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KANSAS CORPORATION COMMISSION
OIL & GAS DIVISION

Form ACO-1
September 1999
Form Must Be Typed

KCC WICHITA

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: C & G Drilling Company
License: 32701
Wellsite Geologist: Doug Davis
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. _____

5/27/2005 5/31/05 7/20/2005
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API NO. 15 - 15-115-21331-00-00

County: Marion

180'W - NW - NW Sec. 35 S. R. 18 East West

800' feet from S / (circle one) Line of Section

50' feet from E / (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

(circle one) NE SE (circle one) NW SW

Lease Name: Scully H Well #: 2

Field Name: Larson North

Producing Formation: Mississippi

Elevation: Ground: 1373 Kelly Bushing: 1379

Total Depth: 2532 Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at 200' 8 5/8" @ 203' 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 WITHM 12-11-07*

Chloride content 1500 ppm Fluid volume 1000 bbls

Dewatering method used Water was hauled to SWD well

Location of fluid disposal if hauled offsite: _____

Operator Name: American Energies Corporation

Lease Name: Scully 3-34 SWD License No.: 5399

Quarter NW Sec 34 Twp 18S S. R. 2 East West

County: Marion Docket No.: D-05311

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: 8/22/2005

Subscribed and sworn to before me this 22nd day of August

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

MELINDA S. WOOTEN
Notary Public - State of Kansas
My Appt. Expires 3-12-08



Operator Name: American Energies Corporation Lease Name: Scully H Well: 2

Sec. 35 Twp. 18 S. R. 2E West County: Marion

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 Yes No
 (Attach Additional Sheets)

Samples Sent to Geological Survey Yes No

Cores Taken Yes No

Electric Log Run Yes No Yes No
 (Submit Copy)

List All E. Logs Run:
 None

Log Formation (Top), Depth and Datum Sample Datum
 Name Top Datum

See attached Drilling Report

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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"	20#	203'	60/40 poz	125	2% gel, 3% CC
Production	7 7/8"	4 1/2"	10.5#	2518'	60/40 poz	150	pozmix and Thixtropic

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
		500 gallons MCA (15% HCL)	

TUBING RECORD	Size	Set At	Packer At	Liner Run
	2 3/8"	2525'		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Date of First, Resumed Production, SWD or Enhr.	Producing Method
Waiting on Pipeline	<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
	0	100 est	5 est		

Disposition of Gas Vented Open Hole Other Specify _____

METHOD OF COMPLETION Dually Comp. Commingled _____

Production Interval _____

(If vented, Sumit ACO-18.)

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AMERICAN ENERGIES CORPORATION
 DRILLING REPORT
 SCULLY H-2

ORIGINAL

LOCATION: 280' W NW NW Section 35-18S-2E

COUNTY: Marion

API #: 15-115-21331-00-00

CONTRACTOR: C & G Drilling

GEOLOGIST: Doug Davis

NOTIFY: Randon Production, R & T Investments,
 Scully Partners, Roger A. Schulz, Dot Oil Co.,
 D & D Investment, American Energies Corp.,
 Gar Oil Corp., Helen Petrol,

SURFACE CASING: 200', 6 jts used
 8 5/8" set @ 203'

PRODUCTION CASING: 4 1/2", 60 jts
 10.5# set @ 2518'

G.L: K.B.: 1379

SPUD DATE: 5/27/05

COMPLETION DATE: 5/31/05

REFERENCE WELLS:

#1 NW NW NW Sec. 35-T18S-R2E

#2 SE NE NE Sec. 31-T18S-R2E

#3

FORMATION:	SAMPLE LOG:	ELECTRIC LOG TOPS:	COMPARISON:		
			#1	#2	#3
Lansing	1934 -555		+8	+2	
Stark Shale	2224 -845		+5	+1	
Marmaton	2336 -957		+4	+2	
Mississippi	2510 -1133		+8	Flat	
RTD	2532				

5/27/05 MIRU – C & G Drilling. Drilled 12 1/4" surface hole. Set 200' 8 5/8" used surface pipe @ 203'. Consolidated Industrial cemented with 125 sx 60/40 poz 2% gel, 3% CC. Cement did circulate.

5/28/05 Drilling @ 280'.

5/29/05 Drilling @ 2020', made bit trip @ 2175', deviation – 1/2 degree.

5/30/05 Drilling @ 2426'.

