

OK  
RBA is lined  
8-18-10  
*[Signature]*

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AUG 20 2010

Form CDP-1  
May 2010  
Form must be Typed

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

APPLICATION FOR SURFACE PIT KCC WICHITA

Submit in Duplicate

|   |  |   |  |
|---|--|---|--|
| Operator Name: Lasso Energy LLC   |  | License Number: 34320   |  |
| Operator Address: PO Box 465  |  | Chase, Kansas 67524   |  |
| Contact Person: Bruce Kelso   |  | Phone Number: 918-633-9655  |  |
| Lease Name & Well No.: Schultz A #3 Well  |  | Pit Location (QQQQ):<br>C - NE - NW - NW  |  |
| Type of Pit:<br><input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit<br><input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit<br><input checked="" type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit<br><small>(If WP Supply API No. or Year Drilled)</small><br>Year: 1964    API: 15-159-35236 |  | Pit is:<br><input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing<br>If Existing, date constructed: _____<br>Pit capacity:<br>80 _____ (bbls)   |  |
| Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  |  | Chloride concentration: 30,000 _____ mg/l<br><small>(For Emergency Pits and Settling Pits only)</small>   |  |
| Is the bottom below ground level?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  |  | Artificial Liner?<br><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  |  |
| How is the pit lined if a plastic liner is not used?  |  | Rice _____ County   |  |
| Pit dimensions (all but working pits):    21 _____ Length (feet)    9 _____ Width (feet) <input type="checkbox"/> N/A: Steel Pits<br>Depth from ground level to deepest point:    10 _____ (feet) <input type="checkbox"/> No Pit   |  |   |  |
| If the pit is lined give a brief description of the liner material, thickness and installation procedure.<br><b>Std Black Plastic, Installed per KCC Rules and Regulations</b>  |  | Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.<br><b>Will ensure that water level in pit does not leak down, frequent visual inspections, continuous monitoring of water level</b>   |  |
| Distance to nearest water well within one-mile of pit:<br>2590 _____ feet    Depth of water well 50 _____ feet  |  | Depth to shallowest fresh water 50 _____ feet.<br>Source of information:<br><input type="checkbox"/> measured <input checked="" type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR  |  |
| <b>Emergency, Settling and Burn Pits ONLY:</b><br>Producing Formation: _____<br>Number of producing wells on lease: _____<br>Barrels of fluid produced daily: _____<br>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><br>Type of material utilized in drilling/workover: Salt water<br>Number of working pits to be utilized: 1<br>Abandonment procedure: vacuum out pit, remove liner, backfill pit, put topsoil on top<br>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.   |  |   |  |
| August 9, 2010<br>Date  |  | <i>Alisha Graham</i><br>Signature of Applicant or Agent   |  |

|                            |  |   |  |
|----------------------------|--|---|--|
| <b>KCC OFFICE USE ONLY</b> |  |   |  |
| Date Received: 8-20-10     |  | Permit Number: 15-159-35236-000   |  |
| Permit Date: _____         |  | Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |  |

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

\* Sent CDP-1 & CDP-4 in together.