



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

December 11, 2009

FIVE STAR ENERGY INC  
215 14<sup>TH</sup> ST  
HARPER KS 67058

RE: LEASE: BUGNER 1-19  
LEGAL: 3730'FSL-4730'FEL 19-31S-07W  
COUNTY: HARPER  
API NO: 15077215940000

Dear Sir/Madam:

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 Bugner 1-19 well.

The original 365 days for closure expired September 30, 2008. This extension will expire June 7, 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 #2

**Sammy Flaharty**

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**From:** Steve VanGieson  
**Sent:** Monday, December 07, 2009 8:16 AM  
**To:** Sammy Flaharty  
**Subject:** RE: additional pit extensions

Sammy No problem with 6 month ext. Steve

-----Original Message-----

**From:** Sammy Flaharty  
**Sent:** Friday, December 04, 2009 4:58 PM  
**To:** Steve VanGieson  
**Subject:** additional pit extensions

Hi Steve. Go some pit inspections for you. The leases needing inspections for additional extensions are as follows:

Murfin Drilling Company Inc.  
Blubaugh 1-20  
770'FNL-660'FEL 20-31S-05W  
Harper county  
15077216310000  
Spud 7/27/08 pit extension expired 10/27/09

Five Star Energy Inc  
Bugner 1-19  
3730'FSL-4730'FEL 19-31S-07W  
Harper County  
15077215940000  
Spud 9/30/07 pit extension expired 9/16/09

Let me know what you think about extensions for these pits. Thanks for your help Steve.  
Sammy



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

November 30, 2009

Five Star Energy, Inc.  
215 E 14TH ST  
HARPER KS 67058

**RE: NOTICE OF VIOLATION - 82-3-602**

Dear Sir or Madam:

K.A.R. 82-3-602(a) states that drilling pits shall be closed within a maximum of 365 calendar days after the spud date of a well. Any pit permit may be extended upon written request by the operator and with the approval of the director. Failure to close any pit or to file an extension within the prescribed time limits shall be punishable by a \$250 penalty.

K.A.R. 82-3-602(c) states "Each operator of a pit shall file a pit closure form ... within 30 days after the closure of the pit. Failure to file the pit closure form in accordance with this subsection shall be punishable by a \$100 penalty".

According to our records a Closure of Surface Pit, form CDP-4 (April 2004), has not been filed and is past due for the following well:

<u>API NO.</u>	<u>WELL</u>	<u>LOCATION</u>	<u>COUNTY</u>	<u>SPUDDATE</u>	<u>EXTENSION EXPIRATION</u>
15077215940000	BUGNER 1-19	19-31-7W	HARPER	9/30/2007	9/16/2009

This requested information must be submitted by **December 18, 2009**. Failure to submit the requested information by this date may subject **Five Star Energy, Inc.** to the assessment of the above referenced penalty(s). Conservation division forms are available through our office and on the KCC web site: <http://kcc.ks.gov/conservation/forms/>

Should you have any questions or concerns please contact Sammy Flaharty at (316) 337-6227.

Sincerely,

A handwritten signature in cursive script that reads "Jonelle Rains".

Jonelle Rains, Supervisor  
Department of Environmental Protection and Remediation

RECEIVED  
DEC 02 2009  
KCC WICHITA

# Theis Dozer Service, Inc.

# Invoice

84A SW 20 Street  
 Kingman, KS 67068  
 office: (620) 532-3555, res. (620) 532-3034,  
 Tom's cell (620) 532-4361 fax (620) 532-3533

Date	Invoice #
7/31/2009	16654

Bill To
Five Star Energies 215 E 14th Harper, 67048

P.O. No.

Location Name:
Bogner

Job Type	Job Description	Hours/Amount	Rate	Amount
Dozer 750C--BF	07/23/09--Crowd on pit  <i>23<sup>11</sup>5 607255</i>	2	130.00	260.00

<b>Subtotal</b>	\$260.00
<b>Sales Tax (5.3%)</b>	\$0.00
<b>Total</b>	\$260.00
<b>Payments/Credits</b>	\$0.00
<b>Balance Due</b>	\$260.00

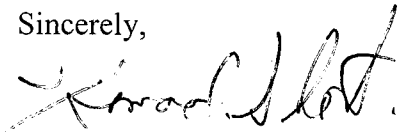
RECEIVED  
 DEC 02 2009  
 KCC WICHITA

RE: Closure of Drilling Pits  
Bugner Lease Well No. 1-19  
Harper, Co. KS  
API No. 15077215940000

Dear Sirs:

We have crowed this well several times, the last being 7/31/09. I spoke with Theis Dozer Service, Inc. today (12/2/09) and they are going out to check conditions. Theis has standing orders to fill the pit as soon as conditions allow. I would request an extension at this time.

Sincerely,

A handwritten signature in black ink, appearing to read "Kenneth J. Holt". The signature is written in a cursive style with a horizontal line underneath.

Five Star Energy, Inc..

RECEIVED  
DEC 02 2009  
KCC WICHITA

Times New Roman 8 B I U

**FILTER SELECTION**

Search F-Is / Letters

Sec Twpn Rngn

Company [Fed] API Number [15-077-21594]

API # [15-077-21594-00-00] Well [BUGNER 1-19] City [HARPER] Dist [ ]

Oper [33513 FIVE STAR ENERGY, INC.] A Legy Oper [ ]

Work Oper [ ] C-1 Oper [FIVE STAR ENERGY, INC.]

WL Type [DH] WL Stat [PA] Status Source [CP23] Status Dt: [10/09/2007]

Location [19-315-7W N2SWNW, 3730 FSL 4730 FEL] District # [02]

Dates

Intent Apprv:	09/27/2007	Compl:	10/09/2007
Permit Expire:	03/27/2008	Compl Rpt Rec:	10/30/2007
ACO-1 Spud:	09/30/2007	Plugged:	10/09/2007
District Spud:	09/30/2007		

Drilling

SC Int: [200] Spud Ltr:  CP 1: [10/24/2007]

PIT Cls EXT: [09/16/2009] SGWA:  CP 2.3:  Date CP-2/3 Rec'd: [05/05/2008]

Pit Cls: [ ] RFAC:  CP 4:  Date CP-4 Rec'd: [11/30/2007]

PIT Status: [Request Received for Extern] RFAS:  CDP 5: [Y]

Dewater: [HD] BBLs: [240] PitLiner:  Steel: