

OWWO

For KCC Use: 1-24-07  
Effective Date: 2  
District # 2  
SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form C-1  
December 2002

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 January 30, 2007  
month day year

Spot  East  
NW SW SW Sec. 35 Twp. 21 S. R. 3  West

OPERATOR: License# 5399  
Name: American Energies Corporation  
Address: 155 North Market, Suite 710  
City/State/Zip: Wichita, KS 67202  
Contact Person: Karen Houseberg  
Phone: 316-263-5785

990' fsl  feet from  N /  S Line of Section  
330' fwl  feet from  E /  W Line of Section

Is SECTION  Regular  Irregular?  
(Note: Locate well on the Section Plat on reverse side)

CONTRACTOR: License# 32701  
Name: C&G Drilling

County: McPherson  
Lease Name: Foth GU Well #: 1 WD  
Field Name: Harmac

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

Is this a Prorated / Spaced Field?  Yes  No  
Target Formation(s): Mississippian  
Nearest Lease or unit boundary: 330'

Ground Surface Elevation: 1439' GL feet MSL  
Water well within one-quarter mile:  Yes  No  
Public water supply well within one mile:  Yes  No

If OWWO: old well information as follows:  
Operator: White & Ellis Drig, Inc.  
Well Name: Foth Gas Unit #1  
Original Completion Date: 8/20/80 Original Total Depth: 3275'

Depth to bottom of fresh water: 100'  
Depth to bottom of usable water: 180'  
Surface Pipe by Alternate:  1  2

Length of Surface Pipe: 256' existing  
Length of Conductor Pipe required: None  
Projected Total Depth: 3275  
Formation at Total Depth: 3275'

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

Water Source for Drilling Operations:  
 Well  Farm Pond Other Other  
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: 9/12/06 Signature of Operator or Agent: [Signature] Title: Tech. Asst.

For KCC Use ONLY  
API # 15 - 113-20761-00-01  
Conductor pipe required None feet  
Minimum surface pipe required 250 feet per Alt. 1  
Approved by [Signature] 1-19-07  
This authorization expires: 7-19-07  
(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: RECEIVED

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas, 67202  
JAN 11 2007

CONSERVATION DIVISION  
WICHITA, KS

35  
21  
3W

**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 - 20761-115-113-28423-00-01

Operator: American Energies Corporation

Lease: Foth GU

Well Number: 1 WD

Field: Harmac

Number of Acres attributable to well: \_\_\_\_\_

QTR / QTR / QTR of acreage: NW - SW - SW

Location of Well: County: McPherson

990' fsl \_\_\_\_\_ feet from  N /  S Line of Section

330' fwl \_\_\_\_\_ feet from  E /  W Line of Section

Sec. 35 Twp. 21 S. R. 3  East  West

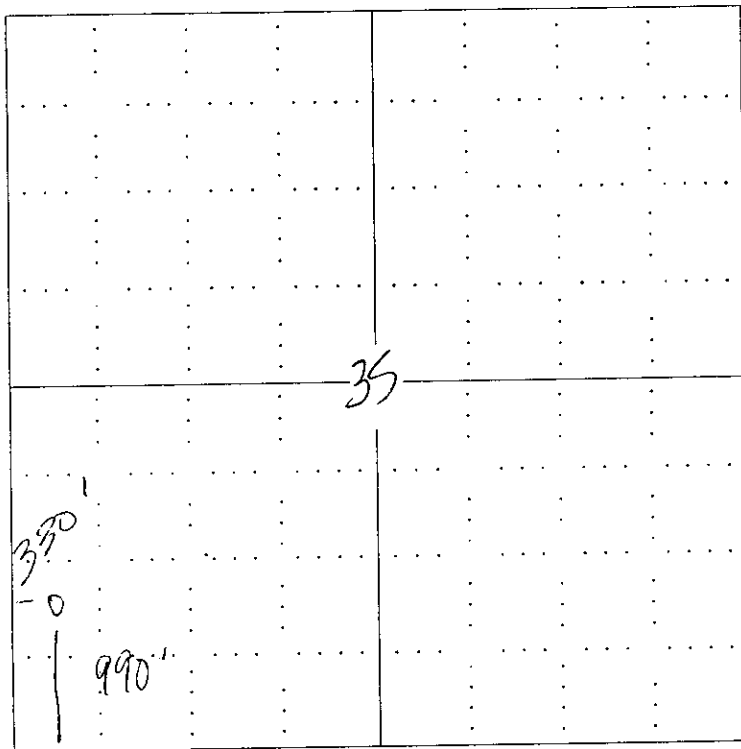
Is Section:  Regular or  Irregular

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

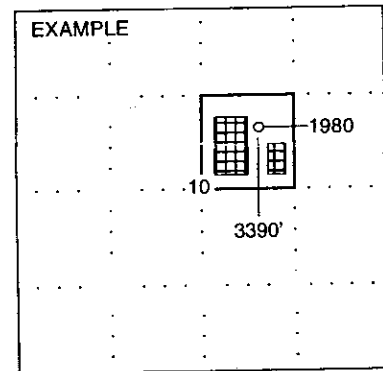
Section corner used:  NE  NW  SE  SW

**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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SEP 13 2006  
KCC WICHITA



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

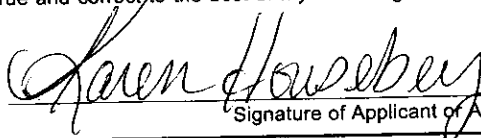
**In plotting the proposed location of the well, you must show:**

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).

