

15-065-01581-0000

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, COLORADO 80701			
Contact Person: DAVE REBOL		Phone Number: (970) 867 - 9007	
Lease Name & Well No.: RICE # 3		Pit Location (QQQQ): _____ N/2 _____ N/2 _____ NE Sec. 35 Twp. 09 S R. 23 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 4950 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 1320 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section GRAHAM 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>	Pit is: <input type="checkbox"/> Proposed <input checked="" type="checkbox"/> Existing If Existing, date constructed: 02-28-2007 (VERBAL APP.) Pit capacity: _____ 80 _____ (bbbls)		
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 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): _____ 10 _____ Length (feet) _____ 8 _____ Width (feet) _____ N/A : Steel Pits Depth from ground level to deepest point: _____ 8 _____ (feet)			
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 dirt.		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 <input checked="" type="checkbox"/> 1221 feet Depth of water well _____ 100 feet		Depth to shallowest fresh water _____ 96 feet. Source of information: <input checked="" type="checkbox"/> measured _____ well owner _____ electric log _____ 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: _____ Water and mud _____ Number of working pits to be utilized: _____ One _____ Abandonment procedure: Remove fluids and properly dispose, pull plastic liner, back fill pit with original removed dirt, restore location. 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. _____ 03-20-2007 _____ Date		<p style="text-align: right;">RECEIVED KANSAS CORPORATION COMMISSION MAR 22 2007</p> <p style="text-align: center;"><i>Dave Rebol</i> Signature of Applicant or Agent</p> <p style="text-align: right;">CONSERVATION DIVISION WICHITA, KS</p>	
KCC OFFICE USE ONLY			
Date Received: <u>3/22/07</u> Permit Number: <u>15-065-01581-0000</u> Permit Date: <u>2/28/07</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

15-065-01581

Operator & Address: Investment Equipment LLC
 Lic.# 33764 Contact Person: Bob Allen Phone # _____
 Lease Name & Well # Rice #3 API # or Spud Date: 065-01581-00-00
 Location: N/2-N/2-NE/4 Sec: 35 Twp: 9 Rge: 23 E 14 County: Graham
4950 feet from the North 1/8 Line, 1320 feet from the East West Line of SE 1/4 section.
 Purpose of Pit: Plugging well Depth to Ground Water: _____
 Nature of Fluids: Brine, Crude oil, cement
 Construction: Earth, Width: 8, Length: 10, Depth: 8 bbl capacity: 80
 Liner Specifications: Plastic
 This lease produces from the following formation(s): LKC
 Date of Verbal Permit: 2-28-07, KCC Agent: Richard Williams
 To save paperwork, copy this form after completion of the first 11 lines. Use copy for closure form.
 Dates Pit Used: From 2-28-07 To 3-15-07 Date Water Hauled: _____
 Proposed Closing Procedure / Actual Closure information: _____

Pit must be closed in _____ days. _____ (signature) _____ (date)
 ***** KCC USE ONLY *****
 Groundwater Sensitive Area YES () NO (); Field Inspection Date: _____, Agent: _____
 Chloride of Water in Pit: _____, Date Collected: _____
 _____ feet to nearest Water Well. Depth of Water Well: _____, Application Tabulated

D. G. HANSEN #3 RICE 35-9-23W
Contr. C-G DRILLING GRAHAM County
E 2388RB Comm. 3/2/63 Comp. 5/29/63 IP PMP 90 BOPD, 20% WTR
GR 40/LANS 3761 1/2-3844

LOG Tops	Depth	Datum
*ANH	1962	+426
*TOP	3425	-1037
HEEB	3645	-1254
TOR	3670	-1279
LANS	3682	-1291
B/KC	3908	-1516
LTD	3912	-1523

Casing
 8" 204/140 SX:
 5" 3910/150 SX:
 DST 3706-18/1 HR, GB, 60' GIP,
 1220' SG & OCSW, BHP 730-669#/
 20", FP 23-581#:
 DST 3718-35/30", WB/7", 15' M, BHP
 730-677#/20", FP 23-31#:
 DST 3748-68/1 HR, GB, 720' GIP, 85'
 MCO, 270' O, 60' SW, BHP 487-
 463#/20", FP 70-180#:
 DST 3828-46/1 HR, GB, 600' GIP,
 140' HG & MCO, 60' GSY O, BHP
 864-408#, FP 39-94#:
 VESPER DST 3844-66/30", WB/5",
 5' M, BHP 47-39#/20",
 FP 23-31#:
 DST 3859-86/30", WB/5"
 5' M, O/SPECS, BHP 809-
 157#/20", FP 23-31#:
 (OVER)

INDEPENDENT OIL & GAS SERVICE
 WICHITA, KANSAS

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 KANSAS CORPORATION COMMISSION
 MAR 01 2007
 CONSERVATION DIVISION
 WICHITA, KS

KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR
BRIAN J. MOLINE, CHAIR
ROBERT E. KREHBIEL, COMMISSIONER
MICHAEL C. MOFFET, COMMISSIONER

