STATE OF KANSAS
STATE CORPORATION COMMISSION
CONSERVATION DIVISION
130 S. Market, Room 2078
Wichita, Kansas 67202

WELL PLUGGING APPLICATION FORM
(PLEASE TYPE FORM and File ONE Copy)

API #: 15-113-20-496 - 00 - 00 (Identifier number of this well). This must be listed for wells drilled since 1967; if no API# was issued, indicate spud or completion date 2/2/1978

WELL OPERATOR: American Energies Corporation (owner/company name) KCC LICENSE #: 5399 (operator's)

ADDRESS: 155 North Market CITY: Wichita
STATE: Kansas ZIP CODE 67202

LEASE: Ratzlaff SPOT LOCATION

1960' FSL 16 50' FEET (in exact footage) FROM South LINE OF SECTION (NOT Lease Line)
1960' FEL 16 50' FEET (in exact footage) FROM East LINE OF SECTION (NOT Lease Line)

Check One: Oil Well Gas Well x D&A SWD/ENHR WELL Docket #

CONDUCTOR CASING SIZE None SET AT CEMENTED WITH SACKS
SURFACE CASING SIZE 8 5/8' SET AT 224' CEMENTED WITH SACKS
PRODUCTION CASING SIZE 4 1/2' SET AT 2645' CEMENTED WITH 125 SACKS

LIST (ALL) PERFORATIONS and BRIDGEPLUG SETS:
ELEVATION G.L. 1568 K.B. T.D. 2890 PBDT 2948 Anhydrite Depth
Perforated - 2911-2918 (Stone Corral Formation)

CONDITION OF WELL: GOOD x POOR CASING LEAK JUNK IN HOLE

PROPOSED METHOD OF PLUGGING:
Place 50' sand plug over perf. Fill hole with mud and et a 35 sx plug @ 450' and fill to surface with cement.

We will attempt to pull casing.

IS WELL LOG ATTACHED TO THIS APPLICATION AS REQUIRED? No (YES,NO) IS ACO-1 FILED? Yes (YES,NO)

If not explain why? Currently on file with KCC

PLUGGING OF THIS WELL WILL BE DONE IN ACCORDANCE WITH K.S.A. 55-101 et. seq. AND THE RULES AND REGULATIONS OF THE STATE CORPORATION COMMISSION.

LIST NAME OF COMPANY REPRESENTATIVE AUTHORIZED TO BE IN CHARGE OF PLUGGING OPERATIONS:
Name: Doug Ward Phone#: (620)628-4424
Address: P.O. Box 516, 136 N. Main City: Canton State: Kansas

PLUGGING CONTRACTOR: American Energies Corporation (company name) KCC LICENSE #: 5399 (contractor's)
Address: P.O. Box 516, 136 N. Main City: Canton State: Kansas Zip 67428

PROPOSED DATE AND HOUR OF PLUGGING (If Known?)
PAYMENT OF THE PLUGGING FEE (K.A.R. 82-3-118) WILL BE GUARANTEED BY:

Operator x Agent

DATE: 12/15/05 AUTHORIZED OPERATOR OR AGENT: [Signature] Alan L. DeGood, President

RECEIVED
DEC 21 2005
KCC WICHITA
NOTICE OF RECEIPT OF WELL PLUGGING APPLICATION (CP-1)

American Energies Corporation
155 N. Market, Ste 710
Wichita, KS 67202

January 05, 2006

Re: RATZLAFF #1
API 15-113-20496-00-00
SENWSE 35-19S-1W, 1650 FSL 1650 FEL
MCPherson County, Kansas

Dear Operator:

This letter is to notify you that the Conservation Division is in receipt of your plugging proposal, form CP-1, for the above-captioned well.

Your CP-1 has been reviewed by the Conservation Division central office for completeness and to verify license numbers. The plugging proposal will now be forwarded to the district office listed below for review of your proposed method of plugging.

Please contact the district office for approval of your proposed plugging method at least five (5) days before plugging the well, pursuant to K.A.R. 82-3-113 (b). If a workover pit will be used during the plugging of the well it must be permitted. A CDP-1 form must be filed and approved prior to the use of the pit.

The Conservation Division's review of form CP-1, either in the central or district office, does not include an inquiry into well ownership or the filing operator's legal right to plug the well.

This notice in no way constitutes authorization to plug the above-captioned well by persons not having legal rights of ownership or interest in the well. This notice is void after ninety (90) days from the above date.

Sincerely,

David P. Williams
Production Supervisor

District: #2
3450 N. Rock Road, Suite 601
Wichita, KS 67226
(316) 630-4000