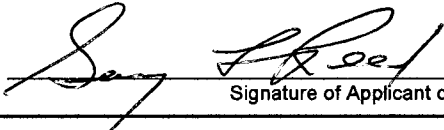


**KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
APPLICATION FOR SURFACE PIT**

Form CDP-1  
April 2004  
Form must be Typed

*Submit in Duplicate*

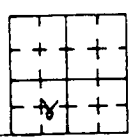
|  |  |   |   |
|--|--|---|---|
| Operator Name: <b>Petroleum Management, Inc.</b>   |  | License Number: <b>5242</b>   |   |
| Operator Address: <b>14201 E. Central Wichita, KS 67230</b>  |  |   |   |
| Contact Person: <b>Ralfe Reber</b>   |  | Phone Number: <b>316-733-5600</b>   |   |
| Lease Name & Well No.: <b>Leiker "D" 4</b>   |  | Pit Location (QQQQ):<br>_____ NW _____ SE _____ SW<br>Sec. <u>17</u> Twp. <u>15</u> R. <u>17</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West<br><u>990</u> Feet from <input type="checkbox"/> North <input checked="" type="checkbox"/> South Line of Section<br><u>3,630</u> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section<br>Ellis _____ County |   |
| Type of Pit:<br><input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit<br><input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit<br><input checked="" type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit<br><small>(If WP Supply API No. or Year Drilled)</small> |  | Pit is:<br><input type="checkbox"/> Proposed <input checked="" type="checkbox"/> Existing<br>If Existing, date constructed:<br><u>4/8/08 Per KCC Dist.4</u><br>Pit capacity:<br><u>150</u> (bbls)   |   |
| Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   |  | Chloride concentration: _____ mg/l<br><small>(For Emergency Pits and Settling Pits only)</small>  |   |
| Is the bottom below ground level?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No   |  | Artificial Liner?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  |   |
| How is the pit lined if a plastic liner is not used?   |  |   |   |
| Pit dimensions (all but working pits): _____ Length (feet) _____ Width (feet) _____ N/A: Steel Pits<br>Depth from ground level to deepest point: <u>8</u> (feet) _____ No Pit  |  |   |   |
| If the pit is lined give a brief description of the liner material, thickness and installation procedure.<br><br><b>Plastic 6 mil thickness</b>  |  | Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.<br><br><b>None required. Pit to be emptied of free liquids when job is done.</b>  |   |
| Distance to nearest water well within one-mile of pit<br><u>NONE</u> feet    Depth of water well _____ feet  |  | Depth to shallowest fresh water _____ feet.<br>Source of information:<br><input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR  |   |
| <b>Emergency, Settling and Burn Pits ONLY:</b><br>Producing Formation: _____<br>Number of producing wells on lease: _____<br>Barrels of fluid produced daily: _____<br>Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No        |  | <b>Drilling, Workover and Haul-Off Pits ONLY:</b><br>Type of material utilized in drilling/workover: <u>Lease water</u><br>Number of working pits to be utilized: <u>1</u><br>Abandonment procedure: <u>Haul free liquid, evaporate, fill.</u><br>Drill pits must be closed within 365 days of spud date.   |   |
| I hereby certify that the above statements are true and correct to the best of my knowledge and belief.  |  | <b>RECEIVED</b><br>KANSAS CORPORATION COMMISSION<br><b>APR 10 2008</b><br>CONSERVATION DIVISION<br>WICHITA, KS  |   |
| <u>4/8/08</u><br>Date  |  | <br>Signature of Applicant or Agent   |   |
| <b>KCC OFFICE USE ONLY</b>   |  |   |   |
| Date Received: <u>4/10/08</u> Permit Number: <u>15-051-22402-5552</u> Permit Date: <u>4/8/08</u>   |  | Steel Pit <input type="checkbox"/>  | RFAC <input type="checkbox"/> RFAS <input type="checkbox"/> |
|  |  | Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   |   |

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

Operator & Address: Petroleum Management  
 Lic.# 5242 Contact Person: Gary Reed Phone # 316-655-8775  
 Lease Name & Well # Leiker D-4 API # or Spud Date: 15-051-22402  
 Location: NW-SE-SW 1/4 Sec: 17 Twp: 15 Rge: 17 E  County: Ellis  
990 feet from the North South Line, 3630 feet from the East West Line of SE 1/4 section.  
 Purpose of Pit: Workover Enj. Depth to Ground Water: 15-20'  
 Nature of Fluids: Brine, Cement  
 Construction: Earth, Width: 10, Length: 10, Depth: 8 bbl capacity: 100  
 Liner Specifications: Plastic  
 This lease produces from the following formation(s): LKC  
 Date of Verbal Permit: 4-8-08, KCC Agent: Richard White  
 To save paperwork, copy this form after completion of the first 11 lines. Use copy for closure form.  
 Dates Pit Used: From 4-8-08 To 4-25-08 Date Water Hauled: \_\_\_\_\_  
 Proposed Closing Procedure / Actual Closure information: \_\_\_\_\_

Pit must be closed in \_\_\_\_\_ days. \_\_\_\_\_ (signature) \_\_\_\_\_ (date)  
 \*\*\*\*\* 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

PETROLEUM MANAGEMENT, INC. 17-15-17W  
 400 N. WOODLAWN, #201 #4 LEIKER D NW SE SW  
 WICHITA, KS 67208  
 CONTR RED TIGER DRILLING CO. CTY ELLIS  
 GEOL \_\_\_\_\_ FIELD WHEATLAND EAST  
 E 1989 KB CM 5/1/81 CARD ISSUED 6/25/81 IP WIW  
 LANS 3316-3470 OA



| SMP  | TOPS | DEPTH | DATUM |
|------|------|-------|-------|
| ANH  | 1136 | + 853 |       |
| HEEB | 3250 | -1261 |       |
| TOR  | 3268 | -1279 |       |
| LANS | 3299 | -1310 |       |
| BKC  | 3520 | -1531 |       |
| ARB  | 3641 | -1652 |       |
| RTD  | 3705 | -1716 |       |
|      |      |       |       |
|      |      |       |       |
|      |      |       |       |
|      |      |       |       |
|      |      |       |       |
|      |      |       |       |
|      |      |       |       |
|      |      |       |       |
|      |      |       |       |
|      |      |       |       |
|      |      |       |       |
|      |      |       |       |
|      |      |       |       |
|      |      |       |       |
|      |      |       |       |
|      |      |       |       |
|      |      |       |       |

8 5/8" 1147/400sx; 4 1/2" 3703/150sx  
 NO DSTS  
 MICT - CO, PF(LANS) 3466-3470, 3366-3367, 3316-3320, PF (ARB) 3610-3616, AC 1250 G, SET PLUG OVER ARB PFS, INJ WELL

INDEPENDENT OIL & GAS SERVICE  
 WICHITA, KANSAS

RECEIVED  
 KANSAS CORPORATION COMMISSION  
 APR 09 2008  
 CONSERVATION DIVISION  
 WICHITA, KS