

Operator & Address: KAHAN & ASSOCIATES, Inc. PO Box 181 Clarin Ks 67525

Lic. # 4252 Contact Person: John Klug Phone # 620 793 2047

Lease Name & Well # JOE PRUSA #2 API # or Spud Date: 15-009-030630003

Location: NENE NE /4 Sec: 20 Twp: 16 Rge: 11 N/W County: BARTON

_____ feet from the North / South Line, _____ feet from the East / West Line of _____ /4 section.

Purpose of Pit: WORKOVER Depth to Ground Water: _____

Nature of Fluids: _____

Construction: _____, Width: 9', Length: 9', Depth: 8' bbl capacity: 100-120 BBL

Liner Specifications: LINED (BLACK PLASTIC)

This lease produces from the following formation(s): _____

Date of Verbal Permit: 10/26/09, KCC Agent: Roy A Dink

To save paperwork, copy this form after completion of the first 11 lines. Use copy for closure form.

Dates Pit Used: From _____ To _____ Date Water Hauled: _____

Proposed Closing Procedure / Actual Closure information: _____

Pit must be closed in _____ days.

(signature) (date)
***** KCC USE ONLY *****

Groundwater Sensitive Area YES () NO (); Field Inspection Date: _____, Agent: _____

Chloride of Water in Pit: _____, Date Collected: _____

_____ feet to nearest Water Well. Depth of Water Well: _____, Application Tabulated

RECEIVED
NOV 02 2009
KCC WICHITA



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

December 8, 2009

Kahan & Associates, Inc.
PO Box 700780
Tulsa, OK 74170-0780

RE: Verbal on Workover Pit
Prusa Lease Well No. 2
NE/4 Sec. 20-16S-11W
Barton County, Kansas

Dear Sir or Madam:

According to our files we do not have an application for the above referenced workover pit, district staff gave verbal approval on 10/26/2009. According to K.A.R. 82-600(b) workover pits may be permitted through verbal authorization from the appropriate district office subject to the filing of a surface pond application within five days after the verbal authorization.

Please complete surface pond application form (CDP-1) and return to this office within 14 days of the date of this letter. If this pit has been closed please complete the closure of surface pit form (CDP-4). Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms.

If you have any questions please feel free to call me at (316) 337-6243.

Sincerely,

A handwritten signature in black ink that reads "Kathy Haynes". The signature is written in a cursive style with a large initial "K" and a long, sweeping underline.

Kathy Haynes
Environmental Protection and Remediation Department

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

Form GDP-1
April 2004
Form must be Typed

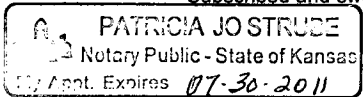
Submit in Duplicate

Operator Name: <u>Kahan & Associates</u>		License Number: <u>4252</u>
Operator Address: <u>P.O. Box 700780 Tulsa, OK, 74170-0780</u>		
Contact Person: <u>John Klug</u>		Phone Number: <u>620 793-2047</u>
Lease Name & Well No.: <u>Joe Prusa 2</u>		Pit Location (QQQQ): <u>NE-NE-NE-4</u>
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input checked="" type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: <u>120</u> (bbls)	Sec. <u>20</u> Twp. <u>16</u> R. <u>11</u> <input type="checkbox"/> East <input type="checkbox"/> West <u>330</u> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <u>330</u> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <u>Barton</u> County
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No	How is the pit lined if a plastic liner is not used?
Pit dimensions (all but working pits): <u>18</u> Length (feet) <u>8</u> Width (feet) _____ N/A: Steel Pits 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. <u>Black Plastic</u>		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.
Distance to nearest water well within one-mile of pit <u>400</u> feet Depth of water well <u>280</u> feet		Depth to shallowest fresh water _____ feet. Source of information: _____ measured _____ well owner _____ electric log _____ 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: _____ Number of working pits to be utilized: _____ Abandonment procedure: _____ 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>12/22/09</u> Date		RECEIVED DEC 23 2009 KCC WICHITA
KCC OFFICE USE ONLY		
Date Received: _____ Permit Number: _____ Permit Date: _____ Lease Inspection: <input type="checkbox"/> Yes <input type="checkbox"/> No		

