

For KCC Use:  
Effective Date: \_\_\_\_\_  
District # \_\_\_\_\_  
SGA?  Yes  No

**NOTICE OF INTENT TO DRILL**  
Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date: \_\_\_\_\_  
month day year

OPERATOR: License# \_\_\_\_\_  
Name: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ + \_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Phone: \_\_\_\_\_

CONTRACTOR: License# \_\_\_\_\_  
Name: \_\_\_\_\_

Well Drilled For:  Oil  Gas  Seismic ; \_\_\_\_\_ # of Holes  Other: \_\_\_\_\_  
Well Class:  Enh Rec  Storage  Disposal  Infield  Pool Ext.  Wildcat  Other  
Type Equipment:  Mud Rotary  Air Rotary  Cable

If OWWO: old well information as follows:  
Operator: \_\_\_\_\_  
Well Name: \_\_\_\_\_  
Original Completion Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

Directional, Deviated or Horizontal wellbore?  Yes  No  
If Yes, true vertical depth: \_\_\_\_\_  
Bottom Hole Location: \_\_\_\_\_  
KCC DKT #: \_\_\_\_\_

Spot Description: \_\_\_\_\_  
\_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  E  W  
(00000) \_\_\_\_\_ feet from  N /  S Line of Section  
\_\_\_\_\_ feet from  E /  W Line of Section

Is SECTION:  Regular  Irregular?  
(Note: Locate well on the Section Plat on reverse side)

County: \_\_\_\_\_  
Lease Name: \_\_\_\_\_ Well #: \_\_\_\_\_

Field Name: \_\_\_\_\_  
Is this a Prorated / Spaced Field?  Yes  No

Target Formation(s): \_\_\_\_\_  
Nearest Lease or unit boundary line (in footage): \_\_\_\_\_

Ground Surface Elevation: \_\_\_\_\_ feet MSL  
Water well within one-quarter mile:  Yes  No

Public water supply well within one mile:  Yes  No  
Depth to bottom of fresh water: \_\_\_\_\_

Depth to bottom of usable water: \_\_\_\_\_  
Surface Pipe by Alternate:  I  II

Length of Surface Pipe Planned to be set: \_\_\_\_\_  
Length of Conductor Pipe (if any): \_\_\_\_\_

Projected Total Depth: \_\_\_\_\_  
Formation at Total Depth: \_\_\_\_\_

Water Source for Drilling Operations:  
 Well  Farm Pond Other: \_\_\_\_\_

DWR Permit #: \_\_\_\_\_  
(Note: Apply for Permit with DWR  )

Will Cores be taken?  Yes  No  
If Yes, proposed zone: \_\_\_\_\_

**AFFIDAVIT**

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.

It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office **prior** to spudding of well;
2. A copy of the approved notice of intent to drill **shall be** posted on each drilling rig;
3. The minimum amount of surface pipe as specified below **shall be set** by circulating cement to the top; in all cases surface pipe **shall be set** through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary **prior to plugging**;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within **120 DAYS** of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. **In all cases, NOTIFY district office** prior to any cementing.

**Submitted Electronically**

**For KCC Use ONLY**  
API # 15 - \_\_\_\_\_  
Conductor pipe required \_\_\_\_\_ feet  
Minimum surface pipe required \_\_\_\_\_ feet per ALT. I II  
Approved by: \_\_\_\_\_  
**This authorization expires:** \_\_\_\_\_  
(This authorization void if drilling not started within 12 months of approval date.)  
Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

**Remember to:**

- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed (within 60 days);
- Obtain written approval before disposing or injecting salt water.
- If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.

