

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

Form CDP-1  
April 2004  
Form must be Typed

*Submit in Duplicate*

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|--|--|--|
| Operator Name: <b>Grady Bolding Corporation</b>  |  | License Number: <b>7383</b>  |
| Operator Address: <b>P.O. Box 486 Ellinwood, Ks 67526</b>  |  |  |
| Contact Person: <b>Grady Bolding</b>   |  | Phone Number: <b>620-564-2240</b>  |
| Lease Name & Well No.: <b>Harold Schmeidler #1</b>   |  | Pit Location (QQQQ):<br><b>SW SE SE SW</b><br>Sec. <b>33</b> Twp. <b>12</b> R. <b>17</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West<br><b>200</b> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section<br><b>380</b> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section<br><b>Ellis</b> County |
| Type of Pit:<br><input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit<br><input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit<br><input checked="" type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit<br><small>(If WP Supply API No. or Year Drilled)</small>                             | Pit is:<br><input type="checkbox"/> Proposed <input checked="" type="checkbox"/> Existing<br>If Existing, date constructed:<br><b>12/18/09</b><br>Pit capacity:<br><b>125</b> (bbls) |  |
| Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No   |  | Chloride concentration: _____ mg/l<br><small>(For Emergency Pits and Settling Pits only)</small>   |
| Is the bottom below ground level?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No   | Artificial Liner?<br><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>20</u> Length (feet) <u>8</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits<br>Depth from ground level to deepest point: <u>6</u> (feet) <input type="checkbox"/> No Pit   |  |  |
| If the pit is lined give a brief description of the liner material, thickness and installation procedure.<br><br>Liner used is one acceptable to KCC. Liner placed in pit with top weighted by dirt to make certain it does not collapse into pit. (Note: Consulted with Case Morris of Hays District office on 12/18/09 prior to construction of pit) |  | Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.<br><br><b>Daily inspection of integrity of liner.</b>  |
| Distance to nearest water well within one-mile of pit<br><u>2000</u> feet    Depth of water well <u>80</u> feet  |  | Depth to shallowest fresh water <u>80</u> feet.<br>Source of information:<br><input type="checkbox"/> measured <input checked="" type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> KDWR   |
| <b>Emergency, Settling and Burn Pits ONLY:</b><br>Producing Formation: _____<br>Number of producing wells on lease: _____<br>Barrels of fluid produced daily: _____<br>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><br>Type of material utilized in drilling/workover: <u>Fresh</u><br>Number of working pits to be utilized: <u>1</u><br>Abandonment procedure: <u>Allow pits to dry. Place subsoil into pit first followed by topsoil on top of pit.</u><br>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.<br><br><u>12-18-09</u><br>Date   |  | <b>RECEIVED</b><br><b>DEC 23 2009</b><br><b>KCC WICHITA</b>  |
| Signature of Applicant or Agent<br><i>Grady Bolding</i>  |  |  |
| <b>KCC OFFICE USE ONLY</b>   |  |  |
| Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>   |  |  |
| Date Received: <u>12-23-09</u> Permit Number: <u>15-051-21839-0000</u> Permit Date: <u>12-24-09</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  |  |  |

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