

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

1044637

Form CDP-1 May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: Daystar Petroleum, Inc. License Number: 30931 Operator Address: 1321 W 93 N **PO BOX 360** VALLEY CENTER KS 67147 Contact Person: Steve Bodine 6207926702 Phone Number: Lease Name & Well No.: GUFFY 2 Pit Location (QQQQ): SW _ SW _ NE _ SW Type of Pit: Pit is: Sec. 35 Twp. 22 $_{R.}$ 15 $_{\square}$ East |X| West Emergency Pit Burn Pit X Proposed Existing Settling Pit Drilling Pit 1,634 If Existing, date constructed: Feet from North / X South Line of Section X Workover Pit Haul-Off Pit 3,641 Feet from X East / West Line of Section Pit capacity: (If WP Supply API No. or Year Drilled) 15-145-20096-00-01 80 Pawnee (bbls) County Is the pit located in a Sensitive Ground Water Area? X Yes Chloride concentration: ma/l (For Emergency Pits and Settling Pits only) is the bottom below ground level? **Artificial Liner?** How is the pit lined if a plastic liner is not used? X Yes X Yes 10 Pit dimensions (all but working pits): Length (feet) Width (feet) N/A: Steel Pits Depth from ground level to deepest point: . (feet) No Pit If the pit is lined give a brief description of the liner Describe procedures for periodic maintenance and determining material, thickness and installation procedure. liner integrity, including any special monitoring. Poly liner, 6 mil, draped in pit, over lapped Monitor pit level daily for loss. on surface. 23 Depth to shallowest fresh water_ feet. Distance to nearest water well within one-mile of pit: Source of information: 1027 X KDWR electric log measured well owner Depth of water well. feet Drilling, Workover and Haul-Off Pits ONLY: **Emergency, Settling and Burn Pits ONLY:** Fresh Water Type of material utilized in drilling/workover: Producing Formation:_ Number of working pits to be utilized: Number of producing wells on lease: _ Empty and back fill. Abandonment procedure: Barrels of fluid produced daily: ____ Does the slope from the tank battery allow all spilled fluids to Drill pits must be closed within 365 days of spud date. flow into the pit? Yes No Submitted Electronically KCC OFFICE USE ONLY X Liner Steel Pit X RFAC RFAS Date Received: ____09/21/2010 15-145-20096-00-01 09/21/2010 X Yes No Permit Date: Lease Inspection: Permit Number



Mark Parkinson, Governor Thomas E. Wright, Chairman Joseph F. Harkins, Commissioner Ward Loyd, Commissioner

September 21, 2010

Steve Bodine
Daystar Petroleum, Inc.
1321 W 93 N
PO BOX 360
VALLEY CENTER, KS 67147-9136

Re: Drilling Pit Application GUFFY 2 Sec.35-22S-15W Pawnee County, Kansas

Dear Steve Bodine:

District staff has inspected the location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has recommended that the Workover pit be lined. If a plastic liner is to be used it must have a minimum thickness of 10 mil. Integrity of the liner must be maintained at all times.

NO completion fluids or non-exempt wastes shall be placed in the Workover pit.

The free fluids in the Workover pit should be removed as soon as practical after drilling operations have ceased. The fluids should be taken to an authorized disposal well. Please call the District Office at (620) 225-8888 when the fluids have been removed. Please file form CDP-5 (August 2008), Exploration and Production Waste Transfer, through KOLAR within 30 days of fluid removal.

If you have any questions or concerns please feel free to contact the District Office at (620) 225-8888.