



KANSAS CORPORATION COMMISSION 1084011
OIL & GAS CONSERVATION DIVISION

Form ACO-1
June 2009
Form Must Be Typed
Form must be Signed
All blanks must be Filled

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 5399
Name: American Energies Corporation
Address 1: 155 N MARKET STE 710
Address 2: _____
City: WICHITA State: KS Zip: 67202 + 1821
Contact Person: Mindy Wooten
Phone: (316) 201-1134
CONTRACTOR: License # 33549
Name: Landmark Drilling, LLC
Wellsite Geologist: David Goldak
Purchaser: _____

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil WSW SWD SLOW
 Gas D&A ENHR SIGW
 OG GSW Temp. Abd.
 CM (Coal Bed Methane)
 Cathodic Other (Core, Expl., 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 Conv. to SWD
 Conv. to GSW
 Plug Back: _____ Plug Back Total Depth: _____
 Commingled Permit #: _____
 Dual Completion Permit #: _____
 SWD Permit #: _____
 ENHR Permit #: _____
 GSW Permit #: _____
05/01/2012 05/10/2012 05/15/2012
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 15-095-22252-00-00
Spot Description: _____
_____ -NW Sec. 21 Twp. 27 S. R. 7 East West
2650 Feet from North / South Line of Section
2020 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Kingman
Lease Name: Schwartz/Stuart Well #: 1-21
Field Name: Thissen
Producing Formation: Mississippian Chert
Elevation: Ground: 1578 Kelly Bushing: 1587
Total Depth: 4247 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at: 309 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)
Chloride content: 35000 ppm Fluid volume: 1800 bbls
Dewatering method used: Hauled to Disposal
Location of fluid disposal if hauled offsite:
Operator Name: Messenger Petroleum
Lease Name: Nicholas SWD License #: 31467
Quarter NE Sec. 20 Twp. 30 S. R. 8 East West
County: Kingman Permit #: D27434

AFFIDAVIT

I am the affiant and I hereby certify that 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.

Submitted Electronically

KCC Office Use ONLY

Letter of Confidentiality Received
Date: _____
 Confidential Release Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
ALT I II III Approved by: Danna Garbor Date: 06/18/2012



1084011

Operator Name: American Energies Corporation Lease Name: Schwartz/Stuart Well #: 1-21
 Sec. 21 Twp. 27 S. R. 7 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 complete copy of all Electric Wire-line 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 Electric Log Submitted Electronically <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(If no, Submit Copy)</i> List All E. Logs Run: Dual Induction Log Micro Log Compensated Density/Neutron	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum Attached Attached Attached
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CASING RECORD <input type="checkbox"/> New <input checked="" 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	8.6250	24	309	60/40 Poz	200	3% CC, 2% Gel
Production	7.8750	5.5	15.5	4240	Class A	150	5# Koseal and 5% FL-16C

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
___ Perforate				
___ Protect Casing	-			
___ Plug Back TD				
___ 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
4	Mississippian Chert		3878-3883

TUBING RECORD: Size: <u>2.3750</u> Set At: <u>3863</u> Packer At: <u>3863</u> Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Date of First, Resumed Production, SWD or ENHR: <u>5/30/2012</u>	Producing Method: <input checked="" type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) _____
Estimated Production Per 24 Hours	Oil Bbls. <u>150</u> Gas Mcf <u>0</u> Water Bbls. <u>0</u> Gas-Oil Ratio _____ Gravity _____

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input checked="" type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5) (Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
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Form	ACO1 - Well Completion
Operator	American Energies Corporation
Well Name	Schwartz/Stuart 1-21
Doc ID	1084011

Tops

Onaga Shale	2030	-443
Indian Cave Sand	2042	-455
Wabaunsee	2076	-489
Heebner	2986	-1399
Lansing	3198	-1611
Stark Shale	3544	-1957
Cherokee	3778	-2191
Mississippi Chert	3878	-2291
Kinderhook	4080	-2493
Viola	4240	-2653

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

SERVICE POINT:
Medicine Lodge KS

DATE <u>05/10/2012</u>	SBC <u>21</u>	TWP <u>27s</u>	RANGE <u>7</u>	CALLED OUT	ON LOCATION	JOB START	JOB FINISH
LEASE <u>Schwartz-Sant</u>	WELLS <u>1-21</u>	LOCATION <u>Kingman KS turn North at Suberg</u>			COUNTY <u>Kingman</u>	STATE <u>KS</u>	
OLD OR (NEW) (Circle one) <u>NEW</u>				<u>2 miles, 1/2 East, North into</u>			

CONTRACTOR Landmark #6 OWNER Amer Energies

TYPE OF JOB <u>Production</u>	CEMENT	
HOLE SIZE <u>7 7/8</u>	ID. <u>4292</u>	AMOUNT ORDERED <u>40 @ 60:40:4% Coal, 150 @</u>
CASING SIZE <u>5 1/2</u>	DEPTH <u>4222</u>	<u>Class A ASC + 5# Kalcoal + 5% FI-160,</u>
TUBING SIZE	DEPTH	<u>500 gal ASF</u>
DRILL PIPE	DEPTH	
TOOL	DEPTH	
PRES. MAX <u>1600</u>	MINIMUM	
MEAS. LINE	SHOE JOINT <u>12</u>	
CEMENT LEFT IN CSG. <u>12</u>		
PERFS.		
DISPLACEMENT <u>100%</u>		

COMMON <u>Class A</u>	<u>874 @</u>	<u>16.25</u>	<u>390</u>
POZMIX	<u>16 @</u>	<u>8.50</u>	<u>136</u>
GEL	<u>2 @</u>	<u>21.25</u>	<u>42.50</u>
CHLORIDE	<u>@</u>		
ASC <u>Class A</u>	<u>150 @</u>	<u>15.00</u>	<u>2,250</u>
ASF	<u>5 @</u>	<u>1.27</u>	<u>6.35</u>
Kalcoal	<u>15 @</u>	<u>.89</u>	<u>13.35</u>
FI-160	<u>2 @</u>	<u>17.20</u>	<u>34.40</u>
	<u>@</u>		
	<u>@</u>		
	<u>@</u>		
	<u>@</u>		
HANDLING	<u>2 @</u>	<u>2.25</u>	<u>474.75</u>
MILEAGE	<u>21 @</u>	<u>55 @ .11</u>	<u>1276.55</u>
			TOTAL <u>5152.55</u>

EQUIPMENT

PUMP TRUCK	CEMENTER <u>Sam Thineck</u>
# <u>470312</u>	HELPER <u>Ron Gully</u>
BULK TRUCK	
# <u>311250</u>	DRIVER <u>Garret</u>
BULK TRUCK	
#	DRIVER

REMARKS:

Plug held

Thank you

CHARGE TO: American Energies

STREET _____

CITY _____ STATE _____ ZIP _____

To: Allied Oil & Gas Services, 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

SERVICE

DEPTH OF JOB	<u>4222</u>		
PUMP TRUCK CHARGE			<u>2,405</u>
EXTRA FOOTAGE	<u>55 @</u>		
MILEAGE	<u>55 @</u>	<u>7</u>	<u>385</u>
MANIFOLD <u>to do + valve</u>	<u>@</u>		<u>2.00</u>
LV	<u>55 @</u>	<u>4</u>	<u>220</u>
	<u>@</u>		
			TOTAL <u>3210</u>

PLUG & FLOAT EQUIPMENT

<u>5 1/2</u>			
Containers	<u>5 @</u>	<u>49</u>	<u>245</u>
bucket	<u>1 @</u>	<u>337</u>	<u>337</u>
AFU float shoe	<u>1 @</u>	<u>349</u>	<u>349</u>
Latchdown plug	<u>1 @</u>	<u>277</u>	<u>277</u>
	<u>@</u>		
			TOTAL <u>1208</u>

SALES TAX (if Any) _____

TOTAL CHARGES 10270.55

DISCOUNT _____ IF PAID IN 30 DAYS

GEOLOGIC REPORT

DAVID J. GOLDAK

WICHITA, KANSAS
Scale 1:240 (5"=100') Imperial
Measured Depth Log

Well Name: Schwartz-Stuart #1-21
Location: Section 21 - T27S - R7W
License Number: API: 15-095-22252
Spud Date: 05 / 01 / 2012
Surface Coordinates: 2500' FSL and 2020' FWL
Approx. C - E/2 - W/2

Region: Kingman Co., KS
Drilling Completed: 05 / 10 / 2012

Bottom Hole
Coordinates:
Ground Elevation (ft): 1578' K.B. Elevation (ft): 1587'
Logged Interval (ft): 1900' To: 4243' Total Depth (ft): 4243'
Formation: Viola
Type of Drilling Fluid: Chemical - Mud-Co

Printed by MUD.LOG from WellSight Systems 1-800-447-1534 www.WellSight.com

OPERATOR

Company: American Energies Corporation
Address: 155 N. Market., Suite 710
Wichita, Kansas 67202

GEOLOGIST

Name: David J. Goldak
Company: D. J. GOLDAK, INC.
Address: 155 N. Market, Suite 710
Wichita, Kansas 67202

General Info

CONTRACTOR: Landmark Drilling, Rig #6

BIT RECORD:

No.	Size	Make	Jets	Out	Feet	Hours
1	12-1/4	JZ- ? - RR	15-15-15	311	311	7.00
2	7-7/8	JZ-QX20	15-15-14	4243	3932	97.25

SURVEYS: 311'-1.0, 2070'-1.0, 3902'-1.5, 4243'-1.25

GENERAL DRILLING AND PUMP INFORMATION:

Drilling with 30,000-35,000 lbs. on bit and 75-80 RPM.
Running 9 stands of collars; 526.58'
Pumping 60 S/M, 7.7 B/M, and 800 psi at standpipe.

Daily Status

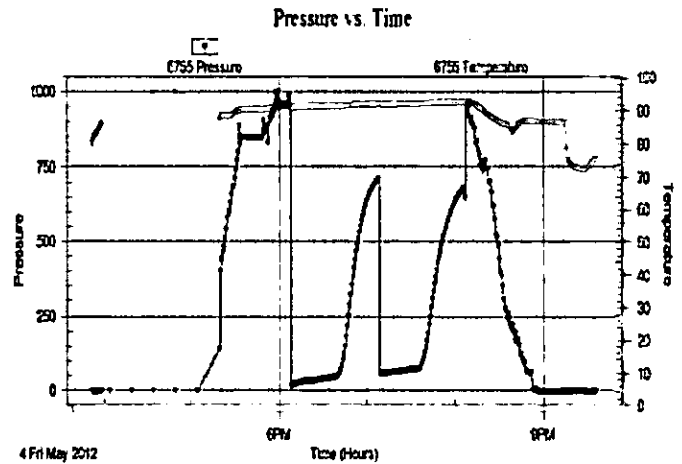
05/01/12 - Spud @ 3:30 PM; Set 8-5/8" Csg at 309'
 05/02/12 - 311' WOC; Drill plug @ 12:30 PM
 05/03/12 - 1,141' Repairing pump
 05/04/12 - 1,897' Drilling; DST #1 @ 2,070'
 05/05/12 - 2,360' Drilling; Displace mud @ 2,785'
 05/06/12 - 3,045' Drilling; Trip for hole ib pipe @ 3,373'
 05/07/12 - 3,515' Drilling
 05/08/12 - 3,902' TOOH for DST #2
 05/09/12 - 4,100' Drilling
 05/10/12 - 4,243' Logging

DST #1: 2,037' - 2,070' (Indian Cave)
 30" - 30" - 30" - 30"

IF: Weak blow, building to 4 inches
 ISI: No blow back
 FF: Weak blow, building to 3 inches
 FSI: No blow back

RECOVERY: 130' Total Fluid, consisting of:
 130' WM (40% W, 60% M); Chlorides: 17,000 ppm

