

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1

September 1999

Form Must Be Typed

5/09/10

corrected
5/13/08
KCC

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 5214
 Name: Lario Oil & Gas Company
 Address: 301 S. Market
 City/State/Zip: Wichita, KS 67202
 Purchaser: _____
 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 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. _____
 4-16-08 4-25-08 4-27-08
 Spud Date or Date Reached TD Completion Date or
 Recompletion Date Recompletion Date

API No. 15 - 095-22142-0000
 County: Kingman
 _____ N2 - NW4 Sec. 1 Twp. 28 S. R. 5 East West
660 feet from S (circle one) Line of Section
1320 feet from E (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW SW
 Lease Name: Zerger Well #: 1-1
 Field Name: Broadway North
 Producing Formation: _____
 Elevation: Ground: 1433' Kelly Bushing: 1443'
 Total Depth: 4085' Plug Back Total Depth: _____
 Amount of Surface Pipe Set and Cemented at 250 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 PART 1305
 (Data must be collected from the Reserve Pit)
 Chloride content 36,000 ppm Fluid volume 1,000 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 Schweikert
 Title: Jay G. Schweikert, Operations Engineer Date: 5-9-08
 Subscribed and sworn to before me this 9th day of May,
 2008.
 Notary Public: KATHY L. FORD Notary Public - State of Kansas
 My Appt. Expires 10-22-10
 Date Commission Expires: _____

KCC Office Use ONLY
 Letter of Confidentiality Received
 If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
RECEIVED
MAY 12 2008

KCC WICHITA

Operator Name: Lario Oil & Gas Company Lease Name: Zerger Well #: 1-1
 Sec. 1 Twp. 28 S. R. 5 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 checked="" type="checkbox"/> Yes <input 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: SDL/DSN/MICROLOG/ISAT/ACRT	<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:70%;">Name</td> <td style="width:15%;">Top</td> <td style="width:15%;">Datum</td> </tr> <tr> <td>Heebner</td> <td>2657</td> <td>-1214</td> </tr> <tr> <td>Lansing</td> <td>2930</td> <td>-1487</td> </tr> <tr> <td>Stark</td> <td>3324</td> <td>-1881</td> </tr> <tr> <td>Hushpuckney</td> <td>3360</td> <td>-1917</td> </tr> <tr> <td>Pawnee</td> <td>3525</td> <td>-2082</td> </tr> <tr> <td>Cherokee Shale</td> <td>3581</td> <td>-2138</td> </tr> <tr> <td>Mississippi Dolo</td> <td>3818</td> <td>-2375</td> </tr> <tr> <td>Kinderhook Shale</td> <td>3758</td> <td>-2315</td> </tr> </table>	Name	Top	Datum	Heebner	2657	-1214	Lansing	2930	-1487	Stark	3324	-1881	Hushpuckney	3360	-1917	Pawnee	3525	-2082	Cherokee Shale	3581	-2138	Mississippi Dolo	3818	-2375	Kinderhook Shale	3758	-2315
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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"	23#	250'	Class A	155	3% w/ 1/4#FC/sx

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

TUBING RECORD		Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. D&A 4-27-08		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, Submit ACO-18.)*

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

Production Interval _____

United Cementing & Acid Co. Inc

2510 W. 6th Street
 El Dorado, KS 67042
 316-321-4680

Invoice

Date	Invoice #
4/17/2008	8608

Bill To
Lario Oil & Gas Company 301 S Market St. Wichita, KS 67202

Kind of Job	Lease & Well #	Terms	Service Ticket #
Surface	Zerger 1-1	Net 30	8454

Description	Amount
Pump Truck Charge (250')	675.00T
Class A Cement (155 sks)	1,627.50T
Calcium Chloride (5.5 sks)	236.50T
Flo Seal (38 lbs)	74.10T
Handling Charge (155 sks)	193.75T
Pump Truck Mileage (75 miles)	225.00T
Drayage (7.5 ton)	565.13T

R E C E I V E D
 APR 21 2008
 GENERAL OFFICE

CONFIDENTIAL
 MAY 09 2008
 KCC

AFE 08-085
BCP
all ye
 ACCT. Expl. File
 KG
 HY
 PV
 OD
 APR 21 2008
 JS KF GV SF DM

Thank you for your business.

