


KANSAS
CORPORATION COMMISSION

Mark Parkinson, Governor
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June 29, 2009

JENNIFER R SMITH
QUEST RESOURCE CORPORATION
210 PARK AVE STE 2750
OKLAHOMA CITY OK 73102

RE: LEASE: PANEK SWD 34-1
LEGAL: 1875'FSL-3460'FEL 34-30S-19E
COUNTY: NEOSHO
API NO: 15133274690000

Dear Ms. Smith:

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 Panek SWD 34-1 well.

The original 365 days for closure expired June 10, 2009. This extension will expire August 31, 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 # 3