SIP: 712-678; FP: 17-46, 57-95; HP: 959-946;
 BHT: 93

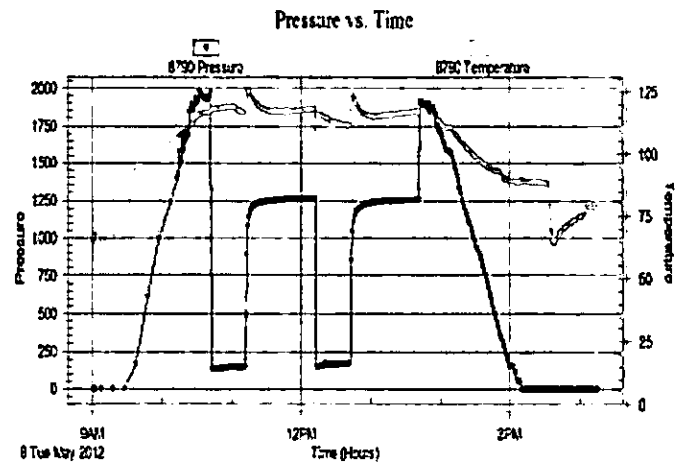


DST #2: 3,887' - 3,902' (Miss. Chert)
 30" - 60" - 30" - 60"

IF: GTS in 3 min., gauged with 1/2 in. orifice:
 10 min - 255 MCF, 20 min - 300 MCF, 30 min - 312 MCF
 ISI: No blow back
 FF: Gas gauged with 1/2 in. orifice:
 10 min - 334 MCF, 20 min - 363 MCF, 30 min - 363 MCF
 FSI: No blow back

RECOVERY: 317' Total Fluid, consisting of:
 77' GWCM (10% G, 20% W, 70% M)
 178' MCW (70% W, 30% M)
 62' MCW (95% W, 5% M); Chlorides: 90,000 ppm

SIP: 1262-1256; FP: 137-150, 145-172; HP: 1971-1910; BHT: 117



ROCK TYPES

Anhy	Gyp	Shgy	Sandylms
Bent	Igne	Sltst	Shale
Brec	Lmst	Ss	Sltstn
Cht	Meta	Till	Shlyslts
Clyst	Mrlst	Carb sh	Sltys h
Coal	Salt	Dol	Lms
Congl	Shale	Dtd	
Dol	Shcol	Gry sh	

ACCESSORIES

MINERAL

- [N] Anhy
- [N] Arggrn
- [N] Arg
- [B] Bent
- [N] Bit
- [B] Breclrag
- [C] Calc
- [C] Carb
- [D] Chtdk
- [D] Chtlt
- [D] Dol
- [A] Feldspar
- [F] Ferrpel
- [F] Ferr
- [G] Glau
- [G] Gyp
- [H] Hvymin
- [K] Kaol
- [M] Marl
- [M] Minxl
- [N] Nodule
- [P] Phos
- [P] Pyr

- [B] Salt
- [S] Sandy
- [S] Silt
- [S] Sil
- [S] Sulphur
- [T] Tuff
- [C] Chlorite
- [D] Dol
- [S] Sand
- [S] Sity

FOSSIL

- [B] Algae
- [H] Amph
- [U] Belm
- [D] Bioclst
- [F] Brach
- [G] Bryozoa
- [P] Cephal
- [C] Coral
- [C] Crin
- [X] Echin
- [F] Fish
- [B] Foram

- [F] Fossil
- [G] Gastro
- [O] Oolite
- [O] Ostra
- [P] Pelec
- [P] Pellet
- [P] Pisolite
- [P] Plant
- [B] Strom
- [F] Fuss
- [B] Oomold

STRINGER

- [A] Anhy
- [A] Arg
- [B] Bent
- [C] Coal
- [D] Dol
- [G] Gyp
- [L] Ls
- [M] Mrst
- [S] Sltstrg
- [S] Ssstrg
- [C] Carbsh

- [C] Clystn
- [C] Dol
- [G] Grysh
- [G] Gryslt
- [L] Lms
- [S] Sandylms
- [S] Sh
- [S] Sltstn

TEXTURE

- [BS] Boundst
- [C] Chalky
- [CX] Cryxln
- [E] Earthy
- [FX] Finexln
- [GS] Grainst
- [L] Lithogr
- [MX] Microxln
- [MS] Mudst
- [PS] Packst
- [WS] Wackest

OTHER SYMBOLS

POROSITY TYPE

- [E] Earthy
- [B] Fenest
- [F] Fracture
- [X] Inter
- [M] Moldic
- [O] Organic
- [P] Pinpoint
- [V] Vuggy

SORTING

- [W] Well
- [M] Moderate
- [P] Poor

ROUNDING

- [R] Rounded
- [P] Subrnd
- [S] Subang
- [A] Angular

OIL SHOWS

- [E] Even
- [S] Spotted
- [Q] Ques
- [D] Dead
- [G] Gas show

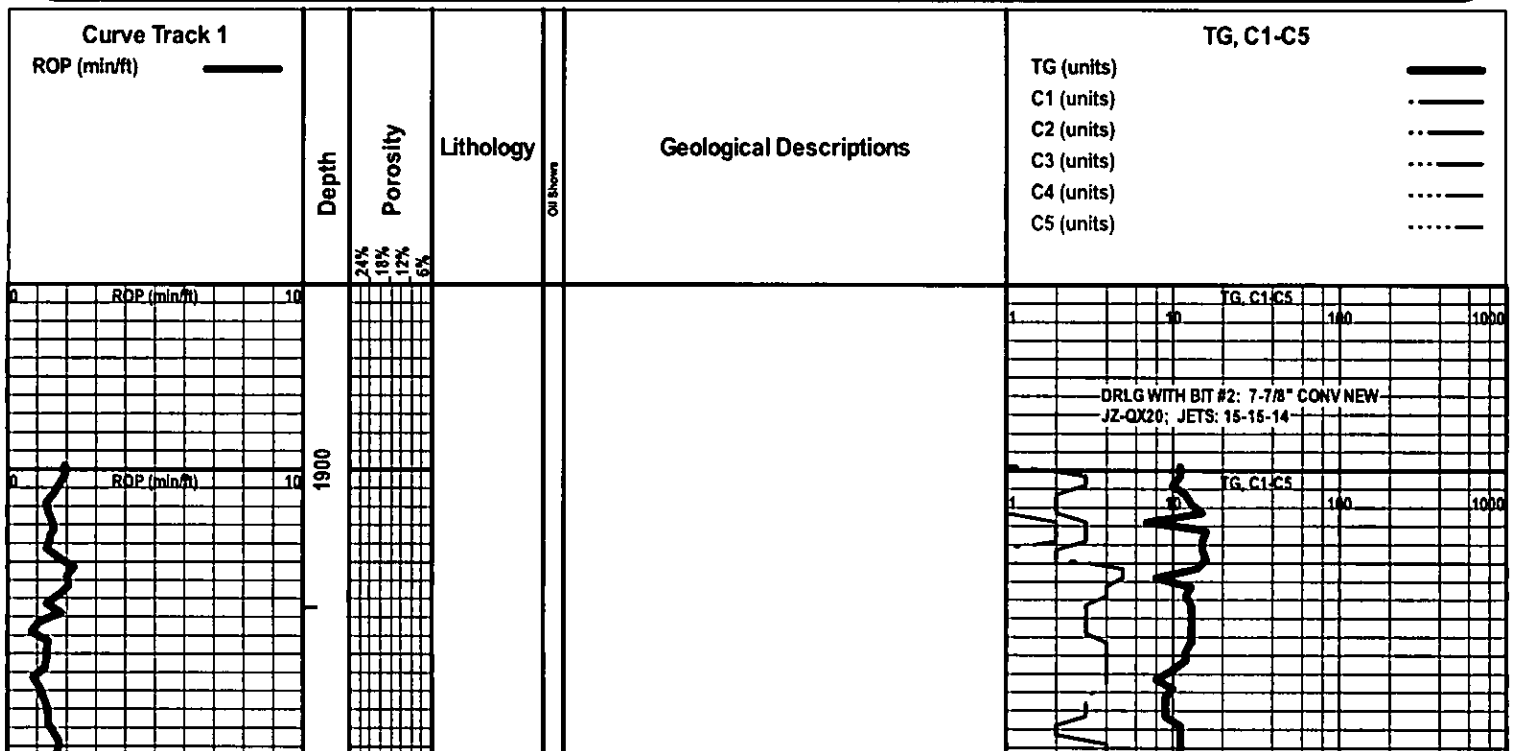
INTERVALS

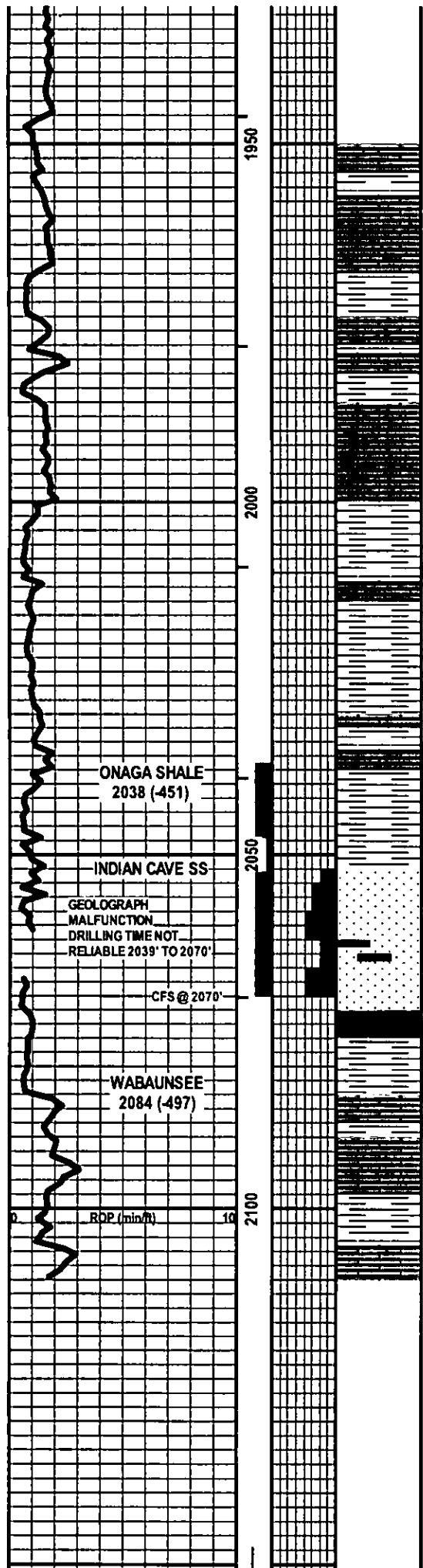
- [C] Core
- [D] Dst

- [D] Dst
- [T] Dst_1_t
- [B] Dst_1_b

EVENTS

- [V] Rft
- [S] Sidewall
- [C] Conn





LS - TAN / CRM / GY, VF / F XLN, FOSS IN PT, PRED DNS, NS

LS - TAN / CRM / GY, VF / F XLN, FOSS + OOL IN PT, PRED DNS, NS W/ SH - LT / DK GY

LS - TAN / GY / SCAT CRM, MOT IN PT, VF / F XLN, SL FOSS + OOL, PRED DNS, NS W/ SH - LT / DK GY

SH - LT / DK GY W/ LS - TAN / GY, MOT IN PT, VF / F XLN, SL FOSS, PRED DNS, NS

ONAGA SHALE
2038 (-451)

INDIAN CAVE SS

GEOLOGRAPH
MALFUNCTION
DRILLING TIME NOT
RELIABLE 2039' TO 2070'

CFS @ 2070'

