

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

CONFIDENTIAL

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

Operator: License # 5214
 Name: Lario Oil & Gas Company
 Address: 301 S. Market Street
 City/State/Zip: Wichita, KS 67207
 Purchaser: Eott Energy Operating / EOY Gathering
 Operator Contact Person: Jay G. Schweikert
 Phone: (316) 265-5611
 Contractor: Name: Duke Drilling Company
 License: 5292
 Wellsite Geologist: Tim J. Lauer
 Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SLOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, 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./SWD
 Plug Back Plug Back Total Depth
 Commingled Docket No. _____
 Dual Completion Docket No. _____
 Other (SWD or Enhr.?) Docket No. _____

<u>12/04/03</u>	<u>12/10/03</u>	<u>02/05/04</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

KCC
MAR 30 2004

CONFIDENTIAL

RECEIVED

APR 01 2004

KCC WICHITA

API No. 15 - 095-21859-00-00
 County: Kingman
SE SW SE Sec. 01 Twp. 28 S. R. 5 East West
330 feet from S N (circle one) Line of Section
1650 feet from E W (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW SW
 Lease Name: Casley Well #: 1-1
 Field Name: Broadway
 Producing Formation: Mississippian
 Elevation: Ground: 1409 Kelly Bushing: 1417
 Total Depth: 3920 Plug Back Total Depth: 3798
 Amount of Surface Pipe Set and Cemented at 280 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 cm.
ALT I WITHIN 12-19-06
Drilling Fluid Management Plan
 (Data must be collected from the Reserve Pit)
 Chloride content 34,000 ppm Fluid volume 1600 bbls
 Dewatering method used evaporation
 Location of fluid disposal if hauled offsite: _____
 Operator Name: _____
 Lease Name: _____ License No.: _____
 Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
 County: _____ Docket No.: _____

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

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.

Signature: Jay G. Schweikert
 Title: Operations Engineer Date: March 31, 2004
 Subscribed and sworn to before me this 31st day of March,
2004.
 Notary Public: Kathy L Ford
 Date Commission Expires: 10-22-06

KATHY L. FORD
Notary Public - State of Kansas
My Appt. Expires 10-22-06

KCC Office Use ONLY

Yes Letter of Confidentiality Attached
 If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

✓

X

Operator Name: Lario Oil & Gas Company Lease Name: Casley Well #: 1-1
 Sec: 1 23 5 East West County: Kingman

INSTRUCTIONS: Show important tops and base 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. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: GR CDL/CNL DIL BHCS	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>Indian Cave</td> <td>1688</td> <td>-271</td> </tr> <tr> <td>Lansing</td> <td>2912</td> <td>-1495</td> </tr> <tr> <td>Stark Shale</td> <td>3308</td> <td>-1891</td> </tr> <tr> <td>Pawnee</td> <td>3518</td> <td>-2101</td> </tr> <tr> <td>Mississippi Chert</td> <td>3752</td> <td>-2335</td> </tr> </table>	Name	Top	Datum	Indian Cave	1688	-271	Lansing	2912	-1495	Stark Shale	3308	-1891	Pawnee	3518	-2101	Mississippi Chert	3752	-2335
Name	Top	Datum																	
Indian Cave	1688	-271																	
Lansing	2912	-1495																	
Stark Shale	3308	-1891																	
Pawnee	3518	-2101																	
Mississippi Chert	3752	-2335																	

CASING RECORD <input checked="" 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
Surface	12-1/4"	8-5/8"	23	280	60/40 Poz	175	2% gel + 3% CC
Production	7-7/8"	5-1/2"	14	3926	AA-2	145	salt + 1/4# CF + FLA + GB

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input checked="" type="checkbox"/> Perforate				
<input type="checkbox"/> Protect Casing	3764	Common/Micro	25 / 18	gel
<input type="checkbox"/> Plug Back TD				
<input type="checkbox"/> Plug Off Zone	3825	Common	50	gel + Salt + Claypro

