

Kansas Corporation Commission Oil & Gas Conservation Division

1053766

Form CDP-1 May 2010 Form must be Typed

APPLICATION FOR SURFACE PIT

Submit in Duplicate

Operator Name: Running Foxes Petroleum Inc.			License Number: 33397
Operator Address: 7060 S TUCSO	N WAY STE	CENTENNIAL CO 80112	
Contact Person: Amanda Huffer			Phone Number: 303-617-7242
Lease Name & Well No.: White	9-12-2		Pit Location (QQQQ):
Type of Pit: Emergency Pit Burn Pit Settling Pit Drilling Pit Workover Pit Haul-Off Pit (If WP Supply API No. or Year Drilled) Is the pit located in a Sensitive Ground Water A Is the bottom below ground level? Yes No Pit dimensions (all but working pits):	Pit is: Proposed Fexisting, date cor 3/28/11 Pit capacity: 950 Artificial Liner? Yes N	Existing Instructed: (bbls) No lo et) 225 epest point: Describe proces	Sec. 7 Twp. 33 R. 2 East West 990 Feet from North / South Line of Section 330 Feet from East / West Line of Section Sumner County Chloride concentration: mg/l (For Emergency Pits and Settling Pits only) How is the pit lined if a plastic liner is not used? Native Clay Width (feet) N/A: Steel Pits
Distance to nearest water well within one-mile NA feet Depth of water well 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 story into the pit? Yes No Submitted Electronically	feet	Source of informeasured Drilling, Work Type of materi Number of work Abandonment	well owner electric log KDWR over and Haul-Off Pits ONLY: Air dry and back fill. Pump water if
	ксс	OFFICE USE C	DNLY Liner Steel Pit X RFAC RFAS
04/18/2011 Permit Nun	15-191-2259	9-00-00 Pern	nit Date: 04/20/2011 Lease Inspection: X Yes No

Kansas Corporation Commission Oil & Gas Conservation Division

HAUL-OFF PIT APPLICATION FILING REQUIREMENTS

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 requirements of K.A.R. 82-3-106, if the waste to be disposed of was generated during the drilling an completion of the well; or
(3)	dispose of the remaining solid contents in any manner required by the commission. The requirements mainclude 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;

(D) removal of the contents to a permitted off-site disposal area approved by the department.

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

- (b) Each violation of this regulation shall be punishable by the following:
 - (1) A \$1,000 penalty for the first violation;

(C)

82-3-607.

(a)

(2) a \$2,500 penalty for the second violation; and

DISPOSAL OF DIKE AND PIT CONTENTS.

(3) a \$5,000 penalty and an operator license review for the third violation.

permission from the landowner has been obtained; or

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 t same operator: Yes \sum No If yes, written permission from the land owner must be obtained. Atta permission and a copy of the lease assignment that covers the acreage where the haul-off pit is to located, to the haul-off pit application.

March 24, 2011

Kansas Corporation Commission Conservation Division 130 S. Market, Room 2078 Wichita, KS 67202-3802 ATTN: Jonelle Rains

RE: Haul Off Pit Landowner Approval

Dear Ms. Rains,

We, Christine Tedesco and Michael Thomsen, President Osceola Production, LLC, are the legal landowners of record of Township 33 South, Range 2 East, Section 7; NW. We are writing this letter granting Running Foxes Petroleum Inc., permission to haul pit contents from another lease to an approved surface pit location on our land.

Please see attached deeds, documenting the chain of title.

Best regards,

Christine Tedesco

Michael Thomsen, Osceola Production

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/

Thomas E. Wright, Chairman Ward Loyd, Commissioner

Corporation Commission

Sam Brownback, Governor

April 20, 2011

Amanda Huffer Running Foxes Petroleum Inc. 7060 S TUCSON WAY STE B CENTENNIAL, CO 80112

Re: Drilling Pit Application White 9-12-2 Sec.07-33S-02E Sumner County, Kansas

Dear Amanda Huffer:

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 within 1 week of completion of drilling operations.

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.

WARRANTY DEED

The Grantor, Nighthawk Production LLC, of 1745 Shea Center Dr., Suite 400, Highlands Ranch, CO 80129

Does hereby Convey and Warrant to:

The Grantee, Osceola Production, LLC, of 1745 Shea Center Dr., Suite 400, Highlands Ranch, CO 80129

The following described real estate situated in Sumner County, State of Kansas to wit:

T33S R1E Sec. 11: SW

T33S R1E Sec. 14: SE

T33S R1E Sec. 29: SW except tracts condemned for Highway Purposes

T33S R2E Sec. 7: NW

T34S RIE Sec. 9: E2NE

T34S R2E Sec. 5: Lots 1 and 2 and the S2NE (aka NE)

INDEXED DIRECT NORMECT PHOTO COMPAVICO WITH OTHER

CONSIDERATION: One Dollar (\$1.00) and other consideration, the receipt of which is hereby acknowledged.

No real estate sales validation questionnaire required Exception #4.

EXCEPT AND SUBJECT TO: Easements and restrictions of record.

DATED: November 24, 2009, but to be made effective as of June 28, 2009

Michael B. Thomsen, President of Nighthawk Production LLC

STATE OF COLORADO

) SS:

COUNTY OF ARAPAHOE)

BE IT REMEMBERED, That on this 24th day of November, 2009, before me, the undersigned, a notary public, in and for the county and state aforesaid, came Michael B. Thomson, as President of Nightbawk Production LLC, who is personally known to me to be the same person who executed the within instrument of writing and duly acknowledged the execution of the same for and on behalf of said corporation.

