



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

May 8, 2009

KRISTOL TAYLOR
SAMUEL GARY JR & ASSOCIATES INC
1560 BROADWAY STE 2100
DENVER CO 80202

RE: LEASE: NICHOLSON 1-1
LEGAL: 2530'FSL-2040'FEL 01-18S-13W
COUNTY: BARTON
API NO: 15009251150000

Dear Ms. Taylor:

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 Nicholson 1-1 well.

The original 365 days for closure expired November 12, 2008. This extension will expire August 31, 2009. 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



SAMUEL GARY JR
AND ASSOCIATES, INC.
an integrated energy company

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APR 27 2009

KCC WICHITA

April 23, 2009

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

RE: Notice of Violations for CDP-4's (82-3-602) dated March 31, 2009

Dear Ms. Rains,

This letter is in response to your notice of violations for pit closures dated March 31, 2009 that are under Samuel Gary Jr. & Associates, Inc 2008. Due to rain and snow storms, we have been unable to close the Nicholson 1-1. Our field workers are making every effort to close this pit as soon as possible. Therefore, we hereby request an extension to file CDP-4's for this well.

If there are any questions, or if you need any additional information, please contact me at the telephone number shown on the letterhead.

Sincerely,

SAMUEL GARY JR. & ASSOCIATES, INC.

Kristol Taylor
Geo/Engineer Tech

Enclosures

Sammy Flaharty

From: Case Morris

Sent: Monday, May 04, 2009 11:00 AM

To: Sammy Flaharty

Hi Sammy,

These are a little late but go ahead and give them extensions. Thanks. Case

Samuel Gary
Nicholson 1-1
1-18-13, Barton Co.
15009251150000

Mai Oil Operations
Hoffman #1
19-16-11, Barton Co.
15009250080000