



KANSAS CORPORATION COMMISSION 1080200
OIL & GAS CONSERVATION DIVISION

Form CDP-1
May 2010
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: Vincent Oil Corporation		License Number: 5004
Operator Address: 155 N MARKET STE 700		WICHITA KS 67202
Contact Person: M.L. Korphage		Phone Number: 316-262-3573
Lease Name & Well No.: Scheweis 1-14		Pit Location (QQQQ): NE - SE - SE - NE
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: 3500 (bbls)
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No
How is the pit lined if a plastic liner is not used? Lined with native and freshwater / gel drilling mud		
Pit dimensions (all but working pits): <u>150</u> Length (feet) <u>75</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>4</u> (feet) <input type="checkbox"/> No Pit		
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.
Distance to nearest water well within one-mile of pit: <u>833</u> feet Depth of water well <u>150</u> feet		Depth to shallowest fresh water <u>16</u> 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: <u>Native and freshwater / gel drilling fluids</u> Number of working pits to be utilized: <u>1</u> Abandonment procedure: <u>Remove free fluids after first displacement below Hutchinson salt section and again within 96 hours of completion of drilling operations. Allow remainder of solids to dry by evaporation, backfill and return to original grade.</u> Drill pits must be closed within 365 days of spud date.
<p>Submitted Electronically</p>		

KCC OFFICE USE ONLY			
Date Received: <u>05/02/2012</u>	Permit Number: <u>15-057-20804-00-00</u>	Permit Date: <u>05/07/2012</u>	Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Liner <input type="checkbox"/> Steel Pit <input checked="" type="checkbox"/> RFAC <input checked="" type="checkbox"/> RFAS	

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

Kansas Corporation Commission Oil & Gas Conservation Division

HAUL-OFF PIT APPLICATION FILING REQUIREMENTS

82-3-607. DISPOSAL OF DIKE AND PIT CONTENTS.

- (a) Each operator shall perform one of the following when disposing of dike or pit contents:
- (1) Remove the liquid contents to a disposal well or other oil and gas operation approved by the commission or to road maintenance or construction locations approved by the department;
 - (2) dispose of reserve pit waste down the annular space of a well completed according to the alternate I requirements of K.A.R. 82-3-106, if the waste to be disposed of was generated during the drilling and completion of the well; or
 - (3) dispose of the remaining solid contents in any manner required by the commission. The requirements may include any of the following:
 - (A) Burial in place, in accordance with the grading and restoration requirements in K.A.R. 82-3-602 (f);
 - (B) removal and placement of the contents in an on-site disposal area approved by the commission;
 - (C) removal and placement of the contents in an off-site disposal area on acreage owned by the same landowner or to another producing lease or unit operated by the same operator, if prior written permission from the landowner has been obtained; or
 - (D) removal of the contents to a permitted off-site disposal area approved by the department.
- (b) Each violation of this regulation shall be punishable by the following:
- (1) A \$1,000 penalty for the first violation;
 - (2) a \$2,500 penalty for the second violation; and
 - (3) a \$5,000 penalty and an operator license review for the third violation.

Complete and return with Haul-Off Pit Application, Form CDP1(2004)

Haul-off pit will be located in an on-site disposal area: Yes No

Haul-off pit is located in an off-site disposal area on acreage owned by the same landowner:
 Yes No If yes, written permission from the land owner must be obtained. Attach written permission to haul-off pit application.

Haul-off pit is located in an off-site disposal area on another **producing** lease or unit operated by the same operator: Yes No If yes, written permission from the land owner must be obtained. Attach permission and a copy of the lease assignment that covers the acreage where the haul-off pit is to be located, to the haul-off pit application.

CONSERVATION DIVISION

Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3502
(316) 337-6200 • Fax: (316) 337-6211 • <http://kcc.ks.gov/>



**Vincent Oil Corporation
Schneweis #1-14
Haul Off Pit Application
Schneweis Lease
154 Acre Base Lease
Located in S/2-NE & N/2-SE 14-27-24W**



OIL AND GAS LEASE

THIS AGREEMENT, Entered into this 19th day of April, 20 11
between Robert E. Schneweis and Emma M. Schneweis, his wife
10895 Quaker Rd.
Dodge City, Ks. 67801

and Vincent Oil Corporation 155 N. Market #700 Wichita, Ks. 67202 hereinafter called lessor,
and One & more hereinafter called lessee, does witness:

1. That lessor, for and in consideration of the sum of One & more Dollars in hand paid and of the covenants and agreements hereinafter contained to be performed by the lessee, has this day granted, leased, and let, and by these presents does hereby grant, lease, and let, exclusively to all or any part of the lands covered thereby as hereinafter provided, for the purpose of carrying on geological, geophysical and other exploratory work thereon, including core drilling and the drilling, mining, and operating for, producing and saving all of the oil, gas, gas condensate, gas distillate, casinghead gas, and their respective constituent vapors, and all other gases, found thereon, the exclusive right of injecting water, brine, and other fluids and substances into the subsurface strata, and for constructing roads, laying pipe lines, building tanks, storing oil, building power stations, electrical lines and other structures thereon necessary or convenient for the economical operation of said land alone or conjointly with neighboring lands, to produce, save, take care of, and manufacture all of such substances, and the injection of water, brine, and other substances into the subsurface strata, said tract of land being situated in the County of Ford State of Kansas and described as follows:

See Description attached

containing 154 acres, more or less.

2. This lease shall remain in force for a term of Two (2) years (called "primary term") and as long thereafter as oil, gas, casinghead gas, casinghead gasoline or any of the products covered by this lease is or can be produced.

3. The lessee shall deliver to lessor as royalty, free of cost, on the lease, or into the pipe line to which lessee may connect its wells the equal one-eighth part of all oil produced and saved from the leased premises, or at the lessee's option may pay to the lessor for such one-eighth royalty the market price at the wellhead for all of the grade and gravity prevailing on the day such oil is run into the pipe line or into storage tanks.

4. The lessee shall pay to the lessor, as a royalty, one-eighth (1/8th) of the proceeds received by the lessee from the sale of gas, gas condensate, gas distillate, casinghead gas, gas used for the manufacture of gasoline or any other product, and all other gases, including their constituent parts, produced from the land hereon leased. If such gas is not sold by the lessee, lessee may buy or tender annually at or before the end of each yearly period during which such gas is not sold, as a shut-in royalty, whether one or more wells, an amount equal to one dollar per net mineral acre, and while said shut-in royalty is so paid or tendered, it will be considered under all provisions of this lease as gas.

5. This lease is a paid-up lease and may be maintained during the primary term without further payments or drilling operations.

6. In the event said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein then the royalties herein provided for shall be paid to said lessor only in the proportion which his interest bears to the whole and undivided fee; however, in the event the title to any interest in said land should revert to lessor, or his heirs, or his or their grantees, this lease shall cover such reversion.

7. The lessee shall have the right to use, free of cost, gas, oil and water found on said land for its operations thereon, except water from existing wells of the lessor. When required by lessor, the lessee shall bury its pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said land. No well shall be drilled or reworked to remove all machinery, fixtures, houses, buildings and other structures placed on said premises, including the right to draw and remove all casing.

8. If the estate of either party hereto is assigned (and the privilege of assigning in whole or in part is expressly allowed), the covenants hereof shall extend to the heirs, devisees, executors, administrators, successors, and assigns, but no change or division in ownership of the land, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of lessor, and no change of ownership in the land or in the royalties or any sum due under this lease shall be binding on the lessee until it has been furnished with either the original recorded instrument of conveyance or a duly certified copy thereof, or a certified copy of the will of any deceased owner and of the original recorded instruments of conveyance or duly certified copies thereof necessary in showing a complete chain of title back to lessor of the full interest claimed, and all advance payments of rentals made hereunder before receipt of said documents shall be binding on any direct or indirect assignee, grantee, devisee, or administrator, executor, or heir of lessor.

9. If the leased premises are now or shall hereafter be owned in severally or in separate tracts, the premises may nonetheless be developed and operated as one lease, and all royalties accruing hereunder shall be divided among and paid to such separate owners in the proportion that the acreage owned by each separate owner bears to the entire leased acreage. There shall be no obligation on the part of the lessee to offset wells on separate tracts into which the land covered by this lease may now or hereafter be divided by sale, division, descent or otherwise, or to furnish separate measuring or recording tanks.

10. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the lessee, at its option, may pay and discharge in whole or in part any taxes, mortgages, or other liens existing, levied, or assessed on or against the above described lands and, in event it exercises such options it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty accruing hereunder.

11. If after the expiration of the primary term, production of oil or gas should cease from any cause, this lease shall not terminate if lessee commences additional drilling or reworking operations within one hundred-twenty (120) days thereafter, or if at the expiration of the primary term, oil or gas is not being produced on said land, but lessee is then engaged in drilling or reworking operations thereon, then in either event, this lease shall remain in force so long as operations are prosecuted either on the same well or remain in effect so long thereafter as there is production of oil or gas under any provision of this lease.

