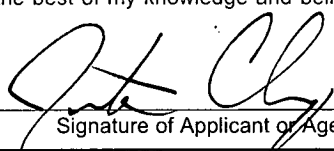


KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
**APPLICATION FOR SURFACE PIT**

Form CDP-1  
April 2004  
Form must be Typed

Submit in Duplicate

Operator Name: <b>Ritchie Exploration, Inc.</b>		License Number: <b>KLN 4767</b>
Operator Address: <b>PO 783188 Wichita, KS 67278-3188</b>		
Contact Person: <b>John Niernberger</b>		Phone Number: ( <b>316</b> ) <b>691 - 9500</b>
Lease Name & Well No.: <b>#3 Steele Trust</b>		Pit Location (QQQQ): <small>190°N 280°W</small> <b>NW - NW - SW</b> Sec. <b>20</b> Twp. <b>27S</b> R. <b>23</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <b>2500</b> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <b>50</b> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section <b>Ford</b> County
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 type="checkbox"/> Proposed <input checked="" type="checkbox"/> Existing If Existing, date constructed: <b>7-25-2006</b> Pit capacity: <b>13,357</b> (bbbls)	
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? <b>Bentonite / Chemical Mud</b>
Pit dimensions (all but working pits): <b>150</b> Length (feet) <b>100</b> Width (feet) _____ N/A: Steel Pits Depth from ground level to deepest point: <b>5</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>3685</b> feet    Depth of water well <b>160</b> feet		Depth to shallowest fresh water <b>20</b> 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>Fresh / Chemical Mud</b> Number of working pits to be utilized: <b>1</b> Abandonment procedure: <b>Haul-Off Fluids, Dry, 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.		
<b>December 28, 2006</b> Date		 Signature of Applicant or Agent
<b>RECEIVED</b> KANSAS CORPORATION COMMISSION <b>DEC 29 2006</b>		
<b>CONSERVATION DIVISION</b> WICHITA, KS		
<b>KCC OFFICE USE ONLY</b>		
Date Received: <b>12/29/06</b> Permit Number: <b>15-057-20579</b> Permit Date: <b>1/5/07</b> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

15-057-20579H



December 28, 2006

RECEIVED  
 KANSAS CORPORATION COMMISSION  
 JAN 05 2007  
 CONSERVATION DIVISION  
 WICHITA, KS

Gene & Bonnie Carson  
 2002 Circle Lake Drive  
 Dodge City, KS 67801

RE: #3 Steele Trust  
 Approx. 625' FSL. & 1,200' FWL.  
 Section 17-27S-23W  
 Ford County, Kansas

Dear Mr. & Mrs. Carson:

The Kansas Corporation Commission requires written approval from landowners for the use of a haul-off surface pit for the temporary storage of drilling fluids from wells drilled on the lands described above. Ritchie agrees to abide by all state requirements, which include timely removal of fluids and restoration of the pit site.

The undersigned hereby grant Ritchie Exploration, Inc. the right to use an existing haul-off surface pit located in the approximate northwest corner of the southwest quarter of Section 20-27S-23W in Ford County, Kansas. This pit will be used for the temporary storage of fluids from the above-captioned well.

Ritchie agrees to compensate the undersigned for said use in the amount of \$1,000.

We thank you for your efforts and assistance in this project, and look forward to a long-standing mutually beneficial relationship.

Sincerely,

John Niernberger  
 Production Manager

ACCEPTED & AGREED TO THIS  
3 DAY OF JAN, 2007

Gene Carson

Bonnie Carson

LRP-1  
Form 88 (producer) Rev. 1-93 (Paid-up)  
Kans. - Old & - Col.

740

OIL AND GAS LEASE

THIS AGREEMENT, Entered into this the 10th day of March 20 04  
between Gene Carson and Bonnie Carson, his wife  
2002 Circle Lake Drive  
Dodge City, Kansas 67801  
and Ritchie Exploration, Inc., Wichita, Kansas

1. That lessor, for and in consideration of the sum of One and More Dollars in hand paid and of the covenants and agreements, hereinafter contained to be performed by the lessee, has this day granted, leased, and let by these presents does hereby grant, lease, and let exclusively unto the lessee the hereinafter described land, with any reversionary rights therein, and with the right to utilize this lease or any part thereof with other oil and gas leases as to all or any part of the lands covered thereby as hereinafter provided, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including some drilling and the drilling, mining, and operating for, producing and saving all of the oil, gas, gas condensate, gas distillate, casinghead gasoline and their respective constituent vapors, and all other gases, found thereon, the exclusive right of injecting water, brine, and other fluids and substances into the subsurface strata, and for constructing roads, laying pipe lines, building tanks, storing oil, building power stations, electrical lines and other structures thereon necessary or convenient for the economical operation of said land alone or conjointly with neighboring lands, to produce, save, take care of, and manufacture all of such substances, and the injection of water, brine, and other substances into the subsurface strata, said tract of land being situated in the County of Ford State of Kansas and described as follows:

Township 27 South, Range 23 West  
Section 20: SW/4

containing 160 acres, more or less.

