

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

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL PLUGGING RECORD
K.A.R. 82-3-117

Form CP-4
March 2009
Type or Print on this Form
Form must be Signed
All blanks must be Filled

OPERATOR: License #: 5399
Name: AmericanEnergies Corporation
Address 1: 155 North Market
Address 2: Suite 710
City: Wichita State: KS Zip: 67202 +
Contact Person: Mindy Wooten
Phone: (316) 201-1134
Type of Well: (Check one) Oil Well Gas Well OG D&A Catholic
 Water Supply Well Other: _____ SWD Permit #: _____
 ENHR Permit #: _____ Gas Storage Permit #: _____
Is ACO-1 filed? Yes No If not, is well log attached? Yes No
Producing Formation(s): List All (if needed attach another sheet)
Viola Depth to Top: 3175 Bottom: 3408 T.D. 3409
_____ Depth to Top: _____ Bottom: _____ T.D. _____
_____ Depth to Top: _____ Bottom: _____ T.D. _____

API No. 15 - 113-20771 00 00
Spot Description: SW NE NW
SW NE NW Sec. 6 Twp. 20 S. R. 1 East West
4290 4324 Feet from North / South Line of Section
3680 3610 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: McPherson
Lease Name: Grace Wain Well #: 1
Date Well Completed: 11/4/80
The plugging proposal was approved on: 10/19/10 (Date)
by: Steve Bond (KCC District Agent's Name)
Plugging Commenced: 10/20/10
Plugging Completed: 10/25/10

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

| Oil, Gas or Water Records | | Casing Record (Surface, Conductor & Production) | | | |
|---------------------------|-------------|---|--------|---------------|------------|
| Formation | Content | Casing | Size | Setting Depth | Pulled Out |
| | Water/Sands | Surface | 8 5/8 | 200 | None |
| | Water/Sands | Production | 4 1/2" | 3408.5 | None |
| | | | | | |
| | | | | | |

Describe in detail the manner in which the well is 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 depth placed from (bottom), to (top) for each plug set.

10/20/10 Sanded off perfs, put 5 sx cement plug @ 2880'
10/21/10 TIH with 450' 2" tubing
10/22/10 Plugged well with Copeland Cement - 270 sx from 450' to surface, Ticket #C36645
10/25/10 TIH and topped off with 75 sx Cement, Ticket #C35156

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Plugging Contractor License #: 5399 Name: American Energies Corporation
Address 1: 155 North Market Address 2: Suite 710
City: Wichita State: KS Zip: 67202 +
Phone: (316) 263-5785
Name of Party Responsible for Plugging Fees: Alan L. DeGood, President
State of Kansas County, Sedgwick, ss.
Alan L. DeGood, President Employee of Operator or Operator on above-described well,
(Print Name)

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

P O BOX 516, 136 N MAIN
CANTON, KS. 67428

PHONE: 620-628-4424 FAX: 620-628-4435

OCT 26 2010

DATE JOB STARTED 10-18-10
LEASE: Grace wain
COUNTY MP

DATE JOB COMPLETED: 10-25-10
WELL # 1 *Mindy*

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

WORK PERFORMED:
(Please circle appropriate job)

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
5 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 _____

_____ feet Type of Cement used: 60/90 Pcs
_____ feet Ticket number: _____
_____ feet Cementing Company: _____
_____ feet Date Plugging Completed: _____
State Plugging Agent: _____

Description of Work Performed:

18th milled & circ 8:00-12:00 milled & circ lost CMC TOWN/21 1:30-5:30 2h
19th milled & circ to 2891: lost circ. well fell in about got stuck
TOTL mill & tag 4hrs
2nd sand - ff perf's put 5sx plug @ 2880' 4hrs.
1st TIT w/ 450' 2" tag to could only get to 200' w/ 1" tag. 1 1/2 hrs
2nd plug w/ w/ capland cement 270sx 450 to surface. 2hrs.
Ticket # C-36645
25th TIT Topped off w/ 75 sx C-35156 Ticket # 1 1/2 hrs

| 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 | 17 | \$175.00 | \$ 2975.00 |
| Road Time - Per hour | | \$175.00 | \$ |
| Supervisor time | 17 | \$40.00 | \$ 680.00 |
| Material Transfer | | | \$ |
| Swab Cups | | | \$ |
| Sales Tax | | | \$ |
| Total Due | | | \$ |

