

KANSAS CORPORATION COMMISSION ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

(See Instructions on Reverse Side)

Type Test:

- Open Flow
 Deliverability

Test Date:
June 1st 2011

API No. 15
15-079-20180-00-00

Company American Energies Corporation		Lease Sperling		Well Number B-1	
County Harvey	Location NW NW	Section 28	TWP 22S	RNG (E/W) 2W	Acres Attributed
Field Alta Mills		Reservoir Mississippi		Gas Gathering Connection American Energies Pipeline	
Completion Date 9/1/1972		Plug Back Total Depth 3260		Packer Set at none	
Casing Size 4/12	Weight 10.5	Internal Diameter 4	Set at 3260	Perforations 3159-3165	To 3172-3178
Tubing Size 2 3/8	Weight 4.5	Internal Diameter	Set at	Perforations	To
Type Completion (Describe) Single		Type Fluid Production SW		Pump Unit or Traveling Plunger? Yes / No pumping unit	
Producing Thru (Annulus / Tubing) Tubing		% Carbon Dioxide		% Nitrogen 4.09	Gas Gravity - G _g 0.6766
Vertical Depth(H) 3283		Pressure Taps Flange		(Meter Run) (Prover) Size 2"	
Pressure Buildup: Shut in 6/1 20 11 at 11:40 am (AM) (PM) Taken 6/2 20 11 at 1:10p (AM) (PM)					
Well on Line: Started 6/2 20 11 at 1:10 pm (AM) (PM) Taken 20 at (AM) (PM)					

OBSERVED SURFACE DATA

Duration of Shut-in 24 Hours

Static / Dynamic Property	Orifice Size (inches)	Circle one: Meter or Prover Pressure psig (P _m)	Pressure Differential in Inches H ₂ O	Flowing Temperature t	Well Head Temperature t	Casing Wellhead Pressure (P _w) or (P _i) or (P _c)		Tubing Wellhead Pressure (P _w) or (P _i) or (P _c)		Duration (Hours)	Liquid Produced (Barrels)
						psig	psia	psig	psia		
Shut-in						210	225			24	
Flow											

FLOW STREAM ATTRIBUTES

Plate Coefficient (F _s) (F _p) Mcfd	Circle one: Meter or Prover Pressure psia	Press Extension $\sqrt{P_m \times h}$	Gravity Factor F _g	Flowing Temperature Factor F _{tt}	Deviation Factor F _{pv}	Metered Flow R (Mcfd)	GOR (Cubic Feet/ Barrel)	Flowing Fluid Gravity G _m

(OPEN FLOW) (DELIVERABILITY) CALCULATIONS

(P_w)² = 0.207

(P_c)² = _____ : (P_w)² = _____ : P_o = _____ % (P_c - 14.4) + 14.4 = _____ : (P_o)² = _____

(P _c) ² - (P _w) ² or (P _o) ² - (P _w) ²	(P _o) ² - (P _w) ²	Choose formula 1 or 2: 1. P _c ² - P _w ² 2. P _o ² - P _w ² divided by: P _c ² - P _w ²	LOG of formula 1. or 2. and divide by: $\frac{P_c^2 - P_w^2}{P_o^2 - P_w^2}$	Backpressure Curve Slope = "n" or Assigned Standard Slope	n x LOG	Antilog	Open Flow Deliverability Equals R x Antilog (Mcfd)

Open Flow Mcfd @ 14.65 psia Deliverability Mcfd @ 14.65 psia

The undersigned authority, on behalf of the Company, states that he is duly authorized to make the above report and that he has knowledge of the facts stated therein, and that said report is true and correct. Executed this the 2nd day of June, 20 11.

Witness (if any)

For Commission

Barry Condon
For Company

Checked by

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KCC WICHITA

I declare under penalty of perjury under the laws of the state of Kansas that I am authorized to request exempt status under Rule K.A.R. 82-3-304 on behalf of the operator American Energies corp.

and that the foregoing pressure information and statements contained on this application form are true and correct to the best of my knowledge and belief based upon available production summaries and lease records of equipment installation and/or upon type of completion or upon use being made of the gas well herein named.

I hereby request a one-year exemption from open flow testing for the Sperling B-1 gas well on the grounds that said well:

(Check one)

- is a coalbed methane producer
- is cycled on plunger lift due to water
- is a source of natural gas for injection into an oil reservoir undergoing ER
- is on vacuum at the present time; KCC approval Docket No. _____
- is not capable of producing at a daily rate in excess of 250 mcf/D

I further agree to supply to the best of my ability any and all supporting documents deemed by Commission staff as necessary to corroborate this claim for exemption from testing.

Date: 6-10-2011

Signature: Bay Casadei
 Title: Pipeline Supervisor

Instructions: If a gas well meets one of the eligibility criteria set out in KCC regulation K.A.R. 82-3-304, the operator may complete the statement provided above in order to claim exempt status for the gas well.

At some point during the current calendar year, wellhead shut-in pressure shall have been measured after a minimum of 24 hours shut-in/buildup time and shall be reported on the front side of this form under **OBSERVED SURFACE DATA**. Shut-in pressure shall thereafter be reported yearly in the same manner for so long as the gas well continues to meet the eligibility criterion or until the claim of eligibility for exemption IS denied.

