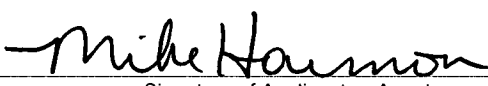


**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT**

Form CDP-1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name: Resource Operations, Inc.		License Number: 30364	
Operator Address: P O Box 9487, Tulsa OK 74157-0487			
Contact Person: Mike Harmon		Phone Number: 918-446-6114	
Lease Name & Well No.: Wallace No. 10		Pit Location (QQQQ): W2 - SW Sec. 29 Twp. 19 R. 9 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 660 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 380 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Rice County	
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: _____ Pit capacity: 100 (bbls)		
Is the pit located in a Sensitive Ground Water Area? <input checked="" 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): 10 Length (feet) 8 Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: 8 (feet) <input type="checkbox"/> No Pit			
If the pit is lined give a brief description of the liner material, thickness and installation procedure. Standard plastic pit liner, normal installation procedure		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. Normal monitoring will occur	
Distance to nearest water well within one-mile of pit 322 feet Depth of water well 55 feet		Depth to shallowest fresh water 150 feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input checked="" 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: salt water & cement cuttings Number of working pits to be utilized: 2 Abandonment procedure: Fluids will be hauled off, hole will be filled back in 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. <div style="display: flex; justify-content: space-between;"> <div style="text-align: center;"> 10/31/08 Date </div> <div style="text-align: center;">  Signature of Applicant or Agent </div> </div>			

RECEIVED
KANSAS CORPORATION COMMISSION
NOV 03 2008
CONSERVATION DIVISION
WICHITA, KS

KCC OFFICE USE ONLY

Steel Pit ☐ RFAC ☐ RFAS ☐

Date Received: **11/1/08** Permit Number: **15-159-30308-000** Permit Date: **11/1/08** Lease Inspection: ☐ Yes ☒ No

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

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form CDP-1 Instructions
April 2007

APPLICATION FOR SURFACE PIT (FORM CDP-1)

Instructions

General Instructions.

1. All Notices of Intent to Drill must include an Application for Surface Pit, even if steel pits will be used.
2. Operators need to submit two copies of all CDP-1s.
3. Form must be typed.

Section 1: Operator Information.

- 1a. **Operator Name.** Enter the operator's full name as it appears on operator's license.
- 1b. **License Number.** Enter the operator's license number. To verify KCC operator license information check the Commission's website at http://www.kcc.state.ks.us/conservation/oil_license.cgi or contact the Conservation Division's Licensing Department at (316) 337-6194.
- 1c. **Operator Address.** Enter the operator's mailing address.
- 1d. **Contact Person.** Enter the name of the individual who will be the operator's contact person for this Application for Surface Pit, should Conservation Division Staff need to contact the operator about the Application for Surface Pit. The contact person may be the operator or the operator's agent.
- 1e. **Phone Number.** Enter the phone number of the contact person, so that Conservation Division Staff may easily reach the contact person if necessary.

Section 2: Lease/Well/Pit Information.

- 2a. **Lease Name & Well No.** Enter the name of the lease, and if applicable the well number, at which the pit is or will be located.
- 2b. **Type of Pit.** Mark the appropriate box to indicate the type of pit. Note—if the pit is a workover pit, the operator must enter the API No. or Year Drilled of the well which is to be worked over.
- 2c. **Proposed or Existing Pit.** Operator should mark the appropriate box to indicate if the pit is proposed or already exists.
 - 2c(1). **Existing Pits.** The operator should provide the date pit was constructed.
 - 2c(2). **Proposed and Existing Pits.** The operator must provide the pit capacity.
- 2d. **Pit Location.**
 - 2d(1). **¼ ¼ ¼ Section.** The operator should list the location of the pit by ¼ ¼ ¼ Section.
 - 2d(2). **Sec., Twp., and R.** The operator should enter the Section, Township and Range Number in which the pit is located, and should mark either the "East" or "West" box to indicate if the Range # is East or West.
 - 2d(3). **Footage Location.** This is where the operator reports the location of the pit from the North or South section line and the East or West section line. Enter in the blank provide the number of feet the pit is or will be from the North or South section line and then mark the appropriate box for the measurement to indicate if the footage is from the North or South section line. Follow the same procedure with respect to the location of the pit from the East or West section line.
 - 2d(4). **County.** Enter the county in which the pit is or will be located.
- 2e. **Sensitive Groundwater Area.** Mark the appropriate box as to whether or not the pit is located in a Sensitive Groundwater Area. Operators may find a listing of Sensitive Groundwater Areas in Table III of the Conservation Division's Rules and Regulations. The Commission's rules and regulations for the conservation of oil and gas, including Table III, are available in an Adobe pdf file from the Conservation Division's website at <http://www.kcc.state.ks.us/conservation/index.htm>.
- 2f. **Chloride Concentration (for emergency and settling pits only).** Indicate the chloride concentration level of fluids which the pit is or will be used to contain. A sample should be taken from the salt water tank. This information is needed to determine the potential for contamination should the salt water tank discharge into the emergency pit.