**Well Not Drilled - Permit Expired** Date: \_\_\_\_\_  
Signature of Operator or Agent: \_\_\_\_\_



**IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW**

*Plat of acreage attributable to a well in a prorated or spaced field*

**If the intended well is in a prorated or spaced field, please fully complete this side of the form.** If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15 - \_\_\_\_\_  
 Operator: \_\_\_\_\_  
 Lease: \_\_\_\_\_  
 Well Number: \_\_\_\_\_  
 Field: \_\_\_\_\_  
 Number of Acres attributable to well: \_\_\_\_\_  
 QTR/QTR/QTR/QTR of acreage: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Location of Well: County: \_\_\_\_\_  
 \_\_\_\_\_ feet from  N /  S Line of Section  
 \_\_\_\_\_ feet from  E /  W Line of Section  
 Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  E  W

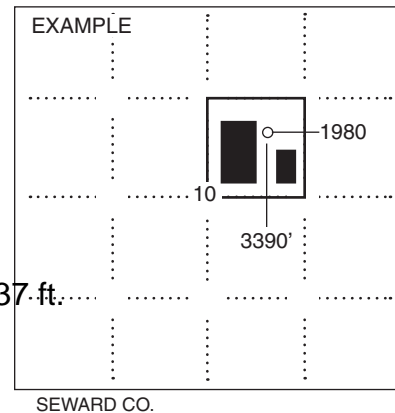
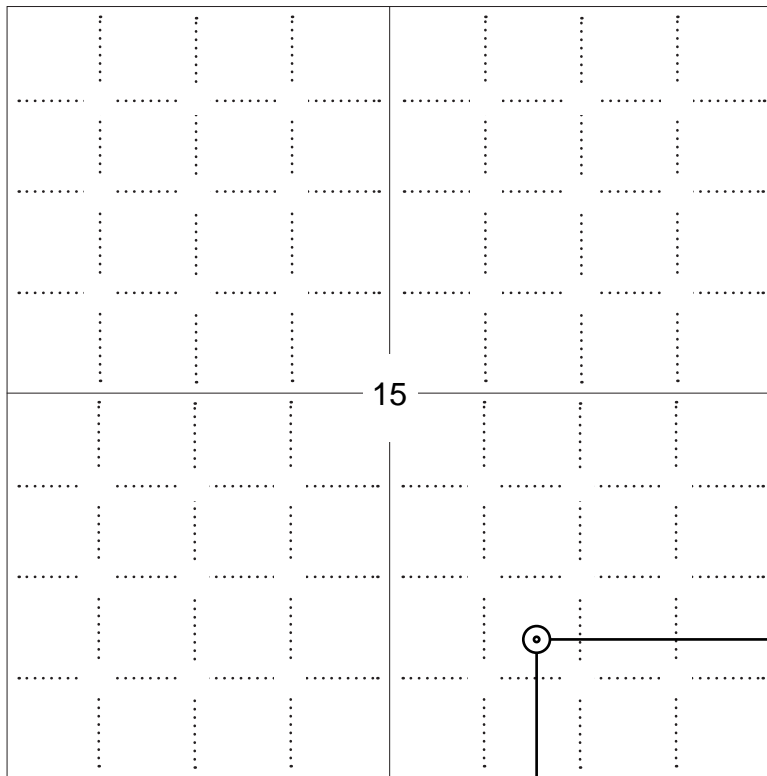
Is Section:  Regular or  Irregular

**If Section is Irregular, locate well from nearest corner boundary.**

Section corner used:  NE  NW  SE  SW

**PLAT**

*(Show location of the well and shade attributable acreage for prorated or spaced wells.)  
 (Show footage to the nearest lease or unit boundary line.)*



**NOTE: In all cases locate the spot of the proposed drilling locaton.**

953 ft.

**In plotting the proposed location of the well, you must show:**

1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).

**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: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WP Supply API No. or Year Drilled)</i>		Pit is: <input type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
Is the bottom below ground level? <input type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input type="checkbox"/> Yes <input type="checkbox"/> No	
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 Pits Depth from ground level to deepest point: _____ (feet)    _____ 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 _____ feet    Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: _____ measured    _____ well owner    _____ electric log    _____ KDWR	
<b>Emergency, Settling and Burn Pits ONLY:</b> 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		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: _____ Number of working pits to be utilized: _____ Abandonment procedure: _____ _____ 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

April 13, 2010

HOWARD DRILLING CO  
PO BOX 806  
BEAVER OK 73932-0806

RE: Temporary Permit  
File No. 20100161

Dear Sir or Madam:

Your application for temporary permit to appropriate water for beneficial use has been examined, approved, and is being returned herewith for your records.

