



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

June 19, 2009

KATHY FORD  
LARIO OIL & GAS COMPANY  
301 S MARKET ST  
WICHITA KS 67202

RE: LEASE: FEAREY 4-3  
LEGAL: 2084'FNL-990'FEL 03-28S-05W  
COUNTY: KINGMAN  
API NO: 15095221240000

Dear Ms. Ford:

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 Fearey 4-3 well.

The original 365 days for closure expired November 1, 2008. This extension will expire September 11, 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 #2

**Sammy Flaharty**

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**From:** BJ Hope  
**Sent:** Thursday, June 11, 2009 10:51 AM  
**To:** Sammy Flaharty  
**Subject:** RE: Pit extension requests

The AMIS is closed, just recently. Give Lario 90 days on the Fearey, after that we will have to look at using a track hoe to close.

Thanks Sammy

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

**From:** Sammy Flaharty  
**Sent:** Wednesday, June 03, 2009 4:56 PM  
**To:** BJ Hope  
**Subject:** Pit extension requests

Hi BJ. I've got two pits that belong to Lario that they are asking for additional extensions to keep the pits open. They state the ground is still too soft for heavy equipment to move in to close the pits and the pits are wet in spite of hauling water. The two wells are as follows:

Amis 1-27  
330'FSL-990'FWL 27-27S-05W  
Kingman County  
API 15095221220000  
Spud 10/22/07 pit extension expired 4/21/09

Fearey 4-3  
2084'FNL-990'FEL 03-28S-05W  
Kingman County  
API # 15095221240000  
Spud 11/01/07 pit extension expired 4/30/29

Please let me know your recommendations. Thanks.  
Sammy

Times New Roman 8 B I U

FILTER SELECTION

Search F-1s / Letters

Sec. Twpn. Rngn.

Company: API Number: 15-095-22124- Well: FEAREY 4-3 City: KINGMAN Dkt: Oper: 8214 LARIO OIL & GAS COMPANY Work Oper: C-1 Oper: LARIO OIL & GAS COMPANY WL Type: OG WL Stat: PR Status Source: ACO1 Status Dt: 01/22/2008 Location: 3-285-5W SWSENE, 2084 FNL 990 FEL District #: 02

Dates: Intent Apprv: 10/30/2007 Permit Expire: 10/30/2008 ACO-1 Spud: 11/01/2007 District Spud: 11/01/2007 Compl: 01/22/2008 Compl Rpt Rec: 02/01/2008 Plugged:

Drilling

SC Int: 200 PIT Cls EXT: 04/30/2009 Pit Cls: PIT Status: Request Received for Extern Dewater: HD BBLs: 400 Spud Ltr: [checked] SCWA: [checked] RFAC: [checked] RFAS: [checked] CP 1: CP 2.3: CP 4: CDP 5: Y PitLiner: Steel

Workovers

Empty workovers table area.

Record: 1 of 1 (Filtered)

CP1 Received Date

FLTR CAPS NUM

Handwritten signature or initials.

# LARIO OIL & GAS COMPANY



301 SOUTH MARKET STREET  
WICHITA, KANSAS 67202  
(316) 265-5611 FAX: (316) 265-5610

June 1, 2009

Jonelle Rains  
Dept. of Environmental Protection & Remediation  
KANSAS CORPORATION COMMISSION  
130 S. Market, Room 2078  
Wichita, KS 67202-3802

RE: Closure Extension of Drilling Pits  
FEAREY Lease Well No. #4-3  
SW SE NE Sec. 3-28S-05W  
Kingman Co., Kansas  
API No. 15-095-22124-00-00

Dear Ms. Rains:

The above referenced well was spudded on 11-01-07. According to K.A.R. 82-3-602, the subject drilling pits must be closed by 10-31-08.

This letter is to file for an extension of the above rule.

An extension was requested and granted to a date of 4-30-09.

Date of location inspection by agents: 5-8-09

Reason for extension: Ground is still soft for heavy equipment to effective work. Small amount of standing water was observed. Water has been hauled out on several occasions.

Estimated period of time until pit closure: 10-8-09

Your attention to this matter is appreciated.

Sincerely,

Kathy Ford  
Engineering Technician

KANSAS CORPORATION COMMISSION

JUN 03 2009  
RECEIVED

May 29, 2009

Lario Oil & Gas Company  
301 S MARKET ST  
WICHITA KS 67202

**RE: NOTICE OF VIOLATION - 82-3-602**

Dear Sir or Madam:

K.A.R. 82-3-602(a) states that drilling pits shall be closed within a maximum of 365 calendar days after the spud date of a well. Any pit permit may be extended upon written request by the operator and with the approval of the director. Failure to close any pit or to file an extension within the prescribed time limits shall be punishable by a \$250 penalty.

K.A.R. 82-3-602(c) states "Each operator of a pit shall file a pit closure form ... within 30 days after the closure of the pit. Failure to file the pit closure form in accordance with this subsection shall be punishable by a \$100 penalty".

According to our records a Closure of Surface Pit, form CDP-4 (April 2004), has not been filed and is past due for the following well:

<u>API NO.</u>	<u>WELL</u>	<u>LOCATION</u>	<u>COUNTY</u>	<u>SPUDDATE</u>	<u>EXTENSION EXPIRATION</u>
15095221240000	FEAREY 4-3	3-28-5W	KINGMAN	11/1/2007	4/30/2009

This requested information must be submitted by **June 19, 2009**. Failure to submit the requested information by this date may subject **Lario Oil & Gas Company** to the assessment of the above referenced penalty(s). Conservation division forms are available through our office and on the KCC web site: <http://kcc.ks.gov/conservation/forms/>

Should you have any questions or concerns please contact Sammy Flaharty at (316) 337-6227.

Sincerely,



Jonelle Rains, Supervisor  
Department of Environmental Protection and Remediation

Acct. No.	Expl.	FILE	UN. W. Ray		
GC			JUN 01 2009		
KG					
HY					
PV					
OD	JS	KF	GV	SF	DM

KANSAS CORPORATION COMMISSION

JUN 03 2009  
**RECEIVED**