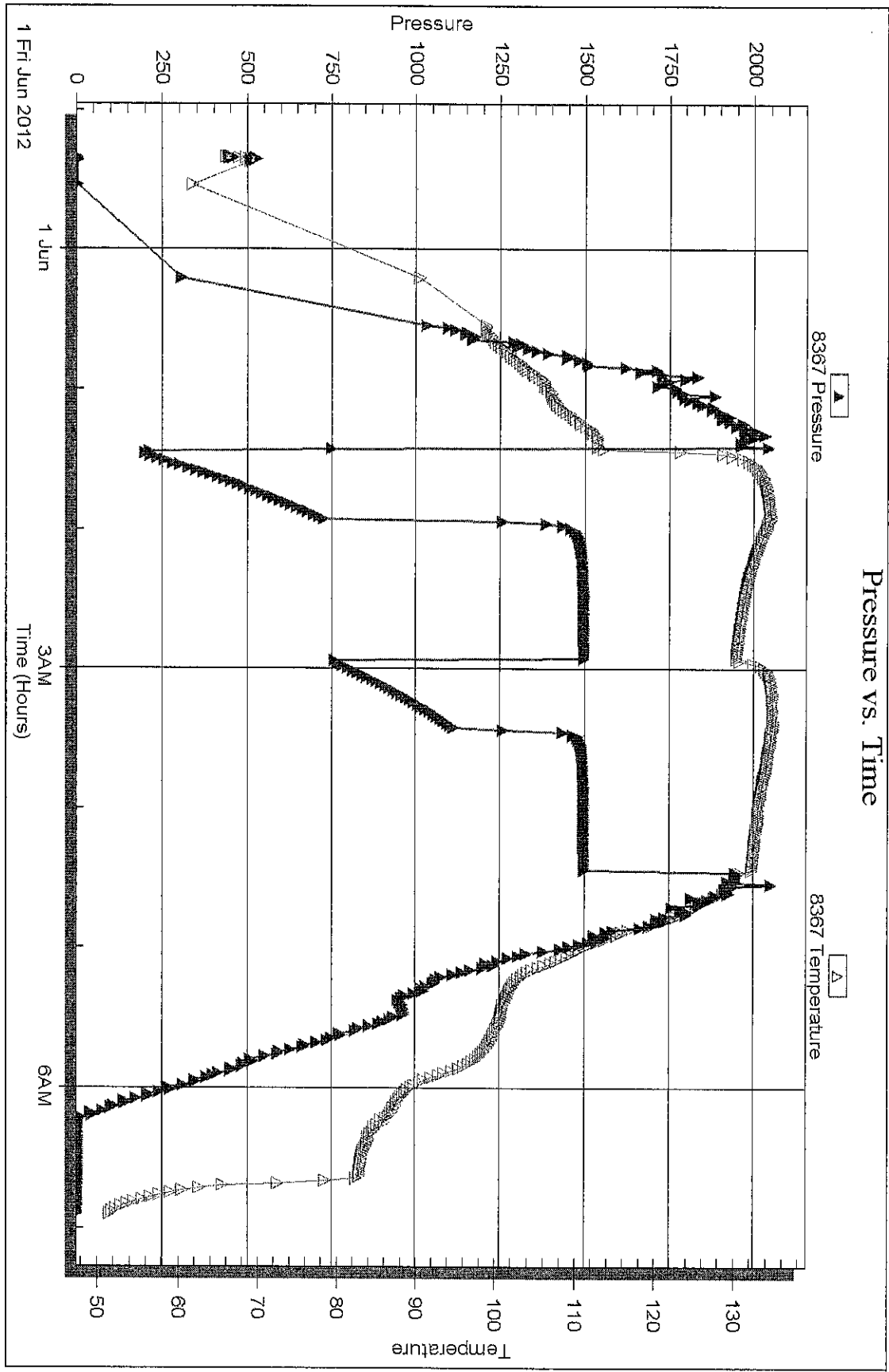
Printed: 2012.06.03 @ 05:27:33

Serial #: 8367

Outside American Energies

2-25 Murphy

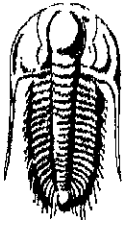
DST Test Number: 1



Triobite Testing, Inc

Ref. No: 47492

Printed: 2012.06.03 @ 05:27:33



TRILOBITE TESTING, INC.

DRILL STEM TEST REPORT

American Energies
 155 N Market Ste 710
 Wichita, KS 67202
 ATTN: Dave Gould

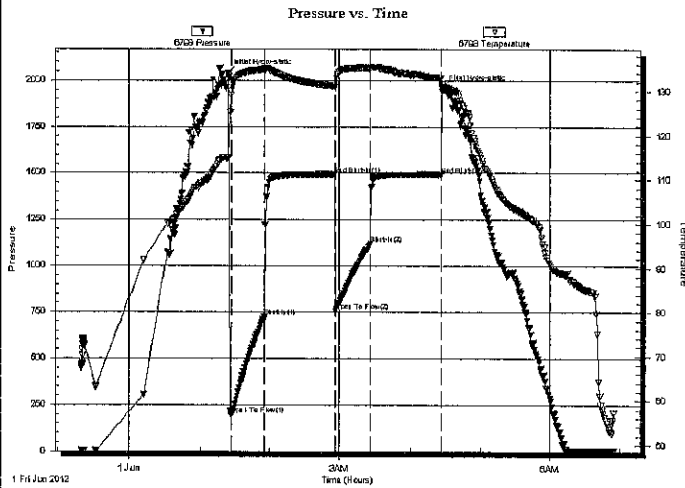
25-29S-12W Pratt
2-25 Murphy
 Job Ticket: 47492 **DST#: 1**
 Test Start: 2012.05.31 @ 23:20:02

GENERAL INFORMATION:

Formation: **Lansing**
 Deviated: No Whipstock: ft (KB)
 Time Tool Opened: 01:27:17
 Time Test Ended: 06:54:32
 Test Type: Conventional Bottom Hole (Initial)
 Tester: Leal Cason
 Unit No: 45
 Interval: **4106.00 ft (KB) To 4138.00 ft (KB) (TVD)**
 Total Depth: 4138.00 ft (KB) (TVD)
 Reference Elevations: 1878.00 ft (KB)
 Hole Diameter: 7.88 inches Hole Condition: Good
 KB to GR/CF: 9.00 ft

Serial #: 6798 Inside
 Press@RunDepth: 1119.25 psig @ 4107.00 ft (KB) Capacity: 8000.00 psig
 Start Date: 2012.05.31 End Date: 2012.06.01 Last Calib.: 2012.06.01
 Start Time: 23:20:03 End Time: 06:54:32 Time On Btm: 2012.06.01 @ 01:24:32
 Time Off Btm: 2012.06.01 @ 04:27:47

