

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

June 13, 2008

L D DRILLING INC 7 SW 26TH AVE GREAT BEND KS 67530

RE: LEASE: APPLEBEE SCHLESSIGER CATTLE CO 2

LEGAL: 850'FNL-1525'FEL 21-15S-12W

COUNTY: RUSSELL API NO: 15167234210000

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 Applebee Schlessiger Cattle Co 2 well.

The original 365 days for closure expired April 7, 2008. This extension will expire August 31, 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

May 28, 2008

L.D. Drilling, Inc. 7 SW 26TH AVE **GREAT BEND KS 67530**

RE: NOTICE OF VIOLATION - 82-3-602

Dear Sir or Madam:

K.A.R. 82-3-602(a) states that drilling pits shall be closed within a maximum of 365 calendar days after the spud date of a well. Any pit permit may be extended upon written request by the operator and with the approval of the director. Failure to close any pit or to file an extension within the prescribed time limits shall be punishable by a \$250 penalty.

K.A.R. 82-3-602(c) states "Each operator of a pit shall file a pit closure form ... within 30 days after the closure of the pit. Failure to file the pit closure form in accordance with this subsection shall be punishable by a \$100 penalty".

According to our records a Closure of Surface Pit, form CDP-4 (April 2004), or a request for an extension has not been filed and is past due for the following well:

API NO.	WELL	LOCATION	COUNTY	SPUDDATE
15167234210000	APPLEBEE SCHLESSIGER CATTLE CO. 2	21-15-12W	RUSSELL	4/7/2007

This requested information must be submitted by June 17, 2008. Failure to submit the requested information by this date may subject L.D. Drilling, Inc. to the assessment of the above referenced penalty(s). Conservation division forms are available through our office and on the KCC web site: http://kcc.ks.gov/conservation/forms/

Should you have any questions or concerns please contact Sammy Flaharty at (316) 337-6227.

Sincerely,

Jonelle Rains, Supervisor

Department of Environmental Protection and Remediation

RECEIVED KANSAS CORPORATION COMMISSION

Somelle Rains

JUN 0 4 2008

CONSERVATION DIVISION WICHITA, KS

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/

The pit was worked on to close 5-19-08. Could not complete

Please give us an extension we are having rain everyday. Though Marilyn Oavis.

still too wet