



KANSAS CORPORATION COMMISSION 1019534
OIL & GAS CONSERVATION DIVISION

Form CDP-1
April 2004
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: American Warrior, Inc.		License Number: 4058	
Operator Address: PO BOX 399		GARDEN CITY KS 67846	
Contact Person: Cecil O'Brate		Phone Number: 620-275-7461	
Lease Name & Well No.: NEUFELD 1-34		Pit Location (QQQQ): SW SW NE NW	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input checked="" type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small>		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 4,800 (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <small>(For Emergency Pits and Settling Pits only)</small>	
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No How is the pit lined if a plastic liner is not used? Native mud and clay	
Pit dimensions (all but working pits): 100 Length (feet) 100 Width (feet)		<input type="checkbox"/> N/A: Steel Pits <input type="checkbox"/> No Pit	
Depth from ground level to deepest point: 4 (feet)			
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.	
Distance to nearest water well within one-mile of pit 1423 feet Depth of water well 65 feet		Depth to shallowest fresh water 20 feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> KDWR	
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: Fresh Number of working pits to be utilized: 1 Abandonment procedure: Let dry up then backfill Drill pits must be closed within 365 days of spud date.	
Submitted Electronically			

KCC OFFICE USE ONLY		Steel Pit <input type="checkbox"/>	RFAC <input checked="" type="checkbox"/>	RFAS <input checked="" type="checkbox"/>
Date Received: 07/08/2008	Permit Number: 15-159-22574-00-00	Permit Date: 07/08/2008	Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

Using same pit for both wells



*Kathleen Sebelius, Governor
Thomas E. Wright, Chairman
Michael C. Moffet, Commissioner
Joseph F. Harkins, Commissioner*

July 08, 2008

Cecil O'Brate
American Warrior, Inc.
PO BOX 399
GARDEN CITY, KS67846-0399

Re: Haul-Off Pit Application
NEUFELD Lease Well No. 1-34
Sec.33-18S-10W
Rice County, Kansas

Dear Cecil O'Brate:

District staff has inspected the above referenced location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has recommended that the Haul-Off pit be lined with bentonite, constructed **without slots**, the bottom shall be flat and reasonably level and the free fluids must be removed. The fluids are to be removed from the Haul-Off pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the Haul-Off pit has occurred. The fluids should be removed again within 72 hours after drilling operations have ceased.

NO completion fluids or non-exempt wastes shall be placed in the Haul-Off pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (316) 630-4000 when the fluids have been removed. Please file form CDP-5, Exploration and Production Waste Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: kcc.ks.gov/conservation/forms/

If you have any questions or concerns please feel free to contact the District Office at (316) 630-4000.



*Kathleen Sebelius, Governor
Thomas E. Wright, Chairman
Michael C. Moffet, Commissioner
Joseph F. Harkins, Commissioner*

**HAUL-OFF PIT APPLICATION
FILING REQUIREMENTS**

82-3-607. DISPOSAL OF DIKE AND PIT CONTENTS.

- (a) Each operator shall perform one of the following when disposing of dike or pit contents:
- (1) Remove the liquid contents to a disposal well or other oil and gas operation approved by the commission or to road maintenance or construction locations approved by the department;
 - (2) dispose of reserve pit waste down the annular space of a well completed according to the alternate I requirements of K.A.R. 82-3-106, if the waste to be disposed of was generated during the drilling and completion of the well; or
 - (3) dispose of the remaining solid contents in any manner required by the commission. The requirements may include any of the following:
 - (A) Burial in place, in accordance with the grading and restoration requirements in K.A.R. 82-3-602 (f);
 - (B) removal and placement of the contents in an on-site disposal area approved by the commission;
 - (C) removal and placement of the contents in an off-site disposal area on acreage owned by the same landowner or to another producing lease or unit operated by the same operator, if prior written permission from the landowner has been obtained; or
 - (D) removal of the contents to a permitted off-site disposal area approved by the department.
- (b) Each violation of this regulation shall be punishable by the following:
- (1) A \$1,000 penalty for the first violation;
 - (2) a \$2,500 penalty for the second violation; and
 - (3) a \$5,000 penalty and an operator license review for the third violation.

