

FINAL NOTICE OF VIOLATION

July 6, 2009

Horton, Jack
PO BOX 97
SEDAN, KS 673610097

RE: API# 15125314260000
LEASE NAME: RED BUFFALO 1
SEC 2 TOWNSHIP 34 RANGE 14 E

Dear Operator:

This letter shall serve as your final notice regarding your continuing violation of Kansas regulations. On 4/9/2009 9:40:13 AM, a Request for Information letter was sent to you, requesting the spud call and ACO-1 Well Completion Form for the above well. The KCC still has not received either the spud call or the ACO-1 Well Completion Form for the well. If this information is not provided to the KCC by July 20, 2009, this matter shall be submitted to our legal department, and it may result in a \$500.00 penalty per well remaining in violation.

This requested information must be submitted for processing pursuant to KCC regulations, specifically including K.A.R. 82-3-107(d) and K.A.R. 82-3-130. Please contact me with any questions.

Sincerely,

Steve Bond
Production Department Supervisor