

KCC District #2

Wichita State Office Bldg.
130 S. Market, Room 2125
Wichita, KS 67202

15-169-20002-0000

**WORKOVER PIT APPLICATION
VERBAL AUTHORIZATION**

DATE: 10-2-07 TIME: 12:52
OPERATOR: Navy Oil & Gas CONTACT PERSON: Mike Navy
LEASE NAME: Castle "B" #1
C SE - NW SEC. 24 TWP. 15 RANGE 3 EW COUNTY: SA

CONSTRUCTION:
SIZE: WIDTH 8 LENGTH 10 DEPTH 4'
ESTIMATED CAPACITY 80 BBLs

EST. DEPTH TO GROUNDWATER (if known): NA
TYPE OF FLUID: Saltwater Workover Fluids
 Cement Drilling Mud/Cuttings

DOES OPERATOR PLAN TO LINE PIT: YES NO
ESTIMATED TIME BEFORE PIT WILL BE CLOSED: 21 Days
ANY KNOWN WATER WELLS WITHIN 1/4 MILE OF PIT: YES NO

RECEIVED
KANSAS CORPORATION COMMISSION
OCT 02 2007
CONSERVATION DIVISION
WICHITA, KS

K.C.C. INFORMATION: IS PIT IN SGA? YES NO

- K.C.C. DISTRICT #2 RECOMMENDATION (Check One):
- 1. Authorization granted with no liner.
 - 2. Authorization granted, if pit is lined.
 - 3. Authorization granted, no liner necessary, but free fluids must be removed within _____ hours of completion of workover/plugging operations.
 - 4. No verbal authorization will be given without on-site inspection.

*Remind operator that pit permit form must be filed within five (5) days after verbal authorization.

RESULTS OF INSPECTION:

Michael Wilson Agent Date 10-2-07

cc: JONELLE RAINS

15-169-20002-0000



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

October 12, 2007

Novy Oil & Gas, Inc.
125 N Market Ste 1230
Wichita, KS 67202-1712

RE: Verbal on Workover Pit
Carlin B #1 Lease
NW/4 Sec. 24-15S-03W
Saline County, Kansas

Dear Sir or Madam:

According to our files we do not have an application for the above referenced workover pit, district staff gave verbal approval on 10/02/2007. According to K.A.R. 82-600(b) workover pits may be permitted through verbal authorization from the appropriate district office subject to the filing of a surface pond application within five days after the verbal authorization.

Please complete surface pond application form (CDP-1) and return to this office within 14 days of the date of this letter. If this pit has been closed please complete the closure of surface pit form (CDP-4). 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 please feel free to call me at (316) 337-6243.

Sincerely,

Kathy Haynes
Environmental Protection and Remediation Department