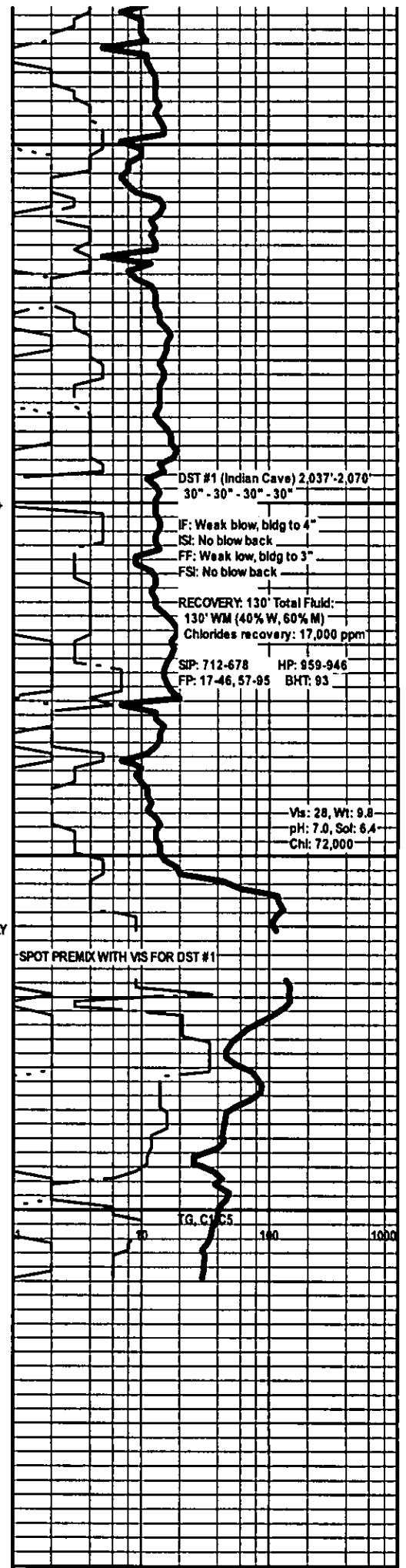
WABAUNSEE
2084 (-497)

ROP (min/ft)

SS - LT GY, PRED VF QTZ GR, SLTY IN PT, SA / SR, W SRTO, PRED SIL CEM, MIC, F / G INTGR POR, SL / G SGB, SL / F OLY / DIST FILM

SS - AS ABOVE, SCAT SSGS + OLY / DIST FILM W/ SLTST - LT / MED GY W/ SH - LT / DK GY

LS - TAN / CRM / GY, VF / F XLN, FOSS IN PT, PRED DNS, NS W/ SH - LT / MED GY



DST #1 (Indian Cave) 2,037'-2,070'
30" - 30" - 30" - 30"

IF: Weak blow, bldg to 4"
IS: No blow back
FF: Weak low, bldg to 3"
FS: No blow back

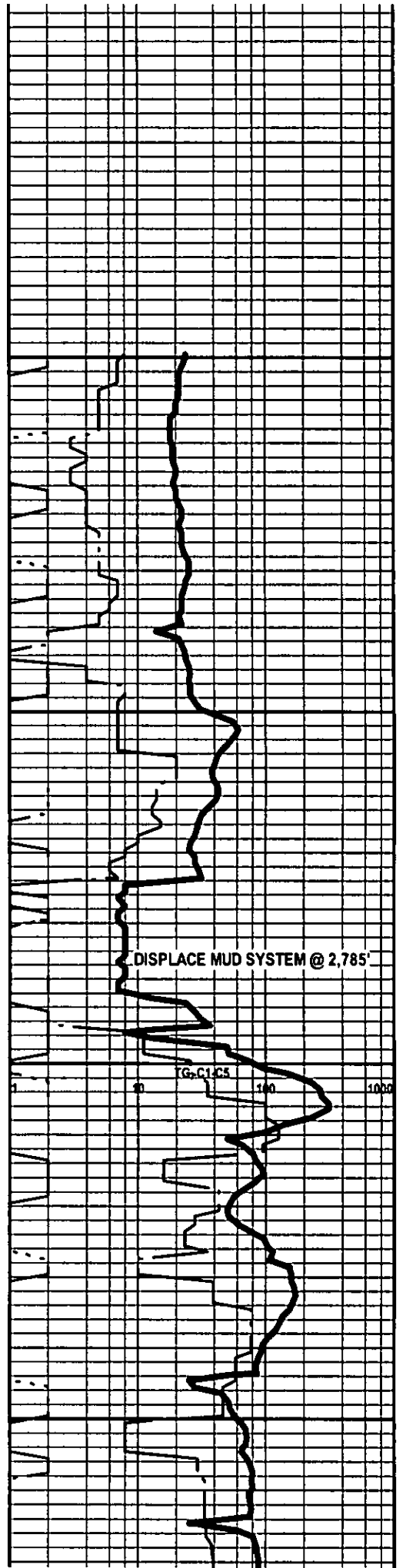
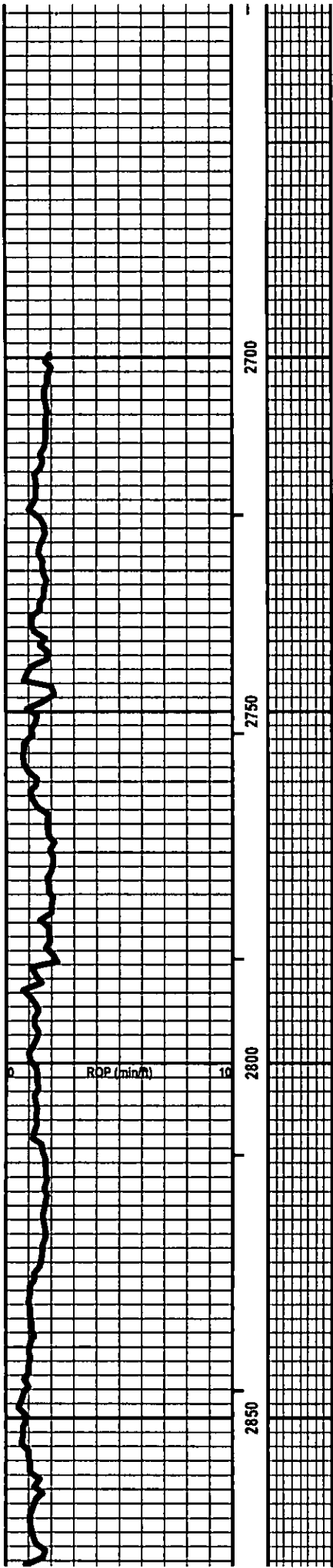
RECOVERY: 130' Total Fluid:
130' WM (40% W, 60% M)
Chlorides recovery: 17,000 ppm

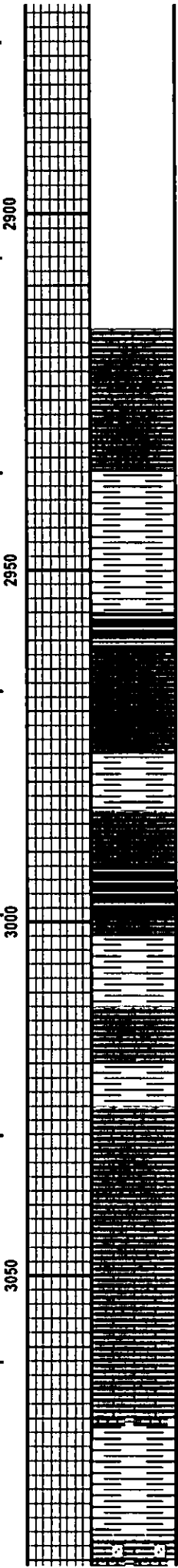
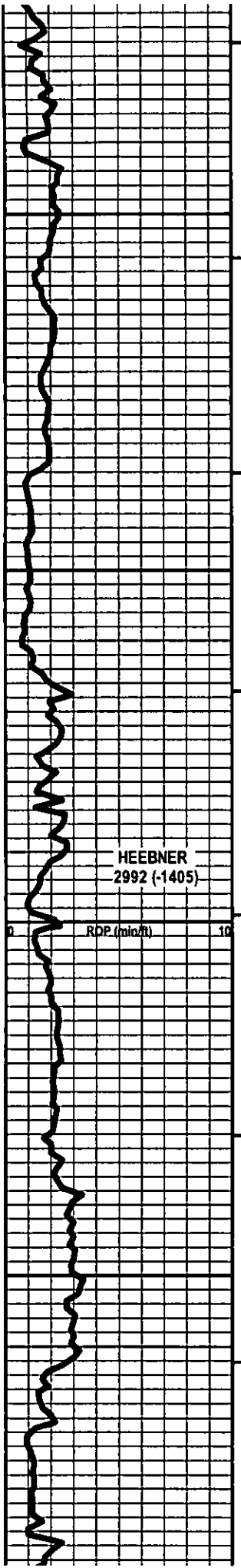
SIP: 712-678 HP: 959-946
FP: 17-46, 57-95 BHT: 93

Vs: 28, Wt: 9.8
pH: 7.0, Sol: 6.4
Chl: 72,000

SPOT PREMIX WITH VS FOR DST #1

ROP (min/ft)





HEEBNER
2992 (-1405)

RDP (min/ft) 10

2900

2950

3000

3050

LS - TAN / GY, MOT IN PT, VF / F XLN, SCAT M XLN, FOSS IN PT, PRED DNS, NS

SH - MED / DK GY / BLK, CARB IN PT

LS - TAN / BRN / SCAT CRM, VF / F XLN, FOSS IN PT, PRED DNS, NS W/ SH - GY

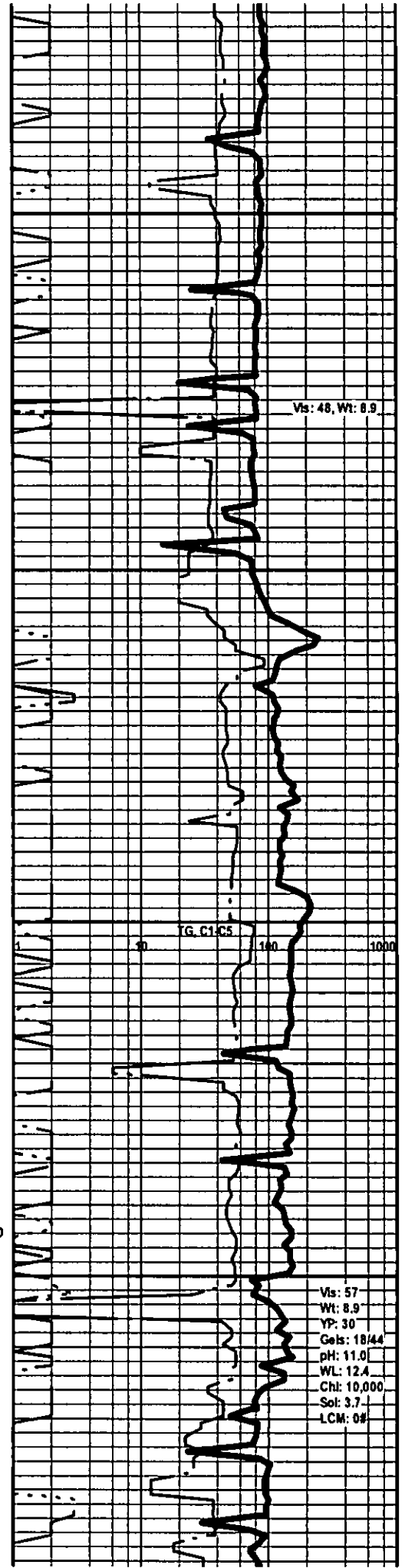
PRED SH - GY / BLK, CARB IN PT W/ LS - AA

