

ORIGINAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Form ACO-1
September 1999
Form Must Be Typed

Operator: License # 5214
Name: Lario Oil & Gas Co.
Address: 301 S. Market St.
City/State/Zip: Wichita, KS 67202
Purchaser: Plains Marketing / EOVS Gathering, LLC
Operator Contact Person: Jay G. Schweikert
Phone: (316) 265-5611
Contractor: Name: Duke Drilling Co., Inc.
License: 5929

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

If Workover/Re-entry: Old Well Info as follows:
Operator: Gear Petroleum Company
Well Name: Clouse "B" #1
Original Comp. Date: 01/17/1978 Original Total Depth: 3905
 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. _____

10/28/05 10/29/05 11/23/05
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 095 - 20671-00-01
County: Kingman
C NE NE Sec. 13 Twp. 28 S. R. 06 East West
660 feet from S (N) (circle one) Line of Section
660 feet from (E) (W) (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) (NE) SE NW SW
Lease Name: Clouse Well #: 7 RE
Field Name: Hedrick

Producing Formation: Mississippian
Elevation: Ground: 1452 Kelly Bushing: 1460
Total Depth: 3970 Plug Back Total Depth: 4059
Amount of Surface Pipe Set and Cemented at existing @ 210 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) *AKT IWH*
3-10-08
Chloride content 66,000 ppm Fluid volume 400 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.: _____

RECEIVED
KANSAS CORPORATION COMMISSION
FEB 24 2006
CONSERVATION DIVISION
WICHITA, KS

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: Jay G. Schweikert
Title: Operations Engineer Date: 2/24/06
Subscribed and sworn to before me this 24 th day of February, 2006

Notary Public: KATHY L. FORD
My Appt. Expires 10-22-06
Date Commission Expires: _____

KCC Office Use ONLY

Letter of Confidentiality Received
If Denied, Yes Date: _____
 Wireline Log Received **CONFIDENTIAL**
 Geologist Report Received **FEB 24 2006**
 UIC Distribution **KCC**

ORIGINAL

Operator Name: Lario Oil & Gas Co. Lease Name: Clouse
 Sec. 13 Twp. 28 S. R. 06 East West County: Kingman

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: GR-HRI-SDL-DSN-ML-LSS | <input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>Heebner</td> <td>2784</td> <td>-1324</td> </tr> <tr> <td>Lansing</td> <td>3057</td> <td>-1597</td> </tr> <tr> <td>Pawnee</td> <td>3624</td> <td>-2164</td> </tr> <tr> <td>Cherokee Sh</td> <td>3682</td> <td>-2222</td> </tr> <tr> <td>Mississippian</td> <td>3824</td> <td>-2364</td> </tr> </table> | Name | Top | Datum | Heebner | 2784 | -1324 | Lansing | 3057 | -1597 | Pawnee | 3624 | -2164 | Cherokee Sh | 3682 | -2222 | Mississippian | 3824 | -2364 |
| Name | Top | Datum | | | | | | | | | | | | | | | | | |
| Heebner | 2784 | -1324 | | | | | | | | | | | | | | | | | |
| Lansing | 3057 | -1597 | | | | | | | | | | | | | | | | | |
| Pawnee | 3624 | -2164 | | | | | | | | | | | | | | | | | |
| Cherokee Sh | 3682 | -2222 | | | | | | | | | | | | | | | | | |
| Mississippian | 3824 | -2364 | | | | | | | | | | | | | | | | | |

| 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 | 12.25" | 8-5/8" | existing | 288 | | 185 | |
| Production | 7.875" | 5-1/2" | 15.5 | 3952 | AA-2 | 185 | 10% salt +1/4# CF+.2%DF |
| | | | | | | | 0.8% FLA + 0.75% GB |

| 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 <i>(Amount and Kind of Material Used)</i> | Depth |
|----------------|---|--|-------|
| 4 | 3827' - 3836' | 1500 gal 15% NEFE | |
| | | | |
| | | | |
| | | | |

| | | | | |
|--|-----------------------|--|------------------------|---|
| TUBING RECORD | Size 2-3/8" | Set At 3898' | Packer At NA | Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Date of First, Resumerd Production, SWD or Enhr. Wait on Pipelines | | Producing Method <input type="checkbox"/> Flowing <input checked="" 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 | METHOD OF COMPLETION | Production Interval |
| <input type="checkbox"/> Vented <input checked="" type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i> | <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____ | _____ |



SALES OFFICE:
 100 S. Main
 Suite #607
 Wichita KS 67202
 (316) 262-3699
 (316) 262-5799 FAX

