

EFFECTIVE DATE: 3-2-91

FORM MUST BE TYPED
FORM C-1 4/90

State of Kansas

FORM MUST BE SIGNED
ALL BLANKS MUST BE FILLED

NOTICE OF INTENTION TO DRILL

Must be approved by the K.C.C. five (5) days prior to commencing well

Expected Spud Date April 4, 1991
month day year

N/2 SE Sec 20 Twp 17S S, Rg 22 East West

1980 feet from South line of Section
1320 feet from East line of Section

(Note: Locate well on Section Plat on Reverse Side)

OPERATOR: License # 5399
Name: American Energies Corporation
Address: 155 North Market, Suite 710
City/State/Zip: Wichita, Kansas 67202
Contact Person: Alan L. DeGood
Phone: 316-263-5785

County: Ness
Lease Name: Everhardt Well #: "A" #1
Field Name: Wildcat

Is this a Prorated Field? yes no

Target Formation(s): Cherokee

Nearest lease or unit boundary: 1320

Ground Surface Elevation: 2191 feet MSL

Domestic well within 330 feet: yes no

Municipal well within one mile: yes no

Depth to bottom of fresh water: 100'

Depth to bottom of usable water: 225'

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 240'

Length of Conductor pipe required: None

Projected Total Depth: 4400'

Formation at Total Depth: Mississippi

Water Source for Drilling Operations:
... well ... farm pond other

DWR Permit #: _____

Will Cores Be Taken?: yes no

If yes, proposed zone: _____

CONTRACTOR: License #: 4958
Name: Mallard JV

Well Drilled For: Well Class: Type Equipment:
XX Oil ... Inj ... Infield XX Mud Rotary
... Gas ... Storage ... Pool Ext. ... Air Rotary
... OWWO ... Disposal XX Wildcat ... Cable
... Seismic; ... # of Holes

If OWWO: old well information as follows:
Operator: _____
Well Name: _____
Comp. Date: _____ Old Total Depth _____

Directional, Deviated or Horizontal wellbore? yes no
If yes, total depth location: _____

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq.

It is agreed that the following minimum requirements will be met:

1. The appropriate district office shall be notified before setting surface pipe;
2. The minimum amount of surface pipe as specified above shall be set by circulating cement to the top; in all cases surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet into the underlying formation;
3. If the well is dry, a plugging proposal shall be submitted to the district office. An agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
4. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
5. If an Alternate II completion, production pipe shall be cemented from below any usable water to surface within 120 days of spud date. In all cases, notify district office prior to any cementing.

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

Date: 2-22-91 Signature of Operator or Agent: Alan L. DeGood Title: Vice-President

FOR KCC USE:

API # 15- 135-23557 0000

Conductor pipe required None feet

Minimum surface pipe required 200 feet per Alt. 1 (2)

Approved by: MLW 2-25-91

EFFECTIVE DATE: 3-2-91

This authorization expires: 8-25-91

(This authorization void if drilling not started within 6 months of effective date.)

Spud date: _____ Agent: _____

RECEIVED
STATE COMMISSION
FEB 25 1991

20
17
22

REMEMBER TO:

- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.

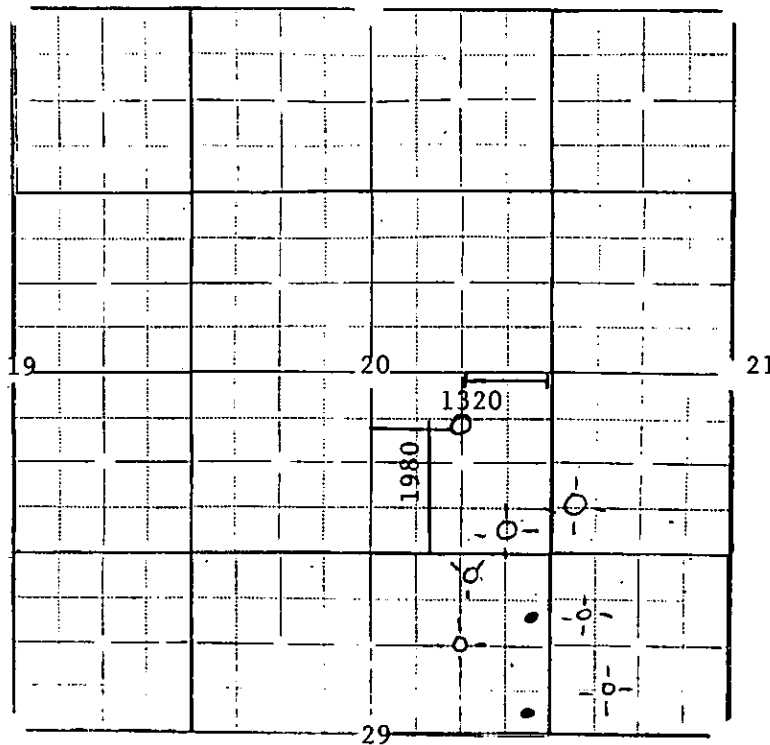
PLAT OF ACREAGE ATTRIBUTABLE TO A WELL

State Corporation Commission, Conservation Division
200 Colorado Derby Bldg. Wichita, Kansas 67202

OPERATOR American Energies Corporation LOCATION OF WELL:
 LEASE Everhardt 1980 feet north of SE corner
 WELL NUMBER "A" #1 1320 feet west of SE corner
 FIELD Wildcat Sec. 20 T 17S R 22W E/W
 COUNTY Ness
 NO. OF ACRES ATTRIBUTABLE TO WELL _____ IS SECTION X REGULAR _____ IRREGULAR?
 DESCRIPTION OF ACREAGE S/2 NE SE/4 IF IRREGULAR, LOCATE WELL FROM NEAREST
 CORNER BOUNDARY.

NOTE: If plat depicted is insufficient for your circumstances, you may attach your own scaled or surveyed plat.

PLAT



In plotting the proposed location of the well, you must show:

- 1) The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding partial sections, 4 sections, 16 sections, etc.;
- 2) the well's location relative to the location of other wells producing from the same common source of supply in adjoining drilling units, pursuant to K.A.R. 82-3-108, 82-3-207, 82-3-312, or special orders of the Commission;
- 3) the distance of the proposed drilling location from the section's east and south lines; and
- 4) the distance to the nearest lease or unit boundary line.

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

Signature of Operator or Agent Alan L. DeGood
 Date 2-22-91 Title Vice-President