

OWWO

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SEP 05 2002

KCC WICHITA

Form C-1
September 1999

Form must be Typed
Form must be Signed
All blanks must be Filled

For KCC Use: 10-16-02
Effective Date: 10-16-02
District #: 2
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 October 15, 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, President
Phone: 316-263-5785

CONTRACTOR: License# 4958
Name: Mallard JV, Inc.

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

If OWWO: old well information as follows:
Operator: American Energies Corporation
Well Name: Mayo "A" #1
Original Completion Date: 1/04/89 Original Total Depth: 5,000'

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

Spot NW: NE - NW Sec. 10 Twp. 34 S. R. 6 East West
330 feet from § / N (circle one) Line of Section
1650 feet from § / N (circle one) Line of Section
Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)
County: Harper
Lease Name: Mayo Well #: A #1

Field Name: _____
Is this a Prorated / Spaced Field? Yes No

Target Formation(s): Mississippian
Nearest Lease or unit boundary: 330'

Ground Surface Elevation: 1272' feet MSL
Water well within one-quarter mile: Yes No

Public water supply well within one mile: Yes No
Depth to bottom of fresh water: 130 - 150

Depth to bottom of usable water: 180
Surface Pipe by Alternate: X 1 2

Length of Surface Pipe ~~Planned to be set:~~ 276' set
Length of Conductor Pipe required: None

Projected Total Depth: 4550'
Formation at Total Depth: Mississippian

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: September 5, 2002 Signature of Operator or Agent: Alan L. DeGood Title: President

For KCC Use ONLY
API # 15 - 077-21187.00-01
Conductor pipe required NONE feet
Minimum surface pipe required 276 SET feet per Alt. (1) X
Approved by: RSP 10-11-02
This authorization expires: 4-11-03
(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.

10
34
62

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. 15-077-21187
 Operator: American Energies Corporation
 Lease: Mayo A #1 OWWO
 Well Number: "A" #1
 Field: Eastham North
 Number of Acres attributable to well: 160
 QTR / QTR / QTR of acreage: NW

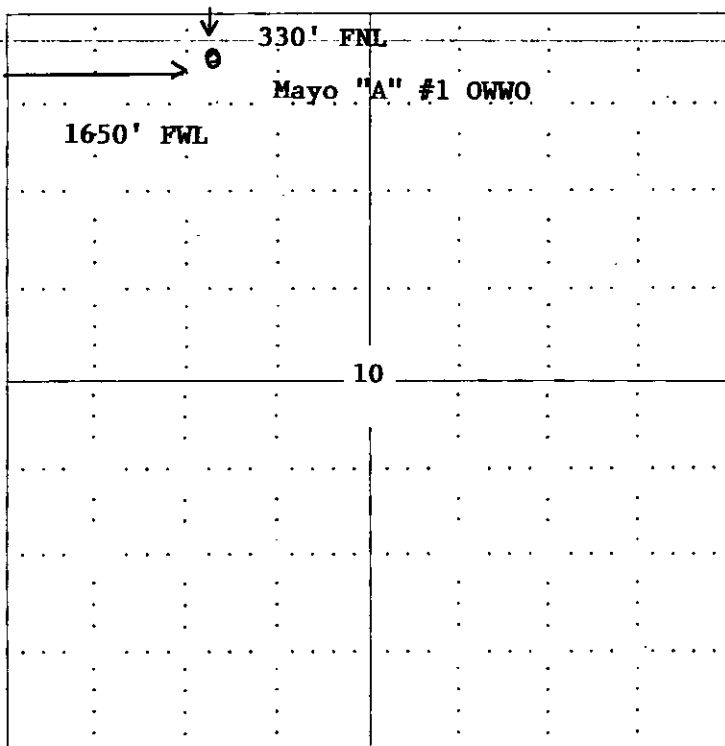
Location of Well: County: Harper
330 feet from S N (circle one) Line of Section
1650 feet from E W (circle one) Line of Section
 Sec. 10 Twp. 34 S. R. 6 East West

Is Section Regular or Irregular

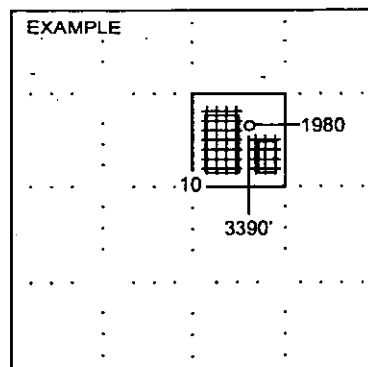
If Section is Irregular, locate well from nearest corner boundary.
 Section corner used: NE NW SE SW

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.)*



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SEWARD CO.

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

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: (CO-7 for oil wells; CG-8 for gas wells).