

ORIGINAL

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

CONFIDENTIAL

Form ACO-1  
September 1999  
Form Must Be Typed

WELL COMPLETION FORM  
WELL HISTORY DESCRIPTION OF WELL & LEASE

\* Approx 60' N of

Operator: License # 5214 **NOV 30 2004**

Name: Lario Oil & Gas Company **CONFIDENTIAL**

Address: 301 S. Market Street

City/State/Zip: Wichita, KS 67207

Purchaser: \_\_\_\_\_

Operator Contact Person: Jay G. Schweikert

Phone: (316) 265-5611

Contractor: Name: Duke Drilling Company

License: 5292

Wellsite Geologist: Vernon Schrag

Designate Type of Completion:

\_\_\_\_ New Well  Re-Entry \_\_\_\_ Workover

\_\_\_\_ Oil  SWD \_\_\_\_ SIOW \_\_\_\_ Temp. Abd.

\_\_\_\_ Gas \_\_\_\_ ENHR \_\_\_\_ SIGW

\_\_\_\_ Dry \_\_\_\_ Other (Core, WSW, Expl., Cathodic, etc)

If Workover/Re-entry: Old Well Info as follows:

Operator: Graves Drilling Co.

Well Name: Jones #2

Original Comp. Date: 11/30/1976 Original Total Depth: 3825'

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. D-28,413

|                                   |                   |   |
|-----------------------------------|-------------------|---|
| <u>10/26/2004</u>                 | <u>10/29/2004</u> | <u>11/29/2004</u>                       |
| Spud Date or<br>Recompletion Date | Date Reached TD   | Completion Date or<br>Recompletion Date |

API No. 15 - 095-20542-00-01

County: Kingman

\*    NW    SE    NW Sec. 12 Twp. 28 S. R. 5  East  West

1590 feet from S  N (circle one) Line of Section

1660 feet from E  W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

(circle one) NE SE  NW SW

Lease Name: Robert Jones Well #: 2-12 RE/SWD

Field Name: (new pool)

Producing Formation: \_\_\_\_\_

Elevation: Ground: 1398 Kelly Bushing: 1406

Total Depth: 4650 Plug Back Total Depth: 4650

Amount of Surface Pipe existing Set and Cemented at 202 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.

ALT I 10-17-06 Water

**Drilling Fluid Management Plan**  
(Data must be collected from the Reserve Pit)

Chloride content 60,000 ppm Fluid volume 1500 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: November 30, 2004

Subscribed and sworn to before me this 30 th day of Novemebr, 2004

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

Notary Public: \_\_\_\_\_

Date Commission Expires: 10-22-06

**KCC Office Use ONLY**

Letter of Confidentiality Attached

If Denied, Yes  Date: \_\_\_\_\_

Wireline Log Received

\_\_\_\_ Geologist Report Received

\_\_\_\_ UIC Distribution

ORIGINAL

Operator Name: Lario Oil & Gas Company Lease Name: Robert Jones Well #: 2-12 RE/SWD  
 Sec. 12 Twp. 28 S. R. 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  Yes  No  
 (Attach Additional Sheets)  
 Samples Sent to Geological Survey  Yes  No  
 Cores Taken  Yes  No  
 Electric Log Run  Yes  No  
 (Submit Copy)  
 List All E. Logs Run:  
 GR CDL/CNL MEL DIL PE

| <input checked="" type="checkbox"/> Log | Formation (Top), Depth and Datum | <input type="checkbox"/> Sample |
|---|----------------------------------|---------------------------------|
| Name                                    | Top                              | Datum                           |
| Indian Cave                             | 1687                             | -281                            |
| Lansing                                 | 2908                             | -1502                           |
| Stark Shale                             | 3303                             | -1897                           |
| Mississippian                           | 3744                             | -2338                           |
| Arbuckle                                | 4272                             | -2866                           |

| 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 (existed)   | 12-1/4"           | 8-5/8"                    |                   | 202           |                | 175          |                            |
| Production  | 7-7/8"            | 5-1/2"                    | 15.5              | 4338          | AA-2           | 250          | 0.8% FLA + 0.2% DF +       |
|   |                   |                           |                   |               |                |              | 0.25# Cell FI + 10% Salt   |

