

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: Coffeyville Resources
Operator Contact Person: Alan L. DeGood
Phone: (316) (316) 263-5785
Contractor: Name: Warren Drilling
License: 33724
Wellsite Geologist: Doug Davis

API NO. 15 - 15 - 051-25595-0000
County: Ellis
90°N C - SE - NW Sec. 5 S. R. 11-18W East West
1890' feet from S / N (circle one) Line of Section
1980' feet from E / W (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Saline River Grazing Well #: R-2
Field Name: Richards

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SLOW Temp. Abd
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)

Producing Formation: Lansing/Kansas City
Elevation: Ground: 2070' Kelly Bushing: 2076'
Total Depth: 3750' Plug Back Total Depth: 3750'
Amount of Surface Pipe Set and Cemented at 8 5/8" 23# set @ 212 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.

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. _____

Drilling Fluid Management Plan KJR 6-27-07
(Data must be collected from the Reserve Pit)

Chloride content 4400 ppm Fluid volume 950 bbls
Dewatering method used: Evaporation and Backfill

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: 2/13/07

Subscribed and sworn to before me this 12th day of February, 2007

Notary Public: Melinda S. Wooten

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

KCC Office Use ONLY

N Letter of Confidentiality Attached

If Denied, Yes No Date: _____

Wireline Log Received

UIC Distribution

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

CONSERVATION DIVISION
WICHITA, KS

Operator Name: American Energies Corporation Lease Name: Saline River Grazing Well: R-2
 Sec. 5 Twp. 11S S. R. 18W Vest County: Ellis

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)

Log Formation (Top), Depth and Datum Sample Datum
 Name Top
 See attached Drilling Report

List All E. Logs Run:
 Gamma Ray Correlation Log, Dual Induction
 Compensated-Neutron Density Log

| 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" | 23# | 212' | Common | 150 | 3% CaCl, 2% gel |
| Production Bottom Stg | 7 7/8" | 4 1/2" | 9.5# | 3745' | Class A | 150 sx | 10% salt |
| Production - Top Stg | 7 7/8" | 4 1/2" | 9.5# | 3745' | 60/40 poz | 300 sx | |

| 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 |
|----------------|---|---|-------|
| 2 SPF | 3460-3466 | 3500 gallons 15% NE | 3298' |
| 2 SPF | 3510-3512, 3486-3488, 3471, 3449-3451 | | |
| 2 SPF | 3372-3374, 3351-3353, 3320-3322 | | |

| TUBING RECORD | Size | Set At | Packer At | Liner Run |
|---------------|--------|--------|-----------|---|
| | 2 3/8" | 3560' | 3520' | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

Date of First, Resumed Production, SWD or Enhr. 1/22/07
 Producing Method Flowing Pumping Gas Lift Other (Explain)

Estimated Production Per 24 Hours
 Oil Bbls 4 Gas Mcf 0 Water Bbls 70 Gas-Oil Ratio Gravity

Disposition of Gas Vented Open Hole Other Specify Production Interval Dually Comp. Commingled

(If vented, Sumit ACO-18.)

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CONSERVATION DIVISION
 WICHITA, KS



American Energies
Corporation

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

DRILLING & COMPLETION REPORT
Saline River Grazing R-2

LOCATION: 90'N of C SE NW Sec. 5-T11S-R18W
COUNTY: Ellis
API: 115-051-25595-0000
CONTRACTOR: Warren Drilling
GEOLOGIST: Doug Davis

SURFACE CASING: 8 5/8" 23# set @ 212'
PRODUCTION CASING: 4.5# 3745'
PROJECTED RTD: 3575'
G.L.: 2070' **K.B.:** 2076'
SPUD DATE: 12/1/06
COMPLETION DATE:

NOTIFY: American Energies Corp.,
Alan L. DeGood Family Trust,
Dianne Y. DeGood Family Trust,
J. Daniel Denbow, Denbow Oil & Gas,
Mohican Petroleum, Inc., Graves Leases, LLC,
American Hawaiian Petroleum Co.,
Harvest, LLC, Hyde Resources, Inc.

