

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



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

Sam Brownback, Governor

July 27, 2016

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

Re: DJK Ranch C 1
SE/4 Sec. 15-32S-10E
Chautauqua County, Kansas
15-019-27483-00-00

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 DJK Ranch C 1 well.

The original 365 days for closure expired on 10/24/2015. This extension will expire 08/27/2016. **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: Tuesday, July 26, 2016 3:49 PM
To: Kathy Haynes
Subject: Drill Pit Closures extentions (SM Oil & Gas, Inc.)

Kathy,

We would like a 1 month extension on the following wells to close the surface/drill pits. The wells are as follows:

DJK RANCH C #1 API: 15-019-27483-00-00

LINDER #1 API: 15-019-27496-00-00

As mentioned previously, our dozer is on location awaiting repairs. Once these repairs are done then the above referenced pits will be closed.

Thank you.

Thomas H. Oast
Area Manager
SM Oil & Gas, Inc.