



1050387

For KCC Use ONLY

API # 15 - _____

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

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

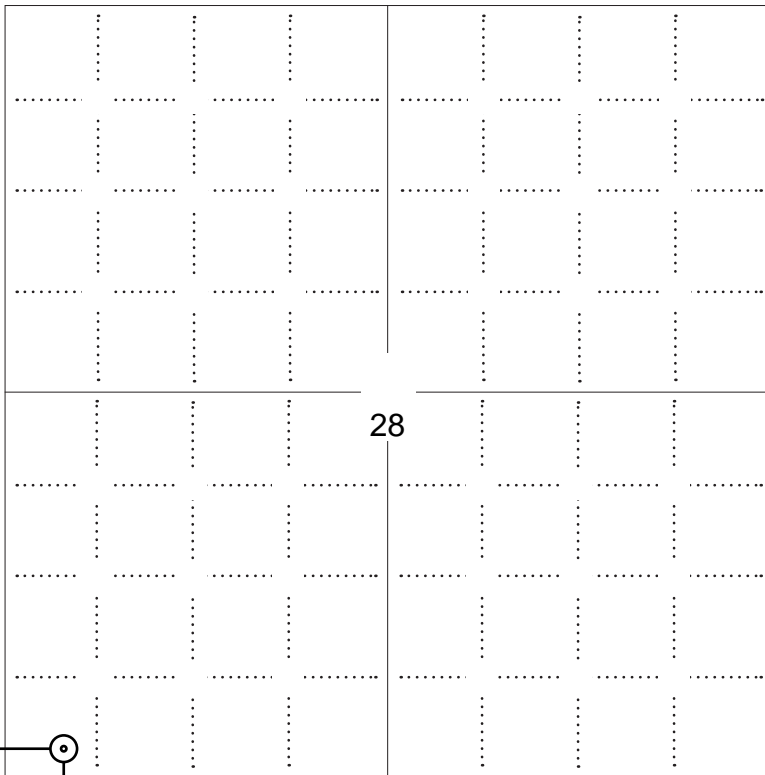
Is Section: Regular or Irregular

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

Section corner used: NE NW SE SW

PLAT

Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032). You may attach a separate plat if desired.



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

LEGEND

- Well Location
- Tank Battery Location
- Pipeline Location
- Electric Line Location
- Lease Road Location



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).
5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.



KANSAS CORPORATION COMMISSION 1050387
OIL & GAS CONSERVATION DIVISION

Form CDP-1
May 2010
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: <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) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: _____ (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: _____ feet Depth of water well _____ feet | | Depth to shallowest fresh water _____ feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input 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: _____ Number of working pits to be utilized: _____ Abandonment procedure: _____ _____ Drill pits must be closed within 365 days of spud date. | |
| <p>Submitted Electronically</p> | | | |

KCC OFFICE USE ONLY

Liner Steel Pit RFAC RFAS

Date Received: _____ Permit Number: _____ Permit Date: _____ Lease Inspection: Yes No



CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: C-1 (Intent) CB-1 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)

OPERATOR: License # _____
Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____
Contact Person: _____
Phone: (_____) _____ Fax: (_____) _____
Email Address: _____

Well Location:
____ - ____ - ____ - ____ Sec. ____ Twp. ____ S. R. ____ East West
County: _____
Lease Name: _____ Well #: _____

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Surface Owner Information:

Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____

When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

I Submitted Electronically

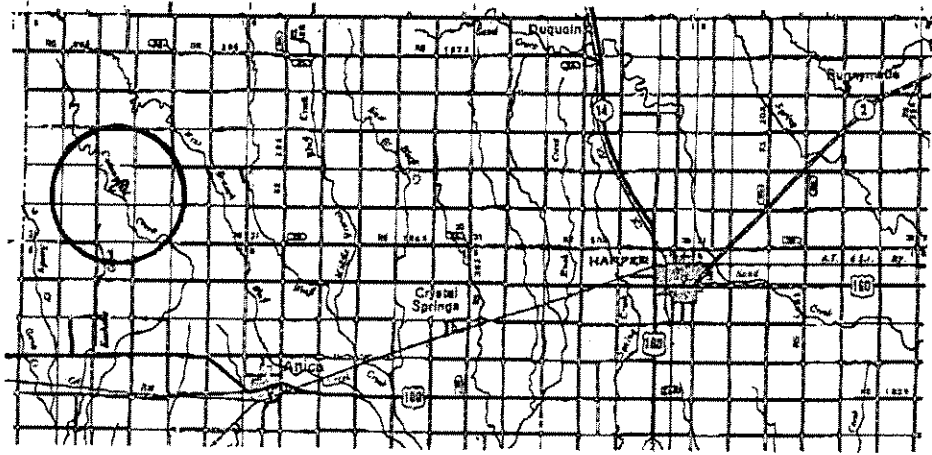
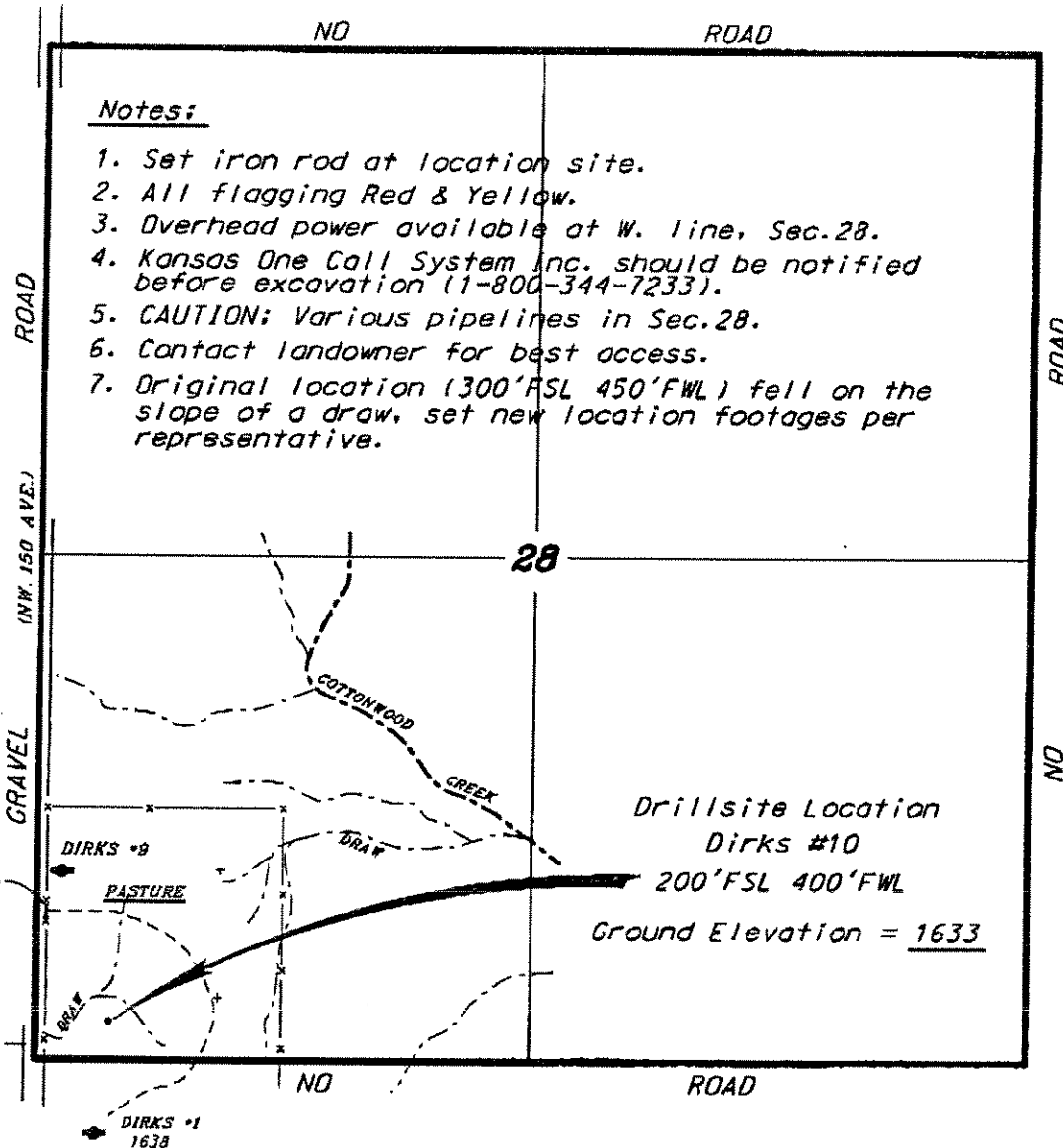
I