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
**APPLICATION FOR SURFACE PIT**

Form CDP-1  
April 2004  
Form must be Typed

Submit in Duplicate

Operator Name: <b>American Energies Corporation</b>		License Number: <b>5399</b>
Operator Address: <b>155 North Market, Suite 710, Wichita, KS 67202</b>		
Contact Person: <b>Karen Houseberg</b>		Phone Number: ( <b>316</b> ) <b>263 - 5785</b>
Lease Name & Well No.: <b>Foth GU #1 WD</b>		Pit Location (QQQQ): <b>    NW    SW    SW</b>
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input checked="" type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small> <b>15-113-20761-00-00</b>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: <b>800</b> (bbls)	Sec. <b>35</b> Twp. <b>21</b> R. <b>3</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <b>990</b> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <b>330</b> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section <b>Harvey</b> <b>McPherson</b> County
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l <small>(For Emergency Pits and Settling Pits only)</small>
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is the pit lined if a plastic liner is not used? <b>Clay and Bentonite on bottom of pit</b>
Pit dimensions (all but working pits): <b>50</b> Length (feet) <b>75</b> Width (feet) <b>N/A: Steel Pits</b> Depth from ground level to deepest point: <b>3</b> (feet)		
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.
Distance to nearest water well within one-mile of pit <b>1025</b> feet    Depth of water well <b>106</b> feet		Depth to shallowest fresh water <b>32</b> feet. Source of information: <b>KHKS</b> _____ measured    _____ well owner <input checked="" type="checkbox"/> electric log    _____ KDWR
<b>Emergency, Settling and Burn Pits ONLY:</b> Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: <b>Chemical mud</b> Number of working pits to be utilized: <b>3</b> Abandonment procedure: <b>Pump to reserve pit, allow to dry and backfill</b> Drill pits must be closed within 365 days of spud date.
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.		
<b>9/12/06</b> Date		 Signature of Applicant or Agent

15-113-20761-00-01

<b>KCC OFFICE USE ONLY</b>		<b>RFAS-7248</b>
Date Received: <b>9/13/04</b>	Permit Number: _____	Permit Date: <b>1/18/07</b> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

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

**RECEIVED**  
**SEP 13 2006**  
**KCC WICHITA**

# KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

BRIAN J. MOLINE, CHAIR

ROBERT E. KREHBIEL, COMMISSIONER

MICHAEL C. MOFFET, COMMISSIONER

January 18, 2007

Ms. Karen Houseberg  
American Energies Corporation  
155 North Market Ste 710  
Wichita, KS 67202

Re: Drilling Pit Application  
Foth GU Lease Well No. 1 WD  
SW/4 Sec. 35-21S-03W  
McPherson County, Kansas

Dear Ms. Houseberg:

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 as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again within 72 hours after drilling operations have ceased.

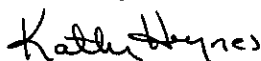
**If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.**

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. Please file form CDP-5 (August 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site:  
[www.kcc.state.ks.us/conservation/forms](http://www.kcc.state.ks.us/conservation/forms).

**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

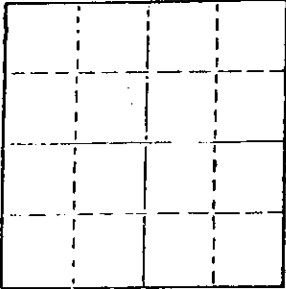
cc: File

15-113-20761-0000

STATE OF KANSAS CORPORATION COMMISSION

WELL PLUGGING RECORD

All Information Completely Made Required Affidavit Mail or Deliver Report to Conservation Division State Corporation Comm. 245 North Water Wichita, KS 67202



Locate well correctly on above Section Plot

McPherson County. Sec. 35 Twp. 31S Rge. 3 E/W Location as "NE/CNW, SW" or footage from lines NW SW SW Lease Owner Sunburst Exploration Company Lease Name Foth Gas Unit Well No. 1 Office Address Suite 708 - One Main Place, Wichita, Ks. Character of Well (Completed as Oil, Gas or Dry Hole) 67202 Dry Hole Date Well completed 8-21 19 80 Application for plugging filed 8-21 19 80 Application for plugging approved 8-21 19 80 Plugging commenced 8-21 19 80 Plugging completed 8-21 19 80 Reason for abandonment of well or producing formation

If a producing well is abandoned, date of last production 19 Was permission obtained from the Conservation Division or its agents before plugging was commenced? Yes

Name of Conservation Agent who supervised plugging of this well Gilbert Toman Producing formation Depth to top Bottom Total Depth of Well 3275. Show depth and thickness of all water, oil and gas formations.

OIL, GAS OR WATER RECORDS

CASING RECORD

Table with columns: FORMATION, CONTENT, FROM, TO, SIZE, PUT IN, PULLED OUT. Row 1: 8 5/8, 256', 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 hold. If cement or other plugs were used, state the character of same and depth placed, from feet to feet for each plug set.

- Mud to 270', hulls, plug, 30 sx cement
Mud to 40', hulls, plug, 12 sx cement
3 sx cement in rathole

(If additional description is necessary, use BACK of this sheet)

Name of Plugging Contractor White & Ellis Drilling, Inc. 401 E. Douglas - Suite 500, Wichita, Kansas 67202

STATE OF KANSAS COUNTY OF SEDGWICK Ernest Sifford (employee of owner) or (owner or operator)

of the 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 is filed and that the same are true and correct. So help me God.

(Signature) Ernest Sifford 401 E. Douglas Suite 500, Wichita, Ks. 67202 (Address)

SUBSCRIBED AND SWORN TO before me this 26th day of August, 1980

CAROLYN J. TJADEN NOTARY PUBLIC STATE OF KANSAS My Appt. Expires Sept. 5, 1984

Carolyn J. Tjaden Notary Public.