



### 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	
<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.	
<h2>Submitted Electronically</h2>			

**KCC OFFICE USE ONLY**

Liner     Steel Pit     RFAC     RFAS

Date Received: \_\_\_\_\_ Permit Number: \_\_\_\_\_ Permit Date: \_\_\_\_\_ Lease Inspection:     Yes     No

# Kansas Corporation Commission Oil & Gas Conservation Division

## 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.

### **Complete and return with Haul-Off Pit Application, Form CDP1(2004)**

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.



AGREEMENT, Made and entered into this 1st day of December, 2010  
 by and between Glen W. Schlessener and his wife, Darlene E. Schlessener  
 2476 200 Ave.  
 Herington, KS 67449

and J Fred Hambricht Inc., 125 North Market, Suite 1415, Wichita, KS 67202  
 hereinafter called "Lessor" (whether one or more)  
 hereinafter called "Lessee":

Lessor, in consideration of Ten and more Dollars (\$10.00) in hand paid Ten and more Dollars (\$10.00) in hand paid, receipt of which is here acknowledged and of the royalties therein provided and of the agreements of the Lessee herein contained, Lessor hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring for, developing and other means, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases (including carbon dioxide and gas produced from coal bed), and their respective associated products, including gas, water, other fluids, and air and other substances, laying pipe lines, establishing and utilizing facilities for surface or subsurface disposal of said water, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, store, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective associated products and other products manufactured herefrom, and housing and other wise leasing for its employees, the following described land, together with any necessary rights and other required interests, therein situated in County of \_\_\_\_\_ State of Kansas, described as follows to wit:

Dickinson Co. Township 16 South, Range 4 East: Dickinson & Morris  
 Section 36: NE<sub>1</sub>  
 Morris Co. Township 16 South, Range 5 East:  
 Section 31: NW<sub>1</sub>

Section 31: NW<sub>1</sub> Section 36: NE<sub>1</sub> Section 31: NW<sub>1</sub> Section 36: NE<sub>1</sub>  
 and including -320- acres, more or less and all accretions thereto.

Said lands are sometimes hereinafter referred to as the "lease premises".  
 Subject to the provisions herein contained, this lease shall remain in force for a term of three (3) years from this date (called "primary term") and as long thereafter as oil, liquid hydrocarbons, gas or other respiratory combustible products, or any of them, is produced from said land or land with which said land is pooled. This lease may be maintained during the primary term hereof without further payment or drilling operations.

In consideration of the premises the said Lessee covenants and agrees:  
 1st. To deliver to the credit of Lessor, free of cost, in the pipe line to which Lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the lease premises.

2nd. To pay Lessor for gas of whatsoever nature or kind produced and sold, or used off the lease premises, or used in the manufacture of any products therefrom, one-eighth (1/8) of the market price at the well (but, as to gas sold by Lessee, in no event more than one-eighth (1/8) of the proceeds lessened by Lessee from such sales), for the gas sold, used off the lease premises, or in the manufacture of products therefrom, said payments to be made monthly. While gas from a well producing gas only is not sold or used, Lessee may pay or tender as royalty One Dollar (\$1.00) per year per net mineral acre retained hereunder, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding paragraph.

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for Lessee's operations thereon, except water from the wells of Lessor. When requested by Lessor, Lessee shall bury Lessee's pipe lines below plow depth. No well shall be drilled nearer than 200 feet to the house or barn now on said lease premises without written consent of Lessor. Lessee shall pay for damages caused by Lessee's operations to growing crops on the lease premises. Lessee shall have the right at any time to remove all machinery and fixtures placed on the lease premises, including the right to draw and remove casing.

If the estate of either party herein is assigned, and the privileges of assignment in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of interests or royalties shall be binding on the Lessee until after the Lessee has been furnished with a written transfer or assignment or a true copy thereof. In case Lessee assigns this lease, in whole or in part, Lessee shall be relieved of all obligations with respect to the assigned portion or portions relating subsequent to the date of assignment.

