

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form CDP-1 May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Address:		
Contact Person: Phone Number:		
Lease Name & Well No.: Pit Location (QQQQ):		
Type of Pit: Pit is:	? : Steel Pits Pit	
Distance to nearest water well within one-mile of pit: Depth to shallowest fresh water feet. Source of information:	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:		
Does the slope from the tank battery allow all spilled fluids to	/ allow all spilled fluids to	
Submitted Electronically		
KCC OFFICE USE ONLY Liner 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



September 03, 2010

JIMMY WELCH OXY USA Inc. 5 E GREENWAY PLZ PO BOX 27570 HOUSTON, TX 77227-7570

Re: Drilling Pit Application MLP WATSON A 1 Sec.25-30S-35W Grant County, Kansas

Dear JIMMY WELCH:

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 as soon as practical after drilling operations have ceased. The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 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 (620) 225-8888.