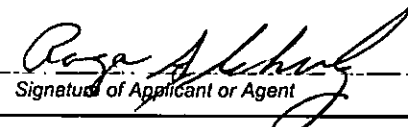


**KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
APPLICATION FOR SURFACE PIT**

Form CDP-1  
May 2010  
Form must be Typed

*Submit in Duplicate*

Operator Name: <b>SHULZ OIL &amp; GAS, INC.</b>		License Number: <b>5172</b>
Operator Address: <b>P O BOX 515, 114 S MAIN ST. CANTON KS 67428</b>		
Contact Person: <b>ROGER A SCHULZ</b>		Phone Number: <b>(620) 628-4431</b>
Lease Name & Well No.: <b>JOHN #2</b>		Pit Location (QQQQ): <b>NE NE NW</b>
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> <b>159-02051-00-00</b>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: <b>50-75</b> (bbls)	Sec. <b>36</b> Twp. <b>19</b> R. <b>6</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <b>330</b> Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section <b>2,310</b> Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section <b>RICE</b> County
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: <b>N/A</b> 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? <b>N/A native soil</b>
Pit dimensions (all but working pits): <b>10</b> Length (feet) <b>6</b> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <b>4</b> (feet) <input type="checkbox"/> No Pit		
If the pit is lined give a brief description of the liner material, thickness and installation procedure. <b>N/A</b>		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. <b>WILL EMPTY EVERY NIGHT</b>
Distance to nearest water well within one-mile of pit: <b>NONE</b> <sup>4333</sup> feet    Depth of water well <b>81</b> feet		Depth to shallowest fresh water <b>NONE</b> <sup>40</sup> feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> DWR
<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: <b>FRESH WATER/CEMENT</b> Number of working pits to be utilized: <b>1</b> Abandonment procedure: <b>EMPTY &amp; CLOSE</b> 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.		
<b>4/27/2012</b> Date		 Signature of Applicant or Agent

<b>KCC OFFICE USE ONLY</b>		
Date Received: <b>5-1-12</b> Permit Number: <b>15-159-02051000</b> Permit Date: <b>5-1-12</b> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

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

**RECEIVED**  
**MAY 01 2012**  
**KCC-WICHITA**