

For KCC Use:

Effective Date: _____

District # _____

SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form C-1

March 2010

Form must be Typed
Form must be Signed
All blanks must be Filled

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, MUST be submitted with this form.

Expected Spud Date: _____
month day year

OPERATOR: License# _____

Name: _____

Address 1: _____

Address 2: _____

City: _____ State: _____ Zip: _____ + _____

Contact Person: _____

Phone: _____

CONTRACTOR: License# _____

Name: _____

Well Drilled For:

Well Class:

Type Equipment:

- | | | | |
|---|-----------------------------------|------------------------------------|-------------------------------------|
| <input type="checkbox"/> Oil | <input type="checkbox"/> Enh Rec | <input type="checkbox"/> Infield | <input type="checkbox"/> Mud Rotary |
| <input type="checkbox"/> Gas | <input type="checkbox"/> Storage | <input type="checkbox"/> Pool Ext. | <input type="checkbox"/> Air Rotary |
| | <input type="checkbox"/> Disposal | <input type="checkbox"/> Wildcat | <input type="checkbox"/> Cable |
| <input type="checkbox"/> Seismic ; _____ # of Holes | <input type="checkbox"/> Other | | |
| <input type="checkbox"/> Other: _____ | | | |

If OWWO: old well information as follows:

Operator: _____

Well Name: _____

Original Completion Date: _____ Original Total Depth: _____

Directional, Deviated or Horizontal wellbore? Yes No

If Yes, true vertical depth: _____

Bottom Hole Location: _____

KCC DKT #: _____

Spot Description: _____

_____ - _____ - _____ Sec. _____ Twp. _____ S. R. _____ E W
(Q/Q/Q/Q) _____ feet from N / S Line of Section

_____ feet from E / W Line of Section

Is SECTION: Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: _____

Lease Name: _____ Well #: _____

Field Name: _____

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): _____

Nearest Lease or unit boundary line (in footage): _____

Ground Surface Elevation: _____ feet MSL

Water well within one-quarter mile: Yes No

Public water supply well within one mile: Yes No

Depth to bottom of fresh water: _____

Depth to bottom of usable water: _____

Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: _____

Length of Conductor Pipe (if any): _____

Projected Total Depth: _____

Formation at Total Depth: _____

Water Source for Drilling Operations:

Well Farm Pond Other: _____

DWR Permit #: _____

(Note: Apply for Permit with DWR)

Will Cores be taken? Yes No

If Yes, proposed zone: _____

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.

It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office **prior** to spudding of well;
2. A copy of the approved notice of intent to drill **shall be** posted on each drilling rig;
3. The minimum amount of surface pipe as specified below **shall be set** by circulating cement to the top; in all cases surface pipe **shall be set** through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary **prior to plugging**;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within **120 DAYS** of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. **In all cases, NOTIFY district office** prior to any cementing.

Submitted Electronically

For KCC Use ONLY

API # 15 - _____

Conductor pipe required _____ feet

Minimum surface pipe required _____ feet per ALT. I II

Approved by: _____

This authorization expires: _____
(This authorization void if drilling not started within 12 months of approval date.)

Spud date: _____ Agent: _____

Remember to:

- File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill;
- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed (within 60 days);
- Obtain written approval before disposing or injecting salt water.
- If well will not be drilled or permit has expired (See: authorized expiration date) please check the box below and return to the address below.