2. This lease shall remain in force for a term of Three (3) years (called "primary term") and as long thereafter as oil, gas, casinghead gas, casinghead gasoline or any of the products covered by this lease is or can be produced.

3. The lessee shall deliver to lessor as royalty, free of cost, on the lease, or into the pipe line to which lessee may connect its wells the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises, or if the lessee's option may pay to the lessor for such one-eighth (1/8th) royalty the market price of the wellhead for oil of like grade and gravity prevailing on the day such oil is run into the pipe line or into storage tanks.

4. The lessee shall pay to the lessor, as a royalty, one-eighth (1/8th) of the proceeds received by the lessee from the sale of gas, gas condensate, gas distillate, casinghead gas, gas used for the manufacture of gasoline or any other product, and all other gases, including their constituent parts, produced from the land herein leased, if such gas is not sold by the lessee, lessee may pay or tender annually or before the end of each yearly period during which such gas is not sold, as a shut-in royalty, whether one or more wells, an amount equal to one dollar per net mineral acre, and while said shut in royalty is so paid or tendered, it will be considered under all provisions of this lease that gas is being produced in paying quantities. The first yearly period during which such gas is not sold shall begin on the date the first well is completed for production of gas.

5. This lease is a paid-up lease and may be maintained during the primary term without further payments or drilling operations.

6. In the event said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein then the royalties herein provided for shall be paid to said lessor only in the proportion which his interest bears to the whole and undivided fee; however, in the event the title to any interest in said land should revert to lessor, or his heirs, or his or their grantees, this lease shall cover such reversion.

7. The lessee shall have the right to use free of cost, gas, oil and water found on said land for its operations thereon, except water from existing wells of the lessor. When required by lessor, the lessee shall bury its pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to the house or barn on said premises without written consent of the lessor. Lessee shall have the right at any time during, or after the expiration of this lease to remove all machinery, fixtures, houses, buildings and other structures placed on said premises, including the right to drive and remove all casing.

8. If the estate of either party hereto is assigned (and the privilege of assigning in whole or in part is expressly allowed), the covenants hereof shall extend to the heirs, devisees, executors, administrators, successors, and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of lessee, and no change of ownership in the land or in the royalties or any sum due under this lease shall be binding on the lessor until it has been furnished with either the original recorded instrument of conveyance or a duly certified copy thereof, or a certified copy of the will of any deceased owner and of the probate thereof, or certified copy of the proceedings showing the appointment of an administrator for the estate of any deceased owner, whichever is appropriate, together with all original recorded instruments of conveyance or duly certified copies thereof necessary in showing a complete chain of title back to lessor of the full interest claimed, and all advance payments of rentals made hereunder before receipt of said documents shall be binding on any direct or indirect assignee, grantee, devisee, or administrator, executor, or heir of lessor.

9. If the leased premises are now or shall hereafter be owned in severalty or in separate tracts, the premises may nonetheless be developed and operated as one lease, and all royalties accruing hereunder shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligation on this part of the lessee to offset wells on separate tracts into which the land covered by this lease may now or hereafter be divided by sale, devise, descent or otherwise, or to furnish separate measuring or receiving tanks.

10. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the lessee, at its option, may pay and discharge in whole or in part any taxes, mortgages, or other liens existing, levied, or assessed on or against the above described lands and, in the event it exercises such options it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty accruing hereunder.

11. If after the expiration of the primary term, production of oil or gas should cease from any cause, this lease shall not terminate if lessee commences additional drilling or reworking operations within one hundred-twenty (120) days thereafter, or if at the expiration of the primary term, oil or gas is not being produced on said land, but lessee is then engaged in drilling or reworking operations thereon, then in either event, this lease shall remain in force so long as operations are prosecuted either on the same well or any other well thereafter commenced, with no cessation of more than one hundred-twenty (120) consecutive days, and if they result in production of oil or gas, this lease shall remain in effect so long thereafter as there is production of oil or gas under any provisions of this lease.

12. Lessee may at any time surrender or convey this lease in whole or in part by delivering or mailing such release to the lessor, or by placing same of record in the proper county. In case said lease is surrendered and canceled as to only a portion of the acreage covered thereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion conveyed shall cease and determine, but as to the portion of the acreage not released the terms and provisions of this lease shall continue and remain in full force and effect for all purposes.

13. All provisions hereof, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations (and interpretations thereof) of all governmental agencies administering the same, and this lease shall not be in any way terminated wholly or partially nor shall the lessee be liable in damages for failure to comply with any of the express or implied provisions hereof if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof). If lessee should be prevented during the last six months of the primary term hereof from drilling a well hereunder by the order of any constituted authority having jurisdiction thereover, the primary term of this lease shall continue until six months after said order is suspended.

14. Lessee, at its option, is hereby given the right and power to pool or combine into one or more units the land covered by this lease, or any portion thereof, with other land covered by another lease, or leases when, in lessor's judgment, it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of such minerals in and under said land, such pooling to be in a unit or units not exceeding 80 acres each in the event of an oil well, or into a unit or units not exceeding 540 acres each in the event of a gas and/or condensate or distillate well, plus a tolerance of ten percent (10%) to conform to Governmental Survey quarter sections. Lessee shall execute in writing and file for record in the county in which the land is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit or units shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on any part of the pooled acreage it shall be treated as if production is had from this lease whether any well is located on the land covered by the lease or not. Any well drilled on any such unit shall be and constitute a well hereunder. In the event of the royalties otherwise herein specified lessor shall receive on production from the unit so pooled only such portion of the royalty stipulated herein as the amount of his net royalty interest therein on an acreage basis bears to the total mineral acreage so pooled in the particular unit involved.

15. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said lessor and lessee.

See Exhibit "A" attached hereto and made a part hereof.

IN WITNESS WHEREOF, we sign the day and year first above written.

Gene Carson  
Gene Carson  
SS# 45-3-407 76 024

Bonnie Carson  
Bonnie Carson

RECEIVED  
KANSAS CORPORATION COMMISSION  
JAN 05 2007  
CONSERVATION DIVISION  
WICHITA, KS

L188-1  
Form 88 (producers) Rev. 1-83 (hold-up)  
Kans. - Oil & Gas

OIL AND GAS LEASE

746

THIS AGREEMENT, Entered into this the 12th day of March 20 04  
between Esther M. Bamgrover, a widow  
c/o Loren L. Bamgrover, Jr.  
11747 117 Road  
Dodge City, Kansas 67801  
and Thomas Energy, Inc., 209 E. William, Suite 908, Wichita, KS 67202 hereinafter called lessor,  
and hereinafter called lessee, does witness:

1. That lessor, for and in consideration of the sum of One and More Dollars in hand paid and of the covenants and agreements hereinafter contained to be performed by the lessee, has this day granted, leased, and let and by these presents does hereby grant, lease, and let exclusively unto the lessee the hereinafter described land, with any reservations rights therein, and with the right to utilize this lease or any part thereof with other oil and gas leases as to all or any part of the lands covered hereby as hereinafter provided, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including core entry and the drilling, mining, and operating for, producing and saving all of the oil, gas, gas condensate, gas distillate, casinghead gasoline and their respective constituent vapors, and all other gases, found thereon, the exclusive right of injecting water, brine, and other fluids and substances into the subsurface strata, and for constructing roads, laying pipe lines, building tanks, storing oil, building power stations, electrical lines and other structures thereon necessary or convenient for the economical operation of said land alone or conjointly with neighboring lands, to produce, save, take care of, and manufacture all of such substance, and the injection of water, brine, and other substances into the subsurface strata, said tract of land being situated in the County of Ford State of Kansas and described as follows:

RECEIVED  
KANSAS CORPORATION COMMISSION  
JAN 05 2007  
CONSERVATION DIVISION  
WICHITA, KS

All those parts of the SW/4 of Section 17 and the W/2 of Section 20,  
Township 27 South, Range 23 West, lying South of the right-of-way  
of the Dodge Ford & Bucklin Railroad Company

containing 326.00 acres, more or less.

2. This lease shall remain in force for a term of Three (3) years (called "primary term") and as long thereafter as oil, gas, casinghead gas, casinghead gasoline or any of the products covered by this lease is or can be produced.

3. The lessee shall deliver to lessor as royalty, free of cost, on the lease, or into the pipe line to which lessee may connect as wells the equal one-eighth (1/8th) part of all oil produced and saved from the leased premises, or at the lessee's option may pay to the lessor for each one-eighth (1/8th) royalty the market price at the wellhead for all of the gas and gravity prevailing on the day such oil is run into the pipe line or into storage tanks.

