

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1195466

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 East West
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
	(bbls)		County
Is the pit located in a Sensitive Ground Water Area? Yes No			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?
Pit dimensions (all but working pits):	Length (fe	et)	Width (feet)N/A: Steel Pits
Depth from ground level to deepest point: (feet) No Pit			
Distance to nearest water well within one-mile of pit:		Depth to shallo Source of inforr	owest fresh water feet.
feet Depth of water wellfeet		measured	
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 procedure:	
Does the slope from the tank battery allow all s flow into the pit?	pilled fluids to	Drill pits must be closed within 365 days of spud date.	
Submitted Electronically			
KCC OFFICE USE ONLY			
Date Received: Permit Number: Permit Date: Lease Inspection: Yes No			

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

# 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:  $\Box$  Yes  $\Box$  No

Haul-off pit is located in an off-site disposal area on acreage owned by the same landowner:

 $\Box$ Yes  $\Box$ 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:  $\Box$  Yes  $\Box$  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.

#### LETTER AGREEMENT

This Letter Agreement, dated March 24th, 2014, is made between SandRidge Exploration and Production, LLC ("Surface Owner"), with offices at 123 Robert S. Kerr Ave., Oklahoma City, OK 73102 and SandRidge Exploration and Production, LLC ("SandRidge"), with offices at 123 Robert S. Kerr Ave., Oklahoma City, OK 73102.

Whereas, the Surface Owner grants SandRidge the right to transfer drilling waste from the Gaylord SWD 3404 1-4, located in the Southwest Quarter (SW/4) of Section 4, Township 34 South, Range 4 West, Sumner County, KS, to the Dane SWD 3203 1-8 pit, located on a 5.80 acre tract of land in the Northwest Quarter (NW/4) of Section 8, Township 32 South, Range 3 West, Sumner County, KS, owned by the Surface Owner and leased to SandRidge by the Oil and Gas Lease recorded in book 881, page 255 of the official records of Sumner County, KS.

AGREED AND ACCEPTED THIS 24th day of March, 2014

SandRidge Exploration and Production, LLC

Justin Miers, Landman

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/

Shari Feist Albrecht, Chair Thomas E. Wright, Commissioner Jay Scott Emler, Commissioner Sam Brownback, Governor

April 08, 2014

Chelsey Green SandRidge Exploration and Production LLC 123 ROBERT S. KERR AVE OKLAHOMA CITY, OK 73102-6406

Re: Drilling Pit Application Gaylord SWD 3404 1-4 Sec.08-32S-03W Sumner County, Kansas

Dear Chelsey Green:

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 Haul-Off pit be lined with bentonite or native clay, constructed <u>without slots</u>, the bottom shall be flat and reasonably level and the free fluids must be removed. The fluids are to be removed from the Haul-Off pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the Haul-Off pit has occurred. The fluids should be removed again after drilling operations have ceased.

### NO completion fluids or non-exempt wastes shall be placed in the Haul-Off 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.