5/31/05 RTD: 2532', circulating to trip out to run new production casing. Results of DST #1: 2518-32' (Mississippi). Times: 30-60-30-60, 1st opening: strong blow in 30 seconds, GTS in 8", gauged 73 MCF increased to 137 MCF. 2nd opening: gas immediately 133 MCF, stabilizing @ 170 MCF. IFP: 31-129, ISIP: 608, FFP: 61-79, FSIP: 605, IHP: 1222, FHP: 1179, BHT: 100 degrees. Ran 4 1/2", 60 jts 10.5# production casing, set @ 2518' with 4 1/2 X 7 7/8" packer shoe. Cement by Consolidated Industrial with 100 sx 60/40 poz and tail-ended with 50 sx Thixtropic, 5 – 4 1/2" centralizer @ 2nd jt, 5th jt, 8th jt and 11th jt and 1 wiper plug. Landed plug with 800#, released packer shoe and plug down at 3:00 p.m. 5/31/05. Released rig. Final Drilling Report. Completion Reports will follow when we begin completing well.

COMPLETION INFORMATION

7/20/05 Moved in AEC's Completion Unit. Going in hole with 3 3/4" bit on 2 7/8" tubing to drill guide shoe for open hole completion.

7/21/05 Went in hole with 2 7/8" tubing and 3 3/4" bit. Found plug back TD @ 2515' at cement TD. Started rigging up power swivel. Shut-in overnight. Will drill out today.

7/22/05 Rigged up power swivel drilled shoe joint, cleaned out open hole and drilled 1 foot of new hole TD is 3233'. Circulate hole clean starting tripping out with 2 7/8" tubing and bit. Shut-in overnight. Will swab dry test natural and acidize today.

7/23/05 Swabbed well down – very little fluid entry, slight show of gas. Shut-In for weekend.

7/25/05 75# shut-in casing pressure. Casing is leaking about 15 MCF/D – will tighten and check fill-up. Will acidize with 500 gallons mud clean up acid (MCA), 15% HCL.

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ORIGINAL

Scully H-2
Page - Two

- 7/26/05 Acidized with 500 gallons MCA. Displaced acid to open hole, shut-in and let the acid soak for 3 hours, started displacement and shut-in. Swabbed well back and recovered raw (unspent) acid. Will reacidize today. Swabbed well down - dry. SION
- 7/27/05 CP: 505#, blew well down - good show of gas. Will trip in and acidize thru tubing.
- 7/28/05 CP: 505#, below well down in 15 minutes. Light blowing of gas (10 MCF), still recovering acid water. Fluid level 1500' from surface at 8:30 a.m. Swabbed well.
- 7/29/05 CP: 530# TP: 120#. This well unloaded fluid (Acid water) Flowing 60-70 MCF/D, very little water. SI.
- 7/30/05 Shut-In
- 7/31/05 Shut-In
- 8/01/05 Will flow test today. SICP: 540#, SITP: 500#. Still recovering acid treatment water. Will flow today.
- 8/02/05 SICP: 540#, SITP: 500#. Blew well down and SI.
- 8/03/05 SICP: 540#, SITP: 500#. Opened up to clean up. Well stabilized with CP: 270#, TP: 100#. Flowing thru 12/64 choke at a rate of 90 MCF with no water. Will SI and prepare to lay leadlines and production equipment.
- 8/04/05 SI we will run a 4 point test on the well Friday.
- 8/05/05 SI, will set production equipment next week, may run 4 point test depends on the mud.
- 8/06/05 SI for weekend
- 8/07/05 SI for weekend
- 8/08/05 SI CP: 570, SI TP: 570
- 8/09/05 Will lay 500' lead line to production equipment next week and start production. PBSD: 2532'. 2 3/8" tubing set @ 2525', no rods.
- 8/19/05 Waiting on Marion County Road Bore Permit for Gas Line

CONSOLIDATED OIL WELL SERVICES, INC.

TICKET NUMBER

3970

211 W. 14TH STREET, CHANUTE, KS 66720

LOCATION Foreka

620-431-9210 OR 800-467-8676

FOREMAN Brad Butler

TREATMENT REPORT & FIELD TICKET
CEMENT

ORIGINAL

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY																
5-31-05		Scully H. #2	35	18s	2E	Marion																
CUSTOMER <u>American Energies Corp.</u>			<table border="1"> <thead> <tr> <th>TRUCK #</th> <th>DRIVER</th> <th>TRUCK #</th> <th>DRIVER</th> </tr> </thead> <tbody> <tr> <td>446</td> <td>SCOTT</td> <td></td> <td></td> </tr> <tr> <td>441</td> <td>Larry</td> <td></td> <td></td> </tr> <tr> <td>442</td> <td>Anthony</td> <td></td> <td></td> </tr> </tbody> </table>				TRUCK #	DRIVER	TRUCK #	DRIVER	446	SCOTT			441	Larry			442	Anthony		
TRUCK #	DRIVER	TRUCK #					DRIVER															
446	SCOTT																					
441	Larry																					
442	Anthony																					
MAILING ADDRESS <u>155 North Market, Suite 710</u>																						
CITY <u>Wichita</u>	STATE <u>Ks.</u>	ZIP CODE <u>67202</u>																				

C+G
Drly.
Co.