TEST COMMENT: IF: Strong Blow, BOB in 1 minute
 IS: No Blow Back
 FF: Strong Blow, BOB in 2 minutes
 FS: No Blow Back



PRESSURE SUMMARY

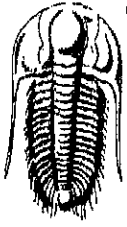
Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2040.63	114.91	Initial Hydro-static
3	196.84	129.15	Open To Flow (1)
31	723.59	134.89	Shut-In(1)
92	1494.46	131.16	End Shut-In(1)
92	756.35	130.81	Open To Flow(2)
122	1119.25	135.31	Shut-In(2)
182	1494.59	133.02	End Shut-In(2)
184	1956.89	131.09	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
1740.00	Water	24.41
310.00	MCW 10%M 90%W	4.35
186.00	VSOMCW 1%O 44%M 55%W	2.61

Gas Rates

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



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

American Energies
155 N Market Ste 710
Wichita, KS 67202
ATTN: Dave Gould

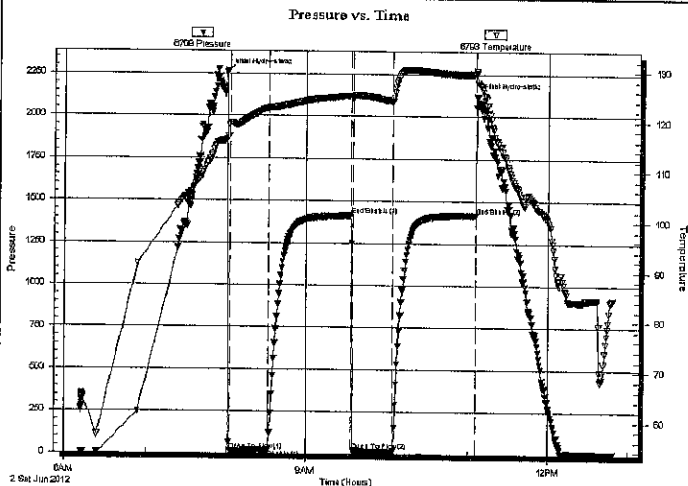
25-29S-12W Pratt
2-25 Murphy
Job Ticket: 47493 **DST#: 2**
Test Start: 2012.06.02 @ 06:11:47

GENERAL INFORMATION:

Formation: **Mississippi**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 08:03:17
Time Test Ended: 12:49:02
Interval: **4407.00 ft (KB) To 4421.00 ft (KB) (TVD)**
Total Depth: **4421.00 ft (KB) (TVD)**
Hole Diameter: **7.88 inches** Hole Condition: Good
Test Type: Conventional Bottom Hole (Reset)
Tester: Leal Cason
Unit No: 45
Reference Elevations: 1878.00 ft (KB)
1869.00 ft (CF)
KB to GR/CF: 9.00 ft

Serial #: 6798 **Inside**
Press@RunDepth: 14.17 psig @ 4408.00 ft (KB) Capacity: 8000.00 psig
Start Date: 2012.06.02 End Date: 2012.06.02 Last Calib.: 2012.06.02
Start Time: 06:11:48 End Time: 12:49:02 Time On Btm: 2012.06.02 @ 08:00:32
Time Off Btm: 2012.06.02 @ 11:06:02

TEST COMMENT: IF: Strong Blow, BOB in 1 minute
IS: No Blow Back
FF: Strong Blow, BOB Immediate, GTS in 5 minutes, TSTM, Caught Sample
FS: No Blow Back

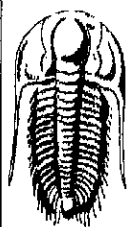


PRESSURE SUMMARY			
Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2253.61	116.41	Initial Hydro-static
3	14.23	119.58	Open To Flow (1)
32	22.33	122.59	Shut-In(1)
93	1414.58	125.14	End Shut-In(1)
94	20.72	124.76	Open To Flow (2)
123	14.17	123.94	Shut-In(2)
185	1417.36	129.56	End Shut-In(2)
186	2119.14	129.73	Final Hydro-static

Recovery		
Length (ft)	Description	Volume (bbl)
0.00	4368 GIP	0.00
15.00	Mud	0.21

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

* Recovery from multiple tests



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

American Energies
155 N Market Ste 710
Wichita, KS 67202
ATTN: Dave Gould

25-29S-12W Pratt
2-25 Murphy
Job Ticket: 47493 **DST#: 2**
Test Start: 2012.06.02 @ 06:11:47

GENERAL INFORMATION:

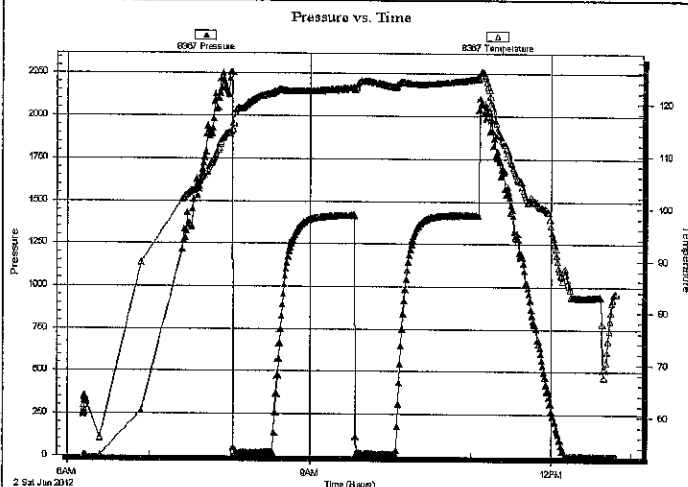
Formation: **Mississippi**
 Deviated: No Whipstock: ft (KB)
 Test Type: Conventional Bottom Hole (Reset)
 Time Tool Opened: 08:03:17 Tester: Leal Cason
 Time Test Ended: 12:49:02 Unit No: 45
 Interval: **4407.00 ft (KB) To 4421.00 ft (KB) (TVD)** Reference Elevations: 1878.00 ft (KB)
 Total Depth: 4421.00 ft (KB) (TVD) 1869.00 ft (CF)
 Hole Diameter: 7.88 inches Hole Condition: Good KB to GR/CF: 9.00 ft

Serial #: 8367

Outside

Press@RunDepth: psig @ 4408.00 ft (KB) Capacity: 8000.00 psig
 Start Date: 2012.06.02 End Date: 2012.06.02 Last Calib.: 2012.06.02
 Start Time: 06:11:48 End Time: 12:49:02 Time On Btm:
 Time Off Btm:

TEST COMMENT: IF: Strong Blow, BOB in 1 minute
 IS: No Blow Back
 FF: Strong Blow, BOB Immediate, GTS in 5 minutes, TSTM, Caught Sample
 FS: No Blow Back



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation

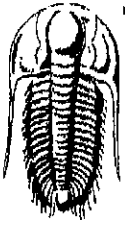
Recovery

Length (ft)	Description	Volume (bbl)
0.00	4368 GIP	0.00
15.00	Mud	0.21

* Recovery from multiple tests

Gas Rates

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



TRILOBITE
TESTING, INC.

