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: OXY USA Inc.			License Number: 5447			
Operator Address: P. O. Box 2528, Liberal, KS 67901						
Contact Person: Mike Fink			Phone Number: (620) 624 - 3569			
Lease Name & Well No.: Hawley "A" #2			Pit Location (QQQQ):			
Type of Pit:	Pit is:		<u>NE SE SE_</u>			
Emergency Pit Burn Pit	✓ Proposed		Sec. 14 Twp. 30S R. 32 ☐ East ✓ West			
Settling Pit Drilling Pit	If Existing, date constructed:		990 Feet from North / South Line of Section			
☐ Workover Pit	Pit capacity:		150 Feet from 🗸 East / West Line of Section			
(If WP Supply API No. or Year Drilled)	16,000	(bbls)	Haskell County			
Is the pit located in a Sensitive Ground Water	Area? Yes	No	Chloride concentration: mg/l			
La Na La Naza La			(For Emergency Pits and Settling Pits only)			
Is the bottom below ground level?	Artificial Liner? ☐ Yes		How is the pit lined if a plastic liner is not used?			
165 166	les [v]		Bentonite & Cuttings			
Pit dimensions (all but working pits):1	50 Length (fe	eet) 150	Width (feet) N/A: Steel Pits			
Depth fr	om ground level to de		(feet)			
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining RECE VED liner integrity, including any special monitoring.				
	:		SEP 0 4 2			
			l l			
			CONSERVATION DI WICHITA, KS			
		Depth to shallowest fresh water				
		Source of information: measured well owner electric log KDWR				
			Drilling, Workover and Haul-Off Pits ONLY:			
Producing Formation:		Type of material utilized in drilling/workover: Fresh Water Mud				
Number of producing wells on lease:		Number of working pits to be utilized:				
Barrels of fluid produced daily: Abanc		Abandonment (bandonment procedure: Evaporation and Backfill			
Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No		Drill pits must be closed within 365 days of spud date.				
I hereby certify that the above state	ments are true and c	orrect to the best	of my knowledge and belief.			
		∕ .				
09/02/08						
Date		Si	gnature of Applicant or Agent			
	KCC C	OFFICE USE ON				
away draw.						
Date Received: 9 4 5 Permit Number: 15-081-21831 Permit Date: 9 10 08 Lease Inspection: 2 Yes No						



located, to the haul-off pit application.

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 landowner or to another producing lease or unit operated by the same oper permission from the landowner has been obtained; or	owned by the same rator, if prior written			
		(D) removal of the contents to a permitted off-site disposal area approved by the de	epartment.			
(b)		Each violation of this regulation shall be punishable by the following:	RECEIVED CANSAS CORPORATION COMMISSION			
	(2)	A \$1,000 penalty for the first violation; a \$2,500 penalty for the second violation; and	SEP 0 4 2008			
Complete and return with Haul-Off Pit Application, Form CDP1(2004) CONSERVATION DIVISION WICHITA, KS						
Haul-off	pit w	will be located in an on-site disposal area: ☑Yes ☐No				
Yes	No	is located in an off-site disposal area on acreage owned by the same lando If yes, written permission from the landowner must be obtained. Attach wr it application.	owner: ritten permission			
Haul-off _I	pit is	is lo <u>cated in an off-site disposal area on another producing lease or unit</u>	operated by the			

same operator: Tes 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



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

September 10, 2008

OXY USA, Inc. PO Box 2528 Liberal, KS 67901

RE: Haul-Off Pit Application

Hawley A Lease Well No. 2 SE/4 Sec. 14-30S-32W Haskell County, Kansas

Dear Sir or Madam:

District staff has inspected the above referenced location and has determined that the haul-off pit shall be constructed <u>without slots</u>, 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 within 96 hours after drilling operations have ceased. **Keep pit away from draw/drainage.**

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, 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.

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.

Kathy Havnes

Environmental Protection and Remediation Department

cc: district