



KANSAS CORPORATION COMMISSION 1078278
OIL & GAS CONSERVATION DIVISION

Form CDP-1
May 2010
Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: Ventex Operating Corp.		License Number: 34365	
Operator Address: 3141 HOOD ST., STE 700		DALLAS TX 75219	
Contact Person: Chuck Sledge		Phone Number: 214-520-2929	
Lease Name & Well No.: Meisinger 1		Pit Location (QQQQ): _____ - NE - SE - NE Sec. 30 Twp. 16 R. 5 <input checked="" type="checkbox"/> East <input type="checkbox"/> West 1650 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 330 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Morris County	
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: 800 (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" 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? gel			
Pit dimensions (all but working pits): 30 Length (feet) 20 Width (feet)		<input type="checkbox"/> N/A: Steel Pits	
Depth from ground level to deepest point: 8 (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: 1486 feet Depth of water well 67 feet		Depth to shallowest fresh water 49 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: Bentonite Mud Number of working pits to be utilized: 1 Abandonment procedure: Air Dry and Back Fill Drill pits must be closed within 365 days of spud date.	
Submitted Electronically			

KCC OFFICE USE ONLY			
Date Received: 04/09/2012	Permit Number: 15-115-21428-00-00	Permit Date: 04/11/2012	Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Liner <input type="checkbox"/> Steel Pit <input type="checkbox"/> RFAC <input 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 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.



OIL AND GAS LEASE

MISC. BOOK: 278
PAGE: 286

AGREEMENT, Made and entered into the	29th	day of	November, 2010	
by and between	Keith A. Albrecht and his wife, Julie Albrecht			
	3133 "Y" Ave.			
	Herington, KS 67449			
lessor	J. Fred Hambright, Inc., 125 North Market, Suite 1415, Wichita, KS 67202			hereinafter called "lessor" (whether one or more),
and	L. Jane L. Klosser, Register of Deeds, Morris County, Kansas			hereinafter called "lessee":

Lessor, in consideration of Ten and more Dollars (\$10.00) in hand paid Ten and more Dollars (\$10.00+) in hand paid, receipt of which is here acknowledged and of the royalties herein provided and of the agreements of the lessee herein contained, lessor hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring by geophysical and other means, prospecting, drilling, mining and operating for and producing oil, liquid hydrocarbons, all gases (including carbon dioxide and gas produced from coal bed), and their respective constituent products, including gas, water, other fluids, and air into subsurface strata, laying pipe lines, establishing and utilizing facilities for surface or subsurface disposal of salt water, storing oil, building tanks, power stations, telephone lines, and other structures and things thereon to produce, save, take care of, treat, manufacture, process, store and transport said oil, liquid hydrocarbons, gases and their respective constituent products and other products manufactured therefrom, and housing and otherwise caring for its employees, the following described land, together with any reversionary rights and after-acquired interest, therein situated in County of State of Kansas, described as follows to wit:

Morris & Dickinson

SEE RIDER ATTACHED HERETO AND MADE A PART HEREOF FOR DESCRIPTION AND OPTION FOR EXTENSION OF LEASE.

Said lands are sometimes hereinafter referred to as the "lease premises".

Subject to the provisions herein contained, this lease shall remain in force for a term of three (3) years from this date (called "primary term"), and as long thereafter as oil, liquid hydrocarbons, gas or other respective constituent products, or any of them, is produced from said land or land with which said land is pooled. This lease may be maintained during the primary term hereof without further payment or drilling operations.

In consideration of the premises the said lessee covenants and agrees:

1st. To deliver to the credit of lessor, free of cost, in the pipe line to which lessee may connect wells on said land, the equal one-eighth (1/8) part of all oil produced and saved from the lease premises.

2nd. To pay lessor for gas of whatever nature or kind produced and sold, or used off the lease premises, or used in the manufacture of any products therefrom, one-eighth (1/8) of the market price at the well, (but, as to gas sold by lessee, in no event more than one-eighth (1/8) of the proceeds received by lessee from such sales), for the gas sold, used off the lease premises, or in the manufacture of products therefrom, said payments to be made monthly. Where gas from a well producing gas only is not sold or used, lessee may pay or tender as royalty One Dollar (\$1.00) per year per net mineral acre retained hereunder, and if such payment or tender is made it will be considered that gas is being produced within the meaning of the preceding paragraph.

