

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

October 2, 2009

JEFFREY J STEINKE METRO ENERGY GROUP INC SOUTHRIDGE OFFICE PARK 1741 EAST 71ST STREET TULSA OK 74136

RE: LEASE: AYERS 1-20

LEGAL: 990'FSL-1980'FEL 20-27S-07E

COUNTY: BUTLER API NO: 15015237840000

Dear Mr. Steinke:

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 Ayers 1-20 well.

The original 365 days for closure expired July 16, 2009. This extension will expire November 30, 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 KECEIVED

SEP 2 5 2009

22 September 2009

Metro Energy Group, Inc. Southbridge Office Park 1741 East 71st Street Tulsa, Oklahoma 74136

Telephone: 918.493.2880

Facsimile: 918.493.2862

KCC WICHITA

Jonelle Rains, Supervisor
Dept. of Environmental Protection
and Remediation
Kansas Corporation Commission
Conservation Division
130 S Market Room 2078
Wichita, KS 67202

RE: <u>Ayers #1-20</u>

API#: 15-015-23784 N2 SW4 SE4 \$20-T27S-R7E Butler County, Kansas

Dear Ms. Rains,

As of this date, we're about 70% finished in closing this pit. Various factors, including the wet weather, has hindered us in getting the pit completely and fully closed and the appropriate report filed. Per your letter of the 4th of September, we request an extension of the pit permit issued on this well for an additional sixty (60) days from the date of this letter.

Regards, METRO ENERGY, GROUP, INC.

Jeffrey J. Steinke, Director for Legal and Corporate Affairs

Encl.

xc: Sammy Flaharty, KCC
Robert Pfannenstiel, MetroEnergy-Geology
Roger Smith, MetroEnergy-Field Operations

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

September 4, 2009

Metro Energy Group, Inc. 1741 E 71ST ST TULSA OK 74136 KECLIVED

SEP 2 5 2009

KCC WICHITA

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), or a request for an extension has not been filed and is past due for the following well:

API NO.	<u>WELL</u>	LOCATION	COUNTY	SPUDDATE
15015237840000	AYERS 1-20	20-27-7E	BUTLER	7/16/2008

This requested information must be submitted by **September 25**, **2009**. Failure to submit the requested information by this date may subject **Metro Energy Group**, **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,

Jonelle Rains, Supervisor

Vonelle Rains

Department of Environmental Protection and Remediation

SEP 8 " 2009