Signed [Signature] Date: 10-25-10

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COPELAND

Acid & Cement

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

Invoice

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

INVOICE NUMBER:
C36645-IN

BILL TO:
 AMERICAN ENERGIES CORP.
 P.O. BOX 516
 CANTON, KS 67428

LEASE: GRACE WALN 1

| DATE | ORDER | SALESMAN | ORDER DATE | PURCHASE ORDER | SPECIAL INSTRUCTIONS | |
|---|--------|---|------------|------------------|----------------------|-----------------|
| 10/27/2010 | C36645 | | 10/22/2010 | | NET 30 | |
| QUANTITY | U/M | ITEM NO./DESCRIPTION | | D/C | PRICE | EXTENSION |
| 35.00 | MI | CEMENT MILEAGE PUMP TRUCK | | 0.00 | 3.00 | 105.00 |
| 35.00 | MI | CEMENT MILEAGE PU TRUCK | | 0.00 | 1.00 | 35.00 |
| 1.00 | EA | CEMENT PUMP CHARGE | | 0.00 | 600.00 | 600.00 |
| 170.00 | SAX | 60-40 POZ MIX 2% GEL | | 0.00 | 9.25 | 1,572.50 |
| 4.00 | SAX | 2% ADDITIONAL GEL | | 0.00 | 16.00 | 64.00 |
| 174.00 | EA | BULK CHARGE | | 0.00 | 1.25 | 217.50 |
| 268.10 | MI | BULK TRUCK - TON MILES | | 0.00 | 1.10 | 294.91 |
| REMIT TO: P.O. BOX 438 HAYSVILLE, KS 67060 | | COP | | Net Invoice: | | 2,888.91 |
| RECEIVED BY _____ | | FUEL SURCHARGE IS NOT TAXABLE AND IS ADDED TO MILEAGE, PUMP AND OR DELIVERY CHARGES ONLY. | | MCPCO Sales Tax: | | 43.80 |
| | | NET 30 DAYS | | Invoice Total: | | <u>2,932.71</u> |

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

Copeland Acid & Cement is a subsidiary of Gressel Oil Field Service, Inc.
 Gressel Oil Field Service, LLC reserves a security interest in the goods sold until the same are paid for in full and reserve all the rights of a secured party under the Uniform Commercial Code

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FIELD ORDER No C 36645

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

DATE 10/27/10 20

IS AUTHORIZED BY: American Engineers (NAME OF CUSTOMER)
Address _____ City _____ State _____
To Treat Well As Follows: Lease Grice Well Well No: 1 Customer Order No: _____
Sec. Twp. Range _____ 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 _____ By _____ Agent

| CODE | QUANTITY | DESCRIPTION | UNIT COST | AMOUNT |
|----------------------|----------|---------------------------------------|-----------|----------------|
| 4100 | 35 | mileage pump truck | 3.00 | 105.00 |
| 4101 | 35 | mileage pickup | 1.00 | 35.00 |
| 4100 | 1 | Pump Charge / Plug | | 100.00 |
| 4100 | 170 | 10% acid sol. | 9.25 | 1572.50 |
| 4102 | 4 | 2% acid sol. | 16.00 | 64.00 |
| 4200 | 174 | Bulk Charge | 1.25 | 217.50 |
| 4201 | | Bulk Truck Miles 7.667 x 35 = 268.345 | 1.00 | 268.34 |
| | | Process License Fee on _____ Gallons | | |
| TOTAL BILLING | | | | 2898.94 |

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 Nathan
Station Grice

Nathan
Well Owner, Operator or Agent

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OCT 29 2010

Remarks _____ **NET 30 DAYS** **KCC WICHITA**



TREATMENT REPORT

Acid Stage No.

Date 10/22/10 District G.A. F.O. No. C36645
Company American Energies
Well Name & No. Grace Well #2
Location G-20-1W Field
County McPherson State KS

Table with columns: Type Treatment: Amt., Type Fluid, Sand Size, Pounds of Sand. Rows include Skidown, Flush, and Treated from (ft. to, ft. No. ft.).

Casing: Size 5 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: Yes/No. Perforated from... ft. to... ft.
Tubing: Size & Wt. 1" x 2 3/8" Spung at... ft.
Perforated from... ft. to... ft.
Open Hole Size... T.D. ... ft. P.U. to... ft.

Actual Volume of Oil/Water to Load Hole: ... Bbl./Gal.
Pump Trucks No. Used: Std. 320 Bbl. Twin...
Auxiliary Equipment 3171 310
Parker: Set at... ft.
Auxiliary Tools
Plugging or Sealing Materials: Type... (in) ... lb.

Company Representative Travis Treater Nathan W.

Table with columns: TIME (a.m./p.m.), PRESSURES (Tubing, Casing), Total Fluid Pumped, REMARKS. Includes handwritten entries for 8:00 and 9:30 with remarks like 'On location', 'Run 4" tubing to 300'', 'Mix 100 sts 60/40 papz 4% sel.', 'Circulated cement to surface', 'Run 2 3/8" tubing to 450'', 'Mix 50 sts. Circulated cement to surface.', 'Top off w/ 20 sts.', 'Thank You!', 'Nathan W.'

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