

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS DIVISION

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Handwritten: 10/15/08

Handwritten: 9/16/10

Operator: License # 5399
Name: American Energies Corporation
Address: 155 North Market, Suite 710
City/State/Zip: Wichita, KS 67202
Purchaser: _____
Operator Contact Person: Alan L. DeGood
Phone: (316) (316) 263-5785
Contractor: Name: Pickrell Drilling Company, Inc.
License: 5123
Wellsite Geologist: David Goldak

Designate Type of Completion: SEP 16 2008
 New Well Re-Entry Workover
 Oil SWD SLOW Temp. Abd
 Gas ENHR SIGW
 Dry Other (Core, WSW, Exp., Gas, etc)

If Workover/Re-entry: Old Well Info as follows:
Operator: SEP 18 2008
Well Name: _____
Original Comp. Date: _____ Original Total _____
 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>7/9/2008</u>	<u>7/18/08</u>	<u>8/26/08</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API NO. 15 - 095-22157-00-00
County: Kingman
NE NW - SW - _____ Sec. 27 S. R. 27 East West
2360 FSL feet from S/N (circle one) Line of Section
1140 FWL feet from E/W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Thissen Well #: 1-27
Field Name: Wildcat
Producing Formation: Viola

Elevation: Ground: 1579' Kelly Bushing: 1589'
Total Depth: 4340' Plug Back Total Depth: 4340'
Amount of Surface Pipe Set and Cemented at 8 5/8" @ 267 KB 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 ATI NH11-28-08
(Data must be collected from the Reserve Pit)

Chloride content 30,000 ppm Fluid volume 800 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 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 wireline logs and geologist well report shall be attached with this form. 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: 9/17/08
Subscribed and sworn to before me this 17th day of September, 2008
Notary Public: Melinda S. Wooten
Date Commission Expires: Melinda S. Wooten, Notary Exp. 3/12/12

KCC Office Use ONLY
 Letter of Confidentiality Attached
If Denied, Yes _____ Date: _____
 Wireline Log Received
 Geologists Report Received
 UIC Distribution

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

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Operator Name: American Energies Corporation Lease Name: Thissen Well: 1-27
 Sec. 27 Twp. 27 S. R. 7W Vest County: Kingman

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:
 Compensated Density/Neutron, Dual Induction,
 Sonic Cement Bond

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*see
 memo
 10/15/08*

CONSERVATION DIVISION
 WASHINGTON RECORD New 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#	267' KB	60/40 poz	190 sx	2% gel, 3% CC
Production		8 1/2" 5-5"	14.5#	4339'	ASC	125 sx	5# Floseal, 5% FL160

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 (Amount and Kind of Material Used)	Depth
6 SPF	4241-4242	250 gallons 15% NE FE Acid	4242

TUBING RECORD	Size	Set At	Packer At	Liner Run
	2 7/8"	4288'	None	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or Enhr.	Producing Method			
9/9/08	<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
	150 BPD	-0-	750 BWPD	44

Disposition of Gas METHOD OF COMPLETION Production Interval
 Vented Sold Used on Lease Open Hole Perf Dually Comp. Commingled
 (If vented, Sumit ACO-18.) Other Specify _____



American Energies
Corporation

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

DRILLING AND COMPLETION REPORT

Thissen #1-27

LOCATION: 2360' FSL & 1140' FWL
NE NW SW Sec. 27-27S-7W
COUNTY: Kingman
API: 15-095-22157
CONTRACTOR: Pickrell Drilling – Rig #1
GEOLOGIST: David Goldak
NOTIFY: American Energies Corp.
Dianne Y. DeGood Family Trust, Gar Oil Corp.,
Hyde Resources, Inc., Debbie Schmitt, LLC
MTM Petroleum, Inc., Graves Leases, LLC
Buffalo Creek Oil and Gas, LLC, R & T Investments

