

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

July 21, 2008

MINDY WOOTEN
AMERICAN ENERGIES CORPORATION
155 N MARKET STE 710
WICHITA KS 67202

RE: LEASE: ARCHER 1-36

LEGAL: 730'FSL-2080'FEL 36-18S-03W

COUNTY: MCPHERSON API NO: 15113213210000

Dear Ms. Wooten:

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 Archer 1-36 well.

The original 365 days for closure expired July 16, 2008. This extension will expire October 16, 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.

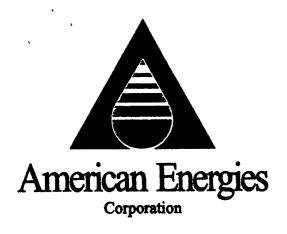
Failure to close the pit or request an additional extension prior to the expiration date may result in a fine in accordance with K.A.R. 82-3-602(c). An additional extension will only be granted for good cause and after K.C.C. field staff has made an inspection of the site. Should field staff discover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

cc: Jonelle Rains District #2



155 North Market, Suite 710 Wichita, Kansas 67202 316-263-5785

July 7, 2008

Kansas Corporation Commission 130 S. Market, Room 2078 Wichita, KS 67202

> RE: Request for Extension – Closure of Drilling Pits Archer #1-36 Section 36-T18S-R3W McPherson County, Kansas API: 1511321321000

To Whom it May Concern:

Please let this letter serve as a request for extension on closure of drilling pits on the above listed well.

These pits are currently full of water due to the very wet spring. Our field personnel are monitoring the situation and the pits will be closed as soon as possible.

Thank you for your help!

Sincerely,

Mindy Wooten Production Manager

MSW/tbm cc Alan DeGood Canton Office

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CONSERVATION DIVISION WICHITA, KS



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

American Energies Corporation 155 N MARKET STE 710 WICHITA KS 67202

July 3, 2008

Re: Closure of Drilling Pits ARCHER Lease Well No. 1-36 N2SWSE 36-18S-3W MCPHERSON County, Kansas API No. 15113213210000

Dear Sirs:

The above referenced well was spudded on 7/16/2007. According to K.A.R. 82-3-602, "Drilling pits ... shall be closed within a maximum of 365 calendar days after the spud date of a well". The subject drilling pits must be closed by 7/15/2008. A Closure of Surface Pit, form CDP-4 (April 2004), should be filed within 30 days after the drilling pits are closed. **Conservation division forms are available through our office and on the KCC web site:** http://kcc.ks.gov/conservation/forms/

Should an extension be warranted, it must be received by 7/15/2008. TO FILE FOR AN EXTENSION, PLEASE SEND A COPY OF THIS LETTER WITH THE FOLLOWING INFORMATION COMPLETED:

| Date of location inspection by operator/agent: | ···, | · | | |
|--|------|---|-----------------|------------------|
| Reason for extension: | | | | - |
| Estimated period of time until pit closure: | | *************************************** | | _ |

Failure to timely close the pit, file a request for an extension or file the closure form within the allotted time periods may result in assessment of an administrative penalty.

Your cooperation in this process is appreciated. If you have any questions or concerns, please call **Sammy Flaharty** at (316) 337-6227.

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