

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION 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 DeGood  
Phone: (316) 263-5785  
Contractor: Name: Discovery Drilling Co., Inc.  
License: 31548  
Wellsite Geologist: Doug Davis  
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. \_\_\_\_\_  
2/17/01 2/22/01 2/23/01  
Spud Date or Date Reached TD Completion Date or  
Recompletion Date Recompletion Date

API No. 15 - 163-23,315-0000  
County: Rooks  
E/2 SE SW NW Sec. 20 Twp. 9 S. R. 20W  East  West  
2275 feet from S /  (circle one) Line of Section  
1180 feet from E /  (circle one) Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE SE  NW SW  
Lease Name: Neil Well #: 1  
Field Name: Palco Townsite  
Producing Formation: None  
Elevation: Ground: 2305 Kelly Bushing: 2313  
Total Depth: 3968 Plug Back Total Depth: \_\_\_\_\_  
Amount of Surface Pipe Set and Cemented at 264.71 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 PA A KGR 01/03/08  
(Data must be collected from the Reserve Pit)  
Chloride content 17,000 ppm Fluid volume 320 bbls  
Dewatering method used Evaporation  
Location of fluid disposal if hauled offsite: \_\_\_\_\_  
Operator Name: \_\_\_\_\_  
Lease Name: \_\_\_\_\_ License No.: \_\_\_\_\_  
Quarter \_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  East  West  
County: \_\_\_\_\_ Docket No.: \_\_\_\_\_

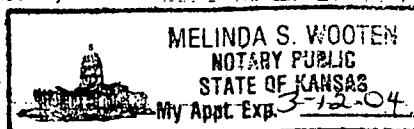
**INSTRUCTIONS:** An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information 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  
Alan L. DeGood  
Title: President Date: 3/15/01

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

19 01  
Notary Public: Melinda S. Wooten  
Melinda S. Wooten  
Date Commission Expires: 3-12-04



KCC Office Use ONLY

Letter of Confidentiality Attached

If Denied, Yes  No  Date: \_\_\_\_\_

Wireline Log Received

Geologist Report Received

UIC Distribution

Operator Name: AMERICAN ENERGIES CORPORATION Lease Name: Neil Well #: 1  
 Sec. 20 Twp. 9 S. R. 20W  East  West County: ROOKS

**INSTRUCTIONS:** Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, 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 chart(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 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i>  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 <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i>  List All E. Logs Run: <u>Dual Induction, Compensated Density/Neutron</u>	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample 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 Pipe	12 1/4	8 5/8	20	264.7	60/40Poz	160	2%Gel & 3%CC

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		Acid, Fracture, Shot, Cement Squeeze Record	
	Specify Footage of Each Interval Perforated		(Amount and Kind of Material Used)	
				Depth

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  Vented  Sold  Used on Lease *(If vented, Sumit ACO-18.)*

METHOD OF COMPLETION  Open Hole  Perf.  Dually Comp.  Commingled  Other (Specify) \_\_\_\_\_

Production Interval \_\_\_\_\_

# AMERICAN ENERGIES CORPORATION ORIGINAL DRILLING REPORT

## Neil #1

<b>LOCATION:</b>	2275' FNL, 1180' FWL Section 20-T9S-R20W	<b>SURFACE CASING:</b>	6 jts new 20# 8 5/8" Set @ 264.71'
<b>COUNTY:</b>	Rooks County	<b>PRODUCTION CASING:</b>	
<b>GEOLOGIST:</b>	Doug Davis	<b>G.L.:</b>	2305
<b>CONTRACTOR:</b>	Discovery Drilling	<b>K.B.:</b>	2313
<b>NOTIFY:</b>		<b>SPUD DATE:</b>	02/17/01
Mull Drilling - Phone #264-6366		<b>COMPLETION DATE:</b>	
Fax # 254-6440		<b>REFERENCE WELLS:</b>	
Bankoff Oil - Phone #918-742-0450		#1 AEC - Tawney "A" #1: SE NE SW 20-9S-20W	
Fax #918-746-9624		#2 Palmer Oil - Neil #1: NW NW NW 20-9S-20W	
		#3 Virginia Drlg. - Neil #2: SW SW NE 20-9S-20W	
		#4 Leben - Neil #1: N/2 NW NE 20-9S-20W	