ATLAS OPERATING, LLC
 DIRKS LEASE
 SW. 1/4, SECTION 28, T31S, R9W
 HARPER COUNTY, KANSAS

Notes:

1. Set iron rod at location site.
2. All flagging Red & Yellow.
3. Overhead power available at W. line, Sec.28.
4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION; Various pipelines in Sec.28.
6. Contact landowner for best access.
7. Original location (300'FSL 450'FWL) fell on the slope of a draw, set new location footages per representative.

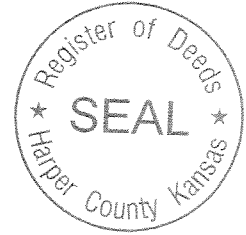
Ingress and egress to location as shown on this plat is per usage only and may not be legally opened for public use. Contact landowner, tenant and county road department for access.



Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 640 acres.
 Approximate section lines were determined using the normal standard of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, are not necessarily located, and the exact location of the drillsite location in the section is not guaranteed. Therefore, the operator using this service and occupying this site and all other parties relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, costs and expenses and said entities released from any liability from incidental or consequential damages.

Date Recorded: 2/23/2009 10:50:00 AM

Amendment to
Designation of Gas Unit
Dirks Unit No.1



THE STATE OF KANSAS §
 §
COUNTY OF HARPER §

That, Whereas, Pioneer Exploration, LLC, whose address is 15603 Kuykendahl, Suite 200, Houston, Texas 77090, hereinafter called "Lease Owner", is the owner and holder of the following Oil and Gas Leases, covering the lands and rights described herein, in Harper County, Kansas, all of which leases are recorded in the Register of Deeds Office of Harper County, Kansas:

1. Oil and Gas Lease dated January 25, 2006 from Joe Dirks and wife, Betty Dirks to J. Fred Hambright, Inc., recorded in Book 88, Page 1564 of the Register of Deeds Office of Harper County, Kansas, covering 240 acres of land, described as the SW/4SW/4 of Section 28, SE/4SE/4 of Section 32, and the W/2W/2 of Section 33, T-31-S, R-9-W, Harper County, Kansas, herein called the "Joe Dirks Lease".
2. Oil and Gas Lease dated January 25, 2006 from Glen Dirks to J. Fred Hambright, Inc., recorded in Book 88, Page 1563 of the Register of Deeds Office of Harper County, Kansas, covering 240 acres of land, described as the SW/4SW/4 of Section 28, SE/4SE/4 of Section 32, and the W/2W/2 of Section 33, T-31-S, R-9-W, Harper County, Kansas, herein called the "Glen Dirks Lease".
3. Oil and Gas Lease dated January 31, 2006 from Kenneth Rogers and wife, Nancy Rogers to J. Fred Hambright, Inc., recorded in Book 88, Page 1481 of the Register of Deeds Office of Harper County, Kansas, covering 234.5 acres of land, described as the N/2S/2 of Section 32 and a tract of land beginning at the SE corner of the NE/4 of Section 32; running thence to the SW corner of NW/4 Section 32; thence North along the section line 507'; thence East paralleling the South line of said tract to the East line of the SW/4NW/4; thence North to a point 480' South of the NW corner of the SE/4NW/4; thence East to a point 480' South of the NE/4 corner of the SE/4NW/4; thence South to a point 481.6' North of the SE corner of the NW/4; thence East to a point 481.6' North of the POB; thence South to POB, T-31-S, R-9-W, Harper County, Kansas, herein called the "Rogers Lease"; and
4. Oil and Gas Lease dated January 9, 2009 from Adeline C. Green to J. Fred Hambright, Inc., recorded in Book G90, Page 870 of the County Records of Harper County, Kansas, as corrected by Correction of Lease Description dated January 26, 2009, Recorded in Book G90, Page 874, of the County Records of

