



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

October 20, 2008

MICHELE MIERE
DOWNING-NELSON OIL CO INC
113 WEST 13TH
P O BOX 372
HAYS KS 67601

RE: LEASE: BEK 1-10
LEGAL: 730'FNL-2100'FEL 10-17S-21W
COUNTY: NESS
API NO: 15135246280000

Dear Ms. Miere:

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 BEK 1-10 well.

The original 365 days for closure expired April 16, 2008. This extension will expire April 13, 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. Trenches to drain the pit **may not** be dug. A dike may be constructed at the upper end of the pit to divert surface water away from the pit. 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(c). 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.

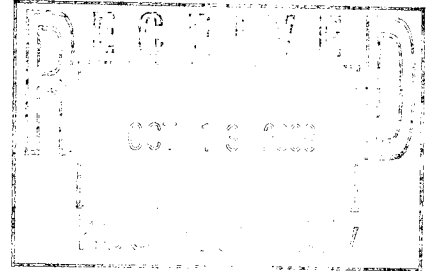
Very sincerely yours,



Doug Louis
Director

cc: Jonelle Rains
District # 1

MEMORANDUM



From ~~TO~~: District 1

TO ~~FROM~~: Sammy K. Flaharty *[Signature]*

Date: October 10, 2008

Re: Pit Extensions

The following operators have requested additional extensions of time in which to fill the pits associated with the given lease. Please inspect the lease and let me know what your recommendations are. Your time and work are appreciated.

McCoy Petroleum Corp
Strate A 1-12
1980'FNL-330'FWL 12-26S-19W
Edwards county
15047215330000
spud 10/12/06 pit extension expired 09/17/08

6 months [Signature]

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McCoy Petroleum Corp
Miller A 2-16
1880'FNL-660'FEL 16-26S-19W
Edwards County
15047215420000
spud 1/18/07 pit extension expired 8/1/08

6 months [Signature]

Downing-Nelson Oil Co Inc
Bek 1-10
730'FNL-2100'FEL 10-17S-21W
Ness County
15135246280000
spud 4/16/07 pit extension expired 8/13/08

6 months.

*Tell the operator that
no benches should be
used to drain it go for
pit (see letter)
S.D.*

10-13-08



Downing - Nelson Oil Co., Inc.



Ron Nelson (785) 628-3449
Cell (785) 623-3592

113 West 13th
P.O. Box 372
Hays, Kansas 67601
Office: (785) 621-2610 Fax: (785) 621-2612

Alan Downing (620) 598-2122
Cell (620) 544-5283

10/08/08

Kansas Corporation Commission
Conservation Division
130 S. Market, Room 2078
Wichita, KS 67202-3802

This letter is to inform you that the pits on the BEK #1-10 are still wet. We have pumped water out and then it rains and fills up again. At this time we are planning on digging a trench to drain out any excess rain water that may collect in pits.

Please call our office if you have any questions.

Thank you,

Michele Miere

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