

April 16, 2015

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

Re: Werner 2-31
SE/4 Sec. 31-32S-06E
Cowley County, Kansas
15-035-24549-00-00

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 Werner 2-31 well.

The original 365 days for closure expired on 02/09/2015. This extension will expire on 7/16/2015. 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>.

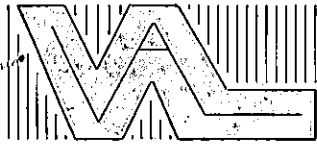
If you have any questions in this regard, please do not hesitate to contact Kathy Haynes at (316) 337-6243.

Sincerely,



Ryan A. Hoffman
Director

Cc: File
District



VAL ENERGY, INC.

125 N. Market, STE 1710
Wichita, Kansas 67202

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

April 14, 2015

Kansas Corporation Commission
266 N. Main St, STE 220
Wichita, KS 67202-1513

Re: Werner 2-31
31-32S-6E E2-SW-SW-SE
Cowley County, Kansas
API: 15-035-24549-00-00

KCC WICHITA
APR 15 2015
RECEIVED
4-15-15

Kathy:

Our dozer operator inspected the above location on April 12, 2015 to close the drilling pit. He reported that there was no standing water in the pit, but the mud was too wet to safely close. VAL Energy, Inc will have the pit closed as soon as it dries, but would like to request a 6 month extension to close it.

Sincerely

Dustin Wyer
Operations