

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form OGF-1
April 2004
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: American Energies Corporation		License Number: 5399 ✓	
Operator Address: 155 N Market, Ste 710		Wichita KS 67202	
Contact Person: Mindy Wooten		Phone Number: 316-263-5785	
Lease Name & Well No.: Dugan A2		Pit Location (QQQQ): W2 - W2 - W2 - SE Sec. 33 Twp. 16 R. 21 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1,320 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 2,410 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Ness 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 checked="" type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit (If WP Supply API No. or Year Drilled) 15-135-23243		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 80 _____ (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? Chemical Mud			
Pit dimensions (all but working pits): 80 Length (feet) 20 Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: 4 (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. Visual monitoring	
Distance to nearest water well within one-mile of pit 1182 feet Depth of water well 40 feet		Depth to shallowest fresh water 32 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: Chemical mud Number of working pits to be utilized: 1 Abandonment procedure: Evaporation/ return location to original condition 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.		RECEIVED KANSAS CORPORATION COMMISSION JUN 10 2008 CONSERVATION DIVISION WICHITA, KS	
Date: 6/9/08		Signature of Applicant or Agent: <i>[Signature]</i>	
KCC OFFICE USE ONLY			
Date Received: 6/10/08		Steel Pit <input type="checkbox"/> RFAC <input checked="" type="checkbox"/> RFAS <input type="checkbox"/> <i>Linee - RFAC</i>	
Permit Number: 15-135-23243-0000		Permit Date: 6/11/08 Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

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



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

June 11, 2008

American Energies Corporation
155 N. Market Ste 710
Wichita, KS 67202

Re: Workover Pit Application
Dugan A Lease Well No. 2
SE/4 Sec. 33-16S-21W
Ness County, Kansas

Dear Sir or Madam:

District staff has reviewed the above referenced location and has determined the pit must be lined and fluids removed after completion. A plastic liner with the minimum thickness of 6 mil is to be used. Integrity of the liner must be maintained at all times. The fluids must be removed after the workover operations have ceased.

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, 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

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

Sincerely,

A handwritten signature in black ink that reads "Kathy Haynes".

Kathy Haynes
Department of Environmental Protection and Remediation

Cc: district