Complete and return with Haul-Off Pit Application, Form CDP1(2004)

Haul-off pit will be located in an on-site disposal area: Yes No

Haul-off pit is located in an off-site disposal area on acreage owned by the same landowner:
 Yes No If yes, written permission from the landowner must be obtained. Attach written permission to haul-off pit application.

Haul-off pit is located in an off-site disposal area on another **producing** lease or unit operated by the same operator: Yes No If yes, written permission from the landowner must be obtained. Attach permission and a copy of the lease assignment that covers the acreage where the haul-off pit is to be located, to the haul-off pit application.

AGREEMENT

This Agreement dated this 13th day of June, 2008, by and between Michael Ringwald, President of Cross Reach Farms, L.P., hereinafter referred to as "Ringwald" and American Warrior, Inc., hereinafter referred to as "AWI".

WHEREAS, AWI is the owner of the Buehler "A" Lease covering the NW/4 Section 33-18S-10W, Rice County, Kansas and Ringwald is the property owner of said NW/4 Section 33-18S-10W, Rice County, Kansas.

AWI will soon be commencing drilling operations on the Sterling Block located South of Sterling, Kansas in Township 21 South, Range 8 West, Rice County, Kansas. Since the water table is too high within AWI's drilling block of acreage, the KCC is requiring that above ground portable tanks be utilized in place of digging reserve pit(s). The KCC requires than an off-location pit be dug on property that AWI has in production, then after drilling operations have been completed the drilling fluid shall be transported and transferred into said off-location pit.

NOW THEREFORE, for and in consideration of an amount agreed to herein, Ringwald hereby gives AWI the right to dig a pit or pits on the NW/4 Section 33-18S-10W. The pit(s) shall be located in the pasture land and exact location shall be determined by Ringwald.

This Agreement gives AWI the right to dispose of drilling fluid from two wells drilled in the Sterling Block. AWI must first get verbal permission from Ringwald to dispose of drilling fluid from any additional well(s) drilled within the Sterling Block.

After AWI stops using the pit(s) located on the NW/4 Section 33-18S-10W and said pit(s) has/have dried to Ringwald's satisfaction, AWI agrees to backfill said pit(s) and restore the surface to its original condition or as nearly as practicable.

RINGWALD

AWI

Michael Ringwald
Michael Ringwald, President

Evan Noll
Evan Noll, Agent

ASSIGNMENT, BILL OF SALE, AND AGREEMENT

THIS ASSIGNMENT, BILL OF SALE AND AGREEMENT is effective August 1, 1986, by and between TEXACO PRODUCING INC., a Delaware corporation, P.O. Box 2100, Denver, Colorado 80201, hereinafter called ASSIGNOR, and American Warrior Inc., a Kansas Corporation, P.O. Box 399, Garden City, Kansas 67846, hereinafter called ASSIGNEE.

OIL AND GAS

LEASE NO: 735533

LEASE DATE: February 18, 1948

LESSOR: Helen S. Buehler and B. B. Buehler, her husband

LESSEE: John T. Crane

RECORDED: Book 111, Page 170

DESCRIPTION: Insofar, and insofar only as said lease covers the following described land:

Township 18 South, Range 10 West
Section 33: NW¼

Rice County, Kansas



For KCC Use:
 Effective Date: 07/13/2008
 District # 2
 SGA? Yes No

KANSAS CORPORATION COMMISSION 1019532
 OIL & GAS CONSERVATION DIVISION

Form C-1
 October 2007
 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: 07/07/2008
 month day year

OPERATOR: License# 4058
 Name: American Warrior, Inc.
 Address 1: PO BOX 399
 Address 2: _____
 City: GARDEN CITY State: KS Zip: 67846 + 0399
 Contact Person: Cecil O'Brate
 Phone: 620-275-9231

CONTRACTOR: License# 5929
 Name: Duke Drilling Co., Inc.

