

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1057397

Form CDP-1 May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: Priority Oil & Gas LLC			License Number: 31609
Operator Address: PO BOX 27798			DENVER CO 80227
Contact Person: Melissa Gray			Phone Number: 303-296-3435
Lease Name & Well No.: HARKINS	5-29		Pit Location (QQQQ):
Pit dimensions (all but working pits):	If Existing, date constructed: Pit capacity: 10 (bbls) Area? X Yes No Artificial Liner? Yes No Length (feet) Describe procedu		SW SE NE NW Sec. 29 Twp. 4 R. 41 East West 1300 Feet from North / South Line of Section 2250 Feet from East / West Line of Section Cheyenne County Chloride concentration: mg/l (For Emergency Pits and Settling Pits only) How is the pit lined if a plastic liner is not used? no liner will be used Width (feet) N/A: Steel Pits (feet) No Pit
		Depth to shalk	west fresh water 72 feet.
		measured well owner electric log 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? Yes No Submitted Electronically		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: Number of working pits to be utilized: fluid will be evaporated out of pit; when solids are Abandonment procedure: dry, the plastic liner will be removed from the pit and the solids will be buried in place Drill pits must be closed within 365 days of spud date.	
CC OFFICE USE ONLY Liner Steel Pit RFAC RFAS Date Received: 06/27/2011 Permit Number: 15-023-20604-00-00 Permit Date: 06/29/2011 Lease Inspection: 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/

Sam Brownback, Governor

Mark Sievers, Chairman Ward Loyd, Commissioner Thomas E. Wright, Commissioner

June 29, 2011

Melissa Gray Priority Oil & Gas LLC PO BOX 27798 DENVER, CO 80227-0798

Re: Drilling Pit Application HARKINS 5-29 Sec.29-04S-41W Cheyenne County, Kansas

Dear Melissa Gray:

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 8 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 (785) 625-0550 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 (785) 625-0550.