Well will not be drilled or Permit Expired Date: _____

Signature of Operator or Agent: _____

E
 W

For KCC Use ONLY

API # 15 - _____

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator: _____

Lease: _____

Well Number: _____

Field: _____

Number of Acres attributable to well: _____

QTR/QTR/QTR/QTR of acreage: _____ - _____ - _____ - _____

Location of Well: County: _____

_____ feet from N / S Line of Section

_____ feet from E / W Line of Section

Sec. _____ Twp. _____ S. R. _____ E W

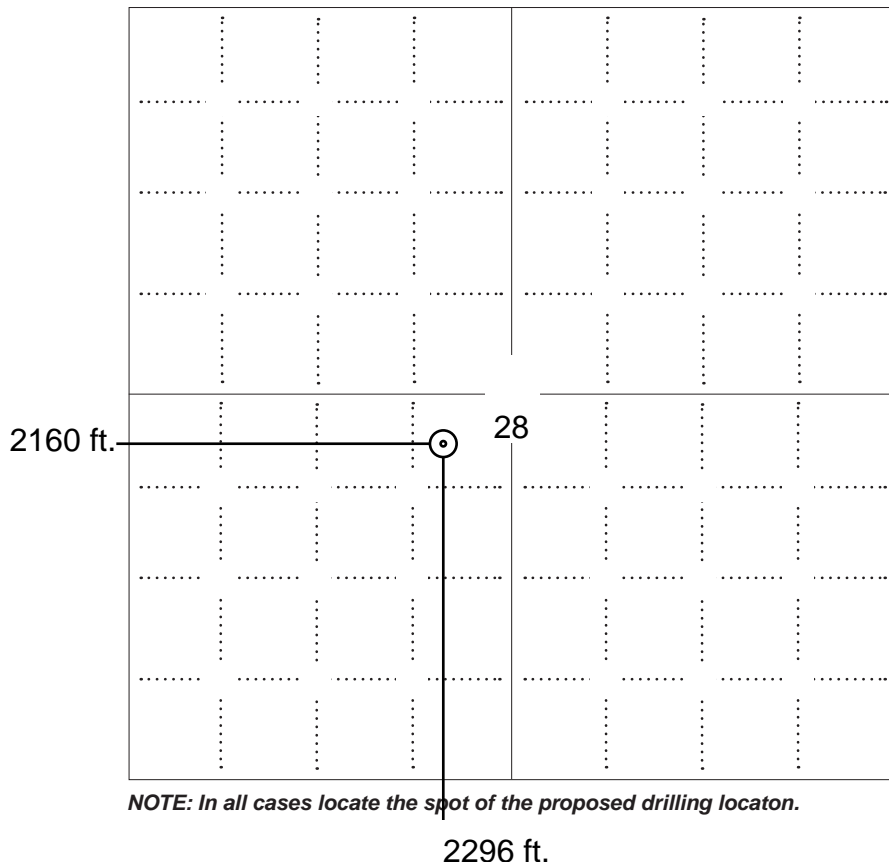
Is Section: Regular or Irregular

If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

PLAT

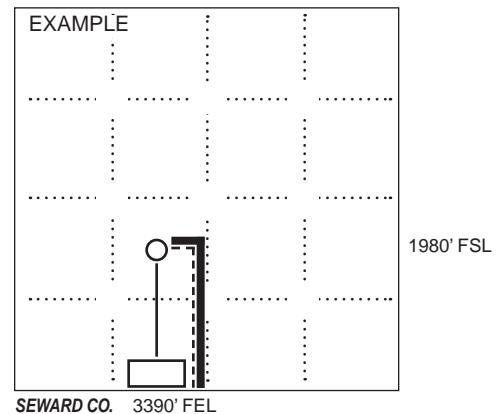
Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032). You may attach a separate plat if desired.



NOTE: In all cases locate the spot of the proposed drilling location.

LEGEND

- Well Location
- Tank Battery Location
- Pipeline Location
- Electric Line Location
- Lease Road Location



In plotting the proposed location of the well, you must show:

1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).
5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

KANSAS CORPORATION COMMISSION
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): _____-_____-_____-_____ Sec. _____ Twp. _____ R. _____ <input type="checkbox"/> East <input type="checkbox"/> West _____ Feet from <input type="checkbox"/> North / <input type="checkbox"/> South Line of Section _____ Feet from <input type="checkbox"/> East / <input type="checkbox"/> West Line of Section _____ County	
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			
		<input type="checkbox"/> Liner <input type="checkbox"/> Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS	
Date Received: _____		Permit Number: _____ Permit Date: _____ Lease Inspection: <input type="checkbox"/> Yes <input type="checkbox"/> No	

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form KSONA-1
January 2014
Form Must Be Typed
Form must be Signed
All blanks must be Filled

**CERTIFICATION OF COMPLIANCE WITH THE
KANSAS SURFACE OWNER NOTIFICATION ACT**

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: C-1 (Intent) CB-1 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)