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
4	3802'-06' & 3810'-12'	Acidize w/ 1000 gal 15% NEFE		
4	3802'-06' & 3810'-12'	25 sks Common w/ 3% FL + 25 sks Neat		
4	3768' - 3783'	Acidize w/ 750 gal 15% NEFE		
4	3768' - 3783'	Frac perms w/ 55,776 gal emul. gel + 5000#		
		100 Mesh + 61,500# 12/20		

TUBING RECORD		Size 2-3/8"	Set At 3725	Packer At 3728	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or Enhr. 02/06/04		Producing Method <input checked="" type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)			
Estimated Production Per 24 Hours	Oil Bbls. 2	Gas Mcf 110	Water Bbls. 23	Gas-Oil Ratio 55,000	Gravity 31

Disposition of Gas Vented Sold Used on Lease *(If vented, Sumit ACO-18.)*

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled Other (Specify) _____

Production Interval _____

ALLIED CEMENTING CO., INC.

P.O. BOX 31
 RUSSELL, KS 67665
 PH (785) 483-3887
 FAX (785) 483-5566

ORIGINAL

RECEIVED

APR 01 2004

* INVOICE *

CONFIDENTIAL

KCC WICHITA

Invoice Number: 091765

Invoice Date: 12/11/03

KCC

MAR 30 2004

CONFIDENTIAL

Sold Lario Oil & Gas Company
 To: P. O. Box 784
 Hays, KS
 67601

Cust I.D..... Lario AFE #03-108
 P.O. Number... Casley #1 (Surface casing)
 P.O. Date..... 12/11/03

Due Date.: 01/10/04
 Terms..... Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	105.00	SKS	7.1500	750.75	T
Pozmix	70.00	SKS	3.8000	266.00	T
Gel	3.00	SKS	10.0000	30.00	T
Chloride	6.00	SKS	30.0000	180.00	T
Handling	184.00	SKS	1.1500	211.60	E
Mileage (55)	55.00	MILE	9.2000	506.00	E
184 sks @ \$.05 per sk per mi					
Surface	1.00	JOB	520.0000	520.00	E
Mileage pmp trk	55.00	MILE	3.5000	192.50	E
Wooden plug	1.00	EACH	45.0000	45.00	T

All Prices Are Net, Payable 30 Days Following Subtotal: 2701.85
 Date of Invoice. 1 1/2% Charged Thereafter. Tax..... 86.48
 If Account CURRENT take Discount of \$270.19 Payments: 0.00
 ONLY if paid within 30 days from Invoice Date Total.... 2788.33

BCP

Acci.	Expl.	File	OK to Pay
			<i>[Signature]</i>
DEC 19 2003			

12-17-03



CONFIDENTIAL

KCC

MAR 30 2004

ORIGINAL

CONFIDENTIAL

SALES OFFICE:

1001 S. Main
Suite #607
Wichita KS 67202
(316) 262-3699
(316) 262-5799 FAX

SALES & SERVICE OFFICE:

10244 NE Hiway 61
P.O. Box 8613
Pratt, KS 67124-8613
(620) 672-1201
(620) 672-5383 FAX

SALES & SERVICE OFFICE:

1700 S. Country Estates Rd.
P.O. Box 129
Liberal, KS 67905-0129
(620) 624-2277
(620) 624-2280 FAX

Invoice

Bill to: LARIO OIL & GAS P.O. Box 784 Hays, KS 67601	5138010	Invoice	Invoice Date	Order	Order Date
		312054	12/18/03	7409	12/11/03
	Service Description				
	Cement				
		Lease		Well	
		Casley		1-1	
AFE	CustomerRep	Treater	Well Type	Purchase Order	Terms
	T. Berens	K. Gordley	New Well	AFE ⁰³ -108	Net 30

