Conservation Division Finner State Office Building 130 5. Market, Rm. 2078 Wichita, KS 67202-3802



CDP4 D

Phone: 316-337-6200 Fax: 316-337-6211 http://kcc.ks.gov/

Sam Brownback, Governor

Mark Sievers, Chairman Thomas E. Wright, Commissioner

August 31, 2012

Rupe Oil Company, Inc. 111 S. Whittier Ste 1000 Wichita, KS 67207

Re:

Red Jaw #1

SE Sec. 07-25S-05W Reno County, Kansas API # 15-155-21577-00-00

Dear Sir or 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 Red Jaw #1 well.

The original 365 days for closure expired on 08/17/2012. This extension will expire 12/01/2012. 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 Kathy Haynes at (316) 337-6243.

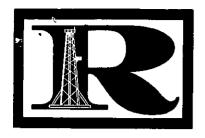
Very sincerely yours,

Doug Louis Director

Cc:

File

District



RUPE OIL COMPANY, INC.

111 S. WHITTIER, STE. 1000 • (316) 689-3520 • FAX (316) 689-3525 • WICHITA, KANSAS 67207

August 29, 2012

KCC - Conservation Kathy Haynes 130 S. Market, Rm 2078 Wichita, KS 67202-3802

Re: Closure of Drilling Pits

Red Jaw Lease Well No. 1 SE/4 Sec. 07-25S-5W

Reno Co., KS

API No. 15-155-21577-0000

Dear Kathy,

Upon receipt of your letter regarding the closure of pits, I was surprised that this had not already been done. At well completion, I had a conversation with the dirt crew that dug the location and pits. They assured me they would watch for the pits to dry out and then get them closed. I took them at their word and assumed this had already been done.

The day we received your letter, we called our landowner and asked him if he could arrange to get the pits closed immediately as rain was forecast that night. He called a contractor, but couldn't arrange to close pits that day. It has rained and the pits are wet again. It shouldn't take long for pits to dry out as the heat has set in again and no rain forecast. Landowner said he would make certain they were closed as soon as pits are dry. I will stay on this to verify. Landowner is also making arrangements to have CRP reseeded.

Please grant an extension to allow us more time to get the pits closed.

Thank you for your consideration.

Becky Middle for Middle ton

Sincerely,

AUG 3 0 2012

KCC WICHITA

Conservation Division Finney State Office Building 130 S. Market, Rm. 2078 Wichita, KS 67202-3802



Phone: 316-337-6200 Fax: 316-337-6211 http://kcc.ks.gov/

Sam Brownback, Governor

Mark Sievers, Chairman
Thomas E. Wright, Commissioner

August 22, 2012

Rupe Oil Company, Inc. 111 Whittier Ste 1000 Wichita, KS 67207-1045

Re: Closure of Drilling Pits Red Jaw Lease Well No. 1 SE/4 Sec. 07-25S-05W Reno County, Kansas API No. 15-155-21577-0000

Dear Sirs:

The above referenced well was spud on 8/17/2011. 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 should have been closed by 8/17/2012. 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.gov/conservation/forms/

Should an extension be warranted, it must be received by September 14, 2012. TO FILE FOR AN EXTENSION, PLEASE SEND A COPY OF THIS LETTER WITH THE FOLLOWING INFORMATION COMPLETED:

Date of location inspection by operator/agent: 8/27/12 - not closed
Reason for extension: Thought pits were closed
Estimated period of time until pit closure: 3 months
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 Kathy Haynes (316) 337-6243.

RECEIVED

AUG 3 0 2012

KCC WICHITA