

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 5399
Name: American Energies Corporation
Address: 155 North Market, Suite 710
City/State/Zip: Wichita, KS 67202
Purchaser: None
Operator Contact Person: Alan L. DeGood
Phone: (316) (316) 263-5785
Contractor: Name: Pickrell Drilling
License: 5123
Wellsite Geologist: David Goldak

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. _____

10/19/06 10/26/06 Plugging Date: 10/26/06
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API NO. 15 - 15-095-22045-0000
County: Kingman
C NW - SW - _____ Sec. 6 S. R. 28-6 East West
1980' FSL feet from (S) N (circle one) Line of Section
660' FWL feet from E / (W) (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW (SW)
Lease Name: Lakin Well #: 3-6

Field Name: Georgia Spur
Producing Formation: Target Formation - Mississippian
Elevation: Ground: 1508.3' Kelly Bushing: 1513'
Total Depth: 3950' Plug Back Total Depth: 3950'
Amount of Surface Pipe Set and Cemented at 8 5/8" 20# set @ 210'KB 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 Pd A 221 I R/R 10/30/07
(Data must be collected from the Reserve Pit)

Chloride content 32,000 ppm Fluid volume 900 bbls
Dewatering method used Allowed to evaporate and backfilled.

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.

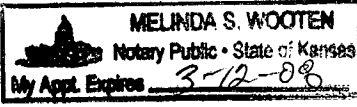
Signature: Alan L. DeGood
Title: Alan L. DeGood, President Date: 12/7/06

Subscribed and sworn to before me this 7th day of December

2006
Notary Public: Melinda S. Wooten

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

KCC Office Use ONLY
 Letter of Confidentiality Attached
If Denied, Yes Date: _____
 Wireline Log Received
 UIC Distribution
RECEIVED
DEC 18 2006



KCC WICHITA

Operator Name: American Energies Corporation Lease Name: Lakin Well: 3-6
 Sec. 6 Twp. 28S S. R. 6W Vest County: Kingman

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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No (Attach Additional Sheets) 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 Yes No <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (Submit Copy) List All E. Logs Run: Dual Induction Log, Compensated Density Log	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input checked="" type="checkbox"/> Sample Datum Name Top 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#	210' KB	60/40 poz	185 sx	2% gel, 3% CC
Production	None						

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate	Top Bottom			
<input type="checkbox"/> Protect Casing				
<input type="checkbox"/> Plug Back TD				
<input type="checkbox"/> Plug Off Zone				

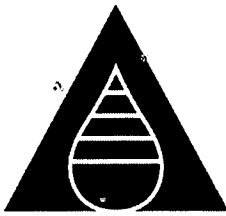
Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth

TUBING RECORD Size Set At Packer At None	Liner Run <input type="checkbox"/> Yes <input type="checkbox"/> No
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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 Bbbls Gas Mcf Water Bbbls Gas-Oil Ratio Gravity

Disposition of Gas <input type="checkbox"/> Vented <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> (If vented, Sumit ACO-18.)	METHOD OF COMPLETION <input type="checkbox"/> Open Hole <input type="checkbox"/> Other Specify	Production Interval <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled
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 KCC WICHITA



American Energies
Corporation

155 N. Market, Suite 710, Wichita, KS 67202
316-263-5785, 316-263-1851 fax

DRILLING REPORT
Lakin 3-6

LOCATION: C NW SW Section 6-T28S-R6W
COUNTY: Kingman
API: 15-095-22045-0000
CONTRACTOR: Pickrell Drilling
GEOLOGIST: David Goldak

SURFACE CASING: 8 5/8" 20# set @ 210' KB
PRODUCTION CASING: None - Dry Hole
PROJECTED RTD: 3850'
G.L.: 1508.3' **K.B.:** 1513'
SPUD DATE: 10/19/06
COMPLETION DATE: 10/27/06
REFERENCE WELLS:
#1: Lakin #2-6 - NW SE NW Section 6-T28S-R6W

NOTIFY: American Energies Corp.,
Graves Leases, LLC, Gar Oil Company,
Debbie Schmitt, LLC, Stange Properties, LLC,
Dianne Y. DeGood Family Trust, Jean Poindexter,
Fredrick W. Stump Trust, Hyde Resources, Inc.,
Spring Creek Resources, LLC, R & T Investments

FORMATION:	SAMPLE LOG:	COMPARISON:		ELECTRIC LOG TOPS:	
		#1		#1-▶SEE NOTE	
Onaga	1903 - 390	Flat		1915 - 402	-12
Indian Cave	1920 - 407	+ 3		1932 - 419	- 9
Wabaunsee	1970 - 457	-20		1988 - 475	-38
Heebner	2853 -1340	- 5		2868 -1355	-19
Lansing	3111 -1598	- 1		3132 -1619	-22
Stark Shale	3483 -1970	- 2		3497 -1984	-16
Hush. Shale	3524 -2011	- 6		3538 -2025	-20
BKC	3588 -2075	- 4		3611 -2098	-27
Marmaton	3643 -2130	- 4		3658 -2145	-19
Cherokee	3726 -2213	- 5		3740 -2227	-19
Miss. Chert	3842 -2329	- 7		3856 -2343	-21
RTD	3950				
LTD	3968				

10/16/06 MIRT, Working on draw-works.