RECEIVED
APR 01 2004
KCC WICHITA

<u>ID.</u>	<u>Description</u>	<u>UOM</u>	<u>Quantity</u>	<u>Unit Price</u>	<u>Price</u>
D205	AA2 (COMMON)	SK	145	\$13.19	\$1,912.55 (T)
D203	60/40 POZ (COMMON)	SK	25	\$7.84	\$196.00 (T)
C195	FLA-322	LB	110	\$7.50	\$825.00 (T)
C221	SALT (Fine)	GAL	870	\$0.25	\$217.50 (T)
C312	GAS BLOCK	LB	103	\$5.00	\$515.00 (T)
C243	DEFOAMER	LB	28	\$3.00	\$84.00 (T)
C194	CELLFLAKE	LB	35	\$2.00	\$70.00 (T)
C304	SUPER FLUSH II	GAL	500	\$1.85	\$925.00 (T)
C141	CC-1, KCL SUBSTITUTE	GAL	5	\$40.00	\$200.00 (T)
F101	TURBOLIZER, 5 1/2"	EA	5	\$71.00	\$355.00 (T)
F231	FLAPPER TYPE INSERT FLOAT VALVES, 5 1/2"	EA	1	\$165.00	\$165.00 (T)
F191	GUIDE SHOE-REGULAR, 5 1/2"	EA	1	\$185.00	\$185.00 (T)
F143	TOP RUBBER CEMENT PLUG, 5 1/2"	EA	1	\$70.00	\$70.00 (T)
F800	THREADLOCK COMPOUND KIT	EA	1	\$30.00	\$30.00 (T)
E107	CEMENT SERVICE CHARGE	SK	170	\$1.50	\$255.00
E100	HEAVY VEHICLE MILEAGE - 1 WAY	MI	50	\$3.25	\$162.50
E104	PROPPANT / BULK DELIV SERVICES/TON MILE, \$200 MIN	TM	398	\$1.30	\$517.40
R208	CASING CEMENT PUMPER, 3501-4000' 1ST 4 HRS ON LOC	EA	1	\$1,680.00	\$1,680.00
R701	CEMENT HEAD RENTAL	EA	1	\$250.00	\$250.00

Acc. No. OK to File

Brad Sanders
12-24-03

Sub Total: \$8,614.95
Discount: \$2,584.94
Discount Sub Total: \$6,030.01
Kingman County & State Tax Rate: 5.30% **Taxes:** \$213.31
(T) Taxable Item **Total:** \$6,243.32

DEC 29 2003

PLEASE REMIT TO Acid Services, LLC, Dept No 1131, Tulsa, OK 74182
Accounts become past due the last day of the month following billing. Interest rate 1.5% per month (18% per year) on past due accounts.

ALLIED CEMENTING CO., INC.

P.O. BOX 31
RUSSELL, KS 67665
PH (785) 483-3887
FAX (785) 483-5566

CONFIDENTIAL

KCC

MAR 30 2004

CONFIDENTIAL

ORIGINAL

* INVOICE *

Invoice Number: 092027

Invoice Date: 01/13/04

Sold Lario Oil & Gas Company
To: P. O. Box 784
Hays, KS
67601

RECEIVED
APR 01 2004
KCC WICHITA

Cust I.D.....: Lario
P.O. Number...: Casley #1-1 (Completion)
P.O. Date.....: 01/13/04
AFE 03-108

Due Date.: 02/12/04
Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	50.00	SKS	7.1500	357.50	T
Salt	6.00	SKS	7.5000	45.00	T
ClaPro	1.00	GAL	22.9000	22.90	T
Handling	56.00	SKS	1.1500	64.40	E
Mileage (45)	45.00	MILE	2.8000	126.00	E
56 sks @\$.05 per sk per mi					
Retainer Squeeze	1.00	JOB	1130.0000	1130.00	E
Mileage pmp trk	45.00	MILE	3.5000	157.50	E
Manifold	1.00	PER	75.0000	75.00	E

All Prices Are Net, Payable 30 Days Following Subtotal: 1978.30
 Date of Invoice. 1 1/2% Charged Thereafter. Tax..... 28.93
 If Account CURRENT take Discount of \$ 197.83 Payments: 0.00
 ONLY if paid within 30 days from Invoice Date Total...: 2007.23

OK to Pay
 JAN 20 2004

*SOZ hole @ 3825
below retainer*

kc
Jim Bullocky
1-19-04

ALLIED CEMENTING CO., INC.