DRILL STEM TEST REPORT

FLUID SUMMARY

American Energies

25-29S-12W Pratt

155 N Market Ste 710
Wichita, KS 67202

2-25 Murphy

Job Ticket: 47493

DST#: 2

ATTN: Dave Gould

Test Start: 2012.06.02 @ 06:11:47

Mud and Cushion Information

Mud Type: Gel Chem

Cushion Type:

Oil API:

deg API

Mud Weight: 9.00 lb/gal

Cushion Length:

ft

Water Salinity:

ppm

Viscosity: 54.00 sec/qt

Cushion Volume:

bbbl

Water Loss: 10.99 in³

Gas Cushion Type:

Resistivity: ohm.m

Gas Cushion Pressure:

psig

Salinity: 6000.00 ppm

Filter Cake: 0.02 inches

Recovery Information

Recovery Table

Length ft	Description	Volume bbbl
0.00	4368 GIP	0.000
15.00	Mud	0.210

Total Length: 15.00 ft Total Volume: 0.210 bbl

Num Fluid Samples: 0

Num Gas Bombs: 0

Serial #:

Laboratory Name:

Laboratory Location:

Recovery Comments:

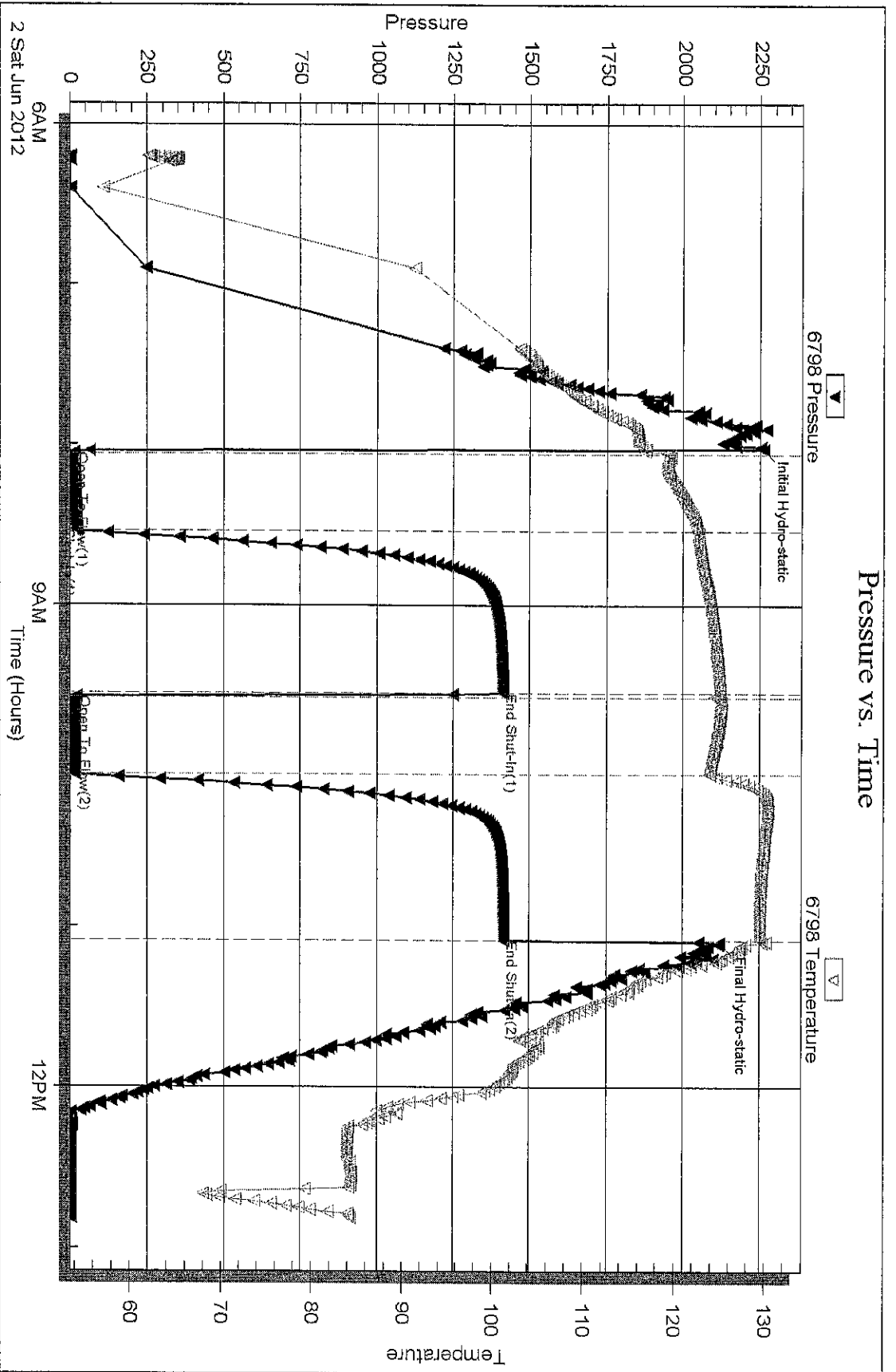
Serial #: 6798

Inside

American Energies

2-25 Murphy

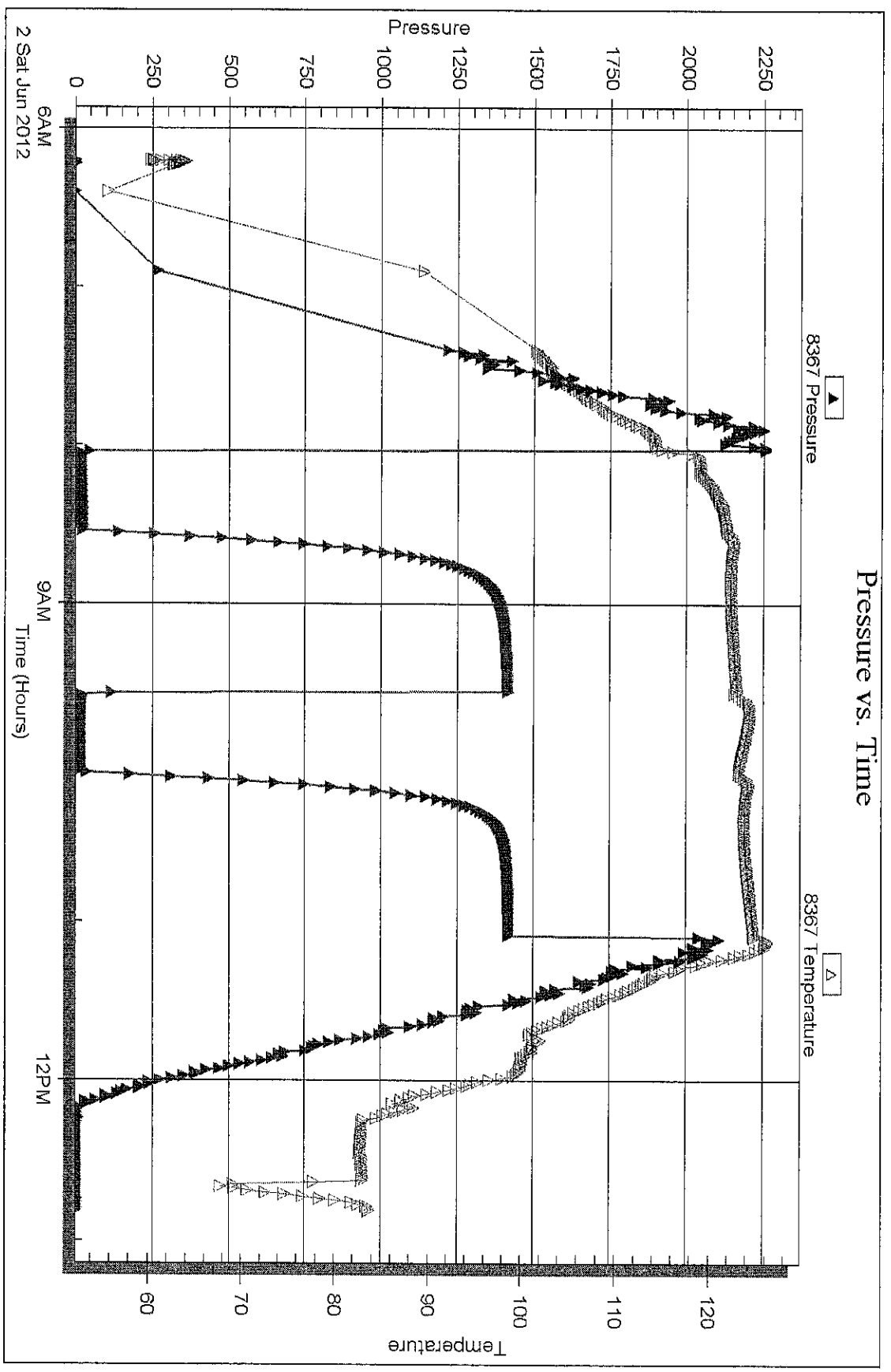
DST Test Number: 2

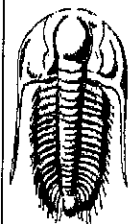


Tribolite Testing, Inc

Ref. No: 47493

Printed: 2012.06.03 @ 05:28:48





TRILOBITE TESTING, INC.

DRILL STEM TEST REPORT

American Energies
 155 N Market Ste 710
 Wichita, KS 67202
 ATTN: Dave Gould

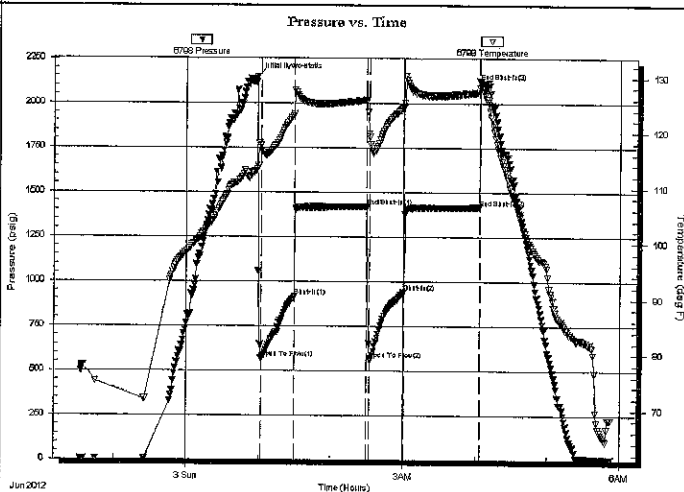
25-29S-12W Pratt
2-25 Murphy
 Job Ticket: 47494 **DST#: 3**
