



Mark Parkinson, Governor  
Thomas E. Wright, Chairman  
Michael C. Moffet, Commissioner  
Joseph F. Harkins, Commissioner

July 17, 2009

ADVANTAGE RESOURCES INC  
1775 SHERMAN ST STE 1700  
DENVER CO 80203

RE: LEASE: SCHROEDER 16-32  
LEGAL: 330'FSL-330'FEL 32-08S-31W  
COUNTY: THOMAS  
API NO: 15193207470000

Dear Sir/Madam:

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 Schroeder 16-32 well.

The original 365 days for closure expired July 30, 2009. This extension will expire October 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 Lewis  
Director

cc: Jonelle Rains  
District # 4

June 26, 2009

#6926  
Advantage Resources Inc.

Re: Closure of Drilling Pits  
SCHROEDER Lease Well No. 16-32  
SESESE 32-8S-31W  
THOMAS County, Kansas  
API No. 15193207470000

RECEIVED

JUL 09 2009

KCC WICHITA

Dear Sirs:

The above referenced well was spudded on 7/30/2008. 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 7/30/2009. 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 7/30/2009. **TO FILE FOR AN EXTENSION, PLEASE SEND A COPY OF THIS LETTER WITH THE FOLLOWING INFORMATION COMPLETED:**

Date of location inspection by operator/agent: 7/8/09

Reason for extension: Pit is nearly dry and ready for backfill. However, landowner planted corn surrounding pit and has asked us NOT to

Estimated period of time until pit closure: Fall 2009

**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.

backfill until corn is harvested.  
Pit has fence surrounding it.

CONSERVATION DIVISION

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

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