

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

CONFIDENTIAL

Operator: License # 5214
Name: Lario Oil & Gas Company
Address: 301 S. Market Street
City/State/Zip: Wichita, KS 67207
Purchaser: Plains Marketing / West Wichita Gas Gathering
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: _____
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>07/30/2004</u>	<u>08/05/2004</u>	<u>09/09/2004</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 095-21897-00-00
County: Kingman
SW SW SW Sec. 07 Twp. 28 S. R. 5 East West
330 feet from (S) N (circle one) Line of Section
330 feet from E (W) (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW (SW)
Lease Name: Hilger Well #: 1-7
Field Name: Dewey

Producing Formation: Mississippian
Elevation: Ground: 1442 Kelly Bushing: 1450
Total Depth: 3950 Plug Back Total Depth: 3886
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 cmt.

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit) ALF I WHM
2-28-07
Chloride content 60,000 ppm Fluid volume 1,800 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 17, 2004

Subscribed and sworn to before me this 17 th day of November, 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

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

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Operator Name: Lario Oil & Gas Company Lease Name: Hilger Well #: 1-7
 Sec. 07 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 <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 SDL/DSN HRI MEL PE FWS/LSS	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td><input checked="" type="checkbox"/> Log</td> <td>Formation (Top), Depth and Datum</td> <td><input type="checkbox"/> Sample</td> </tr> <tr> <td>Name</td> <td>Top</td> <td>Datum</td> </tr> <tr> <td>Indian Cave</td> <td>1806</td> <td>- 356</td> </tr> <tr> <td>Lansing</td> <td>3039</td> <td>-1589</td> </tr> <tr> <td>Stark Shale</td> <td>3410</td> <td>-1960</td> </tr> <tr> <td>Base KC</td> <td>3485</td> <td>-2035</td> </tr> <tr> <td>Mississippian</td> <td>3814</td> <td>-2364</td> </tr> </table>	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample	Name	Top	Datum	Indian Cave	1806	- 356	Lansing	3039	-1589	Stark Shale	3410	-1960	Base KC	3485	-2035	Mississippian	3814	-2364
<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample																				
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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"	24	280	60/40 Poz	190	2% gel + 3% CC
Production	7-7/8"	5-1/2"	15.5	3949	ASC	175	5# Kalseal + 1/4# CF + 0.75% CasBlock

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 Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
3	3822' - 3830'	1250 gal 15% NEFE	
		15,000 gal XL + 1,300# 100 Mesh +	
		19,000# 12/20	

TUBING RECORD		Size <u>2-3/8"</u>	Set At <u>3768</u>	Packer At <u>3771</u>	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or Enhr. <u>wait on gas pipeline connection</u>		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.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity

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
 FEDERAL TAX ID# 48-0727860

 * I N V O I C E *

Invoice Number: 093989

Invoice Date: 07/31/04

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

Cust I.D.....: Lario
 P.O. Number...: Hilger 1-7 (Surface casing)
 P.O. Date....: 07/31/04 AFE #04-132

Due Date.: 08/30/04
 Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TY
Common	114.00	SKS	7.6500	872.10	T
Pozmix	76.00	SKS	4.0000	304.00	T
Gel	3.00	SKS	11.0000	33.00	T
Chloride	6.00	SKS	30.0000	180.00	T
Handling	199.00	SKS	1.2500	248.75	E
Mileage (45)	45.00	MILE	9.9500	447.75	E
199 sks @\$.05 per sk per mi					
Surface	1.00	JOB	520.0000	520.00	E
Mileage pmp trk	45.00	MILE	4.0000	180.00	E
Plug	1.00	EACH	45.0000	45.00	T

All Prices Are Net, Payable 30 Days Following Subtotal: 2830.60
 Date of Invoice. 1 1/2% Charged Thereafter. Tax.....: 76.01
 If Account CURRENT take Discount of \$ 283.06 Payments: 0.00
 ONLY if paid within 30 days from Invoice Date Total....: 2906.61

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Handwritten signature: *Jim Hilger*