LS - CRM / GY, VF / M XLN, FOSS IN PT, PRED DNS, NS

LS - TAN / BRN, VF / F XLN, TR FOSS, SUBCHKY IN PT, PRED DNS, NS

LS - TAN / BRN / SCAT CRM + GY, MOT IN PT, VF / F XLN, FOSS IN PT, CHKY IN PT, PRED DNS, NS W/ SH - GY

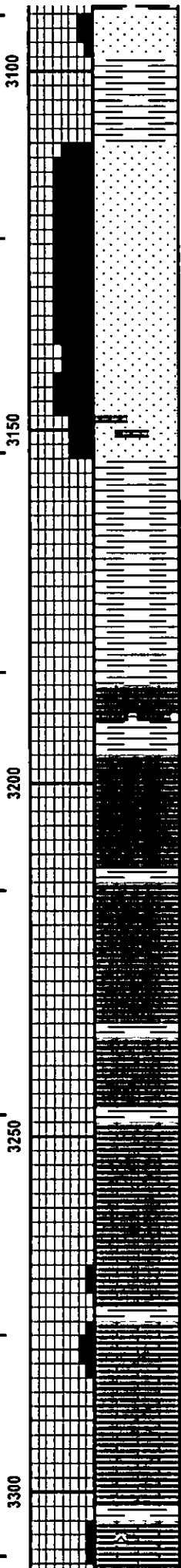
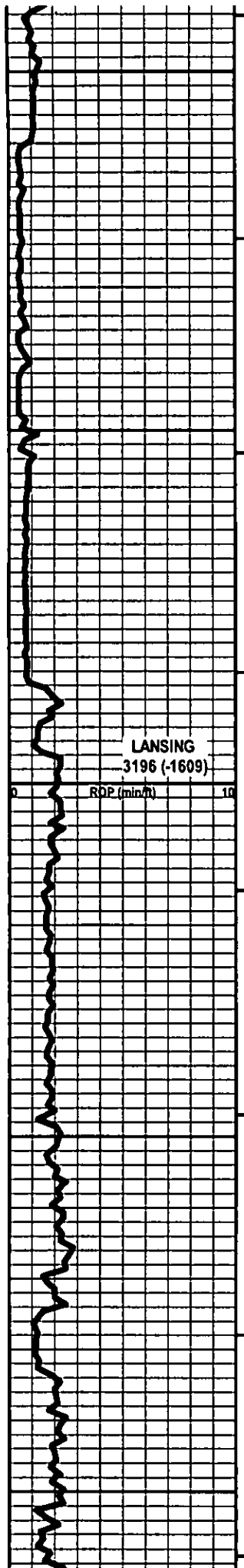
SH - GY / SCAT GRN W/ LS - GY / CRM, VF / F XLN, AREN IN PT, PRED DNS, NS W/ SS - SS - LT GY, VF / F OTZ GR. W



Vis: 48, Wt: 8.9

TG, C1, C5 100 1000

Vis: 57
Wt: 8.9
YP: 30
Gels: 1844
pH: 11.0
WL: 12.4
Cl: 10,000
Sol: 3.7
LCM: 0#



SRTD, SR / R, MOD CALC CEM, MIC, P / F INTGR POR, NS

SS - LT GY, VF / F QTZ GR, W SRTD, SR / R, SL / MOD CALC CEM, MIC, F / G INTGR POR, NS

SS - LT GY, VF / F QTZ GR, W SRTD, SR / R, SL / MOD CALC CEM, MIC, F / G INTGR POR, NS

SH - LT / MED GY

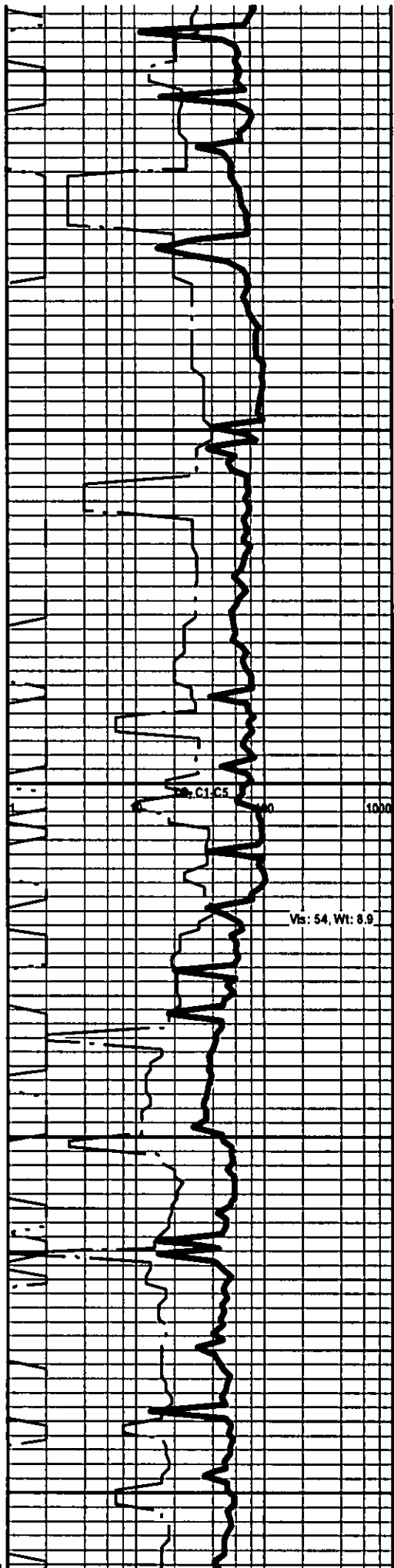
LS - TAN / CRM / BRN, VF / F XLN, SL FOSS, PRED DNS, NS

LS - TAN / GY / SCAT CRM, MOT IN PT, VF / F XLN, FOSS IN PT, SCAT OOL, SUBCHKYIN PT, PRED DNS, NS

LS - CRM / TAN / SCAT BRN, MOT IN PT, VF / F XLN, SCAT REXLN CALC, FOSS IN PT, SUBCHKYIN PT, PRED DNS, NS

LS - CRM / TAN, F / M XLN, FOSS IN PT, P / F INTXLN POR IN PT, NS

LS - CRM / TAN, VF / F XLN, FOSS IN PT, SCAT OOL, SUBCHKYIN PT, PRED DNS, NS



Vis: 54, Wt: 8.9

LS - CRM / TAN / SCAT GY, VF / F XLN, FOSS IN PT, SCAT P / TR F INTXLN POR, TR PPT POR, NS

LS - CRM / TAN / SCAT GY, VF / F XLN, FOSS IN PT, SCAT P / TR F INTXLN POR, TR PPT POR, NS

LS - CRM / TAN, VF / F / SCAT M XLN, FOSS IN PT, TR OOL, P / F INTXLN POR, SCAT PPT POR, NS

LS - CRM / GY / TAN, VF / F XLN, TR P PPT + INTXLN POR, CHKY IN PT, PRED DNS, NS W/ SH - MED / DK GY

LS - CRM / TAN, VF / F XLN, FOSS IN PT, TR P / F INTXLN + MOLDIC POR, PRED DNS, NS

LS - TAN / BRN / CRM, MOT IN PT, VF / F XLN, SL FOSS, SCAT CHKY, PRED DNS, NS W/ SCAT CHT - TAN / GY W/ SCAT SH - MED / DK GY

LS - TAN / GY, VF / CRYPTO XLN, SL FOSS, PRED DNS, NS W/ SCAT CHT - GY / TAN

LS - CRM / TAN, VF / F XLN, SL FOSS, SCAT PPPT + INTXLN POR, TR GB, NSFO, V FT ODOR, TR SPTY STN

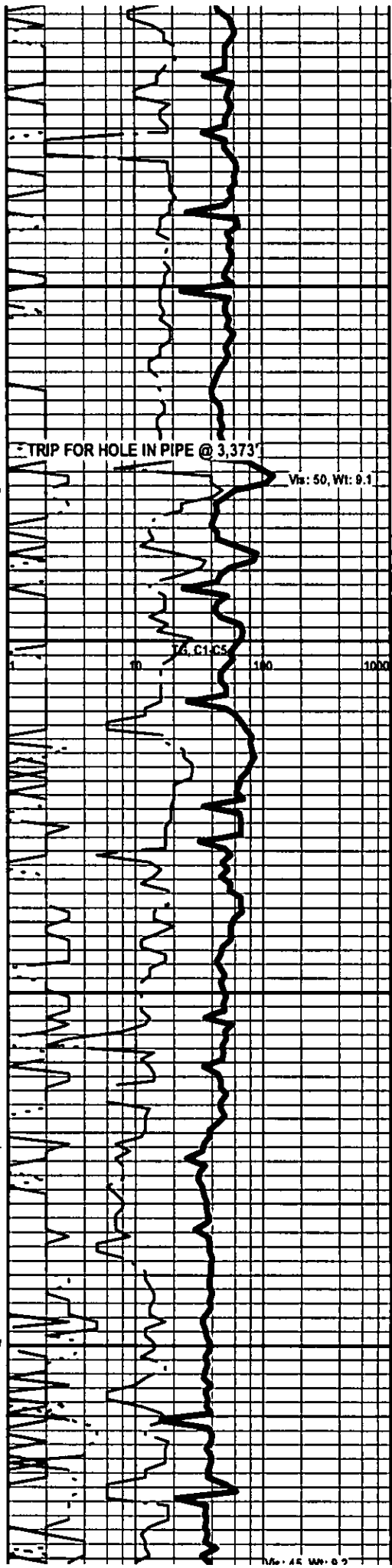
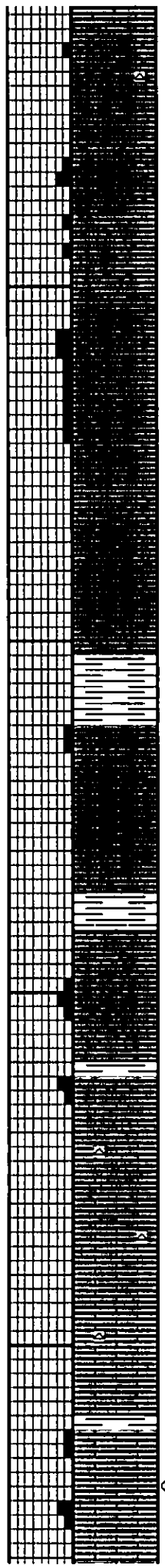
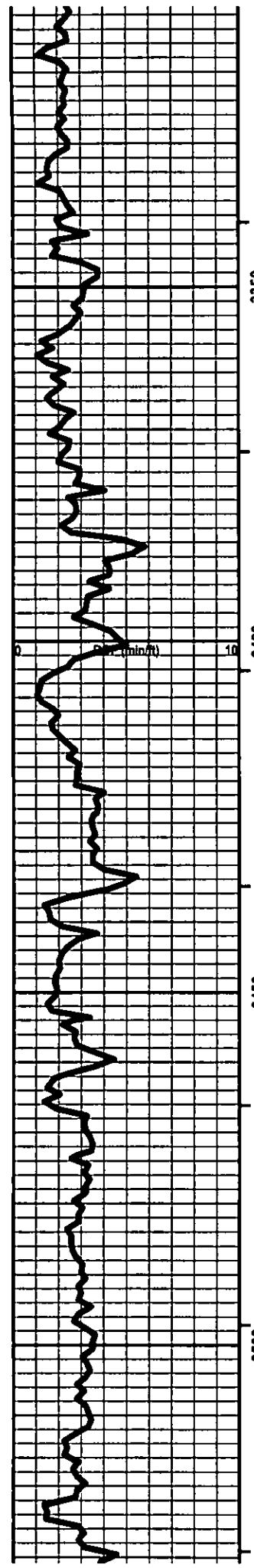
TRIP FOR HOLE IN PIPE @ 3,373'

