Conservation Division 266 N. Main St., Ste. 220 Wichita, KS 67202-1513



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

Sam Brownback, Governor

Shari Feist Albrecht, Chair Jay Scott Emler, Commissioner Pat Apple, Commissioner

October 13, 2014

Source Energy MidCon LLC 1805 Shea Center Drive Ste 100 Highlands Ranch, CO 80129

Re: Goering 10-14-10-11H SW/4 Sec. 10-25S-03E Butler County, Kansas 15-015-23988-01-00

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 Goering 10-14-10-11H.

The original 365 days for closure expired on 08/31/2014. This extension will expire on 1/13/2015. 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, but not the time period for filing the waste transfer form (CDP-5).

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

S urceEnergy

October 8, 2014

KCC, Conservation Division Attn: Kathy Haynes 266 N. Main Street, Ste.220 Wichita, KS 67202-1513

Re: NOV Goering 10-14-10-11H well (API 15-015-23988-01-00) Surface Pit

Dear Kansas Corporation Commission (KCC),

This letter requests an extension on the due date for the Surface Pit Closure Form for Source Energy MidCon LLC's Goering 10-14-10-11H well. Every effort is currently being made to safely finalize closure of the Goering 10-14-10-11H surface pit. Due to the location of the well, the surface pit was dug deeper and more narrow than usual. The unusual geometry of this pit, paired with increased precipitation this year, resulted in additional time needed for the pit to dry out, and is preventing us from finalizing closure of the pit.

We have contacted a KCC representative, Jon Hill, who witnessed and documented efforts to close the surface pit on location at the Goering 10-14-10-11H site.

Also, we filed for a new NID for this well to be re-dill due to a collapsed lateral. The API was changed from 15-015-23988-01-00 to 15-015-23988-02-00. Please confirm if we also need to file Pit Closure and Waste Transfer Forms under the Goering 10-14-10-11h 15-015-23988-02-00 API.

Please feel free to contact me at 720-354-4972 or email <u>rfarmer@sourceep.com</u>

Best regards,

Ryan Farmer Associate Geologist

Received
KANSAS CORPORATION COMMISSION

OCT 13 2014

CONSERVATION DIVISION WICHITA, KS