



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

July 3, 2008

TRUDY K SCHREINER
TIMERLINE OIL & GAS CORPORATION
4000PENROSE PLACE
RAPID CITY SD 57702-6837

RE: LEASE: KNOP A 5
LEGAL: 2970'FSL-2970'FEL 21-26S-12W
COUNTY: PRATT
API NO: 15151222510000

Dear Ms. Schreiner:

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 Knop A 5 well.

The original 365 days for closure expired December 2, 2007. This extension will expire December 26, 2008. 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 #1

MEMORANDUM

From ~~TO~~ District # 1

TO ~~From~~: Sammy K. Flaharty



Date: June 19, 2008

Re: Pit Extensions

RECEIVED
KCC DISTRICT #2
JUN 20 2008
WICHITA, KS

The following operators have requested additional extensions of time in which to fill the pits associated with the given lease. Please inspect the lease and let me know what your recommendations are. Your time and work are appreciated.

Timberline Oil & Gas Corporation
Knop A 5
2970'FSL-2970'FEL 21-26S-12W
Pratt County
15151222510000
spud 12/2/06 pit extension expired 6/8/08

RECEIVED
JUN 25 2008
KCC Dodge City

*6 mo. Ext.
S. Duquand
6-26-08*

RECEIVED
KANSAS CORPORATION COMMISSION

JUN 30 2008

CONSERVATION DIVISION
WICHITA, KS

CONSERVATION DIVISION

RECEIVED
KANSAS CORPORATION COMMISSION

JUN 18 2008

CONSERVATION DIVISION
WICHITA, KS

TIMBERLINE
OIL & GAS CORPORATION

4000 PENROSE PLACE
RAPID CITY, SD 57702-6837
605-341-3400

June 5, 2008

Sammy Flaharty
Kansas Corporation Commission
Finney State Office Bldg.
130 S. Market, Room 2078
Wichita, KS 67202-3802

Re: Knop A 5 Pit Permit
15151222510000
SE SE NW 21-26S-12W
Pratt County, KS

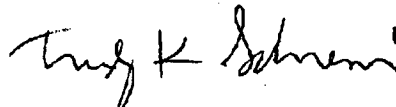
Dear Sammy:

I am requesting an extension on the pit permit for the above referenced well. This pit is located in a low spot and tends to fill up from the rain. We plan to move a bulldozer into the location to crowd the pit closed as soon as we can get into the site. The crowding has to be done incrementally so the pit is filled properly. We plan to do this as the summer progresses. A six month extension should give us adequate time to make certain that the pit is properly filled.

Please call with any questions 605-786-1349.

Thank you.

Sincerely,



Trudy K. Schreiner
Technical Assistant