EFFECTIVE DATE: 7-3-91

FORM MUST BE TYPED
FORM C-1 4/90

State of Kansas
NOTICE OF INTENTION TO DRILL
Must be approved by the K.C.C. five (5) days prior to commencing well

FORM MUST BE SIGNED
ALL BLANKS MUST BE FILLED

Expected Spud Date ..June..28..1991..
month day year

OPERATOR: License # 5399
Name: American Energies Corporation
Address: 155 North Market, Suite 710
City/State/Zip: Wichita, Kansas 67202
Contact Person: Alan L. DeGood
Phone: 316-263-5785

CONTRACTOR: License #: 5418
Name: Allen Drilling Company

Well Drilled For: | Well Class: | Type Equipment:
X. Oil ... Inj | ... Infield | .X. Mud Rotary
... Gas ... Storage | X. Pool Ext. | ... Air Rotary
... OWWO ... Disposal | ... Wildcat | ... Cable
... Seismic; ... # of Holes

If OWWO: old well information as follows:
Operator:
Well Name:
Comp. Date: ..... Old Total Depth .....

Directional, Deviated or Horizontal wellbore? .... yes ..X. no
If yes, total depth location:

N/2.NE.SE... Sec 12.. Twp 31.. S, Rg 8... X East / West

2310 feet from South line of Section
660 feet from East line of Section
(Note: Locate well on Section Plat on Reverse Side)

County: Harper County, Kansas
Lease Name: Short "A" Well #: 4
Field Name: Washbon SW
Is this a Prorated Field? .... yes .X. no
Target Formation(s): Simpson/Mississippi
Nearest lease or unit boundary: 660'
Ground Surface Elevation: N/A feet MSL
Domestic well within 330 feet: .... yes .X. no
Municipal well within one mile: .... yes .X. no
Depth to bottom of fresh water: ~~125~~ 110
Depth to bottom of usable water: ~~230~~ 180
Surface Pipe by Alternate: X.. 1 2
Length of Surface Pipe Planned to be set: 250
Length of Conductor pipe required: None
Projected Total Depth: 4800
Formation at Total Depth: Simpson
Water Source for Drilling Operations:
... well .... farm pond .X. other
DWR Permit #:
Will Cores Be Taken?: .... yes .X. no
If yes, proposed zone:

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq.
It is agreed that the following minimum requirements will be met:

1. The appropriate district office shall be notified before setting surface pipe;
2. The minimum amount of surface pipe as specified above shall be set by circulating cement to the top; in all cases surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet into the underlying formation;
3. If the well is dry, a plugging proposal shall be submitted to the district office. An agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
4. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
5. If an Alternate II completion, production pipe shall be cemented from below any usable water to surface within 120 days of spud date. In all cases, notify district office prior to any cementing.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 6/19/91 Signature of Operator or Agent: Alan L. DeGood Title Vice-President
Alan L. DeGood

FOR KCC USE:
API # 15- 077-21,246-0000
Conductor pipe required None feet
Minimum surface pipe required 200 feet per Alt (1)
Approved by: JPW 6-28-91
EFFECTIVE DATE: 7-3-91
This authorization expires: 12-28-91
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

RECEIVED
STATE CORPORATION COMMISSION
JUN 20 1991
6-20-91
CONSERVATION DIVISION
Wichita, Kansas

REMEMBER TO:
- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.

12 31 8W

Mail to: Conservation Division, 200 Colorado Derby Building, 202 W. First St., Wichita, Kansas 67202-1286.

PLAT OF ACREAGE ATTRIBUTABLE TO A WELL

State Corporation Commission, Conservation Division
200 Colorado Derby Bldg. Wichita, Kansas 67202

OPERATOR American Energies Corporation
LEASE Short "A"
WELL NUMBER 4
FIELD Washbon SW

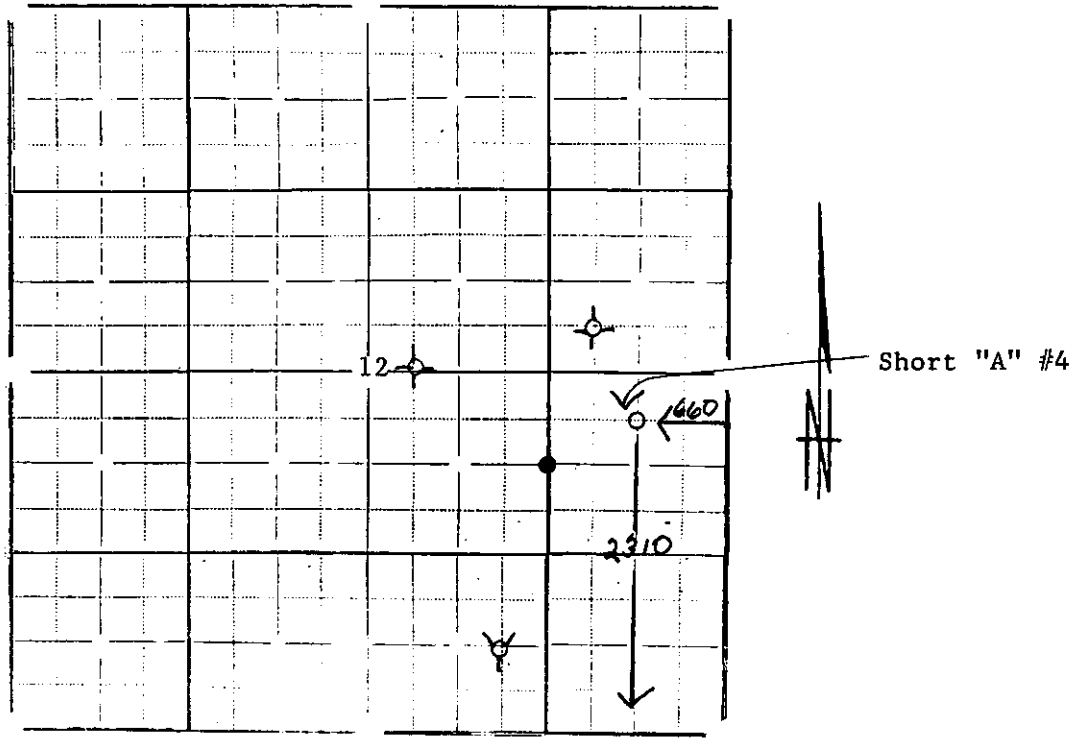
NO. OF ACRES ATTRIBUTABLE TO WELL 60

DESCRIPTION OF ACREAGE N/2 SE S/2 NE

LOCATION OF WELL:
2310 feet north of SE corner
660 feet west of SE corner
SE Sec. 12 T 31S R 8 E/W
COUNTY Harper
IS SECTION X REGULAR ___ IRREGULAR?
IF IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.

NOTE: If plat depicted is insufficient for your circumstances, you may attach your own scaled or surveyed plat.

PLAT



In plotting the proposed location of the well, you must show:

1) The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding partial sections, 4 sections, 16 sections, etc.;

2) the well's location relative to the location of other wells producing from the same common source of supply in adjoining drilling units, pursuant to K.A.R. 82-3-108, 82-3-207, 82-3-312, or special orders of the Commission;

3) the distance of the proposed drilling location from the section's east and south lines; and

4) the distance to the nearest lease or unit boundary line.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Signature of Operator or Agent Alan L. DeGood
Alan L. DeGood

Date 6/19/91 Title Vice-President