Vs: 50, Wt: 9.1

73, C1, C5

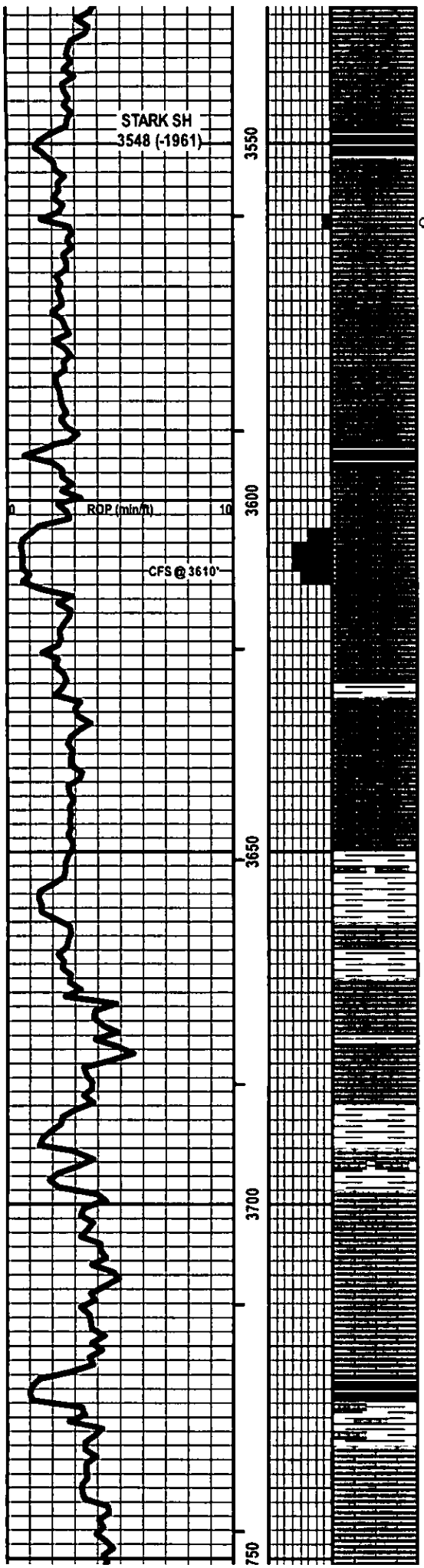
100

1000



YP: 15, Gels: 13/42
pH: 11.0, WL: 11.2
Chl: 8,000, Sol: 5.9
LCM: 0#

STARK SH
3548 (-1961)



LS - CRM / TAN / LT GY, VF / F XLN, SCAT REXLN CALC, OOL
+ FOSS IN PT, TR P OOM POR, CHKY IN PT, PRED DNS, TR
GB, NSFO, V FT ODOR, TR SPTY STN W/ SH - BLK, CARB

LS - CRM / TAN, VF / F XLN, SL FOSS, PRED DNS, NS

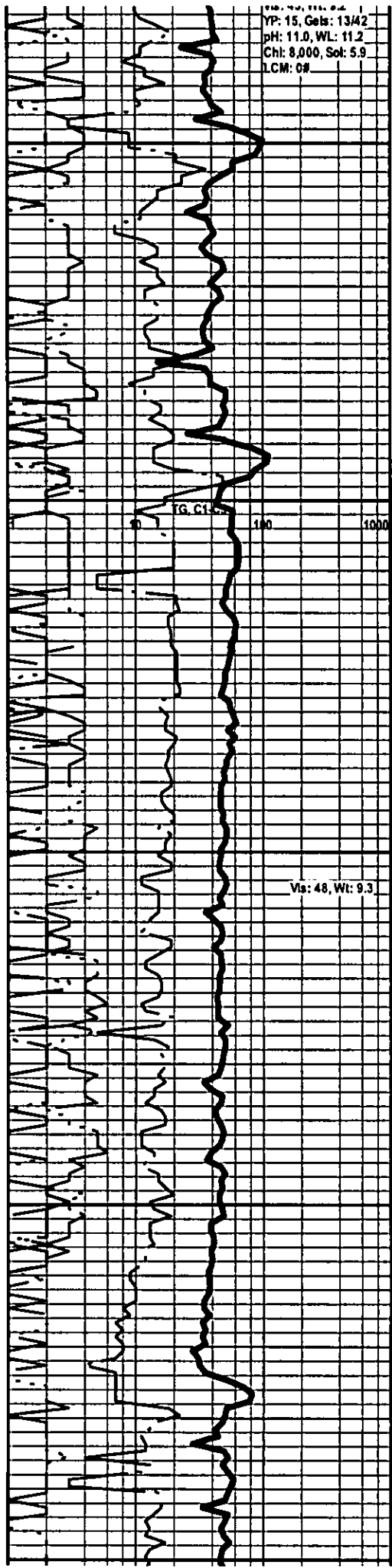
LS - CRM / TAN, F XLN, OOL, F / G OOM + INTXLN POR, NS,
NO ODOR, NO STN

LS - TAN / CRM / BRN, VF / F XLN, SL FOSS, PRED DNS, NS

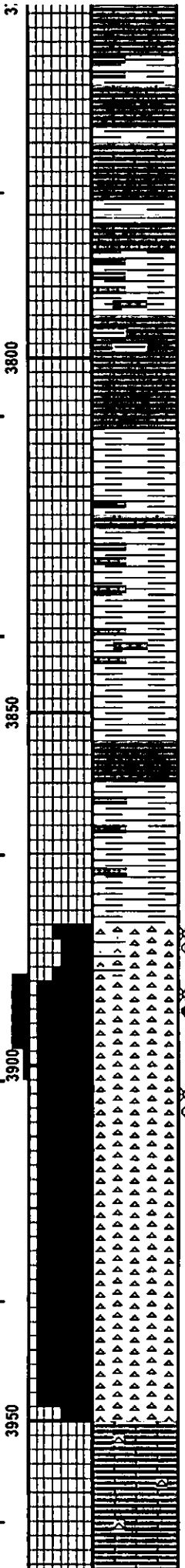
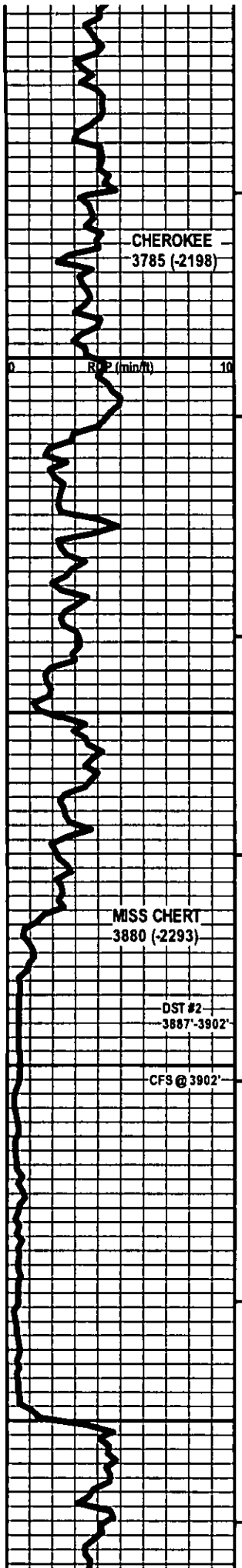
LS - TAN / BRN / GY, F XLN, SCAT REXLN CALC, FOSS IN PT,
SCAT OOL, PRED DNS, NS W/ SH - GY / GRN / RED

LS - TAN / CRM, VF / F XLN, SCAT CRYPTO XLN, SL FOSS,
PRED DNS, NS

LS - TAN / CRM / GY, MOT IN PT, VF / F XLN, FOSS IN PT,
SUBCHKY IN PT, PRED DNS, NS



Vs: 48, Wt: 9.3



LS - TAN / CRM, VF / F XLN, FOSS IN PT, PRED DNS, NS W/ SH - MED / DK GY / BLK

LS - TAN / CRM / SCAT GY, MOT IN PT, VF / F XLN, FOSS IN PT, PRED DNS, NS W/ SH - DK GY / BLK

SH - MED / DK GY / BLK / SCAT GRN W/ SCAT LS - TAN / GY, MOT IN PT, VF / F XLN, PRED DNS, NS

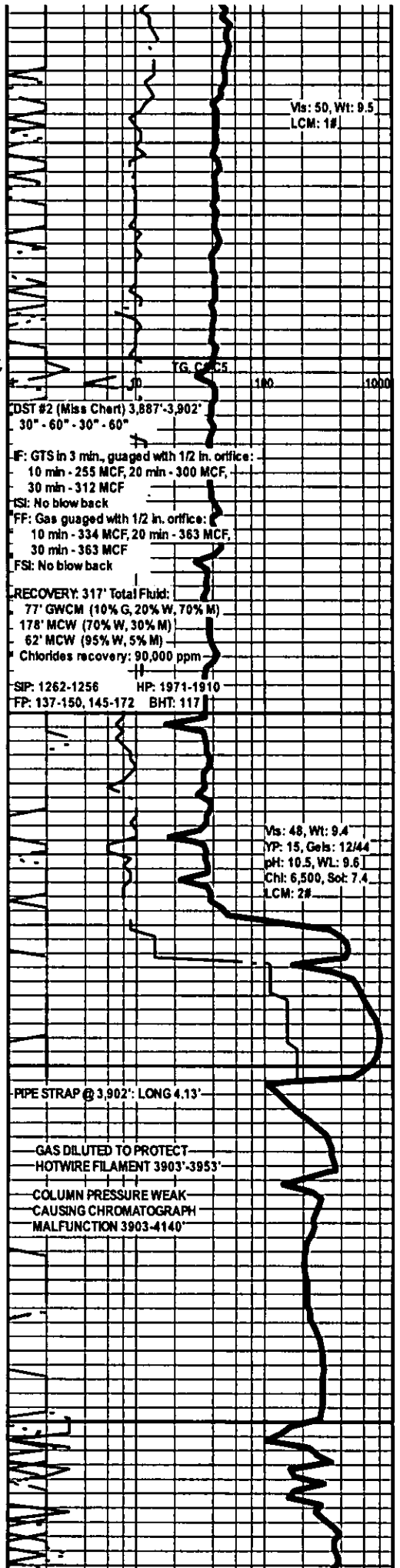
SH - MED / DK GY / BLK / GRN W/ SCAT LS - TAN / BRN, F / M XLN, PRED DNS, NS

CHT - WHT / SCAT CRM, 85% F / G WEATH, ABNT TRIP + MOD VUG POR, F / G SGB, SL / F SFO, G OODR, SPTY / SEMI SAT LT / MED STN, PRED G FLOUR + CUT

CHT - WHT / SCAT CRM, 85% F / G WEATH, ABNT TRIP + MOD VUG POR, F / G SGB, SL / F SFO, F OODR, SPTY / SCAT SAT LT / MED STN, P / G FLOUR + CUT

CHT - WHT / SCAT CRM, 75% F / G WEATH, TRIP + VUG POR IN PT, PRED NS, V FT OODR, SPTY BLK GILS STN, PRED NO FLOUR + CUT

LS - GY / TAN, MOT IN PT, F XLN, PRED DNS, NS W/ ABNT CHT - WHT / LT GY / CRM



Vs: 50, Wt: 9.5
LCM: 1#

DST #2 (Miss Chert) 3,887'-3,902'
30" - 60" - 30" - 60"

IF: GTS in 3 min, gauged with 1/2 in. orifice:
10 min - 255 MCF, 20 min - 300 MCF,
30 min - 312 MCF
IS: No blow back
FF: Gas gauged with 1/2 in. orifice:
10 min - 334 MCF, 20 min - 363 MCF,
30 min - 363 MCF
FSI: No blow back