OPERATOR: License # _____
Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____
Contact Person: _____
Phone: (_____) _____ Fax: (_____) _____
Email Address: _____

Well Location:
____ - ____ - ____ - ____ Sec. ____ Twp. ____ S. R. ____ East West
County: _____
Lease Name: _____ Well #: _____

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Surface Owner Information:

Name: _____
Address 1: _____
Address 2: _____
City: _____ State: _____ Zip: _____ + _____

When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

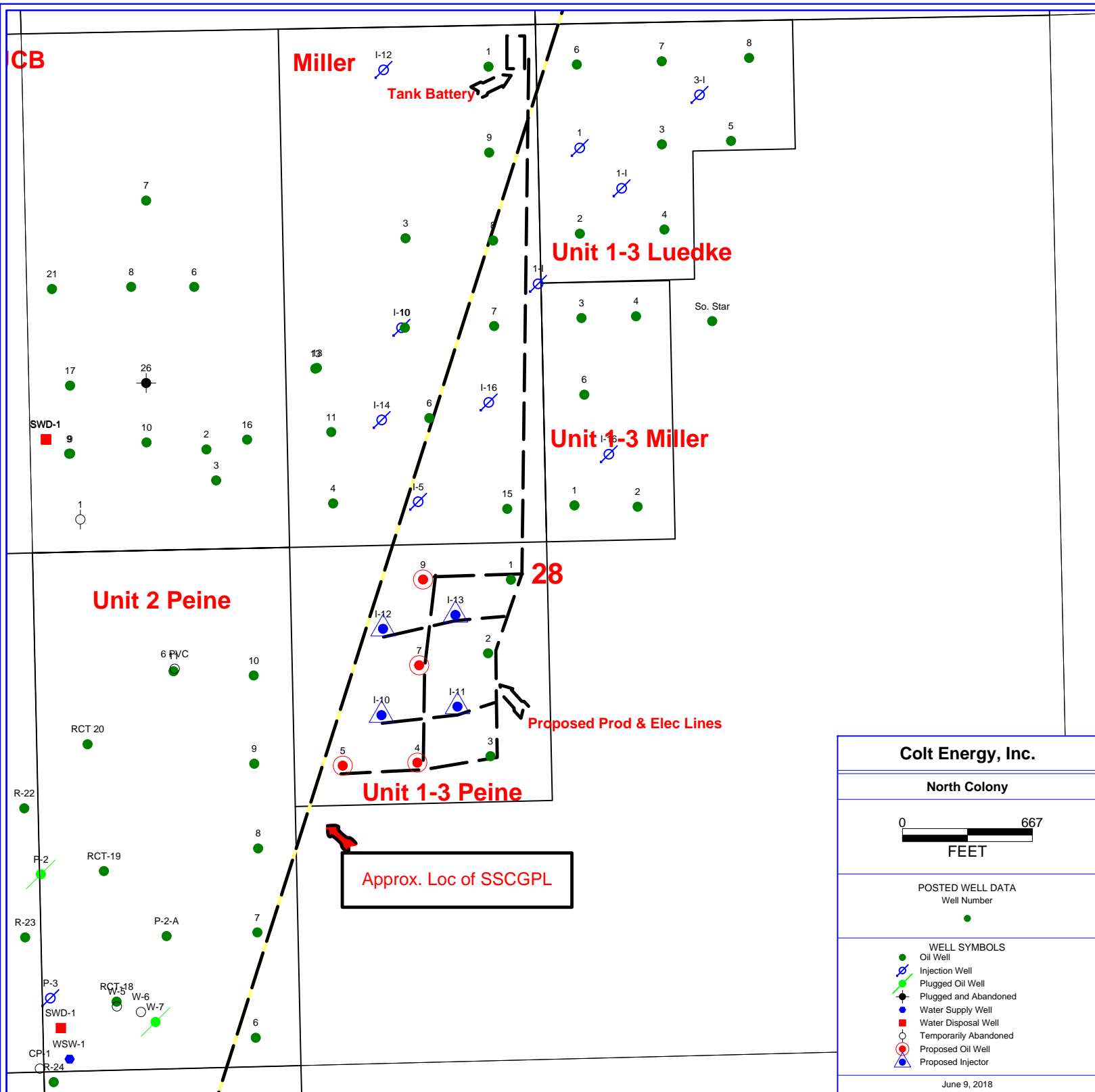
Select one of the following:

- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I must provide the name and address of the surface owner by filling out the top section of this form and that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

I Submitted Electronically

I



Colt Energy, Inc.

