For KCC Use: 9-/4-08 Effective Date: 2 District

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form C-1 October 2007 Form must be Typed Form must be Signed

SGA? Yes No NOTICE OF IN Must be approved by KCC five	All blanks must be Filled	
Expected Spud Date: 9 9 2008 month day year OPERATOR: License# Name: Rama Operating Co., Inc. Address 1: P.O. Box 159 Address 2:	Spot Description: C. Ne Sw SW Sec. 30 Twp. 19 990 feet from 990 teet from Is SECTION: Regular Irregular? (Note: Locate well on the Section Plat or	S. R. 10 EXW N / X S Line of Section E / X W Line of Section
City: Starford State: KS Zip: 67578 +	County: Rice	·
Phone: 620-234-5191	Lease Name: Knop	Well #: 5-30
CONTRACTOR: License# 5142 Name: Sterling Drilling Company	Field Name: Chase-Silica Is this a Prorated / Spaced Field? Target Formation(s): Arbuckle	Yes No
Well Drilled For: Well Class: Type Equipment: Infield Mud Rotary Gas Storage Pool Ext. Air Rotary Disposal Wildcat Cable Seismic; # of Holes Other Other: If OWWO: old well information as follows: Operator: Well Name: Original Completion Date: Original Total Depth:	Nearest Lease or unit boundary line (in footage): 99 Ground Surface Elevation: 1764 Water well within one-quarter mile: Public water supply well within one mile:	feet MSL Yes No Yes No
Directional, Deviated or Horizontal wellbore? If Yes, true vertical depth: Bottom Hole Location:	Water Source for Drilling Operations: Well Farm Pond Other: DWR Permit #: (Note: Apply for Permit with DWR	
KCC DKT #:	Will Cores be taken?	Yes No
	If Yes, proposed zone:	RECEIVED
	IDATII	KANSAS CORPORATION COMMISSIO
The undersigned hereby affirms that the drilling, completion and eventual plug It is agreed that the following minimum requirements will be met:	gging of this well will comply with K.S.A. 55 et. seq.	AUG 2 5 2008
 Notify the appropriate district office <i>prior</i> to spudding of well; A copy of the approved notice of intent to drill <i>shall be</i> posted on each The minimum amount of surface pipe as specified below <i>shall be set</i> through all unconsolidated materials plus a minimum of 20 feet into the If the well is dry hole, an agreement between the operator and the district. The appropriate district office will be notified before well is either plugge. If an ALTERNATE If COMPLETION, production pipe shall be cemented. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #1: must be completed within 30 days of the spud date or the well shall be 	by circulating cement to the top; in all cases surface pipe underlying formation. In the circular of the control of the contr	rior to plugging; AYS of spud date. ernate II cementing
I hereby certify that the statements made herein are true and correct to the bit		arry cernerming.
Date: 8-22-08 Signature of Operator or Agent: £ 1	Title: V.P.	
For KCC Use ONLY API # 15 - /59 - 22586-000 Conductor pipe required //onl feet Minimum surface pipe required 300 teet per ALT. III III Approved by: First 9-9-09 This authorization expires: 9-9-09 (This authorization void if drilling not started within 12 months of approval date.) Spud date: Agent:	Remember to: File Drill Pril Application (form CDP-1) with Intent to File Completion Form ACO-1 within 120 days of sputies of the special price of the spec	od date; tion orders; orkover or re-entry; upleted (within 60 days); g salt water. or date) please w.

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

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

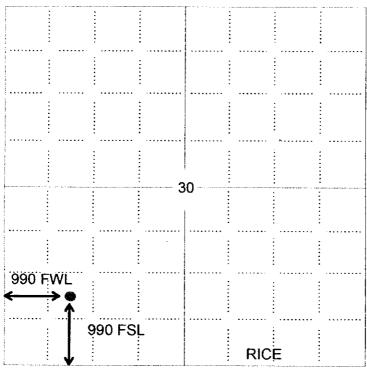
If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please 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.

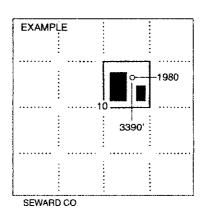
API No. 15 - 159-22586-0000			
Operator: Rama Operating Co., Inc.	Location of Well: County: Rice		
Lease: Knop	990		
Well Number: 5-30	990	feet from N / S Line of Section E / W Line of Section	
Field: Chase-Silica	Sec. 30 Twp, 19	S. R. 10	
Number of Acres attributable to well: 160 QTR/QTR/QTR/QTR of acreage: C - Ne - Sw - SW	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 lootage to the nearest lease or unit boundary line.)





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

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).
- 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).

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form CDP-1 April 2004 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: Rama Operating Co., Inc.		License Number: 3911		
Operator Address: P.O. Box 159		Stafford KS 67578		
Contact Person: Robin L. Austin		Phone Number: 620-234-5191		
Lease Name & Well No.: Knop 5-30		Pit Location (QQQQ):		
Type of Pit:	Pit is:		C NE SW SW	
Emergency Pit Burn Pit	Proposed Existing		Sec. 30 Twp. 19 R. 10 East West	
Settling Pit Drilling Pit	If Existing, date constructed:		990 Feet from North / South Line of Section	
Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled)	Pit capacity:		990 Feet from East / West Line of Section	
(if Wir Supply Art No. of feat Diffied)	4,100	(bbls)	Rice County	
Is the pit located in a Sensitive Ground Water	Is the pit located in a Sensitive Ground Water Area? Yes 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	Yes X	No	Native Mud	
Pit dimensions (all but working pits):	00 Length (fe	eet) 80	Width (feet) N/A: Steel Pits	
Depth fr	om ground level to de	eepest point: 3	1/2 (feet) 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.				
material, trickless and installation procedure.				
l		west fresh water \(\begin{array}{ccccc} \lambda \overline{\capacita} & \text{feet.} \\ \text{mation:} &		
100 475 feet Depth of water well 50 60 feet Source of information: measured well owner electric log KDWR				
Emergency, Settling and Burn Pits ONLY:			over and Haul-Off Pits ONLY:	
Producing Formation: Type of materi		al utilized in drilling/workover: Fresh Water Mud		
Number of producing wells on lease: Number of wor		king pits to be utilized:		
Barrels of fluid produced daily: Abandonment		procedure: Backfill when dry		
Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No Drill pits must		pe closed within 365 days of spud date. RECEIVED KANSAS CORPORATION COMMITS		
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.				
AUG 2 5 2008				
8-22-08 Date CONSERVATION DIVISION Signature of Applicant or Agent WICHITA, KS				
KCC OFFICE USE ONLY Steel Pit RFAC RFAC RFAS				
Date Received: 8/25/08 Permit Number: Permit Date: 9/8/08 Lease Inspection: X Yes No				



Kathleen Sebelius, Governor Thomas E. Wright, Chairman Michael C. Moffet, Commissioner Joseph F. Harkins, Commissioner

October 2, 2008

Robin Austin Rama Operating Co., Inc. PO Box 159 Stafford KS 67578

Re:

Drilling Pit Application Knop Lease Well No. 5-30 SW/4 30-19S-10W

Rice County, Kansas

Dear Mr. Austin:

District staff has inspected the above referenced location and has determined that the reserve pit shall be constructed <u>without slots</u>, the bottom shall be flat and reasonably level to a **depth not to exceed 18**" 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 within 72 hours 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 (316) 630-4000 when the fluids have been removed. Form CDP-5 (August 2004), Exploration and Production Waste Transfer, must be filed within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: http://kcc.ks.gov/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,

Jonelle Rains, Supervisor

Sorgelle Rain

Department of Environmental Protection and Remediation

CC:

Jeff Klock

File



Kathleen Sebelius, Governor Thomas E. Wright, Chairman Michael C. Moffet, Commissioner Joseph F. Harkins, Commissioner

September 8, 2008

Rama Operating Co., Inc. PO Box 159 Stafford, KS 67578

RE: Drilling Pit Application

Knop Lease Well No. 5-30 SW/4 Sec. 30-19S-10W Rice County, Kansas

Dear Sir or Madam:

District staff has inspected the location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has instructed that no earthen pits are to be used at the location. Steel pits are to be used. Please inform the Commission in writing as to which disposal well you will utilize to dispose of the contents in the steel pits and the amount of fluid that will be disposed. If a haul-off pit is necessary please file, form CDP-1, Application for Surface Pit. This location will have to be inspected prior to approval of the haul-off pit application.

If fluids are taken to an authorized disposal well, please call the District Office at (620) 225-8888. Please file form CDP-5, 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.

Sincerely.

Kathy Haynes

Environmental Protection and Remediation Department

Cc: File



Kathleen Sebelius, Governor Thomas E. Wright, Chairman Michael C. Moffet, Commissioner Joseph F. Harkins, 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					
		(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:					
		A \$1,000 penalty for the first violation; a \$2,500 penalty for the second violation; and a \$5,000 penalty and an operator license review for the third violation.					
Comple	te aı	nd return with Haul-Off Pit Application, Form CDP1(2004)					
Haul-off p	oit wil	ll be located in an on-site disposal area: Yes ☐ No ☐					
	es, w	located in an off-site disposal area on acreage owned by the same landowner: Yes ritten permission from the landowner must be obtained. Attach written permission to plication.					
Haul-off p	oit is	located in an off-site disposal area on another producing lease or unit operated by					

the same operator: Yes No No If yes, written permission from the landowner 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.