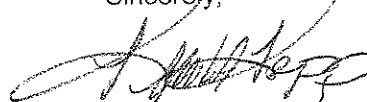
The approval of your application constitutes a temporary permit to appropriate water for beneficial use, as set forth in the application. This permit does not give authority to any right-of-way, or authorize injury to, or trespass upon public or private property, does not constitute authority under K.S.A. 82a 301 through 305 to construct any dam or other obstruction; nor does it obviate the necessity of assent from Federal or Local Governmental authorities, when necessary. Records must be maintained from which the quantity of water actually diverted may be readily determined.

Upon abandonment of the authorized well(s) for the authorized use, and/or dismissal or expiration of this temporary permit, the well(s) must be plugged in accordance with the requirements of Article 30 of the Rules and Regulations as adopted by the Kansas Department of Health and Environment (KDHE). If the well is to be retained by the landowner for other purposes after the expiration, the well(s) must initially be properly constructed by the well driller to comply with Article 30 of the Rules and Regulations as adopted by KDHE. Upon transfer of responsibility for maintenance of the well, a copy of the legal transfer must be forwarded to KDHE Geology Section, 1000 SW Jackson, Suite 420, Topeka, Kansas, 66612-1364, telephone (785) 296-5524.

K.S.A. 82a-728 sets forth, in essence, that it is unlawful to divert or threaten to divert water for the type use you propose without first acquiring approval of the Chief Engineer of the Division of Water Resources. K.S.A. 82a-737 sets forth that violation of the Kansas Water Appropriation Act, any adopted rule or regulation, or any order of the Chief Engineer, may be subject to a civil penalty of up to \$1000, per violation. Each day that any such violation occurs can be considered a separate offense.

If you have any questions, please contact our office at (785) 296-3717.

Sincerely,



Kenneth A. Kopp, L.G.  
Water Appropriation Program

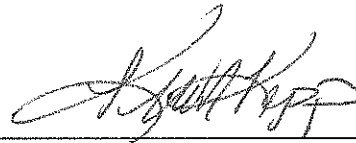
Enclosures  
pc: Eugene Keating  
GMD No. 3

**CERTIFICATE OF SERVICE**

On this 13th day of April, 2010, I hereby certify that the attached Approval of Application for Temporary Permit, File No. 20100161, dated April 13, 2010, was mailed postage prepaid, first class, US mail to the following:

EUGENE KEATING  
16404 E WHIRLAWAY LN  
VERADALE WA 99037-8874

HOWARD DRILLING CO  
PO BOX 806  
BEAVER OK 73932-0806



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Staff

WATER RESOURCES  
RECEIVED

APR 12 2010  
12:59 PM  
K.S. DEPT. OF AGRICULTURE



Submit To:

CHIEF ENGINEER  
Division of Water Resources  
Kansas Department of Agriculture  
109 SW 9<sup>th</sup> Street, 2nd Floor  
Topeka, KS 66612-1283  
[www.ksda.gov/dwr](http://www.ksda.gov/dwr)

APPLICATION FOR  
TEMPORARY PERMIT

- GROUNDWATER
  - SURFACE WATER
- (check one)

State of Kansas  
 GMD 3  
 MEETS 9  
 K.A.R. 5-9-1  
 BY FAV  
 DATE 4/12/2010

STATUTORY FILING FEE OF \$200.00 MUST ACCOMPANY THIS APPLICATION  
(Make check payable to the Kansas Department of Agriculture)

20100161

1. Applicant: (Please print or type)  
 Name Howard Drlg. Co./Noble Energy/Trin.  
 Street 19 E 2nd St. Box 806  
 City and State Beaver, Oklahoma  
 Zip Code 73932 Telephone No. (580) 625-3098  
 Social Security I.D. No. \_\_\_\_\_  
 and/or Taxpayer I.D. No. 73-1159500
6. Period of use (6 months maximum):  
 Commencing date: 04-19-10  
 Ending Date: 10-19-10
7. Location of the proposed point of diversion shall be indicated on the diagram below. Use the center section.
- If surface water, indicate on the diagram the course of the stream, and its name.

