

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form CP-1
March 2010
This Form must be Typed
Form must be Signed
All blanks must be Filled

WELL PLUGGING APPLICATION

Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act,
MUST be submitted with this form.

OPERATOR: License #: 5399
Name: American Energies Corporation
Address 1: 155 North Market
Address 2: Suite 710
City: Wichita State: KS Zip: 67202 +
Contact Person: Mindy Wooten
Phone: (316) 201-1134

API No. 15 - 115-20605-0000
If pre 1967, supply original completion date: _____
Spot Description: C NE NE
C NE NE Sec. 34 Twp. 18 S. R. 2 East West
4620 4950 Feet from North / South Line of Section
660 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Marion
Lease Name: Scully Well #: H1

Check One: Oil Well Gas Well OG D&A Cathodic Water Supply Well Other: _____
 SWD Permit #: _____ ENHR Permit #: _____ Gas Storage Permit #: _____
Conductor Casing Size: None Set at: _____ Cemented with: _____ Sacks
Surface Casing Size: 8 5/8" Set at: 211' Cemented with: 100 Sacks
Production Casing Size: 4 1/2" Set at: 2604 Cemented with: 100 Sacks

List (ALL) Perforations and Bridge Plug Sets:

Mississippi 2514 - 2524

Elevation: 1376 (G.L. / K.B.) T.D.: 2605 PBTD: _____ Anhydrite Depth: _____
(Stone Corral Formation)

Condition of Well: Good Poor Junk in Hole Casing Leak at: _____
(Interval)

Proposed Method of Plugging (attach a separate page if additional space is needed):

As per KCC rules and regulations

Is Well Log attached to this application? Yes No Is ACO-1 filed? Yes No

If ACO-1 not filed, explain why:

ACO-1 filed by previous operator

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

Company Representative authorized to supervise plugging operations: Travis Hamm

Address: 155 North Market, Suite 710 City: Wichita State: KS Zip: 67202 +
Phone: (620) 755-2461

Plugging Contractor License #: 5399 Name: American Energies Corporation
Address 1: 155 North Market Address 2: Suite 710
City: Wichita State: KS Zip: 67202 +
Phone: (620) 263-5785

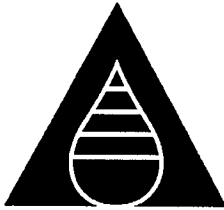
Proposed Date of Plugging (if known): As soon as possible

Payment of the Plugging Fee (K.A.R. 82-3-118) will be guaranteed by Operator or Agent

Date: 2/21/11 Authorized Operator / Agent: _____
(Signature)

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

RECEIVED
FEB 24 2011
KCC WICHITA



American Energies
Corporation

155 N. Market, Suite 710, Wichita, KS 67202
Phone: 316-263-5785
Fax: 316-263-1851

February 23, 2011

Scully Partners, L.P.
110 North Sixth Street
P.O. Box 489
Beatrice, Nebraska 68310

RE: Scully H1, C NE NE Section 34-T18S-R2E
Marion County, Kansas

Dear Surface Owner:

Please find enclosed a copy of the Well Plugging Application as filed with the Kansas State Corporation Commission. This is to inform you that American Energies Corporation is the current operator of the above referenced well. We will be plugging this well in the near future. The enclosed form is for your information only, and requires no action on your part.

Sincerely,

Mindy S. Wooten
Production Manager

MSW/tbm
cc

RECEIVED
FEB 24 2011
KCC WICHITA

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

**CERTIFICATION OF COMPLIANCE WITH THE
KANSAS SURFACE OWNER NOTIFICATION ACT**

Form KSONA-1
July 2010
Form Must Be Typed
Form must be Signed
All blanks must be Filled

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: C-1 (Intent) CB-1 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)

OPERATOR: License # 5399
Name: American Energies Corporation
Address 1: 155 North Market
Address 2: Suite 710
City: Wichita State: KS Zip: 67202 + _____
Contact Person: Mindy Wooten
Phone: (316) 201-1134 Fax: (316) 263-1851
Email Address: mindy@americanenergies.com

Well Location:
C NE NE Sec. 34 Twp. 18 S. R. 2 East West
County: Marion
Lease Name: Scully Well #: H1

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Surface Owner Information:

Name: Scully Partners, L.P.
Address 1: 110 North Sixth Street
Address 2: P.O. Box 489
City: Beatrice State: NE Zip: 68310 + _____

When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 2/21/11 Signature of Operator or Agent: Mindy Wooten Title: Mindy Wooten, Production Mgr.

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

RECEIVED
FEB 24 2011
KCC WICHITA

NOTICE OF RECEIPT OF WELL PLUGGING APPLICATION (CP-1)

AMERICAN ENERGIES CORPORATION
155 N MARKET STE 710
WICHITA, KS 67202-1821

March 03, 2011

Re: SCULLY H #1
API 15-115-20605-00-00
34-18S-2E, 4950 FSL 660 FEL
MARION COUNTY, KANSAS

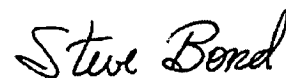
Dear Operator:

This letter is to notify you that the Conservation Division has received your plugging proposal, form CP-1, for the above well and has reviewed the proposal for completeness. The central office will now forward your CP-1 to the district office listed below for review of the proposed plugging method. **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 in accordance with K.A.R. 82-3-600.**

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 well by persons not having legal rights of ownership or interest in the well.

This notice is void after August 30, 2011. The CP-1 filing does not bring the above well into compliance with K.A.R. 82-3-111 with regard to the Commission's temporary abandonment requirements.

Sincerely,



Steve Bond
Production Department Supervisor

District: #2
3450 N. Rock Road, Suite 601
Wichita, KS 67226
(316) 630-4000