Well Drilled For: Well Class: Type Equipment:
 Oil Enh Rec Infield Mud Rotary
 Gas Storage Pool Ext. Air Rotary
 Disposal Wildcat Cable
 Seismic; # of Holes Other
 Other: _____
 If OWWO: old well information as follows:
 Operator: _____
 Well Name: _____
 Original Completion Date: _____ Original Total Depth: _____

Directional, Deviated or Horizontal wellbore? Yes No
 If Yes, true vertical depth: _____
 Bottom Hole Location: _____
 KCC DKT #: _____

Spot Description: 137° S & 65° W of C-N2-NW-NE
 _____ - _____ - NW - NE Sec. 34 Twp. 21 S. R. 8 E W
 (O/Q/O) 467 feet from N / S Line of Section
2,045 feet from E / W Line of Section
 Is SECTION: Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)
 County: Rice
 Lease Name: NEUFELD Well #: 1-34
 Field Name: Wildcat
 Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Arbuckle
 Nearest Lease or unit boundary line (in footage): 467
 Ground Surface Elevation: 1627 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: 100
 Depth to bottom of usable water: 130
 Surface Pipe by Alternate: I II
 Length of Surface Pipe Planned to be set: 200
 Length of Conductor Pipe (if any): _____
 Projected Total Depth: 3600
 Formation at Total Depth: Arbuckle
 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 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. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. **In all cases, NOTIFY district office** prior to any cementing.

Submitted Electronically

For KCC Use ONLY
 API # 15 - 15-159-22574-00-00
 Conductor pipe required 0 feet
 Minimum surface pipe required 150 feet per ALT. I II
 Approved by: Rick Hestermann 07/08/2008
 This authorization expires: 07/08/2009
 (This authorization void if drilling not started within 12 months of approval 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 (within 60 days);
- Obtain written approval before disposing or injecting salt water.
- If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.

Well Not Drilled - Permit Expired Date: _____
 Signature of Operator or Agent: _____

34 21 8 E W



1019532

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 - 15-159-22574-00-00

Operator: American Warrior, Inc.