SURFACE CASING: 8 5/8" set @267'KB
PRODUCTION CASING: 5-1/2" 14.5# @ 4339'
ANTICIPATED RTD: 4300'
RTD: 4340'
G.L.: 1579' **K.B.:** 1589'
SPUD DATE: 7/9/08
COMPLETION DATE:
REFERENCE WELLS:
#1 – TXO's Schwartz A #1 – NE SE NW 27-27S7W
#2 – Mack Oil's Thissen #2 – SE NW SW 27-27S-7W

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FORMATION:	SAMPLE LOG: Comparison:				ELECTRIC LOG TOPS: Comparison:			
			#1	#2			#1	#2
Heebner	2957	-1368	Flat	+7	2957	-1368	Flat	+7
Lansing	3208	-1619	+6	+8	3210	-1621	+4	+6
Stark	3560	-1971	-2	+4	3558	-1969	Flat	+6
Cherokee	3800	-2211	-2	+4	3800	-2211	-2	+4
Mississippian	3917	-2328	-7	+11	3917	-2328	-7	+11
Kinderhook	4114	-2525	+14	+2	4114	-2525	+14	+2
Viola	4241	-2652	+9	+3	4241	-2652	+9	+3
Upper Simpson	4261	-2672	+8	NP	4262	-2673	+7	NP
Lower Simpson	4276	-2687	+8	NP	4277	-2688	+7	NP
RTD	4340	-2751						

- 7/8/08 MIRT and RURT
- 7/9/08 Spud @ 7:15 a.m. Drilling 12 1/4" surface holes to 272'. Ran in 6 jts of new 8 5/8" 23# surface casing set @ 267' KB (tally was 255'). Cemented with 190 sx 60/40 poz, 2% G. Cemented @ 5:00 p.m. on 7/9/08. Cement did circulate.
- 7/10/08 Drilling ahead @ 515'.
- 7/11/08 Drilling ahead @ 1590'. SHT @ 729' = 1/4°, 1235 = 3/4°.
- 7/12/08 Drilling ahead @ 2355'. Tripping for hole in pipe.
- 7/13/08 Drilling ahead @ 2920'.
- 7/14/08 Drilling ahead @ 3495'. No shows in Swope or Hertha – circulated both zones.
- 7/15/08 Drilling ahead @ 3780'. Bit trip @ 3693'. Cut 20' of Chert - poor to no show of oil. Few gas bubbles, spotty Gilsonite. No free oil. Will drill ahead.
- 7/16/08 Drilling ahead @ 4205'. Show of oil in Viola formation. At 3:00 p.m. -running DST#1 4242-46'.
- 7/17/08 At 4340' – RTD – Coming out of hole for logs. Results DST #1: 4242-46'. Times: 30-60-30-60. 1st opening – Strong blow BOB in 90 sec., 2nd opening – Strong blow BOB in 2 seconds. GTS in 21 minutes (gas flow TSTM). Recovered 575' Total fluid, 500' GCO (40%G, 60%O), 75' GOCM (20%G, 20%O, 60%M). ISIP: 1551, SIP: 1551, IFP: 25-116, FFP: 142-203, Temp. 142 degrees. Show of oil in Lower Simpson, will examine on log and possibly perforate. Possibly test thru casing. After logging procedure complete, will begin running production casing.
- 7/18/08 WOC, Rig up Superior Logging, ran DIL, CNL, FOL. Logging TD 4340', RTD 4340'. Viola has 11' of 9% Density porosity with good resistivity. Upper and lower Simpson is wet. Rigged down Superior, TIH w/DC&DP, TOH laying down DC & DP. Ran 104jts of new 5-1/2" 14.5# set 4339', ran 5 centralizers @ 4317', 4275', 4233', 4155' & 4060. Circ. Through. Plug down at 2:00 a.m. 7/18/08
- 7/18/08 Production casing cementing report: 125sx ASC, 5#Flooseal/sx, 5%FL160, 17%Gas Blk, Rat hole: 15sx 60/40Poz, 4%Gel. PD@2am 7/18/08 Allied Ticket#32362. Completion reports will follow when completion begins.
- 8/26/08 Ran 138 joints 2-7/8 with submersible pump. Tested submersible. Well flowed oil. Shut in waiting for salt water line.

