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

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Phone: 316-337-6200 Fax: 316-337-6211 http://kcc.ks.gov/

Sam Brownback, Governor

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

February 20, 2017

Oolite Energy Corp. PO Box 9398 Amarillo, TX 79105

Re: Meyers 1-2

SE/4 Sec. 02-34S-29W Meade County, Kansas 15-119-20501-00-01

Closure of Drill Pit - Extension of Time Unavailable

Operator:

A review of your recent correspondence and/or our files indicates that the referenced pit remains open, and that a further extension of time to close the pit is not available to you. The pit is or was required to be closed by December 07, 2016.

If you wish to obtain an exception to K.A.R. 82-3-602, you will need to file a formal application and publish notice under K.A.R. 82-3-100. Note that the application may or may not be granted. You may contact our legal department if you have questions about that process.

If the referenced pit is not closed along with a Surface Pit Closure ("CDP-4") Form submitted, or alternatively if a formal application has not been filed, by **March 6, 2017**, staff may make a penalty recommendation to the Commission, which may result in a monetary fine.

You are welcome to contact me with any questions, by either calling the phone number at the top of the page or emailing me at k.haynes@kcc.ks.gov.

Sincerely,

Kathy Haynes

Conservation Division

Kally Hayses

Kansas Corporation Commission

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

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

September 14, 2016

Oolite Energy Corp. PO Box 9398 Amarillo, TX 79105

Re: Meyers 1-2

SE/4 Sec. 02-34S-29W Meade County, Kansas 15-119-20501-00-01

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 Meyers 1-2 well.

The original 365 days for closure expired on 7/07/2016. This extension will expire on 12/07/2016. 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

September 14, 2016

Kathy Haynes
Kansas Corporation Commission
Environmental Protection & Remediation Department

In regards to your Pit closure notice of violation on the Oolite Energy Corp. Meyer 1-2 API # 15-119-20501-00-01 in Sec 2-34S-29W in Meade Co., Ks., I had the pit location checked on 9-13-16 and found the pit is still to wet to back fill.

Due to the condition of the pit I would like to request an extension of pit closure.

Thank you,
Fred G. Cress
Crown Consulting
620-655-3259 Cell
620-624-0156 Office
fred@crownconsulting.com