

OWWO

For KCC Use: 5-15-07
Effective Date: 4
District # 4
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 May 15, 2007
month day year

Spot East
SW - SW - NE Sec. 22 Twp. 10 S. R. 18 West
2310' fnl _____ feet from N / S Line of Section
2310' fel _____ feet from E / W Line of Section

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

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

CONTRACTOR: License# 5399 ✓
Name: American Energies Corporation

Lease Name: Garvert 'B' Well #: 1 SWD
Field Name: Eilers

Well Drilled For: Well Class: Type Equipment:
 Oil Enh Rec Infield Mud Rotary
 Gas Storage Pool Ext. Air Rotary
 OWO Disposal Wildcat Cable
 Seismic; # of Holes Other
 Other X - Power Swivel

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

If OWWO: old well information as follows:
Operator: Kenny Brown Enterprises
Well Name: Garvert B 1
Original Completion Date: 4/18/61 Original Total Depth: 4050'

Ground Surface Elevation: 2081' RB feet MSL
Water well within one-quarter mile: Yes No
Public water supply well within one mile: Yes No

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

Depth to bottom of fresh water: 130
Depth to bottom of usable water: 850
* Surface Pipe by Alternate: ~~1~~ 2
* Length of Surface Pipe Planned to be set: 150' existing - request exemption Alt 2

Length of Conductor Pipe required: None
Projected Total Depth: 4050'
Formation at Total Depth: Arbuckle

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: _____
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KANSAS CORPORATION COMMISSION

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq. **MAY 0 8 2007**
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: 5/7/07 Signature of Operator or Agent: Karen Houseberg Title: Tech. Asst.

For KCC Use ONLY
API # 15 - 163-19351-00-02
Conductor pipe required None feet
Minimum surface pipe required 150 feet per Alt. NO 2
Approved by: 5-10-07
This authorization expires: 11-10-07
(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: _____
Date: _____

22
10
18W

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 - 163-19351-00-02
Operator: American Energies Corporation
Lease: Garvert 'B'
Well Number: 1 SWD
Field: Eilers

Number of Acres attributable to well: _____
QTR / QTR / QTR of acreage: SW - SW - NE

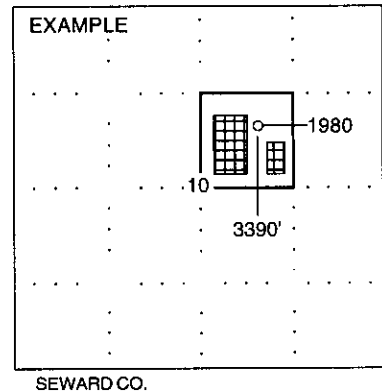
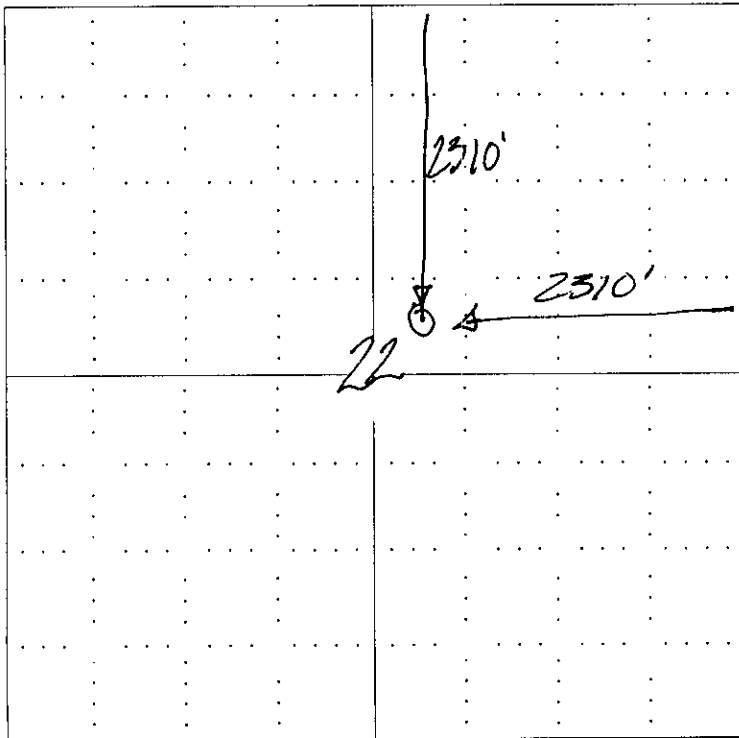
Location of Well: County: Rooks
2310' fnl _____ feet from N / S Line of Section
2310' fel _____ feet from E / W Line of Section
Sec. 22 Twp. 10 S. R. 18 East West

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.)



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).