 Test Start: 2012.06.02 @ 22:33:16

GENERAL INFORMATION:

Formation: **Mississippi**
 Deviated: No Whipstock: ft (KB)
 Time Tool Opened: 01:01:31
 Time Test Ended: 05:51:46
 Interval: **4421.00 ft (KB) To 4440.00 ft (KB) (TVD)**
 Total Depth: 4440.00 ft (KB) (TVD)
 Hole Diameter: 7.88 inches-Hole Condition: Good
 Test Type: Conventional Bottom Hole (Reset)
 Tester: Leal Cason
 Unit No: 45
 Reference Elevations: 1878.00 ft (KB)
 1869.00 ft (CF)
 KB to GR/CF: 9.00 ft

Serial #: 6798 **Inside**
 Press@RunDepth: 941.16 psig @ 4422.00 ft (KB) Capacity: 8000.00 psig
 Start Date: 2012.06.02 End Date: 2012.06.03 Last Calib.: 2012.06.03
 Start Time: 22:33:17 End Time: 05:51:46 Time On Btm: 2012.06.03 @ 00:58:46
 Time Off Btm:

TEST COMMENT: IF: Strong Blow, BOB in 10 seconds, GTS in 3 minutes, Caught Sample & Gauged Gas
 IS: Would Not Bleed Off
 FF: Strong Blow, BOB & GTS Immediate, Gauged Gas
 FS: Would Not Bleed Off



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2147.54	113.35	Initial Hydro-static
3	565.01	117.85	Open To Flow (1)
31	913.12	123.37	Shut-In(1)
91	1416.87	125.93	End Shut-In(1)
94	560.13	119.22	Open To Flow(2)
122	941.16	124.66	Shut-In(2)
184	1414.69	127.38	End Shut-In(2)
185	2126.85	128.19	End Shut-In(3)

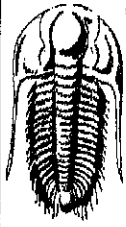
Recovery

Length (ft)	Description	Volume (bbl)

