



KANSAS CORPORATION COMMISSION 1202657
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

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.

TEMPORARY SURFACE USE AGREEMENT

THIS AGREEMENT, made and entered into this 1st day of May, 2014 by and between Donnie L. Pound and Debra R. Pound, husband and wife and Margaret A. Metz and Terry D. Metz, wife and husband, as Grantors and Murfin Drilling Company, Inc. as Grantee for the right to construct and utilize two remote reserve pits along with all rights of ingress and egress to said pits for the purposes of the drilling and completing the Pound 1-3, Pound 1-34, Allen 1-34 and DSA OWWO 1-3 and KLS 1-35, (hereinafter known as the "wells").

Said temporary surface use agreement will cover a mutually agreed location situated in Stafford County, Kansas as follows:

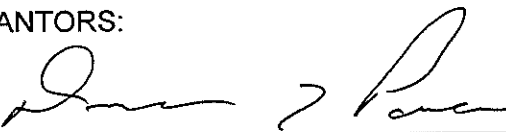
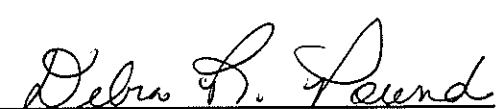
Southeast Quarter (SE/4) of Section 34, Township 22 South, Range 12 West of the 6th P. M.

NOW, THEREFORE, for and in consideration of the mutual covenants herein to be performed, and One Dollar (\$1.00) in hand paid, and other good and valuable considerations, receipt and sufficiency whereof is hereby acknowledged, the parties agree as follows:

1. Grantors do hereby grant unto Grantee the right of ingress and egress over, through and across said Lands reasonably necessary for the construction, operation and maintenance of two remote reserve pits.
2. Grantee agrees the term of this agreement shall be for the length of time necessary for the drilling and completion of the above described wells. At such time as operations cease and the pits have been properly dried, the Grantee shall close the pits in a timely manner and in accordance with KCC regulations.
3. Grantee agrees to reseed the pit location as necessary to return the location back to its original condition as nearly is practicable.
4. This Agreement shall be governed by and construed in accordance with the law of the State of Kansas.
5. This Agreement constitutes the entire understanding of the parties with respect to the subject matter hereof.
6. This Agreement may be executed in any number of counterparts with the same effect as if all parties had executed the same copy.

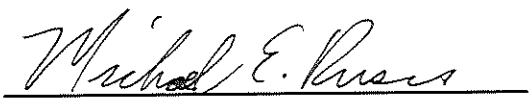
IN WITNESS WHEREOF, this Agreement is executed on the 9th day of May, 2014, but shall be effective as of the Effective Date herein.

GRANTORS:

By:  By: 
Donnie L. Pound Debra R. Pound

By: _____ By: _____
Margaret A. Metz Terry D. Metz

GRANTEE:
Murfin Drilling Company, Inc.

By: 
Michael E. Rusco, as agent

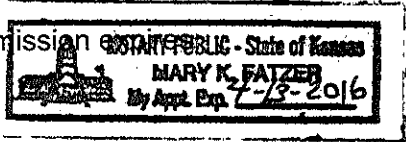
ACKNOWLEDGEMENTS

STATE OF KANSAS)
)ss
COUNTY STAFFORD)

Before me, the undersigned, a Notary Public, within and for said County and State, on this 9th day of May, 2014, personally appeared **Donnie L. Pound and Debra R. Pound, husband and wife**, to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

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

My commission expires:



Mary K. Fatzer

Notary Public

STATE OF NORTH DAKOTA)
)ss
COUNTY OF MCLEAN)

Before me, the undersigned, a Notary Public, within and for said County and State, on this _____ day of May, 2014, personally appeared **Margaret A. Metz and Terry D. Metz, wife and husband**, to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

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

My commission expires:

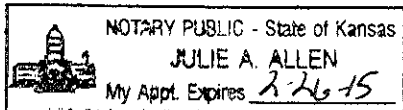
Notary Public

STATE OF KANSAS)
)ss
COUNTY SEDGWICK)

Before me, the undersigned, a Notary Public, within and for said County and State, on this 9th day of May, 2014, personally appeared Michael E. Rusco, to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

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

My commission expires: 2-26-15



Julie A. Allen

Notary Public

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THIS AGREEMENT, made and entered into this 1st day of May, 2014 by and between Donnie L. Pound and Debra R. Pound, husband and wife and Margaret A. Metz and Terry D. Metz, wife and husband, as Grantors and Murfin Drilling Company, Inc. as Grantee for the right to construct and utilize two remote reserve pits along with all rights of ingress and egress to said pits for the purposes of the drilling and completing the Pound 1-3, Pound 1-34, Allen 1-34 and DSA OWWO 1-3 and KLS 1-35, (hereinafter known as the "wells").

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**Southeast Quarter (SE/4) of Section 34, Township 22 South, Range 12
West of the 6th P. M.**

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5. This Agreement constitutes the entire understanding of the parties with respect to the subject matter hereof.
6. This Agreement may be executed in any number of counterparts with the same effect as if all parties had executed the same copy.

IN WITNESS WHEREOF, this Agreement is executed on the 9th day of May, 2014, but shall be effective as of the Effective Date herein.

GRANTORS:

By: _____ By: _____
Donnie L. Pound Debra R. Pound

By: Margaret A. Metz By: Terry D. Metz
Margaret A. Metz Terry D. Metz

GRANTEE:
Murfin Drilling Company, Inc.

By: Michael E. Rusco
Michael E. Rusco, as agent

ACKNOWLEDGEMENTS

STATE OF KANSAS)
)ss
COUNTY STAFFORD)

Before me, the undersigned, a Notary Public, within and for said County and State, on this _____ day of May, 2014, personally appeared **Donnie L. Pound and Debra R. Pound, husband and wife**, to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

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

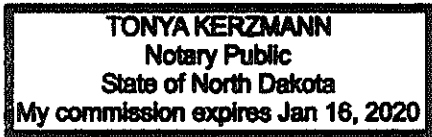
My commission expires: _____
Notary Public

STATE OF NORTH DAKOTA)
)ss
COUNTY OF MCLEAN)

Before me, the undersigned, a Notary Public, within and for said County and State, on this 9th day of May, 2014, personally appeared **Margaret A. Metz and Terry D. Metz, wife and husband**, to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

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

My commission expires: January 16, 2020 *Tonya Kerzmann*
Notary Public

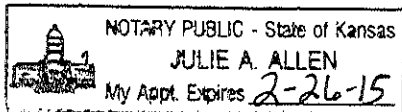


STATE OF KANSAS)
)ss
COUNTY SEDGWICK)

Before me, the undersigned, a Notary Public, within and for said County and State, on this 9th day of May, 2014, personally appeared Michael E. Rusco, to me personally known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

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

My commission expires: 2-26-15 *Julie A. Allen*
Notary Public



May 14, 2014

Shauna Gunzelman
Murfin Drilling Co., Inc.
250 N WATER STE 300
WICHITA, KS 67202-1216

Re: Drilling Pit Application
Pound 1-3
Sec.34-22S-12W
Stafford County, Kansas

Dear Shauna Gunzelman:

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 **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 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 (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.