RECOVERY: 317' Total Fluid:
77' GWCM (10% G, 20% W, 70% M)
178' MCW (70% W, 30% M)
62' MCW (95% W, 5% M)
Chlorides recovery: 90,000 ppm

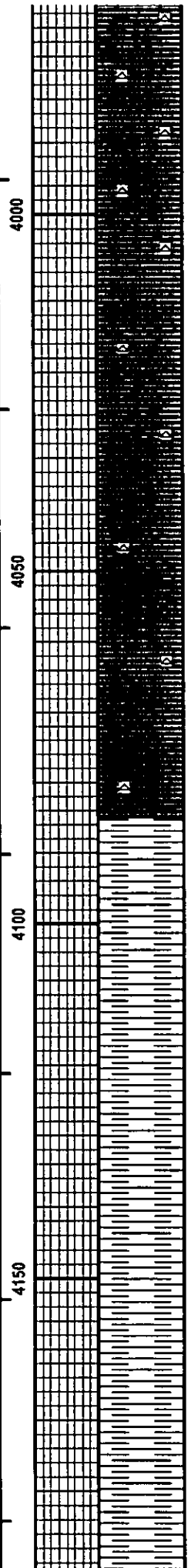
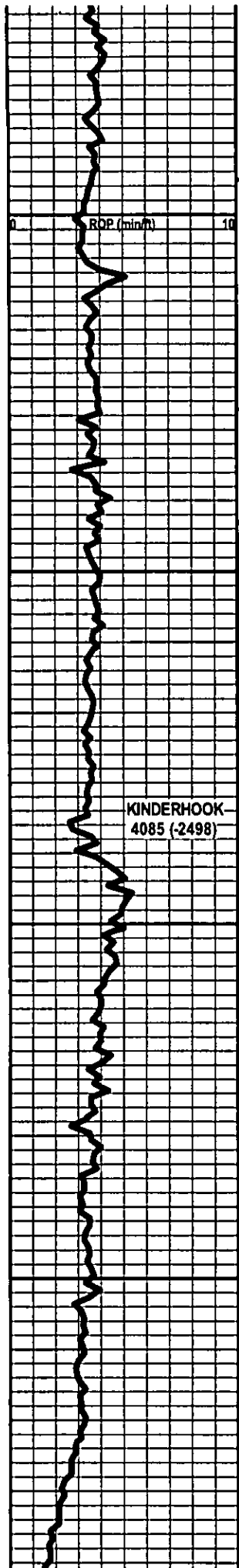
SIP: 1262-1256 HP: 1971-1910
FP: 137-150, 145-172 BHT: 117

Vs: 48, Wt: 9.4
YP: 15, Gels: 12/44
pH: 10.5, WL: 9.6
Chl: 6,500, Sot: 7.4
LCM: 2#

PIPE STRAP @ 3,902' LONG 4.13'

GAS DILUTED TO PROTECT
HOTWIRE FILAMENT 3903'-3953'

COLUMN PRESSURE WEAK
CAUSING CHROMATOGRAPH
MALFUNCTION 3903'-4140'



LS - TAN / SCAT GY, MOT IN PT, F XLN, PRED DNS, NS W/
 ABNT CHT - WHT / LT GY / CRM / TAN

LS - TAN / CRM / SCAT GY, VF / F XLN, PRED DNS, NS W/
 CHT - WHT / LT GY / CRM / TAN

LS - TAN / BRN, PRED F XLN, SL FOSS, PRED DNS, NS W/
 SCAT CHT - WHT / LT GY

LS - TAN / BRN, PRED F XLN, FOSS IN PT, PRED DNS, NS W/
 SCAT CHT - WHT / LT GY

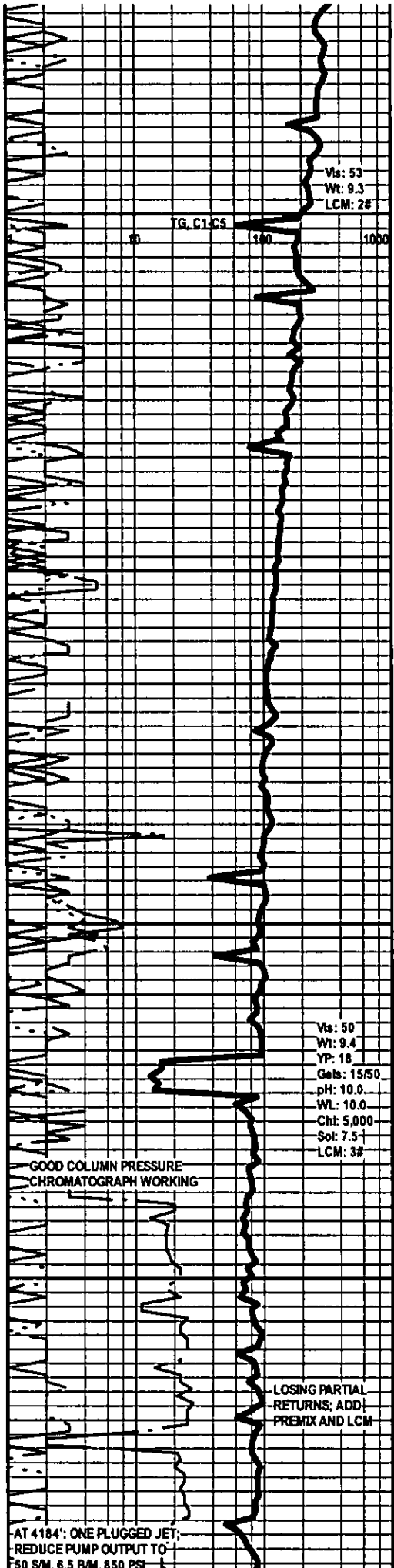
KINDERHOOK
 4085 (-2498)

SH - GY / GRN / RED / YEL

SH - GY / GRN / RED / YEL

SH - GY / GRN / RED / YEL

SH - GY / GRN / RED / YEL / SCAT BLK



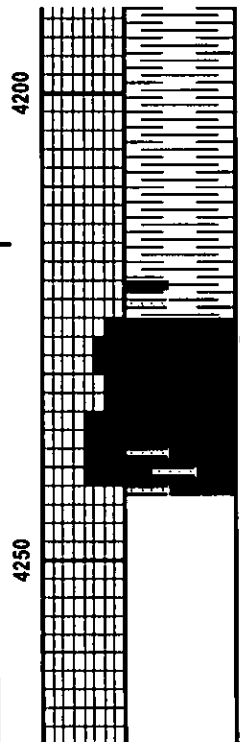
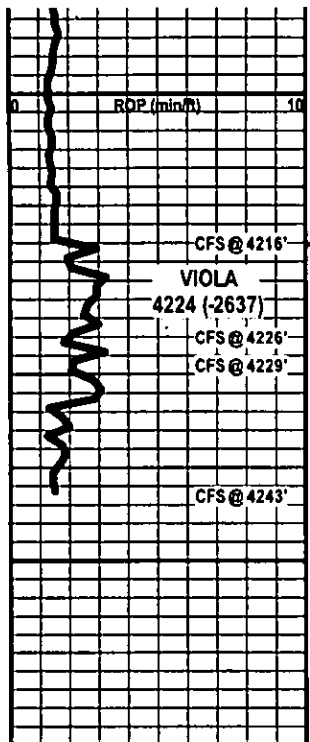
Vis: 53
 Wt: 9.3
 LCM: 2#

Vis: 50
 Wt: 9.4
 YP: 18
 Gels: 15/50
 pH: 10.0
 WL: 10.0
 Cht: 5.000
 Sol: 7.5
 LCM: 3#

GOOD COLUMN PRESSURE
 CHROMATOGRAPH WORKING

LOSING PARTIAL
 RETURNS; ADD
 PREMIX AND LCM

AT 4184': ONE PLUGGED JET;
 REDUCE PUMP OUTPUT TO
 F50 S/M, 6.5 B/M, 850 PSI



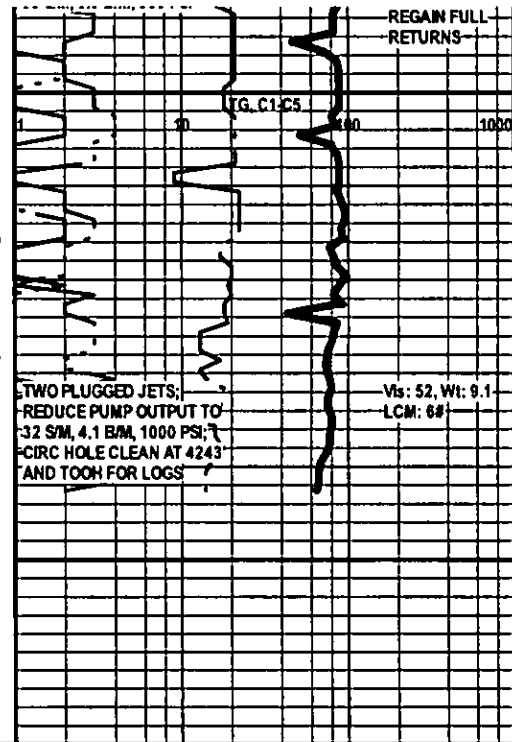
SH - GY / GRN / RED / YEL / SCAT BLK

SH - GY / GRN / RED / YEL / SCAT BLK W/ SCAT SLTST - GY/
SCAT GRN W/ TR SS - LT GY, F QTZ GR, W SRTD, SR / R, P
INTGR POR, NS

DOLO - LT GY / WHT, M / C XLN, SCAT PYR, P / SCAT G
INTXLN POR, SCAT VUG POR, SSFO IN PT, TR GB, PRED NS,
V FT ODOR, TR SPTY STN, NO / SCAT G FLOUR + CUT

DOLO - LT GY / WHT, M / C XLN, RHOMBIC IN PT, SCAT PYR,
AREN IN PT, P / G INTXLN POR, SCAT VUG POR, NO / P SFO
IN PT, PRED NS, NO ODOR, SCAT SPTYSTN

TOTAL DEPTH 4243 (-2656)





American Energies
Corporation

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

**DRILLING AND COMPLETION REPORT
SCHWARTZ-STUART 1-21**

LOCATION: Approx. C NW NE NE SW
Section 21-27S-7W
COUNTY: Kingman
API: 15-095-22252
CONTRACTOR: Landmark Drilling, Rig #6
GEOLOGIST: David Goldak
NOTIFY: American Energies Corp.
Dianne Y. DeGood Family Trust,
Debbie Schmitt, LLC,
Pickrell Drilling, R & T Investments
Buffalo Creek Oil and Gas, LLC

SURFACE CASING: 8-5/8", 24# set at 309'
PRODUCTION CASING: 5-1/2" 15.5# Used set at 4240'
ANTICIPATED RTD: 4300'
RTD: 4247'
G.L.: 1575' **K.B.:** 1587'
SPUD DATE: 5/1/12
COMPLETION DATE: 5/11/12
REFERENCE WELLS:
#1 Kathol's: #1 Wooldridge - SW NW NE 21-27S-7W
#2 Blubaugh's: #1 Schwartz OWWO - C SW SE 21-27S-7W

FORMATION:		SAMPLE LOG: Comparison:		ELECTRIC LOG TOPS: Comparison:				
			#1	#2		#1	#2	
Onaga Sh	2038 (-451)		-14	-1	2030	-443	-6	+7
Indian Cave Sand	2052 (-465)		-15	-3	2042	-455	-5	+6
Wabaunsee	2084 (-497)		-13	+6	2076	-489	-5	+14
Heebner	2992 (-1405)		-14	+5	2986	-1399	-8	+11
Lansing	3196 (-1609)		-6	+18	3198	-1611	-8	+16
Stark Sh	3548 (-1961)		-11	+9	3544	-1957	-7	+13
Cherokee	3785 (-2198)		-12	+8	3778	-2191	-5	+15
Miss Chert	3880 (-2293)		+3	+13	3878	-2291	+5	+15
Kinderhook	4085 (-2498)		+1	+8	4080	-2493	+6	+13
Viola	4224 (-2637)		-4	+24	4216	-2629	+4	+32
Total Depth	4247 (-2663)				4240	-2653		

4-30-12 Landmark Drilling, Rig #6 - MIRT, RURT

5-01-12 Spud well, drilled 12-1/4" surface hole, set 7 jts of 8-5/8" 24# New Surface Casing. Set at 309'. Cemented with 200 sx 60/40 Poz with 3% CC and 2% Gel. Plug down at 4:30 a.m. Cementing by Allied.

