

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Notice: Fill out COMPLETELY
and return to Conservation Division
at the address below within
60 days from plugging date.

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

Form CP-4
December 2003
Type or Print on this Form
Form must be Signed
All blanks must be Filled

Lease Operator: American Energies Corporation
Address: 155 North Market, Suite 710, Wichita, KS 67202
Phone: (316) 263 - 5785 Operator License # 5399
Type of Well: Oil Docket #: _____
(Oil, Gas, D & A, SWD, ENHR, Water supply Well, Cathodic, Other)
The plugging proposal was approved on: 2/4/2009 (Date)
by: Richard Lacey (KCC District Agent's Name)
Is ACO-1 filed? YES No ACO-1 Attached, as well
as logs and DST results
If not, is well log attached? Yes No
Producing Formation(s): List All (if needed attach another sheet)
Depth to Top: _____ Bottom: T.D.
Depth to Top: _____ Bottom: T.D.
Depth to Top: _____ Bottom: T.D.

API # 15-135-23565 -00-00
Lease Name: Ummel Trust
Well Number: #1
Spot Loc. (QQQQ): 70' E of C SW SW SE
349' EWL Feet from North/South Section Line
2232' EWL Feet from North/South Section Line
Sec. Section 26-16S-22W East/West
County: Ness
Date Well Completed: 4/8/1991
Plugging Commenced: 2/4/2009
Plugging Completed: 2/4/2009

KCC/PT PERGOPS

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FEB 24 2009
CONSERVATION DIVISION
WICHITA, KS

Show depth and thickness of all water, oil and gas formation:

| OIL, GAS OR WATER RECORDS | | CASING RECORD (Surface Conductor & Production) | | | | |
|---------------------------|-------------|--|-------|------------|--------|----------|
| FORMATION | CONTENT | FROM | TO | SIZE | PUT IN | PULL OUT |
| Surface | Water sands | 263' | 0' | 8 5/8" 23# | 263 | None |
| Production | Water sands | 0' | 4409' | 5 1/2" | 4409' | 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 (bottom), to (top) for each plug set.

Hooked up Allied, mixed 35 sx with 150# hulls. Started down casing, followed by 50 bbls fresh water with gel.
Topped with 175 sx cement, pressured to 500#.
Hooked up t

Name of Plugging Contractor: Allied Cementing License #: MA 99996
Address 24 S. Lincoln Street 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 is as filed, and 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, Wichita, KS

SUBSCRIBED AND SWORN TO me this 19th day of February 2009

Melinda S. Wooten My Commission Expires: 3/12/12
Melinda S. Wooten, Notary Public

MELINDA S. WOOTEN
Notary Public - State of Kansas
My Appt. Expires 3-12-12



INVOICE

24 S. Lincoln Street
 P.O. Box 31
 Russell, KS 67665-2906

Invoice Number: 118089
 Invoice Date: Feb 4, 2009
 Page: 1

Voice: (785) 483-3887
 Fax: (785) 483-5566

Bill to:
 American Energies Corp.
 155 N. Market Ste. #710
 Wichita, KS 67202

5071

| Customer ID | Well Name/# or Customer P.O. | Payment Terms | |
|--------------|------------------------------|---------------|----------|
| Am Eng | Ummel Trust #1 | Net 30 Days | |
| Job Location | Camp Location | Service Date | Due Date |
| KS1 | Great Bend | Feb 4, 2009 | 3/6/09 |

| Quantity | Item | Description | Unit Price | Amount |
|----------|------|------------------------------------|------------|----------|
| 180.00 | MAT | Class A Common | 13.65 | 2,457.00 |
| 120.00 | MAT | Pozmix | 7.60 | 912.00 |
| 32.00 | MAT | Gel | 20.40 | 652.80 |
| 3.00 | MAT | Cottonseed Hulls | 31.30 | 93.90 |
| 335.00 | SER | Handling | 2.25 | 753.75 |
| 22.00 | SER | Mileage 335 sx @ .10 per sk per mi | 33.50 | 737.00 |
| 1.00 | SER | Old Hole Plug | 2,050.00 | 2,050.00 |
| 22.00 | SER | Mileage Pump Truck | 7.00 | 154.00 |

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 CONSERVATION DIVISION
 WICHITA, KS

ENT'D FEB 19 ENT'D

ALL PRICES ARE NET, PAYABLE
 30 DAYS FOLLOWING DATE OF
 INVOICE. 1 1/2% CHARGED
 THEREAFTER. IF ACCOUNT IS
 CURRENT, TAKE DISCOUNT OF

