

Operator & Address: Gene Karlin Company

Lic.# 03044 Contact Person: Gene Karlin Phone # 785-623-1083

Lease Name & Well # Truss #1 SW3 API # or Spud Date: 15-051-20926-2007

Location: S10NW1/4 Sec: 05 Twp: 13 Rge: 17 E 10 County: Ellis

4290 feet from the North South Line, 2310 feet from the East West Line of 36 14 section.

Purpose of Pit: clean out SW3 Depth to Ground Water: _____

Nature of Fluids: saltwater

Construction: drug, Width: 8, Length: 10, Depth: 5 bbl capacity: 200

Liner Specifications: plastic liner

This lease produces from the following formation(s): And. KC Tow.

Date of Verbal Permit: 05-23-07, KCC Agent: Ed Schwaned

Dates Pit Used: From 05-24-07 To 05-30-07 Date Water Hauled: _____

Proposed Closing Procedure / Actual Closure information: press free fluids & backfill

Pit must be closed in _____ days. _____ (signature) _____ (date)

To save paperwork, copy this form after completion of the first 12 lines. Use copy for closure form.

***** KCC USE ONLY *****

Groundwater Sensitive Area YES () NO (); Field Inspection Date: _____, Agent: _____

Chloride of Water in Pit: _____, Date Collected: _____

_____ feet to nearest Water Well. Depth of Water Well: _____, Application Tabulated

15-051-20926-0001

RECEIVED
KANSAS CORPORATION COMMISSION

MAY 29 2007

CONSERVATION DIVISION
WICHITA, KS



*Kathleen Sebelius, Governor
Thomas E. Wright, Chairman
Robert E. Krehbiel, Commissioner
Michael C. Moffet, Commissioner*

July 2, 2007

Gene Karlin Co.
1111 Oakmont
Hays, KS 67601

RE: Verbal on Workover Pit
Nuss SWD Lease Well No. 1
NE/4 Sec. 05-13S-17W
Ellis County, Kansas

Dear Sir or Madam:

According to our files we do not have an application for the above referenced workover pit, district staff gave verbal approval on 05/23/2007. According to K.A.R. 82-600(b) workover pits may be permitted through verbal authorization from the appropriate district office subject to the filing of a surface pond application within five days after the verbal authorization.

Please complete surface pond application form (CDP-1) and return to this office within 14 days of the date of this letter. If this pit has been closed please complete the closure of surface pit form (CDP-4). Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms.

If you have any questions please feel free to call me at (316) 337-6243.

Sincerely,

Kathy Haynes
Environmental Protection and Remediation Department

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

JUL 27 2007

Form CDP-4
April 2004
Form must be Typed

CLOSURE OF SURFACE PIT

CONSERVATION DIVISION
WICHITA, KS

Operator Name: Gene Karlin Company License Number: 03444

Operator Address: 1111 Oakmont, Hays, Kansas 67601

Contact Person: Gene Karlin Phone Number: (785) 623 - 1083

Permit Number (API No. if applicable): 15-051-20926-0001 Lease Name & Well No.: Nuss #1 SWD

Type of Pit:

Emergency Pit Burn Pit

Settling Pit Drilling Pit

Workover Pit Haul-Off Pit

Pit Location (QQQQ):

SW _ NW _ NE _

Sec. 5 Twp. 13S R. 17 East West

4290 Feet from North / South Line of Section

2310 Feet from East / West Line of Section

Ellis County

Date of closure: 6-12-2007

Was an artificial liner used? Yes No

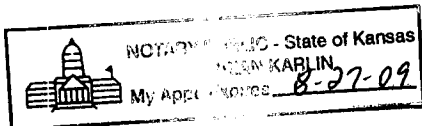
If no, how were the sides and bottom sealed to prevent downward migration of the pit contents?

Abandonment procedure of pit:
Hauled water to SWD. Closed pit with backhoe. Ed Schumacher with KCC witnessed closure.

The undersigned hereby certifies that he / she is Gene Karlin for Gene Karlin Company (Co.), a duly authorized agent, that all information shown hereon is true and correct to the best of his /her knowledge and belief.

Gene Karlin
Signature of Applicant or Agent

Subscribed and sworn to me on this 19th day of July, 2007



Brian Karlin
Notary Public

My Commission Expires: 8-27-09