KOLAR Document ID: 1444844

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):			
Type of Pit:	Pit is:					
Emergency Pit Burn Pit	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)			Feet from East / West Line of SectionCounty			
Is the pit located in a Sensitive Ground Water A	rea? Yes I	No	Chloride concentration: mg/l			
Is the bottom below ground level?	Artificial Liner?		(For Emergency Pits and Settling Pits only) How is the pit lined if a plastic liner is not used?			
Yes No		lo	How is the pit lined if a plastic liner is not used?			
Pit dimensions (all but working pits):	Length (feet)		Width (feet) N/A: Steel Pits			
Depth fro	om ground level to dee	pest point:	(feet) No Pit			
material, thickness and installation procedure.		iinei integrity, ir	cluding 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	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? Yes No		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 Numl	ber:	Permi	t Date: Lease Inspection:			

Kansas Corporation Commission Oil & Gas Conservation Division

HAUL-OFF PIT APPLICATION FILING REQUIREMENTS

82-3-607	DICDOCAL	AND DIT	CONTENTS.
8/5-DU/	DISPUSAL		COMITMIS

- (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 writte 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. Attachermission and a copy of the lease assignment that covers the acreage where the haul-off pit is to blocated, to the haul-off pit application.

We, Stephen C. & Suellen Bryan, are the landowners of the Phye #3 well located in Section 25, Township 31S, Range 12 West (330 feet from the South Line of Section and 1915 feet from the West Line of Section) in Barber County, Kansas. As such, I authorize Chieftain Oil Co., Inc. to haul drilling fluids from the Stockwell #1 well located in the Northwest Quarter of Section 36, Township 31S, Range 12 West of Barber County, Kansas into the Phye #3 established pit.

Stephen C. Bryan

Suellen Bryan

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A SECOND COMPANY OF THE PARTY O	ä

Fort: 88- (Producers) Sim Okla, & Colo. (12-63) Rev. B W ÕIL AND GAS LEASE THIS AGREEMENT, Extered into this the, Dorene Phye Conservator for Charley A Phye and Dorene Phye wife of Charley A. Phye hereinafter called lesson. Suite 1310, Wichita, GEORGE REL JONES In That locars, for and in consideration of the sum of the lesses, has this day granted, lessed, and let and by these process, does hereby grant, lesse and and arguments bereinater consisted to be performed by the lesses, has this day granted, lessed, and let and by these process, does hereby grant, lesse and let any part of the least over the representatively made his lesses the fertinance of any part of the leasts envired thereby as beginning any worked for the purpose of carrying on geological, grouphysical and other exploratory work, including core drilling and the drilling, minion, and operating for, producing and saving all of the off financings but not limited to distillate and condensated and gold (fidelyding but not limited to castingshad and other gueen and all constituents of all gases), and for constructing roads, laying the lines, building lands, storing oil, building powers, stations, relephone and electric transmission lines and other structures thereon necessary or convenient for the evaporation of sold bord above ur conjugatly with relighboring lands, to produce, save, take cure of, and manufacture all of such substances, said there Kansas Barber of tend being situated in the County of_ The West Half (W1) 320 12W ____ នគ្គារ ១០០ប្រាំបានក្នុ . Towaship_ 2. This issue shall remain in Lorse for a term of Three (3) years from date (termin called "primary term"), and as long thereafter as oil, gas, or the substances supported by this leads is or can be produced. 3. The traces shall deliver as require, free of cost, to begor at the waits, or to the credit of lessor into the pape line to which lesser may connect its the crunt spec-righth (%) part of all oil (including but not limited to distillate and condensate) produced and saved from the lessed premises, or at the lesses's a narry but the lesses for such one-clipbth (%) royally the market price at the wells in the field or area for all of like grade and gravity provaling on the day oil is run into the pipe line or into storage make. 6. The lowes shall pay to leave for me of wholesees nature or kind (with all of the constituents) produced and used by the besset for the manufacture of graniline or any other phaluce. As reveilt, one-eighth 1%, of the market value of such gas at the mouth of the well; if said gas is sold by the leaves, then as reveilt upon sighth (%) of the process of the sale thereof at the mouth of the well; said payments to be made mortally. During any period (whether before or after except the following of the sale only the sale of the sale First as in both parties unless lesson on or before the explosion of sale period shall pay or tender to bestor, or to the credit of lessor in 8. If at any time prior to the discovery of oil or can on this land and during the primary term of this lease, the lease shall drill a dry hole or dry holes on this land, this lease shall not terminate if the lease commences further drilling operations or commences or resumes the payment of results in the major and in the amount hereinabove provided by the rental paying date, if any, next casaing after thirty (23) days following the completion of the dry hole, or if it is be no much remissi paying date, commence such further operations before the experision of the primary term. 7. Is case this leason came a less interest in the above described land than the entire and undivided for simple extens therein then the invalues and ignitals are provided for shall be paid the said leason only in the proportion which his interest being to the whole and undivided fee. However, such castal shall be interest at the next specialing panish anniversary after any reversion occurs to cover the interest so acquired. 3. The latter shall have the right to use, free of cost, gas, oil and water found on said land for its operations thereon, except water from the wells of the legar. When required by tensor, the leaser shall larry its time below plow depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drifted many than 200 leet to the house or barn now on said premises without written consent of the leaser. Leaser shall have the right at any time during, or after the expiration of, this lease to remove all machinely, further, houses, buildings and other structures placed on said premises, including the right to draw and remove all caping, but bases shall be under no obligation to restore the surface to its original condition, where any alterations or changes were due to operations reasonably necessary under this lease. B. The rights of either party becomed may be assigned in whole or in part and the provisions hereof shall extend to their being devisees, exercises, administrators, successes and assigns. However, no change or division in ownership of the lunds, reatiles, or revolting shall enlarge the obligations or division in ownership of the lunds, reatiles, or revolting shall enlarge the obligations or division the lands, reatiles, may sum due on der this lease shall be bloding on the inverse until it has been furnished with either the original recorded burnaries of conveyance or duly certified copy of the will of any deceased swiper and of the probable burned, or certified copy of the will of any deceased swiper and of the probable burned, or certified copy of the proceedings showing appointment of an administrator for the entair of any deceased owner, shifthever is appropriate, logather with all utilities recorded instruments of conveyance or duly certified copies thereon necessary in showing a conveyance of only certified copies thereon necessary in showing a conveyance of the lease in leaser to the full interest claimed, and all advance paymonts of routies made hereinged receipt of shall deciments shall be binding on any and all direct or todicest assigners, arrantees, decisions, and all advance paymonts of our such part of parts of interest of the show described land and the hold-conveyance of the paymont of the lease as to any such part or parts shall make default in the payment of the present of the from him or them, such default and and payment to defeat or affect this lease insofar as it covers a part or parts of and land upon which the lease or any assignee beroof shall make default and an all particles. of said running.

