



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

October 2, 2009

SHELBY RESOURCES LLC
445 UNION BOULEVARD STE 208
LAKEWOOD CO 80228

RE: LEASE: WRAY-HIRT UNIT 1-18
LEGAL: 159'FSL-1615'FWL 18-29S-12W
COUNTY: PRATT
API NO: 15151223020000

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 Wray-Hirt Unit 1-18 well.

The original 365 days for closure expired June 12, 2009. This extension will expire December 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 #1



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Shelby Resources LLC
445 Union Boulevard
Suite 208
LAKEWOOD CO 80228

RECEIVED

SEP 25 2009

May 29, 2009

KCC WICHITA

Re: Closure of Drilling Pits
WRAY-HIRT UNIT Lease Well No. 1-18
SWSESW 18-29S-12W
PRATT County, Kansas
API No. 15151223020000

Dear Sirs:

The above referenced well was spudded on 6/12/2008. According to K.A.R. 82-3-602, "Drilling pits ... shall be closed within a maximum of 365 calendar days after the spud date of a well". The subject drilling pits must be closed by 6/12/2009. A Closure of Surface Pit, form CDP-4 (April 2004), should be filed within 30 days after the drilling pits are closed. Conservation division forms are available through our office and on the KCC web site: <http://kcc.ks.gov/conservation/forms/>

Should an extension be warranted, it must be received by 6/12/2009. TO FILE FOR AN EXTENSION, PLEASE SEND A COPY OF THIS LETTER WITH THE FOLLOWING INFORMATION COMPLETED:

Date of location inspection by operator/agent: 9-21-09

Reason for extension: PITS TO WET TO CLOSE

Estimated period of time until pit closure: 3 MONTHS OR ASAP

Failure to timely close the pit, file a request for an extension or file the closure form within the allotted time periods may result in assessment of an administrative penalty.

Your cooperation in this process is appreciated. If you have any questions or concerns, please call Sammy Flaherty at (316) 337-6227.

ACCT. _____
PROPERTY # _____
AFE # _____
USED FOR: _____
APPROVAL: _____

APPROVED
CHRIS KOTSCHALK
SEP 29 2009

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