

CARD MUST BE TYPED

State of Kansas
NOTICE OF INTENTION TO DRILL
(see rules on reverse side)

CARD MUST BE SIGNED

Starting Date: 10 - 10 - 85
month day year

API Number 15- 135-22, 935-00-00
120' West of East
E/2 E/2 NE/4 Sec. 23. Twp. 16. S. Rge. 21W West
(location)

OPERATOR: License # 5399
Name American Energies Corporation
Address 575 Fourth Financial Center
City/State/Zip Wichita, Kansas 67202
Contact Person Martha C. Albright
Phone (316) 263-5785

3960 Ft North from Southeast Corner of Section
450 Ft West from Southeast Corner of Section
(Note: Locate well on Section Plat on reverse side)

CONTRACTOR: License # 5131
Name Thunderbird Drilling, Inc.
City/State Wichita, Kansas

Nearest lease or unit boundary line 450 feet.
County Ness

Well Drilled For: Well Class: Type Equipment:
 Oil Swd Infield Mud Rotary
 Gas Inj Pool Ext. Air Rotary
 OWWO Expl Wildcat Cable

Lease Name Skaggs "A" Well# 2
Domestic well within 330 feet: yes no
Municipal well within one mile: yes no

If OWWO: old well info as follows:
Operator
Well Name
Comp Date Old Total Depth
Projected Total Depth 4200 feet
Projected Formation at TD Miss.
Expected Producing Formations Cherokee

Depth to Bottom of fresh water 180 feet
Lowest usable water formation Dakota
Depth to Bottom of usable water ~~500~~ 600 feet
Surface pipe by Alternate: 1 2
Surface pipe to be set 600 feet
Conductor pipe if any required -- feet
Ground surface elevation NA feet MSL.
This Authorization Expires 3-25-86
Approved By 9-25-85 [Signature]

I certify that we will comply with K.S.A. 55-101, et seq., plus eventually plugging hole to K.C.C. specifications.

Date 9/24/85 Signature of Operator or Agent Martha C. Albright Title District Geologist
Martha C. Albright
Form C-1 4/84

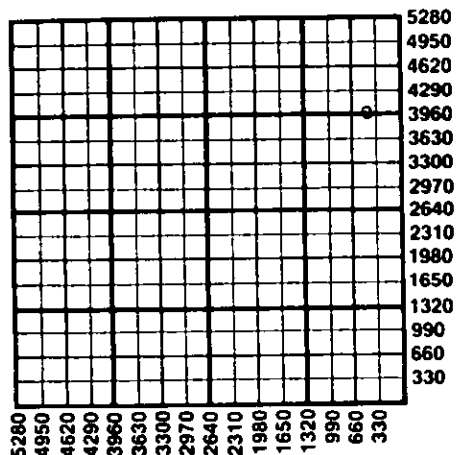
Must be filed with the K.C.C. five (5) days prior to commencing well
This card void if drilling not started within six (6) months of date received by K.C.C.

RECEIVED
STATE CORPORATION COMMISSION

Important procedures to follow

SEP 25 1985
09-25-1985
CONSERVATION DIVISION
Wichita, Kansas

A Regular Section of Land
1 Mile = 5,280 Ft.



1. Notify District office before setting surface casing.
2. Set surface casing by circulating cement to the top.
3. File completion forms ACO-1 with K.C.C. within 90 days of well completion, following instructions on ACO-1, side 1, and including copies of wireline logs.
4. Notify District office 48 hours prior to old well workover or re-entry.
5. Prior to plugging, prepare a plugging plan, then obtain agreement from the appropriate district office for an approved plugging plan.
6. Submit plugging report (CP-4) to K.C.C. after plugging is completed.
7. Obtain an approved injection docket number before disposing of salt water.
8. Notify K.C.C. within 10 days when injection commences or terminates.
9. If an alternate 2 completion, cement in the production pipe from below any usable water to surface within 120 days of spud date.

State Corporation Commission of Kansas
Conservation Division
200 Colorado Derby Building
Wichita, Kansas 67202
(316) 263-3238