

Kathleen Sebelius, Governor Thomas E. Wright, Chairman Michael C. Moffet, Commissioner Joseph F. Harkins, Commissioner

February 27, 2009

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

RE: LEASE: STUMPS 2-4

LEGAL: 990'FSL-1350'FWL 04-18S-10W

COUNTY: RICE

API NO: 15159225380000

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 Stumps 2-4 well.

The original 365 days for closure expired May 19, 2008. This extension will expire April 6, 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 #2



Kathleen Sebelius, Governor Thomas E. Wright, Chairman Michael C. Moffet, Commissioner Joseph F. Harkins, Commissioner

MEMORANDUM

To: District 2

From: Sammy K. Flaharty

Date: January 8, 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.

The following pits belong to Samuel Gary Jr. and Associates Inc. and are located in Rice

County.

e Trust 2-24 2290'F\$L-1340'FWL 24-18S-10W

15159225460000

Spud 8/31/07 pit extension expired 12/01/08

Stumps 2-4

990'FSL-16350'FWL 04-18S-10W

15159228380000

Spud 8/19/07 pit ext. expired 12/26/08

ZFEL 31-18S-10W

A/07 pit extension expired 12/26/08

Roelfs 2-24

2310'FNL-990'FWL 24-18S-10W

15159225280000

Spud 1/22/07 pit ext. exp. 12/26/08

551'FSL-4345'FEL 19-18S-09W

Spud 1/12/07 pit extension expired 12/26/08

Morgan 1-36

750'FNL\1200'FWL 36-20S-10W

Spud $\frac{1}{2}/\frac{1}{06}$ pit ext. exp. $\frac{12}{26}/08$

Thomas 2-30

1760\FNL-120'FWL 30-19S-10W

Spud 11/9x06 pit extension expired 12/26/08

CONSERVATION DIVISION

(316) 337-6200 • Fax: (316) 337-6211 • http://kcc.ks.gov/



RECEIVED KANSAS CORPORATION COMMISSION

JAN 0 7 2009

CONSERVATION DIVISION WICHITA, KS

January 5, 2009

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

RE: CDP-4 Extensions

Dear Jonelle,

This letter is in regards to reserve pit closures that are under Samuel Gary Jr. & Associates, Inc. Unfortunately due to ice and snow storms over the past couple of months, we have been unable to dry out and close reserve pits by their due dates. Our field workers are making every effort to close these reserve pits as soon as possible, and it does appear that they are slowly drying, but we will need more time to close these pits and file a CDP-4. Therefore, we hereby request another extension to close & file CDP-4's for the following wells:

Thomas 2-30	#15-159-22518-0000
Mooney Et Al 2-5	#15-159-22513-0000
Morgan 1-36	#15-159-22519-0000
Matthaei Trust 2-19	#15-159-22526-0000
Roelfs 2-24	#15-159-22528-0000
Novotny Et Al 1-31	#15-159-22533-0000
Stumps 2-4	#15-159-22538-0000
Behnke Trust 2-24	#15-159-22546-0000

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

Sincerely,

SAMUEL GARY JR. & ASSOCIATES, INC.

Geo/Engineer Tech