

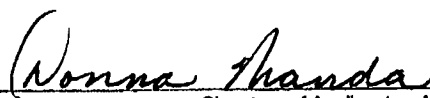
15-065-23397-0000

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form CDP-1
April 2004
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: H & M Petroleum Corporation		License Number: 34055 ✓	
Operator Address: 731 N. Weber Street, Suite 200		Colorado Springs, CO 80903	
Contact Person: David Allen		Phone Number: (719) 590-6060	
Lease Name & Well No.: Penland #3		Pit Location (QQQQ): SW NE NE 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 type="checkbox"/> Workover Pit <input checked="" type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small>		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 200 (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Sec. 29 Twp. 8 R. 24 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 550 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 2,150 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Graham County	
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Chloride concentration: _____ mg/l <small>(For Emergency Pits and Settling Pits only)</small>	
Artificial Liner? <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No		How is the pit lined if a plastic liner is not used?	
Pit dimensions (all but working pits): 25 Length (feet) 50 Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: 5 (feet) <input type="checkbox"/> No Pit			
If the pit is lined give a brief description of the liner material, thickness and installation procedure. 10 MIL Plastic Liner Bulldoze and hand install liner		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. Hourly/Visual	
Distance to nearest water well within one-mile of pit 1913 feet Depth of water well 31 feet		Depth to shallowest fresh water 12 feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" 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: drilling mud Number of working pits to be utilized: 4 Abandonment procedure: haul fluids to Penland #1 per Herb Deines from District Office and backfill 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.			
January 11, 2008 Date		 Signature of Applicant or Agent	
KCC OFFICE USE ONLY Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS <input type="checkbox"/>			
Date Received: <u>1/11/08</u> Permit Number: 15-065-23397-00-00 #0000 Permit Date: <u>1/11/08</u> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			

15-065-23397 H0000

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JAN 11 2008
CONSERVATION DIVISION
WICHITA, KS

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

FAX COVER SHEET

ADVANTAGE PROFESSIONAL SERVICES

DATE: January 11, 2008
TO: Kathy Haynes
KSCC
FAX NUMBER: (316) 337-6211
FROM: ADVANTAGE PROFESSIONAL SERVICES
Donna Manda
FAX NUMBER: (620) 465-2740
TELEPHONE NUMBER: (620) 465-2740

Number of pages including cover sheet: 3

Kathy:

I will put the original of the Application for Surface Pit in the mail today.

Thanks,
Donna

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WICHITA, KS

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Date Received: _____	Permit Number: 15-065-23397-00-00 Permit Date: _____ Lease Inspection: <input type="checkbox"/> Yes <input type="checkbox"/> No

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

To: Dove Allen
Fax: 719-590-6061

From: Logan Keith
Date 1-11-08

Concerning the visit with Myron Woody about transferring drilling fluids from the Penland #3 to the Penland #1.

I Logan Keith give H+M Petroleum Corp. permission to transfer drilling fluids from the Penland #3 to the Penland #1.

Signed: Logan Keith Date: 1-11-08

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JAN 11 2008
CONSERVATION DIVISION
WICHITA, KS

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OIL & GAS CONSERVATION DIVISION
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Phone Number: (719) 590-6060	

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

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KCC OFFICE USE ONLY		Steel Pit <input type="checkbox"/>	RFAC <input type="checkbox"/>	RFAS <input type="checkbox"/>
Date Received: _____	Permit Number: 15-065-23397-00-00	Permit Date: _____	Lease Inspection: <input type="checkbox"/> Yes <input type="checkbox"/> No	

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