2. Location of Point of Diversion:  
 Sec. 15, Twp. 34S, Rng. 31, (EAW)  
Seward County, Kansas.

Distance from Southeast Corner of Section:  
800 feet North from Southeast Corner  
1500 feet West from Southeast Corner

Existing water right? Yes  No   
 If yes, File No. \_\_\_\_\_

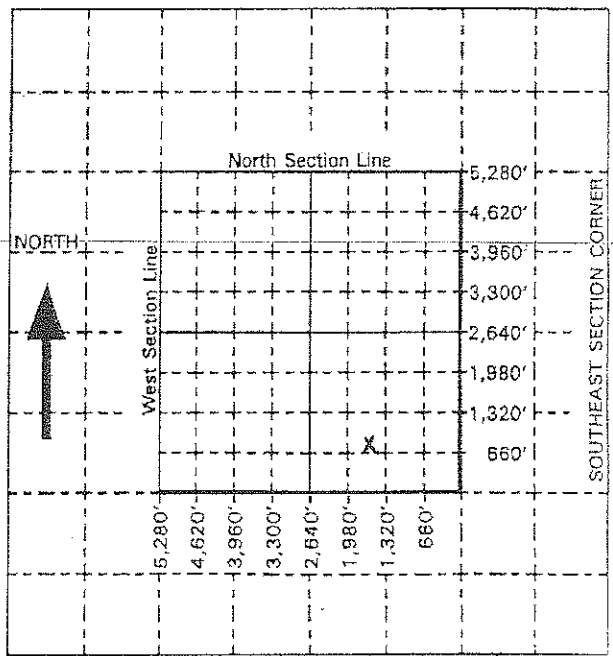
Pending application? Yes  No   
 If yes, File No. \_\_\_\_\_

3. Water Use Data:  
 Proposed Max. Pumping Rate (gpm) 75  
 Amount Requested (gallons) 650,000  
 (not to exceed one million gallons unless for dewatering)  
 Depth of Well (feet) apprx. 300 OR  
 Name of Stream \_\_\_\_\_

4. Water is to be used for (briefly describe proposed use):  
Oil and Gas exploration--

5. Location of place of use:  
Black 3-15  
Section 15-34S-31W  
Seward County, KS  
NE/SW/SE  
953' FSL 1637' FEL

The scale of the diagram is 2 inches = 1 mile  
 Each small square represents 10 acres



For Office Use Only: Code TMP Fee \$200 TR # \_\_\_\_\_ Receipt Date 4-12-10 Check # 31035

8. For groundwater use, list below all wells within 1/2 mile of the proposed well, and plot locations upon the diagram on reverse side. If additional space is needed, attach sheet.

Other wells -

Well A Owner(s): \_\_\_\_\_  
Address: \_\_\_\_\_

Well B Owner(s): \_\_\_\_\_  
Address: \_\_\_\_\_

9. For surface water use, list below the names and addresses of all landowners from a point 1/2 mile upstream to a point 1/2 mile downstream of the tract of land upon which the point of diversion is located. If additional space is needed, attach sheet.

Tract A Owner(s): \_\_\_\_\_  
Address: \_\_\_\_\_

Tract B Owner(s): \_\_\_\_\_  
Address: \_\_\_\_\_

10. The owner of the point of diversion, if other than the applicant is (please print):

Eugene Keating 16404 E. Whirlaway Lane Veradale, WA 99037 1-509-893-3804

(name, address and telephone number)

You must provide evidence of legal access to, or control of, the point of diversion from the landowner or the landowner's authorized representative. Provide a copy of a recorded deed, lease, easement or other document with this application. In lieu thereof, you may sign the following sworn statement:

I have legal access to, or control of, the point of diversion described in this application from the landowner or the landowner's authorized representative. I declare under penalty of perjury that the foregoing is true and correct.

Executed on 4-9- \_\_\_\_\_, 2010.

Kathy Judd  
Applicant's signature

11. The applicant states that the information set forth herein is true and accurate to the best of his/her knowledge.

Kathy Judd  
Signature of Applicant

or

\_\_\_\_\_  
Authorized Representative

4-9-10  
Date

Applicant's Name Printed

Title

**DO NOT WRITE BELOW THIS LINE**

**CONDITIONS OF APPROVAL:**

The applicant shall maintain records from which the quantity of water actually diverted may be readily determined.

