

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

ORIGINAL

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 5214 **KCC**
 Name: Lario Oil & Gas Co.
 Address: 301 S. Market St.
 City/State/Zip: Wichita, KS 67202
 Purchaser: Plains Marketing / EOY Gathering, LLC
 Operator Contact Person: Jay G. Schweikert
 Phone: (316) 265-5611
 Contractor: Name: Pickrell Drilling Co., Inc.
 License: 5123
 Wellsite Geologist: Vern Schrag
 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. _____

<u>05/19/06</u>	<u>05/26/06</u>	<u>07/06/06</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

SEP 07 2006
CONFIDENTIAL

API No. 15 - 095 - 22036 - 00-00
 County: Kingman
E2 - W2 - NE Sec. 29 Twp. 28 S. R. 05 East West
1320 feet from S N (circle one) Line of Section
1650 feet from E W (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW SW
 Lease Name: Beck Well #: 3
 Field Name: Broadway
 Producing Formation: Mississippian
 Elevation: Ground: 1422 Kelly Bushing: 1427
 Total Depth: 4350 Plug Back Total Depth: 4090
 Amount of Surface Pipe Set and Cemented at 261 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 AITINH 7-25-08
 (Data must be collected from the Reserve Pit)
 Chloride content 38,000 ppm Fluid volume 1000 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: Jay G. Schweikert
 Title: Operations Engineer Date: 9/7/06
 Subscribed and sworn to before me this 7 th September day of 2006
 Notary Public: Beverly J. Shafer
 Date Commission Expires: 1/03/2009

BEVERLY J. SHAFER
 Notary Public - State of Kansas
 Appt. Expires 1/03/09

KCC Office Use ONLY
 Letter of Confidentiality Received
 If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
RECEIVED
SEP 08 2006
KCC WICHITA

Operator Name: Lario Oil & Gas Co. Lease Name: Beck Well #: 3
 Sec. 29 Twp. 28 S. R. 05 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 checked="" type="checkbox"/> Yes <input 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;"> <thead> <tr> <th style="text-align: left;">Name</th> <th style="text-align: left;">Top</th> <th style="text-align: left;">Datum</th> </tr> </thead> <tbody> <tr> <td>Heebner</td> <td>2761</td> <td>-1334</td> </tr> <tr> <td>Lansing</td> <td>3083</td> <td>-1656</td> </tr> <tr> <td>Pawnee</td> <td>3626</td> <td>-2199</td> </tr> <tr> <td>Lwr Cherokee Sh</td> <td>3720</td> <td>-2293</td> </tr> <tr> <td>Mississippian</td> <td>3849</td> <td>-2422</td> </tr> <tr> <td>Viola</td> <td>4242</td> <td>-2815</td> </tr> </tbody> </table>	Name	Top	Datum	Heebner	2761	-1334	Lansing	3083	-1656	Pawnee	3626	-2199	Lwr Cherokee Sh	3720	-2293	Mississippian	3849	-2422	Viola	4242	-2815
Name	Top	Datum																				
Heebner	2761	-1334																				
Lansing	3083	-1656																				
Pawnee	3626	-2199																				
Lwr Cherokee Sh	3720	-2293																				
Mississippian	3849	-2422																				
Viola	4242	-2815																				

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"	23	261	60/40 Poz	180	2% gel + 3% CC
Production	7.875"	5-1/2"	15.5	4123	AA-2	200	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	3869' - 3874'	500 gal 15% NEFE	
4	3853' - 3858'	Frac w/ 25,500 gal 65Q N2 + 4,500#	
		100 Mesh + 24,000 # 12/20 + 6,000# 16/30 RCS	

TUBING RECORD		Size 2-7/8"	Set At 3846'	Packer At NA	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. 07/14/06		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. 0.5	Gas Mcf 5	Water Bbls. 257	Gas-Oil Ratio 10,000	Gravity 34.2