* Recovery from multiple tests

Gas Rates

	Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)
First Gas Rate	1.00	62.00	2196.41
Last Gas Rate	1.00	60.00	2138.91
Max. Gas Rate	1.00	70.00	2426.40



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

American Energies
155 N Market Ste 710
Wichita, KS 67202
ATTN: Dave Gould

25-29S-12W Pratt

2-25 Murphy

Job Ticket: 47494

DST#: 3

Test Start: 2012.06.02 @ 22:33:16

GENERAL INFORMATION:

Formation: **Mississippi**

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 01:01:31

Time Test Ended: 05:51:46

Test Type: Conventional Bottom Hole (Reset)

Tester: Leal Cason

Unit No: 45

Interval: **4421.00 ft (KB) To 4440.00 ft (KB) (TVD)**

Total Depth: 4440.00 ft (KB) (TVD)

Hole Diameter: 7.88 inches Hole Condition: Good

Reference Elevations: 1878.00 ft (KB)

1869.00 ft (CF)

KB to GR/CF: 9.00 ft

Serial #: 8367 Outside

Press@RunDepth: psig @ 4422.00 ft (KB)

Capacity: 8000.00 psig

Start Date: 2012.06.02 End Date: 2012.06.03

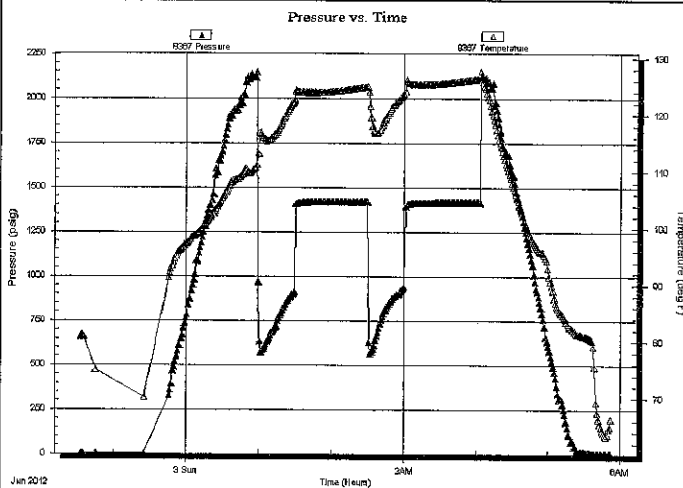
Last Calib.: 2012.06.03

Start Time: 22:33:17 End Time: 05:51:46

Time On Btm:

Time Off Btm:

TEST COMMENT: IF: Strong Blow, BOB in 10 seconds, GTS in 3 minutes, Caught Sample & Gauged Gas
IS: Would Not Bleed Off
FF: Strong Blow, BOB & GTS Immediate, Gauged Gas
FSI: Would Not Bleed Off



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation

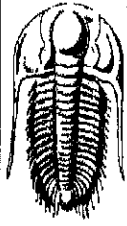
Recovery

Length (ft)	Description	Volume (bbl)

* Recovery from multiple tests

Gas Rates

	Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)
First Gas Rate	1.00	62.00	2196.41
Last Gas Rate	1.00	60.00	2138.91
Max. Gas Rate	1.00	70.00	2426.40



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

FLUID SUMMARY

American Energies
155 N Market Ste 710
Wichita, KS 67202
ATTN: Dave Gould

25-29S-12W Pratt
2-25 Murphy
Job Ticket: 47494 **DST#: 3**
Test Start: 2012.06.02 @ 22:33:16

Mud and Cushion Information

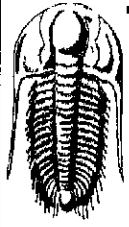
Mud Type: Gel Chem	Cushion Type:	Oil API:	deg API
Mud Weight: 9.00 lb/gal	Cushion Length: ft	Water Salinity:	ppm
Viscosity: 51.00 sec/qt	Cushion Volume: bbl		
Water Loss: 14.19 in ³	Gas Cushion Type:		
Resistivity: ohm.m	Gas Cushion Pressure: psig		
Salinity: 7000.00 ppm			
Filter Cake: 0.02 inches			

Recovery Information

Recovery Table

Length ft	Description	Volume bbl

Total Length: ft Total Volume: bbl
 Num Fluid Samples: 0 Num Gas Bombs: 0 Serial #:
 Laboratory Name: Laboratory Location:
 Recovery Comments:



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

GAS RATES

American Energies
155 N Market Ste 710
Wichita, KS 67202
ATTN: Dave Gould

25-29S-12W Pratt
2-25 Murphy
Job Ticket: 47494 **DST#: 3**
Test Start: 2012.06.02 @ 22:33:16

Gas Rates Information

Temperature: 59 (deg F)
Relative Density: 0.65
Z Factor: 0.8

Gas Rates Table

Flow Period	Elapsed Time	Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)
1	10	1.00	62.00	2196.41
1	20	1.00	60.00	2138.91
1	30	1.00	70.00	2426.40
2	10	1.00	48.00	1793.93
2	20	1.00	60.00	2138.91
2	30	1.00	60.00	2138.91