\$ 7,052.84

ONLY IF PAID ON OR BEFORE

Mar 6, 2009

| | |
|------------------------|-----------------|
| Subtotal | 7,810.45 |
| Sales Tax | 413.95 |
| Total Invoice Amount | 8,224.40 |
| Payment/Credit Applied | |
| TOTAL | 8,224.40 |

7,052.84

ALLIED CEMENTING CO., LLC. 33344

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

SERVICE POINT:
Ness City KS

| | | | | | | | |
|--|-----------------------|---|--------------------------|---------------------------|----------------------------|---------------------------|----------------------------|
| DATE <u>2-4-09</u> | SEC. <u>26</u> | TWP. <u>16</u> | RANGE <u>22</u> | CALLED OUT <u>7:00 AM</u> | ON LOCATION <u>9:00 AM</u> | JOB START <u>10:00 AM</u> | JOB FINISH <u>12:00 AM</u> |
| LEASE <u>ymmel</u> | WELL # <u>Trust 1</u> | LOCATION <u>Brownell 1/2 East 3/8 South</u> | | | COUNTY <u>NESS</u> | STATE <u>KS</u> | |
| <input checked="" type="radio"/> OLD OR NEW (Circle one) | | | <u>Ther cattle Guard</u> | | | | |

| | |
|--|--|
| CONTRACTOR | OWNER <u>American Energies</u> |
| TYPE OF JOB <u>old hole plus</u> | CEMENT |
| HOLE SIZE _____ T.D. _____ | AMOUNT ORDERED <u>3005x 60/40 4% Gel</u> |
| CASING SIZE <u>5 1/2</u> DEPTH <u>4409</u> | <u>255x Gel on side</u> |
| TUBING SIZE _____ DEPTH _____ | <u>500# Cotton seed HULLS</u> |
| DRILL PIPE _____ DEPTH _____ | <u>used 150# HULLS</u> |
| TOOL _____ DEPTH _____ | COMMON <u>1805x</u> @ <u>13.65</u> <u>2,457.00</u> |
| PRES. MAX <u>2000</u> MINIMUM _____ | POZMIX <u>1205x</u> @ <u>7.60</u> <u>912.00</u> |
| MEAS. LINE _____ SHOE JOINT _____ | GEL <u>32</u> @ <u>20.40</u> <u>652.80</u> |
| CEMENT LEFT IN CSG. _____ | CHLORIDE _____ @ _____ |
| PERFS. _____ | ASC _____ @ _____ |
| DISPLACEMENT _____ | <u>Cotton seeds 3</u> @ <u>31.30</u> <u>93.90</u> |

EQUIPMENT

| |
|--|
| PUMP TRUCK CEMENTER <u>Wayne</u> |
| # <u>366</u> HELPER <u>Galen - D</u> |
| BULK TRUCK |
| # <u>482-112</u> DRIVER <u>Bob - R Alvin - R</u> |
| BULK TRUCK |
| # _____ DRIVER _____ |

| | | |
|--------------------------|---------------|-----------------------------|
| HANDLING <u>335</u> | @ <u>2.25</u> | <u>753.75</u> |
| MILEAGE <u>22/335/10</u> | | <u>737.00</u> |
| | | TOTAL <u>5606.45</u> |

REMARKS:

hook up mix 355x 60/40 4% Gel
150 HULLS 7 BBLs of water - 205x Gel
in 50 BBLs of water mix 1755x 60/40 4%
Down casing ~~1755x~~ max pres 2000 PSI
Shut in at 1500 PSI hook up to
back side mix 205x 60/40 4% Gel
Shut in 500 PSI wash up Ris
Down

SERVICE

| | | |
|--------------------------|---------------|-----------------|
| DEPTH OF JOB <u>4409</u> | | |
| PUMP TRUCK CHARGE | | <u>2,050.00</u> |
| EXTRA FOOTAGE _____ | @ _____ | |
| MILEAGE <u>22</u> | @ <u>7.00</u> | <u>154.00</u> |
| MANIFOLD _____ | @ _____ | |
| | @ _____ | |

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

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CONSERVATION DIVISION
WICHITA, KS

TOTAL 2,204.00

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

PRINTED NAME Thad Starr
 SIGNATURE Thad Starr

| | | |
|---------------------|--|--------------------|
| TOTAL | | |
| SALES TAX (If Any) | | |
| TOTAL CHARGES | | |
| DISCOUNT <u>15%</u> | | IF PAID IN 30 DAYS |

V

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "ALLIED" shall mean Allied Cementing Co., LLC, 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 willful 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.