

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

057531

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: | Pit is: | | |
| Emergency Pit Burn Pit | Proposed Existing | | SecTwpR |
| Settling Pit Drilling Pit | If Existing, date constructed: | | Feet from North / South Line of Section |
| Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled) | Pit capacity: | | Feet from East / West Line of Section |
| (II WI Guppiy Al TNo. of Teal Diffied) | (bbls) | | County |
| Is the pit located in a Sensitive Ground Water Area? | | | Chloride concentration: mg/l (For Emergency Pits and Settling Pits only) |
| Is the bottom below ground level? Artificial Liner? | | | How is the pit lined if a plastic liner is not used? |
| Yes No | Yes N | No | |
| | | , | 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 li material, thickness and installation procedure. | ner | Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. | |
| | | | |
| | | | |
| | | | |
| Distance to nearest water well within one-mile of pit: | | Depth to shallowest fresh water feet. Source of information: | |
| feet Depth of water wellfeet | | measured well 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 p | 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 | | | |
| , and the second | | | |
| | | | |
| KCC OFFICE USE ONLY Liner Steel Pit RFAC RFAS | | | |
| Date Received: Permit Num | ber: | Permi | t Date: Lease Inspection: Yes No |

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

June 13, 2011

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

Re: Drilling Pit Application Hobbisiefken 2-5 Sec.03-35S-03W Sumner 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 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 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 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.