REFERENCE WELLS:
#1: Saline River Grazing #2: C SE NW 5-11S-18W
#2: NCRA's #1 Cleve: SE NW NW 5-11-18W

| FORMATION: | ELECTRIC LOG TOPS: | | COMPARISON: | |
|------------------|--------------------|-------|-------------|------|
| | | | #1 | #2 |
| Topeka | 3055 | -979 | -5 | +3 |
| Oread | 3222 | -1146 | -5 | +2 |
| Heebner | 3278 | -1202 | -7 | Flat |
| Toronto | 3292 | -1216 | -4 | +4 |
| Lansing | 3318 | -1242 | -5 | +4 |
| Lansing "D" | 3369 | -1293 | -5 | +4 |
| Lansing "H" | 3446 | -1370 | -6 | +4 |
| Lansing "I" | 3470 | -1394 | -5 | +4 |
| Lansing "J" | 3484 | -1408 | -4 | +5 |
| Lansing "K" | 3509 | -1433 | -6 | +5 |
| Lansing "L" | 3529 | -1453 | -4 | +6 |
| Base/Kansas City | 3552 | -1476 | -4 | +5 |
| Simpson | 3638 | -1562 | | +5 |
| Arbuckle | 3645 | -1580 | | +27 |
| RTD | 3750 | | | |
| LTD | 3750 | | | |

11/30/06 MIRT, RURT

12/1/06 Spud. Drilled 12 1/4" hole. Ran 5 jts 8 5/8" 23# 202', set @ 212' with 150 sx common cement, 3% CaCl, 2% gel. Cement did circulate. Cementing by Allied. Plug down 9:00 p.m.

12/2/06 At 315' and drilling ahead.

12/3/06 At 1402' and drilling ahead.

12/4/06 At 1799' rig broke down, waiting on parts.

12/5/06 At 2064' and drilling ahead.

12/6/06 At 2622' and drilling ahead.

12/7/06 At 3059' and drilling ahead

12/8/06 At 3265' Shut down, repairing mud pump, should return to drilling later this afternoon

12/9/06 At 3432' and drilling ahead. CFS @ 3660'.

12/10/06 Running DST #1: 3646-3660. Times: 30-30-30-30. Recovered 270' of clean gassy oil. IHP: 1834#, IFP: 17-84#, ISIP: 1112#, FFP: 86-129#, FSIP: 1077#, FHP: 1748#, BHT: 105 degrees. Circulating for samples @ 3660'.

12/11/06 Laid down drill pipe. Ran 4 1/2", 9.5# casing to 3745'. Centralizers at 3724', 3684', 3581', 3461', 3341', 3259', 1488'. Cement basket @ 1447'. DV tool @ 1405'. Circulated for 45 minutes. Cemented bottom stage with 150 sx Class A, 10% Salt. Plug on bottom @ 8:00 p.m. 12/11/06. Allied Cement ticket # 33225.

Ran DV tool in - circulated for 30 minutes. Cemented top stage with 300 sx 60/40 poz. Cement to surface, plug down at 9:30 p.m. Allied ticket #33224.

