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

KCC WICHITA

Well Plugging Record
K.A.R. -82-3-117

API NUMBER 15-135-23-072 - oo-oo
LEASE NAME Hiltabide
WELL NUMBER A-2

NOTICE: Fill out completely and return to Cons. Div. office within 30 days.

2970' Ft. from South Line of Section
2970' Ft. from East Line of Section

LEASE OPERATOR American Energies Corporation

CHARACTER OF WELL Oil

(Oil, Gas, D&A, SWD, Input, Water Supply Well)

The plugging proposal was approved on 5/1/06

by Mike Maier - State Plugging Agent
(KCC District Agent's Name)

Is ACO-1 Filed? On file with KCC If not, is well log attached?

Producing Formation(s) Cherokee Sandstone

Depth to Top

Show depth and thickness of all water, oil and gas formations.

OIL, GAS OR WATER RECORDS

<table>
<thead>
<tr>
<th>FORMATION</th>
<th>CONTENT</th>
<th>FROM</th>
<th>TO</th>
<th>SIZE</th>
<th>PUT IN</th>
<th>PULL OUT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surface</td>
<td>Water sands</td>
<td>32&quot;</td>
<td>0'</td>
<td>8 5/8&quot; 23#</td>
<td>32&quot;</td>
<td>None</td>
</tr>
<tr>
<td>Production</td>
<td>Oil</td>
<td>Surface</td>
<td>4249'</td>
<td>4 1/2&quot;</td>
<td>4249'</td>
<td>None</td>
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</table>

Describe in detail the manner in which the well was plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same and depth placed, from ______ feet to ______ feet each set.

Tied on to backside, pressured to 400#
Mixed 25 sx with 150# hulls - 4096'
1300' - 120 sx cement
Came out of hole and topped with 40 sx

Name of Plugging Contractor American Energies Corporation

Licence No. 5399

Address 155 North Market, #710 City: Wichita State: Kansas Zip 67202

NAME OF PARTY RESPONSIBLE FOR PLUGGING FEES:

American Energies Corporation (Operator)

STATE OF KANSAS COUNTY OF Sedgwick ss.

Alan L. DeGood, President (Employee of Operator or (Operator) of above described well, being first duly sworn on oath, says: That I have knowledge of the facts, statements, and matters herein contained and the log of the above described well as filed that the same are true and correct, so help me God.

(Signature)

(Alan L. Degood, President, American Energies Corporation)

(Address) 155 North Market, Suite 710 City: Wichita State: Kansas Zip 67202

SUBSCRIBED AND SWORN TO me this 15th day of June 2006

Melinda S. Wooten, Notary Public

My Commission Expires: 3/12/08

Form CP-4 Revised 12-92
Sold: American Energies Corp.

Sold To: 155 N. Market #710
Wichita, KS 67202

Due Date: 06/07/06
Terms: Net 30

<table>
<thead>
<tr>
<th>Item I.D./Desc.</th>
<th>Qty. Used</th>
<th>Unit</th>
<th>Price</th>
<th>Net</th>
<th>TX</th>
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<tbody>
<tr>
<td>Common</td>
<td>111.00</td>
<td>SKS</td>
<td>9.6000</td>
<td>1065.60</td>
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<tr>
<td>Pozmix</td>
<td>74.00</td>
<td>SKS</td>
<td>5.2000</td>
<td>384.80</td>
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<tr>
<td>Gel</td>
<td>10.00</td>
<td>SKS</td>
<td>15.0000</td>
<td>150.00</td>
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<tr>
<td>Hulls</td>
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<td>SKS</td>
<td>23.0000</td>
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<tr>
<td>Handling</td>
<td>214.00</td>
<td>MILE</td>
<td>1.7000</td>
<td>363.80</td>
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<td>Mileage</td>
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<td>MILE</td>
<td>14.9800</td>
<td>329.56</td>
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</table>

214 sks @ .07 per sk per mi

Plug: 1.00

Mileage pmp trk: 22.00

All Prices Are Net, Payable 30 Days Following Date of Invoice. 1 1/2% Charged Thereafter. If Account CURRENT take Discount of $308.13 ONLY if paid within 30 days from Invoice Date

Subtotal: 3088.26
Tax: 163.68
Payments: 0.00
Total: 3251.94

$2943.11

Pay ASAP
## Allied Cementing Co., Inc.

REMIT TO: P.O. BOX 31
RUSSELL, KANSAS 67665

**DATE:** 6-8-06
**SEC.:** 28
**TWP.:** 16
**RANGE:** 21
**CALLED OUT ON LOCATION:** 10:50 A.M. - 12:30 P.M.
**JOB START:** 3:45 P.M.
**JOB FINISH:**

**LEASE:** Hillside
**WELL #:** 42
**LOCATION:** McCoorsby North to curve, Ness State

**CONTRACTOR:** Claycross Well Service
**OWNER:** American Energies Corp.

**Cement**
- **AMOUNT ORDERED:** 200 bu. 60% for 60% Gel (used 185 gal. cement)
- **300# Hulla (used 150#) **

**Common**
- **114#**
- **@ 9.60**

**Pozmix**
- **74#**
- **@ 14.50**

**Gel**
- **134#**
- **@ 14.50**

**Handling**
- **@ 150**
- **31.50**

**MILEAGE**
- **125,414**
- **523**

**TOTAL**
- **2385**

**REMARKS:**
1st - filled to 20 feet, then to 40 feet
2nd - a mixture of 250# W 150# Hulla - @ 9.60
3rd - 1300 - 1300 # cement
4th - came out of level top of W 40 feet

**CHARGE TO:** American Energies Corp.
**STREET:** 155 North Market
**CITY:** Wichita
**STATE:** Kansas
**ZIP:** 67202

To Allied Cementing Co., Inc.
You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

**SIGNATURE:** 

Thank you!

**PRINTED NAME:**