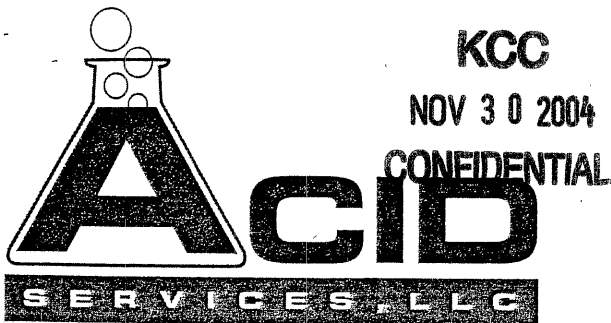
| ADDITIONAL CEMENTING / SQUEEZE RECORD   |                  |                |             |                            |
|---|------------------|----------------|-------------|----------------------------|
| Purpose:                                | Depth Top Bottom | Type of Cement | #Sacks Used | 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  |                  |                |             |                            |

| Shots Per Foot | PERFORATION RECORD - Bridge Plugs Set/Type<br>Specify Footage of Each Interval Perforated | Acid, Fracture, Shot, Cement Squeeze Record<br>(Amount and Kind of Material Used) | Depth       |
|----------------|---|---|-------------|
|                |   | 7000 gal 15% FE Arbuckle  | 4338 - 4650 |
|                |   |   |             |
|                |   |   |             |
|                |   |   |             |

| TUBING RECORD                                   |           | Size   | Set At      | Packer At     | Liner Run   |
|---|-----------|--|-------------|---------------|---|
|   |           | 2-3/8"   | 4264'       | 4264'         | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Date of First, Resumed Production, SWD or Enhr. |           | Producing Method   |             |               |   |
| wait on flowline & facilities                   |           | <input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) |             |               |   |
| Estimated Production Per 24 Hours               | Oil Bbls. | Gas Mcf  | Water Bbls. | Gas-Oil Ratio | Gravity   |

Disposition of Gas **METHOD OF COMPLETION** Production Interval

Vented  Sold  Used on Lease  Open Hole  Perf.  Dually Comp.  Commingled \_\_\_\_\_  
 (If vented, Sumit ACO-18.)  Other (Specify) SWD



KCC

NOV 30 2004

CONFIDENTIAL

SALES OFFICE:  
100 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

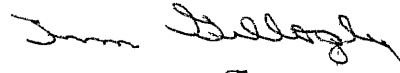
SALES & SERVICE OFFICE:  
1700 S. Country Estates Rd.  
P.O. Box 129  
Liberal, KS 67905-0129  
(620) 624-2277  
(620) 624-2280 FAX

Invoice

|  |                    |                |                             |                       |                     |              |                   |
|--|--------------------|----------------|-----------------------------|-----------------------|---------------------|--------------|-------------------|
| Bill to:   |                    |                | 5138010                     | <b>Invoice</b>        | <b>Invoice Date</b> | <b>Order</b> | <b>Order Date</b> |
| LARIO OIL & GAS<br>P.O. Box 784<br>Hays, KS 67601  |                    |                |                             | 410150                | 10/31/04            | 9025         | 10/30/04          |
| <p style="text-align: center;"><b>RECEIVED</b><br/><b>DEC 01 2004</b><br/><b>KCC WICHITA</b></p> |                    |                | <b>Service Description</b>  |                       |                     |              |                   |
|  |                    |                | Cement - Long string casing |                       |                     |              |                   |
|  |                    |                | <b>Lease</b>                |                       | <b>Well</b>         |              |                   |
|  |                    |                | Robert Jones                |                       | 2-12                |              |                   |
| <b>A/E</b>   | <b>CustomerRep</b> | <b>Treater</b> | <b>Well Type</b>            | <b>Purchase Order</b> | <b>Terms</b>        |              |                   |
| 04-189   | B. Sander          | K. Gordley     | New Well.                   |                       | Net 30              |              |                   |