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WICHITA, KS

FINAL DRILLING REPORT - COMPLETION REPORT TO FOLLOW

COMPLETION REPORT

- 12/26/06 Moved in Chito's Well Service, mud pump and swivel. Ran hole with bit, 4 drill collars and 40 joints of 2-3/8" tubing. Hit cement at 1401'. Hooked up pump & swivel, started drilling drill 2' cement, hit DV Tool, made 3'. Hit something hard, drilled a total of 7'. SION.
- 12/27/06 Continued drilling on DV Tool, broke thru at 2 P.M. Tripped to bottom of hole. Started coming out laying out tubing and bit. SION
- 12/28/06 Finished tripping out with tubing and bit. Rigged up ELI Wireline, **perforated from 3460-66'** 2 SPF. Went in hole with **2-3/8 tubing to 3648'**. Went in with swab and hit fluid 2600' down. Came out with 100' of oil on top. Swabbed for 1 hour and fluid down to 3300'. Swabbed 15 bbls fluid – 2% oil.
- 12/29/06 Had 1800' fillup, with top 200' oil. Started swabbing down, oil cut increased to 10%. Swab line broke, leaving 2000' of line and swab mandrel in 2-3/8" tubing. Shut-in due to rain till Tuesday to pull tubing to get line and mandrel out of hole.
- 1/2/07 Repaired rig – installed new swab line on rig. Pulled tubing and found swab line in 35th jt. Pulled on swab line and freed up. Hooked up block and tackle. Shut-In until we are able to get a back hoe.
- 1/3/07 Pulled swab line out of tubing. Ran tubing back in and set packer @ 3646' and started swabbing. Hit fluid 600' down from top. After 2 hours – made 2 swabs – getting 180 – 190' per pull – all oil. Fluid is at 980' on fluid kick after pull. After 3rd hour – got 1160' down – all oil. Total recovered – 560' – all oil.
 Received analysis of swab sample from Champion Technologies:
 89% Hydrocarbon – 11% BS & W
 API Gravity is 11 @ 60 degrees
 Actual Measurement was 15 degrees @ 100 degree temperature
 Initial Lab test shows 90+% Asphaltenes
 Pour Point of sample is at 40 degrees F.
- 1/4/07 Went in with swab and tagged fluid at 925'. Had 235' fill overnight

| <u>Pull</u> | <u>Fluid Level From Surface</u> | <u>Pulled From</u> | <u>Oil Cut</u> |
|-------------|---------------------------------|--------------------|----------------|
| 1 | 925' | 1100' | 100% |
| 2 | 975' | 1200' | 80% |
| 3 | 1200' | 1390' | 70% |
| 4 | 1350' | 1470' | 60% |
| 5 | 1425' | 1570' | 50% |
| 6 | 1375' | 1950' | 10% |
| 7 | 1975' | 2600' | 10% |
| 8 | 2650' | 3400' | 8% |
| 9 | 3650' | 3640' | 10% |

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- Started 1 hour test, Fluid 3400' from surface, after 2nd swab oil is 60%. Five total swabs was in 1 hour, fluid level at 3450'. Kicking 200' a swab, 60% oil, Total swabbed was 6.68 barrels in an hour under packer. Release packer and started swabbing out 3000' of fluid on backside. Swabbed hole to 3250' and set packer. SION
- 1/5/07 Went in with swab and tagged fluid at 1150' down. Overnight fill up is 2100'. Swab is falling slow again. At 1:30 swabbed down to 2700' – still 100% oil. Pulled tubing and packer. Started in with CIBP on wire line @ 3:15 and set bridge plug at 5:10. SION
- 1/8/07 Rigged up L-K Wireline and went in and perforated **3510-3512, 3486-3488, 3471 and 3449-51 @ 2 SPF. Ran tubing and packer to 3600'. CIBP @ 3630'**. Hooked up swab line and started swabbing. Fluid on wireline shows fluid 2550' after perforating. 1st run with swab – line shows fluid @ 2340'. Pulled 200' a pull and got fluid down to 2700'. Recovered 3.5 bbls – all oil. SION
- 1/9/07 Went in with swab and tagged fluid @ 2650' down. Made 2 swabs in 1 ½ hours – fluid 3000' down. Pulled 6 jts and set packer @ 3432'. Went in and tagged fluid @ 2950'. Swabbed dry. Conducted ½ hour test and no fluid. Hooked up L-K Acid and started treating well with 2000 gallons 15% NE acid. Loaded hole and pressured to 500#, then 750#. At 850# - started treating well @ 1 ¼ BPM, dropped 8 balls at that point. After 5 bbls, pressure @ 400#, took to 2 ½ BPM @ 750#, after 13 bbls – 3 ½ BPM. At 750# - dropped 8 more balls. 1st set of balls hit and took to 850# @ 1 ½ BPM. After 24 bbls, back to 3 ¼ BPM @ 750#. Dropped 8 more balls, after 25 bbls back to 2 BPM @ 800#. After 30 barrels – 3 BPM @ 750#. After 36 bbls – pressured up to 2000#. All perms balled up. Have 11 bbls acid in tubing. Let pressure off and let sit for 5 minutes, pressured up to 2000# again.

