



Date: January 6, 2012

Address: Source Energy Partners Inc.
1805 Shea Center Drive, Suite. 100
Highlands Ranch, Co 80129

Subject: Fresh Water Impoundment for Homer 7-11-7-14 H Well.

Dear: Kathy Haynes

Source Energy Midcon LLC will be including a fresh water impoundment with the Notice of Intent to Drill for the Homer 7-11-7-14 H well. This Impoundment will be located on our surface with in the NE NW NE NW Sec 7, Township 33S, Range 2E, 143' FNL and 1797' FWL.

Pit Dimensions:

Length: 400'

Width: 200'

Depth from Ground Level to Deepest Point: 3'

Pit Capacity: 100,000 (bbls)

Description of pit:

Fresh water impoundment will be built with slopes of a 1:3 ratio and are lined with sand or native material to prevent punctures to the liner from rocks or debris on the slopes. The pit will be lined with a 40mm liner and is ordered to fit the constructed size of the pit. The berms going around the pit will be roughly 4 foot tall giving the total depth of the pit 7 foot.

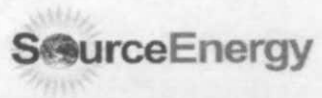
Source will continue to use this pit until no longer needed. At that point Source will reclaim as per KCC rules and regulations. This pit is not to be used for anything but the holding of fresh water. No fluids will be produced into the impoundment upon drilling operations.

Best Regards,

Jeff Dolan

Engineering Technician
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#15-191-22640-01-00



Sec. 7 Twn. 33 S Rng. 2E

Date: 01-06-2012

Source Energy Midcon Proposed Fresh Water Impoundment Map Relative to New Homer 7-11-7-14 H Well