North Colony

0 667
FEET

POSTED WELL DATA
Well Number

●

WELL SYMBOLS

- Oil Well
- ⊗ Injection Well
- ⊗ Plugged Oil Well
- ⊗ Plugged and Abandoned
- Water Supply Well
- Water Disposal Well
- ⊗ Temporarily Abandoned
- Proposed Oil Well
- ▲ Proposed Injector

June 9, 2018

STATE OF KANSAS

CORPORATION COMMISSION
CONSERVATION DIVISION
266 N. MAIN ST., STE. 220
WICHITA, KS 67202-1513



PHONE: 316-337-6200
FAX: 316-337-6211
<http://kcc.ks.gov/>

GOVERNOR JEFF COLYER, M.D.

SHARI FEIST ALBRECHT, CHAIR | JAY SCOTT EMLER, COMMISSIONER | DWIGHT D. KEEN, COMMISSIONER

June 11, 2018

Deb Ballard
Colt Energy Inc
PO BOX 388
IOLA, KS 66749-0388

Re: Notice of Intent to Drill
1-3 Peine I-13
SW/4 Sec.28-22S-19E
Anderson County, Kansas

Dear Ms. Ballard:

After reviewing your intent to drill, it was noted that the location falls within the boundaries of the Colony gas storage field operated by Southern Star Central Gas Pipeline. Please refer to K.A.R.82-3-311 of the KCC rules and regulations, which outlines the procedure to be used for wells to be drilled in underground gas storage areas. Please review this regulation and take the appropriate steps as outlined in the regulation.

I may be contacted at 316-337-6200 if you need additional information.

Rick Hestermann
Production Department



KCC WICHITA
JUN 13 2018
RECEIVED

June 11, 2018

Mr. Charlie McConnell
Manager – Storage Services
Southern Star Central Gas Pipeline
4700 Highway 56
Owensboro, KY 42301

VIA CERTIFIED MAIL
9414 8118 9956 0387 2415 90

Mr. Rick Hestermann
Production Department
Kansas Corporation Commission
Conservation Division (Oil & Gas)
266 N. Main St., Ste. 220
Wichita, KS 67202-1513

VIA CERTIFIED MAIL
9414 8118 9956 0387 2751 68

Re: Notice of Intent to Drill in a gas storage field

Dear Mr. McConnell and Mr. Hestermann,

Pursuant to K.S.A. 82-3-311 Colt Energy, Inc. is providing the required **30 day notification** prior to commencement of drilling in a Gas Storage Field. Enclosed with this letter you will find a map with the proposed locations of the 8 wells Colt Energy, Inc. proposes to drill within the boundaries of the Southern Star Colony Gas Storage Field.

Colt Energy, Inc. is planning to drill eight producing oil wells located in Section 28, Township 22 South, Range 19 East in Anderson County, Kansas. Four of these wells are identified for conversion to enhanced recovery wells after a period of initial production. Our primary purpose for drilling is for the further development of the Colony-Welda oilfield with producing oil wells and enhanced recovery wells. These proposed wells will be produced from the Upper Squirrel Sandstone formation which is above the "Colony" gas storage formation and has had enhanced recovery operations for many years on surrounding leases.

Corporate Office

P.O. Box 388 - 1112 Rhode Island Rd.
Iola, Kansas 66749-0388
Phone (620) 365-3111 Fax (620) 365-3170

Kansas City Office

6299 Nall Ave., Suite 100
Mission, Kansas 66202-3547
Phone (913) 236-0016 Fax (913) 262-0058

It is our understanding that there is a buried gas transmission line near the proposed well locations and a Pressure Recovery System Well located south of the proposed well locations. Colt Energy will be contacting Kansas One Call (1-800-DIG-SAFE) to have any possible lines located prior to drilling in the NE/4 SW/4 of Section 28, Township 22 South, Range 19 East. If any of the proposed locations fall within the transmission line right-of-way we will adjust the location and file an amendment to the well intent. All well locations will be within an area of the NE/4 SW/4 of Section 21.

