

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

1064257

Form CDP-1 May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate License Number: 34506 Operator Name: Empire Energy E&P, LLC PA 15022 CHARLEROL Operator Address: 17 ARENTZEN BLVD, STE 203 Phone Number: 724-483-2070 Contact Person: Rob Kramer 3 Pit Location (QQQQ): Lease Name & Well No.: HELMERS UNIT N2 N2 SW Type of Pit: Sec. 1 Twp. 22 R. 12 East X West X Proposed Existing Burn Pit Emergency Pit 2650 Feet from X North / South Line of Section Settling Pit Drilling Pit If Existing, date constructed: 1320 |X | Haul-Off Pit Workover Pit Feet from East / X West Line of Section Pit capacity: (If WP Supply API No. or Year Drilled) Stafford 2500 County Chloride concentration: mg/l Is the pit located in a Sensitive Ground Water Area? X Yes No (For Emergency Pits and Settling Pits only) How is the pit lined if a plastic liner is not used? Artificial Liner? Is the bottom below ground level? **Native Clay** Yes X No X Yes No 40 N/A: Steel Pits Length (feet) _Width (feet) Pit dimensions (all but working pits): No Pit Depth from ground level to deepest point: . _ (feet) Describe procedures for periodic maintenance and determining If the pit is lined give a brief description of the liner liner integrity, including any special monitoring. material, thickness and installation procedure. teet. Depth to shallowest fresh water_ Distance to nearest water well within one-mile of pit: Source of information: X KDWR 456 well owner electric log measured feet feet Depth of water well. **Drilling, Workover and Haul-Off Pits ONLY:** Emergency, Settling and Burn Pits ONLY: Fresh drilling mud Type of material utilized in drilling/workover:_ Producing Formation: ___ Number of working pits to be utilized: Number of producing wells on lease: ___ Abandonment procedure: Haul off free fluids, allow mud to dry, Barrels of fluid produced daily: _ and backfill as soon as possible. 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 RFAC RFAS 15-185-23706-00-00 09/28/2011 09/28/2011 Lease Inspection: X Yes No Permit Date: Permit Number: Date Received:

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.
(p)		Each violation of this regulation shall be punishable by the following:
	(1) (2) (3)	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
∡]Yes		is located in an off-site disposal area on acreage owned by the same landowner: No If yes, written permission from the land owner must be obtained. Attach written 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://kcc.ks.gov/

Sam Brownback, Governor

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

September 28, 2011

Rob Kramer Empire Energy E&P, LLC 17 ARENTZEN BLVD, STE 203 CHARLEROL, PA 15022

Re: Drilling Pit Application HELMERS UNIT 3 Sec.01-22S-12W Stafford County, Kansas

Dear Rob Kramer:

District staff has inspected the above referenced location and has determined that the Haul-Off pit shall be 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 within 96 hours 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.