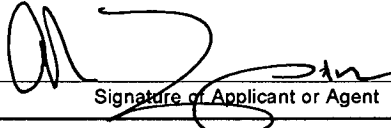


KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT

Form GDP-1
April 2004
Form must be Typed

Submit in Duplicate

Operator Name: DaMar Resources, Inc.		License Number: 9067	
Operator Address: 234 W. 11th Hays, KS 67601			
Contact Person: Curtis R. Longpine		Phone Number: (785) 625 - 0020	
Lease Name & Well No.: Lynch #1		Pit Location (QQQQ): C SW SE NW <i>E/R NW SW</i>	
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 <i>(If WP Supply API No. or Year Drilled)</i>		Pit is: <input type="checkbox"/> Proposed <input checked="" type="checkbox"/> Existing If Existing, date constructed: 6/27/08 Pit capacity: 80 (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Sec. 36 Twp. 4 R. 20 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 2310 <i>1980</i> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 1650 <i>1290</i> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Phillips County	
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: 50,000 mg/l <i>(For Emergency Pits and Settling Pits only)</i>	
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) 10 Width (feet) N/A: Steel Pits Depth from ground level to deepest point: 5 (feet)			
If the pit is lined give a brief description of the liner material, thickness and installation procedure. Plastic		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. daily inspection	
Distance to nearest water well within one-mile of pit 279 feet Depth of water well 63 feet		Depth to shallowest fresh water 32 feet. Source of information: <input checked="" 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: water Number of working pits to be utilized: one Abandonment procedure: dewater & backfill 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;"> 7/21/08 Date </div> <div style="text-align: center;">  Signature of Applicant or Agent </div> </div>			
KCC OFFICE USE ONLY			
Date Received: 7/23/08 Permit Number: 15-147-20492 Permit Date: 7/2/08 Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

RECEIVED
KANSAS CORPORATION COMMISSION
JUL 23 2008
CONSERVATION DIVISION
WICHITA, KS

KANSAS CORPORATION COMMISSION
CALL-IN WORKOVER PIT APPLICATION

Operator: Daman Resayas License # 9067

Contact Person: Aven Weaverling Phone # _____

Lease Name & Well #: Lynchi #1

Legal Location: SWSE NW 36-4-20W County: Phillips

Purpose of pit: Workover Nature of Fluids: oil & water

Size: — BBL Capacity: 80

Liner required? yes Liner Specification: plastic

Lease produces from what formations: KC

Date of Verbal Permit: _____ KCC Agent: _____

Remind operator that the Pit Application still needs to be filed as well as the pit closure form

RECEIVED
KANSAS CORPORATION COMMISSION
JUL 02 2008
CONSERVATION DIVISION
WICHITA, KS



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

July 17, 2008

Damar Resources Inc.
234 W 11th Ste A
Hays, KS 67601

RE: Verbal on Workover Pit
Lynch Lease Well No. 1
NW/4 Sec. 36-04S-20W
Phillips 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 07/02/2008. 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,

A handwritten signature in cursive script that reads "Kathy Haynes".

Kathy Haynes
Environmental Protection and Remediation Department