

June 19, 2009

H & C OIL OPERATING INC
P O BOX 86
PLAINVILLE KS 67663

RE: LEASE: MORRIS TRUST 9-2
LEGAL: 660'FNL-1800'FWL 09-07S-23W
COUNTY: GRAHAM
API NO: 15065234430000

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 Morris Trust 9-2 well.

The original 365 days for closure expired June 14, 2009. This extension will expire September 15, 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 # 4



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

RECEIVED

JUN 08 2009

KCC WICHITA

H & C Oil Operating Inc.
PO BOX 86
PLAINVILLE KS 67663

May 29, 2009

Re: Closure of Drilling Pits
Morris Trust Lease Well No. 9-2
E2W2NENW 9-7S-23W
GRAHAM County, Kansas
API No. 15065234430000

Dear Sirs:

The above referenced well was spudded on 6/14/2008. 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 6/14/2009. 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 6/14/2009. **TO FILE FOR AN EXTENSION, PLEASE SEND A COPY OF THIS LETTER WITH THE FOLLOWING INFORMATION COMPLETED:**

Date of location inspection by operator/agent: 6-2-09

Reason for extension: RESERVE PIT STILL HAS FRESH WATER FROM RAINS.

Estimated period of time until pit closure: 90 DAYS TO 9/15/09

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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FILTER SELECTION

Search T-Is / Letters

Sec Twpn Rgn

Company API Number 15-065-23443

API # 15-065-23443-00-00 Well MORRIS TRUST 9-2 City GRAHAM Dist

Oper 8914 H & C OIL OPERATING INC. A Lqy Oper

Work Oper C-1 Oper H & C OIL OPERATING INC.

WL Type OIL WL Stat PR Status Source ACO1 Status Dts 07/09/2008

Location 9-75-23W E2W2NENW, 660 FNL 1800 FWL District # 04

Dates

Intent Apprv: 06/09/2008 Compl: 07/09/2008

Permit Expire: 06/09/2009 Compl Rpt Rec: 07/29/2008

ACO-1 Spud: 06/14/2008 Plugged:

District Spud: 06/14/2008

Drilling

SC Int: 230 Spud Ltr: CP 1:

PIT Cls EXT: SGWA: CP 2,3: Date CP-2,3 Rec'd:

Pit Cls: RFAC: CP 4: Date CP-4 Rec'd:

PIT Status: Request Received for Exten REAS: CDP 5:

Deewater: BBLS: PitLiner: Steel:

Workovers