

KANSAS CORPORATION COMMISSION
OIL & GAS DIVISION

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

Operator: License # 5399
Name: American Energies Corporation
Address: 155 North Market, Suite 710
City/State/Zip: Wichita, KS 67202
Purchaser: _____
Operator Contact Person: Alan L. DeGood
Phone: (316) (316) 263-5785
Contractor: Name: McPherson Drilling Co.
License: 5495
Wellsite Geologist: Frank Mize

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. _____
6/1/2004 6/03/04 6/04/04
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API NO. ~~152~~ 15-017-20861-0000
County: Chase
NE NE - SW - 18 Sec. 19 S. R. 7 East West
2310 2170 feet from (S) N (circle one) Line of Section
2310 3055 feet from (E) N (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW (SW)
Lease Name: Stevens Well #: A #1

Field Name: Wildcat
Producing Formation: None
Elevation: Ground: 1238 Kelly Bushing: _____
Total Depth: 1320 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 3 jts 20# @ 99' 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) *ALT I P&A w/ 7-24-07*
Chloride content _____ ppm Fluid volume _____ bbls
Dewatering method used _____
Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____ License No.: _____
Quarter _____ Sec _____ Twp _____ S. R. _____ East West
County: _____ Docket No.: _____

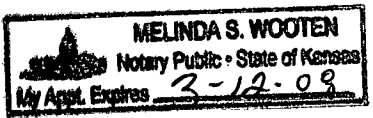
INSTRUCTIONS: An original and two copies of this form shall be filed with Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side 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: Alan L. DeGood
Title: Alan L. DeGood, President Date: 3/15/2005

Subscribed and sworn to before me this 15th day of March, 2005

Notary Public: Melinda S. Wooten
Date Commission Expires: Melinda S. Wooten, Notary Exp. 3/12/08



KCC Office Use ONLY
NO Letter of Confidentiality Attached
If Denied, Yes No Date: _____
 Wireline Log Received
 UIC Distribution

Operator Name: American Energies Corporation Lease Name: Stevens Well: A #1
 Sec. 18 Twp. 19S S. R. 7E East West County: Chase

INSTRUCTIONS: Show important tops and bas of formations penetrated. Detail all cores. Report all final copies of drill stem tests giving interval test, 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 charts(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 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (Attach Additional Sheets) Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run Yes No <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (Submit Copy) List All E. Logs Run: <p style="text-align: center;">Dual Compensated Porosity Dual Induction</p>	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Datum Name Top <p style="text-align: center;">See attached Drilling Report</p>
---	---

CASING RECORD <input 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	10 5/8"	7"	20#	99'	Class A	50 sx	3% CC, 1 sx Calcium Chlo
Production	None						

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
		RECEIVED APR 08 2005 KCC WICHITA	

TUBING RECORD Size Set At Packer At	Liner Run <input type="checkbox"/> Yes <input type="checkbox"/> No
--	--

Date of First, Resumed Production, SWD or Enhr.	Producing Method <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 <input type="checkbox"/> Vented <input type="checkbox"/> <input type="checkbox"/>	METHOD OF COMPLETION <input type="checkbox"/> Open Hole <input type="checkbox"/> Other Specify _____	Production Interval <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled _____
--	--	---

(If vented, Sumit ACO-18.)

ORIGINAL

**AMERICAN ENERGIES CORPORATION
DRILLING REPORT
Stevens A #1**

LOCATION: NE NE SW Section 18-T19S-R7E	SURFACE CASING: 3 jts 20# 7" set at 99'
API: 15-017-20861-0000	PRODUCTION CASING:
COUNTY: Chase County, Kansas	G.L.: 1238' K.B.:
CONTRACTOR: McPherson Drilling Co.	SPUD DATE: 6/1/04
GEOLOGIST: Frank Mize	COMPLETION DATE:
NOTIFY: Carl Calam, Helen Petro, D & D Investment, Dot Oil, Frank S. Mize, Bernie Peterson W. Mike Adams – Fax #684-2638	REFERENCE WELLS: 1. Donahue A #1 – E/2 NE SE 18-19S-7E

FORMATION:	SAMPLE LOG:	ELECTRIC LOG TOPS:	SAMPLE COMPARISON:	
			#1	#2
Admire		216 +1022	-11	
Indian Cave		283 +955	-8	
Tarkio		332 +906	-10	
Emporia		390 +848	-11	
Severy		602 +636	-14	
Topeka		639 +599	-12	
Oread		932 +306	-18	
Lansing		1224 +14	-16	
Lansing 'B'		1255 -17	-15	

Summit Drilling was not configured for catching samples on their new air rig, and drilling time was not definitive enough for picking sample tops.

6/01/04 MIRT, RURT Spud 6/1/04. Drilled 10 5/8" hole to 99'. Ran 3 jts 20# 7" casing set at 99'. United Cementing Cemented with 50 sx Class A 3% CC, 1 sx Calcium Chloride. Good cement returns to surface.

6/02/04 Drilled out from surface

6/03/04 At 450' and tripping for bit. Changing to rock bit from air hammer bit.

