

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

RECEIVED
KANSAS CORPORATION COMMISSION

FORM CP-1
Rev. 03/92

JUN 19 2006

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

CONSERVATION DIVISION
WICHITA, KS

API #: 15-135-23913-00-00 (Identifier number of this well). This must be listed for wells drilled since 1967; if no API# was issued, indicate spud or completion date _____

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

ADDRESS: 155 North Market CITY: Wichita

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

LEASE: Hiltabidle WELL#: C-2 Section 28 Township 16S Range 21W
C NE NE SW SPOT LOCATION COUNTY: Ness

2310 FEET (in exact footage) FROM South LINE OF SECTION (NOT Lease Line)
2210 FEET (in exact footage) FROM East LINE OF SECTION (NOT Lease Line)
West per oper. div. KCC

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 220.78 CEMENTED WITH _____ 150 SACKS _____
PRODUCTION CASING SIZE 4 1/2" SET AT 4259 CEMENTED WITH _____ 100 SACKS _____

LIST (ALL) PERFORATIONS and BRIDGEPLUG SETS:
ELEVATION 2250 G.L. _____ 2255 K.B. _____ T.D. 4260' P.B.T.D. _____ Anhydrite Depth _____
(Stone Corral Formation)

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

Place 50' sand plug over perfe. Fill hole with mud and set a 35 ex 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? Copy on file with KCC

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

DATE: 05/01/06 AUTHORIZED OPERATOR OR AGENT: _____
(signature) Alan L. DeGood, President

KANSAS

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

June 20, 2006

Re: HILTABIDLE C #2
API 15-135-23913-00-00
NENESW 28-16S-21W, 2310 FSL 2210 FWL
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.

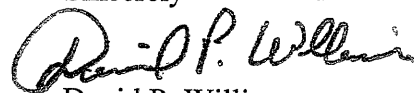
Please contact the district office for approval of your proposed plugging method at least five (5) days before plugging the well, pursuant to K.A.R. 82-3-113 (b). If a workover pit will be used during the plugging of the well it must be permitted. A CDP-1 form must be filed and approved prior to the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