

Notice: Fill out COMPLETELY and return to Conservation Division at the address below within 60 days from plugging date.

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION WELL PLUGGING RECORD K.A.R. 82-3-117

Form CP-4 December 2003 Type or Print on this Form Form must be Signed All blanks must be Filled

Lease Operator: Lario Oil & Gas Company

Address: 301 South Market, Wichita, KS 67202

Phone: (316) 265-5611 Operator License #: 5214

Type of Well: Oil & Gas D&A Docket #: (Oil, Gas D&A, SWD, ENHR, Water Supply Well, Cathodic, Other) (If SWD or ENHR)

The plugging proposal was approved on: 08-17-07 (Date)

by: Steve VanGieson (KCC District Agent's Name)

Is ACO-1 filed? [X] Yes [] No If not, is well log attached? [] Yes [] No

Producing Formation(s): List All (If needed attach another sheet)

Depth to Top: Bottom: T.D. (repeated three times)

API Number: 15 - 095-22113-00-00

Lease Name: Hilger "A"

Well Number: 1-12

Spot Location (QQQQ): - S/2 - NW - SE 1650 Feet from [] North / [X] South Section Line

1980 Feet from [X] East / [] West Section Line

Sec. 12 Twp. 28 S. R. 6 [] East [X] West

County: Kingman

Date Well Completed: D & A

Plugging Commenced: 08-26-07

Plugging Completed: 08-26-07

Show depth and thickness of all water, oil and gas formations.

Table with columns: Oil, Gas or Water Records (Formation, Content) and Casing Record (Surface Conductor & Production) (From, To, Size, Put In, Pulled Out). Row 1: *see attached drilling report, 0' to 283', 8 5/8" new 23#, 272.26', 0'.

Describe in detail the manner in which the well is plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same depth placed from (bottom), to (top) for each plug set.

Plug well with 110 sacks of 60/40 Poz, 4% gel.

1st plug @ 850' with 35 sacks. 2nd plug @ 335' with 35 sacks. 3rd plug @ 60 with 25 sacks.

Plug rat hole with 15 sacks. No mouse hole.

Job complete @ 9:15 am on 08-26-07 by Basic Energy (tk #16570)

Name of Plugging Contractor: Southwind Drilling, Inc. License #: 33350

Address: PO Box 276, Ellinwood, KS 67526

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Name of Party Responsible for Plugging Fees: Lario Oil & Gas Company

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State of Kansas County, Barton, ss.

Todd E. Morgenstern, VP/OP of Southwind Drilling, Inc. (Employee of Operator) or (Operator) on above-described well, being first duly

sworn on oath, says: That I have knowledge of the facts statements, and matters herein contained, and the log of the above-described well is as filed, and the same are true and correct, so help me God.



(Signature) [Handwritten Signature]

(Address) PO Box 276, Ellinwood, KS 67526

SUBSCRIBED and SWORN TO before me this 4 day of September, 20 07

[Handwritten Signature] My Commission Expires: 7-15-09

SOUTHWIND DRILLING, INC.
PLUGGING ORDERS AND REPORTS

Lease: HOLGER "A" #1-12 (LARGO OIL & GAS)

Plugging received from KCC representative:

Name: STEVE VANGUJSSON Date 8-17-07 Time 10:15 A.M.

1st plug @ 850 ft. 35 sx. Stands: 14

2nd plug @ 335 ft. 35 sx. Stands: 5 1/2

3rd plug @ 60 ft. 25 sx. Stands: 1

4th plug @ _____ ft. _____ sx. Stands: _____

5th plug @ _____ ft. _____ sx. Stands: _____

Mousehole NA sx.

Rahole 15 sx.

Total Cement used: 110 sx.

Type of cement 60/40 Poz, 4% GEL

Plug down @ 9:15 A.M 8-26-07

Call KCC When Completed:

Name: VERGIL CLOTHIER Date 8-27-07 Time 8:30 A.M.

