



Paul C. Carageannis by his counsel has submitted the following documents to the Commission in support of his applications for licensure in the above-entitled matters:

1. Satisfaction of Judgment, Case No. 10 CV 192 (Sumner District Court);
2. Promissory Note & Security Agreement re pledge by NetGord (Carageannis) to AGV (Eck);
3. Settlement Agreement and Mutual Release re Carageannis purchase of the drilling rig and pulling unit;
4. Good Standing Certificate re NetGord, LLC and
5. Investor Letter dated May 30, 2012.

ERON LAW OFFICE, P.A.  
229 E. William, Suite 100  
Wichita, Kansas 67202  
Telephone: (316) 262-5500  
Facsimile: (316) 262-5559  
e-mail: [jhcassell@eronlaw.net](mailto:jhcassell@eronlaw.net)

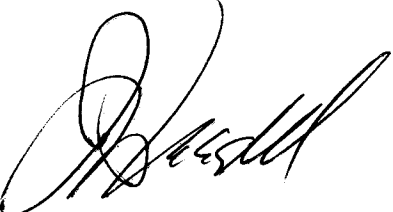
By: 

Joseph H. Cassell #10861  
Attorneys for Paul C. Carageannis  
d/b/a SEED Group/AA Drilling

CERTIFICATE OF SERVICE

I hereby certify that on June 1, 2012, a copy of the above Post Hearing Submissions was hand delivered to:

John McCannon  
Ryan A. Hoffman  
Litigation Counsel  
Kansas Corporation Commission  
130 S. Market, Suite 2078  
Wichita, Kansas 67202



Joseph H. Cassell

FILED  
DISTRICT COURT

2012 MAY 23 AM 9: 55

SUMNER COUNTY, KS.

BY:

IN THE THIRTIETH JUDICIAL DISTRICT  
DISTRICT COURT, SUMNER COUNTY, KANSAS

ATTICA GAS VENTURES CORPORATION, )  
a Kansas Corporation, ) Case No. 2010 CV 192  
Plaintiff, )  
vs. )  
PAUL C CARAGEANNIS, individually, )  
and PAUL C. CARAGEANNIS dba THE )  
SEED GROUP AND CARA VENTURES, INC. )  
Defendants. )

(Pursuant to K.S.A. Ch. 60.)

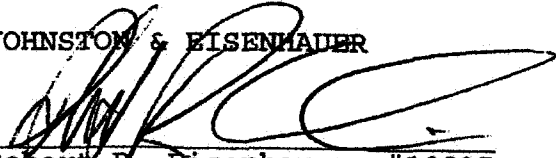
SATISFACTION OF JUDGMENT

COMES NOW, the Plaintiff, and hereby acknowledges receipt of all sums due and owing from Paul C. Carageannis, individually, and Paul C. Carageannis dba The Seed Group and Cara Ventures Inc.

Respectfully submitted,

JOHNSTON & EISENHAUER

By:

  
Robert R. Eisenhauer, #10835  
For the Firm  
113 E. Third - P.O. Box 825  
Pratt, Kansas 67124  
(620) 672-5533

**SETTLEMENT AGREEMENT AND MUTUAL RELEASE OF ALL CLAIMS**

**THIS SETTLEMENT AGREEMENT AND MUTUAL RELEASE OF ALL CLAIMS** is made and entered into this \_\_\_\_ day of March, 2012, by and between **ATTICA GAS VENTURES CORPORATION**, hereinafter referred to as **AGV; NETGORD, LLC**, a Kansas limited liability company, hereinafter referred to as **Netgord; PAUL C. CARAGEANNIS**, individually, and **PAUL C. CARAGEANNIS dba THE SEED GROUP and CARA VENTURES, INC.**, hereinafter collectively referred to as **Carageannis**.

