

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

FORM CP-1
Rev. 03/92

WELL PLUGGING APPLICATION FORM
(PLEASE TYPE FORM and File ONE Copy)

API #: 15-135-22-905-00-00 (Identifier number of this well). This must be listed for wells drilled since 1967; if no API# was issued,

indicate spud or completion date 10/1/1985

WELL OPERATOR: American Energies Corporation KCC LICENSE # 5399
(owner/company name) (operator's)

ADDRESS: 155 North Market CITY: Wichita

STATE: Kansas ZIP CODE 67202 CONTACT PHONE: 316-263-5785

LEASE: Davis WELL#: E-3 Section 34 Township 16S Range 21W

C NW/4 SPOT LOCATION COUNTY: Ness

FEET (in exact footage) FROM South LINE OF SECTION (NOT Lease Line)

FEET (in exact footage) FROM East LINE OF SECTION (NOT Lease Line)

Check One: Oil Well Gas Well _____ D&A _____ SWD/ENHR WELL _____ Docket # _____
CONDUCTOR CASING SIZE _____ SET AT _____ CEMENTED WITH _____ SACKS _____
SURFACE CASING SIZE 8 5/8" SET AT 628' CEMENTED WITH 350 SACKS _____
PRODUCTION CASING SIZE 5 1/2" SET AT 4199' CEMENTED WITH 125 SACKS _____

LIST (ALL) PERFORATIONS and BRIDGEPLUG SETS:
ELEVATION 2238 G.L. 2243 K.B. T.D. 4200 PBDT _____ Anhydrite Depth 1526
(Stone Corral Formation)

CONDITION OF WELL: GOOD POOR _____ CASING LEAK _____ JUNK IN HOLE _____

PROPOSED METHOD OF PLUGGING:
Place 50' sand plug over perms. Fill hole with mud and set a 35 sx plug @ 450' and fill to surface with cement.

IS WELL LOG ATTACHED TO THIS APPLICATION AS REQUIRED? No (YES,NO) IS ACO-1 FILED? Yes (YES,NO)
If not explain why? _____ KCC has in their records _____

PLUGGING OF THIS WELL WILL BE DONE IN ACCORDANCE WITH K.S.A. 55-101 et. seq. AND THE RULES AND REGULATIONS OF THE STATE CORPORATION COMMISSION.

LIST NAME OF COMPANY REPRESENTATIVE AUTHORIZED TO BE IN CHARGE OF PLUGGING OPERATIONS:

Name: Doug Ward Phone#: (620)628-4424

Address: P.O. Box 516, 136 N. Main City: Canton State: Kansas

PLUGGING CONTRACTOR: American Energies Corporation KCC LICENSE #: 5399
(company name) (contractor's)

Address: P.O. Box 516, 136 N. Main City: Canton State: Kansas Zip 67428

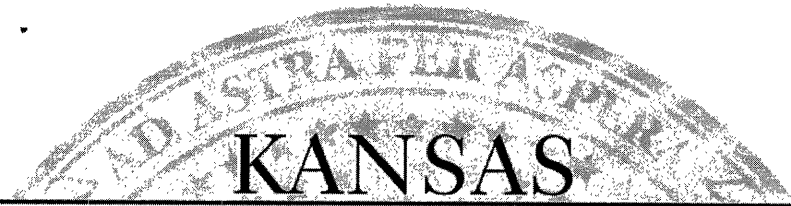
PROPOSED DATE AND HOUR OF PLUGGING (If Known?) _____

PAYMENT OF THE PLUGGING FEE (K.A.R. 82-3-118) WILL BE GUARANTEED BY: _____ Operator Agent _____

DATE: 03/09/06 AUTHORIZED OPERATOR OR AGENT: _____

(signature) Alan L. DeGood, President

RECEIVED
MAR 20 2006
KCC WICHITA



CORPORATION COMMISSION

Kathleen Sebelius, Governor Brian J. Moline, Chair Robert E. Krehbiel, Commissioner Michael C. Moffet, Commissioner

NOTICE OF RECEIPT OF WELL PLUGGING APPLICATION (CP-1)

American Energies Corporation
155 N. Market, Ste 710
Wichita, KS 67202

March 31, 2006

Re: DAVIS #3-E
API 15-135-22905-00-00
NW 34-16S-21W, 3960 FSL 3960 FEL
NESS COUNTY, KANSAS

Dear Operator:

This letter is to notify you that the Conservation Division is in receipt of your plugging proposal, form CP-1, for the above-captioned well.


Your CP-1 has been reviewed by the Conservation Division central office for completeness and to verify license numbers. The plugging proposal will now be forwarded to the district office listed below for review of your proposed method of plugging.

Please contact the district office for approval of your proposed plugging method at least five (5) days before plugging the well, pursuant to K.A.R. 82-3-113 (b). If a workover pit will be used during the plugging of the well it must be permitted. A CDP-1 form must be filed and approved prior to the use of the pit.

The Conservation Division's review of form CP-1, either in the central or district office, does not include an inquiry into well ownership or the filing operator's legal right to plug the well.

This notice in no way constitutes authorization to plug the above-captioned well by persons not having legal rights of ownership or interest in the well. This notice is void after ninety (90) days from the above date.

District: #1
210 E Frontview, Suite A
Dodge City, KS 67801
(620) 225-8888

Sincerely


David P. Williams
Production Supervisor