

**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: <u>American Energies Corporation</u> | API # <u>15-113-05425-0000</u> |
| Address: <u>155 North Market, Suite 710, Wichita, KS 67202</u> | Lease Name: <u>Svertson</u> |
| Phone: <u>(316) 263 - 5785</u> Operator License # <u>5399</u> | Well Number: <u>#1</u> |
| Type of Well: <u>Oil</u> Docket #: _____ | Spot Loc. (QQQQ): <u>NE NE SE</u> |
| (Oil, Gas, D & A, SWD, ENHR, Water supply Well, Cathodic, Other) | <u>2142</u> Feet from North South Section Line |
| The plugging proposal was approved on: <u>7/7/2008</u> (Date) | <u>500</u> Feet from North South Section Line |
| by: <u>Greg Eves</u> (KCC District Agent's Name) | <u>604</u> Sec. <u>9-T19S-R2W</u> East/West |
| Is ACO-1 filed? <input checked="" type="checkbox"/> YES <input type="checkbox"/> No ACO-1 Attached, as well as logs and DST results | County: <u>McPherson</u> |
| If not, is well log attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | Date Well Completed: <u>12/16/1960</u> |
| Producing Formation(s): List All (if needed attach another sheet) | Plugging Commenced: <u>6/24/2009</u> |
| KC Depth to Top: <u>2338</u> Bottom: <u>T.D.</u> | Plugging Completed: <u>6/29/2009</u> |
| MISS Depth to Top: <u>2950</u> Bottom: <u>T.D. 2975'</u> | |
| Depth to Top: _____ Bottom: <u>T.D.</u> | |

KCC PPT

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 | 125' | 0' | 8" | 125' | None |
| Production | Water sands | 0' | 2969' | 4 1/2" | 2969' | 519.55' |
| | | | | | | |

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.

6/24/09 - Rigged up. Ran sand pump, made to 2970', shut down.

6/25/09 - Attempted to break thru bridge, loaded 2 7/8" work string. Ran in bit, adaptor and 58 jts tubing and tagged @ 1828', drilled 10'.

6/26/09 - Ran in to 2762', pulled tubing and bit, ran in 4 sx to 2762', got casing jacks on, shut down.

6/27/09 - Ripped casing, pulled 16 jts 4 1/2" casing, 519.55', rigged over for equipment. Ran in 15 jts 2 3/8" tubing, 460.25', cemented with 275 sx to surface, Copeland Cementing. 4 sx @ 2762'.

Name of Plugging Contractor: American Energies Corporation License #: 5399

Address 155 North Market, #710 City: Wichita State: Kansas Zip 67202

NAME OF PARTY RESPONSIBLE FOR PLUGGING FEES: American Energies Corporation (Operator)

STATE OF KANSAS COUNTY OF: Sedgwick, ss.

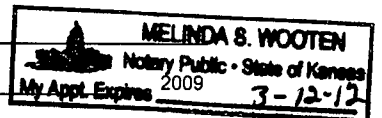
Alan L. DeGood, President (Employee of Operator or (Operator) of above described well, being first duly sworn on oath, says: That I have knowledge of the facts, statements, and matters herein contained and the log of the above-described well is as filed, and the same are true and correct, so help me 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 30th day of June

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



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PPT

DATE JOB STARTED 6/24/09
 LEASE: Sevestan (plug)
 COUNTY McPherson

DATE JOB COMPLETED: 6/29/09
 WELL # 1(?)

WORK PERFORMED:
 (Please circle appropriate job)

Acidizing _____ Frac Well _____ Perforating Well _____
 Squeeze Job _____ Workover _____

Pump Change:

New: _____ Rebuilt _____ Size of pump _____

Rod Part: Size & Type of Replacement _____
 Rod Break-Number of jts. Down _____ Kind of Break _____

Tubing Failure:

Tubing leak-Number of Jts Down _____ Kind of Break _____ Size & Type of Replacement _____
 Replaced with New _____ or Used _____

Plugging Well:

Please Complete Information

| |
|-----|
| 4 |
| 275 |
| |
| |
| |
| |

Number of Sacks cement at _____
 Number of Sacks cement at _____
 Number of Sacks cement at _____
 Number of Sacks cement at _____
 Total Number of Sacks of Cement _____

| | |
|------|------|
| 2762 | feet |
| 460 | feet |
| | feet |
| | feet |

Type of Cement used: 10/40 Pcs.
 Ticket number: 35316
 Cementing Company: Copeland
 Date Plugging Completed: 6/29/09
 State Plugging Agent: Greg

Description of Work Performed:

6/24/09 2:30-4:30 Drive to well, rig up, run sand pump, made to 2170, shutdown
6/25/09 8:00-5:00 Gather equip, supplies, drive to well, try to break through bit ledge, load up
2 7/8" work string, run in bit, adapter, & 50' js tubing, log at 1823'
5:00-6:00 Drill 10', shutdown
6/26/09 8:00-12:00 Drive to well, run in to 2762; pull tubing + bit, run in 4 sacks to 2762';
12:30-4:00 get casing jacks on, shutdown
6/29/09 8:00-4:30 Gather equip, drive to well, rig casing, pull 16 jts 4 1/2" casing, 519.55'; rig over equip,
run in 15 jts 2 3/8" tubing, 460.25'; cement with 225 sacks to surface, Copeland,
clean up, rig down

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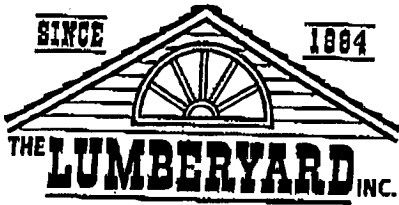
| Joints Feet Size | | | Pulled from Well: | | | | | Equipment | Joints Feet Size | | | | | Run In Well: | | | | | | | | | | | | |
|------------------|--|--|-------------------|----|----|----|-----|--------------|------------------|--|--|--|--|--------------|--|----|----|----|----|-----|--|--|--|--|--|--|
| | | | | | | | | Packer | | | | | | | | | | | | | | | | | | |
| | | | | | | | | Anchor | | | | | | | | | | | | | | | | | | |
| | | | | | | | | Polished Rod | | | | | | | | | | | | | | | | | | |
| | | | | | | | | Rods | | | | | | | | | | | | | | | | | | |
| | | | | | | | | Rods | | | | | | | | | | | | | | | | | | |
| | | | 2' | 4' | 6' | 8' | 10' | Rod Subs | | | | | | | | 2' | 4' | 6' | 8' | 10' | | | | | | |
| | | | | | | | | Pump | | | | | | | | | | | | | | | | | | |
| | | | | | | | | Tubing | | | | | | | | | | | | | | | | | | |
| | | | 2' | 4' | 6' | 8' | 10' | Tubing Subs | | | | | | | | 2' | 4' | 6' | 8' | 10' | | | | | | |
| | | | | | | | | Barrel | | | | | | | | | | | | | | | | | | |
| | | | | | | | | Mud Anchor | | | | | | | | | | | | | | | | | | |

Services Hours Per Hour Amount

| | | | |
|----------------------|------|----------|----------------------|
| Unit and Power Tools | 28.0 | \$175.00 | \$4900 ⁰⁰ |
| Road Time - Per hour | | \$175.00 | \$ |
| Supervisor time | 28.0 | \$40.00 | \$1120 ⁰⁰ |
| Material Transfer | | | \$ |
| Swab Cups | | | \$ |

igned *John Webb* Date: 6/29/09

Sales Tax \$
 Total Due \$



The Lumberyard, Inc.
 121 North Ash Street
 Hillsboro KS 67063
 Phone: 620-947-5762
 Fax: 620-947-2743

Mindy
 plugging expense

INVOICE # AND DATE
 109497

 06/25/09
 09:15 AM
 21644

SOLD TO: AMERICAN ENERGIES CORP.
 136 N. MAIN ST. CANTON KS
 67428

OPEN M-F 7:30 - 5:00
 OPEN SAT 7:30 - 12:00
 CLOSED SUNDAYS
 THANK YOU FOR YOUR BUSINESS!!!

