

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

April 9, 2008

SCOTT HAMPEL MCCOY PETROLEUM CORPORATION 8080 E CENTRAL STE 300 WICHITA KS 67206-2366

RE: LEASE: WALTERS M 2-3

LEGAL: 2310'FNL-2310'FEL 03-12S-18W

COUNTY: ELLIS

API NO: 15051256400000

Dear Mr. Hampel:

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 Walters M 2-3 well.

The original 365 days for closure expires April 20, 2008. This extension will expire October 1, 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 # 4



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

McCoy Petroleum Corporation 8080 E CENTRAL STE 300 WICHITA KS 67206-2366 ADDITIONAL TIME NEEDED

April 2, 2008

Re: Closure of Drilling Pits
WALTERS "M" #2-3
SW SW NE
Sec 3-12s-18w
Ellis County, KS

API#: 15-041-25640

051

Dear Sirs:

RECEIVED KANSAS CORPORATION COMMISSION

APR 0 3 2008

CONSERVATION DIVISION WICHITA, KS

The above referenced well was spudded on <u>4/20/07</u>. 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 <u>4/19/08</u>. 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..qov/conservation/forms/

Should an extension be warranted, it must be received by <u>4/19/08</u>. **TO FILE FOR AN EXTENSION, PLEASE SEND A COPY OF THIS LETTER WITH THE FOLLOWING INFORMATION COMPLETED:**

Date of location inspection by operator/agent: Daily by Company Pumper

Reason for extension: Pit is still soft and requires additional drying time. Elements of nature have prevented the pit from being barren and dry prior to backfilling. We will make every attempt to reduce the size of this pit as things dry out.

Estimated period of time until pit closure: 10/1/2008 (Approx. 6-month extension)

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.

Scott Hampel, Vice President - Production McCoy Petroleum Corporation

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Vork Oper			C-1 Oper MCCOY PETROL	EUM CORPORATIO
. Type OIL	WL Stat PR	Status Source: ACOI	Status Dt: 05/29/2007	
cation 3-128-18V	V SWSWNE, 2310 ENL	2310 FE1		District # 04
<u>Dates</u>	To the lease of	· ·		
Intent Apprv:	Transmission of the second	Cómpl: 05/16/2007		
Permit Expire:	04/20/2007	ompl Rpt Rec: 06/11/2007 Plugged:		A Company
District Spud:				
				A STATE OF THE STA
			CP 1:	
SC Int:	200	SGWA:	CP 2.3: Date CP-2/3 Recod	
PIT Cls EXT:		RFAC	CP 4: Date CP-4 Recvd	
Pit Cls:		RFAS [CDP 5:	
PIT Status	Request Received for Exte	ension PitLiner		
Dewater:	BBLS:	Steel		