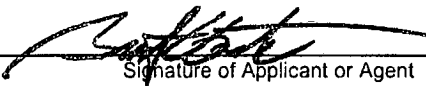


**KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
APPLICATION FOR SURFACE PIT**

Form CDP-1  
April 2004  
Form must be Typed

*Submit in Duplicate*

Operator Name: Timberline Oil & Gas Corporation		License Number: 9232
Operator Address: 4000 Penrose Place, Rapid City, SD 57702		
Contact Person: Brant C. Grote		Phone Number: ( 605 ) 341 - 3400
Lease Name & Well No.: Strait 12X		Pit Location (QQQQ): 40W NW - SW - SE - _____ Sec. 28 Twp. 26S R. 13W <input type="checkbox"/> East <input checked="" type="checkbox"/> West 990 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 2350 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Pratt 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> 15-151-21734	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 200 (bbls)	
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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is the pit lined if a plastic liner is not used?
Pit dimensions (all but working pits): 20 Length (feet) 8 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.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.
Distance to nearest water well within one-mile of pit 40 feet    Depth of water well 90 feet		Depth to shallowest fresh water 50 feet. Source of information: _____ measured _____ well owner _____ electric log _____ KDWR
<b>Emergency, Settling and Burn Pits ONLY:</b> 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		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: _____ Number of working pits to be utilized: _____ Abandonment procedure: Backfill with bulldozer 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.		
July 22, 2010 Date		 Signature of Applicant or Agent

**RECEIVED  
JUL 26 2010  
KCC WICHITA**

<b>KCC OFFICE USE ONLY</b>		
Date Received: 7-26-10	Permit Number: 15-151-21734000	Permit Date: 7-22-10
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: 7-22-10

TIME: 11:55

OPERATOR: Timberline Oil

CONTACT PERSON: B. Grote

LEASE NAME: Strait 12X

NW SW SE SEC. 28 TWP. 26S RANGE 13W W. COUNTY: Pratt

CONSTRUCTION:

SIZE: WIDTH 20 LENGTH 8 DEPTH 5  
ESTIMATED CAPACITY 180 BBLS

EST. DEPTH TO GROUNDWATER (if known): 50'

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: 30 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 #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 24 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.

RECEIVED  
JUL 26 2010

KCC WICHITA

RESULTS OF INSPECTION:

None

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S. Diernt Agent Date 7-22-10