

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
15-113-20363 - 00 - 00

Company American Energies Corporation		Lease Krehbiel A #1		Well Number A #1	
County McPherson	Location C NW NW	Section 32	TWP 21S	RNG (E/W) 2W	Acres Attributed
Field Harmac SE		Reservoir Mississippi		Gas Gathering Connection American Energies Pipeline	
Completion Date 8/19/1976		Plug Back Total Depth 3270		Packer Set at none	
Casing Size 4 1/2	Weight 10.5	Internal Diameter 4	Set at 3270	Perforations 3150	To 3154
Tubing Size 2 3/8	Weight	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 6.09	
Vertical Depth(H) 3300		Pressure Taps Flange		Gas Gravity - G _g 0.6766	
Pressure Buildup: Shut in 6/1 20 11 at 2:15 pm (AM) (PM) Taken 6/2 20 11 at 3:30p (AM) (PM)					
Well on Line: Started 6/2 20 11 at 3:30 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 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 _o)		Tubing Wellhead Pressure (P _w) or (P _i) or (P _o)		Duration (Hours)	Liquid Produced (Barrels)
						psig	psia	psig	psia		
Shut-In						245	260			24	
Flow											

FLOW STREAM ATTRIBUTES

Plate Coefficient (F _b) (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 _t	Deviation Factor F _{pv}	Metered Flow R (Mcfd)	GOR (Cubic Feet/ Barrel)	Flowing Fluid Gravity G _m

(OPEN FLOW) (DELIVERABILITY) CALCULATIONS

(P_o)² = _____ : (P_w)² = _____ : P_o = _____ % (P_o - 14.4) + 14.4 = _____ : (P_o)² = 0.207
(P_o)² = _____

(P _o) ² - (P _w) ² or (P _o) ² - (P _o) ²	(P _o) ² - (P _w) ²	Choose formula 1 or 2: 1. P _o ² - P _w ² 2. P _o ² - P _w ² divided by: P _o ² - P _w ²	LOG of formula 1. or 2. and divide by: $\frac{P_o^2 - P_w^2}{P_o^2 - P_w^2}$	Backpressure Curve Slope = "n" ----- Assigned Standard Slope	n x LOG $\left[\frac{P_o^2 - P_w^2}{P_o^2 - P_w^2} \right]$	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 Company

Checked by

RECEIVED

JUN 27 2012

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 Krehbiel A 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: Barry Consoletti
 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.

RECEIVED
JUN 27 2012
KCC WICHITA

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: 5
 REPORT: PM64302.rpt
 CO. ID.: AEC

WELL: 10571026

KREHBIEL A GAS UNIT

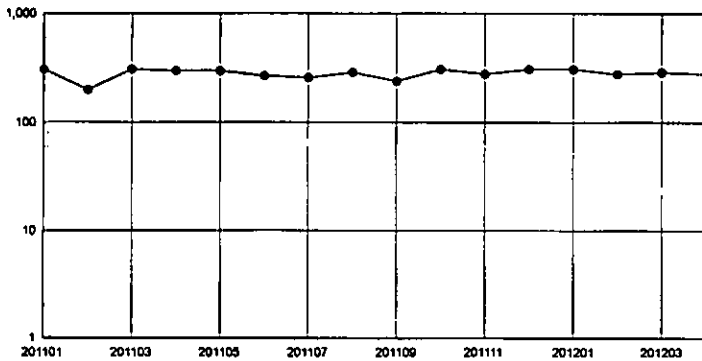
NRI: 0.73059081

AMERICAN ENERGIES CORPORATION Share

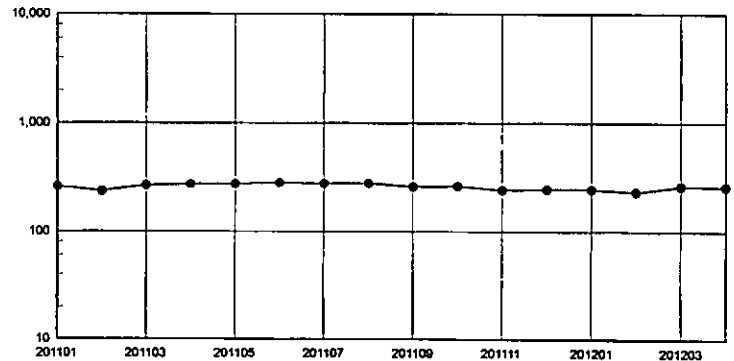
Date Mo/Yr	Days Prod	Oil Prod	Average BOPD	Oil Sold	Gas Prod	Average MCFPD	Gas Sold	Water	NRI Oil Prod	NRI Oil Sales	NRI Gas Sales
01/2011	31	0	0.00	0.00	261	8.42	261	310	0.00	0.00	190.68
02/2011	20	0	0.00	0.00	236	11.80	236	200	0.00	0.00	172.42
03/2011	31	0	0.00	0.00	268	8.65	268	310	0.00	0.00	195.80
04/2011	30	0	0.00	0.00	275	9.17	275	300	0.00	0.00	200.91
05/2011	30	0	0.00	0.00	277	9.23	277	300	0.00	0.00	202.37
06/2011	27	0	0.00	0.00	283	10.48	283	270	0.00	0.00	206.76
07/2011	26	0	0.00	0.00	279	10.73	279	260	0.00	0.00	203.83
08/2011	29	0	0.00	0.00	280	9.66	280	290	0.00	0.00	204.57
09/2011	24	0	0.00	0.00	261	10.88	261	240	0.00	0.00	190.68
10/2011	31	0	0.00	0.00	264	8.52	264	310	0.00	0.00	192.88
11/2011	28	0	0.00	0.00	243	8.68	243	280	0.00	0.00	177.53
12/2011	31	0	0.00	0.00	247	7.97	247	310	0.00	0.00	180.46
01/2012	31	0	0.00	0.00	246	7.94	246	310	0.00	0.00	179.73
02/2012	28	0	0.00	0.00	234	8.36	234	280	0.00	0.00	170.96
03/2012	29	0	0.00	0.00	264	9.10	264	290	0.00	0.00	192.88
04/2012	28	0	0.00	0.00	260	9.29	260	280	0.00	0.00	189.95
TOTAL		0	0.00	0.00	4,178	9.20	4,178	4,540	0.00	0.00	3,052.41

NOTES: Pumper - Rory Rierson
 Location - C NW NW Section 32-T21S-R2W, McPherson County, Kansas
 This well disposes into the Gehring #2 SWD well.
 Well was acquired in Schulz Acquisition 1/1/2003.
 02/2011 - Separator frozen Flow Hours
 05/2011 - CHEMICAL TREATMENT
 06/2011 - Rocker arm rod broke
 07/2011 - Kim Ray down CHEMICAL TREATMENT
 08/2011 - CHEMICAL TREATMENT
 11/2011 - CHEMICAL TREATMENT
 02/2012 - CHEMICAL TREATMENT
 03/2012 - CHEMICAL TREATMENT
 04/2012 - High H2S - treated well and started.

OIL & Water PRODUCTION



GAS PRODUCTION



RECEIVED
JUN 27 2012
KCC WICHITA