FORMATION:	SAMPLE LOG:	COMPARISON:	ELECTRIC LOG TOPS:
	#1	#2	#3
	#4	#4	#4

FORMATION:	SAMPLE LOG:	COMPARISON:	ELECTRIC LOG TOPS:
	#1	#2	#3
	#4	#4	#4
Anhydrite	1818	+495 -5	0 NA -12
Base Anhydrite	1860	+453 -7	0 NA -4
Topeka	3358	-1045 +9	-20 +16 -19
Oread	3512	-1099 +10	-21 NA -19
Heebner	3567	-1254 +7	-23 +15 -21
Toronto	3598	-1275 +7	-20 +11 -21
Lansing	3606	-1293 +6	-20 +15 -21
Stark Shale	3790	-1477 +5	-21 NA -22
B Kansas City	3824	-1511 +9	-20 +35 -20
Arbuckle	3900	-1587 +14	-22 +76 -21
RTD	3968	-1655	LTD 3969 -1567

02/18/01 MIRT, Spud 12 1/4" hole @ 7:45 p.m. 2/17/01. Ran 6 jts new 20# 8 5/8" 254.71' casing set @ 264.71. Cementing by Allied with 160 sx 60/40 poz, 2% gel, 3% CC. Cement did circulate. Job complete @ 2:00 a.m. 2/18/01.

02/19/01 Drilling ahead @ 1685'

02/20/01 Drilling ahead @ 2747'

02/21/01 Drilling ahead @ 3530'

02/22/01 Tripping for bit @ 3817 (@ 100' above the Arbuckle).

02/23/01 Plugging, RTD 3968, LTD 3969, No reservoir development in Arbuckle  
 Plugging information as follows:  
 1<sup>st</sup> plug @ 3875' with 25 sx  
 2<sup>nd</sup> plug @ 1850' with 25 sx  
 3<sup>rd</sup> plug @ 1125' with 100 sx  
 4<sup>th</sup> plug @ 315' with 40 sx  
 5<sup>th</sup> plug @ 40' with 10 sx  
 10 sx in mouse hole, 15 sx in rat hole, Total: 225 sx 60/40 poz 6% gel with 1/4# FC/sx by Allied. Job completed @ 10:00 a.m. 2/23/01.

ORIGINAL



# Discovery Drilling

P.O. Box 763 • Hays, KS 67601 • OFFICE (785) 623-2920 • CELLULAR (785) 635-1511

## DRILLER'S LOG

Operator: **American Energies Corporation**  
155 North Market, Suite 710  
Wichita, KS 67202

Contractor: **Discovery Drilling Co., Inc.**  
P.O. Box 763  
Hays, KS 67601

Lease: Neil #1

Location: E/2/SE/SW/NW  
Sec. 20/9S/20W  
Rooks Co., KS

Loggers Total Depth: 3969'  
Rotary Total Depth: 3968'  
Commenced: 2/17/01  
Casing: 8 5/8" @ 264.71 w/160sks

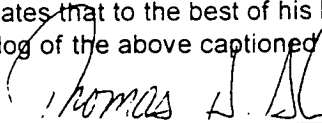
Elevation: 2305' Gr./2313' KB  
Completed: 2/23/01  
Status: D&A

### DEPTHS & FORMATIONS (All from KB)

Surface, Sand & Shale	0'	Shales	1860'
Dakota Sand	284'	Shales & Lime	2245'
Shale	370'	Shales	2598'
Cedar Hill Sand	1271'	Shales & Lime	2976'
Red Bed Shale	1546'	Lime & Shale	3082'
Anhydrite	1818'	RTD	3969'
Base Anhydrite	1860'		

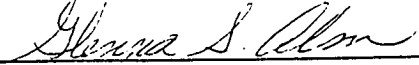
STATE OF KANSAS )  
) ss  
COUNTY OF ELLIS )

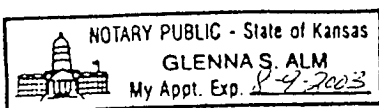
Thomas H. Alm of Discovery Drilling states that to the best of his knowledge the above and foregoing is a true and correct log of the above captioned well.