Serial #: 6798

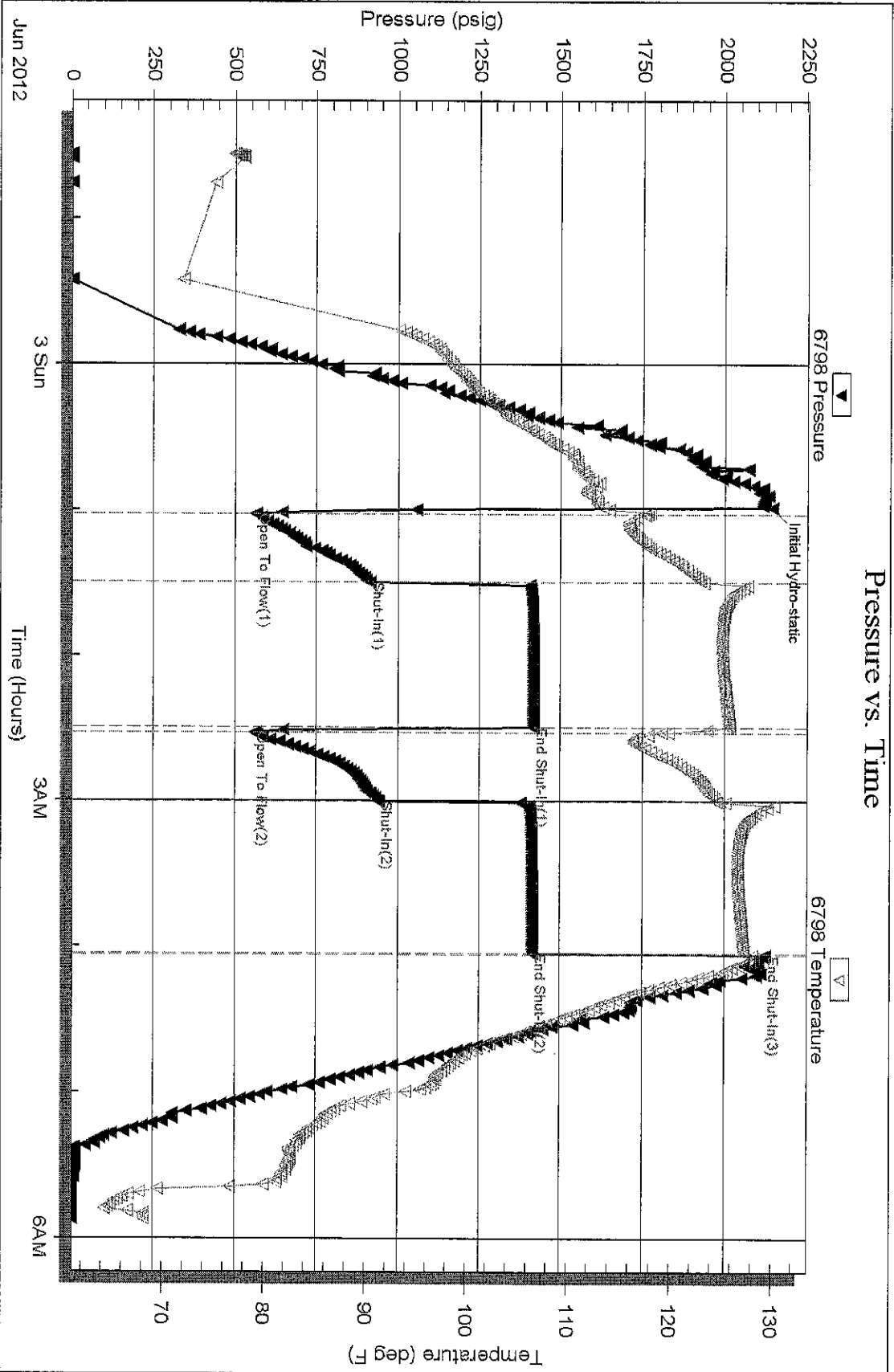
Inside

American Energies

2-25 Murphy

DST Test Number: 3

Pressure vs. Time

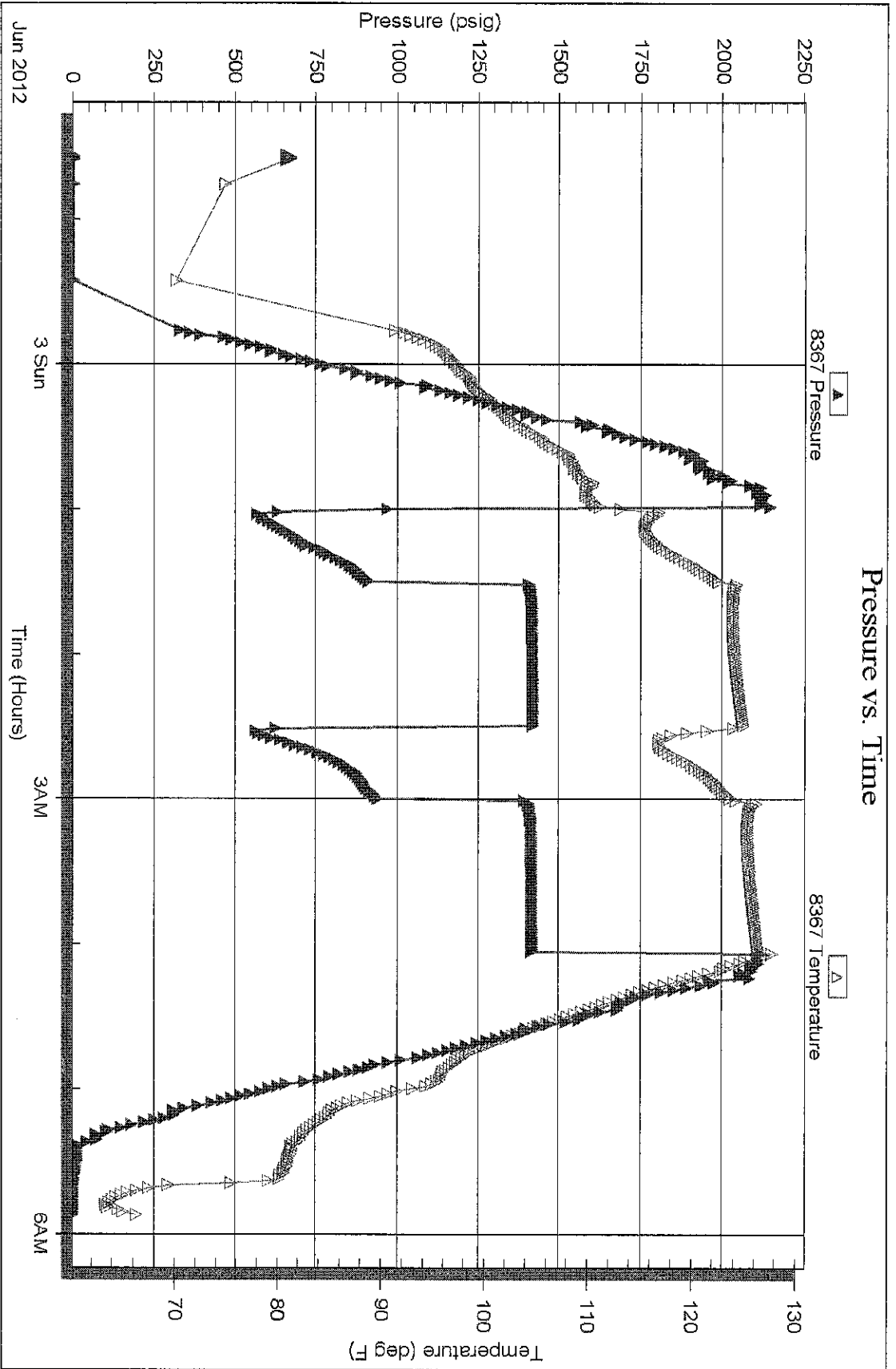


Serial #: 8367

Outside American Energies

2-25 Murphy

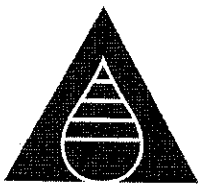
DST Test Number: 3



Triobite Testing, Inc

Ref. No: 47494

Printed: 2012.06.04 @ 02:55:58



American Energies
Corporation

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

**TIGHT HOLE
DRILLING AND COMPLETION REPORT
MURPHY 2-25**

LEASE #: 10761154
LOCATION: E/2 E/2 SE
Section 25-29S-R12W
COUNTY: Pratt
API: 15-151-22388-0000
CONTRACTOR: Landmark Drilling, Rig #6
GEOLOGIST: David Barker 316-259-4294
David Gould
NOTIFY: American Energies Corp.
Dianne Y. DeGood Family Trust,
Alan L. DeGood Family Trust,
Hyde Resources, C & B Operating (Carl Dudrey)
Fax Mr. Dudrey report 620-549-6221
Geoffrey Shafer
Debbie Schmitt, LLC
Buffalo Creek Oil and Gas, LLC

