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: Emergency Pit Burn Pit Settling Pit Drilling Pit | Pit is: Proposed Existing If Existing, date constructed: Pit capacity: (bbls) | | SecTwp R | |
| Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled) | | | Feet from East / West Line of Section County | |
| 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? | |
| Pit dimensions (all but working pits): | Length (feet) | | Width (feet) N/A: Steel Pits | |
| Depth from ground level to deepest point: (feet) | | | | |
| material, thickness and installation procedure. | | | ncluding any special monitoring. | |
| Distance to nearest water well within one-mile of pit: | | Depth to shallo Source of inform | owest fresh water feet. mation: | |
| feet Depth of water well | feet | measured | well owner electric log KDWR | |
| Emergency, Settling and Burn Pits ONLY: Dri | | | 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 Num | ber: | Permi | it Date: Lease Inspection: Yes No | |

PERMIT EXPIRES: 12/10/2019

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 Susan K. Duffy, Commissioner

August 12, 2019

Jon Hayward BEREXCO LLC 2020 N. BRAMBLEWOOD WICHITA, KS 67206-1094

Re: Workover Pit Application KRAUS LEASE 3 Sec.15-11S-23W Trego County, Kansas

Dear Jon Hayward:

District staff has inspected the 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. If a plastic liner is to be used it must have a minimum thickness of 10 mil. Integrity of the liner must be maintained at all times.

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

The free fluids in the Workover pit should be removed as soon as practical after drilling operations have ceased. The fluids should be taken to an authorized disposal well. Please call the District Office at (785) 261-6250 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 (785) 261-6250.