

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

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: 316-201-1134 |
| Lease Name & Well No.: ORLANDO UNRUH B1 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) 15-113-20295-00-01 Is the pit located in a Sensitive Ground Water A | Pit is: X Proposed If Existing, date core Pit capacity: 80 Artificial Liner? | Existing Instructed: (bbls) | NE SW SE Sec. 23 Twp. 21 R. 2 East West 990 Feet from North / South Line of Section 1650 Feet from East / West Line of Section McPherson County Chloride concentration: mg/l (For Emergency Pits and Settling Pits only) How is the pit lined if a plastic liner is not used? |
| X Yes No Pit dimensions (all but working pits): | X Yes No | | Width (feet) N/A: Steel Pits |
| material, thickness and installation procedure. | | liner integrity, in | edures for periodic maintenance and determining including any special monitoring. nitoring for integrity of liner. |
| Distance to nearest water well within one-mile of pit: | | Depth to shallowest fresh water feet. Source of information: measured well owner electric log KDWR Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: 1 Abandonment procedure: Remove fluids, remove liner, backfill pit and restore location to natural condition. Drill pits must be closed within 365 days of spud date. | |
| CC OFFICE USE ONLY X Liner Steel Pit RFAC RFAS | | | |

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/

Sam Brownback, Governor

Mark Sievers, Chairman Ward Loyd, Commissioner Thomas E. Wright, Commissioner

September 26, 2011

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

Re: Drilling Pit Application
ORLANDO UNRUH B1 1
Sec.23-21S-02W
McPherson 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 within 7 days 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.