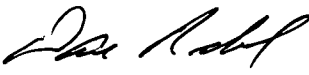


**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT**

Form CDP-1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name: INVESTMENT EQUIPMENT LLC		License Number: 33764
Operator Address: 17509 COUNTY ROAD 14, FORT MORGAN, CO 80701		
Contact Person: DAVE REBOL		Phone Number: (970) 867-9007
Lease Name & Well No.: SHEPARD "I" # 3		Pit Location (QQQQ): C . SE . SW . SE Sec. 22 Twp. 10 R. 18 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 330 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 1,650 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section ROOKS 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 <small>(If WP Supply API No. or Year Drilled)</small> 15-163-01876	Pit is: <input type="checkbox"/> Proposed <input checked="" type="checkbox"/> Existing If Existing, date constructed: 06-02-2008 (Verbal ap) Pit capacity: 80 (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: <u>NA</u> 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No	How is the pit lined if a plastic liner is not used? PLASTIC LINER USED
Pit dimensions (all but working pits): <u>8</u> Length (feet) <u>8</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>8</u> (feet) <input type="checkbox"/> No Pit		
If the pit is lined give a brief description of the liner material, thickness and installation procedure. Heavy, continuous, construction 6 mill plastic liner laid into bottom of pit and anchored around perimeter with removed soil.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. Liner inspected for damage and correct placement. Fluid level monitored to determine if pit is leaking.
Distance to nearest water well within one-mile of pit <u>4912</u> feet Depth of water well <u>30</u> feet		Depth to shallowest fresh water <u>30</u> ¹⁵ feet. Source of information: <input checked="" 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: <u>WATER AND MUD</u> Number of working pits to be utilized: <u>ONE</u> Abandonment procedure: <u>Remove fluids & solids, properly dispose, back fill with original removed soil, restore location.</u> 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.		
<u>06-04-2008</u> Date	 Signature of Applicant or Agent	RECEIVED KANSAS CORPORATION COMMISSION JUN 09 2008 CONSERVATION DIVISION WICHITA, KS

KCC OFFICE USE ONLY		Steel Pit <input type="checkbox"/>	RFAC <input type="checkbox"/>	RFAS <input type="checkbox"/>
Date Received: <u>6/9/08</u>	Permit Number: <u>15-163-01876-0000</u>	Permit Date: <u>6/10/08</u>	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	-DIST