

May 14, 2008

DAVID GILKEY  
TITAN ENERGY CORP  
33621 HWY 43 STE 102  
P O BOX 37  
THOMASVILLE AL 36784-3329

RE: LEASE: ENGEL T-4  
LEGAL: 792'FNL-1335'FEL 28-28S-22E  
COUNTY: CRAWFORD  
API NO: 15037218900000

Dear Mr. Gilkey:

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 Engel T-4 well.

The original 365 days for closure expired February 19, 2008. This extension will expire June 14, 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 # 3

## Jonelle Rains

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**From:** Steve Korf  
**Sent:** Friday, May 09, 2008 9:18 AM  
**To:** Jonelle Rains  
**Subject:** RE: Request for Additional Pit Closure Extension

Jonelle, I talked with Russell Hine PIRT who takes care of that area and he thought that a 30 day extension would be appropriate due to recent rains in that area. He doesn't think they should need any more time than 30 days. Thanks

-----Original Message-----

**From:** Jonelle Rains  
**Sent:** Thursday, May 08, 2008 5:24 PM  
**To:** Steve Korf  
**Subject:** Request for Additional Pit Closure Extension

Steve,

Please see attached request for pit closure extension for the following locations:

Titan Energy Corp  
Engel T-2  
Engel T-4

Please have someone inspect the locations and forward recommendations to my attention.

Thanks, Jonelle

Jonelle Rains  
Environmental Scientist  
Kansas Corporation Commission  
(316) 337-6226  
(316) 337-6211 Fax  
<http://kcc.ks.gov/>

ENGEL Lease

I DAVID GILKEY REPRESENTING  
TITAN ENERGY CORP.: REQUEST  
AN EXTENSION FOR PIT CLOSURES  
ON WELLS T-21 (API 15-037-21890)  
AND T-22 (API 15-037-21864)  
BOTH IN SEC. 28 Twp 28S R9E 22E.  
REQUESTING AN EXTENSION FOR  
180 DAYS. TO WRT TO CLOSE.

Yours Truly

David E. Gilkey

RECEIVED  
KANSAS CORPORATION COMMISSION

APR 25 2008

CONSERVATION DIVISION  
WICHITA, KS