


KANSAS
CORPORATION COMMISSION

Mark Parkinson, Governor
Thomas E. Wright, Chairman
Michael C. Moffet, Commissioner
Joseph F. Harkins, Commissioner

September 18, 2009

STEVE BAIZE
CHARTER ENERGY INC
P O BOX 252
GREAT BEND KS 67530

RE: LEASE: HOFFMAN 1
LEGAL: 2255'FSL-990'FWL 06-16S-13W
COUNTY: BARTON
API NO: 12009250830000

Dear Mr. Baize:

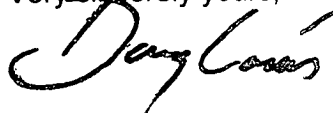
This letter is to inform you that you have been granted an extension of time in which to close the drilling pits associated with the drilling of the Hoffman 1 well.

The original 365 days for closure expired August 19, 2008. This extension will expire March 10, 2010. We urge you to make every effort to close these pits within this time frame. In the event there is water standing in these pits, please dewater and dispose of fluids in an authorized disposal facility to expedite closure. Extension of this time frame automatically extends the time period for filing the Closure of Surface Pit form.

Failure to close the pit or request an additional extension prior to the expiration date may result in a fine in accordance with K.A.R. 82-3-602(a). An additional extension will only be granted for good cause and after K.C.C. field staff has made an inspection of the site. Should field staff discover that said pit has been closed before the date of extension request, an administrative penalty may be assessed to you through K.C.C. invoice.

If you have any questions in this regard, please do not hesitate to contact Jonelle Rains at (316) 337-6226.

Very sincerely yours,



Doug Louis
Director

cc: Jonelle Rains
District #4

KANSAS

CORPORATION COMMISSION

Mark Parkinson, Governor
Thomas E. Wright, Chairman
Michael C. Moffet, Commissioner
Joseph F. Harkins, Commissioner

MEMORANDUM

To: District 4

From: Sammy Flaharty *St*

Date: 8/13/2009

Re: pit extensions

The following operators have requested additional extensions of time in which to fill the pits associated with the given lease. Please inspect the lease and let me know what your recommendations are. Your time and work are appreciated.

Charter Energy Inc
Hoffman 1
2255'FSL-990'FWL 06-16S-13W
Barton County
15009250830000
Spud 8/13/07 pit extension expired 6/23/09

Charter Energy Inc
Bitter 1
990'FSL-330'FEL 06-16S-13W
Barton County
15009250560000
Spud 6/5/07 pit extension expired 8/1/09

Mai Oil Operations Inc.
Nuss 1-15
2160'FSL-2080'FEL 15-16S-14W
Barton County
15009251680000
Spud 2/27/08 pit extension expired 6/30/09

*Case called 9/10/09
Gene C. W.*

CONSERVATION DIVISION

Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802
(316) 337-6200 • Fax: (316) 337-6211 • <http://kcc.ks.gov/>

CHARTER ENERGY INC
P O BOX 252
GREAT BEND, KANSAS 67530

Date

KANSAS CORPORATION COMMISSION
130 S MARKET RM 2078
FINNEY STATE OFFICE BLDG
WICHITA KS 67202-3802

RE: LEASE: Hoffman
LOCATION: 6-16-13
COUNTY: Barton
API # 15009250830000

Dear Sir:

Please consider this a request for an additional extension of time in which to close the pits for the referenced well. The working pits and the fresh water pit are all filled. The reserve pit has been crowded but is still to wet to complete . We are working to finish these pits as quickly as possible. Please give us until January 31, 2010 to close the pits. Your consideration of this request is greatly appreciated.

Sincerely,



Steve Baize

cc: file

KANSAS CORPORATION COMMISSION

AUG 13 2009

RECEIVED