

12/01/2009 Telephoned KCC District Office 2, 316-630-4000, obtained verbal approval from Virgil Clothier. Faxed copy to KCC 316-337-6211 and mailed original.

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

Form CDP-1  
April 2004  
Form must be Typed

*Submit in Duplicate*

Operator Name: Daystar Petroleum, Inc.		License Number: 30931 ✓
Operator Address: PO Box 360		Valley Center KS 67147-0360
Contact Person: Charles Schmidt		Phone Number: 316-755-3492
Lease Name & Well No.: Gray 6		Pit Location (QQQQ): _____ SE _____ SW _____ SW
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) 15-159-01738</small>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 80 _____ (bbls)	Sec. 19 Twp. 18 R. 7 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 330 _____ Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 990 _____ Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Rice _____ 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): _____ 8 _____ Length (feet) _____ 10 _____ Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: _____ 6 _____ (feet) <input type="checkbox"/> No Pit		
If the pit is lined give a brief description of the liner material, thickness and installation procedure.  Poly liner - 6 mil, draped in pit, over lapped on surface.	Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.  Monitor pit daily for loss.	
Distance to nearest water well within one-mile of pit ✓ 658 _____ feet    Depth of water well _____ 24 _____ feet	Depth to shallowest fresh water _____ 15 _____ feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> 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: Fresh Water Number of working pits to be utilized: _____ 1 _____ Abandonment procedure: Empty and back fill _____ 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.		
_____ 12/01/2009 Date	_____ Signature of Applicant or Agent	
RECEIVED DEC 02 2009 KCC WICHITA		
<b>KCC OFFICE USE ONLY</b>		
Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>		
Date Received: 12/2/09    Permit Number: 15-159-01738    Permit Date: 12/1/09    Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

**WORKOVER PIT APPLICATION  
VERBAL AUTHORIZATION**

DATE: 12-1-09 TIME: 9:45 AM  
OPERATOR: Daystar Petroleum CONTACT PERSON: Tori Bodine  
LEASE NAME: Gray #6  
SE SW SW SEC. 19 TWP. 18 RANGE 7 E 10 COUNTY: RC

CONSTRUCTION:  
SIZE: WIDTH 8' LENGTH 10' DEPTH 6'  
ESTIMATED CAPACITY 80 BBLS

EST. DEPTH TO GROUNDWATER (if known): 15' to shallowest  
TYPE OF FLUID:  Saltwater  Workover Fluids  
 Cement  Drilling Mud/Cuttings - fresh water

DOES OPERATOR PLAN TO LINE PIT:  YES  NO  
ESTIMATED TIME BEFORE PIT WILL BE CLOSED: 74 Days  
ANY KNOWN WATER WELLS WITHIN 1/4 MILE OF PIT:  YES  NO  
within 658' - 24' depth

K.C.C. INFORMATION: IS PIT IN SGA?  YES  NO

- K.C.C. DISTRICT #2 RECOMMENDATION (Check One):
- 1. Authorization granted with no liner.
  - 2. Authorization granted, if pit is lined.
  - 3. Authorization granted, no liner necessary, but free fluids must be removed within \_\_\_\_\_ hours of completion of workover/plugging operations.
  - 4. No verbal authorization will be given without on-site inspection.

\*Remind operator that pit permit form must be filed within five (5) days after verbal authorization.

15-159-01738 - reminded operator

To empty & backfill after using.

RESULTS OF INSPECTION:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

UC Agent Date 12-1-09