SALES & SERVICE OFFICE:
 10244 NE Hiway 61
 P.O. Box 8613
 Pratt, KS 67124-8613
 (620) 672-1201
 (620) 672-5383 FAX

SALES & SERVICE OFFICE:
 1700 S. Country Estates Rd.
 P.O. Box 129
 Liberal, KS 67905-0129
 (620) 624-2277
 (620) 624-2280 FAX

Invoice

| | | | | | |
|--|----------------------------|----------------|-----------------------|------------------|-------------------|
| Bill to: LARIO OIL & GAS P.O. Box 784 Hays, KS 67601 | 5138010 | Invoice | Invoice Date | Order | Order Date |
| | | 510186 | 10/31/05 | 11526 | 10/29/05 |
| | Service Description | | | | |
| | Cement | | | | |
| | | Lease | Well | Well Type | |
| | | Clouse | 7 OWWO | New Well | |
| | | AFE | Purchase Order | Terms | |
| | | 05-218 | | Net 30 | |
| CustomerRep | Treater | | | | |
| B. Saunder | B. Drake | | | | |

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 KANSAS CORPORATION COMMISSION
 FEB 24 2006
 CONSERVATION DIVISION
 WICHITA, KS

| ID. | Description | UOM | Quantity | Unit Price | Price |
|------|--|-----|----------|------------|----------------|
| D205 | AA2 (COMMON) | SK | 185 | \$14.75 | \$2,728.75 (T) |
| D203 | 60/40 POZ (COMMON) | SK | 15 | \$9.33 | \$139.95 (T) |
| C194 | CELLFLAKE | LB | 47 | \$3.41 | \$160.27 (T) |
| C195 | FLA-322 | LB | 140 | \$7.50 | \$1,050.00 (T) |
| C221 | SALT (Fine) | GAL | 1105 | \$0.25 | \$276.25 (T) |
| C243 | DEFOAMER | LB | 35 | \$3.45 | \$120.75 (T) |
| C312 | GAS BLOCK | LB | 131 | \$5.15 | \$674.65 (T) |
| C141 | CC-1, KCL SUBSTITUTE | GAL | 8 | \$44.00 | \$352.00 (T) |
| C304 | SUPER FLUSH II | GAL | 500 | \$1.53 | \$765.00 (T) |
| F101 | TURBOLIZER, 5 1/2" | EA | 6 | \$74.20 | \$445.20 (T) |
| F143 | TOP RUBBER CEMENT PLUG, 5 1/2" | EA | 1 | \$75.00 | \$75.00 (T) |
| F191 | GUIDE SHOE-REGULAR, 5 1/2" | EA | 1 | \$186.65 | \$186.65 (T) |
| F231 | FLAPPER TYPE INSERT FLOAT VALVES, 5 1/2" | EA | 1 | \$175.00 | \$175.00 (T) |
| E100 | HEAVY VEHICLE MILEAGE - 1 WAY | MI | 100 | \$4.00 | \$400.00 |
| E101 | CAR, PICKUP OR VAN MILEAGE - 1 WAY | MI | 50 | \$2.50 | \$125.00 |
| E104 | PROPPANT / BULK DELIV SERVICES/TON MILE, \$200 MIN | TM | 468 | \$1.60 | \$748.80 |
| E107 | CEMENT SERVICE CHARGE | SK | 200 | \$1.50 | \$300.00 |
| R208 | CASING CEMENT PUMPER, 3501-4000' 1ST 4 HRS ON LOC | EA | 1 | \$1,680.00 | \$1,680.00 |
| R701 | CEMENT HEAD RENTAL | EA | 1 | \$250.00 | \$250.00 |
| S100 | FUEL SURCHARGE | | 1 | \$106.52 | \$106.52 |

| | | | |
|--------------|-------|------|---------------------------------|
| Acct. | Expl. | File | OK to Pay |
| | | | <i>Bruce Saunder</i> 11-2-05 |
| NOV - 8 2005 | | | |
| CA | KG | HY | PV |
| GD | KE | GV | SF |
| | | | DM |

Sub Total: \$10,759.79
Discount: \$2,131.29
Discount Sub Total: \$8,628.50
Kingman County & State Tax Rate: 5.30% **Taxes:** \$303.87
 (T) Taxable Item **Total:** \$8,932.37

PLEASE REMIT TO Acid Services, LLC, Dept No 1131, Tulsa, OK 74182

Accounts become past due the last day of the month following billing. Interest rate 1.5% per month (18% per year) on past due accounts.