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) | Pit capacity: | | Feet from East / West Line of Section |
| | (bbls) | | County |
| Is the pit located in a Sensitive Ground Water Area? | | 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 (feet) | | Width (feet) |
| Depth from ground level to deepest point: (feet) | | | |
| If the pit is lined give a brief description of the liner material, thickness and installation procedure. | | | dures for periodic maintenance and determining cluding any special monitoring. |
| · · | | 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: Yes No |

PERMIT EXPIRES: 08/31/2019

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

May 03, 2019

Matt Osborn Daystar Petroleum, Inc. 522 N. MAIN ST PO BOX 560 EUREKA, KS 67045-0560

Re: Workover Pit Application NEWKIRK C 1 Sec.11-18S-07W Rice County, Kansas

Dear Matt Osborn:

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 Workover pit be lined with bentonite, 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 Workover pit after drilling operations have ceased.

NO completion fluids or non-exempt wastes shall be placed in the Workover pit.

The fluids should be taken to an authorized disposal well. Please call the District Office at (316) 337-7400 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) 337-7400.