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 #: 15-135-22-862 - 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 7/12/1985

WELL OPERATOR: American Energies Corporation

ADDRESS: 155 North Market

STATE: Kansas ZIP CODE 67202

CONTACT PHONE: 316-263-5785

LEASE: Davis

WELL#: E-2

CONTACT: Section 34

COUNTY: Ness

SPOT LOCATION

3980 FEET (in exact footage) FROM South LINE OF SECTION (NOT Lease Line)

2270 FEET (in exact footage) FROM East LINE OF SECTION (NOT Lease Line)

Check One: Oil Well X Gas Well

CONDUCTOR CASING SIZE SET AT

SURFACE CASING SIZE 8 5/8" SET AT 596'

PRODUCTION CASING SIZE 5 1/2" SET AT 418'

CEMENTED WITH

CEMENTED WITH

CEMENTED WITH

SACKS

SACKS

SACKS

D&A

SWD/ENHR WELL

Docket #

2229 G.L.

2234 K.B.

T.D. 4185

PBT D (Stone Corral Formation) 1512

LIST (ALL) PERFORATIONS and BRIDGEPLUG SETS:

ELEVATION

CONDITION OF WELL: X GOOD POOR CASING LEAK

PROPOSED METHOD OF PLUGGING:

Place 50' sand plug over perfs. Fill hole with mud and et a 35 sx plug @ 450' and fill to surface with cement.

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

If not explain why?

KCC has in their records

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

Address: P.O. Box 516, 136 N. Main

City: Canton State: Kansas

PLUGGING CONTRACTOR: American Energies Corporation (company name)

KCC LICENSE #: 5399

City: Canton State: Kansas

Address: P.O. Box 516, 136 N. Main

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 (signature) Alan L. DeGood, President

DATE: 03/09/06 AUTHORIZED OPERATOR OR AGENT:

RECEIVED

MAR 20 2006

KCC WICHITA
NOTICE OF RECEIPT OF WELL PLUGGING APPLICATION (CP-1)

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

March 31, 2006

Re: DAVIS #2-E
API 15-135-22862-00-00
SNEE 2282NW 34-16S-21W, 3967 FSL 2970 FEL
NESS 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,

[Signature]
David P. Williams
Production Supervisor

District: #1
210 E Frontview, Suite A
Dodge City, KS 67801
(620) 225-8888