

OWWO

RECEIVED

For KCC Use: Effective Date: 9-1-2001 District #: 2 SGA?  Yes  No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

AUG 24 2001

Form C-1 September 1999 Form must be Typed Form must be Signed All blanks must be Filled

NOTICE OF INTENT TO DRILL

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

Expected Spud Date September 20, 2001

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

CONTRACTOR: License# 5123 Name: Pickrell Drilling Co., Inc.

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

If OWWO: old well information as follows: Operator: Pickrell Drilling Company Well Name: #1A M & R Farms Original Completion Date: 1/7/86 Original Total Depth: 4296

Directional, Deviated or Horizontal wellbore?  Yes  No If Yes, true vertical depth: Bottom Hole Location: KCC DKT #: API #15-095-21,512

Spot 1015' FSL & 720' Sec. FEL 32 Twp. 27 S. R. 6  East  West 1015' feet from (S) N (circle one) Line of Section 720' feet from (E) W (circle one) Line of Section Is SECTION  Regular  Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Kingman Lease Name: M & R Farms Well #: 1A OWWO Field Name: Georgia Spur NE

Is this a Prorated / Spaced Field?  Yes  No Target Formation(s): Mississippi Nearest Lease or unit boundary: 720' Ground Surface Elevation: 1545' 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: 70 Depth to bottom of usable water: 70 Surface Pipe by Alternate: XX 1 2 Length of Surface Pipe Planned to be set: 207'

Length of Conductor Pipe required: None Projected Total Depth: 4300 Formation at Total Depth: Mississippian Water Source for Drilling Operations: Well  Farm Pond  Other  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.

8-23-01 Date: Signature of Operator or Agent: Alan L. DeGood Title: President

For KCC Use ONLY API # 15 - 095-21512-00-01 Conductor pipe required NONE feet Minimum surface pipe required 207 feet per Alt. 1 Approved by: JK 8-27-2001 This authorization expires: 2-27-2002 (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.

32 27 6W

**IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW**

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

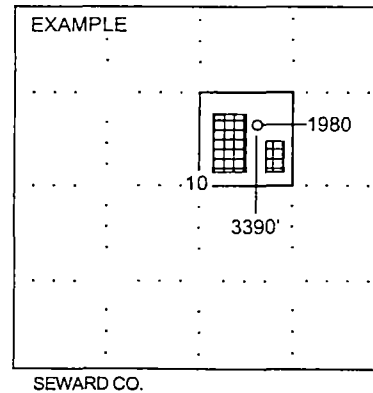
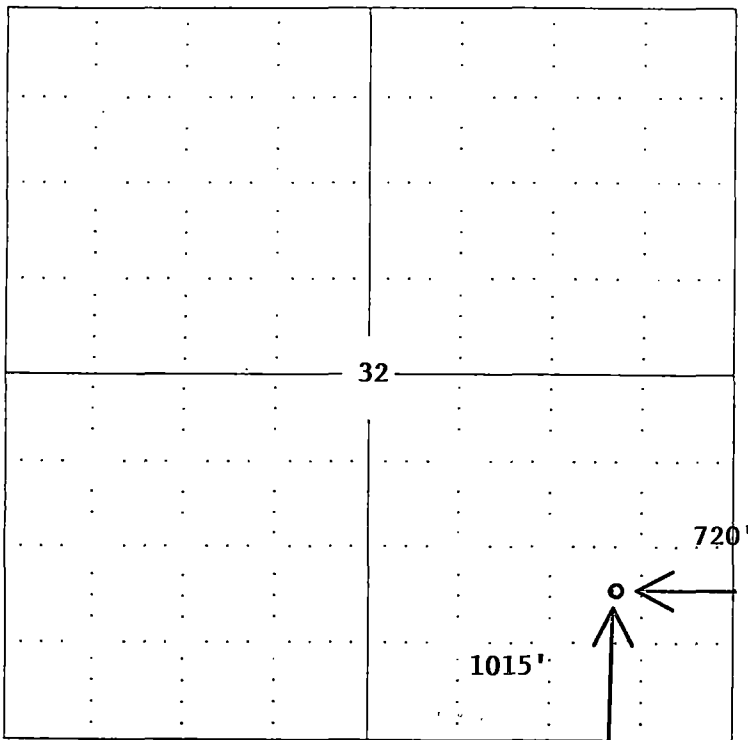
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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 - 095-21,512  
 Operator: American Energies Corporation  
 Lease: M & R Farms  
 Well Number: OWWO A #1  
 Field: Georgia Spur NE  
 Number of Acres attributable to well: 160  
 QTR / QTR / QTR of acreage: SE

Location of Well: County: Kingman  
1015 feet from  N (circle one) Line of Section  
720 feet from  W (circle one) Line of Section  
 Sec. 32 Twp. 27 S. R. 6  East  West  
 Is Section X 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.)



**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).