[Handwritten Signature]

RECEIVED BY: *[Signature]* Thu Jul 2009 00:25:09 00:15:50

| INVOICE DATE | ACCOUNT | PO NUMBER | SOLD BY | STORE | SALE TYPE | TERMS |
|--------------|---------|-------------|---------------------|-------|------------|------------|
| 06/25/09 | 84424 | SEVERSTON 1 | AL | 1 | A/R CHARGE | A/R CHARGE |
| QUANTITY | UOM | ITEM | DESCRIPTION | | UNIT PRICE | AMOUNT |
| 4.00 | EA | LU-PCEM | CEMENT PORTLAND 94# | | 12.950 | L 51.80 |
| SUB-TOTAL | | | | | | 51.80 |
| TAX | | | | | 3.78 | NET 55.58 |

INVOICE

AEC Severston
 5092
 # 10571117

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Service Charge of 1.5% per month will be assessed if not received by due date. returns to be accompanied by receipt.



TREATMENT REPORT

Acid Stage No.

Date: 6-29-09 District: F. O. No. 35316
 Company: American Energies
 Well Name & No.: Severtson #1
 Location: Q-195-2W Field:
 County: McPherson State: KS

Casing: Size 4 1/2 Type & Wt. Set at.....ft.
 Formation: Perf.to.....ft.
 Formation: Perf.to.....ft.
 Formation: Perf.to.....ft.
 Liner: Size..... Type & Wt..... Top at.....ft. Bottom at.....ft.
 Cemented: Yrs/No. Perforated from.....ft. to.....ft.
 Tubing: Size & Wt. 2 1/8 Swung at.....ft.
 Perforated from.....ft. to.....ft.
 Screen Hole Size..... T. D.ft. P. H. to.....ft.

Type Treatment: Amt. Type Fluid Sand Size Pounds of Sand
 Breakdown..... Bbl./Gal.
 Bbl./Gal.
 Bbl./Gal.
 Bbl./Gal.
 Flush..... Bbl./Gal.
 Treated from.....ft. to.....ft. No. ft.....
 from.....ft. to.....ft. No. ft.....
 from.....ft. to.....ft. No. ft.....
 Actual Volume of Oil/Water to Load Hole:Bbl./Gal.
 Pump Trucks. No. Used: Std.....Sp.....Twin.....
 Auxiliary Equipment.....
 Packer:..... Set at.....ft.
 Auxiliary Tools.....
 Plugging or Sealing Materials: Type.....
 Gal.lb.

Company Representative _____ Treater: Tyler

| TIME a.m. / p.m. | PRESSURES | | Total Fluid Pumped | REMARKS |
|------------------|-----------|--------|--------------------|------------------------------|
| | Tubing | Casing | | |
| 2:00 | | | | On location Rig up |
| : | | | | |
| : | | | | |
| : | | | | Mix 275sx 60/40, 4% gel. |
| : | | | | Circulated cement to surface |
| : | | | | wash up. |
| : | | | | |
| 3:00 | | | | Job Finished |
| : | | | | |
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FIELD ORDER N° C 35316

BOX 438 • HAYSVILLE, KANSAS 67060
316-524-1225

DATE 6-29 2009

IS AUTHORIZED BY: American Energies
(NAME OF CUSTOMER)

Address _____ City _____ State _____

To Treat Well _____ As Follows: Lease Severtson Well No. 41 Customer Order No. _____

Sec. Twp. Range a-1a-s-2w County McPherson State KS

CONDITIONS: As a part of the consideration hereof it is agreed that Copeland Acid Service is to service or treat at owners risk, the hereinbefore mentioned well and is not to be held liable for any damage that may accrue in connection with said service or treatment. Copeland Acid Service has made no representation, expressed or implied, and no representations have been relied on, as to what may be the results or effect of the servicing or treating said well. The consideration of said service or treatment is payable. There will be no discount allowed subsequent to such date. 6% interest will be charged after 60 days. Total charges are subject to correction by our invoicing department in accordance with latest published price schedules.