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for lessor's operation thereon, except water from the wells of lessor. When requested by lessor, lessee shall bury lessor's pipe lines below plow depth. No well shall be drilled deeper than 200 feet to the horizon or base now on said lease premises without written consent of lessor. Lessee shall pay for damages caused by lessor's operations to growing crops on the lease premises. Lessee shall have the right at any time to remove all machinery and fixtures placed on the lease premises, including the right to close and remove casing.

If the estate of either party hereto is assigned, and the privilege of assigning to whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, successors, administrators, executors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof. In case lessee assigns this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

Lessee may at any time execute and deliver to lessor or place of record a release or releases covering any portion or portions of the lease premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules or Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or if such failure is the result of, any such Law, Order, Rule or Regulation.

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor, by payment any mortgage, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and in addition lessee may reimburse itself for such payments out of any royalties or rentals payable to a lessor. Lessor, for themselves and their heirs, successors and assigns, hereby surrender and release all right of demand and demand in the premises described herein, in so far as said right of demand and demand may in any way affect the purposes for which this lease is made, as recited herein. If 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 lessee only in the proportion which lessor's interest bears to the whole and undivided fee. All royalty interest covered by this lease (whether or not owned by lessee) shall be paid out of the royalty herein provided. This lease shall be binding upon each party who executes it without regard to whether it is assumed by all those named herein as lessor.

Lessee, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, 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 oil, gas or other minerals in and under and that may be produced from said premises, such pooling to be of units contiguous to one another and to be into a unit or units not exceeding 40 surface acres such in the event of an oil well, plus 10% acreage tolerance, or into a unit or units not exceeding 640 surface acres such in the event of a gas well, plus 10% acreage tolerance. Lessee shall execute in writing and record in the appropriate territory of the state in which the lease premises 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 payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the premises covered by this lease or not. In lieu of the royalties otherwise herein specified, lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of its surface acreage placed in the unit or its royalty interest therein on an acreage basis bears to the total surface acreage so pooled in the particular unit involved.

If at the expiration of the primary term of this lease, oil, gas, or the products of oil and gas are not being produced on the lease premises but lessor has been engaged in operations, then this lease shall continue in force so long as operations are being continuously prosecuted on the leased premises, or lands pooled therewith. Whenever used in this lease the word "operations" shall mean operations for and any of the following: drilling, testing, completing, reworking, recompleting, deepening, plugging back or repairing of a well. Operations shall be considered to be continuously prosecuted if not more than ninety (90) days shall elapse between the completion or the abandonment of one well and the beginning of operations for the drilling of a subsequent well. If, after the discovery of oil or gas or the products of oil or gas on the lease premises, or an acreage pooled therewith, the production thereof should cease from any cause after the primary term, this lease shall not terminate if lessor commences operations within ninety (90) days from the date of cessation of production or from date of completion of a dry hole. If oil, gas or the products of oil or gas shall be discovered and produced as a result of such operations at or after the expiration of the primary term of this lease, this lease shall continue in force so long as oil, gas, or the products of oil or gas shall be produced from the lease premises, or lands pooled therewith.

If during the term of this lease, Lessee should complete one or more wells on lands other than the lease premises, or lands pooled therewith, lessor hereby grants unto lessee a right-of-way and easement thereon, including the right of ingress and egress on over and across the lease premises over and across the lease premises, for the purpose of laying, maintaining, and operating, one or more pipelines for the transportation of oil, gas and/or saltwater produced from said wells, (with necessary fittings, appliances, or other appurtenances which may be useful or convenient to lessee). Said right of way and easement shall remain in force and effect for so long as same is used or may be useful to Lessee, irrespective of expiration of this lease.

***Lessee, or its assigns, will consult with Lessor regarding routes of ingress and egress prior commencing operations.

***Lessee, or its assigns, will restore surface to original condition as nearly as is practicable upon completing operations, including backfilling all pits when dried and restoring terraces disturbed by operations.

