


KANSAS
CORPORATION COMMISSION

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

July 28, 2008

JIM MOLZ
MOLZ OIL COMPANY
19159 SW CLAIRMONT
KIOWA KS 67070

RE: LEASE: TRAFFAS 4 1
LEGAL: 330'FSL-2310'FEL 29-32S-10W
COUNTY: BARBER
API NO: 15007231030000

Dear Mr. Molz:

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 Traffas 4 1 well.

The original 365 days for closure expired January 25, 2008. This extension will expire January 17, 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 # 1

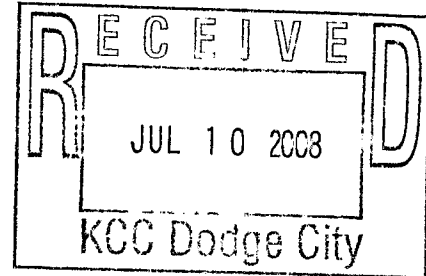
MEMORANDUM

1-2008 ~~TO:~~ District 1

70 ~~FROM:~~ Sammy K. Flaharty *SKF*

Date: July 9, 2008

Re: Pit Extensions



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.

Molz Oil Company
Traffas 4 1
330'FSL-2310'FEL 29-32S-10W
Barber County
15007231030000
Spud 1/25/07 pit extension expired 7/25/08

6 months
7-17-08
S. Dewart

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CONSERVATION DIVISION
WICHITA, KS

CONSERVATION DIVISION



Kathleen Sebelius, Governor
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Molz Oil Company
19159 SW CLAIRMONT
KIOWA KS 67070

January 8, 2008

Re: Closure of Drilling Pits
TRAFFAS 4 Lease Well No. 1
SWSWSE 29-32S-10W
BARBER County, Kansas
API No. 15007231030000

Dear Sirs:

The above referenced well was spudded on 1/25/2007. 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 1/25/2008. 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/>**

If an extension is warranted, it must be received by 1/25/2008. **TO FILE FOR AN EXTENSION, PLEASE SEND A COPY OF THIS LETTER WITH THE FOLLOWING INFORMATION COMPLETED:**

Date of location inspection by operator/agent: Jim Molz 7/1/08

Reason for extension: Still has water in it. ✓

Estimated period of time until pit closure: Summer 2008 August 2008

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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