IN WITNESS WHEREOF, I have hereto set my hand and affixed my scal, the day and year last above written.

1.3

Term Expires: Nov. 9, 2011

KAFILA PETERSON
NOTAFY PUBLIC
STATE OF COLOHADO
Commission Expires November 9, 2011

Notary Public: Bula Peterson

Karia Peterson

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BOOK 0783 PAGE 0472

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WARRANTY DEED

The Grantor, RUNNING FOXES PETROLEUM, INC.

Does hereby Convey and Warrant to:

The Grantee, CHRISTINE TEDESCO

The following described real estate situated in Sumner County, State of Kansas to wit:

T33S RIE Sec. 11: SW T33S R1E Sec. 14: SE

T33S R1E Sec. 29: SW except tracts condemned for Highway Purposes

T338 R2E Sec. 7: NW T34S R1E Sec. 9: E2NE

T34S R2E Sec. 5: Lots 1 and 2 and the S2NE (aka NE)

CONSIDERATION: One Dollar (\$1.00) and other consideration, the receipt of which is hereby acknowledged

No real estate sales validation questionnaire required Exception #4.

EXCEPT AND SUBJECT TO: Easements and restrictions of record.

DATED: April 30, 2009, but to be made effective as of January 1, 2009

Steven A. Tedesco,

CEO and President of Running Foxes Petroleum, Inc.

STATE OF COLORADO

SS:

COUNTY OF ARAPAHOE)

BE IT REMEMBERED, That on this 30th day of April, 2009, before me, the undersigned, a notary public, in and for the county and state aforesaid, came Steven A. Tedesco, as CEO and President of Running Foxes Petroleum, Inc. who is personally known to me to be the same person who executed the within instrument of writing and duly acknowledged the execution of the same for and on behalf of said corporation.

IN WITNESS WHEREOF, I have hereto set my hand and affixed my seal, the day and year last above written.

Term Expires:

Notary Public: 1200 a 1 ala

Kařla Peterson

KARLA PETERSON

NOTARY PUBLIC STATE OF COLORADO

My Congridation Expired November 9, 2011

70000 S Theson Way, Centennial Ruming Foxes, Soturn:

INDEXED CHRECT OTOMA COMPARED WITH

WARRANTY DEED

The Grantor, ATOKA COAL BED METHANE LABORATORIES, INC.

Does hereby Convey and Warrant to:

The Grantec(s): Nighthawk Production LLC, of 1745 Shea Center Dr., Suite 400, Highlands Ranch, CO 80129 and Running Foxes Petroleum, Inc., of 7060-B South Tucson Way, Centennial, CO 80112, each to be granted a 50% interest.

The following described real estate situated in Sumner County, State of Kansas to wit:

T338 RIE Sec. 11: SW T33S R1E Sec. 14: SE T33S RTE Sec. 29: SW except tracts condemned for Highway Purposes T33S R2E Sec. 7: NW T34S RIE Sec. 9: E2NE T34S R2E Sec. 5: Lots 1 and 2 and the S2NE (aka NE)

CONSIDERATION: One Dollar (\$1.00) and other consideration, the receipt of which is hereby acknowledged

No real estate sales validation questionnaire required Exception #4.

EXCEPT AND SUBJECT TO: Easements and restrictions of record.

DATED: April 29, 2009, but to be made effective as of January 1, 2009

Steven A. Tedesco,

President of Atoka Coal Bed Methane Laboratories, Inc.

STATE OF COLORADO COUNTY OF ARAPAHOE

BE IT REMEMBERED. That on this 29th day of April, 2009, before me, the undersigned, a notary public, in and for the county and state aforesaid, came Steven A. Tedesco, President of Atoka Coal Bed Methane Laboratories, Inc. who is personally known to me to be the same person who executed the within instrument of writing and duly acknowledged the execution of the same for and on behalf of said corporation.

IN WITNESS WHEREOF, I have hereto set my hand and affixed my scal, the day and year last above written.

Term Expires:

Notary Public: Tlava Peter Karla Peterson

KAHLA PETERSON NOTARY PUBLIC STATE OF COLORADO Commission Expires November 9, 2011

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WARRANTY DEED

THE GRANTOR, John A. Potucek II, a single person, in consideration of the sum of One Dollar and Other Valuable Considerations the receipt of which is hereby acknowledged, conveys and warrants to

Atoka Coal Bed Methane Laboratories, Inc.

the following described real estate situated in the County of Sumner and State of Kansas, described as follows:

The Northwest Quarter (NW 1/4) of Section 7, Township 33 South, Range 2 East, of the 6th P.M., Sumner County, Kansas.

EXCEPT AND SUBJECT TO: Except Easements and reservations of record.

Dated this

day of November, 2007.

INDEXED DIRECT NONRECT PHOTO. COMPARED WITH COPY

John A. Potucek II, a single person

STATE OF KANSAS, SUMNER COUNTY, SS:

The foregoing instrument was acknowledged before me this $\underline{14}$ day of November, 2007, by John A. Potucek II, a single person.

A LINDAJ, NORRIS Protary Public - State of Kanase My Acet Fromes 9 10-10

'54'% #

Notary Public

My commission expires: