

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

036673

Form CDP-1 April 2004 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 6714		
Contact Person: Chuck Schmidt			Phone Number: 316-755-3523		
Lease Name & Well No.: BANKETTE 2			Pit Location (QQQQ):		
Type of Pit:	Pit is:		<u>SW</u> <u>NW</u> _		
Emergency Pit Burn Pit Settling Pit Drilling Pit	Proposed Existing If Existing, date constructed: 04/01/2010 Pit capacity: 100 (bbls)		Sec. 24 Twp. 25 R. 35 East West 3,300 Feet from North / South Line of Section		
Workover Pit			4,620 Feet from East / West Line of Section Kearny Count		
Is the pit located in a Sensitive Ground Water Area? Yes No		Chloride concentration: mg/l			
Is the bottom below ground level? Yes No	Artificial Liner? Yes	No	(For Emergency Pits and Settling Pits only) How is the pit lined if a plastic liner is not used?		
Pit dimensions (all but working pits): 8 Length (feet) 12 Width (feet) N/A: Steel Pits Depth from ground level to deepest point: 6 (feet) No Pit					
If the pit is lined give a brief description of the liner material, thickness and installation procedure. Poly liner, 6 mil, draped in pit, over lapped on surface.		Describe proce	edures for periodic maintenance and determining including any special monitoring. level daily for loss.		
Distance to nearest water well within one-mile of pit feet Depth of water wellfeet		Depth to shallowest fresh water40feet. Source of information: electric log KDWR			
Emergency, Settling and Burn Pits ONLY:		Drilling, Workover and Haul-Off Pits ONLY:			
Producing Formation:		Type of material utilized in drilling/workover: Fresh Water			
Number of producing wells on lease:		Number of working pits to be utilized:1			
Barrels of fluid produced daily:		Abandonment	procedure: Empty and back fill		
Does the slope from the tank battery allow all spilled fluids to flow into the pit? Yes No		Drill pits must be closed within 365 days of spud date.			
Submitted Electronically					
KCC OFFICE USE ONLY Steel Pit RFAC RFAS					
Date Received: 04/01/2010 Permit Number: 15-093-20993-00-00 Permit Date: 04/02/2010 Lease Inspection: Yes No					



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

April 02, 2010

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

Re: Drilling Pit Application BANKETTE 2 Sec.24-25S-35W Kearny County, Kansas

Dear Chuck Schmidt:

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 SOLAR 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.