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Form C-1

September 1999

Form must be Typed

Form must be Signed

All blanks must be Filled

NOV 21 2002

KCC WICHITA

For KCC Use: 1130.02
Effective Date: 1130.02
District #: _____
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date: November 30th 2002
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# 5123
Name: Pickrell Drilling Company, Inc.

Well Drilled For: Oil Enh Rec Infield Mud Rotary
 Gas Storage Pool Ext. Air Rotary
 OWWO Disposal Wildcat Cable
 Seismic; # of Holes Other
 Other

If OWWO: old well information as follows:
Operator: _____
Well Name: _____
Original Completion Date: _____ Original Total Depth: _____

Directional, Deviated or Horizontal wellbore? Yes No
If Yes, true vertical depth: _____
Bottom Hole Location: _____
KCC DKT #: _____

Spot 30' W of
S12 SW NE Sec. 2 Twp. 32S S. R. 13W East West
2970 feet from (S) (circle one) Line of Section
2010 feet from (E) (circle one) Line of Section
Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)
County: Barber
Lease Name: Sill Well #: A #1
Field Name: Medicine River Field
Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Simpson Sandstone
Nearest Lease or unit boundary: 330'
Ground Surface Elevation: 1646' feet MSL
Water well within one-quarter mile: Yes No
Public water supply well within one mile: Yes
Depth to bottom of fresh water: 150'
Depth to bottom of usable water: 180'
Surface Pipe by Alternate: X 1 2
Length of Surface Pipe Planned to be set: 300'
Length of Conductor Pipe required: 4425'
Projected Total Depth: 4,700'
Formation at Total Depth: Simpson Sandstone
Water Source for Drilling Operations:
Well _____ Farm Pond _____ Other: X
DWR Permit #: _____
(Note: Apply for Permit with DWR)
Will Cores be taken? Yes 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. Notify the appropriate district office prior to spudding of well;
- 2. A copy of the approved notice of intent to drill shall be posted on each drilling rig;
- 3. The minimum amount of surface pipe as specified below 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.
- 4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
- 5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
- 6. 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: 11-20-02 Signature of Operator or Agent: Alan L. DeGood Title: President

For KCC Use ONLY
API # 15 - 007. 22725.00-00
Conductor pipe required NONE feet
Minimum surface pipe required 200 feet per Alt. 1
Approved by: RSP 11-25-02
This authorization expires: 5-25-03
(This authorization void if drilling not started within 6 months of effective date.)
Spud date: _____ Agent: _____

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.

2
32
13W

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IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15 - _____
Operator: American Energies Corporation
Lease: Sill
Well Number: A #1
Field: Medicine River

Location of Well: County: Barber
2970 feet from S / N (circle one) Line of Section
2010 feet from E / W (circle one) Line of Section
Sec. 2 Twp. 32S S. R. 13W East West

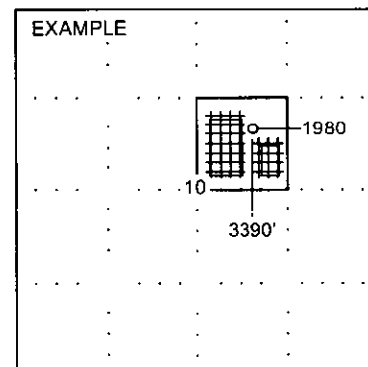
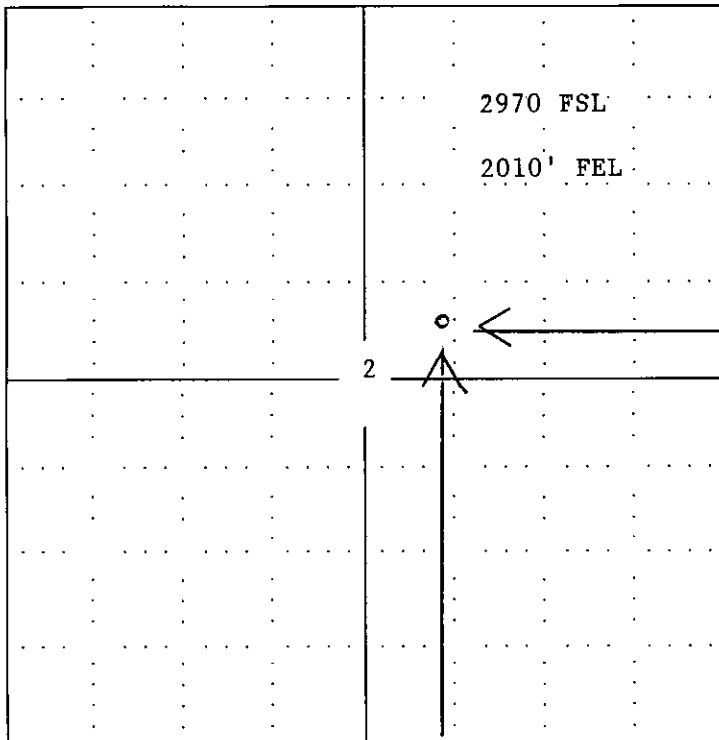
Number of Acres attributable to well: _____
QTR / QTR / QTR of acreage: SW - SW - NE

Is Section Regular or _____ Irregular

If Section is Irregular, locate well from nearest corner boundary.
Section corner used: ___NE ___NW ___SE ___SW

PLAT

*(Show location of the well and shade attributable acreage for prorated or spaced wells.)
(Show footage to the nearest lease or unit boundary line.)*



SEWARD CO.

NOTE: In all cases locate the spot of the proposed drilling locaton.

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 sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).