

STATE OF KANSAS
STATE CORPORATION COMMISSION
130 S. Market, Room 2078
Wichita, Kansas 67202

Well Plugging Record
K.A.R. -82-3-117

API NUMBER 15-163-20-791-00-00
LEASE NAME Eilers East
WELL NUMBER #2

TYPE OR PRINT
NOTICE: Fill out completely and return
to Cons. Div. office within 30 days.

3630 Ft. from South Line of Section
2310 Ft. from East Line of Section

LEASE OPERATOR American Energies Corporation SPOT LOCATION NW SW NE
ADDRESS 155 N Market, Suite 710 Section 27 Township 10S Range 18W
CITY, STATE, ZIP Wichita, KS 67202 County Rooks
PHONE # 316-263-5785 Date Well Completed 4/25/79
Character of Well SWD Date Plugging Commenced 5/2/2005
(Oil, Gas, D&A, SWD, Input, Water Supply Well) Date Plugging Completed 5/2/2005
(date)

The plugging proposal was approved on 5/2/05
by Pat Staab (KCC District Agent's Name)

Is ACO-1 Filed? Yes If not, is well log attached?
Producing Formation(s) KC Depth to Top 3266 Bottom 3340 T.D. 3635'
Show depth and thickness of all water, oil and gas formations.

OIL, GAS OR WATER RECORDS

CASING RECORD

FORMATION	CONTENT	FROM	TO	SIZE	PUT IN	PULL OUT
Surface	Water sands	211'	0'	8 5/8" 23#	211'	None

Describe in detail the manner in which the well was plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same and depth placed, from _____ feet to _____ feet each set.
In accordance with KCC rules and regulations. Total of 150 sx 60/40 with 19% gel and 500# hulls.
Pressured to 600# - Shut-In @ 250#.

Name of Plugging Contractor Allied Cementing Co., Inc.
Licence No. _____
Address P.O. Box 31 City: Russell State: Kansas Zip 67665

NAME OF PARTY RESPONSIBLE FOR PLUGGING FEES: American Energies Corporation (Operator)

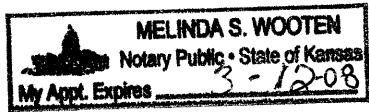
STATE OF KANSAS COUNTY OF Sedgwick, ss.

Alan L. DeGood, President (Employee of Operator or (Operator) of above described well, being first
duly sworn on oath, says: That I have knowledge of the facts, statements, and matters herein contained and the log of
the above described well as filed that the same are true and correct, so help me God.

(Signature) *Alan L. DeGood*
(Alan L. DeGood, President, American Energies Corporation)

(Address) 155 North Market, Suite 710 City: Wichita State: Kansas Zip 67202

SUBSCRIBED AND SWORN TO me this 5th day of July 2005



Melinda S. Wooten
Melinda S. Wooten, Notary Public

My Commission Expires: 3/12/08

RECEIVED
KANSAS CORPORATION COMMISSION
JUL 08 2005
CONSERVATION DIVISION
WICHITA, KS

Form CP-4
Revised 12-92

Bu

VENTING CO., INC.

WICHITA, KS 67265
 (785) 483-3887
 FAX (785) 483-5566
 FEDERAL TAX ID# 48-0727860

 * I N V O I C E *

Invoice Number: 096747

Invoice Date: 05/10/05

Sold American Energies Corp.
 To: 155 N. Market #710
 Wichita, KS
 67202

*plugging
 amt 50.71*

Cust I.D.....: Am Eng
 P.O. Number...: Eilers East #2
 P.O. Date.....: 05/10/05

Due Date.: 06/09/05
 Terms....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	90.00	SKS	8.7000	783.00	T
Pozmix	60.00	SKS	4.7000	282.00	T
Gel	12.00	SKS	14.0000	168.00	T
Hulls	4.00	SKS	21.0000	84.00	T
Handling	166.00	SKS	1.6000	265.60	T
Mileage (52)	52.00	MILE	9.9600	517.92	T
166 sks @.06 per sk per mi					
Plug	1.00	JOB	600.0000	600.00	T
Mileage pmp trk	52.00	MILE	5.0000	260.00	T

All Prices Are Net, Payable 30 Days Following
 Date of Invoice. 1 1/2% Charged Thereafter.
 If Account CURRENT take Discount of \$296.05
 ONLY if paid within 30 days from Invoice Date

Subtotal: 2960.52
 Tax.....: 156.91
 Payments: 0.00
 Total....: 3117.43

RECEIVED
 KANSAS CORPORATION COMMISSION
 JUL 08 2005
 CONSERVATION DIVISION
 WICHITA, KS

ENTD JUN 04 2005

ENTD JUN 02 2005

296.05
 2821.38

ALLIED CEMENTING CO., INC.

