


KANSAS
CORPORATION COMMISSION

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

January 30, 2009

BRAD HUTCHINSON
PROSPECT OIL AND GAS
P O BOX 837
RUSSELL KS 67665

RE: LEASE: SCHMITT 1
LEGAL: 1810'FNL-1640'FWL 21-14S-15W
COUNTY: RUSSELL
API NO: 15167234730000

Dear Mr. Hutchinson:

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 Schmitt 1 well.

The original 365 days for closure expired November 30, 2008. This extension will expire May 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 #4



Prospect Oil and Gas
P.O. Box 837
Russell, Ks. 67665

15167234730 000

January 26, 2009

Kansas Corporation Commission
Conservation Division
Finney State Office Building
130 S. Market, Room 2078
Wichita, Ks. 67202-3802

RE: Schmitt 1

Dear Ms. Rains,

Prospect Oil & Gas, Inc. is requesting an extension to backfill the reserve pits on the Schmitt 1. Due to an extremely wet summer, the pits are not yet dry. We respectfully request an extension of six months.

If you have any questions, please don't hesitate to call.

Sincerely,

Prospect Oil & Gas, Inc.

RECEIVED
KANSAS CORPORATION COMMISSION

JAN 27 2009

CONSERVATION DIVISION
WICHITA, KS

BH/lrh