

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

August 8, 2008

ALLEN BANGERT MAI OIL OPERATIONS INC P O BOX 33 RUSSELL KS 67665

RE: LEASE: KAY 1

LEGAL: 1340'FSL-1880'FEL 33-14S-14W

COUNTY: RUSSELL API NO: 15167234060000

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 Kay 1 well.

The original 365 days for closure expired January 26, 2008. This extension will expire February 4, 2009. 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,

Director

cc: Jonelle Rains
District # 4

## Sammy Flaharty

From:

Jonelle Rains

Sent:

Monday, August 04, 2008 5:40 PM

To:

Sammy Flaharty

Subject: Pit Extensions

Sammy,

I talked to Case earlier and he gave me two pit extensions. For Mai Oil Kay #1 Russel and Hoffman #1, Barton - give both 6 month extensions.

Jonelle Rains Environmental Scientist Kansas Corporation Commission (316) 337-6226 (316) 337-6211 Fax http://kcc.ks.gov/ From: Mai Oil Operations, INC. P.O. Box 33 Russell, Ks. 67665 Lic. # 5259

RECEIVED KANSAS CORPORATION COMMISSION

JUL 3 1 2008

CONSERVATION DIVISION WICHITA, KS

To: Savamy Flaharty Kansas Grporation Commission Conservation Division

Re: Extensions for Pit Closures

API# 15-009-25008-0000 Hoffman#1 19-16-11W B+Co. API# 15-167-23406-0000 Kay#1 33-14-14W RSICo.

Mai Oil Operations, INC. is requesting an Extension of time for the Pit Closures on the above wells. Due to recent wet weather we have not been able to Close these pits. We would request a six month Extension to get these pits dried out & closed. Thank you for your consideration

Sincerely Barget