12. Lessee may at any time surrender or cancel this lease in whole or in part by delivering or mailing such release to the lessor, or by placing same of record in the proper county. In case said lease is surrendered and canceled as to only a portion of the acreage covered thereby, then all payments and liabilities thereafter accruing under the terms of said lease as to the portion canceled shall cease and determine, but as to the portion of the acreage not released the terms and provisions of this lease shall continue and remain in full force and effect for all purposes.

13. All provisions hereof, express or implied, shall be subject to all federal and state laws and the orders, rules, or regulations (and interpretations thereof) of all governmental agencies administering the same, and this lease shall not be in any way terminated wholly or partially nor shall the lessee be liable in damages for failure to comply with any of the express or implied provisions hereof if such failure accords with any such laws, orders, rules or regulations (or interpretations thereof); if lessee should be prevented during the last six months of the primary term hereof from drilling a well hereunder by the order of any constituted authority having jurisdiction thereover, the primary term of this lease shall continue until six months after said order is suspended.

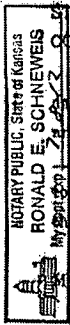
14. Lessee, at its option, is hereby given the right and power to pool or combine this one or more units the land covered by this lease, or any portion thereof, with other land covered by another lease, or leases when, in lessor's judgment, it is necessary or advisable to do so in order to properly develop and operate said lease premises so as to promote the conservation of such minerals in and under said land, such pooling to be in a unit or units not exceeding 80 acres each in the event of an oil well, or into a unit or units not exceeding 800 acres each in the event of a gas and/or condensate or distillate well, plus a tolerance of ten percent (10%) to conform to Governmental Survey quarter sections. Lessee shall execute in writing and file for record in the county in which the land is situated an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a unit or units shall be treated for all purposes, except the payments of royalties on production from the pooled unit, as if it were included in this lease, if production is found on any part of the pooled acreage it shall be treated as if production is had from this lease whether any well is located on the land covered by this lease or not. Any well drilled on any such unit shall be and constitute a well hereunder. In lieu of the royalties elsewhere herein specified lessor shall receive on pro-rata acreage so pooled in the particular unit involved.

15. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said lessor and lessee.

Rider and Lease Description attached hereto.

IN WITNESS WHEREOF, we sign the day and year first above written.
Emma M. Schneweis
Emma M. Schneweis

Robert E. Schneweis
Robert E. Schneweis



STATE OF Kansas } ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Kans., Okla., and Colo.)
 COUNTY OF Ford }
 Before me, the undersigned, a Notary Public, within and for said county and state, on this 26th
 day of April, 2011, personally appeared Robert E. Schneweis
 a Euna M. Schneweis, his wife
 to me personally known to be the identical person S who executed the within and foregoing instrument and acknowledged to me
 that they executed the same as their free and voluntary act and deed for the uses and purposes therein set forth.
 IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.
 My commission expires 7-8-12
Ronald E. Schneweis
 Notary Public.

STATE OF KS } ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Kans., Okla., and Colo.)
 COUNTY OF Ford }
 Before me, the undersigned, a Notary Public, within and for said county and state, on this _____
 day of April, 2011, personally appeared _____
 and _____
 to me personally known to be the identical person _____ who executed the within and foregoing instrument and acknowledged to me
 that _____ executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth.
 IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.
 My commission expires _____

 Notary Public.

STATE OF _____ } ss. ACKNOWLEDGMENT FOR CORPORATION
 COUNTY OF _____ }
 On this _____ day of _____, A. D., _____, before me, the undersigned, a Notary Public
 in and for the county and state aforesaid, personally appeared _____
 to me personally known to be the identical person who signed the name of the maker thereof to the within and foregoing
 instrument as its _____ President and acknowledged to me that _____ executed the same as _____ free and
 voluntary act and deed, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.
 Given under my hand and seal the day and year last above written.
 My commission expires _____

 Notary Public.

No. _____
FROM _____
TO _____
Date _____, 19____
Section _____ Twp. _____ Rge. _____
No. of Acres _____ Term _____ County _____

STATE OF Kansas } ss:
 County of Ford }

This instrument was filed for record on the
29 day of April, 2011
 at 9:00 o'clock P. M., and duly recorded
 in Book 56 Page 539-542 of
 the records of this office. fee \$ 20.00

By Dorinda Perry
 Register of Deeds.