Disposition of Gas Vented Sold Used on Lease *(If vented, Submit ACO-18.)*

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

Production Interval _____

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

Russell, KS 67665

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

Invoice Number: 102489

Invoice Date: 05/23/06

Sold Lario Oil & Gas Company
To: P. O. Box 784
Hays, KS
67601

KCC
SEP 07 2006
CONFIDENTIAL

Cust I.D.....: Lario
P.O. Number...: Beck #3
P.O. Date.....: 05/23/06

APC #06-083

Due Date.: 06/22/06
Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	108.00	SKS	9.6000	1036.80	T
Proxmox	72.00	SKS	5.2000	374.40	T
Sel	3.00	SKS	15.0000	45.00	T
Chloride	6.00	SKS	42.0000	252.00	T
Handling	189.00	SKS	1.7000	321.30	E
Mileage	40.00	MILE	13.2300	529.20	E
189 sks @ >07 per sk per mi					
Surface	1.00	JOB	735.0000	735.00	E
Mileage pmp trk	40.00	MILE	5.0000	200.00	E
Head Rental	1.00	PER	100.0000	100.00	E
Wooden Plug	1.00	EACH	55.0000	55.00	T

All Prices Are Net, Payable 30 Days Following
Date of Invoice. 1 1/2% Charged Thereafter.
If Account CURRENT take Discount of \$ 364.87
ONLY if paid within 30 days from Invoice Date

Subtotal: 3648.70
Tax.....: 93.45
Payments: 0.00
Total....: 3742.15

ad
cc

JUN - 6

ad
cc

RECEIVED
SEP 08 2006
KCC WICHITA

ALLIED CEMENTING CO., INC.

23424

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

SEP 07 2006
CONFIDENTIAL

SERVICE POINT:
Medicine hdg.

DATE <u>5-19-06</u>	SEC. <u>29</u>	TWP. <u>28S</u>	RANGE <u>05W</u>	CALLED OUT <u>8:00 AM.</u>	ON LOCATION <u>12:30 AM.</u>	JOB START <u>2:50 PM.</u>	JOB FINISH <u>3:15 PM.</u>
LEASE <u>Beck</u>	WELL # <u>3</u>	LOCATION <u>Murdock 1S 2 1/2 E</u>		COUNTY <u>Kingman</u>	STATE <u>KS.</u>		
OLD OR <input checked="" type="radio"/> NEW (Circle one)		<u>S/INTO</u>					

CONTRACTOR Pickrell #10
 TYPE OF JOB Surface
 HOLE SIZE 12 1/4 T.D. 266
 CASING SIZE 8 5/8 DEPTH 266
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE 4 1/2 DEPTH 266
 TOOL _____ DEPTH _____
 PRES. MAX 200 PSF MINIMUM -
 MEAS. LINE _____ SHOE JOINT 15 FT
 CEMENT LEFT IN CSG. 15 FT
 PERFS. _____
 DISPLACEMENT Fresh Water 16 BBLs.

OWNER Lario Oil & Gas,
 CEMENT
 AMOUNT ORDERED 180sx 60:40:2t
3% cc

COMMON	<u>108</u>	<u>A</u>	@	<u>9.60</u>	<u>1036.80</u>
POZMIX	<u>72</u>		@	<u>5.20</u>	<u>374.40</u>
GEL	<u>3</u>		@	<u>15.00</u>	<u>45.00</u>
CHLORIDE	<u>6</u>		@	<u>42.00</u>	<u>252.00</u>
ASC			@		

EQUIPMENT
 PUMP TRUCK CEMENTER David W.
 # 372 HELPER Mike B.
 BULK TRUCK
 # 389 DRIVER Greg G.
 BULK TRUCK
 # _____ DRIVER _____

RECEIVED

SEP 08 2006

KCC WICHITA

HANDLING	<u>189</u>	@	<u>1.70</u>	<u>321.30</u>
MILEAGE	<u>40 x 189</u>	x	<u>0.07</u>	<u>529.20</u>

TOTAL 2558.70

REMARKS:

Pipe on Bottom Break C/M Pump
180sx 60:40:2t + 3% cc shut
Down Release Plug Displace
w/ Fresh Water slow Rate
Shut in 16 BBLs, cement did
not. New wash up Rig Down.