Lessee may at any time establish and deliver to Lessor or place of record a release or releases covering any portion or portions of the lease premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

All royalties or unpaid payments of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

Lessor hereby warrants and agrees to defend the title to the lands herein described and agrees that the Lessee shall have the right at any time to sue for Lessee, by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by Lessor, and the state provided to the rights of the holder thereof, and in addition Lessee may herein be held for such payments out of any royalties or rentals payable to a Lessor. Lessor, for themselves and their heirs, successors and assigns, hereby surrender and release all right of cover and holdback in the premises described herein, in so far as said right of cover and holdback may in any way affect the purposes for which this lease is made, as recited herein. If Lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided for shall be paid to Lessor only in the proportion which Lessor's interest bears to the whole and undivided fee. All royalty interest owned by this Lessee (whether or not owned by Lessor) shall be paid out of the royalty herein provided. This lease shall be binding upon said party who executes it without regard to whether it is executed by all those required herein to execute it.

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when in Lessee's judgment it is necessary or expedient to do so in order to properly develop and operate said lease premises so as to promote the conservation of oil, gas or other minerals to and under and that may be produced from said premises, such pooling to be of terms conforming to one another and to be made a unit or units not exceeding 40 sections, acres each in the extent of an oil well, plus 10% acreage tolerance, or into a unit or units not exceeding 640 sections, acres each in the extent of a gas well, plus 10% acreage tolerance. Lessee shall exercise its pooling and record in the county or counties of the state in which the lease premises is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit or unit shall be treated for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if produced in the well or wells to be located on the premises covered by this lease or not. In lieu of the royalty described herein specified, Lessor shall receive an production from a unit so pooled only such portion of the royalty stipulated herein as the amount of its surface acreage placed in the unit or its royalty interest therein or its acreage base bears to the total surface acreage so pooled in the particular unit involved.

If at the expiration of the primary term of this lease, oil, gas, or the products of oil and gas are not being produced on the lease premises but Lessee has been engaged in operations, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises, or lands pooled therewith. Whenever used in this lease the word "operations" shall mean operations for and any of the following: drilling, testing, completing, reworking, recompleting, deepening, plugging back or repairing of a well. Operations shall be considered to be continuously prosecuted if an acreage base of (30) days shall agree between the completion of the abandonment of one well and the beginning of operations for the drilling of a subsequent well. If after the discovery of oil or gas on the lease premises, or on acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if Lessee commences operations within ninety (90) days from the date of cessation of production or from date of completion of a dry hole. If oil, gas or the products of oil or gas shall be discovered and produced as a result of such operations as or after the expiration of the primary term of this lease, the Lessee shall continue in force so long as oil, gas, or the products of oil or gas shall be produced from the lease premises, or lands pooled therewith.

If during the term of this lease, Lessee should complete one or more wells on lands other than the lease premises, or lands pooled therewith, Lessor hereby grants unto Lessee a right-of-way and unobstructed easement on, including the right of ingress and egress over and across the lease premises over and across the lease premises, for the purpose of laying, maintaining, and operating, one or more pipelines for the transportation of oil, gas and/or other substances produced from said wells, (with necessary fittings, appliances, or other apparatuses which may be useful or convenient to Lessee). Said right of way and easement shall remain in force and effect for so long as same is used or may be used to Lessee, irrespective of expiration of this lease.

SEE RIDER ATTACHED HERETO AND MADE A PART HEREOF.

Lessee, or its assigns, will consult with Lessor regarding routes of ingress and egress prior commencing operations.

Lessee, or its assigns, will restore surface to original condition as nearly as is practicable upon completing operations, including backfilling all pits when dried and restoring terraces disturbed by operations.

All the provisions of this lease shall be binding upon, and inure to the benefit of the heirs, successors, assigns, and legal representatives of lessor and lessee  
IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written.  
Witnesses:

X: *Glen W. Schlesener*  
Glen W. Schlesener

X: *Darlene F. Schlesener*  
Darlene F. Schlesener

SSN#:

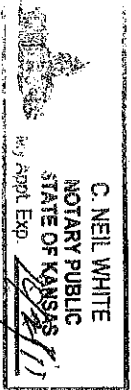
STATE OF Kansas  
COUNTY OF Dickinson

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOKCONE)

The foregoing instrument was acknowledged before me this 1st day of December, 2010, by Glen W. Schlesener and his wife, Darlene F. Schlesener

My commission expires \_\_\_\_\_

C. Neil White Notary Public



STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOKCONE)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_ and \_\_\_\_\_

My commission expires \_\_\_\_\_

Notary Public

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

ACKNOWLEDGMENT FOR INDIVIDUAL (KsOKCONE)

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_ and \_\_\_\_\_

My commission expires \_\_\_\_\_

Notary Public

# OIL AND GAS LEASE

No. \_\_\_\_\_

FROM

TO

Date \_\_\_\_\_  
Section \_\_\_\_\_ Twp \_\_\_\_\_ Rge \_\_\_\_\_

No. of Acres \_\_\_\_\_ Term \_\_\_\_\_  
County \_\_\_\_\_

STATE OF \_\_\_\_\_  
County \_\_\_\_\_

This instrument was filed for record on the \_\_\_\_\_ day of \_\_\_\_\_ o'clock \_\_\_\_\_ M., and duly recorded

Book \_\_\_\_\_ Page \_\_\_\_\_ of in the records of this office.

