

Kathleen Sebelius, Governor Thomas E. Wright, Chairman Michael C. Moffet, Commissioner Joseph F. Harkins, Commissioner

October 15, 2008

MARK S CASEBEER RELATIVE ENERGY INC 213 NORTH THIRD LINDSBORG KS 67456

RE: LEASE: SANDRA ARMSTRONG A 1

LEGAL: 1320'FSL-1720'FWL 07-17S-03W

COUNTY: MCPHERSON API NO: 15113213280000

Dear Mr. Casebeer:

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 Sandra Armstrong A 1 well.

The original 365 days for closure expired October 5, 2008. This extension will expire January 5, 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(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 # 2

RELATIVE ENERGY, INC. 213 North Third Lindsborg, KS 67456 620-242-7766

October 7,2008

ATTN: Jonelle Rains

KCC-Conservation Division 130 S. Market, Room 2078 Wichita, KS 67202-3802

RE:

Inability to Close Reserve Pit.

Sandra Armstrong A #1 500' E of C, SW4 Section 7,T17S,R3W McPherson County API# 15-113-21328 RECEIVED KANSAS CORPORATION COMMISSION

OCT 10 2008

CONSERVATION DIVISION WICHITA, KS

Dear Jonelle,

Since we finished drilling this well we have been unable to get the reserve pit dry enough to fill it in. We have pumped the water out several times but the incessant rain has repeatedly filled it back up and kept it from drying out sufficiently. I'm afraid it may soon be ordained a wetland habitat.

We need additional time to get this pit covered properly. Willard Keding Construction is prepared to close this pit as soon as it is dry enough. Two or three weeks of dry weather would probably be adequate but who knows what the weather will do. I suppose I should ask for 60 or 90 days. Whatever you feel is proper. If necessary, please call me on my cell phone at the number above.

Thank you,
MMMMMauleen

Mark S. Casebeer

President