

Shari Feist Albrecht, Chair
Thomas E. Wright, Commissioner
Jay Scott Emler, Commissioner

Sam Brownback, Governor

February 7, 2014

Caerus Oil and Gas LLC
600 Seventeenth St Ste 1600N
Denver, CO 80202

Re: Fritzeimer 31-32
NE/4 Sec. 31-24S-12W
Stafford County, Kansas
15-185-23752-00-00

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 Fritzeimer 31-32 well.

The original 365 days for closure expired on 05/23/2013. This extension will expire 05/07/2014. **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