


KANSAS
CORPORATION COMMISSION

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

January 31, 2008

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

RE: LEASE: GRABER OWWO 1-35
LEGAL: 1320'FSL-660'FWL 10-27S-07W
COUNTY: KINGMAN
API NO: 15095220610000

Dear Ms. Wooten:

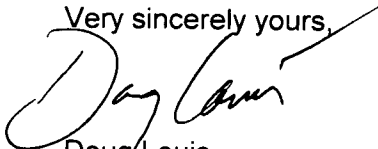
This letter is to inform you that you have been granted an extension of time in which to close the drilling pits associated with the drilling of the Graber OWWO 1-35 well.

The original 365 days for closure expired November 6, 2007. This extension will expire March 6, 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.

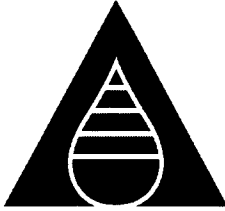
If you have any questions in this regard, please do not hesitate to contact Jonelle Rains at (316) 337-6226.

Very sincerely yours,



Doug Louis
Director

cc: Jonelle Rains
District # 2



American Energies
Corporation

155 N. Market, Suite 710, Wichita, KS 67202

January 14, 2008

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

RE: Graber OWWO #1-35 – Closure of Surface Pond
15-095-22061-0000

Dear Ms. Flaharty:

This letter is in response to your letter of January 9, 2008 regarding the above mentioned well. No, this drilling pit has not been closed. **I would like to request an extension** to fill in this drilling pit. Due to the extremely wet conditions, the pit has not sufficiently dried out. It is also impossible to move heavy equipment into the location to fill in this pit.

Sincerely,

Mindy Wooten
Production Manager

MSW/tbm
cc

RECEIVED
KANSAS CORPORATION COMMISSION

JAN 15 2008

CONSERVATION DIVISION
WICHITA, KS