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 11, 2016

SM Oil & Gas, Inc. PO Box 189 Skiatook, OK 74070-0189

Re: Underwood 101 SE/4 Sec. 08-33S-10E Chautauqua County, Kansas 15-019-27457-00-00

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 Underwood 101 well.

The original 365 days for closure expired on 09/19/2015. This extension will expire 3/19/2016. 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

Kathy Haynes

From:

Thomas Oast <thomasoast@gmail.com>

Sent:

Friday, January 08, 2016 2:39 PM

To:

Kathy Haynes

Subject:

Drill Pit Closure Extension

RE: Underwood #101

API#: 15-019-27457-00-00 SE of Section 8 -T33S - R10E Chautauqua County, Kansas SM Oil & Gas, Inc

Kathy:

We are going to rework the above referenced well commencing in early February, 2016. With this in mind we would like to seek an extension thru February 29, 2016 to keep this pit open/active. Pit dimensions are approximately $40^{\circ}\text{L} \times 40^{\circ}\text{W} \times 6^{\circ}\text{D}$.

Thank You. Thomas H. Oast SM Oil & Gas, Inc.