

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



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

December 5, 2013

Lasso Energy, LLC
1125 S. Main
PO Box 465
Chase, KS 67524

Re: Miller #8-1H ST-1
SE/4 Sec. 05-26S-29W
Gray County, Kansas
15-069-20394-02-00

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 Miller #8-1H ST-1 well.

The original 365 days for closure will expire on 02/05/2014. This extension will expire on 05/05/2014. 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.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



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December 03, 2013

KCC - Conservation Division
Attn: Kathy Haynes
130 S. Market - Room 2078
Wichita, Kansas 67202

Dear Ms. Haynes,

It was nice to "meet you" over the phone earlier this morning. I appreciate your explanation of the pit extension request we need to submit.

Lasso Energy LLC (34320) and Sanchez Oil & Gas Corporation (34729) have filed T-1's (Change of Operator and Transfer of Surface Pit Permit) for the Renick and the Miller leases in Gray County, Kansas, both in Section 05, Township 26S, Range 29W.

Lasso Energy LLC is requesting extensions of 90 days on the pit expiration dates of the following three wells included on the T-1's. These wells all used the same pit, as can be seen on the CDP-1 Pit Applications originally filed by Sanchez Oil & Gas Corporation. The CDP-5 Waste Transfers have been filed for these wells but the pit is too muddy to fill in at this time. Since there were multiple wells using the same pit we believe you indicated the current expiration for the pit authority would run to February 5, 2014 which is one year from the spud date of the Miller #8-1H ST-1 (API 15-069-20394-02-00). We are requesting that the expiration date for the pit authority for all the wells using this pit would be extended to May 5, 2014.

15-069-20388-0100 Renick 5-1H
15-069-20385-0000 Renick 5-1 SWD
15-069-20394-0200 Miller 8-1H ST-1

If you have any questions, please feel free to contact me at production@lassoenergy.com or at 620-259-4000. Again, thank you very much for your time and assistance.

Kind regards,

A handwritten signature in cursive script that reads "Leslie Roederer".

Leslie Roederer
Production