The life the leased premises are now or shall hereafter be owned in severally or in separate tracks, the premises may nevertheless be developed and or said the life the lease, and all-royallies according becomed which he filteded stating about and had a separate tracks in the proportion that the greene owned by each so better be eather leased creater. There shall be no onlightim on the part of the leases to offset wells on separate tracks into which the land covered the lease, now or benefiter be divided by said, device, descent or otherwise, or to immish separate receiving or measuring tanks or devices.

The latest below waterants and agrees to defend the little to the land herein described and agrees that the leases, of its option, may may and discharge to the latest and herein and herein described lands and, in event it exercises such options. The companies of desired of desired by sale, device, descent as discharge in an expectation and appears that the leases, of its option, may pay and discharge in another part any taxes, mortgaget, or other lens existing, levied, or assessed on or against the above described lands and, in event it emerging the indigence of may looker or indigence or indigence of may reimburso itself by applying to the discharge of any such mortgage, tax or other lens and property of restale according bettermier.

The contrary is a supercody agreed that it bears shall enter the entering of the discharge of any such mortgage, tax or other lens and the supercody agreed that it bears shall commence to drill a well or companie restating operations on an existing well at any time while this lease is in force, this lease shall remain in force and its terms shall continue so long as such operations are projected and, if production results thereform, then as long as production continues. 13. Lease tast at any time and from time in time autrenter or cancel this lease in whole or in part by delivering or mailing such release to the farmer, or, by shortny same of record in the proper county. In case staid lease is sucremented as to only a portion of the acreage covered thereby, then fall lease as to the portion of the acreage covered thereby, then fall lease as to the portion of the acreage covered thereby, then fall lease as to the portion of the acreage and determine and any rentals thereafter pand shall be reduced by each such release, but as to the portion of the acreage not released the terms and provisions of this lease shall continue and remain in full force and effect for all purposes.

