

For KCC Use: 5.15.04  
Effective Date: 2  
District # 2  
S G A ?  Yes  No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form C-1  
September 1999  
Form must be Typed  
Form must be Signed  
All blanks must be Filled

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date May 14 2004  
month day year

Spot E2 - E2 - NW Sec 16 Twp. 20 S. R. 7  East  West  
1320' fml feet from N (circle one) Line of Section  
2310' fwl feet from W (circle one) Line of Section  
Is SECTION XX Regular  Irregular?

OPERATOR: License# 5399 6/3/04 RECEIVED  
Name: American Energies Corporation  
Address: 155 N. Market, Suite 710 MAY 06 2004  
City/State/Zip: Wichita, KS 67202  
Contact Person: Alan L. DeGood, President KCC WICHITA  
Phone: (316) 316-263-5785

CONTRACTOR: License# 5495 6/3/04  
Name: McPherson Drilling Co., Inc.

(Note: Locate well on the Section Plat on reverse side)  
County: Chase  
Lease Name: Pretzer C Well #: 1  
Field Name: Wildcat

Is this a Prorated / Spaced Field?  Yes  No

Target Information(s): Lansing  
Nearest Lease or unit boundary: 330'  
Ground Surface Elevation: 1275' estimated feet MSL

Water well within Dne-quarter mile:  Yes  No

Public water supply well within one mile:  Yes  No

Depth to bottom of fresh water: 60'

Depth to bottom of usable water: 60' 120'

Surface Pipe by Alternate: XX 1 2

Length of Surface Pipe Planned to be set: 90' minimum\*

Length of Conductor Pipe required: None

Projected Total Depth: 1200'

Producing Formation Target: Lansing

Water Source for Drilling Operations:

Well  Farm Pond  Other XX

DWR Permit #: \_\_\_\_\_

(Note: Apply for Permit with DWR )

Will Cores be taken?  Yes  No

If Yes, proposed zone: \_\_\_\_\_

\*-Exception Requested for surface casing min. 90'

Well Drilled For: Well Class: Type Equipment:

Oil  Enh Rec  Infield  Mud Rotary  
 Gas  Storage  Pool Ext.  Air Rotary  
 OWWO  Disposal  Wildcat  Cable  
 Seismic; # of Holes  Other  
 Other

If OWWO: old well information as follows:

Operator: \_\_\_\_\_

Well Name: \_\_\_\_\_

Original Completion Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

Directional, Deviated or Horizontal wellbore?  Yes  No

If Yes, true vertical depth: \_\_\_\_\_

Bottom Hole Location: \_\_\_\_\_

KCC DKT #: \_\_\_\_\_

\* Surface Casing Exception Granted 5.7.04

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq.

It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office **prior** to spudding of well;
2. A copy of the approved notice of intent to drill **shall be** posted on each drilling rig;
3. The minimum amount of surface pipe as specified below **shall be set** by circulating cement to the top; in all cases surface pipe **shall be set** through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary **prior to plugging**;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an ALTERNATE 11 COMPLETION, production pipe shall be cemented from below any usable water to surface within **120 days** of spud date. **In all cases, NOTIFY district office** prior to any cementing.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief

Date: 05/05/04 Signature of Operator or Agent: Alan L. DeGood Title: President

Alan L. DeGood

For KCC Use ONLY

API # 15 - 017-20864.00-00

Conductor pipe required NONE feet

Minimum surface pipe required 90 feet per Alt. 1

Approved by: RJP 5-10-04

This authorization expires: 11-10-04

(This authorization void if drilling not started within 6 months of effective date.)

Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

Remember to -

- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

16  
20  
7E

**IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW**

*Plat of acreage attributable to a well in a prorated or spaced field*

**If the intended well is in a prorated or spaced field, please fully complete this side of the form.** If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15 - \_\_\_\_\_  
 Operator: American Energies Corporation  
 Lease: Pretzer C  
 Well Number: 1  
 Field: Wildcat  
 Number of Acres attributable to well: \_\_\_\_\_  
 QTR / QTR / QTR of acreage: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Location of Well: County: Chase  
1320 feet from  N /  S Line of Section  
2310 feet from  E /  W Line of Section  
 Sec. 16 Twp. 20 S. R. 7  East  West

Is Section:  Regular or  Irregular

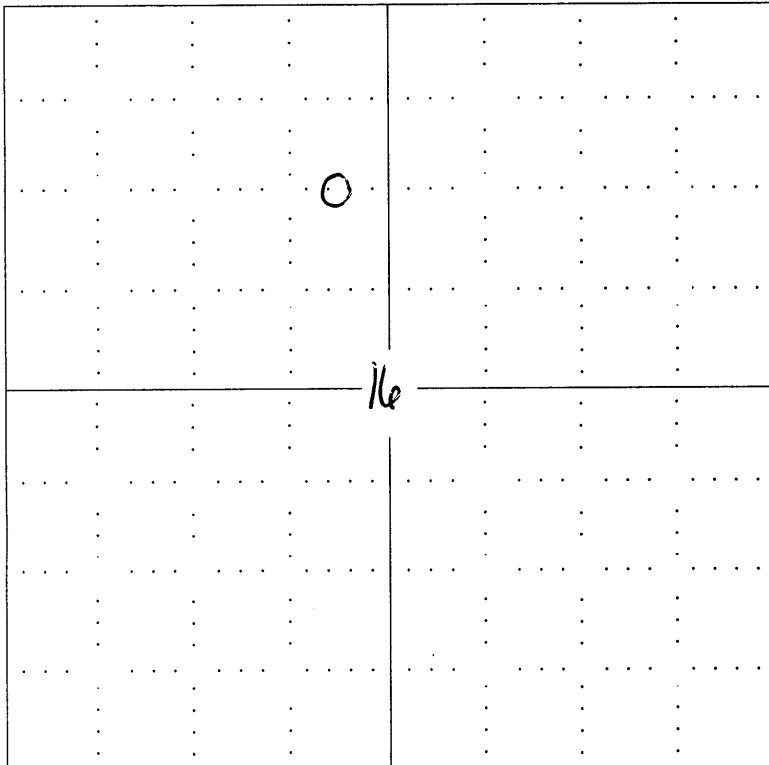
**If Section is Irregular, locate well from nearest corner boundary.**

Section corner used:  NE  NW  SE  SW

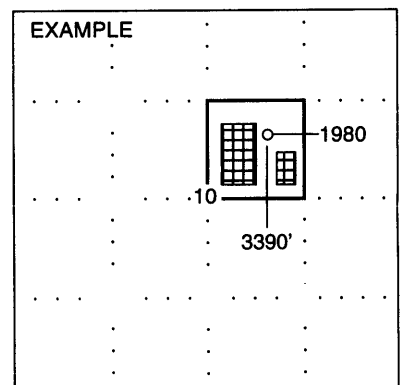
**PLAT**

*(Show location of the well and shade attributable acreage for prorated or spaced wells.)*

*(Show footage to the nearest lease or unit boundary line.)*



RECEIVED  
 MAY 06 2004  
 KCC WICHITA



SEWARD CO.

**NOTE: In all cases locate the spot of the proposed drilling locaton.**

**In plotting the proposed location of the well, you must show:**

1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CG-8 for gas wells).