4. The lessee shall pay to the lessor, as a royalty, one-eighth (1/8th) of the proceeds received by the lessee from the sale of gas, gas condensate, gas distillate, casinghead gas, gas used for the manufacture of gasoline or any other product, and all other gases, including their constituent parts, produced from the land herein leased. If such gas is not sold by the lessee, lessee may pay or tender directly to or before the end of each yearly period during which such gas is not sold, as a shut in royalty, whether one or more wells, an amount equal to one dollar per net mineral acre, and when said shut in royalty is so paid or tendered, it will be considered under all provisions of this lease that gas is being produced (if paying quantities) the first yearly period during which such gas is not sold shall begin on the date the first well is completed for production of gas.

5. This lease is a paid up lease and may be maintained during the primary term without further payments or drilling operations.

6. In the event said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein then the royalties herein provided for shall be paid to said lessor only in the proportion which his interest bears to the whole and undivided fee; however, in the event the title to any interest in said land should revert to lessor, or his heirs, or his or their grantees, this lease shall cover such reversion.

7. The lessee shall have the right to use hook or coat, gas, oil and water found on said land for its operations thereon, except water from existing wells of the lessor. When required by lessor, the lessee shall bury its pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the lessor. Lessee shall have the right at any time during, or after the completion of this lease to remove all machinery, fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.

8. If the estate or other party hereto is assigned (and the privilege of assigning in whole or in part is expressly allowed), the covenants hereof shall extend to the heirs, devisees, executors, administrators, successors, and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of lessor, and no change or division in ownership in the land or in the royalties or any sum due under this lease shall be binding on the owner and of the probate thereof, or without a copy of the proceedings showing the appointment of an administrator for the estate of any deceased owner, whichever is full interest claimed, and all advance payments of rentals made hereunder before receipt of said documents shall be binding on any direct or indirect assignee, grantee, devisee, or administrator, executor, or heir of lessor.

9. If the leased premises are now or shall hereafter be owned in severally or in separate tracts, the premises may nonetheless be developed and operated as one lease, and all royalties accruing hereunder shall be divided among and paid to each separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligation on the part of the lessee to offset wells on separate tracts into which the land covered by this lease may now or hereafter be divided by sale, devise, descent or otherwise, or to furnish separate measuring or receiving tanks.

10. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the lessee, at its option, may pay and discharge in whole or in part any taxes, mortgages, or other liens existing, levied, or assessed on or against the above described lands and, in the event it exercises such options it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty accruing hereunder.

11. If after the expiration of the primary term, production of oil or gas should cease from any cause, this lease shall not terminate if lessee commences additional drilling or reworking operations within one hundred-seventy (170) days thereafter, or if at the expiration of the primary term, oil or gas is not being produced on said land, but lessee is engaged in drilling or reworking operations thereon, then in either event, this lease shall remain in force so long as operations are prosecuted either on the same well or any other well thereafter commenced, with no cessation of more than one hundred twenty (120) consecutive days, and if they result in production of oil or gas, this lease shall remain in effect so long thereafter as there is production of oil or gas under any provisions of this lease.

12. Lessee may at any time surrender or cancel this lease in whole or in part by delivering or mailing such release to the lessor, or by placing same of record in the proper county. In case said lease is surrendered and canceled as to only a portion of the acreage covered thereby, then all payments and liabilities hereafter accruing under the terms of said lease as to the portion canceled shall cease and determine, but as to the portion of the acreage not released the terms and provisions of this lease shall continue and remain in full force and effect for all purposes.

13. All provisions hereof, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations (and interpretations thereof) of all governmental agencies administering the same, and this lease shall not be in any way terminated wholly or partially nor shall the lessee be liable in damages for failure to comply with any of the express or implied provisions hereof if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof). If lessee should be prevented during the last six months of the primary term from drilling a well hereunder by the order of any constituted authority having jurisdiction thereover, the primary term of this lease shall continue until six months after said order is suspended.

