

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

November 14, 2008

NATIONAL GULF PRODUCTION INC P O BOX 186 GIDDINGS TX 78942

RE: LEASE: CBN 7

LEGAL: 330'FNL-1060'FEL 36-13S-23W

COUNTY: TREGO

API NO: 15195224970000

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 CBN 7 well.

The original 365 days for closure expired November 3, 2008. This extension will expire February 3, 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 Lóuis Director

cc: Jonelle Rains
District # 4



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

National Gulf Production Inc PO BOX 186 GIDDINGS TX 78942

October 31, 2008

Re: Closure of Drilling Pits CBN Lease Well No. 7 W2NWNENE 36-13S-23W TREGO County, Kansas API No. 15195224970000



Dear Sirs:

The above referenced well was spudded on 11/3/2007. 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 11/2/2008. 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 11/2/2008. TO FILE FOR AN EXTENSION, PLEASE SEND A COPY OF THIS LETTER WITH THE FOLLOWING INFORMATION COMPLETED:

Date of location inspection by operator/ager	nt: 00 / 0	,2008		0 1
Reason for extension: Reason for extension:	on't duy l	ong prough	to	finish
Estimated period of time until pit closure:	3 me 5			

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.

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