



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

June 13, 2008

MIKE FINLEY
NACOGDOCHES OIL & GAS LLC
P O BOX 632418
NACOGDOCHES TX 75963

RE: LEASE: HEYEN 1-3
LEGAL: 340'FWL-1493'FEL 03-24S-14W
COUNTY: STAFFORD
API NO: 15185234350000

Dear Mr Finley:

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 Heyen 1-3 well.

The original 365 days for closure expired June 12, 2008. This extension will expire September 12, 2008. 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(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



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Nacogdoches Oil & Gas, LLC
PO BOX 632418
NACOGDOCHES TX 75963

May 28, 2008

Re: Closure of Drilling Pits
HEYEN Lease Well No. 1-3
SESWSE 3-24S-14W
STAFFORD County, Kansas
API No. 15185234350000

Dear Sirs:

The above referenced well was spudded on 6/12/2007. 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 6/11/2008. 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 6/11/2008. TO FILE FOR AN EXTENSION, PLEASE SEND A COPY OF THIS LETTER WITH THE FOLLOWING INFORMATION COMPLETED:

Date of location inspection by operator/agent: 6-4-08

Reason for extension: Too Wet to cover

Estimated period of time until pit closure: July - 2008

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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KANSAS CORPORATION COMMISSION

JUN 09 2008

CONSERVATION DIVISION
WICHITA, KS

CONSERVATION DIVISION
Finley State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802
(316) 337-6200 • Fax: (316) 337-6211 • <http://kcc.ks.gov/>

P. O. BOX 632418
NACOGDOCHES, TX 75963-2418

816 North Street
NACOGDOCHES, TX 75961



Fax

To: Sammy Flaharty – Kansas Corporation **From:** MIKE FINLEY

Commission

Fax: 316-337-6211

Pages: 2 (Including cover sheet)

Phone: 316-337-6227

Date: 6/9/2008

Re:

CC:

- Urgent**
- For Review**
- Please Comment**
- Please Reply**
- Please Recycle**

● **Comments:**

If you have any questions, I can be reached at 936-560-4747. Our fax number is 936-560-5088. Thanks for your assistance in this matter.

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JUN 09 2008

CONSERVATION DIVISION
WICHITA, KS