When recorded, return to _____

INDEXED
GRANTOR
GRANTEE
NUMERICAL
PHOTOGRAPHED

NOTE: When signature by mark in Kansas, said mark to be witnessed by at least one person and also acknowledged.
 For acknowledgment by mark, use regular Kansas acknowledgment.

STATE OF _____ } ss. ACKNOWLEDGMENT FOR INDIVIDUAL (Kans., Okla., and Colo.)
 COUNTY OF _____ }
 Before me, the undersigned, a Notary Public, within and for said county and state, on this _____
 day of _____, _____, personally appeared _____
 and _____
 to me personally known to be the identical person _____ who executed the within and foregoing instrument and acknowledged to me
 that _____ executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth.
 IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year last above written.
 My commission expires _____

 Notary Public.

Lease Description

Township 27 South-Range 24 West

Section 14: S/2NE/4 & N/2SE/4

EXCEPT:

THAT PART OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF SECTION 14, TOWNSHIP 27 SOUTH, RANGE 24 WEST OF THE 6TH PRINCIPAL MERIDIAN, FORD COUNTY, KANSAS DESCRIBED AS FOLLOWS:

Beginning at the Northeast Corner of the South half of said Northeast Quarter as established by Deputy County Surveyor Luther Thomas in 1929; thence on the Las Brisas Estates Subdivision bearing of South 1 degree 30 minutes 04 seconds West, along the East line of said Quarter as per said 1929 Survey, for a distance of 361.50 feet to a 3/4' pipe with L.S. 1053 Survey Cap; thence North 88 degrees 11 minutes 04 seconds West for a distance of 361.50 feet to a 3/4' pipe with L.S. 1053 Survey Cap; thence North 1 degree 30 minutes 04 seconds East for a distance of 361.50 feet to a 3/4" pipe with an L.S. 1053 Survey cap on the 1929 Survey North line of the South half of said Northeast Quarter and the South line of Las Brisas Estates Subdivision, thence South 88 degrees 11 minutes 04 seconds East, along said line for a distance of 361.50 feet to the Point of beginning.

AND EXCEPT:

THAT PART OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF SECTION 14, TOWNSHIP 27 SOUTH, RANGE 24 WEST OF THE 6TH PRINCIPAL MERIDIAN, FORD COUNTY, KANSAS DESCRIBED AS FOLLOWS:

Beginning at the Southeast corner of the North half of said Southeast Quarter as established by Deputy County Surveyor Luther Thomas in 1929; thence North 88°23'06" West on the same bearing basis as Las Brisas Estates Subdivision, along the South line of said North half as per said 1929 Survey, for a distance of 427.10 feet to a 3/4" pipe with an L.S. 1053 survey cap; thence North 1°36'54" East for a distance of 352.85 feet to a 3/4" pipe with L.S. 1053 Survey Cap; thence North 26°46'11" East for a distance of 220.10 feet to a 3/4" pipe with L.S. 1053 Survey Cap; then North 35°31'48" East for a distance of 467.10 feet to a 3/4" pipe with L.S. 1053 Survey Cap; thence North 79°28'11" East for a distance of 72.65 feet to a 3/4" pipe with L.S. 1053 Survey Cap on the East line of the North half of said Southeast Quarter as per said 1929 Survey; thence South 1°30'04" West, along said East line, for a distance of 954.99 feet to the Point of Beginning.

Erma M. Schneeweis

Erma M. Schneeweis

Robert E. Schneeweis

Robert E. Schneeweis

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/>

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

Sam Brownback, Governor

May 07, 2012

M.L. Korphage
Vincent Oil Corporation
155 N MARKET STE 700
WICHITA, KS 67202-1821

Re: Drilling Pit Application
Schneweis 1-14
Sec.14-27S-24W
Ford County, Kansas

Dear M.L. Korphage:

District staff has inspected the above referenced location and has determined that an unsealed condition will present a pollution threat to water resources.

District staff has recommended that the Haul-Off pit be lined with bentonite or native clay, constructed **without slots**, the bottom shall be flat and reasonably level and the free fluids must be removed. The fluids are to be removed from the Haul-Off pit as soon as the Hutchinson Salt section has been drilled through and displacement of the fluids into the Haul-Off pit has occurred. The fluids should be removed again after drilling operations have ceased.

NO completion fluids or non-exempt wastes shall be placed in the Haul-Off 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.