**WITNESSETH:**

**WHEREAS**, AGV has heretofore received a judgment dated January 25, 2011, issued by the District Court of Sumner County, Kansas, Case No. 2010 CV 192, a true and correct copy of which is attached hereto as Exhibit A; and

**WHEREAS**, pursuant to the judgment, attached hereto as Exhibit A, AGV is currently the owner of a drilling rig more particularly described on Exhibit B attached hereto, together with a pulling unit more particularly described on Exhibit C attached hereto; and

**WHEREAS**, the judgment, attached hereto as Exhibit A, also granted to AGV 100% of the working interest in and under the Cully Lease, Wolf Lease and Padgett Lease located in Sumner County, Kansas, and

**WHEREAS**, AGV currently has an oil and gas lease covering the Haines Lease and owns a working interest in the AHB Lease and Woodruff Lease, all of which are located in Reno County, Kansas; and

**WHEREAS**, the parties desire to enter into this agreement which will resolve all outstanding issues by and between the parties; and

**WHEREAS**, the parties desire to place their agreement in

Settlement Agreement and Mutual Release of All Claims

writing to avoid any future misunderstandings.

**NOW, THEREFORE,** the parties agree as follows:

1. Rainey Oil Company shall pay to AGV, upon the execution of this agreement, the sum of [REDACTED] and AGV shall then execute an assignment and bill of sale to Rainey Oil Company on the Cully, Wolf, Padgett and Haines leases.

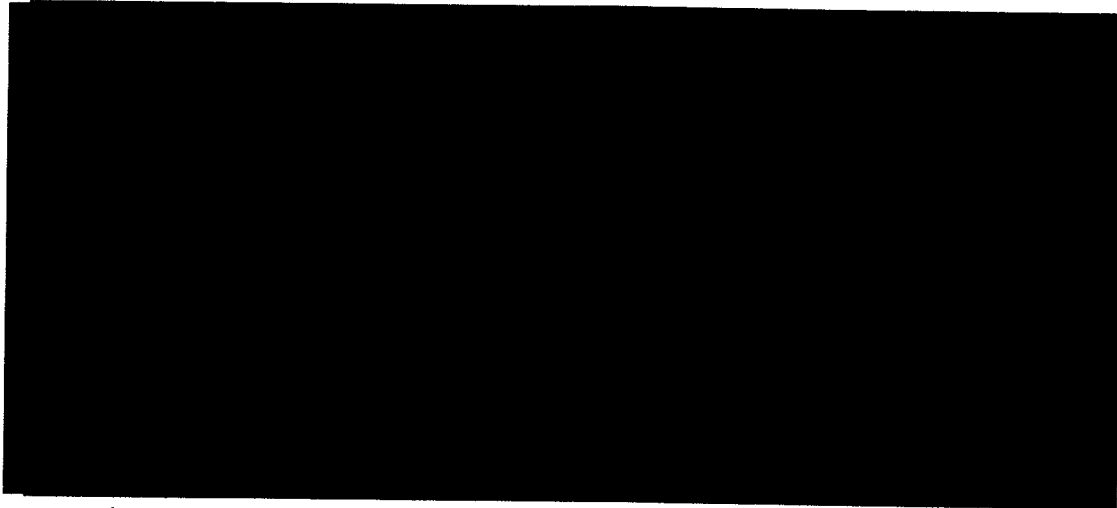
2. AGV agrees to sell to NETGORD, LLC the drilling rig and pulling unit more particularly described on Exhibits B and C attached hereto, for the sum of \$137,000.00. Said purchase price shall be paid as follows:

- a) The sum of \$137,000.00, together with interest thereon at the rate of 8% per annum, shall be paid by NETGORD, LLC to AGV over a 60 month period. The sum of \$5,023.33 shall be paid on the principal and interest at the end of each three month period beginning on the date of this agreement (March 2, 2012). The first payment shall be made on June 15, 2012. To properly secure the indebtedness owed to AGV, NETGORD, LLC agrees to execute a security agreement and agree to have a lien placed on the certificate of title covering the pulling unit, showing AGV with a first security interest in the drilling rig and pulling unit shown on Exhibits B and C attached hereto;
- b) After the execution of this Settlement Agreement and Mutual Release of All Claims, by Netgord, LLC, a Kansas limited liability company, then and in that event AGV shall execute an assignment of all their rights, title and interest in and to the AHB Lease and Woodruff Lese in Reno County, Kansas, to Paul C. Carageannis

It is agreed that the drilling rig and pulling unit may remain in the yard of AGV until December 1, 2012, at no rental cost. NETGORD, LLC agrees to obtain liability and physical damage insurance which is acceptable to AGV before the rig is moved and/or used by NETGORD, LLC. Any violation of this insurance requirement will be a material violation

Settlement Agreement and Mutual Release of All Claims  
of this insurance requirement will be a material violation  
of this agreement and promissory note attached hereto as  
Exhibit D, and such a violation may result in AGV exercising  
its rights to repossess said personal property.

