KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1033366

Form CDP-1 April 2004 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name:			License Number:	
Operator Address:				
Contact Person:			Phone Number:	
Lease Name & Well No.:			Pit Location (QQQQ):	
Type of Pit:	Pit is:		· 	
Emergency Pit Burn Pit	Proposed Existing		SecTwpR East West	
Settling Pit Drilling Pit	If Existing, date constructed:		Feet from North / South Line c	of Section
Workover Pit Haul-Off Pit (<i>If WP Supply API No. or Year Drilled</i>)	Pit capacity: (bbls)		Feet from East / West Line o	
Is the pit located in a Sensitive Ground Water	Area? Yes	(,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	Chloride concentration:	
			(For Emergency Pits and Settling Pits only)	mg/i
Is the bottom below ground level?	Artificial Liner?		How is the pit lined if a plastic liner is not used?	
Pit dimensions (all but working pits):	Length (feet)		Width (feet) N/A: Steel F	Pits
Depth from ground level to deepest point:			(feet) No Pit	
Distance to nearest water well within one-mile of pit		Depth to shallo Source of infor	west fresh waterfeet. mation:	
feet Depth of water well feet		measuredwell owner electric log KDWR		
Emergency, Settling and Burn Pits ONLY:		Drilling, Workover and Haul-Off Pits ONLY:		
Producing Formation:		Type of material utilized in drilling/workover:		
Number of producing wells on lease:		Number of working pits to be utilized:		
Barrels of fluid produced daily:		Abandonment	procedure:	
Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No		Drill pits must be closed within 365 days of spud date.		
Submitted Electronically				
KCC OFFICE USE ONLY Steel Pit RFAC RFAS				
Date Received: Permit Number: Permit Date: Lease Inspection: Yes No				

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



December 02, 2009

K. TODD ALLAM Val Energy, Inc. 200 W DOUGLAS AVE STE 520 WICHITA, KS 67202-3005

Re: Workover Pit Application SPERLING PA 2 Sec.14-22S-02W Harvey County, Kansas

Dear K. TODD ALLAM:

District staff has inspected the above referenced 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 with bentonite or native clay, constructed **without slots**, the bottom shall be flat and reasonably level and the free fluids must be removed. The fluids are to be removed from the Workover pit within 72 hours after drilling operations have ceased.

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

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 SOLAR 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.