SURFACE CASING: 8 5/8", 23# set @ 302'
PRODUCTION CASING: 4 1/2" 10.5# used set @ 4745'
ANTICIPATED RTD: 4700'
RTD: 4750'
G.L.: 1862' **K.B.:** 1871'

SPUD DATE: 5/26/12
COMPLETION DATE:

REFERENCE WELLS:

#1. AEC's Murphy 1-25 – S/2 SW NE SE Sec. 25-T29S-R12W

FORMATION:	SAMPLE LOG:	Comparison:	ELECTRIC LOG TOPS:		Comparison:
AEC's Murphy 1-25			AEC's Murphy 1-25		
Onaga Shale			2780	-909	-8
Indian Cave Sd.	2794 -923	-7	2792	-921	-8
Wabaunsee	2830 -959	-12	2826	-955	-9
Stotler	2974 -1103	-13	2972	-1101	-11
Tarkio	3038 -1167	-13			
Emporia	3114 -1243	-13			
Bern	3170 -1299	-23			
Howard	3211 -1340	-22	3210	-1339	-23
Severy	3310 -1439	-21			
Topeka	3363 -1492	-27	3364	-1493	-27
Kanawaka Sh.			3536	-1665	-31
Elgin Sand	3589 -1718	-30			
Queen Hill Shale	3707 -1836	-30			
Heebner Shale	3726 -1855	-30	3718	-1847	-21
Toronto	3751 -1880	-25			
Douglas Shale	3802 -1931	-27	3750	-1879	-18
Lower Doug. Sh.	3862 -1991	-10			
Brown Lime	3895 -2024	-28			
Lansing	3907 -2036	-26	3902	-2031	-31
Stark Shale			4201	-2330	-22
Hushpuckney Sh.			4234	-2361	-20
Swope	4235 -2364	-24			
Marmaton	4331 -2460	-30	4330	-2459	-29
Mississippian	4411 -2540	-30	4409	-2538	-38
Top Kinderhook	4502 -2631	-114	4500	-2629	-117
Base Kinderhook			4604	-2733	-91
Viola	Absent				
Simpson			4604	-2733	-7
Simpson Sd Top			4616	-2745	-5
Simpson Sd Bot			4630	-2759	-9
Arbuckle			4682	-2811	-5
RTD	4750				
LTD	4749				

Murphy 2-25 Page -- Two

- 05/22/12 Landmark Drilling, Rig #6 anticipate moving in on location Thursday, 5/24.
05/24/12 MIRU - Landmark Drilling, Rig #6. Waiting on water.
05/25/12 Waiting on water.
05/26/12 Drilled rathole. Spud well at 6:30 a.m. Drilled 12 ¼" hole set, 7 jts 8 5/8" 23# new surface casing, set at 302'. Cemented with 210 sx Class A 60/40 poz - 3% cc, 2% gel. Plug down at 1:15 p.m. Cement did circulate. Cementing by Allied.
05/27/12 Drilling ahead at 878' @ 7:00 a.m.
05/28/12 Drilling ahead at 2145' @ 7:00 a.m.
05/29/12 Working on pump at 2718' @ 7:00 a.m.
At 12:30 p.m. @ 2815' and circulating for samples in the Indian Cave Sand. We had a 25 unit gas kick, went back to drilling. At 3170 (Bern) - 15 unit increase on gas detector.
05/30/12 At 3341' and drilling ahead @ 7:00 a.m. At 3610 (Elgin Sand) circulated for samples - no gas kicks)
05/31/12 At 3923' and drilling ahead @ 7:00 a.m. At 3870 (Lower Douglas Shale) circulated for samples - 15 unit gas kick). Gas kick of 101 units, LS, TN-BRN, ANG, OOLIC, F-M XLN, P FLOR, P STREAMING CUT, GAS BUBBLES, GOOD ODOR, SOME STAIN
DST #1: Iola (Lansing) 4106-4138' Times: 30, 60, 30,60
Rec: 186 'VSOMCW 1% oil, 55% Water, 44% Mud, 310' MCW, 90% Water, 10% Mud, 1740' Water
IHP: 2041
IIF 197-723
ISI 1494,
FIF 756-1119,
FSI 1495
FH 1957
BHT: 133 degrees
6/1/2012 At 4138' and going back in hole after DST #1@ 7:30 a.m. Pipe Strap: .75 feet long @4138' Hole Survey: 2.5 Degrees @4138'
6/2/2012 At 4421', running DST#2.Mississippian 4407-4421'. Good show of chert, which was not present in Murphy 1-25 160 unit gas kick total from Miss.
DST#2 - Mississippian 4407-4421' Times: 30, 60, 30, 60
1st Open: Strong Blow Back. No blow back, 2nd Open: Strong Blow, Bottom of Bucket Immediately
IHP: 2254
IIF: 17-22
ISIP: 1415
FIF: 21-14
FSI: 1417
FH: 2119
BHT: 130 degrees
6/3/12 At 4440' and setting on bank after DST#3 working on brakes. CFS at 4432 and 4440'.
DST #3 -- Mississippian (4421 - 4440), 360 unit gas kick. Times: 30-60-30-60. Sample description: Chert, Wht, some good str, good flor., good cut. Blow description: Initial Flow: Strong blow, BOB in 10 seconds, GTS in 3 minutes, caught sample and gauged gas. Initial shut-in: would not bleed off. Final Flow: Strong blow, BOB & GTS immediate, gauged gas. Final Shut-in: Would not bleed off.
IHP: 2147
IIF: 565-913
ISIP: 1417
FIF: 560 - 941
FSI: 1415
FH: 2127
FSI: 60
BHT: 128 degrees.
Gas volume:
10 Minutes.: 62 PSI, 1" Orifice 2196.469 MCF
20 Minutes: 60 PSI, 1" Orifice 2138.912 MCF
30 Minutes: 70 PSI, 1" Orifice 2426.400 MCF
10 Minutes: 48 PSI, 1" Orifice 1793.926 MCF
20 Minutes: 60 PSI, 1" Orifice 2138.912 MCF
30 Minutes: 60 PSI, 1" Orifice 2138.912 MCF
6/4/12 At 4677' and drilling ahead at 7:00 a.m.
6/5/12 Reached rotary total depth of 4750'. Logged well at 4749'. Production Casing information: **Ran in 115 jts of used and tested 4 ½" 10.5# casing set at 4745'. Set one - 42' shoe jt.** After casing was run, set up and circulated for 1 hour, hooked up Allied Cementing. Cemented with 500 gallons mud flush, followed by 150 sx Class A-1 ASC Cement. Cement circulated throughout. Plug down at 1:30 p.m. Bumped to 1,200# - plug held - released pressure. Allied Cementing ticket 053815. **Centralizers set at: 4708, 4626, 4544, 4458, 4376, 4294, 4212, 4130**