P.O. BOX 31
RUSSELL, KS 67665
PH (785) 483-3887
FAX (785) 483-5566

CONFIDENTIAL

KCC

MAR 30 2004

CONFIDENTIAL

ORIGINAL

*
* I N V O I C E *
*

Invoice Number: 092028

Invoice Date: 01/13/04

Sold Lario Oil & Gas Company
To: P. O. Box 784
Hays, KS
67601

RECEIVED
APR 01 2004
KCC WICHITA

Cust I.D.....: Lario

P.O. Number...: Casley #1-1 (Completion)

P.O. Date.....: 01/13/04

AFE # 03-108

Due Date.: 02/12/04

Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	25.00	SKS	7.1500	178.75	T
MicroFine	18.00	SKS	85.0000	1530.00	T
Handling	43.00	SKS	1.1500	49.45	E
Mileage min. chg.	1.00	MILE	125.0000	125.00	E
Spot Squeeze	1.00	JOB	1130.0000	1130.00	E
Mileage pmp trk	45.00	MILE	3.5000	157.50	E
Squeeze Manifold	1.00	PER	75.0000	75.00	E

All Prices Are Net, Payable 30 Days Following
Date of Invoice. 1 1/2% Charged Thereafter.
If Account CURRENT take Discount of \$ 334.57
ONLY if paid within 30 days from Invoice Date

Subtotal: 3245.70
Tax.....: 116.19
Payments: 0.00
Total....: 3361.89

SOZ perf
@ 3764

Acct.	Expt.	File	OK to Pay
			<i>[Signature]</i>

JAN 20 2004

Jim Sullivan
1-19-04

ALLIED CEMENTING CO., INC.
 P.O. BOX 31
 RUSSELL, KS 67665
 PH (785) 483-3887
 FAX (785) 483-5566

CONFIDENTIAL

KCC

MAR 30 2004

CONFIDENTIAL

*******ORIGINAL*******
 * **INVOICE** *

Invoice Number: 092122

Invoice Date: 01/22/04

RECEIVED

APR 01 2004

KCC WICHITA

Sold Lario Oil & Gas Company
 To: P. O. Box 784
 Hays, KS
 67601

Cust I.D.....: Lario
 P.O. Number...: Casley #1 (Completion)
 P.O. Date.....: 01/22/04

AFE #03-108

Due Date..: 02/21/04
 Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	50.00	SKS	7.1500	357.50	T
FL-10	7.00	LBS	8.0000	56.00	T
Handling	50.00	SKS	1.1500	57.50	T
Mileage min. chq.	1.00	MILE	125.0000	125.00	T
Squeeze	1.00	JOB	1130.0000	1130.00	T
Mileage pmp trk	45.00	MILE	3.5000	157.50	T
Squeeze Manifold	1.00	EACH	75.0000	75.00	T

All Prices Are Net, Payable 30 Days Following
 Date of Invoice. 1 1/2% Charged Thereafter.
 If Account CURRENT take Discount of \$195.85
 ONLY if paid within 30 days from Invoice Date

Subtotal: 1958.50
 Tax.....: 133.18
 Payments: 0.00
 Total....: 2091.68

*Miss Dolomite
 under retainer
 @ 3798'*

Acc	Est	File	OK to Ret
			<i>[Signature]</i>
FEB 9 2004			

*Jim Dillagly
 2-6-04*