



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

February 4, 2008

CYNTHIA L WOLF
FALCON EXPLORATION INC
125 N MARKET STE 1252
WICHITA KS 67202

RE: LEASE: GILES RANCH 1-10
LEGAL: 50'FNL-830'FWL 10-31S-22W
COUNTY: CLARK
API NO: 15025213710000

Dear Ms. Wolf:

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 Giles Ranch 1-10 well.

The original 365 days for closure expired August 17, 2007. This extension will expire July 23, 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

CONSERVATION DIVISION

Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802
(316) 337-6200 • Fax: (316) 337-6211 • <http://kcc.ks.gov/>

Falcon Exploration Inc
Giles Ranch 1-10
50'FNL-830'FWL 10-31S-22W
Clark County
15025213710000
Spud 8/17/06 pit extension expired 9/30/07

6 mo. Ext.

Palomino Petroleum Inc.
Rusco golden Belt 1
790'FSL-180'FWL 21-22S-13W
Stafford County
15185233950000
Spud 100506 pit extension expired 11/05/07

3 mo. Ext.

Palomino Petroleum Inc.
Dewey Dimond 1
990'FSL-2580'FEL 08-21S-13W
Stafford County
15185234020000
Spud 10/21/06 pit extension expired 11/21/07

3 mo. Ext.

RECEIVED
KANSAS CORPORATION COMMISSION
JAN 25 2008
CONSERVATION DIVISION
WICHITA, KS

MEMORANDUM

From: District 1

To: ~~From:~~ Sammy K. Flaharty

Date: 1/16/2008

Re: Pit Extensions

Please Approve the following Ext. S. Demand 123-08

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.

Southwind Petroleum Corporation

Taylor 1

1150°FNL-1320°FEL 35-27S-18W

Kiowa county

15097215850000

spud 2/12/06 pit ext expired 1/16/08

- 6 mo. Ext.

Grand Mesa Operating Company

Circle 8 3-18

330°FSL-1420°FWL 18-28S-40W

Stanton County

15187210860000

Spud 10/15/06 pit extension expired 1/6/08

6 mo. Ext.

R & B Oil & Gas Inc.

Traffas C 2

2310°FNL-660°FWL 32-32S-10W

Barber County

6 mo. Ext.

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JAN 25 2008

CONSERVATION DIVISION
WICHITA KS

CONSERVATION DIVISION

FALCON EXPLORATION, INC.
OIL & GAS EXPLORATION

125 N. MARKET, SUITE 1252
WICHITA, KANSAS 67202

TELEPHONE: (316)262-1378
FAX: (316)265-3354

January 14, 2008

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

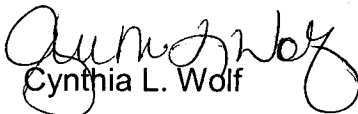
Re: API #15-025-21371-0000
Giles Ranch #1-10
NW/4 Section 10-31S-22W
Clark County, Kansas

Gentlemen:

The water pit has been backfilled. At that time it was determined by the contractor that the working/reserve pits were not ready to be closed. We would appreciate a six months extension.

Sincerely,

FALCON EXPLORATION, INC.


Cynthia L. Wolf

/clw

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KANSAS CORPORATION COMMISSION
JAN 15 2008
CONSERVATION DIVISION
WICHITA, KS