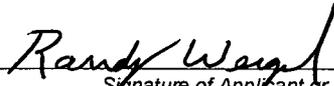


**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT**

Form CDP-1
May 2010
Form must be Typed

Submit in Duplicate

Operator Name: Empire Energy		License Number: 34506
Operator Address: 904 West Mill		Plainville Kansas 67663
Contact Person: Randy Weigel		Phone Number: 785-737-3736
Lease Name & Well No.: Balthazor 10		Pit Location (QQQQ): 230' S C
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) 15-065-22761-0000</small>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: <u>2/29/12</u> Pit capacity: 100 bbls (bbls)	Sec. 13 Twp. 9 R. 21 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 2310 Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section 2640 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Graham County
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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No	How is the pit lined if a plastic liner is not used?
Pit dimensions (all but working pits): <u>12</u> Length (feet) <u>8</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>6</u> (feet) <input type="checkbox"/> No Pit		
If the pit is lined give a brief description of the liner material, thickness and installation procedure. Standard heavy duty black liner. Put in pit and lined edges with dirt to hold in place.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. Check for fluid loss
Distance to nearest water well within one-mile of pit: _____ 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
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: _____ Number of working pits to be utilized: _____ Abandonment procedure: _____ 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.		RECEIVED MAR 05 2012 KCC WICHITA
<u>2/29/12</u> Date	 Signature of Applicant or Agent	

KCC OFFICE USE ONLY			
Date Received: <u>3-5-12</u>	Permit Number: <u>15-095-22761-0001/verb.</u>	Permit Date: <u>2-28-12</u>	Lease Inspection: <input 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

Operator & Address: EMPIRE ENERGY E+P, LLC
 Lic.# 34506 Contact Person: Randy Weigel Phone # 785-737-3736
 Lease Name & Well # BALTHAZOR # 10 API # or Spud Date: 15-065-22761 00-00
 Location: N/2-N/2-S/2/4 Sec: 13 Twp: 9 Rge: 21 E 10 County: GRAHAM
2310 feet from the North (South) Line, 2640 feet from the (East) / West Line of SE 1/4 section.
 Purpose of Pit: SQZ To 6 Depth to Ground Water: _____
 Nature of Fluids: Bridg, Freshwater, Crude oil, Cement
 Construction: EARTH, Width: 8, Length: 10, Depth: 6 bbl capacity: 100
 Liner Specifications: Plastic

This lease produces from the following formation(s): LKC - ARB.
 Date of Verbal Permit: 2-28-2012, KCC Agent: Richard Williams

To save paperwork, copy this form after completion of the first 11 lines. Use copy for closure form.

Dates Pit Used: From _____ To _____ Date Water Hauled: _____

Proposed Closing Procedure / Actual Closure information: _____

Pit must be closed in _____ days. _____ (signature) _____ (date)

***** KCC USE ONLY *****

Groundwater Sensitive Area YES () NO (); Field Inspection Date: _____, Agent: _____

Chloride of Water in Pit: _____, Date Collected: _____

_____ feet to nearest Water Well. Depth of Water Well: _____, Application Tabulated

HALLWOOD PETROLEUM
DENVER CO 80237

13-09S-21W
C N/2 N/2 S/2

10 BALTHAZOR

site: 3/4 N & 2-1/2 W OF PALCO KS ay: GRAHAM API 15-065-22761
 contr: DUKE DRILLING # 1 field: MOREL
 geol: JIM MUSGROVE
 Ir date 09/29/95 spd date 10/14/95 drtg comp 10/21/95 card issued 01/08/96 last revised 01/08/96

ELV: 2192 KB, 2184 GL LOG
tops.....depth/ datum
SC.....1687 + 505
TOP.....3181 -989
HEEB.....3387 -1195
TOR.....3407 -1215
LANS.....3424 -1232
BKC.....3645 -1453
MARM.....3668 -1476
PBTD.....3698 -1506
SIMP DOL.....3707 -1515
SIMP SD.....3721 -1529
ARB.....3725 -1533
RTD.....3824 -1632

IP status:
 OIL, P 26 BO & 159 BWPDP, LKC 3463-3620 OA, MARM 3677-3685, 11/15/95
 CSG: 8-5/8" 263 / 100 SX (ALT 2), 5-1/2" 3806 / 225 SX, DV TOOL AT 1703 / 300 SX
 COMMENT: LOST CIRC AT 3824; NO SAMPLES CAUGHT FROM 3800-3824
 SHOWS: 3424-3434 (LANS LM, PR TO FR PORO, CHLKY, DULL GRY STN, NO SHW FREE OIL OR ODOR), 3442-3452 (LANS LM, PR PORO, SPTY STN, TR FREE OIL, FNT ODOR), 3462-3468 (LANS LM, FR VUG PORO, GLDN BRWN SPTY STN, TR FREE OIL, ? ODOR), 3479-3483 (LANS LM, PNPT TO INTRXLN PORO, TR GLDN BRWN TO LT BRWN STN, WK SHW FREE OIL, NO ODOR).

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INDEPENDENT OIL & GAS SERVICE, INC.
WICHITA, KANSAS

(over)

RECEIVED
MAR 01 2012
KCC WICHITA