

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

Form CDP-1
May 2010
Form must be Typed

Submit in Duplicate

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|--|---|--|
| Operator Name: Grady Bolding Corporation | | License Number: 7383 |
| Operator Address: P.O. Box 486, Ellinwood, KS 67526 | | |
| Contact Person: Grady Bolding | | Phone Number: 620-564-2240 |
| Lease Name & Well No.: Walters #1 | | Pit Location (QQQQ): SE SW NW |
| 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: 12/10/10 Pit capacity: 80 (bbls) | Sec. 18 Twp. 12 R. 17 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 3,300 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 4,290 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Ellis County |
| Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" 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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No | How is the pit lined if a plastic liner is not used? |
| Pit dimensions (all but working pits): 12 Length (feet) 10 Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: 7 (feet) <input type="checkbox"/> No Pit | | |
| If the pit is lined give a brief description of the liner material, thickness and installation procedure. Pit liner acceptable by KCC. Top of pit had liner overhang which was covered by dirt to prevent slippage of liner into pit. | | Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. |
| Distance to nearest water well within one-mile of pit: 4000 feet Rural water district well Depth of water well 80 feet | | Depth to shallowest fresh water 80 feet. Source of information: <input type="checkbox"/> measured <input checked="" type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR |
| Emergency, Settling and Burn Pits ONLY: 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 | | Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: salt and fresh water Number of working pits to be utilized: 1 Abandonment procedure: Allow pit to dry. Fill with subsoil first followed by topsoil on top of pit. 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. _____ 12/14/10 Date | | RECEIVED DEC 16 2010 KCC WICHITA |

KCC OFFICE USE ONLY

Liner Steel Pit RFAC RFAS

Date Received: **12-16-10** Permit Number: **15-051-200280000** Permit Date: **12-17-10** Lease Inspection: Yes No