


KANSAS
CORPORATION COMMISSION

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

January 23, 2009

KRISTOL TAYLOR
SAMUEL GARY JR & ASSOCIATES INC
1560 BROADWAY STE 2100
DENVER CO 80202

RE: LEASE: NOVOTNY ET AL 1-31
LEGAL: 2550'FNL-100'FEL 31-18S-10W
COUNTY: RICE
API NO: 15159225330000

Dear Ms. Taylor:

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 Novotny Et Al 1-31 well.

The original 365 days for closure expired March 14, 2008. This extension will expire March 21, 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

Pits needing inspection for additional pit extensions.

AAS Oil Co, Inc.
Grainland Farms 1-20
330' FSL-1980' FEL 20-34S-03E
Cowley County
15035242470000
Spud 5/12/06 pit extension expired 3/5/08

32679

closed

Samuel Gary Jr. & Associates Inc.
Schroeder-Maes Huff 4-34
330' FSL-670' FEL 34-17S-10W
Ellsworth county
15053211850000
Spud 9/12/06 pit extension expired 5/11/08

*1/21/09
closed - Vigil clothes*

American Energies Corp.
Graber Trust 1-10
1320' FSL-660' FWL 10-27S-07W
Kingman county
15095220610000
Spud 11/6/06 pit extension expired 5/19/08

Ares Energy LTD.
Behnke 3-29
2310' FNL-1650' FEL 29-18S-09W
Rice County
15159225080000
Spud 10/31/06 pit extension expired 5/1/08

*open - ~~60~~ 60 days
vigil clothes 1/21/09*

Tiger Oil & Gas
Vera 2
990' FNL-1650' FWL 19-23S-07W
Reno County
15155215090000
Spud 8/25/06 pit extension expired 1-30-08

33787

closed

Samuel Gary Jr. & Associates Inc.
Novonty Et Al 1-31
2550' FNL-100' FEL 31-18S-10W
Rice County
15159225330000
Spud 3/14/07 pit extension expired 6/14/08

*are crowded - 60 days
vigil clothes 1/21/09*

Samuel Gary Jr. & Associates Inc.
Mooney Et Al 1-5
370' FSL-870' FWL 05-19S-10W
Rice County
15159224930000
Spud 8/8/06 pit extension expired 5/11/08

*closed 1/21/09
Vigil clothes*

Samuel Gary Jr. & Associates Inc.
Weihe Trust 1-23
2150' FNL-1125' FEL 23-18S-10W
Rice County
15159224870000
Spud 8/2/06 pit extension expired 5/11/08

*partially filled
60 days
1/21/09
Vigil clothes*