KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

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1056028

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: Mindy Wooten			Phone Number:	316-263-5785		
Lease Name & Well No.: PAUL G SCHRAG 1			Pit Location (QQQQ):			
Type of Pit: Emergency Pit Burn Pit Settling Pit Drilling Pit Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled) 15-079-20211-00-00 Is the pit located in a Sensitive Ground Water A Is the bottom below ground level? Yes No	Artificial Liner? X Yes No		Sec. 6 Twp. 22 R. 2 East X West 2310 Feet from North / X South Line of Section 330 Feet from East / X West Line of Section Harvey County Chloride concentration: mg/l (For Emergency Pits and Settling Pits only) How is the pit lined if a plastic liner is not used?			
Pit dimensions (all but working pits): Depth from ground level to deepest point: Depth from ground level to deepest point: Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. Visual monitoring for integrity of plastic liner.					Pits	
Distance to nearest water well within one-mile of pit: 2706		Depth to shallowest fresh water35 feet. Source of information: measured well owner electric logX KDWR Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: fluids and materials used in plugging procedures. Number of working pits to be utilized: 1 Remove all fluids and take to approved disposal well. Abandonment procedure: Remove liner, backfill location and return to original condition. Drill pits must be closed within 365 days of spud date.				
KCC OFFICE USE ONLY Image: Steel Pit Image: Ste						

Conservation Division Finney State Office Building 130 S. Market, Rm. 2078 Wichita, KS 67202-3802



phone: 316-337-6200 fax: 316-337-6211 http://kcc.ks.gov/

Thomas E. Wright, Chairman Ward Loyd, Commissioner

Corporation Commission

Sam Brownback, Governor

May 24, 2011

Mindy Wooten
American Energies Corporation
155 N MARKET STE 710
WICHITA, KS 67202-1821

Re: Drilling Pit Application
PAUL G SCHRAG 1
Sec.06-22S-02W
Harvey County, Kansas

Dear Mindy Wooten:

District staff has inspected the location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has recommended that the Workover pit be lined. If a plastic liner is to be used it must have a minimum thickness of 10 mil. Integrity of the liner must be maintained at all times.

NO completion fluids or non-exempt wastes shall be placed in the Workover pit.

The free fluids in the Workover pit should be removed as soon as practical after drilling operations have ceased. The fluids should be taken to an authorized disposal well. Please call the District Office at (316) 630-4000 when the fluids have been removed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, through KOLAR within 30 days of fluid removal.

If you have any questions or concerns please feel free to contact the District Office at (316) 630-4000.