March 15, 2007

Investment Equipment, LLC
17509 County Rd 14
Fort Morgan, CO 80701

RE: Verbal on Workover Pit
Rice Lease Well No. 3
NE/4 Sec. 35-09S-23W
Graham County, Kansas

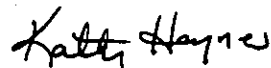
Dear Sir or Madam:

According to our files we do not have an application for the above referenced workover pit, district staff gave verbal approval on 02/28/2007. 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
Department of Environmental Protection and Remediation

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

Form CDP-4
April 2004
Form must be Typed

Operator Name: INVESTMENT EQUIPMENT LLC	License Number: 33764
Operator Address: 17509 COUNTY ROAD 14, FORT MORGAN, COLORADO 80701	
Contact Person: DAVE REBOL	Phone Number: (970) 867 - 9007

Permit Number (API No. if applicable): API # 15-065-01581 6000	Lease Name & Well No.: RICE # 3
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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	Pit Location (QQQQ): <u> </u> <u> </u> <u> </u> <u> </u> N/2 N/2 NE Sec. <u>35</u> Twp. <u>9S</u> R. <u>23</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>4950</u> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <u>1320</u> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section GRAHAM County
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Date of closure: 06-19-2007 (FINAL RESTORATION)

Was an artificial liner used? Yes No

If no, how were the sides and bottom sealed to prevent downward migration of the pit contents?

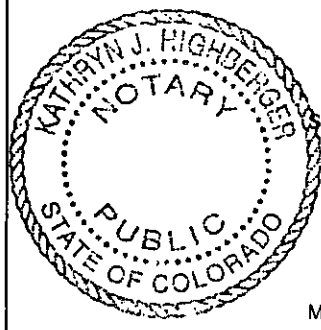
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AUG 20 2007
CONSERVATION DIVISION
WICHITA, KS**

Abandonment procedure of pit:
**REMOVE FLUIDS AND PROPERLY DISPOSE.
PULL PLASTIC LINER AND TRANSPORT OFF LOCATION.
BACK FILL PIT WITH DIRT REMOVED FOR PIT CONSTRUCTION.
RESTORE PIT AREA GROUNDS AND SURFACE TO PRE-CONSTRUCTION CONDITION.**

The undersigned hereby certifies that he / she is MANAGING MEMBER for INVESTMENT EQUIPMENT LLC (Co.), a duly authorized agent, that all information shown hereon is true and correct to the best of his /her knowledge and belief.

(Signature)

Signature of Applicant or Agent



Subscribed and sworn to me on this 16th day of August, 2007

(Signature)

Notary Public

My Commission Expires: Feb. 1, 2008

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form CDP-5
August 2004
Form must be Typed

EXPLORATION & PRODUCTION WASTE TRANSFER

07

Operator Name: INVESTMENT EQUIPMENT LLC		License Number: 33764	
Operator Address: 17509 COUNTY ROAD 14, FORT MORGAN, COLORADO 80701			
Contact Person: DAVE REBOL		Phone Number: (970) 867 - 9007	
Permit Number (API No. if applicable): API # 15-065-015816060		Lease Name: RICE	
Source of Waste:		Well Number: RICE # 3	
<input type="checkbox"/> Dike <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Workover Pit <input type="checkbox"/> Drilling Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Haul-off Pit <input type="checkbox"/> Steel Pit <input type="checkbox"/> Spill / Escape		Source Location (QQQQ): - N/2 - N/2 - NE Sec. 35 Twp. 9S R. 23 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 4950 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 1320 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section GRAHAM County	
Type of waste to be disposed: <input type="checkbox"/> Fluid <input type="checkbox"/> Soil <input type="checkbox"/> Mud / Cuttings <input checked="" type="checkbox"/> Other: WATER			
Amount of waste: _____ No. of loads 80 Barrels _____ Tons _____ YDS			
Destination of waste: <input type="checkbox"/> Reserve Pit <input checked="" type="checkbox"/> Disposal Well <input type="checkbox"/> Lease Road <input type="checkbox"/> Dike / Berm <input type="checkbox"/> Other: _____			
If waste is transferred to another reserve pit, is the lease active? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Location of waste disposal:		Date of Waste Transfer: 04-25-2007	
Operator Name: INVESTMENT EQUIPMENT LLC		License No.: 33764	
Lease Name: SPARKS (SPARKS # 3 SWD)		Sec. 26 Twp. 9S R. 23 <input type="checkbox"/> East <input checked="" type="checkbox"/> West	
Docket No.: D-10168		County: GRAHAM	

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KANSAS CORPORATION COMMISSION

AUG 20 2007

CONSERVATION DIVISION
WICHITA, KS

The undersigned hereby certifies that he / she is MANAGING MEMBER
for INVESTMENT EQUIPMENT LLC (Co.), a duly authorized agent, that all information shown hereon is true
and correct to the best of his / her knowledge and belief.
Subscribed and sworn to before me on this 16th day of August, 2007.
My Commission Expires: Feb. 1, 2008

[Signature]
Agent Signature

[Signature]
Kathryn J. Highberger
Notary Public