COMPLETION REPORT

- 1/9/07 Pressure off and let sit for 20 minutes and pressured up to 2000# again. Let pressure off and ran two jts of tubing to knock balls off. Came out with the 2 jts and sat packer – flushed with KCL water – got 200# of pressure after 12 bbls and flushed with 4 bbls @ 200#. Went in with swab and tagged fluid @ 2000' down – need to swab 70 bbls to get load back. 1st hour – swabbed 12 bbls fluid and had fluid down to 3350'. Released packer and started swabbing. Tagged fluid @ 3200'. 2nd hour – recovered 4 bbls and after 3rd swab – started getting heavy oil off backside. SION
- 1/10/07 Went in and tagged fluid @ 3050' down. Swab falling slow again. Came out and reset packer so we are swabbing Kansas City zones only. Tagged fluid @ 3050' and started swabbing. After 1 ½ hours – made 2 ½ bbls. Tagging fluid @ 3000' – only getting 100' a pull. Ran different swab cups – still the same results. Moved packer. Packed off wellhead and put baggy on tubing head and made 3 swabs. Starting to get blow on casing. Made 1 additional pull and tagged fluid @ 3000' and came out with only 40' fluid and blow on backside. Rigged over and pulled tubing for leak. Painted tubing and did not find leak. Will test in the morning. Total recovered fluid for the day was 3 ½ bbls. SION
- 1/11/07 Tested tubing, changed out 3 joints of tubing. Rigged up L-K Wireline, perforated 3372-74', 3351-53', 3320-22' 2spf, total 15 holes. Fluid on wireline 3250' from surface. Went in with plug, packer & tubing to 3520'. Rigged up swab. Tagged fluid at 3300'. Started swabbing. Swabbed well down to 3520' recovered 3 bbls.

| <u>Pull</u> | <u>Fluid Level From Surface</u> | <u>Fluid</u> | <u>Oil Cut</u> |
|-------------|---------------------------------|--------------|----------------|
| 1 | 3490' | 30' | 100%. |
| 2 | 3495' | 25' | 100% |

SION.

- 1/12/07 Went in and tagged fluid @ 3300' – came out with swab. Pulled tubing @ 3409' and set plug. Pulled 1 more joint and spotted 2 bbls acid on perms. Pulled packer up to 3298' and set it there. Started treating with 1500 gallons 15% NE acid after 500 gallons, dropped 7 balls – hole loaded and started treating:
 1 BPM at 500#, after 6 bbls – treating @ 2 BPM @ 450#
 After 10 bbls – 3 BPM @ 400#. 1st set of balls – hit treating @ 2 ½ BPM @ 700#.
 Dropped 2 sets (7 balls) after 1000 gallons acid.
 After 18 bbls acid – treating @ 3 BPM @ 400#.
 After 24 bbls acid – 2nd set of balls hit treating @ 2 ½ BPM @ 850#.
 After 29 bbls acid – 3 BPM @ 500# - treating there. ISIP: 200# - over flushed with 4 bbls.
 Total of 54 bbls on treatment. Let set for 25 minutes and went in and tagged fluid @ 3100' down. Made 2 runs and dried up. Released packer to get acid off backside. Made a run – no fluid. Took packer down to 3390'. Made swab and came out with 90' fluid. Went back in and had 30' of fluid. After ½ hour test – went in and had 20' fluid. Went down and got plug and came out with tubing, packer and plug. SION.
- 1/15/07 Had rig problems – rig froze up. Ran 119 jts 2 3/8" tubing. Set SN @ 3560'. Ran 140 jts 3/4" rods, no subs. 12" polish rod. Should install pumping unit on Wednesday.
- 1/17/07 MI Pumping Unit. Laying lead lines and electrical lines.
- 1/18/07 Installed CH114 Century pumping unit – set @ 54" stroke @ 8 SPM.
- 1/22/07 BBL test - 85.75 bbls TF – 6% oil = 5.14 BO
- 1/23/07 BBL test – 79.00 bbls TF – 6% oil = 4.74 BO
- 1/24/07 BBL test – 70.00 bbls TF – 7% oil = 4.90 BO

