



**IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW**

*Plat of acreage attributable to a well in a prorated or spaced field*

**If the intended well is in a prorated or spaced field, please fully complete this side of the form.** If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15 - 185-23381-000  
 Operator: DaMar Resources, Inc.  
 Lease: Grimes North  
 Well Number: 1  
 Field: Keenan  
 Number of Acres attributable to well: 10  
 QTR / QTR / QTR of acreage: W/2 - NW - NW

Location of Well: County: Stafford  
780 feet from  N /  S Line of Section  
330 feet from  E /  W Line of Section  
 Sec. 20 Twp. 22 S. R. 13  East  West

Is Section:  Regular or  Irregular

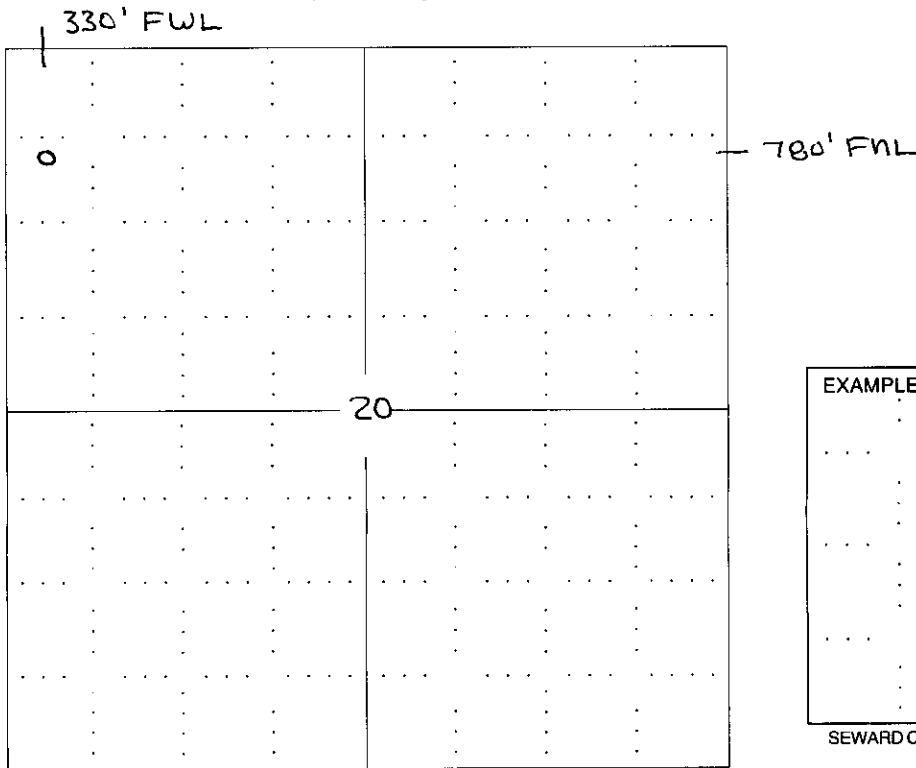
**If Section is Irregular, locate well from nearest corner boundary.**

Section corner used:  NE  NW  SE  SW

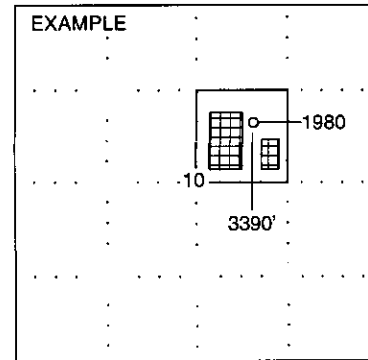
**PLAT**

*(Show location of the well and shade attributable acreage for prorated or spaced wells.)*

*(Show footage to the nearest lease or unit boundary line.)*



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SEWARD CO.

**NOTE: In all cases locate the spot of the proposed drilling 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 section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CG-8 for gas wells).

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KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
APPLICATION FOR SURFACE PIT

Form GDP-1  
April 2004  
Form must be Typed

Submit in Duplicate

Operator Name: <b>DaMar Resources, Inc.</b>		License Number: <b>9067</b>
Operator Address: <b>234 W. 11th St. Hays, KS 67601</b>		
Contact Person: <b>Curtis R. Longpine</b>		Phone Number: ( <b>785</b> ) <b>625 - 0020</b>
Lease Name & Well No.: <b>Grimes North #1</b>		Pit Location (QQQQ): <b>S/2 W/2 NW NW</b> Sec. <b>20</b> Twp. <b>22</b> R. <b>13</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <b>780</b> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <b>330</b> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section <b>Stafford</b> County
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" 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 checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: <b>2500</b> (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input checked="" 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is the pit lined if a plastic liner is not used? <b>native clay</b>
Pit dimensions (all but working pits): <u>70</u> Length (feet) <u>35</u> Width (feet) <u>N/A: Steel Pits</u> Depth from ground level to deepest point: <u>5</u> (feet)		
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. <b>daily visual inspection, will haul mud &amp; cuttings out of reserve pit as accumulated while drilling</b>
Distance to nearest water well within one-mile of pit <u>450</u> feet Depth of water well <u>90</u> feet		Depth to shallowest fresh water <u>18</u> feet. Source of information: _____ measured _____ well owner _____ electric log <input checked="" type="checkbox"/> KDWR
<b>Emergency, Settling and Burn Pits ONLY:</b> 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		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: <u>chem. drilling mud</u> Number of working pits to be utilized: <u>3</u> Abandonment procedure: <u>haul off fluids, backfill pits with original soil</u> Drill pits must be closed within 365 days of spud date.
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.		
<u>8/15/2006</u> Date		 Signature of Applicant or Agent

15-185-23381-0000

<b>KCC OFFICE USE ONLY</b>		<b>RFAS+C</b>
Date Received: <u>8/17/06</u>	Permit Number: _____	Permit Date: <u>8/18/06</u> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

# KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR  
BRIAN J. MOLINE, CHAIR  
ROBERT E. KREHBIEL, COMMISSIONER  
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August 18, 2006

Mr. Curtis R. Longpine  
DaMar Resources, Inc.  
234 W. 11<sup>th</sup> St.  
Hays, KS 67601

Re: Drilling Pit Application  
Grimes North Lease Well No. 1  
NW/4 Sec. 20-22S-13W  
Stafford County, Kansas

Dear Mr. Longpine:

District staff has inspected the above referenced location and has determined that the reserve pit shall be 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 reserve pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the reserve pit has occurred. The fluids should be removed again as soon as practical after drilling operations have ceased.

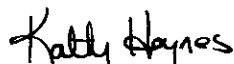
**If production casing is set all completion fluids shall be removed from the working pits daily. NO completion fluids or non-exempt wastes shall be placed in the reserve pit.**

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 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: [www.kcc.state.ks.us/conservation/forms](http://www.kcc.state.ks.us/conservation/forms).

**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 undersigned at the above address.

Sincerely,

  
Kathy Haynes

Department of Environmental Protection and Remediation

cc: File