

15-113-20724-0000



KANSAS CORPORATION COMMISSION 1049081
OIL & GAS CONSERVATION DIVISION

Form CDP-1
May 2010
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: Karen Houseberg | | Phone Number: 316-263-5785 | |
| Lease Name & Well No.: PEEL 1 | | Pit Location (QQQQ): SE SW NE | |
| 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> 15-113-20724-00-00 | | Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 60 _____ (bbls) | |
| Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" 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? natural clay in soil | | | |
| Pit dimensions (all but working pits): 20 _____ 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. | |
| Distance to nearest water well within one-mile of pit: 636 _____ feet Depth of water well 56 _____ feet | | Depth to shallowest fresh water 13 _____ 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: drilling mud Number of working pits to be utilized: 1 Abandonment procedure: restore location to original condition _____ Drill pits must be closed within 365 days of spud date. | |
| Submitted Electronically | | | |

| | | | |
|----------------------------|-----------------------------------|-------------------------|---|
| KCC OFFICE USE ONLY | | | |
| Date Received: 01/07/2011 | Permit Number: 15-113-20724-00-00 | Permit Date: 01/07/2011 | Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

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

**WORKOVER PIT APPLICATION
VERBAL AUTHORIZATION**

DATE: 1/17/10 TIME: 10:10
OPERATOR: American Energies CONTACT PERSON: Kathy?
LEASE NAME: Peel
NE SEC. 11 TWP. 19 RANGE 24E COUNTY: MH

CONSTRUCTION:

SIZE: WIDTH 20 LENGTH 20 DEPTH 4'
ESTIMATED CAPACITY 60 BBLs

EST. DEPTH TO GROUNDWATER (if known): 21'
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: 7 Days
ANY KNOWN WATER WELLS WITHIN 1/4 MILE OF PIT: YES NO

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:

KGS show 13' clay in section
& water @ 21'

[Signature] Agent Date 1/17/11