


**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: <u>Continental Energy</u>		License Number: <u>5317</u>	
Operator Address: <u>P O Box 918, Garden City, KS 67846</u>			
Contact Person: <u>Russell Freeman</u>		Phone Number: <u>620-276-8710</u>	
Lease Name & Well No.: <u>Manning #2</u>		Pit Location (QQQQ): <u>NE/4 - SW NE</u>	
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 type="checkbox"/> Proposed <input checked="" type="checkbox"/> Existing If Existing, date constructed: <u>5-12-08</u> Pit capacity: <u>100</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 <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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
How is the pit lined if a plastic liner is not used?		<u>Kearney</u> County	
Pit dimensions (all but working pits): <u>10</u> Length (feet) <u>10</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits 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.		Describe procedures for periodic maintenance and determine liner integrity, including any special monitoring.	
		RECEIVED MAY 30 2008 CONSERVATION DIVISION WICHITA, KS	
Distance to nearest water well within one-mile of pit <u>None</u> <u>1842</u> feet Depth of water well <u>199</u> feet		Depth to shallowest fresh water <u>137</u> feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input 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: <u>Cement & Freshwater</u> Number of working pits to be utilized: <u>1</u> Abandonment procedure: <u>fill in within 30 days</u> 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>5/29/08</u> 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: <u>5/30/08</u> Permit Number: <u>15-093-20678-000</u> Permit Date: <u>5/8/08</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

WORKOVER PIT APPLICATION
VERBAL AUTHORIZATION

DATE: 5-8-08 TIME: _____
OPERATOR: CONTINENTAL ENERGY CONTACT PERSON: RUSSEL FREEMAN
WELL NAME: MANNING #2
NE SEC. 21 TWP. 22 RANGE 36 W COUNTY: FEARNY

CONSTRUCTION:
SIZE: WIDTH 10 LENGTH 10 DEPTH 6
ESTIMATED CAPACITY 100 BBLS

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

DOES OPERATOR PLAN TO LINE PIT: _____ YES _____ NO
ESTIMATED TIME BEFORE PIT WILL BE CLOSED: 30 Days
ANY KNOWN WATER WELLS WITHIN 1/4 MILE OF PIT: _____ YES NO

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

C.C.C. DISTRICT #1 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.

Faxed operator form → 620-276-4153

RESULTS OF INSPECTION:

R. Fremer Agent Date 5-8-08

WORKOVER PIT APPLICATION
VERBAL AUTHORIZATION

DATE: May 8, 2008 TIME: 2:00
OPERATOR: Continental Energy CONTACT PERSON: Russell Freeman
LEASE NAME: Manning #2
NE SEC. 21 TWP. 22S RANGE 36 W COUNTY: Kearney

CONSTRUCTION:
SIZE: WIDTH 10' LENGTH 10' DEPTH 6'
ESTIMATED CAPACITY 100 BBLs

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

DOES OPERATOR PLAN TO LINE PIT: _____ YES x NO
ESTIMATED TIME BEFORE PIT WILL BE CLOSED: 30 Days
ANY KNOWN WATER WELLS WITHIN 1/4 MILE OF PIT: _____ YES x NO

C.C.C. INFORMATION: IS PIT IN SGA? _____ YES x NO

C.C.C. DISTRICT #10 RECOMMENDATION (Check One):

- x 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:

Steve Durand

Agent

Date 5-9-08

cc: JHELLE RAINS



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

May 23, 2008

Continental Energy
PO Box 918
Garden City, KS 67846-0918

RE: Verbal on Workover Pit
Manning Lease Well No. 2
NE/4 Sec. 21-22S-36W
Kearny County, Kansas

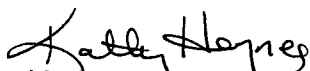
Dear Sir or Madam:

According to our files we do not have an application for the above referenced workover pit, district staff gave verbal approval on 05/08/2008. According to K.A.R. 82-600(b) workover pits may be permitted through verbal authorization from the appropriate district office subject to the filing of a surface pond application within five days after the verbal authorization.

Please complete surface pond application form (CDP-1) and return to this office within 14 days of the date of this letter. If this pit has been closed please complete the closure of surface pit form (CDP-4). Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms.

If you have any questions please feel free to call me at (316) 337-6243.

Sincerely,


Kathy Haynes

Environmental Protection and Remediation Department