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

January 7, 2015

Val Energy, Inc. 125 N. Market Ste 1710 Wichita, KS 67202-3005

Re: Brooks 1-13 SE/4 Sec. 13-31S-06E Cowley County, Kansas 15-035-24541-00-00

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 Brooks 1-13 well.

The original 365 days for closure expired on 11/27/2014. This extension will expire on 3/27/2015. 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

District



VAL ENERGY, INC.

125 N. Market, STE 1710

Wichita, Kansas 67202-3005

Office: (316) 263-6688 Fax: (316) 262-2512

1/5/2015

RE: BROOKS 1-13

API# 15-035-24541-00-00

Kathy,

I received your letter regarding that above referenced well. After speaking with field personnel the pit on this lease cannot be closed at this time as it is still too wet to close. We have hauled fluids and crowded the pits as much as possible. We spoke with State Field personnel about this area and how difficult it is for this type of dirt/clay to dry. We will continue to haul fluids and crowd until the pit is closed, but as of now there is no way to close the pit without possible harm to farms land and equipment. We would like to get a 180day extension to close this pit.

Thanks

Dustin Wyer

Operations

VAL Energy

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