

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



CDP4D

Phone: 316-337-6200
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<http://kcc.ks.gov/>

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

Sam Brownback, Governor

October 23, 2013

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

Re: Bolack V 1-21
NW/4 Sec. 21-32S-06E
Cowley County, Kansas
15-035-24461-00-00

Dear Sir or Madam:

This letter is to inform you that you have been granted a 90 day extension of time in which to close the drilling pits associated with the Bolack V 1-21 well.

The original 365 days for closure expired on 03/27/2013. This extension will expire on 01/23/2014. 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).

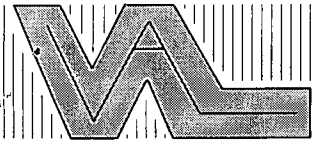
Please complete the pit closure form (CDP-4) through Kolar (Kansas On-Line Automated Reporting) at <https://kolar.kgs.ku.edu>.

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

Cc: File
District



VAL ENERGY, INC.

200 W. Douglas, Suite 520
Wichita, Kansas 67202-3005

Office: (316) 263-6688 Fax: (316) 262-2512

Kathy,

Regarding your letters on the pits for the ~~Standiford 1-25 API 15035244550000~~ and the Bolack V 1-21 API 15035244610000

I have spoken with our field personnel and they informed me that these pits have been too wet to close, but are aware they need closed ASAP. We would like to request a 180day extension to get these two pits closed properly.

Thanks

Dustin Wyer
Operations
VAL Energy

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KANSAS CORPORATION COMMISSION

OCT 01 2013

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WICHITA, KS