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KANSAS CORPORATION COMMISSION
FEB 14 2007
CONSERVATION DIVISION
WICHITA, KS

... Co., Inc
...sell, KS 67665

* I N V O I C E *

Invoice Number: 105904
Invoice Date: 12/14/06

Sold American Energies Corp.
To: 155 N. Market #710
Wichita, KS
67202

Wichita

Cust I.D.....: Am Eng
P.O. Number...: SalineRiver #2
P.O. Date....: 12/14/06

Due Date:: 01/13/07
Terms.....: Net 30

| Item I.D./Desc. | Qty. Used | Unit | Price | Net | TX |
|-----------------------------|-----------|------|----------|---------|----|
| Common | 150.00 | SKS | 10.6500 | 1597.50 | T |
| Gel | 3.00 | SKS | 16.6500 | 49.95 | T |
| Chloride | 5.00 | SKS | 46.6000 | 233.00 | T |
| Handling | 158.00 | SKS | 1.9000 | 300.20 | E |
| Mileage | 45.00 | MILE | 14.2200 | 639.90 | E |
| 158 sks @ .09 per sk per mi | | | | | |
| Surface | 1.00 | JOB | 815.0000 | 815.00 | E |
| Mileage pmp trk | 45.00 | MILE | 6.0000 | 270.00 | E |
| Wood Plug | 1.00 | ACH | 60.0000 | 60.00 | T |

All Prices Are Net, Payable 30 Days Following
Date of Invoice. 1 1/2% Charged Thereafter.
If Account CURRENT take Discount of 396.55
ONLY if paid within 30 days from Invoice Date

Subtotal: 3965.55
Tax.....: 102.84
Payments: 0.00
Total....: 4068.39

3471.84

ENTD DEC 19 ENTD

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CONSERVATION DIVISION
WICHITA, KS

Applied Cementing Co., Inc
P.O. Box 31
Russell, KS 67665

* I N V O I C E *

Invoice Number: 105969

Invoice Date: 12/20/06

Sold American Energies Corp.
To: 155 N. Market #710
Wichita, KS
67202

ENT'D DEC 28 2006

2024

Cust I.D.....: Am Eng
P.O. Number...: Saline River *Grazing*
P.O. Date.....: 12/20/06 *#R-2*

Due Date.: 01/19/07
Terms.....: Net 30

| Item I.D./Desc. | Qty. Used | Unit | Price | Net | TX |
|----------------------------|-----------|------|-----------|---------|----|
| Common | 150.00 | SKS | 10.6500 | 1597.50 | T |
| Salt | 15.00 | SKS | 19.2000 | 288.00 | T |
| FR-2 | 500.00 | GAL | 1.0000 | 500.00 | T |
| Handling | 165.00 | SKS | 1.9000 | 313.50 | E |
| Mileage | 45.00 | MILE | 14.8500 | 668.25 | E |
| 165 sks @>09 per sk per mi | | | | | |
| rod. Casing | 1.00 | JOB | 1610.0000 | 1610.00 | E |
| Mileage pmp trk | 45.00 | MILE | 6.0000 | 270.00 | E |
| V Tool | 1.00 | EACH | 3500.0000 | 3500.00 | T |
| Washer | 1.00 | EACH | 150.0000 | 150.00 | T |
| Centralizers | 7.00 | EACH | 50.0000 | 350.00 | T |
| Wash Down | 1.00 | EACH | 375.0000 | 375.00 | T |
| Float Shoe | 1.00 | EACH | 380.0000 | 380.00 | T |

All Prices Are Net, Payable 30 Days Following
Date of Invoice. 1 1/2% Charged Thereafter.
If Account CURRENT take Discount of *1000.22*
ONLY if paid within 30 days from Invoice Date