Register of Deeds

When recorded, return to \_\_\_\_\_

OK: 191 Page: 714  
Attached to and made a part of that Oil & Gas Lease between Glen W. Schlesener and his wife, Darlene E. Schlesener, Lessors, and J. Fred Hambright, Inc., Lessee, covering NE $\frac{1}{4}$  Section 36-16S-4E, Dickinson County, Kansas and NW $\frac{1}{4}$  section 31-16S-5E, Morris County, Kansas, dated December 1, 2010.

MISC. BOOK: 278  
PAGE: 615

**RIDER**

If at the end of the primary term, this lease is not otherwise continued in force under the provisions hereof, this lease shall expire, unless Lessee on or before the end of the primary term shall pay or tender to Lessor, the sum of \$ 10.00 multiplied by the number of net mineral acres owned by Lessor in the land above described and then subject to this lease; and subject to the other provisions of this lease, the primary term shall be extended for an additional term of Three years from the end of the primary term hereof.

X: Glen W. Schlesener  
Glen W. Schlesener

X: Darlene E. Schlesener  
Darlene E. Schlesener



STATE OF KANSAS                          00636  
DICKINSON COUNTY  
This instrument was filed for  
record on 03/14/2011 at 11:35 AM  
& duly recorded in  
Book 278 at Page 613

Hank Freeman Register of Deeds  
\_\_\_\_\_  
KWS Deputy

**KANSAS WARRANTY DEED  
JOINT TENANCY**

This 10<sup>th</sup> day of February, 2011,

**Glen Schlesener and Darlene E. Schlesener, husband and wife,**  
CONVEY AND WARRANT TO

**Jason R. Becker and Angela M. Becker, husband and wife,**  
as joint tenants and not as tenants in common, the whole estate to  
vest in the survivor in the event of the death of either.

All of the following described real estate in the County of Morris, State  
of Kansas, to-wit:

**The Northwest Quarter (NW<sup>1</sup>/<sub>4</sub>) of Section Thirty-one  
(31) Township Sixteen (16) South, Range Five (5) East  
of the 6<sup>th</sup> P.M., Morris County, Kansas.**

Except and subject to:

For the sum of \$10.00 and other valuable consideration.

x Glen Schlesener  
**Glen Schlesener**

x Darlene E. Schlesener  
**Darlene E. Schlesener**

STATE OF KANSAS, COUNTY OF Dickinson, SS

BE IT REMEMBERED, that on this 10<sup>th</sup> day of February, 2011,  
before me, the undersigned Notary Public in and for the County and  
State aforesaid came

**Glen Schlesener and Darlene E. Schlesener, husband and wife,**  
who is/are personally known to me to be the same person(s) who  
executed the within instrument of writing and such persons duly  
acknowledged execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my  
seal, the day and year last above written.

Richard J. Kramer

Notary Public  
(SEAL)



My term expires: 3/13/2014



April 5, 2012

Jason Becker  
189 US Hwy 77  
Herington, KS 67449

RE: Becker No. 1  
Section 31 T16S R5E  
330' FNL & 1,320' FWL  
Pit Disposal Agreement  
Morris Co., KS.

Dear Mr. Becker:

This letter is written for permission to dispose drilling fluids from the Rawhide No. 1 in Marion County into the surface pit we are using on the Becker No. 1 drill site located on your property as described above. Enclosed is a check in the amount \$250.00 for any inconvenience this may cause.

Upon termination of the use of this pit, the surface will be restored to its original condition prior to our operations to the extent that is reasonably practical. Upon your approval of this amount please sign in the space provided below and return a copy of this letter to this office.

Please call should you have any questions concerning this matter.

Very truly yours,

Chuck Sledge  
Ventex Operating Corp.

AGREED AND ACCEPTED

THIS 5 DAY OF April, 2012

Name