

February 19, 2014

Zenergy Operating Company, LLC  
6100 S. Yale Ave Ste 1700  
Tulsa, OK 74136

Re: Jost 1 SWD  
NE/4 Sec. 30-19S-02E  
Marion County, Kansas  
15-115-21436-00-00

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 Jost 1 SWD well.

The original 365 days for closure expired on 12/30/2013. This extension will expire on 05/20/2014. 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 shall result in a monetary penalty in accordance with K.A.R. 82-3-602(a). An additional pit extension may be renewed upon request, but no pit permit extension shall be extended beyond six months after the original deadline.*

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

KCC WICHITA

Zenergy Operating  
Company, LLC

FEB 14 2014

ROBERT M. ZINKE  
PRESIDENT

RECEIVED

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February 12, 2014

Attn: Kathy Haynes  
Kansas Corporation Commission  
Oil & Gas Conservation Division  
130 S. Market, Room 2078  
Wichita, KS 67202

Re: API 15115214360000  
Jost #1 SWD  
NENWNE, 30-19S-2E  
Marion Co., KS  
CDP-4 Filing

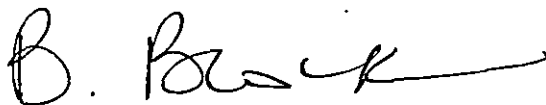
Ms Haynes,

Per our conversation on Feb 12, 2014, Zenergy Operating is requesting an extension to close this disposal. We drilled another well, Jost 2-30H after the Jost #1 SWD, in which this pit was used. Due to the rain and winter snow we have been unable to finish the closure.

This Dozer is the contractor working on this closure and has it down to an area of 20' x 20'.

Please let me know if you need anything further in order to get this approved. After this pit is closed I will file the CDP-4 as requested on your KOLAR system. My direct number is 918-488-6406 if you need to reach me and thank you for your consideration.

Thank you,



Belinda Brock  
Regulatory/Engineering/Operations

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/>

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

Sam Brownback, Governor

February 5, 2014

License No. 34692

Darrell G. Fuller  
Zenergy Operating Company, LLC  
6100 S YALE AVE, STE 1700  
TULSA, OK 74136

**NOTICE OF VIOLATION**

Re: API #15115214360000  
Jost ##1 SWD  
NENWNE, 30-19S-2E  
MARION County, Kansas

Dear Operator,

Commission records indicate that you filed an Application for Surface Pit ("CDP-1") form for the referenced well along with your Intent to Drill. **We have not received a Closure of Surface Pit ("CDP-4") form.**

Commission records indicate that the referenced well was spudded more than 13 months ago. Under K.A.R. 82-3-602, drilling pits must be closed within 12 months after the spud date of the well. Further, an operator must submit a CDP-4 within 1 month after closing a pit.

If any drilling pits remain open, they must be closed.  
Since no CDP-4 is on file, you are in violation of K.A.R. 82-3-602(c).

**Failure to submit a complete, accurate CDP-4  
for the pit or pits associated with the referenced well  
by March 5, 2014  
shall be punishable by a \$100 per-well administrative penalty.**

The information requested above must be submitted on KOLAR.  
Please contact me at (316) 337-6200 if you have any questions.

Sincerely,

KATHY HAYNES  
Environmental Protection & Remediation Department

**KCC WICHITA**

**FEB 14 2014**

**RECEIVED**