

**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: <b>Kansas Natural Gas Operating, Inc</b>   |   | License Number: <b>32787</b>   |
| Operator Address: <b>P. O. Box 815 Sublette, KS 67877</b>   |   |  |
| Contact Person: <b>Steve Lehning</b>  |   | Phone Number: <b>620-675-8185</b>  |
| Lease Name & Well No.: <b>F. McCoy 1-3</b>  |   | Pit Location (QQQQ):<br><b>SE SE SW 1/4</b><br>Sec. <u>12</u> Twp. <u>29</u> R. <u>33</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West<br><u>150</u> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section<br><u>1,980</u> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section<br><b>Haskell County</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 type="checkbox"/> Workover Pit <input checked="" type="checkbox"/> Haul-Off Pit<br><small>(If WP Supply API No. or Year Drilled)<br/>Off-site reserve pit _____</small> | Pit is:<br><input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing<br>If Existing, date constructed: _____<br>Pit capacity:<br><u>2,500</u> (bbls) |  |
| Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  |   | Chloride concentration: <u>N/A</u> 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No  | How is the pit lined if a plastic liner is not used?<br><b>Gel-Mud</b>   |
| Pit dimensions (all but working pits): <u>70</u> Length (feet) <u>70</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits<br>Depth from ground level to deepest point: <u>4</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><b>NA</b>  |   | Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.<br><b>NA</b>   |
| Distance to nearest water well within one-mile of pit<br><u>5100</u> <sup>2466</sup> feet    Depth of water well <u>N/A</u> <sup>473</sup> feet   |   | Depth to shallowest fresh water <u>600</u> <sup>242</sup> feet. <b>WICHITA, KS</b><br>Source of information:<br><input type="checkbox"/> measured <input checked="" type="checkbox"/> well owner <input type="checkbox"/> electric log <input 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 water - Drilling Mud</u><br>Number of working pits to be utilized: <u>1</u><br>Abandonment procedure: <u>Evaporate till dry. Backfill and spread manure over location.</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.   |   |  |
| <u>OCTOBER 15<sup>TH</sup> 2008</u><br>Date   |   | <u>Steven M. Lehning</u> Supt.<br>Signature of Applicant or Agent  |

**RECEIVED**  
**KANSAS CORPORATION COMMISSION**  
**OCT 17 2008**  
**CONSERVATION DIVISION**  
**WICHITA, KS**

|                                |   |                                    |   |                               |
|--------------------------------|---|------------------------------------|---|-------------------------------|
| <b>KCC OFFICE USE ONLY</b>     |   | Steel Pit <input type="checkbox"/> | RFAC <input checked="" type="checkbox"/>  | RFAS <input type="checkbox"/> |
| Date Received: <u>10/17/08</u> | Permit Number: <u>15-081-21844-0000</u> | Permit Date: <u>10/20/08</u>       | 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*

October 20, 2008

Kansas Natural Gas Opr Inc.  
PO Box 815  
Sublette KS 67877

Re: Haul-Off Pit Application  
F. McCoy Lease Well No. 1-3  
SW/4 Sec. 12-29S-33W  
Haskell County, Kansas

Dear Sir or Madam:

District staff has reviewed 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 within **96** hours 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, Exploration and Production Waster 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](http://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 Haynes  
Environmental Protection and Remediation Department

cc: district