Subtotal: 10002.25
Tax.....: 378.45
Payments: 0.00
Total....: 10380.70

-1000.22

9380.48

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CONSERVATION DIVISION
WICHITA, KS

all refer to
of refer to
of refer to

ried Cementing Co., Inc
P.O. Box 31

Russell, KS 67665

* I N V O I C E *

Invoice Number: 105970

Invoice Date: 12/20/06

Sold American Energies Corp.
To: 155 N. Market #710
Wichita, KS
67202

ENT'D DEC 28 2006

Due Date.: 01/19/07
Terms.....: Net 30

Cust I.D.....: Am Eng
P.O. Number...: Saline River
P.O. Date.....: 12/20/06 *Grazing R-2*

| Item I.D./Desc. | Qty. Used | Unit | Price | Net | TX |
|----------------------------|-----------|------|----------|---------|----|
| Common | 210.00 | SKS | 10.6500 | 2236.50 | T |
| Pozmix | 140.00 | SKS | 5.8000 | 812.00 | T |
| Gel | 18.00 | SKS | 16.6500 | 299.70 | T |
| FloSeal | 88.00 | LBS | 2.0000 | 176.00 | T |
| Handling | 368.00 | SKS | 1.9000 | 699.20 | E |
| Mileage | 45.00 | MILE | 33.1200 | 1490.40 | E |
| 368 sks @>09 per sk per mi | | | | | |
| Top Stage | 1.00 | JOB | 955.0000 | 955.00 | E |

All Prices Are Net, Payable 30 Days Following
Date of Invoice. 1 1/2% Charged Thereafter.
If Account CURRENT take Discount of 666.88
ONLY if paid within 30 days from Invoice Date

| | |
|------------|----------------|
| Subtotal: | 6668.80 |
| Tax.....: | 186.78 |
| Payments: | 0.00 |
| Total....: | 6855.58 |
| | - 666.88 |
| | <u>6188.70</u> |

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KANSAS CORPORATION COMMISSION
FEB 14 2007
CONSERVATION DIVISION
WICHITA, KS

CEMENTING CO., INC.

33213

Federal Tax I.D. [REDACTED]

P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT: Russell

| | | | | | | | |
|-------------------------------------|--------------|-----------------|-----------------------------------|---------------------------|----------------------------|---------------------|---------------------------|
| DATE <u>12-1-06</u> | SEC <u>S</u> | TWP. <u>11</u> | RANGE <u>15</u> | CALLED OUT <u>6:30 PM</u> | ON LOCATION <u>7:00 AM</u> | JOB START | JOB FINISH <u>9:00 PM</u> |
| LEASE <u>3 active River Grazing</u> | | WELL # <u>2</u> | LOCATION <u>HAYS MORRIS 2w 2r</u> | | | COUNTY <u>Ellis</u> | STATE <u>KS</u> |
| OLD OR <u>NEW</u> (Circle one) | | | | | | | |

CONTRACTOR Warren Drilling

TYPE OF JOB SURFACE

HOLE SIZE 12 1/8 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 12.6 bbls

OWNER

CEMENT

AMOUNT ORDERED 150 lb 8 7/8 Com 3-2

| | | | | |
|----------|-------------------|---|--------------|----------------|
| COMMON | <u>150</u> | @ | <u>10.65</u> | <u>1597.50</u> |
| POZMIX | | @ | | |
| GEL | <u>3</u> | @ | <u>16.65</u> | <u>49.95</u> |
| CHLORIDE | <u>5</u> | @ | <u>46.60</u> | <u>233.00</u> |
| ASC | | @ | | |
| | | @ | | |
| | | @ | | |
| | | @ | | |
| | | @ | | |
| | | @ | | |
| | | @ | | |
| | | @ | | |
| HANDLING | <u>158</u> | @ | <u>1.90</u> | <u>300.20</u> |
| MILEAGE | <u>94/SK/MILE</u> | | | <u>639.90</u> |
| TOTAL | | | | <u>2820.55</u> |

EQUIPMENT

PUMP TRUCK CEMENTER Bill

409 HELPER Chris

BULK TRUCK

DRIVER Adrian

BULK TRUCK

DRIVER

REMARKS:

Ran 5 ft of 8 7/8 etc 213

Cent of 150 lb Com

pump plus 12.6 bbls of water

Cemr did circ.