| ID.  | Description   | UOM | Quantity | Unit Price | Price          |
|------|---|-----|----------|------------|----------------|
| D205 | AA2 (COMMON)  | SK  | 275      | \$14.75    | \$4,056.25 (T) |
| C194 | CELLFLAKE   | LB  | 68       | \$2.00     | \$136.00 (T)   |
| C195 | FLA-322   | LB  | 208      | \$7.50     | \$1,560.00 (T) |
| C221 | SALT (Fine)   | GAL | 1557     | \$0.25     | \$389.25 (T)   |
| C243 | DEFOAMER  | LB  | 52       | \$3.45     | \$179.40 (T)   |
| C312 | GAS BLOCK   | LB  | 195      | \$5.15     | \$1,004.25 (T) |
| C304 | SUPER FLUSH II  | GAL | 500      | \$1.85     | \$925.00 (T)   |
| F101 | TURBOLIZER, 5 1/2"                                    | EA  | 12       | \$71.00    | \$852.00 (T)   |
| F121 | BASKET, 5 1/2"  | EA  | 1        | \$205.00   | \$205.00 (T)   |
| F171 | LATCH DOWN PLUG & BAFFLE, 5 1/2"                      | EA  | 1        | \$250.00   | \$250.00 (T)   |
| F274 | WEATHERFORD CEMENTING SHOE<br>PACKER TYPE, 5 1/2"     | EA  | 1        | \$3,100.00 | \$3,100.00 (T) |
| E100 | HEAVY VEHICLE MILEAGE - 1 WAY                         | MI  | 50       | \$3.50     | \$175.00       |
| E101 | CAR, PICKUP OR VAN MILEAGE - 1 WAY                    | MI  | 50       | \$2.00     | \$100.00       |
| E104 | PROPPANT / BULK DELIV SERVICES/TON<br>MILE, \$200 MIN | TM  | 648      | \$1.50     | \$972.00       |
| E107 | CEMENT SERVICE CHARGE                                 | SK  | 275      | \$1.50     | \$412.50       |
| R701 | CEMENT HEAD RENTAL                                    | EA  | 1        | \$250.00   | \$250.00       |
| R209 | CASING CEMENT PUMPER, 4001-4500' 1ST<br>4 HRS ON LOC  | EA  | 1        | \$1,764.00 | \$1,764.00     |

RELEASED FROM CONFIDENTIAL

  
 11-5-04  
 NOV 30 2004 Kingman, County & State Tax Rate: 5.30% Taxes: \$482.97  
 (1) Taxable Item  
**Sub Total:** \$16,330.65  
**Discount:** \$4,573.12  
**Discount Sub Total:** \$11,757.53  
**Total:** \$12,240.50

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.



**TREATMENT REPORT**

|                                   |                                  |
|-----------------------------------|----------------------------------|
| Customer ID                       | Date                             |
| Customer <b>LARCO</b>             | <b>10-30-04</b>                  |
| Lease <b>ROBERT JONES</b>         | Lease No.                        |
| Well # <b>2-12</b>                |                                  |
| Field Order # <b>9025</b>         | Station <b>PRATT, KS</b>         |
| Casing <b>5 1/2</b>               | Depth <b>4338</b>                |
| County <b>WICHITA</b>             | State <b>KS</b>                  |
| Type Job <b>LOWEST POINT - NW</b> | Formation <b>TD-4650'</b>        |
|                                   | Legal Description <b>12-28-5</b> |

