

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION 240916

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: Emergency Pit Burn Pit | Pit is: Proposed Existing | | SecTwp R | | | | |
| 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:(bbls) | | Feet from East / West Line of Section County | | | | |
| Is the pit located in a Sensitive Ground Water A | Area? Yes No | | Chloride concentration: mg/l (For Emergency Pits and Settling Pits only) | | | | |
| Is the bottom below ground level? Yes No | Artificial Liner? | | How is the pit lined if a plastic liner is not used? | | | | |
| Pit dimensions (all but working pits): | Length (fee | et) | Width (feet) N/A: Steel Pits | | | | |
| Depth fro | m ground level to dee | pest point: | (feet) No Pit | | | | |
| If the pit is lined give a brief description of the line material, thickness and installation procedure. | | | dures for periodic maintenance and determining ncluding 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 | 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 procedure: | | | | | |
| Does the slope from the tank battery allow all spilled fluids to flow into the pit? | | Drill pits must be closed within 365 days of spud date. | | | | | |
| Submitted Electronically | | | | | | | |
| KCC OFFICE USE ONLY Liner Steel Pit RFAC RFAS | | | | | | | |
| Date Received: Permit Numb | ber: | Permi | t Date: Lease Inspection: Yes No | | | | |

Kansas Corporation Commission Oil & Gas Conservation Division

HAUL-OFF PIT APPLICATION FILING REQUIREMENTS

| 82-3-607. | DISDOSVI | VE DIKE | VND | PIT CONTENTS. | |
|-----------|----------|---------|-----|---------------|--|
| 0Z-J-0U/. | DISPUSAL | OF DIVE | ANU | PII 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: \square Yes \square No |
|--|
| Haul-off pit is located in an off-site disposal area on acreage owned by the same landowner: \square Yes \square No If yes, written permission from the land owner must be obtained. Attach writter 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: \square Yes \square No If yes, written permission from the land owner must be obtained. Attack 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. |

BARBARA J. HALL 4111 Sandpiper Great Bend, Kansas 67530 Telephone (620) 797-5111

January 30, 2015

District Office Kansas Corporation Commission 210 E. Frontview, Ste. A Dodge City, Kansas 67801

Re: L. D. Drilling, Inc., - BH Farms #2 well

South Half of the Northwest Quarter (S/2 NW/4) and North Half of the Southwest Quarter (N/2 SW/4) of

Section 20-21-12, Stafford County, Kansas

Gentlemen:

I am the owner of both eighty acre tracts which are described above. Both of these tracts are included in the single oil and gas lease granted to Marlaw, LLC, on October 31, 2014.

I hereby authorize L. D. Drilling, Inc., to utilize any portion of the North Half of the Southwest Quarter (N/2 SW/4) for the use by L. D. Drilling, Inc., for haul off pits for the new well, to be known as the BH Farms #2. It is my understanding the haul off pits for this new well will be located in the same general area as the pits were located for the first well, known as the BH Farms #1.

If something further is needed in order to authorize L. D. Drilling, Inc., to move forward with their drilling plans on this property, please let me know.

Very truly yours,

Barbara J. Hall

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



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

Sam Brownback, Governor

Shari Feist Albrecht, Chair Jay Scott Emler, Commissioner Pat Apple, Commissioner

February 02, 2015

L. D. DAVIS L. D. Drilling, Inc. 7 SW 26TH AVE GREAT BEND, KS 67530-6525

Re: Drilling Pit Application BH FARMS 2-20 Sec.20-21S-12W Stafford County, Kansas

Dear L. D. DAVIS:

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 (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.