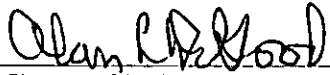


15-113-21297-0000

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT

Form CDP-1
May 2010
Form must be Typed

Submit in Duplicate

Operator Name: American Energies Corporation		License Number: 5399	
Operator Address: 155 North Market, Suite 710			
Contact Person: Mindy Wooten, Production Manager		Phone Number: 316-263-5785	
Lease Name & Well No.: Graber A1		Pit Location (QQQQ): C - SE - SW -	
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> 15-113-21297 - 0000		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 80 _____ (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input checked="" 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 and soil.			
Pit dimensions (all but working pits): 6 Length (feet) 10 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: 1062 feet Depth of water well 82 feet		Depth to shallowest fresh water 32 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: Fluid from Plugging Operations. Number of working pits to be utilized: 1 Abandonment procedure: Allow location to dry, backfill and return to original condition. 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.			
3/16/11 Date		 Signature of Applicant or Agent	

KCC OFFICE USE ONLY			
Date Received: 3/17/11	Permit Number: 15-113-21297	Permit Date: 3/24/11	Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		<input checked="" type="checkbox"/> Liner <input type="checkbox"/> Steel Pit <input checked="" type="checkbox"/> RFAC <input type="checkbox"/> RFAS	

RECEIVED
MAR 17 2011

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

AW's well for City of Boardridge loc 3651' away in SE/4 33-21-2E

KCC WICHITA

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

March 24, 2011

Mindy Wooten
American Energies Corporation
155 North Market, Ste 710
Wichita KS 67207

Re: Workover Pit Application
Graber Lease Well No. A1
SW/4 34-21S-02W
McPherson County, Kansas

Dear Ms. Wooten:

District staff has inspected the location and has determined that an unsealed condition will present a pollution threat to water resources. A public water supply well for the City of Moundridge is located within 1 mile of the referenced location.

District staff has recommended that the workover pit be lined with plastic. The plastic liner must have a minimum thickness of 6 mil. Integrity of the liner must be maintained at all times.

The free fluids in the workover pit should be removed as soon as practical after workover 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, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: <http://kcc.ks.gov/conservation/forms/>

The workover pit should be closed as soon as possible.

If you have any questions or concerns please feel free to contact Jonelle Rains at the above address.