

CARD MUST BE TYPED

State of Kansas

CARD MUST BE SIGNED

NOTICE OF INTENTION TO DRILL

(see rules on reverse side)

✓

Expected Spud Date... Dec. 10 1988
month day year

API Number 15-077-21,184-0000

OPERATOR: License # 5399

C. N/2 SE Sec. 12 Twp. 31. S, Rg. 8 East
1,980 Ft. from South Line of Section
1,320 Ft. from East Line of Section

Name American Energies Corporation

Address 155 N. Market, Suite 710

City/State/Zip Wichita, KS 67202

Contact Person Alan L. DeGood

Phone 316-263-5785

(Note: Locate well on Section Plat on reverse side)
Nearest lease or unit boundary line 1,320 feet
County Harper

CONTRACTOR: License # 5418

Name Allan Drilling Company

City/State Great Bend, KS

Lease Name Sbart Well # A.#1

Ground surface elevation N/A feet MSL

Domestic well within 330 feet: yes no

Municipal well within one mile: yes no

Well Drilled For: Well Class: Type Equipment:

X Oil Storage Infield X Mud Rotary

Gas Inj Pool Ext Air Rotary

OWWO Expl Wildcat Cable

Depth to bottom of fresh water 125'

Depth to bottom of usable water 125' 230'

Surface pipe by Alternate: 1X 2

Surface pipe planned to be set 250'

Conductor pipe required N/A

Projected Total Depth 4,800 feet

Formation SIMPSON

If OWWO: old well info as follows:

Operator

Well Name

Comp Date Old Total Depth

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

Date 12-2-88 Signature of Operator or Agent Alan L. DeGood Title Vice-President

For KCC Use:

Conductor Pipe Required feet; Minimum Surface Pipe Required 250' feet per Alt. 1 X

This Authorization Expires 6-5-89 Approved By LKM 12-5-88

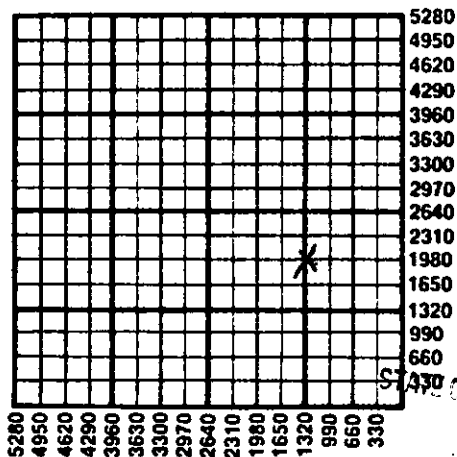
EFFECTIVE DATE: 12-10-88

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.

Important procedures to follow:

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 120 days of well spud date, 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 filing Intent, prepare a proposed plugging plan in case well is D & A, then obtain approval of plan when calling district office prior to setting surface pipe.
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.

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



RECEIVED
STATE CORPORATION COMMISSION

DEC 5 1988
12-5-88
CONSERVATION DIVISION
Wichita, Kansas

State Corporation Commission of Kansas
Conservation Division
200 Colorado Derby Building
Wichita, Kansas 67202-1212
(316) 263-3238