JOB TYPE Logging HOLE SIZE 7 7/8" HOLE DEPTH 2533' CASING SIZE & WEIGHT 4 1/2" - 10.5 lb.
 CASING DEPTH 2520' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 13.4 SLURRY VOL 41 Bbl. WATER gal/sk 8.0 CEMENT LEFT in CASING 0'
 DISPLACEMENT 40 Bbls. DISPLACEMENT PSI 450 PSI 900 Landed Plug RATE 5 BPM

REMARKS: Safety Meeting: Rig up to 4 1/2" casing, Drop Ball to Set Packer shoe Break circulation with 10 Bbl. Pi. Slush, followed with 10 Bbl. water Spacer.
Mixed 100 sks 70/30 Pozmix cement w/ 4% Gel w/ 13.4 lb P/GAL. Tail in with 50 sks Thick Set cement with 4" P/SK of KOI-SEAL w/ 13.4 lb. P/GAL. Shut down washout pump & lines. Release Plug
Displace Plug with 40 Bbls. water, Final pumping w/ 450 P.S.I. Bumped Plug to 900 P.S.I. wait 2 min. Release Pressure - Float Held - close casing in with OP&Z
Job complete - Tear down

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Thank you

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ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401	1	PUMP CHARGE	765.00	765.00
5406	65	MILEAGE	2.50	162.50
1127	100 SKS.	70/30 Pozmix cement } Lead	8.35	835.00
1118 A	8 SKS.	Gel 4% } Cement	6.63	53.04
1126 A	50 SKS.	Thick Set cement } Tail in	13.00	650.00
1110 A	4 SKS.	KOI-SEAL 4" P/SK. } Cement	16.90	67.60
5407A	7.25 Ton	65 miles - Bulk Truck	.92	433.55
1238	1 GAL.	Foamer - Pi. Slush (10 Bbl. water)	32.15	32.15
4252	1	4 1/2" - 7 7/8" Type "A" Packer Shoe	1285.00	1285.00
4129	5	4 1/2" - 7 7/8" Centralizers	28.00	140.00
4404	1	4 1/2" Top Rubber Plug	38.00	38.00
			6.3%	
			SALES TAX	195.35
			ESTIMATED TOTAL	4657.19

AUTHORIZATION

Steve [Signature]

TITLE

DATE

CONSOLIDATED OIL WELL SERVICES, INC.

211 W. 14TH STREET, CHANUTE, KS 66720

620-431-9210 OR 800-467-8676

TICKET NUMBER 3969

LOCATION Eureka

FOREMAN Brad Butler

TREATMENT REPORT & FIELD TICKET
CEMENT

ORIGINAL

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
5-27-05		Scully H. #2	35	18s	2E	Marion
CUSTOMER American Energy Corp.			C96 Drilling CO.			
MAILING ADDRESS 155 North Market, Suite 710						
CITY Wichita	STATE KS	ZIP CODE 67202	TRUCK #	DRIVER	TRUCK #	DRIVER
			446	Scott		
			441	Larry		

JOB TYPE Surface HOLE SIZE 12 1/4" HOLE DEPTH 210' CASING SIZE & WEIGHT 8 5/8"
 CASING DEPTH 210' DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 15# SLURRY VOL 25 Bbls WATER gal/sk 5.2 CEMENT LEFT in CASING 15'
 DISPLACEMENT 12 1/2 Bbls DISPLACEMENT PSI _____ MIX PSI _____ RATE _____

REMARKS: Safety Meeting. Rig up to 8 5/8" casing. Break circulation with fresh water.
 Mixed 120 SKs. Regular cement w/ 3% CaCl₂, 1/2 lb. P₄SK of Floccs
 Displace cement with 12 1/2 Bbls water. Shut down, close casing int.
 Good cement returns to surface with 7 Bbl slurry
 Job complete - Teardown

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Thank you

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
5401S	1	PUMP CHARGE	590.00	590.00
5406	65	MILEAGE	2.50	162.50
1104	120 SKs	Regular class A cement	9.75	1,170.00
1102	340 lbs	CaCl ₂ 3%	.61	207.40
1107	2 SKs	Floccs 1/2 lb. P ₄ SK	42.75	85.50
5407A	5.65 Ton	65 miles - Bulk Truck	.92	337.87
			6.3%	SALES TAX
				92.16
				ESTIMATED TOTAL
				2645.43

AUTHORIZATION Called by Tim Gulick TITLE C96 Drilling Co. DATE _____