SERVICE

DEPTH OF JOB	<u>266</u>			
PUMP TRUCK CHARGE				<u>735.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>40</u>	@	<u>5.00</u>	<u>200.00</u>
MANIFOLD <u>Head Rent</u>		@	<u>100.00</u>	<u>100.00</u>

TOTAL 1035.00

CHARGE TO: Lario Oil & Gas,
 STREET _____
 CITY _____ STATE _____ ZIP _____

8 5/8" PLUG & FLOAT EQUIPMENT

<u>1-Wooden Plug</u>	@	<u>55.00</u>	<u>55.00</u>
	@		
	@		
	@		
	@		

ANY APPLICABLE TAX
 WILL BE CHARGED UPON INVOICING
 TOTAL 55.00

TAX _____
 TOTAL CHARGE ~~_____~~
 DISCOUNT ~~_____~~ IF PAID IN 30 DAYS

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 x Mike Kern

x Mike Kern
 PRINTED NAME



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 605201	Invoice Date 5/27/06	Order 13389	Station Pratt
Service Description					
Cement					
Lease			Well		Well Type
Beck			3		New Well
A/E			PO		Terms
06-083					Net 30
CustomerRep			Treater		
J. Fletcher			C. Messick		

KCC
 SEP 07 2006
 CONFIDENTIAL

ID.	Description	UOM	Quantity	Unit Price	Price
D205	AA2 (COMMON)	SK	200	\$15.90	\$3,180.00 (T)
D203	60/40 POZ (COMMON)	SK	25	\$10.30	\$257.50 (T)
C194	CELLFLAKE	LB	51	\$3.70	\$188.70 (T)
C195	FLA-322	LB	151	\$7.50	\$1,132.50 (T)
C221	SALT (Fine)	GAL	1134	\$0.25	\$283.50 (T)
C243	DEFOAMER	LB	38	\$3.45	\$131.10 (T)
C312	GAS BLOCK	LB	141	\$5.15	\$726.15 (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)
F121	BASKET, 5 1/2"	EA	1	\$237.50	\$237.50 (T)
F171	LATCH DOWN PLUG & BAFFLE, 5 1/2"	EA	1	\$250.00	\$250.00 (T)
F274	WEATHERFORD CEMENTING SHOE PACKER TYPE, 5 1/2"	EA	1	\$3,133.00	\$3,133.00 (T)
E100	HEAVY VEHICLE MILEAGE - 1 WAY	MI	100	\$5.00	\$500.00
E101	CAR, PICKUP OR VAN MILEAGE - 1 WAY	MI	50	\$3.00	\$150.00
E104	PROPPANT / BULK DELIV SERVICES/TON MILE, \$200 MIN	TM	525	\$1.60	\$840.00
E107	CEMENT SERVICE CHARGE	SK	225	\$1.50	\$337.50
R209	CASING CEMENT PUMPER, 4001-4500' 1ST 4 HRS ON LOC	EA	1	\$1,764.00	\$1,764.00
R701	CEMENT HEAD RENTAL	EA	1	\$250.00	\$250.00
F800	THREADLOCK COMPOUND KIT	EA	1	\$30.00	\$30.00
S100	FUEL SURCHARGE		1	\$153.27	\$153.27

RECEIVED
 SEP 08 2006
 KCC WICHITA

all
 [Handwritten signature]
 [Handwritten initials] SF DM

Sub Total:	\$15,106.92
Discount:	\$2,691.66
Discount Sub Total:	\$12,415.26
Kingman County & State Tax Rate: 5.30%	Taxes: \$482.70
(T) Taxable Item	Total: \$12,897.96

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

Accounts are past due net 30 days following the date of invoice. Finance charge of 1 1/2% per month or 18% annual percentage rate will be charged on all past due accounts. Customer agrees not to withhold payment of any Invoice, or assert any right of offset, recoupment or any other defense to payment of any Invoice, on account of any right that you may now or hereafter have to payment from us, except for claims arising out of such Invoice because of defects in the specific services described in such Invoice. Additionally, you hereby waive any right that you may have under any state, federal or other law to assert any such right of offset or recoupment. This agreement shall inure to the benefit of us and any lender providing financing to us and shall remain in full force and effect during any insolvency proceeding involving us and otherwise until all liabilities and obligations now or hereafter owing by us to any lender providing financing to us have been paid or performed in full.