The use of water herein authorized shall not be made so as to impair any use under existing water rights or prejudicially and unreasonably affect the public interest.

K.S.A. 82a-728 states in part "(a) except for the appropriation of water for the purpose of domestic use, . . . it shall be unlawful for any person to appropriate or threaten to appropriate water from any source without first applying for and obtaining a permit to appropriate water . . ."

Well(s) must be properly constructed by the well driller to comply with Article 30 of the Rules and Regulations as adopted by the Kansas Department of Health and Environment.

The Chief Engineer specifically retains jurisdiction in this matter with authority to make such reasonable reductions in the approved rate of diversion and quantity authorized, and such changes in other terms, conditions, and limitations set forth in this approval and permit to proceed as may be deemed to be in the public interest.

**APPLICATION APPROVED**

Permit Number: 20100161

Date Issued: April 13, 2010

Effective: April 19, 2010

Expiration Date: October 19, 2010

David W Barfield

For: **David W Barfield, P.E.**  
Chief Engineer

Division of Water Resources  
Kansas Department of Agriculture

The point of diversion authorized by the approval of this application for temporary permit is more particularly described as being located in the Northeast Quarter of the Southwest Quarter of the Southeast Quarter (NE 1/4 SW 1/4 SE 1/4) of Section 15, Township 34 South, Range 31 West, Seward County, Kansas.

This is a final agency action. If you choose to appeal this decision or any finding or part thereof, you must do so by filing a petition for review in the manner prescribed by the Kansas Act for Judicial Review and Civil Enforcement of Agency Actions (KJRA K.S.A. 77-601 et. seq.) within 30 days of service of this order. Your appeal must be made with the appropriate district court for the district of Kansas. The Chief Legal Counsel for the Kansas Department of Agriculture, 109 SW 9th Street, 4th Floor, Topeka, Kansas 66612, is the agency officer who will receive service of a petition for judicial review on behalf of the Department of Agriculture, Division of Water Resources. If you have questions or would like clarification concerning this order, you may contact the Chief Engineer.

## SURFACE USE AGREEMENT

THIS AGREEMENT is effective the 2<sup>nd</sup> day of April, 2010, by and between Eugene K. Keating ("Surface Owner") whose address is P.O. Box 1920, Veradale, Washington 99037, and Noble Energy, Inc., a Delaware corporation, and its wholly owned subsidiary, whose address is 1625 Broadway, Suite 2200, Denver, Colorado 80202 ("Noble").

WHEREAS, Surface Owner owns the surface of the following described real property situated in Seward County, Kansas (hereinafter referred to as the "Property"):

Township 34 South, Range 31 West  
Southeast Quarter of Section 15

AND WHEREAS, Noble has proposed to drill an oil or gas well known as the Black 3-15 at the following approximate location on the Property:

990 feet from the South line and 1650 feet from the East line of said Section 15

NOW THEREFORE, for good and valuable consideration and the mutual covenants set forth below, the receipt and sufficiency of which are hereby acknowledged, Surface Owner and Noble agree as follows:

Within 30 days of commencement of drilling, Noble shall pay unto Surface Owner the following consideration for damages resulting from the following described operations to be commenced and thereafter conducted by Noble on the Property:

\$7,500.00 for drillsite location  
\$2,500.00 for use of Surface Owner's water for drilling and completion  
\$2,500.00 for the use of drilling cuttings as road base on the lease access road

Said payment constitutes the full and entire consideration to be paid by Noble for the use of the surface and all damages to the land associated with the drilling, completion, operation and maintenance of the well to be located on the Property. The payment is for all damages to the Property, including, but not limited to, damages to growing crops, sod, damage to croplands, removal, transportation and care of livestock, construction of access roads, preparation and use of the drillsite area, right to use and for water used in drilling and completion operations, preparation and use of reserve pits, and construction, installation, and maintenance of production equipment and facilities such as flowlines, gas pipelines, separators, tank batteries and other equipment or facilities necessary or convenient for the production, transportation and sale of oil, gas and other materials produced by or used for production of oil and/or gas from the Property, and rights of ingress and egress to the Property for the purposes herein expressed. Noble may exercise the rights granted by this Agreement at any time and from time to time without further or additional consideration being payable to Surface Owner. If Noble drills a water well on ~~the Property before removing the tubing and casing and plugging the well,~~ Noble shall



the property of the Surface Owner without any cost to Surface Owner. Upon the written election by Surface Owner to take over the well (the election shall contain language which indemnifies and holds Noble harmless of any future claims or liabilities arising out of, or in connection with such well), the well shall become the property of Surface Owner.

