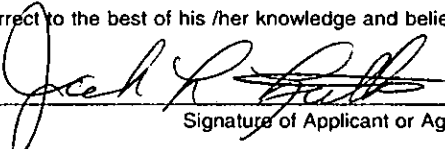
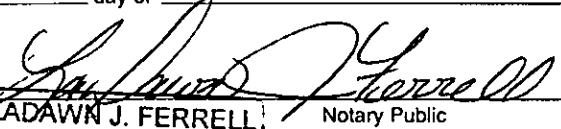
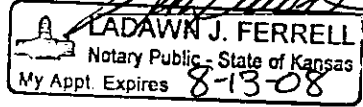


KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
CLOSURE OF SURFACE PIT

Form CDP-4  
April 2004  
Form must be Typed

Operator Name: K C Resources Inc.		License Number: 3880	
Operator Address: P O Box 6749, Snowmass Village, CO 81615			
Contact Person: Jack Luthi		Phone Number: ( 620 ) 770 - 2375	
Permit Number (API No. if applicable): 15-09517621 - 0000		Lease Name & Well No.: CBU - 1	
<p>Type of Pit:</p> <p><input type="checkbox"/> Emergency Pit      <input type="checkbox"/> Burn Pit</p> <p><input type="checkbox"/> Settling Pit      <input type="checkbox"/> Drilling Pit</p> <p><input checked="" type="checkbox"/> Workover Pit      <input type="checkbox"/> Haul-Off Pit</p>		<p>Pit Location (QQQQ):</p> <p>NE . SE . SW .</p> <p>Sec. 19 Twp. 27S R. 10      <input type="checkbox"/> East <input checked="" type="checkbox"/> West</p> <p>1320 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section</p> <p>2200 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section</p> <p>Kingman County</p>	
<p>Date of closure: 2/10/07</p> <p>Was an artificial liner used? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If no, how were the sides and bottom sealed to prevent downward migration of the pit contents?</p> <p>Abandonment procedure of pit: Haul off water, let pit dry and cover</p>			
<p>The undersigned hereby certifies that he / she is Jack Luthi for KC Resources Inc. (Co.), a duly authorized agent, that all information shown hereon is true and correct to the best of his /her knowledge and belief.</p> <p> Signature of Applicant or Agent</p> <p>Subscribed and sworn to me on this 05 day of March, 2007</p> <p> Notary Public</p> <p>My Commission Expires: 8-13-08</p> <p></p>			

15-095-176210000

RECEIVED

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

MAR 06 2007

KCC WICHITA

FEB 02 2007

CONSERVATION DIVISION  
WICHITA, KS

**WORKOVER PIT APPLICATION  
VERBAL AUTHORIZATION**

DATE: 2/2/07

TIME: 12:45

OPERATOR: KC Resources

CONTACT PERSON: Jack Lester

LEASE NAME: Craig CBH-T

W/2 W2 SE SEC. 30 TWP. 27 RANGE 10 E W COUNTY: Kingman

CONSTRUCTION:

SIZE: WIDTH 8 LENGTH 12 DEPTH 3  
ESTIMATED CAPACITY 45 BBLs

EST. DEPTH TO GROUNDWATER (if known):

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: 5 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:

J. C.

Agent

Date 2-2-07

cc: JONELLE RAINS

# KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR

BRIAN J. MOLINE, CHAIR

ROBERT E. KREHBIEL, COMMISSIONER

MICHAEL C. MOFFET, COMMISSIONER

February 23, 2007

KC Resources, Inc.  
Dba Crystal River  
PO Box 6749  
Snowmass Village, CO 81615

RE: Verbal on Workover Pit  
Cunningham Lease Well No. CBU-1  
SE/4 Sec. 30-27S-10W  
Kingman County, Kansas

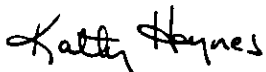
Dear Sir or Madam:

According to our files we do not have an application for the above referenced workover pit, district staff gave verbal approval on 02/02/2007. 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](http://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  
Department of Environmental Protection and Remediation