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CONSERVATION DIVISION
WICHITA, KS

Thissen #1-27 Completion Report

Page 2

7/31/08 Rigged up Klima Well Service. Rigged up Log Tech & ran bond log. Cement looked good at Perfs. Top of cement at 3450'. Came out of hole & ran in 1' gun, Perf'd 6 shots at 4241-42'. Came out & ran 139 joints of 2-7/8" tubing to 4253'. Hooked swab & started swabbing:

1st hour - Recovered 28 bbls, no oil, no gas. Fluid level 1250' from surface.

2nd hour - Recovered 9 bbls, cup wearing out try wire cup, but only got to 1500', hung up. no oil, no gas. Fluid level 1700' from surface.

Tried to run sand cups, would not go. SION.

8/1/08 Ran in with swab and tagged fluid @ 1700' down.

1st hour - Recovered 17 bbls, no oil, no gas. Fluid level @ 2400' down.

2nd hour - Recovered 16 bbls, no oil, no gas. Fluid level @ 3100' down - not kicking.

3rd hour - Recovered 15 bbls, no oil, no gas. Fluid level @ 3900' down - not kicking any fluid.

Hooked up Basic Acid and loaded hole with salt water. Spotted acid at perfs. Shut casing and took to 500# for 5 minutes - still 500#. Took to 750# for 5 minutes - still 750#. Took to 1,000# - fell to 800# in 5 minutes, took back to 1000# and fell to 800# in 4 minutes. Took to 1000# and fell to 800# in 3 minutes. Started feeding @ 2/10 BPM @ 850, after 3 bbls, down to 450#, took to 4/10 @ 440#, lost 2 bbls, pressured down to 80# - did not over flush. Treated with 250 gallons 15% NE FE acid. Went in with swab - fluid 900' down. Total load 96 bbls.

1st hour - Recovered 48 bbls - 1% oil, showing gas. Had fluid down to 1600', now 1300' because of gas.

2nd hour - Recovered 40 bbls - 15% oil, showing gas. Fluid 1400' down.

3rd hour - Recovered 40 bbls - 15% oil, showing gas. Fluid 1400' down - pulling from 2800'.

SION

8/4/08 Opening CP - 25#, Opening TP: 60#. Went in with swab - fluid @ 700' down. 1st pull had 600' oil.

1st hour - Recovered 48 bbls fluid, 6% oil, show of gas.

2nd hour - Recovered 53 bbls fluid, 16% oil, show of gas.

3rd hour - Recovered 50 bbls fluid, 16% oil, show of gas.

4th hour - Recovered 49 bbls fluid, 17% oil, show of gas.

5th hour - Recovered 55 bbls fluid, 17% oil, show of gas.

Next 1/2 hour - Recovered 28 bbls fluid, 17% oil, show of gas. TOH with tubing. SION

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WICHITA, KS

8/18/08 Shut-In - waiting on pipeline and equipment.

8/28/08 Ran in submersible pump and 136 jts 2 7/8" tubing set @ 4288'. Hooked up to generator. Well pumped up in 2 minutes. Pumped 2 bbls oil to pit and shut down. (Tested to make sure the pump was working properly.) Shut-In until surface equipment and waterline are set.

9/03/08 Setting surface equipment and waterline.

9/09/08 Completed hook up of surface equipment and laying 1 1/4 miles of 3" saltwater line (poly pipe).

Hooked up tank battery and leadlines.

Water knockout - 4' X 10'

Gas Separator - 30" X 10'

Stock Tanks - 3

Heater Treater - 4' X 20'

Set a gas generator to test well before we run electricity. Tested submersible pump and filled water knockout and heater treater. SION. Will turn on 9/9/08.