2. If, by reason of Noble's operations, there is damage to personal property located on the Property, or if there is damage to the Property caused by the negligence of Noble or an unreasonable use of the Property by Noble that is not associated with reasonable and normal drilling, testing, completion, operation and maintenance operations, such as damage to structures, fences, culverts and cement ditches, such damage shall be repaired by Noble, or Noble shall promptly pay Surface Owner for such damage. It is further agreed and understood that this release is limited to damages to the surface of the lands and crops thereon resulting from the drilling and completion of the well, and shall not be construed as a release from responsibility for damage which may occur to livestock or other property as a result of fire, blowout, oil leakage or spillage, etc.

3. With respect only to the subject matter of Paragraph 1 above, Surface Owner agrees to indemnify and hold Noble harmless from all claims, demands, liability and actions against Noble by any other surface owner, surface tenant or occupant of the Property arising out of damage by Noble to the Property or growing crops thereon caused by the operations contemplated by Paragraph 1 above asserted by any such other surface owner, surface tenant or occupant.

Surface Owner represents that Surface Owner owns the surface of the Property and as such shall settle with any tenant lessee. Surface Owner further represents that Surface Owner is lawfully entitled to receive the funds paid hereunder and that there exist no liens, judgments or other encumbrances pursuant to which third parties claim, may claim or are entitled to said funds. Surface Owner agrees to release, defend and hold Noble harmless for any breach of this representation.

4. As between Surface Owner and Noble, Surface Owner shall have no liability for the release or discharge by Noble, its contractors or agents, of oil, gas or any other substance on or under the Property, except as any such release or discharge is caused in whole or in part by Surface Owner, Surface Owner's tenant, licensees, invitees, or agents, and Noble will indemnify and hold Surface Owner harmless from and against all costs and expenses (including reasonable attorneys' fees) for any such release or discharge by Noble.

5. This Agreement constitutes written consent of Surface Owner for Noble to proceed with the construction of roads, building of location(s), drilling, testing, operation and maintenance and other activities, such as laying of pipelines and flowlines, all as incident to the above-described drillsites on the Property. Noble agrees to pay Surface Owner an additional \$25/rod for any pipelines installed carrying "off lease" products and

6. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

6. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

Agreed to and accepted the day and year first above written.

NOBLE ENERGY, INC.

By: \_\_\_\_\_

Name:

Title:

SP14

SURFACE OWNER:

By: Eugene K. Keating  
Eugene K. Keating

ACKNOWLEDGEMENTS

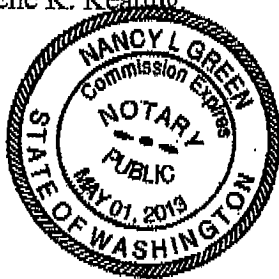
STATE OF COLORADO  
CITY AND COUNTY OF DENVER

This instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2010, by \_\_\_\_\_ as \_\_\_\_\_ of Noble Energy, Inc., on behalf of said corporation.

\_\_\_\_\_  
Notary Public  
Printed Name: \_\_\_\_\_  
Commission Expires: \_\_\_\_\_

STATE OF WASHINGTON  
COUNTY OF Spokane

This instrument was acknowledged before me this 9 day of April, 2010, by Eugene K. Keating.



