

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

Form CDP-1  
May 2010  
Form must be Typed

*Submit in Duplicate*

Operator Name: <b>MG Oil, Inc</b>		License Number: <b>31385</b>
Operator Address: <b>Box 162, Russell, KS 67665</b>		
Contact Person: <b>Curtis Counts</b>		Phone Number: <b>785-483-1627</b>
Lease Name & Well No.: <b>Hammerschmidt #1 SWD</b>		Pit Location (QQQQ): <u>NE NW SW</u>
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input checked="" type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small> <del>15-051-21525</del>		Pit is: <input type="checkbox"/> Proposed <input checked="" type="checkbox"/> Existing If Existing, date constructed: 03/9/2012 Pit capacity: 80 (bbls)
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Sec. <u>12</u> Twp. <u>14</u> R. <u>16</u> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <u>2366</u> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <u>4446</u> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Ellis 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 type="checkbox"/> No		How is the pit lined if a plastic liner is not used? plastic
Pit dimensions (all but working pits): <u>15</u> Length (feet) <u>8</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>8</u> (feet) <input type="checkbox"/> No Pit		
If the pit is lined give a brief description of the liner material, thickness and installation procedure. <b>6 mm plastic liner installed by pulling unit crew</b>		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. <b>daily monitoring for leakage</b>
Distance to nearest water well within one-mile of pit: <u>N/A</u> feet    Depth of water well _____ feet		Depth to shallowest fresh water _____ feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR
<b>Emergency, Settling and Burn Pits ONLY:</b> 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		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: <u>freshwater</u> Number of working pits to be utilized: <u>1</u> Abandonment procedure: <u>empty out and fill in</u> 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.		
Date: <u>3/10/2012</u>		Signature: <u>Jacqueline M. Counts</u> Signature of Applicant or Agent
RECEIVED MAR 12 2012 KCC WICHITA		
<b>KCC OFFICE USE ONLY</b>		
Date Received: <u>3-12-12</u> Permit Number: <u>15-051 21586 0000</u> Permit Date: <u>3-12-12</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

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