CDP4D

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 Shari Feist Albrecht, Commissioner

October 29, 2013

Val Energy, Inc. 200 W. Douglas Ste 520 Wichita, KS 67202-3005

Re: East Maddix 1-2 SW/4 Sec. 02-31S-13W Barber County, Kansas 15-007-23737-00-00

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 East Maddix 1-2 well.

The original 365 days for closure expired on 08/07/2012. This extension will expire 01/01/2014. No additional extensions will be granted. 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 prior to the expiration date shall result in a monetary penalty in accordance with K.A.R. 82-3-602(a).

Please complete the pit closure form (CDP-4) through Kolar (Kansas On-Line Automated Reporting) at https://kolar.kgs.ku.edu.

If you have any questions in this regard, please do not hesitate to contact Kathy Haynes at (316) 337-6243.

Sincerely,

Ryan A. Hoffman Director

Cc:

File

District

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

Sam Brownback, Governor

Mark Sievers, Chairman Thomas E. Wright, Commissioner Shari Feist Albrecht, Commissioner

October 23, 2013

Val Energy, Inc. 200 W. Douglas Ste 520 Wichita, KS 67202-3005

Re: East Maddix 1-2

SW/4 Sec. 2-31S-13W Barber County, Kansas 15-007-23737-00-00 60- Layer/1st of year

Dear Sir or Madam:

This letter is to inform you that you have been granted a 30 day extension of time in which to close the drilling pits associated with the East Maddix 1-2 well.

The original 365 days for closure expired on 08/07/2012. This extension will expire on 11/23/2013. Conditions should have existed within this time frame to allow closure of this drill pit. **No additional extensions will be granted**.

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 prior to the expiration date shall result in a monetary penalty in accordance with K.A.R. 82-3-602(a).

Please complete the pit closure form (CDP-4) through Kolar (Kansas On-Line Automated Reporting) at https://kolar.kgs.ku.edu.

If you have any questions in this regard, please do not hesitate to contact Kathy Haynes at (316) 337-6243.

Sincerely,

Ryan A. Hoffman Director

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