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January 24, 2012

Kathleen Haynes Kansas Corporation Commission Finney State Office Building 130 S. Market, Room 2078 Wichita, KS 67202-3802 Well Name: Osage 26-07H 26-33-15-W NEVENUNU

Re: Section 26 Handling Pit

To Whom It May Concern:

Osage has constructed a long term pit in SW NE NE of Sec 26-T33S-R15W. The pit will contain fresh water, frac fluids, flowback, and production fluids. The pit is lined with 20 mil black plastic, which was rolled out, fused together and placed over the top of the pit. The pit dimensions are 200' x 150' with 2' below ground level and 6' above ground level. The capacity of the pit is 35,000 bbls. The pit will be visually inspected weekly for tears and cracks, which can be repaired with liner tape. The seams and anchor trench will also be inspected.

Please call Jeff Dale at 620.930.8064 if you have any questions or require additional information.

Sincerely,

Brooke Walter Geological Technician II

Cc: Well File

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