

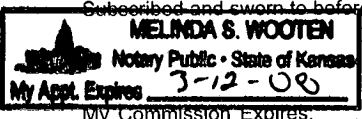
MAY 18 2007

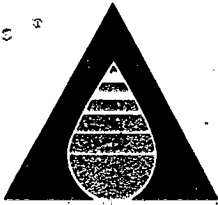
CONSERVATION DIVISION
WICHITA, KS

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

EXPLORATION & PRODUCTION WASTE TRANSFER

Form CDP-5
August 2004
Form must be Typed

Operator Name: <u>American Energies Corporation</u>		License Number: <u>5399</u>	
Operator Address: <u>155 North Market, Suite 710, Wichita, KS 67202</u>			
Contact Person: <u>Alan L. DeGood, President</u>		Phone Number: <u>(316) 263 - 5785</u>	
Permit Number (API No. if applicable): <u>15-095-22095 - 0000</u>		Lease Name: <u>Blank</u>	
Source of Waste: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Dike <input type="checkbox"/> Workover Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Drilling Pit <input checked="" type="checkbox"/> Steel Pit <input checked="" type="checkbox"/> Haul-off Pit <input type="checkbox"/> <input type="checkbox"/> Spill / Escape		Well Number: <u>1-22</u>	
Source Location (QQQQ): <u>NE - SE - NE -</u> Sec. <u>22</u> Twp. <u>28S</u> R. <u>6</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>1650'</u> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <u>330"</u> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section <u>Kingman</u> County			
Type of waste to be disposed: <input checked="" type="checkbox"/> Fluid <input type="checkbox"/> Soil <input checked="" type="checkbox"/> Mud / Cuttings <input type="checkbox"/> Other: _____			
Amount of waste: <u>est. 95</u> No. of loads <u>7,600</u> Barrels _____ Tons _____ YDS			
Destination of waste: <input type="checkbox"/> Reserve Pit <input type="checkbox"/> Disposal Well <input type="checkbox"/> Lease Road <input type="checkbox"/> Dike / Berm <input checked="" type="checkbox"/> Other: <u>Haul-off Pit</u>			
If waste is transferred to another reserve pit, is the lease active? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Location of waste disposal:		Date of Waste Transfer: <u>4/10/07</u>	
Operator Name: <u>American Energies Corporation</u>		License No.: <u>5399</u>	
Lease Name: <u>Freisen</u>		Sec. <u>13</u> Twp. <u>28S</u> R. <u>6</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West	
Docket No.: <u>None</u>		County: <u>Kingman</u>	
THIS "HAUL OFF" PIT WAS INSPECTED AND APPROVED BY STEVE VAN GIESEN ON MARCH 16, 2007			
The undersigned hereby certifies that he / she is <u>Alan L. DeGood, President</u> for <u>American Energies Corporation</u> (Co.), a duly authorized agent, that all information shown hereon is true and correct to the best of his / her knowledge and belief. <u>Alan L. DeGood</u> Agent Signature			
Subscribed and sworn to before me on this <u>15th</u> day of <u>May</u> , <u>2007</u>			
		<u>Melinda S. Wooten</u> Notary Public	
<u>3-12-08</u>			



American Energies

Corporation

155 North Market, Suite 710
Wichita, Kansas 67202
316-263-5785

May 31, 2007

Mr. Henry F. Friesen
2475 S.E. Viney Avenue
Murdock, KS 67111

RE: Off site Reserve Pit
Blank # 1-22
NW/4 Sec.13-28S-6W
Kingman County, KS

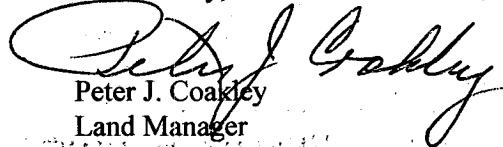
Dear Henry:

American Energies Corporation has been asked by the Kansas Corporation Commission, KCC, office in Wichita, Kansas, to provide them with written evidence of your approval for AEC to dispose of the cuttings and drilling mud produced in connection with American's drilling of the Blank # 1-22 test well located in the S/2 NE/4 Section 22-28S-6W, Kingman County, Kansas.

Based upon your meeting, on March 16, 2007, with Mr. Steve Van Gieson, of the KCC and our field superintendent, Mr. Thad Star, and the inspection of four(4) possible sites for the off site disposal pit, is it your recollection that Mr. Van Gieson advised us that if we had a lease from you on your thirty (30) acre tract, in the NW/4 Sec.13-28S-6W, it would be permissible for American Energies Corporation to dispose of the cuttings and drilling mud from the Blank # 1-22, in a reserve pit excavated on your thirty acre tract? You agreed to lease your 30 acres to American and I meet you on that land late in the afternoon, on March 16, 2007 and I secured you and your wife's execution of a three (3) year term paid-up Oil and Gas Lease, with your permission to dispose of the cuttings and drilling mud from the Blank # 1-22 test well. American Energies Corporation paid you and your wife a fee, as consideration, for the right to dispose into the offsite pit on your land.

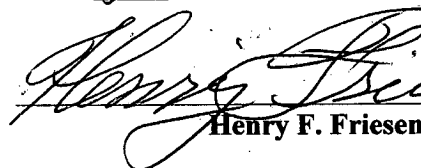
If the above stated facts are a true reflection of the events of March 16, 2007, please so indicate by signing and returning one copy of this letter, in the enclosed return envelope.

Yours Truly,


Peter J. Coakley
Land Manager

PJC/tbm
enclosure

I agree with the above outlined facts, as stated, on this 2 day of June, 2007.


Henry F. Friesen

RECEIVED
KANSAS CORPORATION COMMISSION

JUN 15 2007

CONSERVATION DIVISION
WICHITA, KS