- 2g. **Below Ground Level.** Mark the appropriate box to indicate whether the bottom of the pit is below ground level.
- 2h. **Artificial Liner.** Mark the appropriate box to indicate whether the pit is or will be constructed with an artificial liner.
- 2i. **Other Liner.** Explain how the pit is constructed if a plastic liner is not used.
- 2j. **Pit Dimensions (all but working pits).** For all but steel pits, enter the length, width, and depth (from ground level to the deepest point) in feet of the pit. If the pit is a steel pit, the operator only needs to mark the "steel pits" blank.

Section 3: Description of Liner.

If the pit is lined, enter a brief description of the liner material, thickness, and installation procedure.

Section 4: Description of Maintenance.

Enter a brief description of the procedures used for periodic maintenance and determining liner integrity, including any special monitoring.

Section 5: Distance to Nearest Water Well Within One Mile of Pit.

Enter the distance to the nearest water well within one mile of the pit location and the total depth of the water well. If there are not any water wells within a one-mile radius of the pit location, the space should be left blank. Water well information is available from the Kansas Geological Survey's website, at <http://www.kgs.ku.edu/Magellan/WaterWell/index.html>.

Section 6: Shallowest Freshwater Depth.

Enter the depth to the shallowest fresh water in the area of the pit and mark the appropriate box as the source of the freshwater information.

Section 7: Emergency, Settling, and Burn Pits ONLY.

Enter the formation from which wells on the lease are producing, the number of producing wells on the lease, and the number of barrels of fluids produced daily on the lease. The operator should also mark the appropriate box to indicate if the slope of the tank battery allows all spilled fluids to flow in the pit.

Section 8: Drilling, Workover, and Haul-Off Pits ONLY.

Enter the type of material utilized in the drilling or workover of the well, the number of working pits to be utilized, and the procedure to be used for abandoning the pits after work at the well is complete.

Section 9: Affidavit.

Date and sign the certification that the above statements are true and correct to the best of the signee's knowledge and belief.



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

November 6, 2008

Resource Operations, Inc.
PO Box 9487
Tulsa, OK 74157-0487

Re: Workover Pit Application
Wallce Lease Well No. 10
SW/4 Sec. 29-19S-09W
Rice County, Kansas

Dear Sir or Madam:

District staff has reviewed the above referenced location and has determined the pit must **be lined and fluids removed after completion**. A plastic liner with the minimum thickness of **6 mil** is to be used. Integrity of the liner must be maintained at all times.

The fluids must be removed from the pit within 48 hours after workover operations have ceased. The fluids should be taken to an authorized disposal well. Please call the District Office at (316) 630-4000 when the fluids have been removed. Please file form CDP-5 (April 2004), 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.

If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,

Kathy Haynes
Department of Environmental Protection and Remediation

Cc: district

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

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April 2004
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Submit in Duplicate

Operator Name: Resource Operations, Inc.		License Number: 30364	
Operator Address: P O Box 9487, Tulsa OK 74157-0487			
Contact Person: Mike Harmon		Phone Number: 918-446-6114	
Lease Name & Well No.: Wallace No. 10		Pit Location (QQQQ): W2, SW SW Sec. 29 Twp. 19 R. 9 <input type="checkbox"/> East <input checked="" type="checkbox"/> West Approx. 660 Feet from <input type="checkbox"/> North <input checked="" type="checkbox"/> South Line of Section 330 Feet from <input type="checkbox"/> East <input checked="" type="checkbox"/> West Line of Section Rice County	
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 (If WOP Supply API No. or Year Drilled)		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: Pit capacity: 100 (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l (For Emergency Pits and Settling Pits only)	
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): 10 Length (feet) 8 Width (feet) <input type="checkbox"/> N/A; Steel Pits Depth from ground level to deepest point: 5 (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 determining liner integrity, including any special monitoring.	
Standard plastic pit liner, normal installation procedure		Normal monitoring will occur	
11-6-2008 Greg E. Plastic liner / Haul fluids 48hrs after completion		RECEIVED KANSAS CORPORATION COMMISSION NOV 03 2008 CONSERVATION DIVISION WICHITA, KS	
Distance to nearest water well within one-mile of pit 320 feet Depth of water well 55 feet		Depth to shallowest fresh water 150 ft. feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input checked="" 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: salt water & cement cuttings Number of working pits to be utilized: 2 Abandonment procedure: Fluids will be hauled off, hole will be filled back in 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.			
10/31/08 Date		Mike Harmon Signature of Applicant or Agent	
KCC OFFICE USE ONLY Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAB <input type="checkbox"/>			
Date Received: 11/6/08 Permit Number: 15-159-30305 Permit Date: 11/4/08 Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

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