The parties agree that there will be no prepayment  
penalty in the event NETGORD, LLC elects to prepay the note  
due and owing to AGV.



4. This Settlement Agreement and Mutual Release of  
All Claims and the terms and conditions contained herein  
shall be binding upon the parties hereto, their heirs,  
successors, representatives, successors, and assigns.

5. The parties hereto, and on behalf of their heirs,  
successors and assigns, hereby releases each other, and  
forever discharges each other, its heirs, successors and  
assigns, from any and all claims, damages, rights, losses,  
expenses, (including attorney fees), causes of action or  
suits at law or in equity, whether known or unknown,  
foreseen or unforeseen, which in any way arise from or are  
associated with any damages, alleged or involved, concerning  
Sumner County Case No. 2010 CV 192.

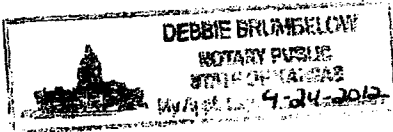
**IN WITNESS THEREOF**, the parties hereto have set their



Settlement Agreement and Mutual Release of All Claims

SS:  
COUNTY OF SEDGWICK,

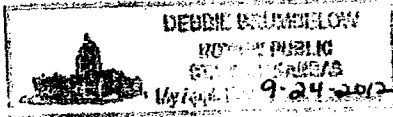
The foregoing instrument was acknowledged before me  
this 2nd day of March, 2012, by **PAUL C. CARAGEANNIS**,  
individually



Debbie Brumbelow  
Notary Public

STATE OF KANSAS,  
SS:  
COUNTY OF SEDGWICK,

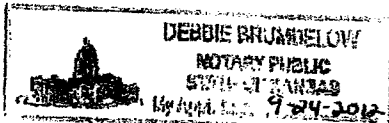
The foregoing instrument was acknowledged before me  
this 2nd day of March, 2012, by **PAUL C. CARAGEANNIS dba THE  
SEED GROUP and CARA VENTURES, INC.**



Debbie Brumbelow  
Notary Public

STATE OF KANSAS,  
SS:  
COUNTY OF SEDGWICK,

The foregoing instrument was acknowledged before me  
this 2nd day of March, 2012, by **PAUL C. CARAGEANNIS** as  
Manager on behalf of **NETGORD, LLC.**



Debbie Brumbelow  
Notary Public

PROMISSORY NOTE

\$137,000.00

March, 2012

**FOR VALUE RECEIVED**, the undersigned, **NETGORD, LLC**, promises to pay to the order of **AGV CORPORATION**, the sum of \$137,000.00, together with interest at the rate of 8% per annum, payable over a 60 month period, with a principal payment of \$2,283.33 and an interest payment of \$2,740.00 for a total of \$5,023.33 due every three (3) months with the first payment due June 15, 2012.

It is understood by the undersigned that this note is secured by a security interest in the following described personal property, to-wit:

Oil Drilling Rig together with associated equipment and personal property located thereon  
Cardwell KB200A Pulling Unit, VIN NO. 3381, together with a double drum mounted on crane carrier, a 6V92 Detroit Power 13 x 10 pole, foster 58 tongs and equipment currently on the rig, and all replacement surface casing purchased for the Haines lease

together with the 1965 truck more particularly described on the Certificate of Title attached hereto as Exhibit B.

Said security interest shall be granted to **AGV CORPORATION**.

It is expressly understood and agreed that if default be made in the payment of any one of the installments, and should said default continue for a period of 10 days then the whole amount, and each and every installment unpaid shall, at the election of the legal holder hereof, without notice, at once become due and payable and shall draw interest from the date hereof until paid at the rate of 18% per annum, anything herein to the contrary notwithstanding. Upon default, **AGV CORPORATION** may foreclose their security interest in the above described real property and exercise their legal remedies under Kansas law.

NETGORD, LLC

By: \_\_\_\_\_

Paul C. Carageannis  
Manager



**SECURITY AGREEMENT**

FOR VALUE RECEIVED, The undersigned promises to pay to the order of **AGV CORPORATION**, the sum of \$137,000.00 as more particularly described on the Promissory Note attached hereto and made a part hereof as Exhibit A.

