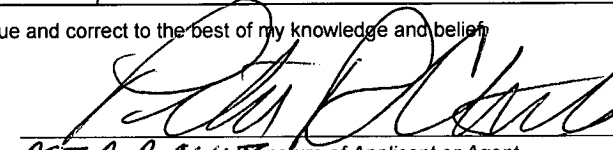


# KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION APPLICATION FOR SURFACE PIT

Form CDP-1  
May 2010  
Form must be Typed

*Submit in Duplicate*

Operator Name: <b>Clute Oil Corporation</b>		License Number: <b>30160</b>	
Operator Address: <b>4300 South Dahlia Street</b>		Cherry Hills Village CO <b>80113</b>	
Contact Person: <b>Peter Clute</b>		Phone Number: <b>303-779-4216</b>	
Lease Name & Well No.: <b>Smika #1</b>		Pit Location (QQQQ): _____ - _____ - <b>NW</b> - <b>SE</b> Sec. <b>6</b> Twp. <b>7</b> R. <b>22</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <b>1980</b> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <b>1980</b> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section <b>Graham</b> 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 type="checkbox"/> Proposed <input checked="" type="checkbox"/> Existing If Existing, date constructed: <b>10/13/2010</b> Pit capacity: <b>100</b> (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: <b>0</b> 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 type="checkbox"/> No	
How is the pit lined if a plastic liner is not used? <b>Pit not lined because it was not used.</b>			
Pit dimensions (all but working pits): <u>  10  </u> Length (feet) <u>  6  </u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>  6  </u> (feet) <input checked="" type="checkbox"/> No Pit			
If the pit is lined give a brief description of the liner material, thickness and installation procedure.  <b>N/A</b>		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.  <b>The pit was closed on 10/18/2010 because it was not needed. There was NO fluid in the pit.</b>	
Distance to nearest water well within one-mile of pit:  <u>  4678  </u> feet     Depth of water well <u>  115  </u> feet		Depth to shallowest fresh water <u>  60  </u> <del>55</del> feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> RDWR	
<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: <u>  none  </u> Number of working pits to be utilized: <u>  0  </u> Abandonment procedure: <u>  Backfilled with original dirt.  </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>  10/20/2010  </u> Date		 PETER R. CLUTE Signature of Applicant or Agent	

**RECEIVED**

**OCT 25 2010**

**KCC WICHITA**

KCC OFFICE USE ONLY			
Date Received: <u>  10-25-10  </u>		Permit Number: <u>  15-065-01304 0000 VAB.  </u>	
Permit Date: <u>  10-13-10  </u>		Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

## 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://kcc.ks.gov/conservation/oil\\_license.cgi](http://kcc.ks.gov/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://kcc.ks.gov/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" box. If no pits will be used, mark the "No Pit" box.

#### 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.

**KANSAS CORPORATION COMMISSION  
CALL-IN WORKOVER PIT APPLICATION**

Operator: Clute Oil Corporation License # 30160

Contact Person: Peter Clute Phone # 303-779-4216

Lease Name & Well #: Smika #1

Legal Location: C NW SE/4 6-7-22W County: Graham

Purpose of pit: work over Nature of Fluids: water & cement

Size: 10 x 8 x 7 BBL Capacity: 100 BBL

Liner required? Yes Liner Specification: Plastic (black)

Lease produces from what formations: KC

Date of Verbal Permit: 10/13/2010 KCC Agent: Ray Dinkel

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

Close Date 11/03/2010 given

RECEIVED  
OCT 15 2010  
KCC WICHITA