

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

3

Date Received:

050624

Form CDP-1 May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate Operator Name: Midco Exploration, Inc. License Number: 5254 Operator Address: 414 PLAZA DR STE 204 WESTMONT IL 60559 Contact Person: Earl J. Joyce, Jr. Phone Number: 630-655-2198 Lease Name & Well No.: Theis 1-20 Pit Location (QQQQ): E2 _ SE _ SW _ NW Type of Pit: Sec. 20 Twp. 33 R. 25 East X West Emergency Pit Burn Pit Proposed X Existing Settling Pit **Drilling Pit** 2,310 If Existing, date constructed: Feet from X North / South Line of Section 01/15/2010 X Workover Pit Haul-Off Pit 1,020 Feet from East / X West Line of Section Pit capacity: (If WP Supply API No. or Year Drilled) 15-025-21495-00-00 800 Clark (bbls) County Is the pit located in a Sensitive Ground Water Area? X Yes Chloride concentration: mg/l (For Emergency Pits and Settling Pits only) Is the bottom below ground level? **Artificial Liner?** How is the pit lined if a plastic liner is not used? X Yes No Yes X No **Bentonite** 100 Pit dimensions (all but working pits): Length (feet) _Width (feet) N/A: Steel Pits Depth from ground level to deepest point: _ No Pit (feet) If the pit is lined give a brief description of the liner Describe procedures for periodic maintenance and determining material, thickness and installation procedure. liner integrity, including any special monitoring 100 Distance to nearest water well within one-mile of pit: Depth to shallowest fresh water_ feet. Source of information: 5280 measured well owner electric log X KDWR feet Depth of water well. feet Drilling, Workover and Haul-Off Pits ONLY: **Emergency, Settling and Burn Pits ONLY:** Chemical mud Producing Formation: Type of material utilized in drilling/workover: Number of producing wells on lease: __ Number of working pits to be utilized: The pit has been previously approved as a drilling pit and Barrels of fluid produced daily: ___ Abandonment procedure: now will be used for the plugging of the well. When pits are dry they will be backfilled and restored. 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

Permit Date:

KCC OFFICE USE ONLY

15-025-21495-00-00

Permit Number:

Liner

02/11/2011

Steel Pit

Lease Inspection:

X RFAC

X Yes No

Conservation Division Finney State Office Building 130 S. Market, Rm. 2078 Wichita, KS 67202-3802



phone: 316-337-6200 fax: 316-337-6211 http://kcc.ks.gov/

Thomas E. Wright, Chairman Ward Loyd, Commissioner

Corporation Commission

Sam Brownback, Governor

February 11, 2011

Earl J. Joyce, Jr. Midco Exploration, Inc. 414 PLAZA DR STE 204 WESTMONT, IL 60559-1265

Re: Drilling Pit Application Theis 1-20 Sec.20-33S-25W Clark County, Kansas

Dear Earl J. Joyce, Jr.:

District staff has inspected the above referenced location and has determined that the Workover pit shall be constructed <u>without slots</u>, the bottom shall be flat and reasonably level, and the free fluids must be removed. The fluids are to be removed from the Workover pit within 48 hours of completion of drilling operations.

NO completion fluids or non-exempt wastes shall be placed in the Workover pit.

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 KOLAR 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.