

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

December 28, 2007

MARGE SCHULTE JOHN O FARMER INC 370 WEST WICHITA AVE RUSSELL KS 67665

RE: LEASE: POTTER D 1

LEGAL: 1780'FSL01780'FWL 18-17S-24W

COUNTY: NESS

API NO: 15135245170000

Dear Ms. Schulte:

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 Potter D 1 well.

The original 365 days for closure expired August 16, 2007. This extension will expire May 19, 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



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

MEMORANDUM

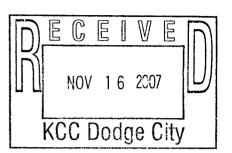
District 1

Face Sammy K. Flaharty

Date: 11/15/2007

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.

John O Farmer

Potter D 1

1780'FSL-1780'FWL 18-17S-24W

Ness county

15135245170000

spud 8/16/06 pit extension expired 11/16/07

-178-24W 6 monte Ext. 11-19-57 - arminal 11/16/07 5. Durant

RECEIVED KANSAS CORPORATION COMMISSION

NOV 2 0 2007

CONSERVATION DIVISION WICHITA, KS

JOHN O. FARMER, INC. OIL PRODUCERS AND OPERATORS

370 West Wichita Avenue P.O. Box 352 Russell, KS 67665

> 785-483-3144 (FAX) 785-483-6020

> > November 13, 2007

Mr. Doug Louis Kansas Corporation Commission **Conservation Division** 130 South Market, Room 2078 Wichita, KS 67202

Re:

REQUEST FOR PIT **CLOSURE EXTENSION**

Dear Mr. Louis:

Upon inspecting the following Ness County location for us on November 12th, Bernbeck Construction has determined the drilling pits are still too wet to backfill. Therefore, we need to request a second extension. Your consideration in this matter will be greatly appreciated.

Potter "D" #1 Sec. 18-17S-24W Ness County, Kansas API #15-135-24,517 (1st extension expires 11-16-07)

Sincerely,

JOHN O. FARMER, INC.

Marge Schulte Marge Schulte

ms

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CONSERVATION DIVIDE. WICHITA KT