KCC

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ALLIED CEMENTING CO., LLC. 31124

TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT: Midway

DATE <u>09-18</u>	SEC. <u>27</u>	TWP. <u>27</u>	RANGE <u>7W</u>	CALLED OUT <u>10:30am</u>	ON LOCATION <u>1:00pm</u>	JOB START <u>4:30pm</u>	JOB FINISH <u>5:00pm</u>
LEASE <u>Thissen</u>		WELL # <u>1-27</u>		LOCATION <u>Kingman KS E on S4</u>		COUNTY <u>Kingman</u>	STATE <u>KS</u>
OLD OR NEW (Circle one) <u>NEW</u>				<u>to dis heavy tank on NW 1/4</u>			

CONTRACTOR Peakroll
 TYPE OF JOB Slurry Seal
 HOLE SIZE 12 1/2 T.D. 272
 CASING SIZE 8 5/8 DEPTH 271
 TUBING SIZE DEPTH
 DRILL PIPE DEPTH
 TOOL DEPTH
 PRES. MAX MINIMUM
 MEAS. LINE SHOE JOINT
 CEMENT LEFT IN CSG. 10ft
 PERFS.
 DISPLACEMENT 16 1/2 bbls Water

OWNER American Energy
 CEMENT
 AMOUNT ORDERED 190 2/ 60140 2x3

EQUIPMENT
 PUMP TRUCK # 372 CEMENTER Mark S
 HELPER Heath
 BULK TRUCK # 359 DRIVER JR
 BULK TRUCK # DRIVER

COMMON	<u>114</u>	<u>A</u>	@	<u>15.45</u>	<u>1761.30</u>
POZMIX	<u>76</u>		@	<u>8.00</u>	<u>608.00</u>
GEL	<u>3</u>		@	<u>20.30</u>	<u>62.40</u>
CHLORIDE	<u>6</u>		@	<u>58.20</u>	<u>349.20</u>
ASC			@		
KCC					
SEP 16 2008					
CONFIDENTIAL					
MANIFOLD	<u>199</u>		@	<u>2.40</u>	<u>477.60</u>
MILEAGE	<u>35 x 199 x 12</u>		@		<u>1096.50</u>
					TOTAL <u>3955.00</u>

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REMARKS:
Pipe on bottom concrete
2 cement = 6 bbls prep + mix 1700 lbs
60140 2x3 5 bbls prep + mix
release pipe + start slurry seal
plug up 16 1/2 bbls + slurry seal
concrete and concrete
Mark Kern

CHARGE TO: American Energy
 STREET _____
 CITY _____ STATE _____ ZIP _____

SERVICE

DEPTH OF JOB	<u>271</u>			
PUMP TRUCK CHARGE				<u>1018.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>35</u>	@	<u>7.00</u>	<u>245.00</u>
MANIFOLD		@		
<u>Heath Rental</u>		@	<u>113.00</u>	<u>113.00</u>
TOTAL <u>1376.00</u>				

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.

PLUG & FLOAT EQUIPMENT

<u>5 5/8</u>				
<u>1- wooden plug</u>		@	<u>68.00</u>	<u>68.00</u>
		@		
		@		
		@		
TOTAL <u>68.00</u>				

PRINTED NAME Mike Kern
 SIGNATURE Mike Kern

SALES TAX (If Any) _____
 TOTAL CHARGES 1376.00
 DISCOUNT 0.00 IF PAID IN 30 DAYS

ALLIED CEMENTING CO., LLC. 32362

ATTN: P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:

Madison Lodge

DATE <i>7/1/08</i>	SEC. <i>27</i>	TWP. <i>27</i>	RANGE <i>7W</i>	CALLED OUT <i>2:00pm</i>	ON LOCATION <i>4:00pm</i>	JOB START <i>1:15A.m</i>	JOB FINISH <i>2:10A.m</i>
LEASE # 11111	WELL # 11111	LOCATION <i>Kansas KS E to old 54</i>		COUNTY <i>Kingman</i>	STATE <i>KS</i>		
OLD OR NEW (Circle one)			<i>112 west, All into</i>				

