


KANSAS
CORPORATION COMMISSION

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

October 15, 2008

STEVE M DILLARD
PICKRELL DRILLING COMPANY INC
100 SOUTH MAIN STE 505
WICHITA KS 67202-0893

RE: LEASE: BRUCH 2
LEGAL: 660'FSL-1320'FWL 24-29S-07W
COUNTY: KINGMAN
API NO: 15095221180000

Dear Mr. Dillard:

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 Bruch 2 well.

The original 365 days for closure expired October 8, 2008. This extension will expire January 8, 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

PICKRELL DRILLING COMPANY, INC.

100 SOUTH MAIN - SUITE 505
WICHITA, KANSAS 67202-3738
(316) 262-8427 • FAX (316) 262-0893

October 7, 2008

Jonelle Rains
Kansas Corporation Commission
130 S. Market, Room 2078
Wichita, Kansas 67202-3802

Re: #2 Bruch
S2 SW, Section 24-29S-7W
Kingman County, Kansas
Extension Request

Ms. Rains:

The expiration of time for the filling of the drilling pits on the above referenced well will expire on October 8, 2008. An extension of time is requested due to the recent rainfall and the pits still being too wet to fill.

Please grant us an extension of time so we can close the above referenced pits when they are truly ready.

Sincerely,

PICKRELL DRILLING COMPANY, INC.



Steve M. Dillard

SMD:dl

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KANSAS CORPORATION COMMISSION

OCT 08 2008

CONSERVATION DIVISION
WICHITA, KS