

JUL 17 2008

CONSERVATION DIVISION  
WICHITA, KS

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>American Energies Corporation</b>		License Number: <b>5399</b>
Operator Address: <b>155 North Market, Suite 710, Wichita, KS 67202</b>		
Contact Person: <b>Alan L. DeGood, President</b>		Phone Number: ( <b>316</b> ) <b>263 - 5785</b>
Lease Name & Well No.: <b>Peters A #1</b>		Pit Location (QQQQ): <i>NE Sec 25</i> <b>S/2 - NW/4 -</b>
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input checked="" type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i> <b>15-113-20232</b>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: <b>80</b> (bbls)	Sec. <b>25</b> Twp. <b>19S</b> R. <b>1W</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <b>1650</b> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <b>990</b> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section <b>McPherson</b> County
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" 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?
Pit dimensions (all but working pits): <b>6</b> Length (feet) <b>10</b> Width (feet) <b>N/A: Steel Pits</b> Depth from ground level to deepest point: <b>4</b> (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 <b>Unknown</b> <sup>1980</sup> feet    Depth of water well <b>Unknown</b> <sup>50</sup> feet		Depth to shallowest fresh water <b>Unknown</b> <sup>21</sup> feet. Source of information: _____ measured    _____ well owner    _____ electric log     KDWR
<b>Emergency, Settling and Burn Pits ONLY:</b> 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		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: <b>Drilling materials, mud</b> Number of working pits to be utilized: <b>1</b> Abandonment procedure: <b>Allow pits to dry and backfill.</b> 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.		
Date: <b>7/16/08</b>		Signature of Applicant or Agent:

<b>KCC OFFICE USE ONLY</b>			
Date Received: <b>7/17/08</b>	Permit Number: <b>15-113-20232</b>	Permit Date: <b>7/17/08</b>	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No