The undersigned hereby grants to **AGV CORPORATION**, a security interest in the following described personal property and all increases, additions, accessions, and substitutions thereto and therefore (herein called "collateral"):

Oil Drilling Rig together with associated equipment and personal property located thereon  
Cardwell KB200A Pulling Unit, VIN NO. 3381, together with a double drum mounted on crane carrier, a 6V92 Detroit Power 13 x 10 pole, foster 58 tongs and equipment currently on the rig, and all replacement surface casing purchased for the Haines lease

together with the 1965 truck more particularly described on the Certificate of Title attached hereto as Exhibit B. Should **AGV CORPORATION** deem any collateral inadequate or unsatisfactory or should the value of the collateral decline, **AGV CORPORATION** shall have the right to call for additional collateral to their satisfaction.

If more than one party shall sign this Security Agreement, the term "undersigned" shall mean and include all parties signing this Agreement and each of them, jointly and severally.

The Debtor agrees that he has read this agreement and that this agreement includes and is subject to the additional

## Security Agreement

provisions set forth below.

The Debtor warrants and covenants that except for the security interest granted the undersigned or to the extent that this agreement states that the collateral is to be acquired after the date hereof, will be, the owner of the collateral free from any adverse lien, security interest or encumbrance; and that the undersigned will defend the collateral against all claims and demands of all persons at any time claiming the same or any interest therein; (1) The undersigned agrees to do such acts and things as **AGV CORPORATION** may from time to time request to maintain a valid security interest on the part of **AGV CORPORATION** in the collateral (free of all other liens and claims whatsoever) to secure the payment of the liabilities; (2) Not to sell, transfer or dispose of the collateral, nor take the same or attempt to take the same from the state where kept as above stated, without the prior written consent of **AGV CORPORATION**; (3) To pay all taxes and assessments of every nature which may be levied or assessed against the collateral; (4) Not to permit or allow any adverse lien, security interest or encumbrance whatsoever upon the collateral, and not to permit the same to be attached or replevied; (5) That the collateral is in good condition, and that he will at his own expense, keep the same in good condition and that **AGV CORPORATION** may examine and inspect the collateral at any time, wherever located; (6) At his option **AGV CORPORATION** may procure such insurance, discharge taxes, liens or security interests or other encumbrances at any time levied or

## Security Agreement

placed on the collateral and may pay for the repair of any damage or injury to or for the preservation and maintenance of the collateral. The undersigned agrees to reimburse **AGV CORPORATION** on demand for any payment or expense incurred by **AGV CORPORATION** pursuant to the foregoing authorization. Until such reimbursement, the amount of any such payment shall be added to the indebtedness owed by Debtor and shall be secured by this agreement; (8) That he will not use the collateral in violation of any applicable statute, regulation or ordinance; (9) That in the event this security agreement is placed in the hands of any attorney for enforcement Debtor will pay the reasonable attorney's fees of **AGV CORPORATION**; and **AGV CORPORATION**, any and all costs and expenses incurred in recovering possession of the collateral and incurred in enforcing this security agreement, and the same shall be secured by this security agreement.

Until default the undersigned may have possession of the collateral and use it in any lawful manner not inconsistent with this agreement and not inconsistent with any policy of insurance thereon, and upon default **AGV CORPORATION** shall have the right to the immediate possession of the collateral.

Debtor shall be in default under this agreement upon the happening of any of the following events or conditions: (1) Failure to pay the quarterly payments when due and said default remaining uncured for 30 days; (2) any warranty, representation or statement made or furnished to **AGV CORPORATION** by or on behalf of the undersigned is found to have been false in any material

## Security Agreement

respect when made or furnished; (3) any event which results in the acceleration of the maturity of the indebtedness of the undersigned to others under any indenture, agreement or undertaking; (4) loss, theft, damage, destruction, sale or encumbrance to or of any of the collateral or the making of any levy, seizure or attachment thereof or thereon; (5) death, dissolution, termination of existence, insolvency, business failure, appointment of a receiver of any part of the property of, assignment for the benefit of creditors by, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against the undersigned or any guarantor or surety for the undersigned.