Lease: NEUFELD

Well Number: 1-34

Field: Wildcat

Location of Well: County: Rice

467 feet from N / S Line of Section

2,045 feet from E / W Line of Section

Sec. 34 Twp. 21 S. R. 8 E W

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: _____ - _____ - NW - NE

Is Section: Regular or Irregular

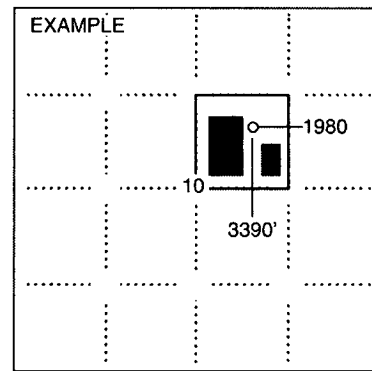
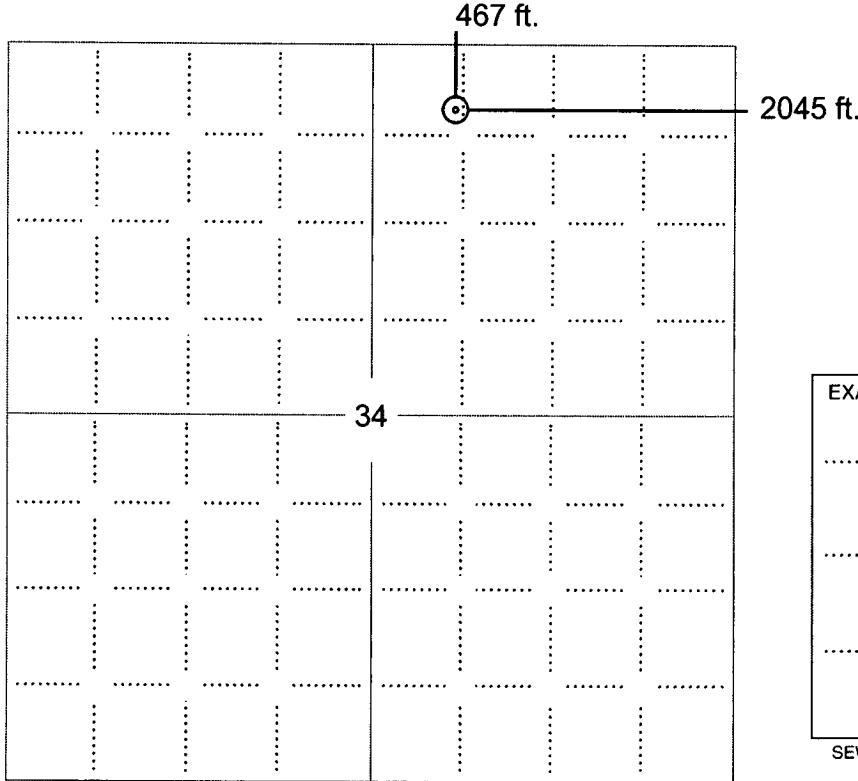
If Section is Irregular, locate well from nearest corner boundary.

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.)



SEWARD CO.

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 south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
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).



KANSAS CORPORATION COMMISSION 1019532
OIL & GAS CONSERVATION DIVISION

Form CDP-1
April 2004
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: American Warrior, Inc.		License Number: 4058	
Operator Address: PO BOX 399		GARDEN CITY KS 67846	
Contact Person: Cecil O'Brate		Phone Number: 620-275-9231	
Lease Name & Well No.: NEUFELD 1-34		Pit Location (QQQQ): SE - NW - NW - NE	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If W/P Supply API No. or Year Drilled)</i>		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 4,800 (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
How is the pit lined if a plastic liner is not used? Native mud and clay		Pit dimensions (all but working pits): _____ Length (feet) _____ Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: _____ (feet) <input type="checkbox"/> No Pit	
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.	
Distance to nearest water well within one-mile of pit _____ feet Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> KDWR	
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: Fresh Number of working pits to be utilized: 1 Abandonment procedure: Allowed to dry up then backfill _____ Drill pits must be closed within 365 days of spud date.	
Submitted Electronically			

KCC OFFICE USE ONLY		Steel Pit <input checked="" type="checkbox"/>	RFAC <input checked="" type="checkbox"/>	RFAS <input type="checkbox"/>
Date Received: 06/16/2008	Permit Number: 15-159-22574-00-00	Permit Date: 07/08/2008	Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	



*Kathleen Sebelius, Governor
Thomas E. Wright, Chairman
Michael C. Moffet, Commissioner
Joseph F. Harkins, Commissioner*

July 08, 2008

Cecil O'Brate
American Warrior, Inc.
PO BOX 399
GARDEN CITY, KS67846-0399

Re: Drilling Pit Application
NEUFELD Lease Well No. 1-34
NE/4 Sec.34-21S-08W
Rice County, Kansas

Dear Cecil O'Brate:

District staff has inspected the location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has instructed that no earthen pits are to be used at this location. Steel pits are to be used. Please inform the Commission in writing as to which disposal well you utilized to dispose of the contents in the steel pits and the amount of fluid that was disposed. Please file form CDP-5 (August 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal.

Should a haul-off pit be necessary please file form CDP-1 (April 2004), Application for Surface Pit, through SOLAR. This location will have to be inspected prior to approval of the haul-off pit application.

CONSERVATION DIVISION

Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802
(316) 337-6200 • Fax: (316) 337-6211 • <http://kcc.ks.gov/>