CONTRACTOR *Pickrell*
 TYPE OF JOB *production*
 HOLE SIZE *7 7/8* T.D. *4340'*
 CASING SIZE *5 1/2* DEPTH *4340'*
 TUBING SIZE DEPTH
 DRILL PIPE DEPTH
 TOOL DEPTH
 PRES. MAX *1400* MINIMUM
 MEAS. LINE SHOE JOINT *20.9%*
 CEMENT LEFT IN CSG.
 PERFS.
 DISPLACEMENT *100% BBLs 2% KCl H₂O*

OWNER *American Energies*
 CEMENT
 AMOUNT ORDERED *1255x ASC + 5% KCl Seal + 1.5% S₁-110 + 1.7% Gas block + 1.5% Defoamer*
255x 100' 40' 4 500 gal ASF

EQUIPMENT
 PUMP TRUCK CEMENTER *Mark C.*
 # *343* HELPER *Steve K.*
 BULK TRUCK # *3103* DRIVER *Rick M.*
 BULK TRUCK # DRIVER
 SEP 16 2008

COMMON	<i>15</i>	<i>A</i>	@ <i>15.45</i>	<i>231.75</i>
POZMIX	<i>10</i>		@ <i>8.00</i>	<i>80.00</i>
GEL	<i>1</i>		@ <i>22.80</i>	<i>22.80</i>
CHLORIDE			@	
ASC	<i>125</i>	<i>A</i>	@ <i>18.60</i>	<i>2325.00</i>
<i>Kcl Seal 625 #</i>			@ <i>29</i>	<i>556.25</i>
<i>Gas Block 82 #</i>			@ <i>11.00</i>	<i>902.00</i>
<i>Defoamer 17 #</i>			@ <i>9.90</i>	<i>151.30</i>
<i>ASF 500 gal</i>			@ <i>1.27</i>	<i>635.00</i>
<i>Fl-110 59 #</i>			@ <i>13.30</i>	<i>784.70</i>
			@	
			@	
			@	
HANDLING	<i>189</i>		@ <i>2.40</i>	<i>453.60</i>
MILEAGE	<i>35 x 189 x 10</i>			<i>661.50</i>
				TOTAL <i>6810.10</i>

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REMARKS:

*pipe on bottom later in 500 gal ASF
 plug and mouse mix 255x ASC
 also use 100' 40' lines 200' 20'
 KCl H₂O @ 100' 40' lines 200' 20'
 blow out to 200' 20' plug 100'
 over @ 100' 40' lines 200' 20'*

SERVICE

DEPTH OF JOB	<i>4340'</i>		
PUMP TRUCK CHARGE			<i>2092.00</i>
EXTRA FOOTAGE		@	
MILEAGE	<i>35</i>	@ <i>7.00</i>	<i>245.00</i>
MANIFOLD		@	
<i>Head Rental</i>		@ <i>113.00</i>	<i>113.00</i>
		@	

CHARGE TO: *American Energies*

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TOTAL *2450.00*

STREET

SEP 18 2008

CITY STATE ZIP

CONSERVATION DIVISION
WICHITA, KS

5 1/2" PLUG & FLOAT EQUIPMENT

<i>1-Latch Down Assm</i>	@ <i>462.00</i>	<i>462.00</i>
<i>1-AF11 float shoe</i>	@ <i>529.00</i>	<i>529.00</i>
<i>5-turbulators</i>	@ <i>79.00</i>	<i>395.00</i>
	@	
	@	

TOTAL *1386.00*

SALES TAX (If Any)

TOTAL CHARGES

DISCOUNT IF PAID IN 30 DAYS

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 *Thad Starr*

SIGNATURE *Thad Starr*