10/19/06 Spud 9:00 PM. Drilled 12 1/4" surface hole to 213' KB, SHT @ 213 = 0 degrees.

10/20/06 Ran 5 jts new 8 5/8" 20# surface casing set @ 210' KB. Cemented with 185 sx 60/40 poz, 2% gel, 3% CC with 1/4# FC. PD @ 6:45 a.m. on 10/20/06. Allied Ticket #24687. Cement circulated. WOC approximately 8 hours.

10/21/06 Drilling ahead @ 1050'. SHT@ 762' = 1/2 degree.

10/22/06 Drilling ahead @ 1819'. SHT @ 1742' = 1/4 degree.

10/23/06 Drilling ahead @ 2597'. SHT @ 2374' = 1/2 degree.

10/24/06 Drilling ahead @ 3258'.

10/25/06 Drilling ahead @ 3673'

10/26/06 3857' and testing DST #1: 3844-3857. Times: 30-60-45-75. Initial Flow: GTS in 26 minutes - no gauge.

Final Flow: Gas gauged with 1/4" orifice - 10 minutes - 37 MCF, 20 minutes - 34 MCF, 30 minutes - 34 MCF, 40 minutes - 32 MCF, 45 minutes - 32 MCF. Recovery - 243' TF. 120' GOCWM (6% gas, 12% Oil, 21% Water, 61% Mud), 120' OCMW (3% Oil, 75% Water, 22% Mud). Chlorides: 78,000 PPM, ISIP: 1222, FSIP: 1219, IFP: 32-53, FFP: 40-75, IHP 1883, FHP: 1844, Temperature 121 degrees.

10/27/06 RTD 3950'. LTD 3968'. Will P&A. as follows: 35sx 1150', 35sx 600', 35sx 260', 20sx 60' 15sx RH of 60-40 poz, 4% gel. Plugging permission from Greg Eves @ 3:00 PM 10/26/06.

-▶ **NOTE:** Found 14' Difference between drilling measurements and log measurements, with errors in log data making our well -21' low to the Lakin 2-6 on the Mississippian Top and the good porosity was 15' in making us 33' low.

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KCC WICHITA

ALLIED CEMENTING CO., INC.

23387

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

SERVICE POINT:
Medford

DATE <i>10-27-06</i>	SEC. <i>05</i>	TWP. <i>28s</i>	RANGE <i>06w</i>	CALLED OUT <i>4:15</i>	ON LOCATION <i>7:00am</i>	JOB START <i>8:00</i>	JOB FINISH <i>10:00</i>
LEASE <i>Lakin</i>	WELL # <i>3-6</i>	LOCATION <i>Kingsman Ks</i>			COUNTY <i>Kingsman</i>	STATE <i>Ks</i>	
OLD OR NEW (Circle one)		<i>54+14 1/2 1s 4E N into</i>					

CONTRACTOR *Pickrell*
 TYPE OF JOB *1st Plug*
 HOLE SIZE *7 7/8* T.D. *1150*
 CASING SIZE _____ DEPTH _____
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ SHOE JOINT _____

OWNER *American Energies*
 CEMENT
 AMOUNT ORDERED *140 sk 60:40:4*

CEMENT LEFT IN CSG. _____
 PERFS. _____
 DISPLACEMENT *13 bbls water*
 EQUIPMENT
 PUMP TRUCK # *343* CEMENTER *Mark B*
 HELPER *Chent*
 BULK TRUCK # *381* DRIVER *Robert*
 BULK TRUCK # _____ DRIVER _____

COMMON	<i>84 A</i>	@	<i>10.65</i>	<i>894.60</i>
POZMIX	<i>56</i>	@	<i>5.80</i>	<i>324.80</i>
GEL	<i>5</i>	@	<i>16.65</i>	<i>83.25</i>
CHLORIDE	_____	@	_____	_____
ASC	_____	@	_____	_____
_____	_____	@	_____	_____
_____	_____	@	_____	_____
_____	_____	@	_____	_____
_____	_____	@	_____	_____
_____	_____	@	_____	_____
_____	_____	@	_____	_____
_____	_____	@	_____	_____
HANDLING	<i>145</i>	@	<i>1.90</i>	<i>275.50</i>
MILEAGE	<i>40 x 145 x .09</i>			<i>522.00</i>
			TOTAL	<i>2100.15</i>

