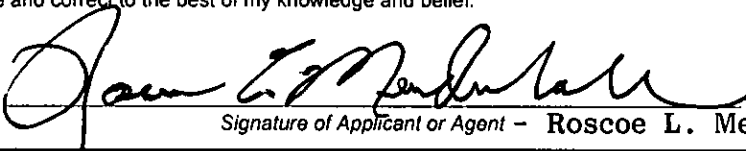
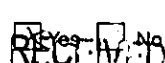


**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT**

Form CDP-1
May 2010
Form must be Typed

Submit in Duplicate

Operator Name: Stelbar Oil Corporation, Inc.		License Number: 6044 ✓
Operator Address: 1625 N. Waterfront Pkwy; Ste. #200 Wichita		Kansas 67206
Contact Person: Roscoe L. Mendenhall		Phone Number: (316) 648-5633
Lease Name & Well No.: Stone #24		Pit Location (QQQQ): _____ - <u>SE - SW</u> - <u>NW</u>
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> 15-015-21049	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 100 (bbls)	Sec. <u>2</u> Twp. <u>25</u> R. <u>5</u> <input checked="" type="checkbox"/> East <input type="checkbox"/> West 2,015 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 1,260 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Butler County
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input 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? Natural Clays
Pit dimensions (all but working pits): <u>20</u> Length (feet) <u>10</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>3</u> (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: <u>2000</u> feet Depth of water well <u>100</u> feet		Depth to shallowest fresh water <u>30</u> 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: <u>Saltwater & cement</u> Number of working pits to be utilized: <u>1</u> Abandonment procedure: <u>Allow pit to dry and backfill with soil.</u> 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.		
<u>September 21, 2011</u> Date	 Signature of Applicant or Agent - Roscoe L. Mendenhall	
KCC OFFICE USE ONLY		
Date Received: <u>9-22-11</u>	Permit Number: <u>15-015-21049-0000</u>	Permit Date: <u>9-23-11</u> Lease Inspection: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input checked="" type="checkbox"/> Liner <input type="checkbox"/> Steel Pit <input checked="" type="checkbox"/> RFAC <input type="checkbox"/> RFAS 		

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

SEP 22 2011

KCC WICHITA

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/>

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

Sam Brownback, Governor

September 23, 2011

Stelbar Oil Corporation, Inc.
1625 N. Waterfront Pkwy Ste 200
Wichita, KS 67206

Re: Workover Pit Application
Stone Lease Well No. 24
NW/4 Sec. 02-25S-05W
Butler County, Kansas

Dear Sir or Madam:

District staff has reviewed the above referenced location and has determined the pit must be **lined and fluids removed within after completion**. A plastic liner with the minimum thickness of **6 mil** is to be used. Integrity of the liner must be maintained at all times.

The fluids must be removed from the pit within 72 hours after completion of workover operations. 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 (April 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal. Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms.

If you have any questions or concerns please feel free to contact the undersigned at the above address.

Sincerely,

A handwritten signature in cursive script that reads "Kathy Haynes".

Kathy Haynes
Department of Environmental Protection and Remediation

Cc: district