Reached TD of 1320' at 7:40 p.m., switched well over to mud for logging and pulled drill pipe to above Douglas section, shut down at 10:00 p.m.

6/04/04 Circulating well for 1 hour, came out of hole for log. Started out of hole 9:40 a.m., out of hole by 11:40 a.m., started logging. Logging complete, released rig at 3:30 p.m., United Cementing cemented with the following information: Ticket #5540. Cemented with 119 sx 60/40 poz 4% gel. Ran drill pipe to 250', broke circulation, mix and pump 98 sx 60/40 poz with 4% gel to surface. Pulled drill pipe out and topped off with 21 sx 60/40 poz + 4% gel to surface. Cement stayed in cellar. State Plugging Agent: David Wertz

**RECEIVED
APR 08 2005
KCC WICHITA**

United Cementing and Acid Co., Inc.

Oil Well Cementing & Acidizing
 (316) 321-4680 • 800-794-0187 • FAX (316) 321-4720
 2510 West 6th Street • El Dorado, KS 67042

SERVICE TICKET

5540

Lev 11
 ORIGINAL

DATE 6-4-04

COUNTY Chase CITY _____

CHARGE TO American Energies Corporation

ADDRESS _____ CITY _____ ST _____ ZIP _____

LEASE & WELL NO. Steven CONTRACTOR McPherson Drilling

KIND OF JOB Plug SEC. _____ TWP. _____ RNG. _____

DIR. TO LOC. El Dale, 4 west, South Into 4.00 OLD NEW

Quantity	MATERIAL USED	Serv. Charge	
1195x	60/40 poz + 4% gel @4.90		500.00
55x	gel @9.70		583.10
			48.50
1245x	BULK CHARGE		121.52
55	BULK TRK. MILES (6.20)		248.93
55	PUMP TRK. MILES		112.75
	PLUGS		
		SALES TAX	101.73
		TOTAL	1716.53

T.D. _____ CSG. SET AT _____ VOLUME _____
 SIZE HOLE _____ TBG SET AT _____ VOLUME _____
 MAX. PRESS. _____ SIZE PIPE _____
 PLUG DEPTH _____ PKER DEPTH _____
 PLUG USED _____ TIME FINISHED 5:00

REMARKS: Randrill pipe to 250ft. Brake circulation, Mix & pump 985x 60/40 poz + 4% gel to surface, Pulled drill pipe out & topped off with 215x 60/40 poz + 4% gel to surface, cement stayed in cellar.

EQUIPMENT USED

NAME	UNIT NO.	NAME	UNIT NO.
<u>Phillip Malone</u>	<u>P-10</u>	<u>Vic Bliss</u>	<u>B-7</u>
<u>James R. Thomas #26</u>			
CEMENTER OR TREATER		OWNER'S REP.	

United Cementing and Acid Co., Inc.

Oil Well Cementing & Acidizing
 (316) 321-4680 • 800-794-0187 • FAX (316) 321-4720
 2510 West 6th Street • El Dorado, KS 67042

SERVICE TICKET

5537

ORIGINAL

DATE 6-7-04

COUNTY Chase CITY _____

CHARGE TO American Energies Corporation

ADDRESS _____ CITY _____ ST _____ ZIP _____

LEASE & WELL NO. Steven CONTRACTOR McPherson Drilling Co.

KIND OF JOB Surface SEC. _____ TWP. _____ RNG. _____

DIR. TO LOC. Elm Dale 4 West South Int 7:00 OLD NEW

Quantity	MATERIAL USED	Serv. Charge
50.5x	class A + 3% cc	
1.5x	calcium chloride	
52.5x	BULK CHARGE	RECEIVED
	BULK TRK. MILES	APR 08 2005
	PUMP TRK. MILES	KCC WICHITA
	PLUGS	
		SALES TAX
		TOTAL

T.D. 100ft. CSG. SET AT 99ft VOLUME _____

SIZE HOLE _____ TBG SET AT _____ VOLUME _____

MAX. PRESS. _____ SIZE PIPE 7"

PLUG DEPTH 79.54 PKER DEPTH _____

PLUG USED _____ TIME FINISHED 10:00

REMARKS: Ran 7" casing to 99ft. Brake circulation, mix & Pump 50.5x class A 3% cc & disp. cement to 79ft. Cement circulated in cellar.

EQUIPMENT USED

NAME	UNIT NO.	NAME	UNIT NO.
<u>Phillip Malone</u>	<u>P-14</u>	<u>Vic Bliss</u>	<u>B-1</u>
<u>James K Thomas II</u>	<u>216</u>		
CEMENTER OR TREATER		OWNER'S REP.	