Stamp: AUG 17 2004

Handwritten date: 8-14-04

ALLIED CEMENTING CO., INC. 17313

Federal Tax I.D.# 48-0727860

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

SERVICE POINT: Medford

DATE <u>7-30-4</u>	SEC <u>7</u>	TWP <u>285</u>	RANGE <u>05 W</u>	CALLED OUT <u>3:20 pm</u>	ON LOCATION <u>5:00 pm</u>	JOB START <u>8:00 pm</u>	JOB FINISH <u>7:00 pm</u>
LEASE <u>Helgen</u>		WELL # <u>1-7</u>		LOCATION <u>Murdock, Ks, 1 1/2 E</u>		COUNTY <u>Kingman</u>	STATE <u>Ks</u>
OLD OR NEW (Circle one) <u>NEW</u>				<u>As Entered</u>			

CONTRACTOR Duke #3
 TYPE OF JOB Surface
 HOLE SIZE 12 1/8 T.D. 280
 CASING SIZE 8 5/8 DEPTH 284
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX 300 MINIMUM 100
 MEAS. LINE _____ SHOE JOINT _____
 CEMENT LEFT IN CSG. 15 ft
 PERFS. _____
 DISPLACEMENT 17 bbls

OWNER Jario Oil + Gas
 CEMENT AMOUNT ORDERED 190# 60/402+3

EQUIPMENT

PUMP TRUCK CEMENTER Mark B
 # 372 HELPER Darrin F
 BULK TRUCK
 # 364 DRIVER Larry G
 BULK TRUCK
 # _____ DRIVER _____

COMMON	<u>114 A</u>	@	<u>7.65</u>	<u>872.10</u>
POZMIX	<u>76</u>	@	<u>4.00</u>	<u>304.00</u>
GEL	<u>3</u>	@	<u>11.00</u>	<u>33.00</u>
CHLORIDE	<u>10</u>	@	<u>30.00</u>	<u>180.00</u>
ASC		@		
RECEIVED				
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KCC WICHITA				
HANDLING	<u>199</u>	@	<u>1.25</u>	<u>248.75</u>
MILEAGE	<u>45 x 199 x .05</u>			<u>447.75</u>
				TOTAL <u>2085.60</u>

REMARKS:
Pipe on Bottom
Break circulation
pump 190# 60/40 2+36 cc
displace 17 bbls
Cement did circulate

SERVICE

DEPTH OF JOB	<u>250'</u>		
PUMP TRUCK CHARGE			<u>520.00</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>45</u>	@	<u>4.00</u> <u>180.00</u>
TOTAL <u>700.00</u>			

CHARGE TO: Jario Oil + Gas
 STREET _____
 CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

MANIFOLD	@		
<u>8 5/8 Plug 1</u>	@	<u>45.00</u>	<u>45.00</u>
	@		
	@		
TOTAL <u>45.00</u>			

To Allied Cementing Co., Inc.
 You are hereby requested to rent cementing equipment and furnish cementer and helper 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 & understand the "TERMS AND CONDITIONS" listed on the reverse side.

TAX _____
 TOTAL CHARGE ~~2085.60~~
 DISCOUNT ~~2000~~ IF PAID IN 30 DAYS

SIGNATURE John J. Armbruster x JOHN J. ARMBRUSTER
 ANY APPLICABLE TAX WILL BE CHARGED UPON INVOICING thank you
 PRINTED NAME

ALLIED CEMENTING CO., INC.

P.O. BOX 31
 RUSSELL, KS 67665
 PH (785) 483-3887
 FAX (785) 483-5566
 FEDERAL TAX ID# 48-0727860

 * INVOICE *

Invoice Number: 094105

Invoice Date: 08/13/04

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

Cust I.D.....: Lario
 P.O. Number...: Hilger 1-7 (Long String casing)
 P.O. Date.....: 08/13/04 AFE #04-132

Due Date.: 09/12/04
 Terms.....: Net 30

8-6-04

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	15.00	SKS	7.8500	117.75	T
Pozmix	10.00	SKS	4.1000	41.00	T
Gel	1.00	SKS	11.0000	11.00	T
ASC	175.00	SKS	9.8000	1715.00	T
KolSeal	875.00	LBS	0.5000	437.50	T
Mud Clean	500.00	GAL	1.0000	500.00	T
Gas Block	82.00	LBS	7.0000	574.00	T
Handling	250.00	SKS	1.3500	337.50	E
Mileage (45) 250 sks @\$.05 per sk per mi	45.00	MILE	12.5000	562.50	E
Production	1.00	JOB	1180.0000	1180.00	E
Mileage pmp trk	45.00	MILE	4.0000	180.00	E
TRP	1.00	EACH	60.0000	60.00	T