5-02-12 At 311' WOC.

5-03-12 At 1141' and repairing pump.

5-04-12 At 1897' and drilling ahead.

5-04-12 Geograph malfunction, 140 Unit Gas Kick, Good show gas bubbles and distilments in sample.

5-04-12 140 unit gas kick and sample show of gas in the Indian Cave Sand.

DST #1 (Indian Cave) 2037'-2070'

30"-30"-30"-30"

IF: Weak blow building to 4 in.

ISI: No blow back

FF: Weak blow building to 3 in.

FSI: No blow back

RECOVERY: 130' WM (40% W, 60% M)

SIP: 712-678

FP: 17-46, 57-95

HP: 959-946

BHT: 93

5-05-12 At 2360' and drilling ahead.

5-06-12 At 3045' and drilling ahead.

5-07-12 At 3515' and drilling ahead.

DRILLING AND COMPLETION REPORT
SCHWARTZ-STUART 1-21, Page 2

5-08-12 At 3902' and TOOH for DST #2: (Miss Chert) 3887-3902'
Good show oil and gas in Miss Chert. 460 to 800 units total gas over 35 units background.

5-08-12 DST #2 (Miss Chert) 3887'-3902'
30"-60"-30"-60"
IF: Gas To Surface 3", gauged with 1/2 in. orifice:

	<u>1st Open</u>	<u>2nd Open</u>
10 Min.	255 MCF/D	334 MCF/D
20 Min.	300 MCF/D	363 MCF/D
30 Min.	312 MCF/D	363 MCF/D

ISI: No blow back FSI: No blow back

RECOVERY: 317' Total Fluid

	<u>Gas%</u>	<u>Water%</u>	<u>Mud%</u>
Breakdown: 77' GCM	10%	20%	70%
178' MCW	0%	70%	30%
62' MW	0%	95%	5%

Chlorides: 90,000 PPM; Mud: 15,000 PPM
ISIP: 1262# FSIP: 1256#
IFP: 137-155# FFP: 145-172#
IHP: 1971# FHP: 1910#
Bottom Hole Temperature: 117

5-09-12 At 4100' and drilling ahead.

5-10-12 Reached TD at 1:30 a.m., circulated hole clean. Trip out of hole. Rigged up Loggers. LTD 4240', RTD 4243'.

5-10-12 8:00a.m. Currently logging well. Will be running production casing.

5-11-12 Ran **95 joints 5-1/2" 15.5# ST&C Used, Drifted & Tested Production Casing & 1-12' Shoe joint to 4240'**. Cement circulated one hour & hooked up Allied cementing & cemented with 150 sx. Bump plug to 1500# at 10:55 p.m., & held. Allied cement ticket #054100. Centralizers at 4238, 4227, 4010, 3920, 3831 & 3786'.

5-15-12 MIRU - American Energies Workover Rig #2. RU Log Tech of Kansas and ran bond log. **Top of cement was located at 3340'**. Went in with gun and **perforated from 3878 - 3883' with 4 SPF. Ran in 2 3/8" tubing and packer to 3863'** (used tubing from Greenleaf yard 111 jts used, 18 jts new). Hooked up and started swabbing. Made 4 pulls and well kicked off.

1st pull - Waited 45 minutes - made 3 bbls, backside on vacuum. Well kicked off flowing. SION

5-16-12 Opening pressures: SITP - 1050#, SICP: 0# - due to packer in hole.

Will change out completion head and install full bore orbit valve.

Hooked gas well up to portable meter trailer and separator. Pumped 15 bbls down tubing and killed tubing. Hooked up production head and started flowing again. Hooked up to swab tank. Flowed 2 1/2 bbls and died. Went in with swab and tagged fluid at 1400' down. Pulled twice and started flowing again. Flowed back 15 bbls saltwater and hooked up gas trailer. Started flowing at 11:30 a.m., by 4:00 p.m., well has dried up and has been flowing a steady 180 MCF/D with no water, TP: 1050#, CP: 0#. We will open up choke and let flow over night. Will test for two days.

5/17/12 Well froze off during the night. Got well thawed at 6:30 a.m. Opened up choke - flowing at 240 - 250 MCF/D with TP: 550#. Will flow test to clean up well. Will shut-in over weekend and conduct a 4 point test on Monday 5/21/12.

**DRILLING AND COMPLETION REPORT
SCHWARTZ-STUART 1-21, Page 3**

5/29/12 Results of 4 point test:

SIPTB: 800#

Orifice Size	Opening Time	Tubing Pressure	Flow Rate
1 ¼	1 st	660#	150 MCF
1 ¼	2 nd	580#	336 MCF
1 ¼	3 rd	520#	470 MCF
1 ¼	4 th	500#	480 MCF

NOTE: Made 16 bbl fluid during 4 pt. test.

Gas flow pressure stabilized at 500#.

Currently laying water and gas lines, setting gas separator, connecting well.

Should be on-line in a few days.

Pumper – Richard McDonald . Well will dispose into Wooldridge C SWD, gas purchaser will be AEPL in the Northeast Kingman Gas Gathering System to be sold to West Wichita, thru Kramer Compressor Station.

The following equipment was set on this well:

1 – 225# Gas Separator

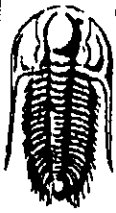
1 – Gas Meter Run

Tubing - 2 3/8" and packer set @ 3863'

No Pumping unit – free flowing gas well

5/30/12 Started well at 11:00 a.m. – making 120 MCFPD

	MCFPD	Tubing Pressure:	NOTES:
5/31/12	40	290#	Made adjustments – opened choke to 6/64 th , 3 hours later – selling 100 MCFPD
6/01/12	50	600#	Well Freezing off
6/02/12	50	600#	Problems with choke
6/03/12	50	600#	
6/04/12	50	600#	Hooking up methanol pump, production will increase.
6/05/12	260	500#	After installation of methanol pump – well is flowing great.
6/06/12	260	490#	
6/07/12	260	460#	



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

American Energies Corp
155 N Market STE 710
Wichita KS 67202
ATTN: Karen Houseberg/Dave

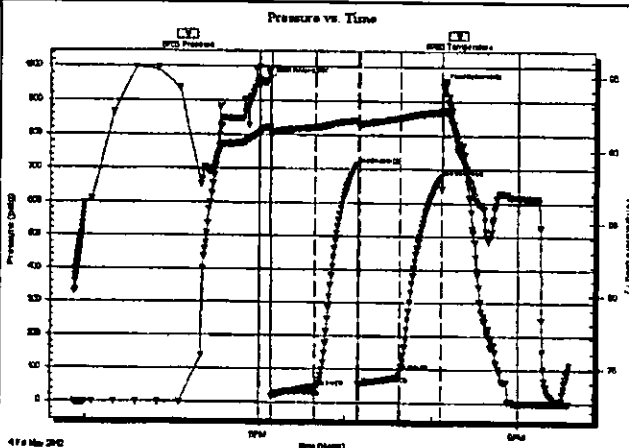
21-27s-7w
Schwartz-Stuart#1-21
Job Ticket: 47738 DST#: 1
Test Start: 2012.05.04 @ 15:52:20

GENERAL INFORMATION:

Formation: **Indian cave**
 Deviated: No Whipstock: ft (KB)
 Time Tool Opened: 18:08:05
 Time Test Ended: 21:36:05
 Interval: 2037.00 ft (KB) To 2070.00 ft (KB) (TVD)
 Total Depth: 2070.00 ft (KB) (TVD)
 Hole Diameter: 7.88 inches Hole Condition: Fair
 Test Type: Conventional Bottom Hole (Initial)
 Tester: Chris Staats
 Unit No: 47
 Reference Elevations: 1587.00 ft (KB)
 1577.00 ft (CF)
 KB to GR/CF: 10.00 ft

Serial #: **6755** Outside
 Press@RunDepth: 95.12 psig @ 2037.00 ft (KB) Capacity: 8000.00 psig
 Start Date: 2012.05.04 End Date: 2012.05.04 Last Calb.: 2012.05.04
 Start Time: 15:52:25 End Time: 21:36:04 Time On Btrr: 2012.05.04 @ 18:06:20
 Time Off Btrr: 2012.05.04 @ 20:08:05

TEST COMMENT: F: Weak blow 4"
 IS: No blow back
 FF: Weak blow 3"
 FS: No blow back



PRESSURE SUMMARY

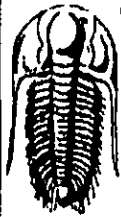
Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	959.39	91.52	Initial Hydro-static
2	17.27	91.18	Open To Flow (1)
33	46.74	91.53	Shut-in(1)
62	712.63	92.01	End Shut-in(1)
64	57.08	91.76	Open To Flow (2)
92	95.12	92.20	Shut-in(2)
121	678.00	92.62	End Shut-in(2)
122	946.50	92.71	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
130.00	W,M 40% water 60% mud	0.64

Gas Rates

Choke (Inches)	Pressure (psig)	Gas Rate (Mcf/d)



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

FLUID SUMMARY

American Energies Corp

21-27s-7w

155 N Market STE 710
Wichita KS 67202

Schwartz-Stuart#1-21

Job Ticket: 47738

DST#: 1

ATTN: Karen Houseberg/Dave

Test Start: 2012.05.04 @ 15:52:20

Mud and Cushion Information

Mud Type: Gel Chem

Cushion Type:

Oil API:

deg API

Mud Weight: 10.00 lb/gal

Cushion Length:

ft

Water Salinity:

ppm

Viscosity: 28.00 sec/qt

Cushion Volume:

bbbl

Water Loss: in³

Gas Cushion Type:

Resistivity: 0.00 ohm.m

Gas Cushion Pressure:

psig

Salinity: 72000.00 ppm

Filter Cake: 0.02 inches

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
130.00	W,M 40% water 60% mud	0.639

