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

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

API NUMBER: 15-135-23913 - 00-00
LEASE NAME: Hillabiddle
WELL NUMBER: C-2

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

LEASE OPERATOR: American Energies Corporation
ADDRESS: 155 N Market, Suite 710
CITY, STATE, ZIP: Wichita, KS 67202
PHONE #: 316-283-5785
Character of Well: Oil
(Oil, Gas, D&A, SWD, Input, Water Supply Well)
The plugging proposal was approved on
6/20/06

by
Mike Maier - State Plugging Agent
(Kansas District Agent’s Name)

Is ACO-1 Filed? Yes - on file with KCC
If not, is well log attached? On file with KCC
Producing Formation(s): Cherokee Sand
Depth to Top: 4138 Bottom: 4221 T.D.: 4260
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>NIGHT</th>
<th>PULL OUT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surface</td>
<td>Water sand</td>
<td>220.78</td>
<td>0&quot;</td>
<td>8 5/8&quot; 23#</td>
<td>220.78</td>
</tr>
<tr>
<td>Production</td>
<td>Oil</td>
<td>Surface</td>
<td>4259'</td>
<td>4 1/2&quot;</td>
<td>4259'</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.

Mixed 30 sx cement with 100# huls, 15 gel with 42 bbls, mixed 115 sx cement, pressured to 1199#, shut-in, mixed 20 sx cement down backside - 300#.

Name of Plugging Contractor: Allied Cementing
Licence No.
Address: P.O. Box 31
City: Russell
State: Kansas
Zip 67665

NAME OF PARTY RESPONSIBLE FOR PLUGGING FEES:
American Energies Corporation (Operator)

STATE OF KANSAS COUNTY OF Sedgwick
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 13th day of July 2006

Melinda S. Wooten, Notary Public

My Commission Expires: 3/12/08

RECEIVED
JUL 14 2006
KCC WICHITA
Allied Cementing Co., Inc
P.O. Box 31
Russell, KS 67665

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

Invoice Number: 102953
Invoice Date: 06/27/06

Due Date: 07/27/06
Terms....: Net 30

Cust I.D......: Am Eng
P.O. Number..: Hildabidle C-2
P.O. Date.....: 06/27/06

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<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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<tr>
<td>Common</td>
<td>120.00</td>
<td>SKS</td>
<td>10.6500</td>
<td>1278.00</td>
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<tr>
<td>Pozmix</td>
<td>80.00</td>
<td>SKS</td>
<td>5.8000</td>
<td>464.00</td>
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<tr>
<td>Gel</td>
<td>25.00</td>
<td>SKS</td>
<td>16.6500</td>
<td>416.25</td>
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<td>Hulls</td>
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<td>SKS</td>
<td>25.5000</td>
<td>51.00</td>
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<td>Handling</td>
<td>280.00</td>
<td>SKS</td>
<td>1.9000</td>
<td>532.00</td>
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<tr>
<td>Mileage</td>
<td>22.00</td>
<td>MILE</td>
<td>22.4000</td>
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280 sks @$08 per sk per mi
Plug            | 1.00      | JOB  | 720.0000| 720.00   | T   |
Mileage         | 22.00     | PER  | 5.0000  | 110.00   | T   |

All Prices Are Net, Payable 30 Days Following
Date of Invoice. 1 1/2% Charged Thereafter.
If Account CURRENT take Discount of $406.40
ONLY if paid within 30 days from Invoice Date

Subtotal: 4064.05
Tax......: 215.39
Payments: 0.00
Total....: 4279.44

-406.40

RECEIVED
JUL 14 2006
KCC WICHITA
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**

**print name**