The anticipated spud and drilling date will be between July 11, 2018 and July 16, 2018 depending on rig availability. Andrew D. King Drilling, License #34953 has been contracted to drill these wells and Colt's personnel are very familiar with this driller.

Drilling intents have been filed with the Kansas Corporation Commission.

Colt Energy, Inc. requests that a confirmation of receipt of this letter be e-mailed to dpbleakley@coltenergy.com

Let me know if you have any questions.

Thank you,



David P. Bleakley

Executive Vice President

Colt Energy, Inc.

913-236-0016 office

913-262-0058 fax

dpbleakley@msn.com

dpbleakley@coltenergyinc.com

KCC WICHITA

JUN 13 2018

RECEIVED

Corporate Office

P.O. Box 388 - 1112 Rhode Island Rd.
Iola, Kansas 66749-0388
Phone (620) 365-3111 Fax (620) 365-3170

Kansas City Office

6299 Nall Ave., Suite 100
Mission, Kansas 66202-3547
Phone (913) 236-0016 Fax (913) 262-0058



Southern Star Central Gas Pipeline, Inc.
4700 Hwy 56
P.O. Box 20010
Owensboro, Kentucky 42301
Phone 270/852-5000

June 21, 2018

Sent via E-mail

Kansas Corporation Commission
266 North Main Street, Suite 220
Wichita, KS 67202-1513
Attn: Mr. Rick Hestermann

Received
KANSAS CORPORATION COMMISSION

JUN 25 2018

CONSERVATION DIVISION
WICHITA, KS

Re: Colt Energy, Inc. Notice of Intent to Drill Oil Wells,
Sec 28, T22S, R19E, Anderson County, KS

Dear Mr. Hestermann:

Southern Star Central Gas Pipeline, Inc ("Southern Star") is the owner and operator of the Colony Gas Storage Field in Anderson County, KS. Colt Energy, Inc. ("Colt") has provided Southern Star 30 day notice of Intent to Drill Wells in Section 28, Township 22S, Range 19E, in Anderson County, Kansas, per the attached letter dated June 11, 2018. The projected total depth of the wells is 900 feet, with the formation at that depth being the Verdigris Limestone. The penetrated depth includes the Squirrel sands which Southern Star certificated in a May 2006 FERC order as an expanded component of the Colony Storage Field. Additionally, Southern Star's storage lease grants Southern Star the right to all natural gas above 1,050 feet, which includes the Colony and Squirrel Sandstones.

Southern Star submits this letter pursuant to K.A.R. 82-3-311 (d), which permits a natural gas storage field operator to respond to a 30-day notification of an oil operator of their intent to drill into or through the storage field. The rule permits the storage field operator to recommend the manner, methods and materials be used in drilling and completing wells drilled through the storage field. Southern Star submits the following recommendations:

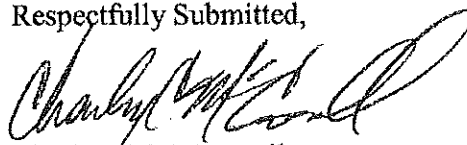
- 1) Colt shall set surface casing the deeper of: a) below the deepest fresh water zone; or b) in accordance with Commission requirement;
- 2) Colt shall install, test and maintain blowout prevention valves and related equipment in accordance with standard industry practices;
- 3) Colt shall employ rotary drilling methods and use drilling mud of sufficient weight and with proper additives to contain the pressure of the storage field (Request the current bottom hole pressure from Southern Star prior to commencing drilling operations);
- 4) Colt shall add an adequate amount of biocide to any water, other than city water, used for the makeup of all drilling and completion fluids to prevent contamination of the storage reservoir;
- 5) Colt shall cement all casing strings with cement circulated to the surface;
- 6) Colt shall use all reasonable precautions during drilling operations to protect the Colony Storage reservoir and in the event of any emergency in any way affecting the storage reservoir, Colt shall

