

KANSAS CORPORATION COMMISSION ONE POINT STABILIZED OPEN FLOW OR DELIVERABILITY TEST

(See Instructions on Reverse Side)

Type Test:

- Open Flow
 Deliverability

Test Date:
June 3rd 2011

API No. 15
15-115-20369 - 00-00

Company American Energies Corporation		Lease Ingram		Well Number 1	
County Marion	Location C SW SW	Section 7	TWP 19S	RNG (E/W) 1E	Acres Attributed
Field Bitikofer North		Reservoir Mississippi		Gas Gathering Connection American Energies Pipeline	
Completion Date 8/19/1977		Plug Back Total Depth 2900		Packer Set at none	
Casing Size 4 1/2	Weight 10.5	Internal Diameter 4	Set at 2900	Perforations 2862	To 2865
Tubing Size 2 3/8	Weight 4.7	Internal Diameter	Set at	Perforations	To

Type Completion (Describe) Single	Type Fluid Production SW	Pump Unit or Traveling Plunger? no	Yes / No
Producing Thru (Annulus / Tubing) Tubing	% Carbon Dioxide	% Nitrogen 6.09	Gas Gravity - G _g 0.676
Vertical Depth(H) 2900	Pressure Taps Flange	(Meter Run) (Prover) Size 2"	
Pressure Buildup: Shut in 6/3 20 11 at 11:45am (AM) (PM)	6/4 20 11 at 2:30pm (AM) (PM)		
Well on Line: Started 6/4 20 11 at 2:30pm (AM) (PM)	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 (Pm)	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						234	249			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 _t	Deviation Factor F _{pv}	Metered Flow R (Mcfd)	GOR (Cubic Feet/ Barrel)	Flowing Fluid Gravity G _m

(OPEN FLOW) (DELIVERABILITY) CALCULATIONS

(P_a)² = 0.207

(P_d)² =

(P _o) ² =	(P _w) ² =	P _d = %	(P _c - 14.4) + 14.4 =	(P _a) ² = 0.207	(P _d) ² =		
(P _o) ² - (P _a) ² or (P _o) ² - (P _d) ²	(P _o) ² - (P _w) ²	Choose formula 1 or 2: 1. P _c ² - P _a ² 2. P _c ² - P _d ² divided by P _c ² - P _w ²	LOG of formula 1. or 2. and divide by: $\frac{P_c^2 - P_w^2}{P_c^2 - P_a^2}$	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 7 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 4nd day of June, 20 11

Witness (if any)

For Commission

Barry Conside
For Company

Checked by

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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 Ingram #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 Gause

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: 3
 REPORT: PM64302.rpt
 CO. ID.: AEC

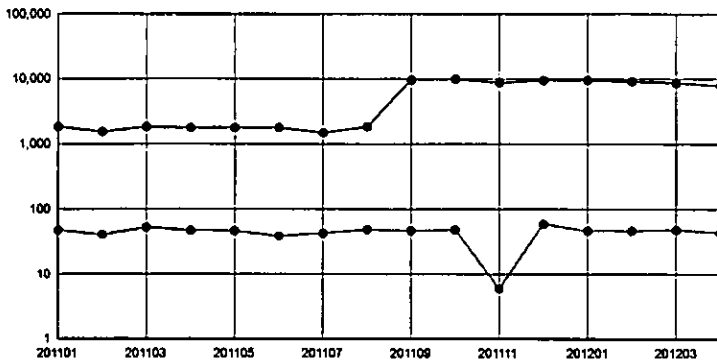
WELL: 10581032 INGRAM

NRI: O = 0.75000000 G = 0.70984375
 AMERICAN ENERGIES CORPORATION Share

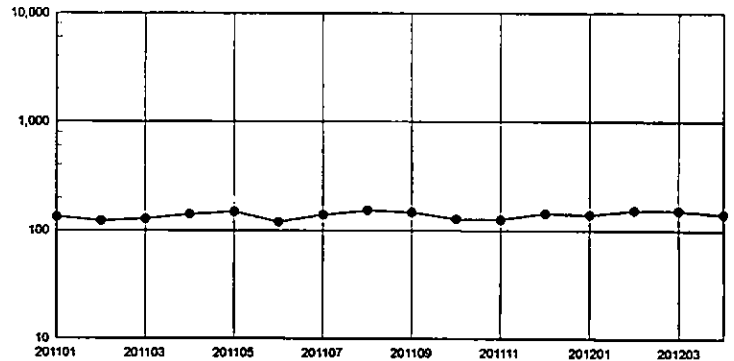
Date Mo/Yr	Days Prod	Oil Prod	Average BOPD	Oil Sold	Gas Prod	Average MCFPD	Gas Sold	Water	NRI Oil Prod	NRI Oil Sales	NRI Gas Sales
01/2011	31	48	1.55	155.75	134	4.32	134	1,860	36.00	116.81	95.12
02/2011	26	41	1.58	0.00	123	4.73	123	1,560	30.75	0.00	87.31
03/2011	31	53	1.71	0.00	128	4.13	128	1,860	39.75	0.00	90.86
04/2011	30	48	1.60	156.45	142	4.73	142	1,800	36.00	117.34	100.80
05/2011	30	47	1.57	0.00	150	5.00	150	1,800	35.25	0.00	106.48
06/2011	30	39	1.30	0.00	120	4.00	120	1,800	29.25	0.00	85.18
07/2011	25	43	1.72	0.00	140	5.60	140	1,500	32.25	0.00	99.38
08/2011	31	49	1.58	153.29	154	4.97	154	1,860	36.75	114.97	109.32
09/2011	30	47	1.57	0.00	148	4.93	148	9,690	35.25	0.00	105.06
10/2011	31	49	1.58	0.00	128	4.13	128	10,013	36.75	0.00	90.86
11/2011	30	6	0.20	155.88	127	4.23	127	8,790	4.50	116.91	90.15
12/2011	30	60	2.00	0.00	144	4.80	144	9,600	45.00	0.00	102.22
01/2012	31	47	1.52	0.00	140	4.52	140	9,610	35.25	0.00	99.38
02/2012	28	47	1.68	0.00	154	5.50	154	9,184	35.25	0.00	109.32
03/2012	31	49	1.58	156.19	153	4.94	153	8,770	36.75	117.14	108.61
04/2012	29	44	1.52	0.00	142	4.90	142	7,975	33.00	0.00	100.80
TOTAL		717	1.51	777.56	2,227	4.70	2,227	87,672	537.75	583.17	1,580.82

NOTES: Pumper - Kirk Jones
 Location - C SW SW Section 7-T19S-R1E, Marion County, Kansas
 This well was acquired in Schulz Acquisition 1/1/03.
 This well produces approximately 25 BSWPD and disposes into Ingram SWD
 02/2011 - Flow Hours
 05/2011 - OTHER
 07/2011 - Lead Line Trouble Bad mag Flow Hours
 11/2011 - Pulled tank bottoms, 37.5 bbls.
 12/2011 - Flow Hours
 02/2012 - Flow Hours
 04/2012 - Flow Hours

OIL & Water PRODUCTION



GAS PRODUCTION



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