Subtotal	\$3,596.98
Sales Tax (5.3%)	\$190.64
Payments/Credits	\$0.00
Balance Due	\$3,787.62

RECEIVED
 MAY 12 2008
 KCC WICHITA



1-800-794-0187
 Fax 1-316-321-4720
 2510 W. 6th St.
 El Dorado, Kansas 67042

SERVICE TICKET

8454

DATE 4-17-08

COUNTY Kingman CITY Mt Vernon

CHARGE TO Lario Oil

ADDRESS _____ CITY _____ ST _____ ZIP _____

LEASE & WELL NO. Zerger 1-1 CONTRACTOR Pickrel #1

KIND OF JOB 8 3/8 Surface SEC. 1 TWP. 28 RNG. 55

DIR. TO LOC. Mt Vernon Ex 1/2 S - 1 E - 1 S - 1/2 E South 1/2 OLD NEW

Quantity	MATERIAL USED	250'	Serv. Charge
155 sk	CLASS A' Cement		1627.50
5.5 sk	SK. Calcium Chloride		236.50
38 #	Flo-Cell		74.10
155	BULK CHARGE		193.75
7.5 T	BULK TRK. MILES		565.13
75	PUMP TRK. MILES		225.00
	CONFIDENTIAL MAY 09 2008		
	PLUGS		
		KCC	SALES TAX
			TOTAL

T.D. 255' RECEIVED _____

SIZE HOLE 12 1/4 MAY 12 2008

MAX. PRESS. _____

PLUG DEPTH No Plug KCC WICHITA

PLUG USED _____

CSG. SET AT 238 VOLUME _____

TBG SET AT _____ VOLUME _____

SIZE PIPE _____

PKER DEPTH _____

TIME ON LOCATION 0445 TIME FINISHED 744

REMARKS: Rigup - Break cin 5 BBL - mix & pump 155 A 3% CC 1/4 Cell / HCC
Displ 14 BBL

NAME Roger Smith
Bobby Lewis
Jerald Daniles
David Caltine
 CEMENTER OR TREATER

EQUIPMENT USED
 NAME _____ UNIT NO. _____
 NAME Mike Ken UNIT NO. _____
 OWNER'S REP.



ALLIED

CEMENTING CO., LLC
Cementing & Acidizing Services

24 S. Lincoln Street
P.O. Box 31
Russell, KS 67665-2906
Voice: (785) 483-3887
Fax: (785) 483-5566

INVOICE

Invoice Number: 113721
Invoice Date: Apr 28, 2008
Page: 1

Bill To:
Lario Oil & Gas Co. P. O. Box 307 Kingman, KS 67068

Customer ID	Well Name/# or Customer P.O.	Payment Terms	
Lario	Zerger #1-1 (APR 28-08)	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS	Medicine Lodge	Apr 28, 2008	5/28/08

Quantity	Item	Description	Unit Price	Amount
72.00	MAT	Class A Common	14.20	1,022.40
48.00	MAT	Pozmix	7.20	345.60
4.00	MAT	Gel	18.75	75.00
124.00	SER	Handling	2.15	266.60
40.00	SER	Mileage 124 sx @.09 per sk per mi	11.16	446.40
1.00	SER	Rotary Plug	917.00	917.00
40.00	SER	Mileage Pump Truck	7.00	280.00

CONFIDENTIAL
MAY 09 2008
KCC

RECEIVED
MAY 12 2008
KCC WICHITA

Exp.	File
MAY 07 2008	
CS	IS
LV	SE
DM	

BS
5-5-08

ALL PRICES ARE NET, PAYABLE 30 DAYS FOLLOWING DATE OF INVOICE. 1 1/2% CHARGED THEREAFTER. IF ACCOUNT IS CURRENT, TAKE DISCOUNT OF