- immediately notify Southern Star and the KCC, and shall utilize all methods and procedures; available to protect the public, fresh water and the Colony Storage reservoir;
- 7) Colt shall notify Southern Star at least one week before drilling commences;
 - 8) Colt shall furnish Southern Star a copy of all tests and well logs following completion of the well;
 - 9) In the event hole is lost or abandoned and Colt decides to plug and abandon the well, Colt shall clean out the well to total depth drilled and shall plug the well with solid Class A cement to surface;
 - 10) Colt shall provide Southern Star access to the well site at all times during the drilling, completion, operation and/or plugging of the well and, with reasonable prior notice, access to all records relating to the drilling, equipping, maintenance, operation and/or plugging of the well;
 - 11) Colt shall provide Southern Star, with reasonable prior notice, access to the well to inspect or test the well and review all operational records during the life of the well;
 - 12) Colt shall conduct its operations within the Colony Gas Storage Field to prevent the unintentional release or escape of gas from any formation in which gas is so stored;
 - 13) Southern Star's preference is that fracture treatments are not performed on any of the wells. However, pursuant to discussions with Colt, identification of their standard operations in the area, combined with data provided; Colt shall limit fracture treatments to not exceed the following parameters: 200 barrels of water and 7,500 lbs of sand injected at a maximum rate of 25 barrels/minute.
 - 14) As part of new Federal Storage Regulations imposed by the Department of Transportation, the Pipeline and Hazardous Materials Safety Administration ("PHMSA"), Southern Star is required to evaluate the mechanical integrity of each of its active wells, including each third-party well, that penetrates its storage reservoirs. When requested by Southern Star, Colt shall provide copies of all available well information needed for Southern Star to evaluate the mechanical integrity of the wells.

In sum, Southern Star does not object to Colt's proposed drilling of the 8 wells, as long as the above conditions are imposed on Colt. Southern Star reserves its right to comment and be heard in any and all formal proceedings before the KCC related to the proposed wells referenced above.

If you have any questions, please give me a call at 270-852-4554.

Respectfully Submitted,



Charles C. McConnell
Manager, Storage Services

Copies to:
Colt Energy, Inc.
Attn: Mr. David Bleakley

Received
KANSAS CORPORATION COMMISSION

JUN 25 2018

CONSERVATION DIVISION
WICHITA, KS

STATE OF KANSAS



CORPORATION COMMISSION
CONSERVATION DIVISION
266 N. MAIN ST., STE. 220
WICHITA, KS 67202-1513

PHONE: 316-337-6200
FAX: 316-337-6211
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GOVERNOR JEFF COLYER, M.D.

SHARI FEIST ALBRECHT, CHAIR | JAY SCOTT EMLER, COMMISSIONER | DWIGHT D. KEEN, COMMISSIONER

June 25, 2018

Deb Ballard
Colt Energy Inc
PO BOX 388
IOLA, KS 66749-0388

Re: Drilling Pit Application
1-3 Peine I-13
SW/4 Sec.28-22S-19E
Anderson County, Kansas

Dear Deb Ballard:

According to the drilling pit application referenced above, no earthen pits will be used at this location. Steel pits will be used. Please inform the Commission in writing as to which disposal well you utilized to dispose of the contents in the steel pits and the amount of fluid that was disposed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, within 30 days of fluid removal.

Should a haul-off pit be necessary please file form CDP-1 (April 2004), Application for Surface Pit, through KOLAR. This location will have to be inspected prior to approval of the haul-off pit application.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill. If you have any questions or concerns please feel free to contact the District Office at (620) 902-6450.

STATE OF KANSAS



CORPORATION COMMISSION
CONSERVATION DIVISION
266 N. MAIN ST., STE. 220
WICHITA, KS 67202-1513

PHONE: 316-337-6200
FAX: 316-337-6211
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GOVERNOR JEFF COLYER, M.D.

SHARI FEIST ALBRECHT, CHAIR | JAY SCOTT EMLER, COMMISSIONER | DWIGHT D. KEEN, COMMISSIONER

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

approved (D) removal of the contents to a permitted off-site disposal area
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.

File Haul-Off Pit Application in KOLAR. Review the information below and attach all required documents to the pit application when submitting through KOLAR. This form will automatically generate and fill in from questions asked in KOLAR.

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.