CHARGE TO: American Energies Corp.

STREET _____

CITY _____ STATE _____ ZIP _____

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.

SIGNATURE Robert L. Sanders

SERVICE

DEPTH OF JOB _____

PUMP TRUCK CHARGE 815.00

EXTRA FOOTAGE @ _____

MILEAGE 45 @ 6.00 270.00

MANIFOLD @ _____

TOTAL 1085.00

PLUG & FLOAT EQUIPMENT

1-8 7/8 wood @ 60.00

RECEIVED
KANSAS CORPORATION COMMISSION

FEB 14 2007

CONSERVATION DIVISION
WICHITA, KS

TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

PRINTED NAME Robert L. Sanders

ALLIED CEMENTING CO., INC.

33224

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

SERVICE POINT:

Russell

| | | | | | | | |
|---------------------------------|-------------------|--|-----------------|------------|----------------------------|----------------|---------------------------|
| DATE <u>12-11-06</u> | SEC <u>5</u> | TWP. <u>11</u> | RANGE <u>18</u> | CALLED OUT | ON LOCATION <u>6:00 PM</u> | JOB START | JOB FINISH <u>8:00 PM</u> |
| LEASE <u>line river grazing</u> | WELL # <u>R-2</u> | LOCATION <u>HAYS N TO RR 1 2 W 3 N</u> | | | COUNTY <u>Ellis</u> | STATE <u>K</u> | |
| OLD OR NEW (Circle one) | | | | | | | |

CONTRACTOR Wagon Drily #10
 TYPE OF JOB Prod Log
 HOLE SIZE 7 7/8 T.D. 3750
 CASING SIZE 4 1/2 DEPTH 3745
 TUBING SIZE DEPTH
 DRILL PIPE DEPTH
 TOOL DEPTH
 PRES. MAX MINIMUM
 MEAS. LINE SHOE JOINT
 CEMENT LEFT IN CSG. 20
 PERFS.
 DISPLACEMENT 59 1/2 bbls
 EQUIPMENT
 PUMP TRUCK CEMENTER Bill
 # 409 HELPER Craig
 BULK TRUCK
 # 345 DRIVER Bob
 BULK TRUCK
 # DRIVER

OWNER Same
 CEMENT
 AMOUNT ORDERED
150 gal Com 10% Salt
500 Gal Flush
 COMMON 150 @ 1065 1597.50
 POZMIX @
 GEL @
 CHLORIDE @
 ASC @
Salt 15 @ 1920 2880
WFD-2 500 gals @ 100 500.00
 HANDLING 165 @ 190 313.50
 MILEAGE 94/5K/ mile 668.25
 TOTAL 3367.25

REMARKS:

pipe set c 3745
shoe jt. 20
inlet c 3725
mix 500 gals of flush Follow w/ 150 lbs of cement
pump plus w/assy bbls of water
land plus c 1200 float did hold

SERVICE

DEPTH OF JOB
 PUMP TRUCK CHARGE 160.00
 EXTRA FOOTAGE @
 MILEAGE 45 @ 6.00 270.00
 MANIFOLD @
 TOTAL 1880.00

CHARGE TO: American Energy
 STREET
 CITY STATE ZIP

PLUG & FLOAT EQUIPMENT

Fixed
D.V. Tool @ 3500.00
1-Basket @ 150.00
7-Centelizers @ 500 3500.00
catch down Assem. "F" @ 375.00
Blue float shoe @ 380.00
 TOTAL 4755.00

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RECEIVED
 KANSAS CORPORATION COMMISSION
 FEB 14 2007

TAX
 CONSERVATION DIVISION
 WICHITA, KS
 TOTAL CHARGE
 DISCOUNT IF PAID IN 30 DAYS

SIGNATURE Thad Starv PRINTED NAME Thad Starv