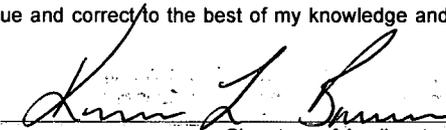


**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT**

Form CDP-1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name: Premier Oil & Exploration, Inc.		License Number: 32846 ✓
Operator Address: 1100 Airport Road		Hutchinson KS 67501
Contact Person: Kevin Bowen		Phone Number: 620-727-0172
Lease Name & Well No.: Sledd IFC #2		Pit Location (QQQQ):
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: 1/12/2009 Pit capacity: 130 (bbls)	SW - SW - SW - Sec. 27 Twp. 19 R. 9 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 340 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 360 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 checked="" type="checkbox"/> Yes <input 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) 20 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. 6mill Polyethylene sheeting		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. RECEIVED KANSAS CORPORATION COMMISSION JAN 14 2009 CONSERVATION DIVISION WICHITA, KS
Distance to nearest water well within one-mile of pit 1502 feet Depth of water well 70 feet		Depth to shallowest fresh water: 20 feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> 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: Fresh water for circulating Number of working pits to be utilized: 1 Abandonment procedure: Haul water off, remove plastic, then backfill and level 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.		
1/12/2009 Date		 Signature of Applicant or Agent

KCC OFFICE USE ONLY		Steel Pit <input type="checkbox"/>	RFAC <input type="checkbox"/>	RFAS <input type="checkbox"/>
Date Received: 1/14/09	Permit Number: 15-159-05813-0002	Permit Date: 1/12/09	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

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

**WORKOVER PIT APPLICATION
VERBAL AUTHORIZATION**

DATE: 1-17-2009 TIME: 12:05 PM
OPERATOR: PREMIER OIL EXPLORATION CONTACT PERSON: MIKE KELSD
LEASE NAME: SLEDD #2
SW SW SW SEC. 27 TWP. 19 RANGE 9 E(W) COUNTY: RICE

CONSTRUCTION:
SIZE: WIDTH 8 LENGTH 20 DEPTH 6
ESTIMATED CAPACITY _____ BBLs

EST. DEPTH TO GROUNDWATER (if known): _____
TYPE OF FLUID: Saltwater Workover Fluids
 Cement Drilling Mud/Cuttings

DOES OPERATOR PLAN TO LINE PIT: YES NO
ESTIMATED TIME BEFORE PIT WILL BE CLOSED: 7 Days
ANY KNOWN WATER WELLS WITHIN 1/4 MILE OF PIT: YES NO

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.

RESULTS OF INSPECTION:

Agent _____ Date _____

cc: JONELLE RAINS