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FIELD ORDER 16570

Subject to Correction

Date	8-26-07	Customer ID		Lease	Hilger	Well #	A 1-10	Legal	12 23 6
C H A R G E	Lario Oil and Gas		Depth	County	Kingman	State	KS	Station	Pratt
			Formation	Casing		Casing Depth		TD	
			Shoe Joint	Customer Representative		Luv	Treater		Steve Orlando
			Job Type	CNW-PTA					

AFE Number		PO Number		Materials Received by	X <i>Bubynne Turner</i>
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Station Code	Product Code	QUANTITY	MATERIALS, EQUIPMENT, and SERVICES USED	UNIT PRICE	AMOUNT
P	D203	110sk	60/40 Poz		1178.10
P	C320	19026	Cement Gel		47.50
P	F163	1ea	Wooden Cement plug 3 5/8		88.90
P	E100	100mi	Heavy Vehicle Mileage		500.00
P	E101	50mi	Pickup Mileage		150.00
P	E104	238tn	Bulk Delivery		380.00
P	E107	110sk	Cement Service Charge		165.00
P	E891	1ea	Service Supervisor		150.00
P	R400	1ea	Cement Pumper Plug + Abandon		700.00
			Discounted price plus taxes		3023.55

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

TOTAL

Customer: Lario Oil & Gas	Lease No.	Date: 8-26-07
Lease: Hilgar	Well #: A 1-12	
Field Order #: 16570	Station: Pratt	Casing
Type Job: CNW PTA	Formation	Legal Description: 12-28-6

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME		
Casing Size	Tubing Size	Shots/Ft	1105sk	Acid	60/40 Poz	RATE	PRESS	ISIP
Depth	Depth	From	To	Pre Pad	C. 1.42	Max		5 Min.
Volume	Volume	From	To	Pad		Min		10 Min.
Max Press	Max Press	From	To	Frac		Avg		15 Min.
Well Connection	Annulus Vol.	From	To			HHP Used		Annulus Pressure
Plug Depth	Packer Depth	From	To	Flush		Gas Volume		Total Load

Customer Representative: Leo	Station Manager: Dave Scott	Treater: Steve Orlando
Service Units: 15769 19743		
Driver Names: Steve Korman/Paul McGraw		

Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
5:00					On location - Safety meeting
8:15			1st plug @ 850'	4	w/ 35sks 60/40 poz
			10	4	H2O Ahead
			7.8	4	Mix 35sks @ 13.8#/gal
			9	4	H2O Displacement
8:45			2nd plug @ 335'	4	w/ 35sks 60/40 poz
			5	4	H2O Ahead
			7.8	4	Mix 35sks @ 13.8#/gal
			1.5	4	H2O Displacement
9:15			3rd plug @ 60'	3	w/ 25sks 60/40 poz
			5.5	3	Mix 25sks 60/40 poz @ 13.8#/gal
			1/2	3	H2O Displacement
9:20			4		Mix 15sks 60/40 poz for R.H.
					Job complete,
					Thanks, Steve

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Taylor Printing, Inc. 620-672-3656

TOTAL DEPTH: Driller: 4007' Ground Elevation: 1408'
 Logger: 4010' KB Elevation: 1477'

LOG:
 0' - 850' Redbed
 850' - 1487' Redbed/Shale
 1487' - 2770' Shale
 2770' - 4007' Lime/Shale
 4007' RTD

CASING RECORDS

Surface casing - 8 5/8"
 Ran 6 joints of 23# new 8 5/8" surface casing. Tally @ 272.26'. Set @ 283'. Cement with 190 sacks of 60/40 Poz, 2% gel, 3% calcium chloride. Cement did circulate. Plug down @ 4:00 am on 08-18-07 by Allied Cementing (tk #31091).

Production casing - 5 1/2"
 None - plugged the well

DEVIATION SURVEYS

1 1/4 degree (s) @ 285'
 1 degree (s) @ 3493'
 1 degree (s) @ 4007'

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SOUTHWIND DRILLING, INC.
RIG #2

PO Box 276, Ellinwood, KS 67526
Office Phone 620-564-3800, Fax 620-564-3845

DRILLING REPORT

Hilger "A" #1-12

Location: 1650' FSL & 1980' FEL
API#: 15-095-22113-00-00

Section 12-28S-6W
Kingman County, Kansas

OWNER: _____ : Lario Oil & Gas Company
CONTRACTOR: Southwind Drilling, Inc. Rig #2

COMMENCED: 08-17-07
COMPLETED: 08-26-07

TOTAL DEPTH: Driller: 4007'
Logger: 4010'