  
\_\_\_\_\_  
Thomas H. Alm

Subscribed and sworn to before me on 2-24-01

My Commission expires: 8-4-2003

(Place stamp or seal below)   
\_\_\_\_\_  
Notary Public



**ALLIED CEMENTING CO., INC.**

P.O. BOX 3†  
 RUSSELL, KS 67665  
 PH (785) 483-3887  
 FAX (785) 483-5566

ORIGINAL

\*\*\*\*\*  
 \* I N V O I C E \*  
 \*\*\*\*\*

*AD*  
*21-52*

Invoice Number: 083493

Invoice Date: 02/23/01

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

Cust I.D.....: Am Eng  
 P.O. Number...: Neil #1  
 P.O. Date.....: 02/23/01

Due Date.: 03/25/01  
 Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	135.00	SKS	6.3500	857.25	E
Pozmix	90.00	SKS	3.2500	292.50	E
Gel	11.00	SKS	9.5000	104.50	E
FloSeal	50.00	LBS	1.4000	70.00	E
Handling	236.00	SKS	1.0500	247.80	E
Mileage (39)	39.00	MILE	9.4400	368.16	E
236 sks @\$ .04 per sk per mi					
Rotary Plug	1.00	<del>SKS</del>	470.0000	470.00	E
Mileage pmp trk	39.00	MILE	3.0000	117.00	E
Dryhole plug	1.00	EACH	23.0000	23.00	E

ENT'D MAR 8

All Prices Are Net, Payable 30 Days Following  
 Date of Invoice. 1 1/2% Charged Thereafter.  
 If Account CURRENT take Discount of \$ 255.03  
 ONLY if paid within 30 days from Invoice Date

Subtotal: 2550.21  
 Tax.....: 0.00  
 Payments: 0.00  
 Total....: 2550.21

< 255.03 >  
 2295.18

**ALLIED CEMENTING CO., INC.**

P.O. BOX 3  
 RUSSELL, KS 67665  
 PH (785) 483-3887  
 FAX (785) 483-5566

*Handwritten:* 21-26

.....ORIGINAL.....  
 \* INVOICE \*  
 .....

Invoice Number: 083468

Invoice Date: 02/17/01

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

Cust I.D.....: Am Eng  
 P.O. Number...: Neil #1  
 P.O. Date....: 02/17/01

Due Date.: 03/19/01  
 Terms....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	96.00	SKS	6.3500	609.60	E
Pozmix	64.00	SKS	3.2500	208.00	E
Gel	3.00	SKS	9.5000	28.50	E
Chloride	5.00	SKS	28.0000	140.00	E
Handling	168.00	SKS	1.0500	176.40	E
Mileage (65)	65.00	MILE	6.7200	436.80	E
168 sks @\$ .04 per sk per mi					
Surface	1.00	JOB	470.0000	470.00	E
Mileage pmp trk	65.00	MILE	3.0000	195.00	E
Wooden plug	1.00	EACH	45.0000	45.00	E

All Prices Are Net, Payable 30 Days Following  
 Date of Invoice. 1 1/2% Charged Thereafter.  
 If Account CURRENT take Discount of \$ 230.93  
 ONLY if paid within 30 days from Invoice Date

Subtotal: 2309.30  
 Tax.....: 0.00  
 Payments: 0.00  
 Total....: 2309.30  
230.937  
 2078.37

ENT'D MAR 3 2001

# ALLIED CEMENTING CO., INC. 6607 ORIGINAL

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

SERVICE POINT: R

DATE <u>7/23/01</u>	SEC.	TWP.	RANGE	CALLED OUT	ON LOCATION <u>5:00 A.M.</u>	JOB START <u>6:30 AM</u>	JOB FINISH <u>10:00 AM</u>
LEASE <u>Net</u>	WELL # <u>1</u>	LOCATION <u>Palco High School</u>			COUNTY <u>Rooks</u>	STATE <u>Ks</u>	
OLD OR NEW (Circle one) <u>NEW</u>				<u>1 W 1/2 E J40</u>			

CONTRACTOR Discovery Drky Rig #2 OWNER \_\_\_\_\_

TYPE OF JOB Rotary Plug

HOLE SIZE 7 7/8" T.D. 3965'