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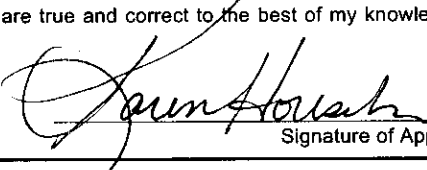
MAY 08 2007

CONSERVATION DIVISION
WICHITA, KS

**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: American Energies Corporation		License Number: 5399
Operator Address: 155 North Market, Suite 710, Wichita, KS 67202		
Contact Person: Karen Houseberg		Phone Number: (316) 263 - 5785
Lease Name & Well No.: Garvert 'B' #1 SWD		Pit Location (QQQQ): _____ <u>SW</u> <u>SW</u> <u>NE</u> Sec. <u>22</u> Twp. <u>10</u> R. <u>18</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>2310</u> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <u>2310</u> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <u>Rooks</u> _____ County
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: <u>800</u> (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input 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? Clay and Bentonite on bottom of pit
Pit dimensions (all but working pits): <u>50</u> Length (feet) <u>75</u> Width (feet) _____ N/A: Steel Pits Depth from ground level to deepest point: <u>3</u> (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 <u>655</u> feet Depth of water well <u>30</u> feet		Depth to shallowest fresh water <u>15</u> feet. Source of information: <input checked="" type="radio"/> measured <input type="radio"/> well owner <input type="radio"/> electric log <input type="radio"/> KDWR
Emergency, Settling and Burn Pits ONLY: 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		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: <u>Chemical mud</u> Number of working pits to be utilized: <u>3</u> Abandonment procedure: <u>Pump to reserve pit, allow to dry and backfill</u> 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.		
<u>5/7/07</u> Date	 Signature of Applicant or Agent	RECEIVED KANSAS CORPORATION COMMISSION MAY 08 2007
KCC OFFICE USE ONLY		
Date Received: <u>5/8/07</u> Permit Number: _____ Permit Date: <u>5/8/07</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	CONSERVATION DIVISION WICHITA, KS	

15-163-19351-00-02

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

KANSAS
CORPORATION COMMISSION
Colorado Derby Building
Topeka, Kansas 67202

WELL PLUGGING RECORD
K.A.R.-82-3-117

API NUMBER 15-163-19351-00-01

LEASE NAME Garvert B

WELL NUMBER 1

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

2310FNL
3300 Ft. from S Section Line
2310FEL
1980 Ft. from E Section Line

LEASE OPERATOR Kenny Brown Enterprises

SEC. 22 TWP. 10 RGE. 18 (E) or (W)

ADDRESS Drawer 340 Plainville, Kansas 67663

COUNTY Rooks

PHONE# (913) 434-7236 OPERATORS LICENSE NO. 5537

Date Well Completed 2-61

Character of Well oil

Plugging Commenced 8-27-86

(Oil, Gas, D&A, SWD, Input, Water Supply Well)

Plugging Completed 9-2-86

Did you notify the KCC/KDHE Joint District Office prior to plugging this well? yes

Which KCC/KDHE Joint Office did you notify? Hays

Is ACO-1 filed? If not, is well log attached? yes (Great Guns-best log available)

Producing Formation LKC Depth to Top 3236' Bottom 3511' T.D. 3725'

Show depth and thickness of all water, oil and gas formations. PBED 3863'

WELL, GAS OR WATER RECORDS

CASING RECORD

Formation	Content	From	To	Size	Put in	Pulled out
	Surface casing			10 3/4"	150'	0
	Production string			7"	3725'	0

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.

375 sacks Econlite cement
30 " gel
10 " hulls one solid plug from top to bottom.

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

Name of Plugging Contractor License No.

Address Hays, Kansas

STATE OF Kansas COUNTY OF Rooks, ss.

Kenneth O Brown (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) Kenneth O Brown

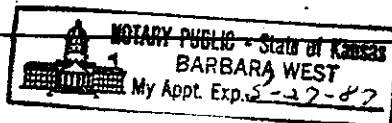
(Address) Plainville, Kansas 67663

STATE COMMISSIONER AND SWORN TO before me this 2nd day of September, 19 86

SEP - 5 1986

Barbara West
Notary Public

CONSERVATION DIVISION
Wichita, Kansas Commission Expires:





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

**NOTICE TO OPERATORS FILING INTENT TO DRILL
FOR DISPOSAL OR ENHANCED RECOVERY
INJECTION WELLS, (CLASS II INJECTION WELL)**

The attached approved Notice of Intent to Drill indicates the proposed well is to be used for injection. An approved "Intent to Drill" does not approve injection authority as a Class II Injection Well in Kansas.

Before any well is used for injection purposes, the operator must file an application for injection authority in accordance with K.A.R. 82-3-401 and provide notice in accordance with K.A.R. 82-3-402. The Conservation Division must issue a written permit granting the application before commencement of injection.

The Conservation Division requirements and restrictions associated with Class II Injection are identified in **K.A.R. 82-3-400 et seq** of our regulations. Associated regulations governing drilling, completion and injection applications may be found in K.A.R. 82-3-135, Table I, Table II, in the Cedar Hills Sandstone Moratorium, (Docket #156,397-C), and the Eastern Kansas Surface Casing Order, (Docket #133,891-C).

If you have questions regarding the approval of injection authority, an injection application may be filed as a "Design Approval" before actual drilling and completion of the well occurs. If you have any questions or concerns regarding Class II injection wells or regulations, call the Underground Injection Control Department at 316-337-6200.

Failure to obtain commission approval before beginning injection is punishable by a penalty, shut-in of the well or both.