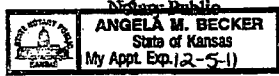
All the provisions of this lease shall be binding upon, and inure to the benefit of the heirs, successors, assigns, and legal representatives of lesser and lessee.
IN WITNESS WHEREOF, the undersigned execute this instrument as of the day and year first above written.
Witness:

X: Keith A. Albrecht
Keith A. Albrecht

SSN: _____
X: Julie Albrecht
Julie Albrecht.
P.

STATE OF Kansas ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
COUNTY OF Dickinson

The foregoing instrument was acknowledged before me this 29th day of November, 2010,
by Keith A. Albrecht and his wife, Julie Albrecht

My commission expires 12-5-11
Angela M. Becker
Angela M. Becker
Notary Public


STATE OF _____ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____,
by _____ and _____

My commission expires _____
Notary Public

STATE OF _____ ACKNOWLEDGMENT FOR INDIVIDUAL (KsOkCoNe)
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____,
by _____ and _____

My commission expires _____
Notary Public

No. _____
OIL AND GAS LEASE
FROM _____
TO _____
Date _____
Section _____ Twp _____ Rge _____
No. of Acres _____ Term _____ County _____
STATE OF _____
County _____
This instrument was filed for record on the _____ day of _____
o'clock _____ M., and duly recorded
Book _____ Page _____ of in the
Register of Deeds records of this office.
If/has recorded, return to _____

RIDER

Attached hereto and made a part of a certain Oil and Gas Lease dated November 29, 2010 between Keith A. Albrecht and his wife, Julie Albrecht as Lessor and J. Fred Hambright, Inc. as Lessee and covering said lands in Morris and Dickinson Counties in Kansas.

Township 16 South, Range 5 East: (Morris County)

Section 20: SW/4 (160 acres)

Section 30: E/2 (320 acres)

Section 31: SW/4, NE/4 except a tract beginning 1221' East of the NW corner of the NE/4; East 34'; thence South 1150.8'; thence East 305'; thence South 334.7'; thence West 339'; thence North 1485.5' to the place of the beginning. (315 acres)

Township 16 South, Range 4 East: (Dickinson County)

~~Section 25: Beginning in the NE corner of the NW/4; thence South 1318.4'; thence West 2111'; thence Northeasterly 1322.8'; thence East 2016' to the place of the beginning. (62 acres).~~

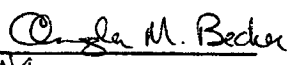
Township 16 South, Range 4 East:

Section 25: a tract of land in the N1/2NW1/4 of Section 25 described as follows: Beginning at the North quarter of Section 25; thence on an assumed bearing of S 90°00'00" W. 2016.04'; thence S 04°17'15" W., 1322.89'; thence N. 89°58'44" E, 2111.06'; thence N. 00°10'07" E., 1318.41' to the point of beginning.

If at the end of the primary term, this lease is not otherwise continued in force under the provisions hereof, this lease shall expire, unless Lessee on or before the end of the primary term shall pay or tender to Lessor, the sum of \$ 10.00 multiplied by the number of net mineral acres owned by Lessor in the land above described and then subject to this lease; and subject to the other provisions of this lease, the primary term shall be extended for an additional term of Three years from the end of the primary term hereof.

X: 
Keith A. Albrecht

X: 
Julie Albrecht


Notary




**VENTEX
OPERATING CORP**

April 5, 2012

Keith Albrecht
3133 "V" Avenue
Herington, KS 67449

RE: Albrecht No. 1
Section 30 T16S R5E
330' FEL & 1,650' FNL
Pit Disposal Agreement
Morris Co., KS.

Dear Mr. Albrecht:

This letter is written for permission to dispose drilling fluids from the Meisinger No. 1 in Marion County into the surface pit we are using on the Albrecht No. 1 drill site located on your property as described above. Enclosed is a check in the amount \$250.00 for any inconvenience this may cause.

Upon termination of the use of this pit, the surface will be restored to its original condition prior to our operations to the extent that is reasonably practical. Upon your approval of this amount please sign in the space provided below and return a copy of this letter to this office.

Please call should you have any questions concerning this matter.

Very truly yours,

Chuck Sledge
Ventex Operating Corp.

AGREED AND ACCEPTED

THIS 6 DAY OF April, 2012

Name Keith Albrecht