

July 13, 2010

JAG Operations, Inc.
701 S. Front
PO Box 628
Russell, KS 67665

Re: Brungardt 1
SENW Sec. 14-13S-15W
Russell County, Kansas
API # 15-167-23580-00-00

Dear Sir or Madam:

This letter is to inform you that you have been granted an additional extension of time in which to close the drilling pits associated with the drilling of the Brungardt 1 well.

The original 365 days for closure expired on 07/20/2010. This extension will expire 10/20/2010. 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(a). 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

*Rec'd
7-8-10*

FILTER SELECTIO

Search T-1s / Letters
Search Well Inventory

Sec Twp Rngn



Company Fin API Number

API # Well Cty Dkt

Oper A Lgcy Oper

Work Oper C-1 Oper

WL Type WL Stat Status Source: Status Dt:

Location District #

Dates

Intent Apprv:	<input type="text" value="06/24/2009"/>	Compl:	<input type="text" value="07/27/2009"/>
Permit Expire:	<input type="text" value="06/24/2010"/>	Compl Rpt Rec:	<input type="text" value="09/02/2009"/>
ACO-1 Spud:	<input type="text" value="07/20/2009"/>	Plugged:	<input type="text" value="07/27/2009"/>
District Spud:	<input type="text" value="07/20/2009"/>		

Drilling

SC Int: <input type="text" value="200"/>	Spud Ltr: <input checked="" type="checkbox"/>	CP 1: <input type="text"/>	
PIT Cls EXT <input type="text" value="10/20/2010"/>	SGWA: <input type="checkbox"/>	CP 2.3: <input checked="" type="checkbox"/>	Date CP-2/3 Rec'd: <input type="text" value="07/27/2009"/>
Pit Cls: <input type="text"/>	RFAC: <input type="checkbox"/>	CP 4: <input checked="" type="checkbox"/>	Date CP-4 Rec'd: <input type="text" value="07/30/2009"/>
PIT Status: <input type="text" value="Active Extension/Closure Dela"/>	RFA: <input type="checkbox"/>	CDP 5: <input type="text"/>	
Dewater: <input type="text"/> BBLs <input type="text"/>	PitLiner: <input type="checkbox"/>		
	Steel: <input type="checkbox"/>		

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KCC WICHITA



Operations, Inc.

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gyost@ruraltel.net

Office (785)445-4142
Fax (785)445-4038
Jack (785)483-0271
Gina (785)483-0272

July 2nd, 2010

Kansas Corporation Commission
Conservation Division
130 S. Market, Room 2078
Wichita, Ks. 67202

RE: Lease: Olson "A" #1
Legal: 847' FWL - 1378' FNL, 23-13-15W
County: Russell
API #: 15-167-23581-00-00

Lease: Brungardt #1
Legal: 1330' FNL - 2270' FWL, 14-13-15W
County: Russell
API #: 15-167-23580-00-00

Dear KCC,

This letter is to request an extension on the closing of the pits on the above captioned wells. At this time the fresh water pit on the Olson lease has been closed. The remaining pits have not been backfilled due to the amount of moisture remaining in them. As soon as we can we will have the pits backfilled.

If you have any questions regarding this matter please call Jack Yost at the above number.

Thank You,

Gina Yost