FIELD ORDER

13389 ✓

Subject to Correction

Date 5-27-06		Customer ID		Lease Beck	Well # 3	Legal 29-285-5W
Lario Oil and Gas Company		County Kingman	State KS.	Station Pratt		
Depth		Formation		Shoe Joint 27.23'		
Casing ID 5 1/2 15.5Lb.		Casing Depth 4129'		TD 4354'	Job Type Cement-Long String-New	
Customer Representative Jay Fletcher				Treater Clarence R. Messick Well		

AFE Number **06-083** PO Number

Materials Received by **X Jay Fletcher**

Station Code	Product Code	QUANTITY	MATERIALS, EQUIPMENT, and SERVICES USED	UNIT PRICE	AMOUNT
P	D-205	200 sk.	AA-2		
P	D-203	25 sk.	60/40 Poz		
P	C-194	51Lb.	Cellflake		
P	C-195	151Lb.	FLA-322		
P	C-221	1,134Lb.	Salt (Fine)		
P	C-243	38Lb.	Defoamer		
P	C-312	141Lb.	Gas Blok		
P	C-141	8 Gal.	CC-1		
P	C-304	500 Gal.	Super Flush II		
P	F-101	6 ea.	Turbolizer, 5 1/2"		
P	F-121	1 ea.	Basket, 5 1/2"		
P	F-171	1 ea.	T.R. Latch Down Plug and Baffle, 5 1/2"		
P	F-274	1 ea.	Weatherford Cementing Shoe-Packer Type, 5 1/2"		
P	E-100	100 mi.	Heavy Vehicle Mileage, 1-Way		
P	E-101	50 mi.	Pickup Mileage, 1-Way		
P	E-104	525 tm.	Bulk Delivery		
P	E-107	225 sk.	Cement Service Charge		
P	R-209	1 ea.	Casing Cement Pumper, 4,001'-4,500'		
P	R-701	1 ea.	Cement Head Rental		
P	F-800	1 ea.	Threadlock Compound kit		
Discounted Price =					\$ 12,261.99
Plus taxes					

KCC
SEP 07 2006
CONFIDENTIAL

RECEIVED
SEP 08 2006
KCC WICHITA

Customer Lario Oil and Gas Company		Lease No. Beck	Lease # 3		CONFIDENTIAL	Date 5-27-06
Field Order # 13389	Station Pratt	Casing 5 1/2" 19.5 Lb	Depth 4129'	County Kingman	State KS.	
Type Job Cement-Long String-New Well			Formation	Legal Description 29-28S-5W		

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME	
Casing Size 5 1/2" 19.5 Lb./Ft.	Tubing Size	Shots/Ft		Cement		RATE	PRESS
Depth 4129'	Depth	From	To	200 sacks AA-2 with .2% Defoamer, .8% FLA-322, 10% Salt, .75% Gas Blok, .25 Lb/lst Cellflatre		5 Min.	10 Min.
Volume 98.27 Bbl.	Volume	From	To	15 Lb./Gal. 6.8 Gal./Sk., 1.45 C.U.F.T./Sk.		Avg	15 Min
Max Press 1,600 P.S.I.	Max Press	From	To	25 sacks 60/40 Poz to plug rat hole		HP Used	Annulus Pressure
Well Connection Plug Cont.	Annulus Vol.	From	To	Flush 97.62 Bbl. 2% KCL	Gas Volume	Total Load	
Plug Depth 101.77'	Packer Depth	From	To				

Customer Representative Jay Fletcher	Station Manager Dave Scott	Treater Clarence R. Messick
Service Units 119	309 402	380 571
Driver Names Messick Fischer McGraw		

Time	Casing Pressure	Tubing Pressure	Bbbls. Pumped	Rate	Service Log
11:30					Trucks on location and hold safety meeting
12:00					Pickrel Drilling start to run 118 jts. new 19.5 Lb./Ft. 5 1/2" casing. Ran Packer shoe, shoe jts. with latch down baffle screwed into collar. Ran basket on top of 1 3/4" jts. an Turbolizers on collars #1, 4, 12, 17, 19, 22.
2:25					Casing in well. Circulate for 30 minutes.
3:20					Set packer shoe. Circulate for 1 hour.
4:30	300			6.3	Start Fresh H ₂ O Pre-Flush
	300		5	6.3	Start Super Flush II
	300		17	6.3	Start Fresh H ₂ O Spacer
			22		Shut in well
3:38			4	2	Plug rat hole. Open well
3:43	300			6	Start mixing 200 sacks AA-2 cement
	300		52		Stop pumping. Shut in well. Wash pump & line
					Release latch Down Plug
4:57				6.5	Start 2% KCL Displacement
5:12	750		98		Plug down
	1,600				Pressure up
					Release pressure. Insert held
					Wash up pump truck
5:45					Job Complete