Ground Elevation: 1468'
KB Elevation: 1477'

LOG:

0'	-	850'	Redbed
850'	-	1487'	Redbed/Shale
1487'	-	2770'	Shale
2770'	-	4007'	Lime/Shale
		4007'	RTD

CASING RECORDS

Surface casing – 8 5/8"

Ran 6 joints of 23# new 8 5/8" surface casing. Tally @ 272.26'. Set @ 283'. Cement with 190 sacks of 60/40 Poz, 2% gel, 3% calcium chloride. Cement did circulate. Plug down @ 4:00 am on 08-18-07 by Allied Cementing (tk #31091).

Production casing – 5 1/2"

None – plugged the well

DEVIATION SURVEYS

1 ¼ degree (s)	@	285'
1 degree (s)	@	3493'
1 degree (s)	@	4007'

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WICHITA, KS

MORNING DRILLING REPORT				Email to: Jay Schweikert, Kathy Ford & Leslie Sullivan				
Southwind Drilling, Inc. PO Box 276 8 North Main Ellinwood, KS 67526 620-564-3800			Wellsite Geologist: Vern Schrag 316-772-8786	WELL NAME		Hilger "A" #1-12		
Rig #2 Phone Numbers				LOCATION		1980' FSL & 1980' FEL Sec. 12-28S-6W Kingman County, KS		
620-617-5921			Rig Cellular (Dog house)	Yes	Lario Oil & Gas Company 301 South Market Wichita, KS 67202 316-265-5611			
620-617-5920			Geologist Trailer Cellular	No				
620-450-7682			Tool Pusher Cellular	Yes	LeWayne Tresner	ELEVATION		
						G.L. 1468'	K.B. 1477'	API# 15-095-22113-00-00

Driving Directions: From Kingman: East on Hwy 54 to Murdock exit, 3 1/2 miles South, .7 miles East on SE 20th, North into.

Day 1 Date 08-17-07 Friday Survey @ 285' = 1 1/4 degree

Moved Rig #2 on location

Spud @ 8:00 pm on 08-17-07

Ran 7.00 hours drilling (3.00 rat hole, 4.00 drill 12 1/4"). Down 17.00 hours (10.00 move/rig up, 1.75 connection, .25 trip, .25 survey, .25 circulate, 1.50 run casing/cement, 3.00 wait on cement)

Mud properties: spud mud

Daily Mud Cost = \$0.00. Mud Cost to Date = \$0.00

Wt. on bit: all, 120 RPM, 400# pump pressure

12 1/4" bit #1 (in @ 0' out @ 285') = 4.00 hrs. - 285'

1" fuel = 34.50 gals.

Fuel usage: 103.50 gals (87" used 3") Start @ 29" + 61" delivered = 90'

Ran 6 joints of 23# new 8 5/8" surface casing. Tally @ 272.26'. Set @ 283'. Cement with 190 sacks of 60/40 Poz, 2% gel, 3% calcium chloride. Cement did circulate. Plug down @ 4:00 am on 08-18-07 by Allied Cementing (tkr #31091).

Day 2 Date 08-18-07 Saturday

7:00 am - Waiting on cement @ 285'

Ran 15.00 hours drilling. Down 9.00 hours (5.00 wait on cement, .25 rig repair, .50 rig check, .50 drill plug, 2.00 connection, .75 jet)

Mud properties: spud mud

Daily Mud Cost = \$1,074.20. Mud Cost to Date = \$1,074.20.

Wt. on bit: 20,000, 80 RPM, 400# pump pressure

12 1/4" bit #1 (in @ 0' out @ 285') = 4.00 hrs. - 285'

7 7/8" bit #1 (in @ 285') = 15.00 hrs. - 935'

Fuel usage: 241.50 gals (80" used 7")

Day 3 Date 08-19-07 Sunday

7:00 am - Drilling @ 1220'

Ran 20.50 hours drilling. Down 3.50 hours (.75 rig check, .25 CFS @ 1882', 1.50 connection, 1.00 jet)

Mud properties: wt. 9.7, vis. 29

Daily Mud Cost = \$2,916.30. Mud Cost to Date = \$3,990.50.