REMARKS:

*1st plug 35% at 1150 mix 5 bbls
 + displace 13
 2nd plug 35% at 600 mix 5 bbls
 Displace 5
 3rd plug 35% at 260 mix 5 days
 1 bbl at 20% at 60 ft + 15%
 in rot hole*

SERVICE

DEPTH OF JOB	<i>1150</i>		
PUMP TRUCK CHARGE			<i>815.00</i>
EXTRA FOOTAGE		@	
MILEAGE	<i>40</i>	@	<i>6.00 240.00</i>
MANIFOLD		@	
_____		@	
_____		@	
			TOTAL <i>1055.00</i>

CHARGE TO: *American Energies*
 STREET _____
 CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

_____	@	_____
_____	@	_____
_____	@	_____
ANY APPLICABLE TAX		_____
WILL BE CHARGED @		_____
UPON INVOICING		_____
		TOTAL _____

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 *[scribble]*
 DISCOUNT *[scribble]* IF PAID IN 30 DAYS

SIGNATURE *[Signature]*

RECEIVED
 PRINTED NAME
 DEC 08 2006
 KCC WICHITA

ALLIED CEMENTING CO., INC.

24687

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

SERVICE POINT:

ML

DATE <u>10-20-06</u>	SEC <u>5</u>	TWP <u>28s</u>	RANGE <u>6w</u>	CALLED OUT <u>12:01 AM</u>	ON LOCATION <u>2:00 AM</u>	JOB START <u>6:20 AM</u>	JOB FINISH <u>6:45 AM</u>
LEASE <u>Jakin</u>	WELL # <u>3-6</u>	LOCATION <u>Kingman, KS. 54+14 Jct</u>			COUNTY <u>Kingman</u>	STATE <u>KS.</u>	
OLD OR <input checked="" type="radio"/> NEW (Circle one)				<u>1/2 SOUTH 4 EAST 4 INTO</u>			

CONTRACTOR Pickrell Drilling

TYPE OF JOB surface

HOLE SIZE 12 1/4" T.D. 215'

CASING SIZE 8 7/8" DEPTH 213'

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. 15

PERFS. _____

DISPLACEMENT 12 1/2 Bbls Fresh

OWNER American Energies

CEMENT AMOUNT ORDERED 185 SX 60:40:2+2% cc + 1% A/C

EQUIPMENT

PUMP TRUCK CEMENTER Carl Balding

414-302 HELPER Dennis Cushebery

BULK TRUCK # 589 DRIVER Terry Cushebery

BULK TRUCK # _____ DRIVER _____

COMMON	<u>111</u>	<u>A</u>	@	<u>10.65</u>	<u>1182.15</u>
POZMIX	<u>74</u>		@	<u>5.80</u>	<u>429.20</u>
GEL	<u>3</u>		@	<u>16.65</u>	<u>49.95</u>
CHLORIDE	<u>4</u>		@	<u>46.60</u>	<u>186.40</u>
ASC			@		
<u>Ammonium Chloride</u>	<u>3</u>		@	<u>40.30</u>	<u>120.90</u>

HANDLING	<u>195</u>	@	<u>1.90</u>	<u>370.50</u>
MILEAGE	<u>40 x 195 x .09</u>			<u>702.00</u>
				TOTAL <u>3041.10</u>

REMARKS:

Run 213' 8 7/8 casing
Break circulation with Rig
Mix 185 SX Cement
Release plug
Displace with 12 1/2 Bbls water.
Leave 15' cement in pipe + shut in.
Cement did circulate

SERVICE

DEPTH OF JOB <u>213'</u>		<u>815.00</u>
PUMP TRUCK CHARGE		
EXTRA FOOTAGE	@	
MILEAGE <u>40</u>	@ <u>6.00</u>	<u>240.00</u>
MANIFOLD	@	
<u>Head Rental</u>	@ <u>100.00</u>	<u>100.00</u>
TOTAL <u>1155.00</u>		

CHARGE TO: American Energies

STREET _____

CITY _____ STATE _____ ZIP _____

8 5/8" PLUG & FLOAT EQUIPMENT

<u>1-TWP</u>	@ <u>60.00</u>	<u>60.00</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.

ANY APPLICABLE TAX WILL BE CHARGED UPON INVOICING TOTAL 60.00

TAX _____

TOTAL CHARGE [scribble]

DISCOUNT [scribble] IF PAID IN 30 DAYS

SIGNATURE Mike Kern

Mike Kern
PRINTED NAME

RECEIVED
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