14. Lessee, at its option, is hereby given the right and power to pool or combine into one or more units the land covered by this lease, or any portion thereof, with other land covered by another lease, or leases when, in lessee's judgment, it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of such minerals in and under said land, such pooling to be in a unit or units not exceeding 80 acres each in the event of an oil well, or into a unit or units not exceeding 540 acres each in the event of a gas or gas condensate or distillate well, plus a tolerance of ten percent (10%) to conform to Governmental Survey quarter sections. Lessee shall execute in writing and file for record in the county in which the land is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit or units shall be treated for all purposes, except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on any part of the pooled acreage it shall be treated as if production is had from this lease whether any well is located on the land covered by this lease or not. Any well drilled on any such unit shall be considered a well hereunder. In lieu of the royalties elsewhere herein specified lessor shall receive on mineral acreage so pooled only such portion of the royalty stipulated herein as the amount of his net royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

15. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said lessor and lessee

IN WITNESS WHEREOF, we sign the day and year first above written

SS# 512-50-2825

*Esther M. Bamgrover*  
Esther M. Bamgrover



# KANSAS

## CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

BRIAN J. MOLINE, CHAIR

ROBERT E. KREHBIEL, COMMISSIONER

MICHAEL C. MOFFET, COMMISSIONER

January 5, 2007

Mr. John Niernberger  
Ritchie Exploration, Inc.  
PO Box 783188  
Wichita, KS 67278-3188

RE: Haul-Off Pit Application  
Steele Trust Lease Well No. 3  
SW/4 Sec. 20-27S-23W  
Ford County, Kansas

Dear Mr. Niernberger:

District staff has inspected the above referenced location and has determined that the haul-off pit shall be constructed **without slots**, the bottom shall be flat and reasonably level, and 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 as soon as practical after drilling operations have ceased.

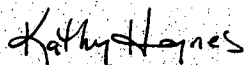
**If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.**

The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 when the fluids have been removed. Please file form CDP-5 (August 2004), 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: [www.kcc.state.ks.us/conservation/forms](http://www.kcc.state.ks.us/conservation/forms).

**A copy of this letter should be posted in the doghouse along with the approved Intent to Drill.**

If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,



Kathy Haynes  
Environmental Protection and Remediation Department

cc: S Durrant

**KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
CLOSURE OF SURFACE PIT**

Form CDP-4  
April 2004  
Form must be Typed

Operator Name: <b>Ritchie Exploration, Inc.</b>	License Number: <b>4767</b>
Operator Address: <b>PO Box 783188</b>	
Contact Person: <b>John Niernberger</b>	Phone Number: ( <b>316</b> ) <b>691 - 9500</b>
Permit Number (API No. if applicable): <b>15-057-20579-00-00</b>	Lease Name & Well No.: <b>Steele Trust #3</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 type="checkbox"/> Workover Pit <input checked="" type="checkbox"/> Haul-Off Pit	Pit Location (QQQQ): <small>190°N 280°W</small> <u>  </u> <b>NW</b> <u>  </u> <b>NW</b> <u>  </u> <b>SW</b> Sec. <u>  </u> <b>20</b> Twp. <u>  </u> <b>27S</b> R. <u>  </u> <b>23</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>  </u> <b>2500</b> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <u>  </u> <b>50</b> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section <u>  </u> <b>Ford</b> County

Date of closure:    **7/11/07**   

Was an artificial liner used?     Yes     No

If no, how were the sides and bottom sealed to prevent downward migration of the pit contents?  
**Native muds and clays.**

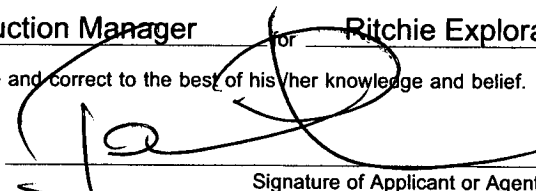
Abandonment procedure of pit:  
**Backfilled and leveled as close as possible to it's natural state.**

**RECEIVED**  
KANSAS CORPORATION COMMISSION

**AUG 30 2007**

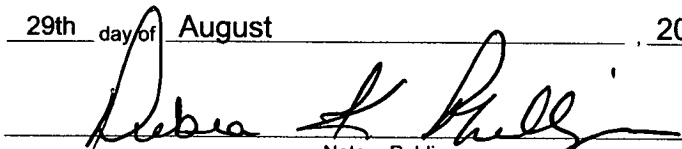
CONSERVATION DIVISION  
WICHITA, KS

The undersigned hereby certifies that he / she is    **Production Manager**    for    **Ritchie Exploration, Inc.**    (Co.),  
 a duly authorized agent, that all information shown hereon is true and correct to the best of his / her knowledge and belief.

  
 \_\_\_\_\_  
 Signature of Applicant or Agent

Subscribed and sworn to me on this    **29th**    day of    **August**   ,    **2007**   

**DEBRA K. PHILLIPS**  
Notary Public - State of Kansas  
My Appt. Expires **5-4-11**

  
 \_\_\_\_\_  
 Notary Public

My Commission Expires:    **5/4/11**