

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

December 24, 2009

PAUL YOUNGBLOOD UNION VALLEY PETROLEUM CORPORATION 10422 PINTO LANE ENID OK 73701

RE: LEASE: LANA 1-A

LEGAL: 990'FNL-1320'FEL 01-34S-05W

COUNTY: HARPER API NO: 15077216210000

Dear Mr. Youngblood:

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 Lana 1-A well.

The original 365 days for closure expired April 5, 2009. This extension will expire June 17, 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 ⊭ouis Director

cc: Jonelle Rains District # 2

CONSERVATION DIVISION

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

## Sammy Flaharty

From: Steve VanGieson

Sent: Thursday, December 17, 2009 2:04 PM

**To:** Sammy Flaharty **Subject:** RE: pit extensions

SAMMY GIVE THE BOYS 6 MONTH EXTENSION ON THIS PIT THANKS STEVE

-----Original Message-----From: Sammy Flaharty

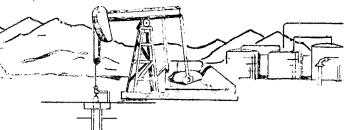
Sent: Wednesday, December 16, 2009 12:50 PM

**To:** Steve VanGieson **Subject:** pit extensions

Steve, I received a request from Union Valley Petroleum Corporation for an additional pit extension. They state they have tried to cover the pits but have only been able to crowd and stir the pits. The amount of rainfall is what they state as the interfering culprit. Anyway, the well is as follows:

Lana 1-A 990'FNL-1320'FEL 01-34S-05W Harper County 15077216210000 Spud 4/5/08 pit extension expired 9/5/09

Well, keep warm Steve. It's been mighty cold and Richard just called to let me know they are predicting snow flurries Friday. I hope they are wrong. I'm ready for Spring and I know we really haven't had Winter yet. Oh well. Take care. Sammy



## UNION VALLEY PETROLEUM CORPORATION

10422 Pinto Lane **Enid**, OK 73701 580-237-3959

12-09-09

Kansas Corporation Comm(ssion Conservation Division Finney State Office Building 130 S. Market, Room 2078 Wichita, Kansas 67202-3802

Attn: Jonelle Rains

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DEC 14 203

RCC WIGHTA

Pit Closure Lana #1-A S/2 N/2 NE Section 1-34S-5W Harper County, Kansas

Dear Ms. Rains:

We are in receipt of your letter concerning the drilling pit on the above captioned well. Union Valley has, prior to and since the granting of the extension, diligently tried to cover the pit on several occasions. This work has included crowding and stirring the pit to solidify the contents enough to cover in a safe and practical manner. We have had in this area, an amount of rain fall which has deterred our efforts to accomplish this work.

We check the pit regularly, hoping each time will allow us to finish the closure and provide the correct compaction of the surface of the pit for continued use by the land owner.

As noted in your letter our extension of the closure date has expired, and we would hereby request an additional amount of time to properly close the pit.

Sincerely,

Union Valley Petroleum Corporation

Paul J. Youngblood

**President**