



KANSAS CORPORATION COMMISSION 1034219
OIL & GAS CONSERVATION DIVISION

Form CDP-1
April 2004
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: Val Energy, Inc.		License Number: 5822	
Operator Address: 200 W DOUGLAS AVE STE 520		WICHITA KS 67202	
Contact Person: K. TODD ALLAM		Phone Number: 316-263-6688	
Lease Name & Well No.: LEYSA 3-22		Pit Location (QQQQ):	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input checked="" type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small>		Pit is: <input type="checkbox"/> Proposed <input checked="" type="checkbox"/> Existing If Existing, date constructed: 10/29/2008 Pit capacity: 3,000 (bbls)	
		NE - NW - SE - SW Sec. 22 Twp. 34 R. 11 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1,308 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 1,841 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Barber County	
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <small>(For Emergency Pits and Settling Pits only)</small>	
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? CLAY BOTTOM	
Pit dimensions (all but working pits): 300 Length (feet) 75 Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: 4 (feet) <input type="checkbox"/> 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.	
Distance to nearest water well within one-mile of pit 2786 feet Depth of water well 32 feet		Depth to shallowest fresh water 12 feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> KDWR	
Emergency, Settling and Burn Pits ONLY: 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		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: FRESH MUD Number of working pits to be utilized: 1 Abandonment procedure: REMOVE FLUIDS, LET DRY, COVER Drill pits must be closed within 365 days of spud date.	
Submitted Electronically			

KCC OFFICE USE ONLY		Steel Pit <input type="checkbox"/>	RFAC <input checked="" type="checkbox"/>	RFAS <input checked="" type="checkbox"/>
Date Received: 01/07/2010	Permit Number: 15-007-23492-00-00	Permit Date: 01/07/2010	Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

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



*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 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: Yes No

Haul-off pit is located in an off-site disposal area on acreage owned by the same landowner:
 Yes No If yes, written permission from the landowner must be obtained. Attach written 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: Yes 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.



*Mark Parkinson, Governor
Thomas E. Wright, Chairman
Michael C. Moffet, Commissioner
Joseph F. Harkins, Commissioner*

January 07, 2010

K. TODD ALLAM
Val Energy, Inc.
200 W DOUGLAS AVE STE 520
WICHITA, KS 67202-3005

Re: Drilling Pit Application
LEYSA 3-22
Sec.22-34S-11W
Barber County, Kansas

Dear K. TODD ALLAM:

District staff has inspected the above referenced location and has determined that the Haul-Off 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 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 as soon as practical 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) 225-8888 when the fluids have been removed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, through SOLAR within 30 days of fluid removal.

If you have any questions or concerns please feel free to contact the District Office at (620) 225-8888.


KANSAS
CORPORATION COMMISSION

*Mark Parkinson, Governor
Thomas E. Wright, Chairman
Michael C. Moffet, Commissioner
Joseph F. Harkins, Commissioner*

August 27, 2009

Val Energy, Inc.
200 W. Douglas Ste 520
Wichita, KS 67202

Re: Haul-off Pit Extension
Leysa Lease Well No. 1-22
Sec. 22-34S-11W
Barber County, Kansas
Permit No. 15-007-23378

Dear Sir or Madam:

This letter is written to inform you that you have been granted an extension of time in which to close the haul off pit associated with the Leysa lease.

This extension will expire on November 30, 2009. I urge you to make every effort to close this pit within this time frame. Extension of this time frame automatically extends the time period for filing the surface pond closure form.

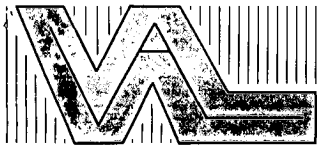
If you have any questions in this regard, please do not hesitate to contact Kathy Haynes at (316) 337-6243.

Sincerely,



Doug Louis
Director

cc: File
District Office



VAL ENERGY, INC.

200 W. Douglas, Suite 520

Wichita, Kansas 67202

Office: (316) 263-6688 Fax: (316) 262-2512

August 25, 2009

Kansas Corporation Commission
130 S. Market # 2078
Wichita, KS 67202

Re: LEYSA 1-22 pit

To Whom It May Concern:

We are planning on drilling another well by the end of the year using the Leysa 1-22 pit and are requesting an extension on the closure of this pit.

Sincerely

Dustin Wyer

KANSAS CORPORATION COMMISSION

AUG 26 2009

RECEIVED



Mark Parkinson, Governor
Thomas E. Wright, Chairman
Michael C. Moffet, Commissioner
Joseph F. Harkins, Commissioner

August 3, 2009

Val Energy, Inc.
200 W DOUGLAS AVE STE 520
WICHITA KS 67202

Re: Closure of Work-over Pit
LEYSA 1-22 Lease
Sec. 22-34-11W
BARBER County, Kansas
API No. 15007233780000

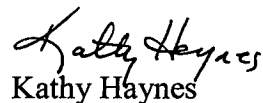
Dear Sir or Madam:

The above referenced work-over pit was permitted on 9/30/2008. Work-over pits shall be closed within 365 calendar days after work-over operations have commenced. The work-over pit in question must be closed by 9/30/2009. Should an exception be warranted, it must be received by 9/30/2009.

A Closure of Surface Pit, form CDP-4, should be filed within 30 days after the work-over pits are closed. Conservation division forms are available through our office and on the KCC web site: <http://kcc.ks.gov/conservation/forms/>. Failure to timely close the pit, file an extension or file the form within the allotted time periods may be punishable by an administrative penalty.

If you have any questions or concerns, please contact the undersigned at (316) 337-6243.

Sincerely,


Kathy Haynes

Department of Environmental Protection and Remediation

cc: District Office

KANSAS CORPORATION COMMISSION

AUG 26 2009

RECEIVED