

For KCC Use: 3-14-05  
 Effective Date: 3-14-05  
 District #: 2  
 SGA?  Yes  No

**KANSAS CORPORATION COMMISSION**  
**OIL & GAS CONSERVATION DIVISION**  
**NOTICE OF INTENT TO DRILL**

Form C-1  
 December 2002  
 Form must be Typed  
 Form must be Signed  
 All blanks must be Filled

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

Expected Spud Date January 12, 2005  
 month day year

OPERATOR: License# 5399 (6.30.05)  
 Name: American Energies Corporation  
 Address: 155 North Market, Suite 710  
 City/State/Zip: Wichita, KS 67202  
 Contact Person: Alan L. DeGood  
 Phone: 316-263-5785

CONTRACTOR: License# 5123 (6.30.05)  
 Name: Pickrell Drilling Co., Inc.

Well Drilled For:  Oil  Enh Rec  Infield  Gas  Storage  Pool Ext.  Disposal  Wildcat  Seismic; # of Holes  Other

Well Class:  Infield  Pool Ext.  Wildcat  Other

Type Equipment:  Mud Rotary  Air Rotary  Cable

If OWWO: old well information as follows:  
 Operator: Donald T. Ingling  
 Well Name: #1 Sowers  
 Original Completion Date: 9/1/76 Original Total Depth: 3945

Directional, Deviated or Horizontal wellbore?  Yes  No  
 If Yes, true vertical depth: \_\_\_\_\_  
 Bottom Hole Location: \_\_\_\_\_  
 KCC DKT #: \_\_\_\_\_

Spot  East  West  
 150' SE - C - NW NE Sec. 27 Twp. 28 S. R. 6  
 680' feet from  N /  S Line of Section  
 1850' feet from  E /  W Line of Section  
 Is SECTION  Regular  Irregular?

(Note: Locate well on the Section Plat on reverse side)  
 County: Kingman  
 Lease Name: Sowers Well # LOWWO  
 Field Name: Dale  
 Is this a Prorated / Spaced Field?  Yes  No  
 Target Formation(s): Mississippi  
 Nearest Lease or unit boundary: 330'  
 Ground Surface Elevation: 1449 feet MSL  
 Water well within one-quarter mile:  Yes  No  
 Public water supply well within one mile:  Yes  No  
 Depth to bottom of fresh water: 150'  
 Depth to bottom of usable water: 180'  
 Surface Pipe by Alternate:  1  2  
 Length of Surface Pipe Planned to be set: 224' PER CP-4  
 Length of Conductor Pipe required: 4000' 4 1/2"  
 Projected Total Depth: 4000'  
 Formation at Total Depth: Mississippi  
 Water Source for Drilling Operations:  Well  Farm Pond Other  X  
 DWR Permit #: \_\_\_\_\_

(Note: Apply for Permit with DWR )  
 Will Cores be taken?  Yes  No  
 If Yes, proposed zone: \_\_\_\_\_

**AFFIDAVIT**

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 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 II COMPLETION, production pipe shall be cemented from below any usable water to surface within **120 days** of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. **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: 1/7/05 Signature of Operator or Agent: Alan L. DeGood Title: President

**For KCC Use ONLY**  
 API # 15 - 095-20509-00-01  
 Conductor pipe required NONE feet  
 Minimum surface pipe required 224' set feet per Alt. 1  
 Approved by: RJP 3.9.05  
 This authorization expires: 9.9.05  
 (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.
- If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.  
 Well Not Drilled - Permit Expired  
 Signature of Operator or Agent: \_\_\_\_\_  
 Date: \_\_\_\_\_

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

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 KANSAS CORPORATION COMMISSION  
 JAN 07 2005  
 CONSERVATION DIVISION  
 WICHITA, KS

27  
 28  
 6W

**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: Sowers  
 Well Number: OWWO  
 Field: Dale  
 Number of Acres attributable to well: \_\_\_\_\_  
 QTR / QTR / QTR of acreage: 150' SE - C - NW NE

Location of Well: County: Kingman  
680' feet from  N /  S Line of Section  
1850' feet from  E /  W Line of Section  
 Sec. 27 Twp. 28 S. R. 6  East  West

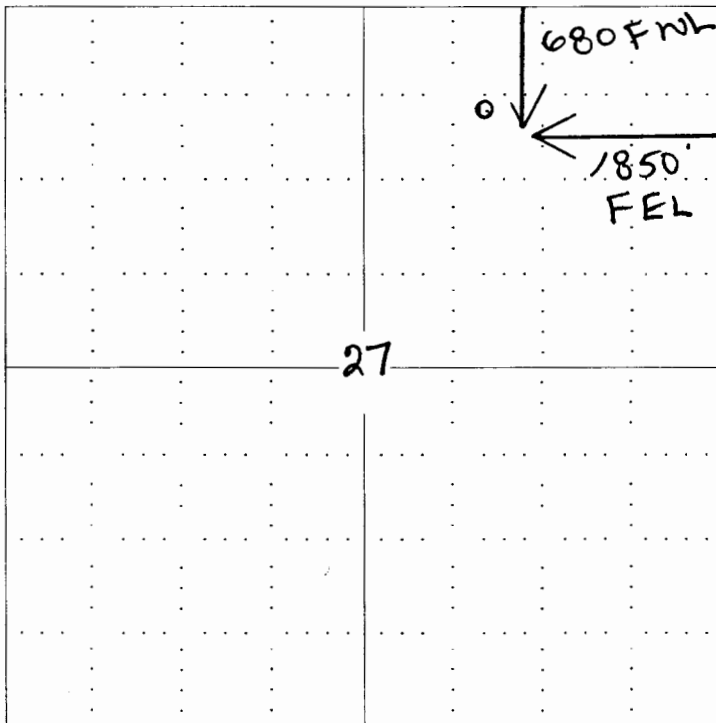
Is Section:  Regular or  Irregular

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

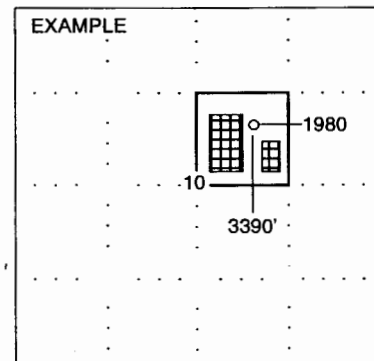
Section corner used:  NE  NW  SE  SW

**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.)*



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 REGISTRATION DIVISION  
 PORTLAND, OR



SEWARD CO.

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

**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).

# KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

BRIAN J. MOLINE, CHAIR

ROBERT E. KREHBIEL, COMMISSIONER

MICHAEL C. MOFFET, COMMISSIONER

March 9, 2005

Mr. Alan L. DeGood  
American Energies Corporation  
155 North Market Ste 710  
Wichita, KS 67202

RE: Drilling Pit Application  
Sowers C OWWO Lease Well No. 1  
SE/4 Sec. 27-28S-06W  
Kingman County, Kansas

Dear Mr. DeGood:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed without slots, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the reserve pit within 72 hours of drilling completion.

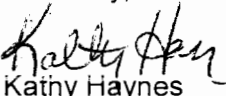
**If production casing is set all completion fluids shall be removed on a daily basis.**

The fluids should be taken to an authorized disposal well. Please call the District Office at (316) 630-4000 when the fluids have been removed. Also, please file the enclosed CDP-5 form, Surface Pond Waste Transfer within 30 days of fluid removal.

**A copy of this letter should be posted in the doghouse along with the approved Intent to Drill.**

If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,



Kathy Haynes

Environmental Protection and Remediation Department

cc: Doug Louis