Total Length: 130.00 ft Total Volume: 0.639 bbl

Num Fluid Samples: 0

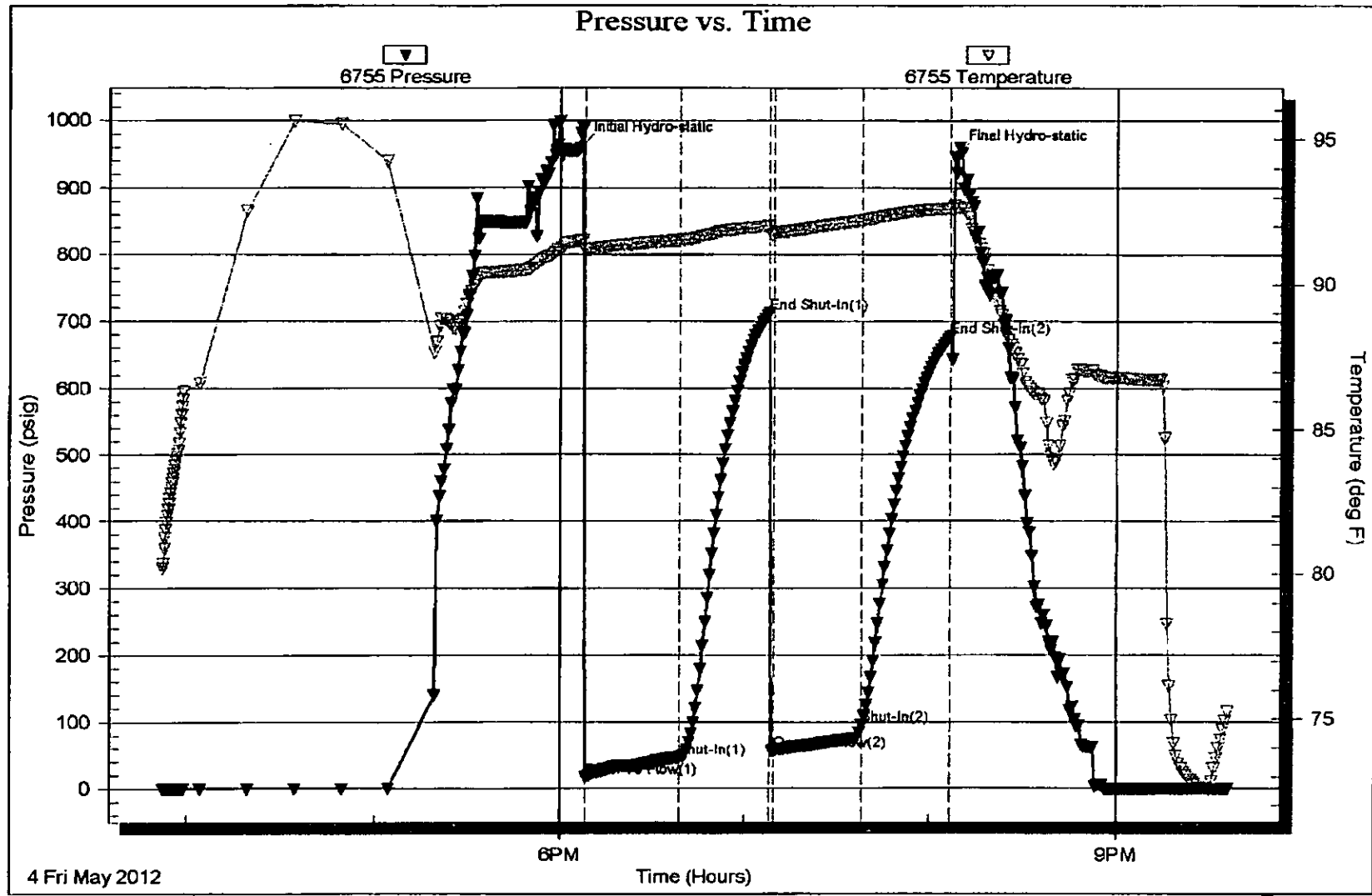
Num Gas Bombs: 0

Serial #:

Laboratory Name:

Laboratory Location:

Recovery Comments:

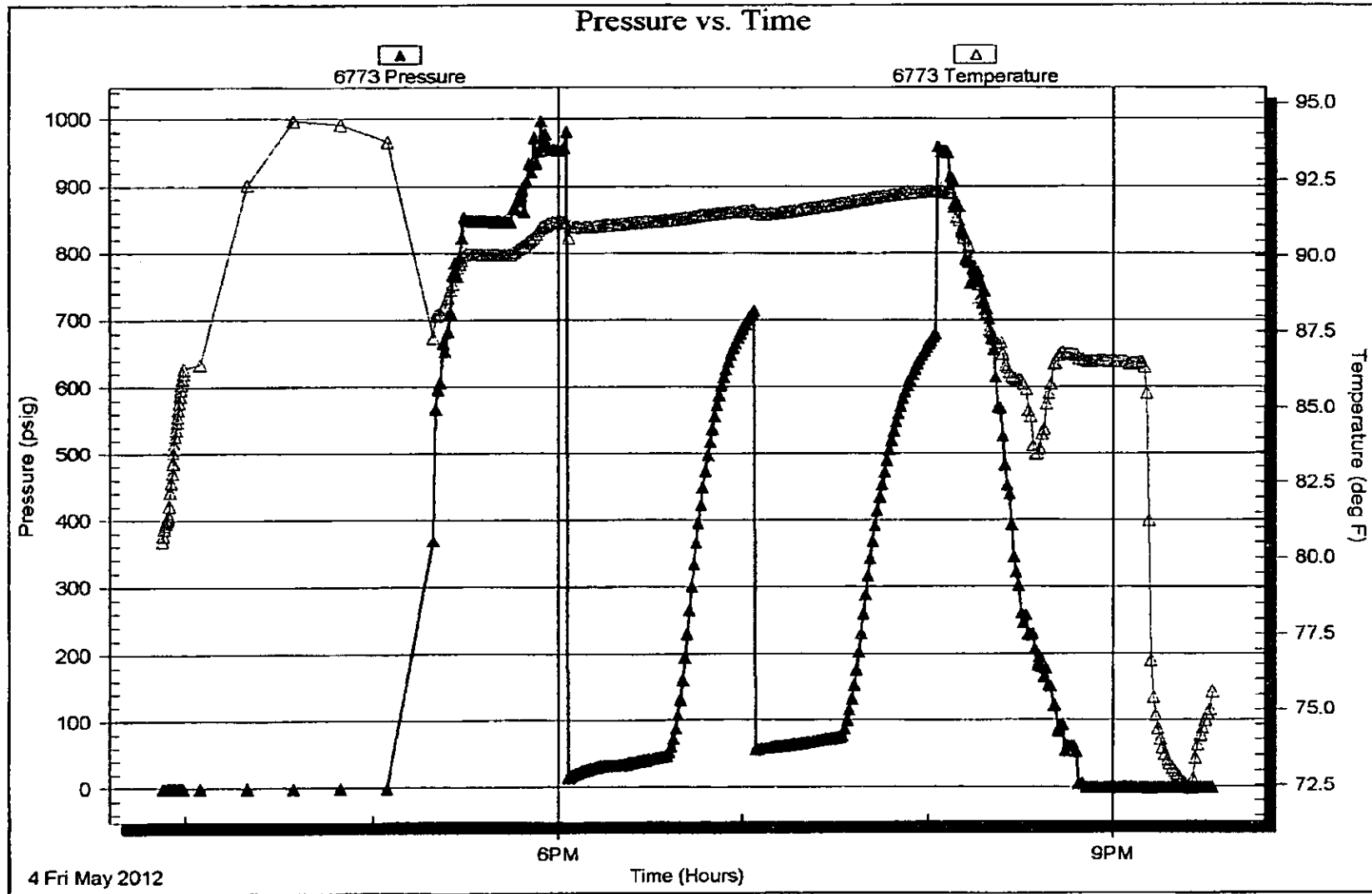


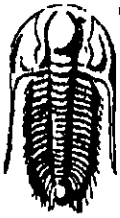
Serial #: 6773

Inside American Energies Corp

Schwartz-Stuart#1-21

DST Test Number: 1





**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

American Energies Corp

155 N Market STE 710
Wichita KS 67202

ATTN: Karen Houseberg/Dave

Schwartz-Stuart #1-21

21-27s-7w Kingman, KS

Job Ticket: 46854

DST#: 2

Test Start: 2012.05.08 @ 09:00:22

GENERAL INFORMATION:

Formation: **Mississippi**

Deviated: **No Whipstock** ft (KB)

Time Tool Opened: 10:42:52

Time Test Ended: 16:14:52

Test Type: **Conventional Bottom Hole (Reset)**

Tester: **Leal Cason**

Unit No: **Rickets 04**

Interval: **3887.00 ft (KB) To 3902.00 ft (KB) (TVD)**

Total Depth: **3902.00 ft (KB) (TVD)**

Hole Diameter: **7.88 inches** Hole Condition: **Good**

Reference Elevations: **1587.00 ft (KB)**

1577.00 ft (CF)

KB to GR/CF: **10.00 ft**

Serial #: **8790**

Inside

Press@RunDepth: **172.39 psig @ 3888.00 ft (KB)**

Start Date: **2012.05.08**

End Date:

2012.05.08

Capacity: **8000.00 psig**

Last Calib.: **2012.05.08**

Start Time: **09:00:27**

End Time:

16:14:51

Time On Btm: **2012.05.08 @ 10:41:52**

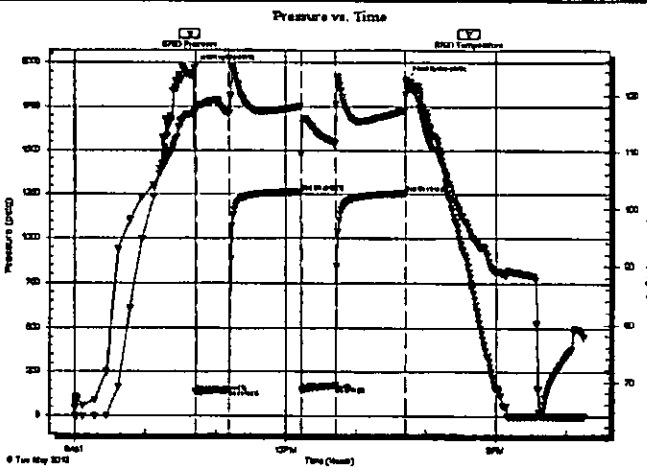
Time Off Btm: **2012.05.08 @ 13:43:22**

TEST COMMENT: IF: Strong Blow, BOB in 20 sec, GTS in 3 min, Caught Sample, Gauged Gas (Merla)

ISI: No Blow Back

FF: Strong Blow, BOB & GTS Immediate, Gauged Gas (Merla)

FSI: No Blow Back



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1971.08	116.86	Initial Hydro-static
1	136.62	117.19	Open To Flow (1)
30	150.56	116.78	Shut-in(1)
91	1262.39	118.01	End Shut-in(1)
91	145.36	109.32	Open To Flow (2)
120	172.39	111.44	Shut-in(2)
180	1256.09	117.21	End Shut-in(2)
182	1910.08	121.10	Final Hydro-static

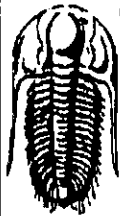
Recovery

Length (ft)	Description	Volume (bbl)
0.00	3560 GP	0.00
62.00	MCW 5%M 95%W	0.30
178.00	MCW 30%M 70%W	1.15
77.00	GWCM 10%G 20%W 70%M	1.08

* Recovery from multiple tests

Gas Rates

	Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

FLUID SUMMARY

American Energies Corp

Schwartz-Stuart #1-21

155 N Market STE 710
Wichita KS 67202

21-27s-7w Kingman, KS

Job Ticket: 46854 DST#: 2

ATTN: Karen Houseberg/Dave

Test Start: 2012.05.08 @ 09:00:22

Mud and Cushion Information

Mud Type: Gel Chem

Cushion Type:

Oil API: deg API

Mud Weight: 9.00 lb/gal

Cushion Length: ft

Water Salinity: 95000 ppm

Viscosity: 48.00 sec/qt

Cushion Volume: bbl

Water Loss: 9.59 in²

Gas Cushion Type:

Resistivity: 0.00 ohm.m

Gas Cushion Pressure: psig

Salinity: 6500.00 ppm

Filter Cake: 0.02 inches

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
0.00	3580 GP	0.000
62.00	MCW 5%M 95%W	0.305
178.00	MCW 30%M 70%W	1.149
77.00	GWCM 10%G 20%W 70%M	1.080

Total Length: 317.00 ft Total Volume: 2.534 bbl

Num Fluid Samples: 0 Num Gas Bombs: 0 Serial #:

Laboratory Name: Laboratory Location:

Recovery Comments: RW was .07@75 degrees 95000