\$ 335.30

ONLY IF PAID ON OR BEFORE

Subtotal	3,353.00
Sales Tax	177.71
Total Invoice Amount	3,530.71
Payment/Credit Applied	
TOTAL	3,530.71

ALLIED CEMENTING CO., LLC. 31154

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

SERVICE POINT:
Medicine Lodge, K

DATE <u>4-26-08</u>	SEC. <u>01</u>	TWP. <u>28S</u>	RANGE <u>05W</u>	CALLED OUT <u>4:00 pm</u>	ON LOCATION <u>8:00 pm</u>	JOB START <u>10:30 am</u>	JOB FINISH <u>12:30 AM</u>
LEASE <u>Zenger</u>		WELL# <u>1-1</u>		LOCATION <u>546 Mt Vernon ex. 4, 1/2 S,</u>		COUNTY <u>Kingsman</u>	STATE <u>KS</u>
OLD OR <u>(NEW)</u> (Circle one)			<u>1e, 1s, 1/2e, S into</u>				

CONTRACTOR Pickorell #10

TYPE OF JOB Roxy Plus

HOLE SIZE 7 7/8 T.D. _____

CASING SIZE 8 5/8 DEPTH 250

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE POINT _____

CEMENT LEFT IN CSG. _____

PERFS. _____

DISPLACEMENT 8 1/2 bbls

OWNER Lorio Oil & Gas Company

CEMENT AMOUNT ORDERED 120 sk 60:40:4

EQUIPMENT

PUMP TRUCK # 372 CEMENTER Mark B
HELPER Darin F

BULK TRUCK # 389 DRIVER Cole H.

BULK TRUCK # _____ DRIVER _____

COMMON	<u>72</u>	<u>A</u>	@	<u>14.20</u>	<u>1022.40</u>
POZMIX	<u>48</u>		@	<u>7.20</u>	<u>345.60</u>
GEL	<u>4</u>		@	<u>18.75</u>	<u>75.00</u>
CHLORIDE			@		
ASC			@		
			@		
			@		
			@		
			@		
			@		
HANDLING	<u>124</u>		@	<u>2.15</u>	<u>266.60</u>
MILEAGE	<u>40</u>	<u>X 124</u>	<u>X</u>	<u>.09</u>	<u>446.40</u>
TOTAL					<u>2156.00</u>

REMARKS:

1st Plug - Log hole, pump 8 1/2 bbls of water ahead & displace 8 1/2 bbls

2nd Plug - Log hole, pump 8 1/2 bbls water ahead, mix 35 sk displace 1 1/2 bbls, mix 25 sk sit 60 ft, mix 10 sk in mouse hole, mix 15 sk in rest hole

CHARGE TO: Lorio Oil & Gas Company

STREET _____

CITY _____ STATE _____ ZIP _____

SERVICE

DEPTH OF JOB	<u>850</u>				
PUMP TRUCK CHARGE				<u>917.00</u>	
EXTRA FOOTAGE		@			
MILEAGE	<u>40</u>	@	<u>7.00</u>	<u>280.00</u>	
MANIFOLD		@			
		@			
		@			
TOTAL					<u>1197.00</u>

PLUG & FLOAT EQUIPMENT

	@			
	@			
	@			
	@			
	@			
TOTAL				_____

To Allied Cementing Co., LLC.
You are hereby requested to rent cementing equipment and furnish cementer and helper(s) 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 and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

PRINTED NAME Miky Kevn

SIGNATURE Miko Kevn

SALES TAX (If Any) _____

TOTAL CHARGES ~~3350.00~~

DISCOUNT ~~3350.00~~ IF PAID IN 30 DAYS

**ANY APPLICABLE TAX
WILL BE CHARGED
UPON INVOICING**