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All Prices Are Net, Payable 30 Days Following
 Date of Invoice. 1 1/2% Charged Thereafter.
 If Account CURRENT take Discount of \$ 571.62
 ONLY if paid within 30 days from Invoice Date

Subtotal: 5716.25
 Tax.....: 183.18
 Payments: 0.00
 Total....: 5899.43

OK to Pay

SEP 21 2004

BY	JS	MF	GV	SF	DM

Jim Hilger
 9-20-04

ALLIED CEMENTING CO., INC. 17317

Federal Tax I.D.# 48-0727860

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

SERVICE POINT:
Medford

DATE <u>8-6-04</u>	SEC. <u>07</u>	TWP. <u>28s</u>	RANGE <u>0.5W</u>	CALLED OUT <u>10:30 AM</u>	ON LOCATION <u>1:00 PM</u>	JOB START	JOB FINISH
LEASEE <u>Helger</u>	WELL# <u>1-7</u>	LOCATION <u>Murdock Ln, SE, 4n</u>	COUNTY <u>Kingman</u>	STATE <u>KS</u>			
OLD OR (NEW) (Circle one) <u>NEW</u>			<u>E/S</u>				

CONTRACTOR Duke #2
 TYPE OF JOB production
 HOLE SIZE 7 7/8 T.D. 3950
 CASING SIZE 5 1/2 DEPTH 3963
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE 4 1/2 DEPTH 3850
 TOOL _____ DEPTH 3919
 PRES. MAX 1000 MINIMUM 100
 MEAS. LINE _____ SHOE JOINT 44.39
 CEMENT LEFT IN CSG. 44.32 ft
 PERFS. _____
 DISPLACEMENT 9 1/4 bbls 28 KCL

OWNER Lario Oil + Gas
 CEMENT
 AMOUNT ORDERED 175 cu yds + #5 Kol-Seal
+ .58 gas block, 2.5 gal 60/40 48 gal.
500 gal mud clean
 COMMON 15 A @ 7.85 117.75
 POZMIX 10 @ 4.10 41.00
 GEL 1 @ 11.00 11.00
 CHLORIDE _____ @ _____
 ASC 175 @ 9.80 1715.00

EQUIPMENT

PUMP TRUCK CEMENTER white
 # 372 HELPER Darin F
 BULK TRUCK _____
 # 364 DRIVER Josh
 BULK TRUCK _____
 # _____ DRIVER _____

Kol Seal 8.75 # @ 1.50 437.50
Mud clean 500 gal @ 1.00 500.00
Gas Block 8.2 # @ 7.00 574.00
 _____ @ _____
 _____ @ _____
 _____ @ _____
 HANDLING 250 @ 1.35 337.50
 MILEAGE 250 x 45 x .05 562.50
 TOTAL 4296.25

REMARKS:
pipe on bottom break 2 circulation
pump 3 fresh @ 500 gal mud clean
pump 2.5 cu yds 60/40 4 in 1 qt +
mouse pump, 1.75 cu yds dec + #5
Kol Seal + .58 gal block wash
pump + temp. displace 1 bbls
of 28 KCL bump plug at
194 bbls float held

CHARGE TO: Lario Oil + Gas
 STREET _____
 CITY _____ STATE _____ ZIP _____

SERVICE

DEPTH OF JOB 3950
 PUMP TRUCK CHARGE _____ 1180.00
 EXTRA FOOTAGE _____ @ _____
 MILEAGE 45 @ 4.00 180.00
 _____ @ _____
 _____ @ _____
 _____ @ _____
 TOTAL 1360.00

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To Allied Cementing Co., Inc.
 You are hereby requested to rent cementing equipment and furnish cementer and helper 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 & understand the "TERMS AND CONDITIONS" listed on the reverse side.

PLUG & FLOAT EQUIPMENT

MANIFOLD _____ @ _____
Top Rubber @ 60.00 60.00
 _____ @ _____
 _____ @ _____
 TOTAL 60.00

TAX _____
 TOTAL CHARGE 1360.00
 DISCOUNT 0.00 IF PAID IN 30 DAYS

SIGNATURE _____
 ANY APPLICABLE TAX WILL BE CHARGED UPON INVOICING

Thank you!

PRINTED NAME _____