18702 ✓

Federal Tax I.D.# ~~██████████~~

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

SERVICE POINT 2

DATE <u>5-2-05</u>	SEC.	TWP.	RANGE	CALLED OUT	ON LOCATION <u>10:00am</u>	JOB START <u>10:30am</u>	JOB FINISH <u>11:30am</u>
LEASE <u>Fiber East</u>	WELL # <u>2</u>	LOCATION <u>Plainville SS to CC Road</u>			COUNTY <u>Ellis</u>	STATE <u>Kans</u>	
OLD OR NEW (Circle one)				<u>1 West 3/8 S East to well</u>			

CONTRACTOR
TYPE OF JOB Old Hole Plug
HOLE SIZE _____ T.D.
CASING SIZE 4 1/2" DEPTH 1450'
TUBING SIZE 2" DEPTH _____
DRILL PIPE _____ DEPTH _____
TOOL _____ DEPTH _____
PRES. MAX 600lb MINIMUM _____
MEAS. LINE _____ SHOE JOINT _____
CEMENT LEFT IN CSG. _____
PERFS. _____
DISPLACEMENT _____

OWNER
CEMENT
AMOUNT ORDERED 150 sks 60/40 100 Gel
Used 150 sks 4 Hulls
COMMON 90 @ 8⁷⁰ 783⁰⁰
POZMIX 60 @ 4⁷⁰ 282⁰⁰
GEL 12 @ 14⁰⁰ 168⁰⁰
CHLORIDE @ _____
ASC @ _____
HULLS 4 @ 21⁰⁰ 84⁰⁰
HANDLING 166 @ 1⁶⁰ 265⁶⁰
MILEAGE 68/sk/mile 517⁹²
TOTAL 2100.52

EQUIPMENT

PUMP TRUCK CEMENTER Paul
345 HELPER Steve
BULK TRUCK
272 DRIVER Craig
BULK TRUCK
_____ DRIVER _____

REMARKS:

Mixed 150 sks w/ 4 Hulls
Pressured to 600 lbs Shut in @ 250 lbs

SERVICE

DEPTH OF JOB _____
PUMP TRUCK CHARGE _____ 600⁰⁰
EXTRA FOOTAGE @ _____
MILEAGE 52 @ 5⁰⁰ 260⁰⁰
MANIFOLD @ _____
RECEIVED
KANSAS CORPORATION COMMISSION
JUL 08 2005
CONSERVATION DIVISION
WICHITA, KS
TOTAL 860⁰⁰

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

PLUG & FLOAT EQUIPMENT

@ _____
@ _____
@ _____
@ _____
@ _____

To Allied Cementing Co., Inc.
You are hereby requested to rent cementing equipment and furnish cementer and helper 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 & understand the "TERMS AND CONDITIONS" listed on the reverse side.

TOTAL _____
TAX _____
TOTAL CHARGE _____
DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE Thad Starr

Thad Starr
PRINTED NAME

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "Allied" shall mean Allied Cementing Co., Inc., and "Customer" shall refer to the party identified by that term on the front of this contract. As applicable, "Job" relates to the services described on the front side of this contract, "merchandise" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

—**TERMS:** Unless satisfactory credit has been established, "CUSTOMER" must tender full cash payment to "ALLIED" before the job is undertaken or merchandise is delivered. If satisfactory credit has been established, the terms of payment for the job and/or merchandise, including bulk cement, are net cash, payable in 30 days from the completion of the job and/or delivery of the merchandise. For all past due invoices, "CUSTOMER" agrees to pay interest on amounts invoiced at a rate of 18 percent per annum until paid. Notwithstanding the foregoing, in no event shall this Contract provide for interest exceeding the maximum rate of interest that "CUSTOMER" may agree to pay under applicable law. If any such interest should be provided for, it shall be and hereby is deemed to be a mistake, and this contract shall be automatically reformed to lower the rate of interest to the maximum legal contract rate, any amounts previously paid as excess interest shall be deducted from the amounts owing from the "CUSTOMER" or at the option of "ALLIED," refunded directly to "CUSTOMER." For purposes of this paragraph, ALLIED and CUSTOMER agree that KANSAS law shall apply. Any discounts granted with this contract are null and void if the charges are not paid when due.

—**ATTORNEY FEES:** In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the terms of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limited to, a reasonable sum as and for attorney's fees.

—**PRICES AND TAXES:** All merchandise listed in "ALLIED'S" current price schedule are F.O.B. ALLIED'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by ALLIED shall be added to the quoted prices charged to CUSTOMER.

—**TOWING CHARGES:** ALLIED will make a reasonable attempt to get to and from each job site using its own equipment. Should ALLIED be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ a tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMER or, if furnished by ALLIED, will be charged to and paid by CUSTOMER.

—**PREPARATION CHARGES:** If a job and/or merchandise is ordered and CUSTOMER cancels the order after preparation of a chemical solution or other material, CUSTOMER will pay ALLIED for the expenses incurred by ALLIED as a result of the cancellation.

—**DEADHAUL, CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charge as set forth in ALLIED'S current price book will be charged each way for each service unit which is ordered by CUSTOMER but not used.

—**SERVICE CONDITIONS AND LIABILITIES:** 1. ALLIED carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond ALLIED'S control, ALLIED shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. Customer shall be responsible for and indemnify, defend, and hold harmless ALLIED, its officers, agents and employees, from and against any and all claims or suits for:

(A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with ALLIED'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of ALLIED or its employees.

2. With respect to any of ALLIED'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to ALLIED at the landing, CUSTOMER shall either recover the lost item without cost to ALLIED or reimburse ALLIED the current replacement cost of the item unless the loss or damage results from the sole negligence of ALLIED or its employees.

3. ALLIED does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

WARRANTIES: 1. ALLIED warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. ALLIED'S obligation under this warranty is expressly limited to repair, replacement, or allowance for credit, at its option, for any merchandise which is determined by ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and ALLIED shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.

2. More specifically:

(A) Nothing in this contract shall be construed as a warranty by ALLIED of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.

(B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by ALLIED or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by ALLIED, unless the inaccuracy or incorrectness is caused by the wilful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.

(C) Work done by ALLIED shall be under the direct supervision and control of the CUSTOMER or his agent and ALLIED will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.