COMPLETION INFORMATION AS FOLLOWS:

6/28/12 MIRU – Alliance Well Service. MIRU - Log Tech of Kansas. Ran Cement Bond Log, plugged back total depth: 4656'. Top of Cement at 3750'. Swabbed 2500' of fluid, **perforated from 4615 – 4616 ½ with 2 SPF**, swabbed down to 4200' – no gas or oil show. Ran Model “R” Packer to 4600' – will let it swing free overnight. Will acidize in the morning with 250 gallons 15% mud acid.

6/29/12 Went in and tagged fluid at 1800' down. Had 2800' fill overnight. Made 1 swab - all water. Set AD-1 packer and swabbed down to SN - all water. Waited 10 minutes and had 250' fill - all water. Called for logging truck and TOH with 2 3/8" tubing. RU - Log Tech of Kansas and set CIBP at 4600' and perforated from 4452 - 4458' with 4 shots per foot and TIH with 4' perforated sub, SN and 138 jts of 2 3/8" tubing to 4450'. Hooked up swab and tagged fluid at 750' down.
 Recovery:
 1st hour 33 bbls fluid 2400' down, 110# CP
 2nd hour 22 bbls fluid 200' above perms (approx. 4200'), then casing pressure was at 310#, this declined to 200# - indicating fluid came back in the hole. SIOWE

7/2/12 Shut-in weekend pressure - 1260 TP, 1260 CP - indicating no fluid in hole. Tried to blow well down - could not. Dumped 80 bbls water - started coming out with tubing - well kicked - pumped additional 40 bbls fluid - killed well. Tripping out with tubing and packer. Rigged up Log Tech of Kansas and **perforated the upper Mississippian from 4416 to 4450 with 2 SPF**. Came out of hole and had to kill well. TIH with packer to 1500# and had to kill well. Reached 3000' and had to kill well. Got packer to 4450' and set packer. Hooked up Allied acid and treated with 2000 gallons 15% NEFE and 128 balls. Treated well at 4.5 BPM at 1600#. Did see some ball action, but did not ball off. ISIP: 450# - vacuum in 3 minutes. Moved packer to 4406' and swinging free and started swabbing. Tagged fluid @ 1100' down. Swabbed 5 times and well started flowing. Flowed for 1 hour and 20 minutes and recovered 62 bbls - load - 220 bbls. SION

7/3/12 Opening pressures: 960# TP, 960# CP. Opened up choke and blew off water. Set choke up to test trailer. Started flowing at 1 MMCF - tested for 6 hours, pressures were 1,050 CP and 800 TP. Flowed back 15 bbl fluid. SI over holiday. Will 4 point test the well on Thursday. Load to recover 143 bbls.

7/05/12 Miss Chert 4416-4450', Results of 4 point test:
 Times: 60:60:60:60

	<u>Opening Time</u>	<u>Casing Pressure</u>	<u>Tubing Pressure</u>	<u>Flow Rate</u>
	Initial	1270#	1270#	
	1 st	1060#	950#	770 MCF
	2 nd	900#	700#	1,550 MCF
	3 rd	700#	600#	1,275 MCF
	4 th	720#	490#	1,375 MCF

Recovered: 9 Bbl Fluid, and within 30 minutes of final pull CP:1200# & TP: 1200#

07/10/12 Setting production equipment -
 Line Heater
 Gas Separator - 30" X 10'
 Using the Murphy 1-25 tank battery.
 Disposing into McGuire #1 SWD
 Pumper: Jack Hacker
 Gas will be purchased by Lumen

07/13/12 1st day of production

TOTAL LEASE PRODUCTION:

	OIL	MCF Gas	Water	C. P.	T. P.	NOTES
07/14/12		250 MCF	-0-	1220#	1050#	
07/15/12		250 MCF	-0-	1220#	1000#	
07/16/12		250 MCF	-0-	1220#	940#	
07/17/12		277 MCF	-2-	1220#	980#	
07/18/12	26	360 MCF	-2-	1080#	860#	Oil is Unloading
07/19/12	50	325 MCF	-0-	1000#	740#	Chemical Representative checking oil to stock to make sure we are not bring water into stock. Some of the oil could be water. Still making adjustments.
07/20/12	70	207 MCF	-0-	1000#	700#	Hauled off tank of 160 BO (Total Lease Production) 98% oil, 2% BS (Cut-off point is 1% BS) We are setting chemical injection pump, Chemical Company is on site to help on break-out.
07/21/12	91	259 MCF	-2-	880#	670#	Plains Marketing picked up load of oil - approx. 165 BBLS Chemical injection is on site and operating. Oil coming into stock is good (2/10th BSW)
07/22/12	112	209 MCF	-2-	860#	590#	Plains Marketing picked up load of oil - approx. 165 BBLS

TOTAL LEASE PRODUCTION:

	OIL	MCF Gas	Water	C. P.	T. P.	NOTES
07/23/12	108	204 MCF	-2-	850#	530#	Plains Marketing picked up load of oil - approx. 165 BBLS
07/24/12	103	143 MCF	-2-	900#	540#	
7/25/12	130	206 MCF	-2-	760#	410#	
						Squeezed choke to 10/64th
						Plains Marketing picked up load of oil - approx. 165 BBLS
						Gravity: 38.0
7/26/12	103	163 MCF	-2-	830#	460#	Choke set at 10/64th
7/27/12	102	144 MCF	-2-	820#	460#	
7/28/12	102	142MCF	-2-	800#	420#	
7/29/12	102	142 MCF	-2-	800#	420#	
7/30/12	102	142 MCF	-2-	800#	420#	

FINAL REPORT