

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form must be Typed

Form CDP-1 May 2010

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 Sec.____Twp.____R.___ East West Settling Pit **Drilling Pit** If Existing, date constructed: Feet from North / South Line of Section Haul-Off Pit Workover Pit ____Feet from ___ East / ___ West Line of Section Pit capacity: (If WP Supply API No. or Year Drilled) County _(bbls) 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? Yes Yes No No ____Length (feet) ___ _____Width (feet) Pit dimensions (all but working pits): 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 liner Describe procedures for periodic maintenance and determining material, thickness and installation procedure. liner integrity, including any special monitoring. Depth to shallowest fresh water ____ Distance to nearest water well within one-mile of pit: feet. Source of information: KDWR measured well owner electric log _feet Depth of water well ____ __ feet 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 spilled fluids to flow into the pit? Yes No Drill pits must be closed within 365 days of spud date. Submitted Electronically KCC OFFICE USE ONLY Steel Pit Liner RFAC RFAS Permit Number: No Date Received: Permit Date: Lease Inspection: Yes

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 December 2, 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 Hughes 3408 3-22H, located in the Southeast Quarter (SE/4) of Section 22, Township 34 South, Range 8 West, Harper County, KS, to the Skyler Rae SWD 3505 1-3 pit, located on a 5.79 acre tract of land in the Northwest Quarter (NW/4) of Section 3, Township 35 South, Range 5 West, Harper County, KS, owned by the Surface Owner and leased to Chesapeake Exploration, LLC by the Oil and Gas Lease recorded in book G92, page 108 of the official records of Harper County, KS.

AGREED AND ACCEPTED THIS 2nd day of December, 2014

SandRidge Exploration and Production, LLC

Justin Miers, Landman

Conservation Division 266 N. Main St., Ste. 220 Wichita, KS 67202-1513



Phone: 316-337-6200 Fax: 316-337-6211 http://kcc.ks.gov/

Shari Feist Albrecht, Chair Jay Scott Emler, Commissioner Pat Apple, Commissioner Sam Brownback, Governor

December 30, 2014

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

Re: Drilling Pit Application Hughes 3408 3-22H Sec.03-35S-05W Harper County, Kansas

Dear Wanda Ledbetter:

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 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.