

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



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

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

Sam Brownback, Governor

October 13, 2014

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

Re: Schulz V1-16
W/2 Sec. 16-30S-07E
Cowley County, Kansas
15-035-24509-00-00

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 Schulz V1-16 well.

The original 365 days for closure expired on 06/12/2014. This extension will expire 12/12/2014. **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, **but not the time period for filing the waste transfer form (CDP-5).**

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).

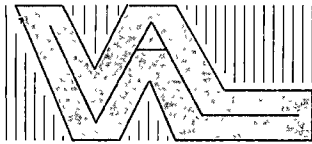
Please complete the pit closure form (CDP-4) through Kolar (Kansas On-Line Automated Reporting) at <https://kolar.kgs.ku.edu>.

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

10/6/2014

RE: Schulz V1-16

API# 15-035-24509-00-00

Received
KANSAS CORPORATION COMMISSION

OCT 10 2014

CONSERVATION DIVISION
WICHITA, KS

Kathy,

I received your letter regarding that above referenced well. After speaking with field personnel the pit has been crowded as much as possible right now. The pit is free from water, but is too soft to push dirt with a dozer. The dozer operator has this well on his list to close asap. We request a 6 month extension to allow the pit to be closed.

Thanks

Dustin Wyer

Operations

VAL Energy