CONSOLIDATED OIL WELL SERVICES, INC.
 211 W. 14TH STREET, CHANUTE, KS 66720
 620-431-9210 OR 800-467-8676

TICKET NUMBER 3537
 LOCATION EUREKA
 FOREMAN Russell McLoey

TREATMENT REPORT & FIELD TICKET
 CEMENT

ORIGINAL

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
3-18-05	1040	Stevens A #1				CHASE
CUSTOMER American Energies Corporation			TRUCK #			
MAILING ADDRESS 155 N Market St. Ste 710			DRIVER			
CITY Wichita		STATE KS	ZIP CODE 67202		TRUCK #	
			DRIVER			
			444		ALAN	
			436		LARRY	
			195		CASEY	

JOB TYPE P.T.A. HOLE SIZE 6 1/4 HOLE DEPTH _____ CASING SIZE & WEIGHT 7"
 CASING DEPTH 99' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT _____ SLURRY VOL 8 Bbl WATER gal/sk _____ CEMENT LEFT in CASING _____
 DISPLACEMENT _____ DISPLACEMENT PSI _____ MIX PSI _____ RATE _____

REMARKS: Safety meeting, wash down 1" tubing to 70' G/L solid T.D.
Mix 35 SKs 60/40 Pozmix 4% gel. Good cement to surface. Full 1"
tubing fill hole w/ cement. hole stayed full of good heavy cement
Job complete, Tear Down

Thank you!

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5405 A	1	PUMP CHARGE	490.00	490.00
5406	50	MILEAGE	2.45	122.50
1131	35 SKs	60/40 Pozmix	7.80	273.00
1118	1 SK	gel = 4%	13.00	13.00
5502 C	2 hr	80 Bbl VAC Truck	80.00	160.00
5407.20		Tow Mileage	m/c	100.00

RECEIVED
 APR 08 2005
 KCC WICHITA

Stevenson

SALES TAX 78.02
 ESTIMATED TOTAL 1176.52

196197

TERMS

In consideration of the prices to be charged for our services, equipment and products as set forth in Consolidated Oil Well Services, Inc's (COWS) current Price Schedule, and for the performance of services and supplying of materials; customer agrees to the following terms and conditions.

Terms. Cash in advance unless satisfactory credit is established. On credit sales, invoices payable to P.O. Box 884, Chanute, KS 66720. Invoices payable within 30 days of invoice date. Charges subjected to interest after 30 days from invoice date. Interest will be charged at Maximum rate allowed by law. In the event it is necessary to employ an attorney to enforce collection of such account, customer agrees pay all collection costs and attorney's fees in the amount of 20% of said amount.

Any applicable federal, state or local sales, use, occupation, consumer's or emergency taxes shall be added to the quoted price.

A sales tax reimbursement of 2% is applied to chemical and product charges for all services performed on oil and gas wells in the State of Texas.

All process license fees required to be paid to others will be added to the scheduled prices.

All prices are subject to change without notice.

SERVICE CONDITIONS

Customer warrants that the well is in proper condition to receive the services, equipment, products, and materials to be supplied by COWS.

"The customer shall at all time have complete care, custody, and control of the well, the drilling and production equipment at the well, and the premises about the well. A responsible representative of the customer shall be present to specify depths, pressures, or materials used for any service which is to be performed."

- (a) COWS shall not be responsible for, and customer shall secure COWS against any liability for damage to property of customer and of the well owner (if different from customer), unless caused by the willful misconduct or gross negligence of COWS, this provision applying to but not limited to sub-surface damage and surface damage arising from subsurface damage.
- (b) Customer shall be responsible for and secure COWS against any liability for reservoir loss or damage, or property damage resulting from sub-surface pressure, losing control of the well and/or a well blowout, unless such loss or damage is caused by the willful misconduct of gross negligence of COWS.

- (c) Customer shall be responsible for and secure COWS against any and all liability of whatsoever nature for damages as a result of a subsurface trespass, or an action in the nature thereof, arising from a service operation performed by COWS hereunder.
- (d) Customer shall be responsible for and secure COWS against any liability for injury to or death of persons, other than employees of COWS, or damage to property (including, but not limited to, injury to the well), or any damages whatsoever, irrespective of cause, growing out of or in any way connected with the use of radioactive material in the well hole, unless such damage shall be caused by the willful misconduct or gross negligence of COWS.
- (e) COWS makes no guarantee of the effectiveness of the products, supplies or materials, nor of the results of any treatment or services.
- (f) Because of the uncertainty of variable well conditions and the necessity of relying on facts and supporting services furnished by others, COWS is unable to guarantee the accuracy of any chart interpretation, research analysis, job recommendation or other data furnished by COWS. COWS personnel will use their best efforts in gathering such information and their best judgment in interpreting it, but customer agrees that COWS shall not be responsible for any damage arising from the use of such information except where due to COWS gross negligence or willful misconduct in the preparation or furnishing of it.

WARRANTIES – LIMITATION OF LIABILITY

COWS warrants only title to the products, supplies and materials and that the same are free from defects in workmanship and materials. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED OR MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. COWS's liability and customer's exclusive remedy in any cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale or use of any products, supplies or materials is expressly limited to the replacement of such products, supplies or materials on their return to COWS or, at COWS's option, to the allowance to the customer of credit for the cost of such items. In no event, shall COWS be liable for special, incidental, indirect, punitive or consequential damages.

COWS personnel will use their best efforts in gathering such information and their best judgement in interpreting it, but Customer agrees that COWS shall not be liable for and CUSTOMER SHALL INDEMNIFY AGAINST ANY DAMAGED ARISING FROM THE USE OF SUCH INFORMATION, even if such is contributed by the COWS negligence or fault.