CASING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_

TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_

DRILL PIPE \_\_\_\_\_ DEPTH \_\_\_\_\_

TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_

PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_

MEAS. LINE \_\_\_\_\_ SHOE JOINT \_\_\_\_\_

CEMENT LEFT IN CSG. \_\_\_\_\_

PERFS. \_\_\_\_\_

DISPLACEMENT \_\_\_\_\_

CEMENT			
AMOUNT ORDERED	<u>225</u>	<u>60/40</u>	<u>1690 Gel</u>
	<u>1/4 #</u>	<u>Floceal</u>	
COMMON	<u>135</u>	@	<u>6.35 857.25</u>
POZMIX	<u>90</u>	@	<u>3.25 292.50</u>
GEL	<u>11</u>	@	<u>9.50 104.50</u>
CHLORIDE		@	
<u>Floceal</u>	<u>50 #</u>	@	<u>1.40 70.00</u>
		@	
		@	
		@	
		@	
HANDLING	<u>236</u>	@	<u>1.05 247.80</u>
MILEAGE	<u>.04 /sk/mi.</u>		<u>308.16</u>
			TOTAL <u>1940.21</u>

**EQUIPMENT**

PUMP TRUCK CEMENTER Paul

# 153 HELPER Jason

BULK TRUCK

# 282 DRIVER Shane

BULK TRUCK

# \_\_\_\_\_ DRIVER \_\_\_\_\_

**REMARKS:**

- 25'x - 3875'
- 25'x - 1850'
- 100'x - 1125'
- 40'x - 315'
- 10'x 40'
- 16'x Pathole
- 10'x Mousehole

**SERVICE**

DEPTH OF JOB	_____		
PUMP TRUCK CHARGE			<u>470.00</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>39</u>	@	<u>3.00 117.00</u>
PLUG <u>8 5/8" Dryhole</u>		@	<u>23.00</u>
		@	
		@	
			TOTAL <u>610.00</u>

CHARGE TO: American Energies

STREET \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

**FLOAT EQUIPMENT**

_____	@	_____
_____	@	_____
_____	@	_____
_____	@	_____
_____	@	_____
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 \_\_\_\_\_

DISCOUNT \_\_\_\_\_ IF PAID IN 30 DAYS

SIGNATURE Tom Alun

Tom Alun  
PRINTED NAME

# ALLIED CEMENTING CO., INC. 6684 ORIGINAL

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

SERVICE POINT: R

DATE <u>2/7/01</u>	SEC <u>20</u>	TWP. <u>9</u>	RANGE <u>20</u>	CALLED OUT	ON LOCATION	JOB START	JOB FINISH <u>2:00 PM</u>
LEASE <u>Neil</u>		WELL # <u>1</u>	LOCATION <u>Palmer 1W 1/2 N E.S</u>			COUNTY <u>Rooks</u>	STATE <u>Ks</u>
OLD OR NEW (Circle one)							

CONTRACTOR Discovery Doly

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D. 267

CASING SIZE 8 3/8 DEPTH 262

TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_

DRILL PIPE \_\_\_\_\_ DEPTH \_\_\_\_\_

TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_

PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_

MEAS. LINE \_\_\_\_\_ SHOE JOINT \_\_\_\_\_

CEMENT LEFT IN CSG 10.15

PERFS. \_\_\_\_\_

DISPLACEMENT 20# 16.25 BBL

OWNER \_\_\_\_\_

CEMENT AMOUNT ORDERED 160 @ 11 372

EQUIPMENT

345

PUMP TRUCK # \_\_\_\_\_ CEMENTER Dave

HELPER Mark

BULK TRUCK # \_\_\_\_\_ DRIVER \_\_\_\_\_

BULK TRUCK # 279 DRIVER Shane

COMMON	96	@	6.35	609.60
POZMIX	64	@	3.25	208.00
GEL	3	@	9.50	28.50
CHLORIDE	5	@	28.00	140.00
		@		
		@		
		@		
		@		
HANDLING	168	@	1.05	176.40
MILEAGE	4 @ 1 SK / mile			436.00
TOTAL				<u>1599.30</u>

REMARKS: Cement Civ

SERVICE

DEPTH OF JOB				
PUMP TRUCK CHARGE			470.00	
EXTRA FOOTAGE	@			
MILEAGE	65	@	3.00	
PLUG <u>8 3/8 w/ 1/2 in</u>	@		45.00	
	@			
	@			
TOTAL				<u>710.00</u>

CHARGE TO: American Energy Corp

STREET \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

FLOAT EQUIPMENT

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

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.

TOTAL \_\_\_\_\_

TAX \_\_\_\_\_

TOTAL CHARGE \_\_\_\_\_

DISCOUNT \_\_\_\_\_ IF PAID IN 30 DAYS

SIGNATURE Tom Alm

Tom Alm  
PRINTED NAME