| PIPE DATA                |              | PERFORATING DATA |                 | FLUID USED |                           | TREATMENT RESUME |                  |
|--------------------------|--------------|------------------|-----------------|------------|---------------------------|------------------|------------------|
| Casing Size <b>5 1/2</b> | Tubing Size  | Shots/Ft         | <b>15.0 PPG</b> | Acid       | <b>275 SK AAZ</b>         | RATE             | PRESS            |
| Depth <b>4338</b>        | Depth        | From             | <b>To 1.44</b>  | Pre-Pad    | <b>10% SALT</b>           | Max              | 5 Min.           |
| Volume                   | Volume       | From             | <b>To 6.2</b>   | Pad        | <b>1/4 #/sk CE11F/ALE</b> | Min              | 10 Min.          |
| Max Press                | Max Press    | From             | To              | Frac       | <b>3/4 % GAS BLOCK</b>    | Avg              | 15 Min.          |
| Well Connection          | Annulus Vol. | From             | To              |            | <b>8/10 % FLA-322</b>     | HHP Used         | Annulus Pressure |
| Plug Depth <b>4295</b>   | Packer Depth | From             | To              | Fresh      | <b>2.0 % DEFORMER</b>     | Gas Volume       | Total Load       |

|                                     |                                 |                         |
|-------------------------------------|---------------------------------|-------------------------|
| Customer Representative <b>BRAD</b> | Station Manager <b>RELEASER</b> | Treater <b>GO RIXEY</b> |
| Service Units <b>120</b>            | <b>26</b>                       | <b>8</b>                |

| Time        | Casing Pressure | Tubing Pressure | Bbls. Pumped | Rate     | Service Log                                   |
|-------------|-----------------|-----------------|--------------|----------|---|
| <b>0300</b> |                 |                 |              |          | <b>ON LOCATION</b>                            |
|             |                 |                 |              |          | <b>RECEIVED</b>                               |
|             |                 |                 |              |          | <b>DEC 01 2004</b>                            |
|             |                 |                 |              |          | <b>KCC WICHITA</b>                            |
|             |                 |                 |              |          | <b>RUN 4338 5 1/2 CASING</b>                  |
|             |                 |                 |              |          | <b>PACKER SHOE, LATCH DOWN BARREL</b>         |
|             |                 |                 |              |          | <b>CENT. - 1-3-5-7-9-11-13-15-17-19-21-24</b> |
|             |                 |                 |              |          | <b>BARREL - BOTTOM #2</b>                     |
|             |                 |                 |              |          | <b>SET CSG AT 4338 - CIRC 1 HR</b>            |
|             |                 |                 |              |          | <b>DROP BARREL - SET PKR SHOE</b>             |
|             |                 |                 |              |          | <b>CIRC. + HOUR</b>                           |
|             | <b>800</b>      |                 | <b>5</b>     | <b>6</b> | <b>PUMP 5 bbl H2O</b>                         |
|             | <b>800</b>      |                 | <b>12</b>    | <b>6</b> | <b>PUMP 12 bbl SUPERPUSH</b>                  |
|             | <b>800</b>      |                 | <b>5</b>     | <b>6</b> | <b>PUMP 5 bbl H2O</b>                         |
|             | <b>300</b>      |                 | <b>65</b>    | <b>6</b> | <b>MIX 250 SK AAZ CEMENT</b>                  |
|             |                 |                 |              |          | <b>STOP - WASH LINE - DROP PLUG</b>           |
|             | <b>0</b>        |                 | <b>0</b>     | <b>7</b> | <b>START DISP.</b>                            |
|             | <b>500</b>      |                 | <b>40</b>    | <b>7</b> | <b>LEFT CEMENT</b>                            |
|             | <b>1000</b>     |                 | <b>95</b>    | <b>5</b> | <b>SLOW RATE</b>                              |
| <b>0845</b> | <b>1500</b>     |                 | <b>102</b>   | <b>5</b> | <b>PLUG DOWN - HOLD</b>                       |
|             |                 |                 |              |          | <b>PLUG RET &amp; WHT - 255 SK AAZ</b>        |
| <b>0930</b> |                 |                 |              |          | <b>JOB COMPLETE - THANKS - KEVIN</b>          |