Wt. on bit: 20,000, 80 RPM, 400# pump pressure

12 1/4" bit #1 (in @ 0' out @ 285') = 4.00 hrs. - 285'

7 7/8" bit #1 (in @ 285') = 35.50 hrs. - 1825'

Fuel usage: 414.00 gals (68" used 12")

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08/17/07

MORNING DRILLING REPORT				Email to: Jay Schweikert, Kathy Ford & Leslie Sullivan			
Southwind Drilling, Inc. PO Box 276 8 North Main Ellinwood, KS 67526 620-564-3800			Wellsite Geologist: Vern Schrag 316-772-8786	WELL NAME		Hilger "A" #1-12	
Rig #2 Phone Numbers				LOCATION		1980' FSL & 1980' FEL Sec. 12-28S-6W Kingman County, KS	
620-617-5921			Rig Cellular (Dog house)	Yes	Lario Oil & Gas Company 301 South Market Wichita, KS 67202 316-265-5611		
620-617-5920			Geologist Trailer Cellular	No			
620-450-7682			Tool Pusher Cellular	Yes	LeWayne Tresner	ELEVATION	G.L. 1468' K.B. 1477' API# 15-095-22113-00-00

Driving Directions: From Kingman: East on Hwy 54 to Murdock exit, 3 1/2 miles South, .7 miles East on SE 20th, North into.

Day 4 Date 08-20-07 Monday

7:00 am – Drilling @ 2110'
Ran 20.00 hours drilling. Down 4.00 hours (.75 rig check, 1.75 connection, .75 jet, .75 displace @ 2640')
Mud properties: wt. 8.7, vis. 41
Daily Mud Cost = \$1,315.13. Mud Cost to Date = \$5,305.63
Wt. on bit: 30,000, 80 RPM, 400# pump pressure
12 1/4" bit #1 (in @ 0' out @ 285') = 4.00 hrs. - 285'
7 7/8" bit #1 (in @ 285') = 55.50 hrs. - 2485'

Fuel usage: 345.00 gals (58" used 10")

Day 5 Date 08-21-07 Tuesday

7:00 am – Drilling @ 2770'
Ran 16.50 hours drilling. Down 7.50 hours (4.75 rig repair, .75 wait on welder, .50 rig check, 1.25 connection, .25 jet)
Mud properties: wt. 9.1, vis. 40
Daily Mud Cost = \$430.83. Mud Cost to Date = \$5,736.46
Wt. on bit: 30,000, 80 RPM, 400# pump pressure
12 1/4" bit #1 (in @ 0' out @ 285') = 4.00 hrs. - 285'
7 7/8" bit #1 (in @ 285') = 72.00 hrs. - 2935'

Fuel usage: 379.50 gals (47" used 11")

Day 6 Date 08-22-07 Wednesday Survey @ 3493' = 1 degree

DST #1 (3472'-3493')
Hertha formation
Misrun

7:00 am – Drilling @ 3220'
Ran 14.00 hours drilling. Down 10.00 hours (.50 rig repair, 5.75 trip, .25 survey, 1.50 CFS @ 3493', 1.00 CTCH, .50 connection, .25 jet, .25 DST #1)
Mud properties: wt. 9.4, vis. 40
Daily Mud Cost = \$2,141.16. Mud Cost to Date = \$7,877.62
Wt. on bit: 30,000, 80 RPM, 400# pump pressure
12 1/4" bit #1 (in @ 0' out @ 285') = 4.00 hrs. - 285'
7 7/8" bit #1 (in @ 285') = 86.00 hrs. - 3208'

Fuel usage: 345.00 gals (58" used 10") 47" + 22" delivered = 69"

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Southwind Drilling, Inc. PO Box 276 8 North Main Ellinwood, KS 67526 620-564-3800			Wellsite Geologist: Vern Schrag 316-772-8786		WELL NAME		Hilger "A" #1-12
					LOCATION		1980' FSL & 1980' FEL Sec. 12-28S-6W Kingman County, KS
Rig #2 Phone Numbers				Lario Oil & Gas Company 301 South Market Wichita, KS 67202 316-265-5611			
620-617-5921	Rig Cellular (Dog house)	Yes			ELEVATION		G.L. 1468' K.B. 1477' API# 15-095-22113-00-00
620-617-5920	Geologist Trailer Cellular	No					
620-450-7682	Tool Pusher Cellular	Yes	LeWayne Tresner				

Driving Directions: From Kingman: East on Hwy 54 to Murdock exit, 3 1/2 miles South, .7 miles East on SE 20th, North into.

