



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,

A handwritten signature in black ink that reads "Doug Louis". The signature is written in a cursive style with a large, prominent "D" and "L".

Doug Louis
Director

cc: Jonelle Rains
District #4

MEMORANDUM

To: ~~District~~

From: Sammy K. Flaherty

Date: February 18, 2008

Re: Pit Extensions

RECEIVED
KANSAS CORPORATION COMMISSION

FEB 21 2008

CONSERVATION DIVISION
WICHITA, KS

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 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

*Extensions OK with no
has been met with no
changing weather for last 3 mo.
H. Adams 2-20-08*

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 20 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

2-12-08

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

From: Mai Oil Operations, Inc
4514 Coe Ave SE, Tulsa, Dallas TX 75205

RE: Closure of Drilling pits
Miller Trust A #1
API # 15-009-24⁹²³68-0000 Sec. 4-16-14W

Attn: Sammy Flaherty

After inspection of the partially filled Reserve pit at the Miller Trust "A" #1, Mai Oil Operations, Inc. 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
KANSAS CORPORATION COMMISSION

FEB 14 2008

CONSERVATION DIVISION
WICHITA, KS

Sincerely,
Allen Banzett
Mai Oil Operations, Inc.