The G-2 form conveying the newest shut-in pressure reading shall be filed with the Wichita office no later than December 31 of the year for which it's intended to acquire exempt status for the subject well. The form must be signed and dated on the front side as though it was a verified report of annual test results.

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RUN DATE: 06/26/2012
 TIME: 1:42:57PM
 USER ID: MARY

American Energies Corporation
 Production Management System
 Prod Hist w/Notes & Chart

PAGE NO: 10
 REPORT: PM64302.rpt
 CO. ID.: AEC

WELL: 10401029

SPERLING B GAS UNIT

NRI: 0.84765625

AMERICAN ENERGIES CORPORATION Share

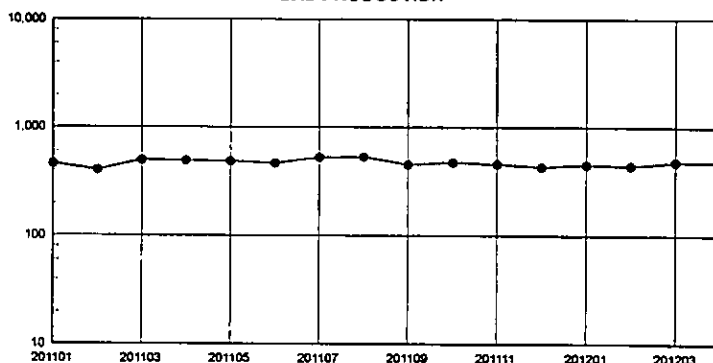
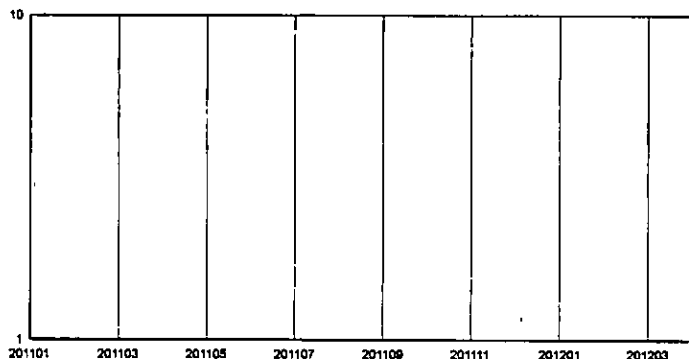
Date Mo/Yr	Days Prod	Oil Prod	Average BOPD	Oil Sold	Gas Prod	Average MCFPD	Gas Sold	Water	NRI Oil Prod	NRI Oil Sales	NRI Gas Sales
01/2011	27	0	0.00	0.00	462	17.11	462	0	0.00	0.00	391.62
02/2011	22	0	0.00	0.00	403	18.32	403	0	0.00	0.00	341.61
03/2011	30	0	0.00	0.00	498	16.60	498	0	0.00	0.00	422.13
04/2011	30	0	0.00	0.00	492	16.40	492	0	0.00	0.00	417.05
05/2011	31	0	0.00	0.00	485	15.65	485	0	0.00	0.00	411.11
06/2011	26	0	0.00	0.00	466	17.92	466	0	0.00	0.00	395.01
07/2011	28	0	0.00	0.00	526	18.79	526	0	0.00	0.00	445.87
08/2011	30	0	0.00	0.00	533	17.77	533	0	0.00	0.00	451.80
09/2011	29	0	0.00	0.00	453	15.62	453	0	0.00	0.00	383.99
10/2011	31	0	0.00	0.00	475	15.32	475	0	0.00	0.00	402.64
11/2011	29	0	0.00	0.00	459	15.83	459	0	0.00	0.00	389.07
12/2011	28	0	0.00	0.00	431	15.39	431	0	0.00	0.00	365.34
01/2012	29	0	0.00	0.00	452	15.59	452	0	0.00	0.00	383.14
02/2012	27	0	0.00	0.00	442	16.37	442	0	0.00	0.00	374.66
03/2012	29	0	0.00	0.00	479	16.52	479	0	0.00	0.00	406.03
04/2012	30	0	0.00	0.00	478	15.93	478	0	0.00	0.00	405.18
TOTAL		0	0.00	0.00	7,534	16.52	7,534	0	0.00	0.00	6,386.24

NOTES: Pumper- Rory Rierson
 Location - SW NW NW Section 28-T22S*R2W, Harvey County, Kansas
 This well was acquired in Schulz acquisition 1/1/03.

This well does not produce any water.

- 01/2011 - Flow Hours
- 02/2011 - Flow Hours
- 03/2011 - Flow Hours
- 06/2011 - Flow Hours
- 07/2011 - Flow Hours
- 08/2011 - Flow Hours
- 09/2011 - Flow Hours
- 11/2011 - Flow Hours
- 12/2011 - Flow Hours
- 01/2012 - Flow Hours
- 02/2012 - Flow Hours
- 03/2012 - Flow Hours
- 04/2012 - Flow Hours

GAS PRODUCTION



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