The undersigned represents himself to be duly authorized to sign this order for well owner or operator.

THIS ORDER MUST BE SIGNED BEFORE WORK IS COMMENCED

Well Owner or Operator

By

Agent

| CODE | QUANTITY | DESCRIPTION | UNIT COST | AMOUNT |
|------|-------------|--|-----------------|------------------|
| | <u>40mi</u> | <u>Mileage - pump truck</u> | <u>\$3.00</u> | <u>\$120.00</u> |
| | <u>1</u> | <u>pump charge</u> | <u>\$500.00</u> | <u>\$500.00</u> |
| | <u>275</u> | <u>60/40, por</u> | <u>\$9.25</u> | <u>\$2543.75</u> |
| | <u>5sx</u> | <u>2% additional gel</u> | <u>\$16.00</u> | <u>\$80.00</u> |
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| | | | | |
| | <u>280</u> | <u>Bulk Charge</u> | <u>\$1.25</u> | <u>\$350.00</u> |
| | | <u>Bulk Truck Miles $12.32 + \times 40 \text{mi} = 492.8 + \text{mi}$</u> | <u>\$1.10</u> | <u>\$542.08</u> |
| | | <u>Process License Fee on _____ Gallons</u> | | |
| | | | | |
| | | TOTAL BILLING | | <u>\$4135.83</u> |

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I certify that the above material has been accepted and used; that the above service was performed in a good and workmanlike manner under the direction, supervision and control of the owner, operator or his agent, whose signature appears below.

Copeland Representative Tyler Wirtz
Station G.B.

Doug Ward
Well Owner, Operator or Agent

Remarks _____

NET 30 DAYS

COPELAND

Acid & Cement

POST OFFICE BOX 438
 HAYSVILLE, KS 67060
 (316) 524-1225
 (316) 524-1027 FAX

Invoice

Page: 1

BURRTON, KS (620) 463-5161
 GREAT BEND, KS (620) 793-3366
 FAX (620) 463-2104 FAX (620) 793-3536

INVOICE NUMBER:
C35316-IN

BILL TO:

**AMERICAN ENERGIES CORP.
 155 N MARKET #710
 WICHITA, KS 67202**

LEASE: SEVERTSON #1

Attn: Mundy

| DATE | ORDER | SALESMAN | ORDER DATE | PURCHASE ORDER | SPECIAL INSTRUCTIONS | |
|---|--------|---|------------|------------------|----------------------|-----------------|
| 06/30/2009 | C35316 | | 06/29/2009 | | NET 30 | |
| QUANTITY | U/M | ITEM NO./DESCRIPTION | | D/C | PRICE | EXTENSION |
| 40.00 | MI | CEMENT MILEAGE PUMP TRUCK | | 0.00 | 3.00 | 120.00 |
| 1.00 | EA | CEMENT PUMP CHARGE | | 0.00 | 500.00 | 500.00 |
| 275.00 | SAX | 60-40 POZ MIX | | 0.00 | 9.25 | 2,543.75 |
| 5.00 | SAX | 2% ADDITIONAL GEL | | 0.00 | 16.00 | 80.00 |
| 280.00 | EA | BULK CHARGE | | 0.00 | 1.25 | 350.00 |
| 492.80 | MI | BULK TRUCK - TON MILES | | 0.00 | 1.10 | 542.08 |
| REMIT TO: P.O. BOX 438 HAYSVILLE, KS 67060 | | COP | | Net Invoice: | | 4,135.83 |
| RECEIVED BY | | FUEL SURCHARGE IS NOT TAXABLE AND IS ADDED TO MILEAGE, PUMP AND OR DELIVERY CHARGES ONLY. | | MCPCO Sales Tax: | | 31.50 |
| | | NET 30 DAYS | | Invoice Total: | | 4,167.33 |

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There will be a charge of 1.5% (18% annual rate) on all accounts over 30 days past due.