

Must be approved by the K.C.C. five (5) days prior to commencing well

Expected Spud Date July 5, 1989
month day year

60' E SW SE Sec 12 Twp 31 S, Rg 8 East
 West

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

660
1920 feet from South line of Section
feet from East line of Section
(Note: Locate well on Section Plat Below)

CONTRACTOR: License # 5418
Name: Allen Drilling Company

County: Harper
Lease Name: Short Well #: "A" #2
Field Name: UNK Now
Is this a Prorated Field? yes no
Target Formation(s): Simpson
Nearest lease or unit boundary: 660
Ground Surface Elevation: 1602 feet MSL
Domestic well within 330 feet: yes no
Municipal well within one mile: yes no
Depth to bottom of fresh water: 125
Depth to bottom of usable water: 230
Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 250
Length of Conductor pipe required: N/A
Projected Total Depth: 4800
Formation at Total Depth: Simpson
Water Source for Drilling Operations:
..... well farm pond other
DWR Permit #:
Will Cores Be Taken?: yes no
If yes, proposed zone:

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

If OAWD: old well information as follows:

Operator:
Well Name:
Comp. Date: Old Total Depth

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

AFFIDAVIT

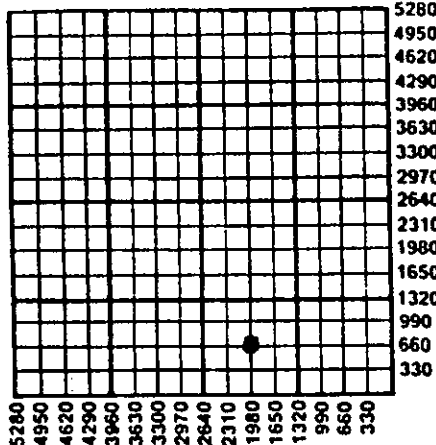
The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq.

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: 6/29/89 Signature of Operator or Agent: Alan L. DeGood Title: Vice President



RECEIVED
JUN 29 1989
7-29-89
CONSERVATION DIVISION
Wichita, Kansas

FOR KCC USE:

APL # 15- 077-21,198-0000 SWD

Conductor pipe required 1000 feet

Minimum surface pipe required 200 feet per Alt. X

Approved by: DPW 6-29-89

EFFECTIVE DATE: 7-04-89

This authorization expires: 12-29-89
(This authorization void if drilling not started within 6 months of effective date.)

Spud date: _____ Agent: _____

12
31
8W

REMEMBER TO:

- File Drill Pit Application (form COP-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.