

Kathleen Sebelius, Governor Thomas E. Wright, Chairman Michael C. Moffet, Commissioner Joseph F. Harkins, Commissioner

February 29, 2008

ALLEN BANGERT
MAI OIL OPERATIONS INC
4514 COLE AVE STE 740LB30
DALLAS TX 75205

RE: LEASE: MILLER TRUST A 1

LEGAL: 990'FNL-770'FWL 04-16S-14W

COUNTY: BARTON

API NO: 15009249230000

Dear Mr. Bangert:

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 Miller Trust A 1 well.

The original 365 days for closure expired April 21, 2007. This extension will expire June 12, 2008. 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.

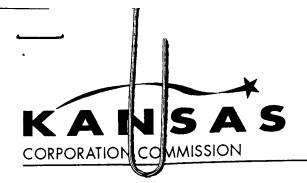
Failure to close the pit or request an additional extension prior to the expiration date may result in a fine in accordance with K.A.R. 82-3-602(c). An additional extension will only be granted for good cause and after K.C.C. field staff has made an inspection of the site. Should field staff discover 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,

Doug Louis
Director

cc: Jonelle Rains District #4



Kathleen Sebelius, Governor Thomas E. Wright, Chairman Michael C. Moffet, Commissioner Joseph F. Harkins, Commissioner

MEMORANDUM

From: Sammy K. Flaharty

Date: February 18, 2008

Pit Extensions Re:

KANSAS CORPORATION COMMISSION

The following operators have requested additional extensions of time in which to fill the pits associated with the given lease. Please inspect the lease and let me know what your the Donner wint 2008

Ingin was the 2008 recommendations are. Your time and work are appreciated.

Palomino Petroleum Inc

Staudinger 1

870'FNL-1320'FWL 20-16S-12W

Barton County

15009249820000

Spudded 9/12/06 Pit extension expired 10/12/07

Mai Oil Operations Inc

Miller A 1

990'FNL-770'FWL 04-16S-14W

Barton County

15009249230000

Spudded 4/21/06 pit extension expired 12/20/07

KCC

FEB 2 0 2008

HAYS. KS

Citation Oil & Gas Corp

Ellis County

Wieland Unit 4-16

15051255280000

3605'FSL-1074'FEL 01-13S-16W spud 9/5/06 pit extension expired 2/15/08

To: Kansas Corporation Commission Conservation Division Department of Environmental Protection and Remediation

From: Mai Oil Operations, Inc 1514 Confin STE 79- LATER DAMES 1874205

RE: Closure of Drilling pits Miller Trust A#1 API# 15-009-24968-2000 Sec. 4-16-14W

Attn: Sammy Flaharty

After inspection of the partially filled Reserve pit at the Miller Trust "A" #1, Mai Oil Operations, Fuc. requests a 4 month extension of time to finish filling in the reserve pit. The working pits have been filled but due to recent heavy snows we were unable to finish the reserve pit. We will fill the pits as soon as possible when the weather permits. Thank you for your consideration.

RECEIVED

FEB 14 2008

CONSERVATION DIVISION WICHITA, KS

Sincerely Bougut Allen Bougut Mai Oil Operations, Inc.