Day	7	Date	08-23-07	Thursday	DST #2 (3464'-3493')
					<u>Hertha formation</u>
					<u>Misrun</u>

7:00 am – Drilling @ 3493'
Ran 13.00 hours drilling. Down 11.00 hours (3.50 rig repair, .50 rig check, 5.75 trip, .25 connection, .25 jet, 50 wait on orders, .25 DST #2)
Mud properties: wt. 9.3, vis. 47
Daily Mud Cost = \$-581.23. Mud Cost to Date = \$7,296.39
Wt. on bit: 25,000, 80 RPM, 400# pump pressure
12 1/4" bit #1 (in @ 0' out @ 285') = 4.00 hrs. - 285'
7 7/8" bit #1 (in @ 285') = 99.00 hrs. - 3410'
Fuel usage: 241.50 gals (51" used 7")

Day	8	Date	08-24-07	Friday	DST #3 (3852'-3875')
					<u>Mississippi formation</u>
					<u>Recovered 65' gassy water cut mud & 120' muddy cut water</u>

7:00 am – Drilling @ 3695'
Ran 9.50 hours drilling. Down 14.50 hours (.50 rig repair, .50 rig check, 6.75 trip, 1.00 CFS @ 3853', 1.25 CFS @ 3875', .25 connection, .25 jet, 4.00 DST #3)
Mud properties: wt. 9.2, vis. 59
Daily Mud Cost = \$739.11. Mud Cost to Date = \$8,035.50
Wt. on bit: 25,000, 80 RPM, 900# pump pressure
12 1/4" bit #1 (in @ 0' out @ 285') = 4.00 hrs. - 285'
7 7/8" bit #1 (in @ 285') = 108.50 hrs. - 3590'
Fuel usage: 310.50 gals (42" used 9")

Day	9	Date	08-25-07	Saturday
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RTD = 4007'
LTD = 4010'

7:00 am – Tripping in with bit after DST #3 @ 3875'
Ran 7.50 hours drilling. Down 16.50 hours (3.00 trip, .25 survey, 3.25 log, 1.00 CFS @ 3895', 2.25 CTCH, .25 connection, .50 wait on orders, .25 rig check, 2.00 nipple down, 3.75 rig repair).
Mud properties: wt. 9.2, vis. 59
Daily Mud Cost = \$915.67. **Total Mud Cost = \$8,951.17.**
Wt. on bit: 30,000, 80 RPM, 900# pump pressure
12 1/4" bit #1 (in @ 0' out @ 285') = 4.00 hrs. - 285'
7 7/8" bit #1 (in @ 285' out @ 4007') = 116.00 hrs. - 3722'
Fuel usage: 207.00 gals (36" used 6")

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Rig #2 Phone Numbers					LOCATION		1980' FSL & 1980' FEL Sec. 12-28S-6W Kingman County, KS
620-617-5921			Rig Cellular (Dog house)	Yes	Lario Oil & Gas Company 301 South Market Wichita, KS 67202 316-265-5611		
620-617-5920			Geologist Trailer Cellular	No	ELEVATION		G.L. 1468' K.B. 1477' API# 15-095-22113-00-00
620-450-7682			Tool Pusher Cellular	Yes	LeWayne Tresner		

Driving Directions: From Kingman: East on Hwy 54 to Murdock exit, 3 ½ miles South, .7 miles East on SE 20th, North into.

Day Date 08-26-07 Sunday

7:00 am – Laying down drill pipe @ 4007'
Ran 0.00 hours drilling. Down 8.00 hours (2.25 plug, 5.75 tear down)

Fuel usage: 34.50 gals (35" used 1")

Plug well with 110 sacks of 60/40 Poz, 4% gel.
1st plug @ 850' with 35 sacks. 2nd plug @ 335' with 35 sacks. 3rd plug @ 60' with 25 sacks to surface.
Plug rat hole with 15 sacks. No mouse hole. Job complete @ 9:15 am on 08-26-07 by Basic Energy (tk #16570).

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