


KANSAS
CORPORATION COMMISSION

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

October 16, 2009

MURFIN DRILLING CO INC
250 N WATER STE 300
WICHITA KS 67202

RE: LEASE: STEINLE 1-20
LEGAL: 2310'FNL-1650'FWL 20-09S-32W
COUNTY: THOMAS
API NO: 15193207360000

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 Steinle 1-20 well.

The original 365 days for closure expired April 14, 2009. This extension will expire April 12, 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 #4

Sammy Flaharty

From: Case Morris
Sent: Monday, October 12, 2009 3:33 PM
To: Sammy Flaharty
Subject: RE: Additional pit extension

Hi Sammy,

I actually like the cold better than the hot hot stuff. That's just me though.

Go ahead and give the six months on this. Thanks. Case.

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

From: Sammy Flaharty
Sent: Friday, October 09, 2009 4:36 PM
To: Case Morris
Subject: Additional pit extension

Hi Case, Is this blast of Winter cold enough for you? I hear you may get frost out there in Hays. I was ready for Fall but not for Winter. This has been flat cold and wet and miserable. Great weather if you're a duck though.

Well, I received a request for an additional extension from Murfin Drilling Co., Inc. The well is as follows:

Steinle 1-20
2310'FNL-1650'FWL 20-09S-32W
Thomas County
15193207360000
spud 4/14/08 pit extension expired 8/31/09

They state the pit is still wet. Let me know if you want to give them an extension and for how long. Thanks for your help Case.

Sammy

Dist 4



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Joseph F. Harkins, Commissioner

Murfin Drilling Co., Inc.
250 N WATER STE 300
WICHITA KS 67202

RECEIVED

OCT 09 2009

KCC WICHITA

September 4, 2009

Re: Closure of Drilling Pits
~~Ashley Lease Well No. 1-21~~
~~NESWN/NW 21-5S-29W~~
~~DECATUR County, Kansas~~
~~API No. 1503921070000~~

STEINLE #1-20
20-9S-32W
THOMAS Co.

Dear Sirs:

4/14/08 15193207360000

The above referenced well was spudded on ^{4/14/08} 9/7/2008. 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 9/7/2009. 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 9/7/2009. **TO FILE FOR AN EXTENSION, PLEASE SEND A COPY OF THIS LETTER WITH THE FOLLOWING INFORMATION COMPLETED:**

Date of location inspection by operator/agent: 10-1-09

Reason for extension: WET

Estimated period of time until pit closure: 12-09

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 Flaharty** at (316) 337-6227.