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

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION
 CLOSURE OF SURFACE PIT

Form CDP-4
 April 2004
 Form must be Typed

Operator Name: <u>Kahan + Associates</u>	License Number: <u>4252</u>
Operator Address: <u>P.O. Box 700780 Tulsa, OK, 74170-0780</u>	
Contact Person: <u>John Klug</u>	Phone Number: <u>(620) 793-2047</u>
Permit Number (API No. if applicable):	Lease Name & Well No.: <u>Joe Prusa 2</u>
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input checked="" type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit	Pit Location (QQQQ): <u>NE - NE - NE - 4</u> Sec. <u>20</u> Twp. <u>16</u> R. <u>11</u> <input checked="" type="checkbox"/> East <input type="checkbox"/> West <u>330</u> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <u>330</u> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <u>Barton</u> County
Date of closure: <u>11/27/09</u>	
Was an artificial liner used? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
If no, how were the sides and bottom sealed to prevent downward migration of the pit contents?	
RECEIVED DEC 23 2009 KCC WICHITA	
Abandonment procedure of pit: <u>Empty water out of pit + backfill.</u>	
The undersigned hereby certifies that he / she is <u>Production Foreman</u> for <u>Kahan + Associates</u> (Co.), a duly authorized agent, that all information shown hereon is true and correct to the best of his /her knowledge and belief.	
<u>John Klug</u> Signature of Applicant or Agent	
Subscribed and sworn to me on this <u>22nd</u> day of <u>December</u> , <u>2009</u>	
	<u>Patricia Jo Strude</u> Notary Public
My Commission Expires: <u>07-30-2011</u>	

CLOSURE OF SURFACE PIT (FORM CDP-4)
Instructions

General Instruction.

1. Form must be typed.

Section 1: Operator Information.

- 1a. **Operator Name.** Enter the operator's full name as it appears on operator's license.
- 1b. **License #.** Enter the operator's license number. To verify KCC operator license information, please check the Commission's website at http://www.kcc.state.ks.us/conservation/oil_license.cgi or contact the Conservation Division's Licensing Department at (316) 337-6194.
- 1c. **Operator Address.** Enter the operator's street or PO box number, city, state, and zip code.
- 1d. **Contact Person.** Enter the name of the individual who will be the operator's contact person for this Closure of Surface Pit Form, should the Conservation Division Staff need to contact the operator about the form. The contact person may be the operator or the operator's agent.
- 1e. **Phone.** Enter the phone number of the contact person that the Conservation Division Staff may easily reach if necessary to discuss the Closure of Surface Pit Form.

Section 2: Pit Information.

- 2a. **Permit Number (API No. if applicable).** Enter the KCC permit number for the pit to be closed. For workover, drilling, and haul-off pits, the Permit Number is the API Number. For emergency, settling, and burn pits, the Permit Number is listed at the bottom of the approved Application for Surface Pit (CDP-1) Form in the "KCC Office Use Only" Section.
- 2b. **Lease Name & Well No.** Enter the lease name and well number at which the subject pit is located.
- 2c. **Type of Pit.** Mark the appropriate box to indicate whether the subject pit is an emergency pit, settling pit, workover pit, burn pit, drilling pit, or haul-off pit.
- 2d. **Pit Location.**
 - 2d(1). **QQQQ.** Enter the pit's $\frac{1}{4}$ $\frac{1}{4}$ $\frac{1}{4}$ section location.
 - 2d(2). **Sec., Twp., and R.** Enter the section, township, and range where the subject pit is located and mark the appropriate box to indicate if the range is East or West of the Sixth Principal Meridian.
 - 2d(3). **Footage from Section Lines.** Enter the number of feet the subject pit is located from the North or South section line and mark the appropriate box to indicate from which section line the measurement was taken. Enter the number of feet the subject pit is located from the East or West section line and mark the appropriate box to indicate from which section line the measurement was taken.
 - 2d(4). **County.** Enter the county where the subject pit is located.

Section 3: Closure Information.

- 3a. **Date of closure.** Enter the date when the subject pit was closed.
- 3b. **Use of an artificial liner.** Mark the appropriate box to indicate whether an artificial liner was used to close the subject pit.
- 3c. **Prevention of downward migration of pit contents.** If an artificial liner was not used to close the pit, provide an explanation of how the sides and bottom of the subject pit were sealed to prevent the downward migration of pit contents.
- 3d. **Abandonment Procedures.** Provide an explanation of the procedures used by the operator to abandon the subject pit after its closing.

Section 4: Verification.

- 4a. **Applicant's Position with operator.** Enter the position which the person completing the Form holds with the subject pit's operator.
- 4b. **Operator Name.** Enter the operator's full name as it appears in Section 1a.
- 4c. **Signature.** The applicant must sign the Form in front of a legal notary to verify that the information on the form is true and correct.
- 4d. **Legal Notary.** A legal notary will complete the 4d sections.