

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

1069378

Form CDP-1 May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate Operator Name: Lasso Energy LLC License Number: 34320 Operator Address: PO Box 465 1125 South Main Chase KS 67524 Contact Person: Bruce D. Kelso Phone Number: 620-259-4000 Lease Name & Well No.: CARVER 1 Pit Location (QQQQ): NW . SE . SE . SE Type of Pit: Pit is: Sec. 25 Twp. 31 R. 4 X East West Emergency Pit Burn Pit X Proposed Existing Settling Pit Drilling Pit 366 If Existing, date constructed: Feet from North / X South Line of Section Workover Pit X Haul-Off Pit 560 _Feet from 💢 East / 🗌 West Line of Section Pit capacity: (If WP Supply API No. or Year Drilled) 200 Cowley (bbls) Is the pit located in a Sensitive Ground Water Area? X Yes No Chloride concentration: mg/l (For Emergency Pits and Settling Pits only) Is the bottom below ground level? **Artificial Liner?** How is the pit lined if a plastic liner is not used? X Yes No Yes X No MUDDED OFF Pit dimensions (all but working pits): Length (feet) .Width (feet) N/A: Steel Pits Depth from ground level to deepest point: _ (feet) No Pit If the pit is lined give a brief description of the liner Describe procedures for periodic maintenance and determining material, thickness and installation procedure. liner integrity, including any special monitoring. 100 Depth to shallowest fresh water Distance to nearest water well within one-mile of pit: feet. Source of information: X KDWR X well owner electric log measured _feet Depth of water well _ feet Emergency, Settling and Burn Pits ONLY: Drilling, Workover and Haul-Off Pits ONLY: Water and drilling mud Type of material utilized in drilling/workover: Producing Formation: _ Number of producing wells on lease: ____ Number of working pits to be utilized: PER KCC RULES AND REGULATIONS -098,93558 Abandonment procedure: Barrels of fluid produced daily: __ AT 31804.
HAUL OFF FREE WATER, LET MUD DRY, FILL, PUT TOP SOIL BACK ON TOP Does the slope from the tank battery allow all spilled fluids to Drill pits must be closed within 365 days of spud date. flow into the pit? Yes No Submitted Electronically KCC OFFICE USE ONLY Liner Steel Pit X RFAC Date Received: ____ 12/02/2011 15-035-19261-00-01 Lease Inspection: 🔀 Yes 🗌 No Permit Date: Permit Number:

Kansas Corporation Commission Oil & Gas Conservation Division

HAUL-OFF PIT APPLICATION FILING REQUIREMENTS

TENA NEGOTIEMENTO			
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 commis road maintenance or construction locations approved by the department;	sion or to
	(2)	dispose of reserve pit waste down the annular space of a well completed according to the all requirements of K.A.R. 82-3-106, if the waste to be disposed of was generated during the dri completion of the well; or	ternate I Iling and
	(3)	dispose of the remaining solid contents in any manner required by the commission. The requiremental include any of the following:	ents may
		(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 comm	ission;
		(C) removal and placement of the contents in an off-site disposal area on acreage owned by to landowner or to another producing lease or unit operated by the same operator, if price 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:	
		A \$1,000 penalty for the first violation; a \$2,500 penalty for the second violation; and 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, Rm. 2078 Wichita, KS 67202-3802



Phone: 316-337-6200 Fax: 316-337-6211 http://kec.ks.gov/

Sam Brownback, Governor

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

December 02, 2011

Bruce D. Kelso Lasso Energy LLC PO Box 465 1125 South Main Chase, KS 67524-0465

Re: Drilling Pit Application CARVER 1 Sec.25-31S-04E Cowley County, Kansas

Dear Bruce D. Kelso:

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 <u>without slots</u>, 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 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 (316) 630-4000 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 (316) 630-4000.