Nancy L. Green  
Notary Public  
Printed Name: Nancy L. Green  
Commission Expires: May 1, 2013



*Mark Parkinson, Governor  
Thomas E. Wright, Chairman  
Joseph F. Harkins, Commissioner*

April 15, 2010

Jennifer Barnett  
Noble Energy, Inc.  
1625 Broadway, Ste 2200  
DENVER, CO 80202

Re: Drilling Pit Application  
API 15-175-22181-00-00  
Black 3-15  
SE/4 Sec.15-34S-31W  
Seward County, Kansas

Dear Jennifer Barnett:

According to the drilling pit application referenced above, no earthen pits will be used at this location. Steel pits will be used. Please inform the Commission in writing as to which disposal well you utilized to dispose of the contents in the steel pits and the amount of fluid that was disposed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, within 30 days of fluid removal.

Should a haul-off pit be necessary please file form CDP-1 (April 2004), Application for Surface Pit, through SOLAR. This location will have to be inspected prior to approval of the haul-off pit application.

**A copy of this letter should be posted in the doghouse along with the approved Intent to Drill.** If you have any questions or concerns please feel free to contact the District Office at (620) 225-8888.

CONSERVATION DIVISION

Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802  
(316) 337-6200 • Fax: (316) 337-6211 • <http://kcc.ks.gov/>

**HAUL-OFF PIT APPLICATION  
FILING REQUIREMENTS**

**82-3-607.**

**DISPOSAL OF DIKE AND PIT CONTENTS.**

- (a) Each operator shall perform one of the following when disposing of dike or pit contents:
- (1) Remove the liquid contents to a disposal well or other oil and gas operation approved by the commission or to road maintenance or construction locations approved by the department;
  - (2) dispose of reserve pit waste down the annular space of a well completed according to the alternate I requirements of K.A.R. 82-3-106, if the waste to be disposed of was generated during the drilling and completion of the well; or
  - (3) dispose of the remaining solid contents in any manner required by the commission. The requirements may include any of the following:
    - (A) Burial in place, in accordance with the grading and restoration requirements in K.A.R. 82-3-602 (f);
    - (B) removal and placement of the contents in an on-site disposal area approved by the commission;
    - (C) removal and placement of the contents in an off-site disposal area on acreage owned by the same landowner or to another producing lease or unit operated by the same operator, if prior written permission from the landowner has been obtained; or
    - (D) removal of the contents to a permitted off-site disposal area approved by the department.
- (b) Each violation of this regulation shall be punishable by the following:
- (1) A \$1,000 penalty for the first violation;

- (2) a \$2,500 penalty for the second violation; and
- (3) a \$5,000 penalty and an operator license review for the third violation.

**File Haul-Off Pit Application in SOLAR. Review the information below and attach all required documents to the pit application when submitting through SOLAR. This form will automatically generate and fill in from questions asked in SOLAR.**

Haul-off pit will be located in an on-site disposal area: \_\_\_Yes \_\_\_No

Haul-off pit is located in an off-site disposal area on acreage owned by the same landowner: \_\_\_Yes \_\_\_No If yes, written permission from the land owner must be obtained. Attach written permission to haul-off pit application.

Haul-off pit is located in an off-site disposal area on another **producing** lease or unit operated by the same operator: \_\_\_Yes \_\_\_No If yes, written permission from the land owner must be obtained. Attach permission and a copy of the lease assignment that covers the acreage where the haul-off pit is to be located, to the haul-off pit application.

## Summary of Changes

Lease Name and Number: Black 3-15

API/Permit #: 15-175-22181-00-00

Doc ID: 1037136

Correction Number: 1

Approved By: Rick Hestermann 03/22/2010

Field Name	Previous Value	New Value
Contractor Name	Advise on ACO-1 -- Must be licensed by KCC	Advise on ACO-1 -- Must be licensed by KCC
DWR Permit Number		20100161
KCC Only - Date Received	03/22/2010	04/15/2010
KCC Only - Lease Inspection	No	Yes
Save Link	../kcc/detail/operatorE ditDetail.cfm?docID=10 35596	../kcc/detail/operatorE ditDetail.cfm?docID=10 37136

## Summary of Attachments

Lease Name and Number: Black 3-15

API: 15-175-22181-00-00

Doc ID: 1037136

Correction Number: 1

Approved By: Rick Hestermann 03/22/2010

### Attachment Name

Temporary permit for water well

SUA for water well and for spreading drilling cuttings on lease road

No Earthen Pits

Haul Off Pit Application