



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

February 4, 2008

WILLIS NIGH  
SOUTHWIND PETROLEUM CORPORATION  
1400 W 14<sup>TH</sup>  
WICHITA KS 67203

RE: LEASE: TAYLOR 1  
LEGAL: 1150'FNL-1320'FEL 35-27S-18W  
COUNTY: KIOWA  
API NO: 15097215850000

Dear Mr. Nigh:

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 Taylor 1 well.

The original 365 days for closure expired February 12, 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

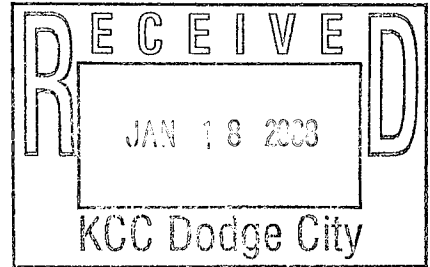
cc: Jonelle Rains  
District # 1

MEMORANDUM

*From:* District 1

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

**Date:** 1/16/2008



**Re:** Pit Extensions

*Please Approve the following Ext. S. Demand 1-23-08*

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'ESL-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.*

RECEIVED  
KANSAS CORPORATION COMMISSION

JAN 25 2008

CONSERVATION DIVISION  
WICHITA, KS

**SOUTHWIND PETROLEUM CORPORATION**

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**Willis D. Nigh** Owner, Operator, Geologist

1400 W. 14th Street  
Wichita, KS 67203  
(316) 267-3741

January 8, 2008

KCC Conservation Division  
130 S. Market, Room 2078  
Wichita, KS 67202

RE: Closure of Drilling Pits  
Taylor #1, 1150'FNL-1320'FEL, 35-27S-18W  
Kiowa County, KS  
API No: 15097215850000

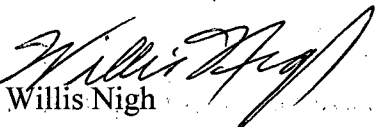
Dear Sir/Madam:

I took over operations of the above referenced well from Lotus Operating Company last August. Lotus had received an extension of time to close the drilling pits that is due to expire January 16, 2008.

I am asking for another extension since I will be unable to close the pits by January 16. The pits are located in a very low area and collects water from rain and the irrigation system. On a couple of occasions just prior to the end of the irrigation season, the irrigation system stopped just short of the pits during the night but continued to pump water for hours, much of it draining into the pits. This plus several rains left the pits nearly full of water. I contracted Great Plains Fluid Services to empty the pits in October, but due to a miscommunication they did not start until November. They were only able to haul 560 bbls. before several rains in November and December made it impossible to get their trucks close enough to the pits. They have been instructed to finish the job as soon as they can get their trucks on site.

I will make every effort to have the pits closed as soon as possible.

Sincerely,

  
Willis Nigh

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KANSAS CORPORATION COMMISSION  
JAN 10 2008  
CONSERVATION DIVISION  
WICHITA KS