Harper County, Kansas, covering 417 acres of land, described as the S/2S/2 of Section 29 and the N/2 of Section 32, all in T-31-S, R-9-W, Harper County, Kansas, Less a tract beginning in the SE corner of the NE/4 of Section 32, running thence to the SW corner of the NW/4 of Section 32, thence N. along the Section line 507', thence E. paralleling the south line of said tract to the E. line of the SW/4NW/4, thence N. to a point 480' south of the NW corner of the SE/4NW/4, thence E. to a point 480' south of the NE corner of the SE/4NW/4, thence S. to a point 481.6' north of the POB, thence E. to a point 481.6' north of the POB, thence S. to the POB, herein called the "Green Lease".

Whereas, pursuant to the terms of said leases, a 320-acre gas unit was designated by Designation of Gas Unit, Dirks Unit No. 1 dated January 22, 2009, recorded in Book G90, Page 871 in the Office of the Register of Deeds of Harper County, Kansas, and,

Whereas, Lease Owner desires to amend said Designation of Gas Unit to correct the acreage description in the leases and tracts set out in said Unit.

Now, Therefore, Lease Owner does hereby amend said Dirks Gas Unit as formed by the above described Designation of Gas Unit to correct the description of the land set out in the leases described in said Dirks Gas Unit so as correctly to show the land covered by each lease described in said Dirks Gas Unit to be as described hereinabove. In addition, Lease Owner hereby amends the description of the land in the Tracts described in said Designation of Gas Unit so that said 320 Unit shall be comprised of the following tracts of land situated in Township 31 South, Range 9 West, Harper County, Kansas:

Tract 1: 160 acres of land, more or less, being the SW/4SW/4 of Section 28 and the W/2NW/4 and NW/4SW/4 of Section 33 described in the Joe Dirks and Glen Dirks Leases.

Tract 2: 54.6 acres of land, more or less, being the NE/4SE/4 and the South 481.6 feet of the SE/4NE/4 of Section 32 described in the Rogers Lease.

Tract 3: 105.4 acres of land, more or less, being the E/2NE/4 of Section 32 (Less the South 481.6 feet of the SE/4NE/4 of Section 32) and the SE/4SE/4 of Section 29 described in the Green Lease.

Except as amended hereby, said Designation of Gas Unit shall remain in force and effect as originally written.

IN WITNESS WHEREOF, this instrument is executed this 19th day of February, 2009.

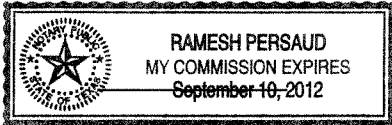
Pioneer Exploration, LLC

By: George E. Ruff
Vice President

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me this 19th day of February, 2009, by George E. Ruff, Vice President of Pioneer Exploration, LLC, on behalf of said company.

My commission expires:



Ramesh Persaud
Notary Public

When recorded mail to:
Pioneer Exploration LLC
15603 Kuykendahl,
Suite 200
Houston, TX 77090



February 11, 2011

Zafar Ullah
Atlas Operating LLC
15603 Kuykendahl, Ste 200
HOUSTON, TX 77090

Re: Drilling Pit Application
Dirks 10
SW/4 Sec.28-31S-09W
Harper County, Kansas

Dear Zafar Ullah:

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 reserve pit be lined with bentonite, 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 reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again within 1 week after drilling operations have ceased.

If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve 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 KOLAR within 30 days of fluid removal.

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 (316) 630-4000.