

  
**KANSAS**  
CORPORATION COMMISSION

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

January 31, 2008

COLT ENERGY INC  
P O BOX 388  
IOLA KS 66749

RE: LEASE: CROTTS WSW 1  
LEGAL: 850'FSL-80'FWL 02-23S-16E  
COUNTY: COFFEY  
API NO: 15031222700000

Dear Sir/Madam:

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 Crotts WSW 1 well.

The original 365 days for closure expired December 29, 2007. This extension will expire February 28, 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 #3



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

Colt Energy Inc  
PO BOX 388  
IOLA KS 66749

RECEIVED  
KANSAS CORPORATION COMMISSION

JAN 14 2008

CONSERVATION DIVISION  
WICHITA, KS

January 8, 2008

Re: Closure of Drilling Pits  
CROTTS Lease Well No. WSW 1  
SWNWSWSW 2-23S-16E  
COFFEY County, Kansas  
API No. 15031222700000

Dear Sirs:

The above referenced well was spudded on 12/29/2006. 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 should have been closed by 12/29/2007. 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/>**

Should an extension be warranted, it must be received by 12/29/2007. **TO FILE FOR AN EXTENSION, PLEASE SEND A COPY OF THIS LETTER WITH THE FOLLOWING INFORMATION COMPLETED:**

Date of location inspection by operator/agent: 12-28-07 & again ~~12-28-08~~ 1-8-08

Reason for extension: The weather has been bad w/ice and snow since before the end of December and was and still is to muddy to get even a pickup in on location. When the conditions get dried out so we can move equipment in will get them filled  
Estimated period of time until pit closure: February 28, 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.