

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR
BRIAN J. MOLINE, CHAIR
JOHN WINE, COMMISSIONER
ROBERT E. KREHBIEL, COMMISSIONER

April 26, 2004

ROGER HIMSTREET INDIANOLA OIL INC . BOX 1052 BARTLESVILLE OK 74005

RE: LEASE: COLE 1

LEGAL: 1980'FSL-600'FEL 28-32S-13E

COUNTY: CHAUTAUQUA API NO: 15019265840000

Dear Mr. Himstreet:

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 drilling of the Cole 1 well.

The original 365 days for closure expired April 8, 2004. This extension will expire June 15, 2004. 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 surface pond closure form.

Failure to close the pit or request an additional extension prior to the expiration date may result in a fine in accordance with K.A.R. 82-3-602(e). An additional extension will only be granted for good cause and after K.C.C. field staff has made an inspection of the site. Should field staff discover that said pit has been closed before the date of extension request, an administrative penalty may be assessed to you through K.C.C. invoice.

If you have any questions in this regard, please do not hesitate to contact Jonelle Rains at (316) 337-6226.

Very sincerely yours,

M. L. Korphage

Director

cc: Jonelle Rains?
District #3

KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR BRIAN J. MOLINE, CHAIR JOHN WINE, COMMISSIONER ROBERT E. KREHBIEL, COMMISSIONER

RECEIVED KANSAS CORPORATION COMMISSION

APR 0 9 2004

CONSERVATION DIVISION WICHITA, KS

March 30, 2004

Indianola Oil, Inc. Box 1052 Bartlesville OK 74005

Re: Closure of Drilling Pits COLE Lease Well No. 1 NESE 28-32S-13E CHAUTAUQUA County, Kansas

API No. 15019265840000

Dear Sirs:

The above referenced well was spudded on 4/8/2003. According to K.A.R. 82-3-602, "Drilling pits shall be abandoned and closed within a maximum of 365 calendar days after the spud date of a well". The subject drilling pits must be closed by 4/7/2004. Enclosed is a surface pond closure form, CDP-4. Please fill out the form and return it within 30 days after the drilling pits are closed.

Should an extension be warranted, it must be received by 4/7/2004. TO FILE FOR AN EXTENSION, PLEASE SEND A COPY OF THIS LETTER WITH THE FOLLOWING INFORMATION COMPLETED:

Date of location inspection by operator/agent: April 6, 2004

Well completion operations required pit for containment

Reason for extension:

of completion fluid and drilling water for deepening well for use
as disposal for produced water. Extension requested for evaporation or remova
Estimated period of time until pit closure: of water, Will close pit by June 15, 2004

Failure to timely close the pit, file a request for an extension or file the closure form within the allotted time periods may result in assessment of an administrative penalty. FAILURE TO RESPOND TO THIS WRITTEN NOTICE WILL RESULT IN AN INSPECTION OF THE LEASE BY DISTRICT STAFF TO VERIFY COMPLIANCE/NON-COMPLIANCE WITH THE CLOSURE REQUIREMENT. THE EXPENSE INCURRED, INCLUDING MILEAGE AND STAFF TIME, WILL BE CHARGED TO THE OPERATOR.

Your cooperation in this process is appreciated. If you have any questions or concerns, please call Sammy Flaharty at (316) 337-6227.

Sincerely.

Jonelle Rains, Supervisor

Department of Environmental Protection and Remediation

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