14. All provisions hereof, express or implied, shall be subject to all (oderal and state leave and the orders, rules or regulations (and interpretations berrot) of all investmental admetics administering the same, and this tense of the same very lease through the total things the fall of the primary with only of the express of implied provisions berrot! If these should be prevented during the last six mustbe of the primary term berrot from drilling a well between by the order of any constituted authority had not become, or it issues should be made and order as the primary into drilling therein not being available on account of any cause, the primary icon of this lease shall pay delay results berein provided during such extended line. 15. Letter is bereby granied the right at any time and from time to time, either before or after production is obtained, to form or raterin a unit or units covering the based premises or any pertions thereof. As in all strains or any strains or strain, with any other lands as in all strains or strain, for the production primarily of oil of primarily of gas with or without defiliate. However, no unit for the production primarily of oil shall embrace made, there is not to the production primarily of gas with or without defiliate. However, no unit for the production primarily of gas with or without distillate sharp the production primarily of gas with or without distillate above the development of the factor allocate a production gas made to premise the development of the factor allocate a production allowable based on acreage per well, then any such unit may distinct a acreage as may be so presented or as may be seen in such allocation of allocate a located to write designations in the county in which the legical premises are located to order to form, to reform or to disadive a unit or make. Operations upon and production from the unit shall be treated as if such operations are wreed to the production were from the unit shall be irrected as if such operations of such production were from the least primitive development of any restals or shut in gas mysilies, only that part of the servage arkinally leasted and then actually embraced by this least shall be counted by the least of the trop of the servage arkinally leasted and then actually embraced by this least shall be counted and the properties of the unit, of his royally interest therein on an operage besit because the brightness to be brightness to the brightness of the brightness and the properties of the brightness of the servage to the folial acreage in the brightness shall be counted and the counter to production from the unit, of his royally interest therein an operage besit because it is the local acreage in the brightness and the counter of the servage t

Should any one or mure of the parties above mimed as lesser full to exemite this lease, it shall nevertheless be binding upon all such parties who say. The word "lesser" as upod in this lease means the party or parties who execute this lease as lessor, although not named above. Wite of Conservator of the Estate of Charley A. Phye Charley A. Phye ζ.

STATE OF KANSAS COUNTY OF BARBER	} ss. ACK	NOWLEDGMENT FOR I	NDIVIDUAL (Kans.,	Okla., and Colo.)
Before me, the undersigned, a No	tary Public, within and	for said county and state,	on this 23rd	
day of June Sex Dorene Phys. wife of the Estate of C	of Charley A.			
to me personally known to be the identi			ing instrument and ac	knowledged to me
that She executed the same as IN WITNESS WHEREOF, I have	her free and hereunto set my hand :	voluntary act and deed found and official seal the day a	the uses and alignoses of year last above wri	s therein set forth. tten.
My commission expires		Mayan	and Explosi	tary Public.
A	A RAYMOND ESCLESTON Barber County, Ks. My Camin. Exp. June 26, 1978	/) '	140	cuty Public.
STATE OF		NOWLEDGMENT FOR I	NDIVIDUAL (Kans.,	Okla., and Colp.)
Before me, the undersigned, a No	tary Public, within and	for said county and state,	on this	
	, 19 po	ersonally appeared	-	<u> </u>
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paraonally known to be the identi		ed the within and forego voluntary act and deed for		
LAIN WITNESS WHEREOF, I have	hereunto set my hand a	nd official seal the day at	id year last above writ	iten.
de de la complessión de la com		-	No	tary Public.
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OLINEA OL	33-	ACKNOWLEDGME	NT FOR CORPORAT	ION
On this day of	_	, A. D., 19, befo	me, me, the undersigne	d, a Notary Public
in and for the county and state aforesaid to me personally known to be the idea	ntical person who signe			P F HOLE
matrument as its President valuation and set the free a		et hatexecute ed of said corporation, for		
Given under my hand and seal the	day and year last above	written.		
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NOTE: When signature by mark in	n Kanssa, saíd mark to	be witnessed by at least	one oerson and slac	acknowledged.
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STATE OF				
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	nereunto set my hand a	and official seal the day as	nd year last above wri	tten.
Commission expires			No	tary Public
開連級の接続を終めた。 イン・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・・				1.144

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



Phone: 316-337-6200 Fax: 346-337-6211 http://kcc.ks.gov/

Laura Kelly, Governor

Dwight D. Keen, Chair Shari Feist Albrecht, Commissioner Jay Scott Emler, Commissioner

February 21, 2019

Ryan Molz Chieftain Oil Co., Inc. 101 S. 5TH ST. PO BOX 124 KIOWA, KS 67070-1912

Re: Haul-Off Pit Application Stockwell 1 Sec.25-31S-12W Barber County, Kansas

Dear Ryan Molz:

District staff has inspected the above referenced location and has determined that the Haul-Off pit shall be 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 within 72 hours 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) 682-7933 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) 682-7933.