Upon such default and at any time thereafter, or if it deems itself insecure, **AGV CORPORATION** may declare all obligations secured hereby immediately due and payable and shall have the remedies of a secured party under the Kansas Uniform Commercial Code. The secured party may assess a collection charge on each installment in default for a period of one (1) day or more as an additional charge against the undersigned, in an amount not in excess of 5% of such installment. **AGV CORPORATION** may require the undersigned to deliver the collateral or make it available to **AGV CORPORATION** at a place to be designated by **AGV CORPORATION** which is reasonably convenient to both parties. Unless the collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, **AGV CORPORATION** will give the undersigned reasonable notice of the time and place of

**Security Agreement**

any public sale thereof or of the time after which any private sale or any other intended disposition thereof is to be made. Expenses of retaking, holding, preparing for sale, selling or the like shall include **AGV CORPORATION's** reasonable attorney's fees and legal expenses.

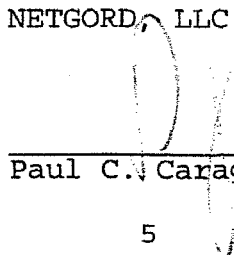
No waiver by **AGV CORPORATION** of any default shall operate as a waiver of any other default or of the same default on a future occasion. The taking of this security agreement shall not waive or impair any other security **AGV CORPORATION** may have or hereafter acquires for the payment of the above indebtedness, nor shall the taking of any such additional security waive or impair this security agreement, but **AGV CORPORATION** may resort to any security it may have in the order it may deem proper, and notwithstanding any collateral security, **AGV CORPORATION** shall retain his rights of setoff against the undersigned.

All rights of **AGV CORPORATION** hereunder shall inure to the benefit of its successors and assigns; and all promises and duties of the undersigned shall bind his heirs, executors or administrators or his or its successors or assigns. If there be more than one Debtor their liabilities hereunder shall be joint and several.

This agreement shall become effective when it is signed by Debtor.

NETGORD, LLC

By:

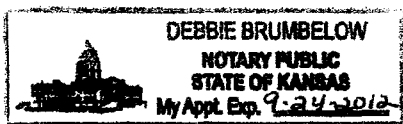
  
\_\_\_\_\_  
Paul C. Carageannis, Manager

Security Agreement

STATE OF KANSAS )  
Sedgwick ) SS:  
COUNTY OF PRATT )

BE IT REMEMBERED, that on this 2nd day of March, 2012, before me, the undersigned, a notary public in and for the County and State aforesaid, came Paul C. Carageannis, to me known to be the same person who executed the foregoing Security Agreement as Manager on behalf of NETGORD LLC, and duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year last above written.



Debbie Brumbelow  
Notary Public



# Kansas BusinessCenter

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## Business Entity Search

Date: 05/25/2012

### Business Information

Current Entity Name

NETGORD, L.L.C.

[File Name Change Online](#)

Business Entity ID Number

4443826

Current Mailing Address: JOSEPH H. CASSELL - 229 E. WILLIAM SUITE 100, WICHITA, KS 672020000[Update](#)

Business Entity Type: KANSAS LTD LIABILITY COMPANY

Date of Formation in Kansas: 08/25/2010State of Organization: KSCurrent Status: ACTIVE AND IN GOOD STANDING[Certificate of Good Standing](#)

Resident Agent and Registered Office

Resident Agent: JOSEPH H. CASSELLRegistered Office: 229 E. WILLIAM SUITE 100, WICHITA, KS 67202[Update Resident Agent/Office](#)

### Annual Reports

The following annual report information is valid for active and delinquent status entities only.

Tax Closing Month: 12

The Last Annual Report on File: 12/2011

Next Annual Report Due: 04/15/2013 [File Online](#)

Forfeiture Date: 07/15/2013

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# Farha

CONSTRUCTION, INC.

May 30, 2012

To Whom It May Concern:

I am writing this letter of reference for Paul Carageannis.

I invested in an oil well with him in Harper Co. about 2 years ago. When the well wasn't drilled because of the land lease, Paul continually stayed in touch and kept me apprised of how he would repay the money I invested. He has made a first payment of \$5,000 recently and signed an agreement with a repayment schedule.

Recently, Paul has looked at existing oil well logs from my family farm about drilling a well. I have met at the farm to explore options.

Sincerely,



Ed F. Farha  
President

316-644-8888