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Kansas Corporation Commission
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To Whom It May Concern:

This letter is in regards to the proposed route of the Grain Belt Express Clean Line project stemming from Western Kansas and on to Missouri, Illinois, and Indiana. Allow me to preface this entire letter by expressing my unwavering opposition to the proposed route of this supposed "Green" transmission line. As a third generation oil and gas operator in the state of Kansas, I know all too well about the dangers of conducting daily operations in and around electrical lines, no matter the size. Throughout the past few years we have had to move and/or completely discard locations of proposed wells due to their proximity to existing power lines. The size of the drilling rigs we use makes it impossible to drill under and around power lines and this project only further limits not only where will be able to drill within certain leases; but takes the possibility of drilling new wells within those effected leases completely out of the picture for us.

Mai Oil Operations has operated with an impeccable record over the past few decades and takes pride in the success we have garnered not only for ourselves but for landowners and royalty owners as well. With sales of around 450,000 barrels of oil annually, we have solidified ourselves within the Kansas oil and gas industry, ranking Fifteenth out of the Top 50 Oil Producers in the state, this ranking includes all of the major oil and gas companies within our industry. In addition, Mai Oil was the number one producer in Barton County and the number two producer in Russell County in 2012. With the success of all the recent wells we have drilled this year it has become apparent that these two counties (Barton and Russell) are of paramount importance to the continued success of Mai Oil Operations and the implementation of the Grain Belt Express Project would be a huge hurdle for us to overcome. As a company, we have provided numerous jobs to the state and paid millions in tax dollars since we have been in business. We have a record of producing our leases to their full potential and work with landowners as best as we possibly can, all the while proving up areas throughout the state that have been overlooked or forgotten.

The construction of the Grain Belt Express Project would render some of our most productive and successful areas of exploration in the state of Kansas completely useless. In Barton and Russell Counties alone this proposed route directly effects over 20 leases owned and operated by Mai Oil Operations as well as 6 wells currently produced by Mai, approximately 5 potential drilling locations, and an untold number of additional potential drilling locations on leases we have recently acquired and not yet shot 3D seismic on. The essential condemning of these leases and wells would not only take millions of dollars of revenue out of our pockets, it would rob mineral and royalty owners of much needed royalty income from the production of these wells. Additionally, the tax dollars these wells generate would be entirely eliminated, thus further robbing not only the state of Kansas, but more importantly Barton and Russell counties of much needed tax dollars. Over the past twelve months we have paid \$886,887.46 in tax dollars to Russell County alone. Moreover, throughout that same twelve month period we paid \$726,515.80 in tax

dollars to Barton County. In total, that is \$ 1,613,403.26 in tax dollars over the past twelve months that we have paid to Russell and Barton Counties.

The proposed route, which can be found on Clean Line Energy's website, not only impacts some of the most productive farm land in Kansas, it cuts through the heart of oil country. Specifically, the route through Barton and Russell counties would render hundreds of wells useless and impact numerous oil and gas operators and countless others employed by the oil and gas industry in Kansas. Regardless of the comments that have been made, the Grain Belt Express Project will undoubtedly effect any and all oil and gas wells directly under its route and those within its right-of-way. It is specifically stated that no oil and gas operations are allowed within most electrical rights-of-way and it is understood that this one is no exception. Currently producing wells will not be able to be maintained since work-over rigs are in excess of 100 feet tall when fully erect and thus well beyond the height of this transmission line and would therefore cease to exist. Also, any and all new well locations within this right of way will have to be discarded and therefore rendered useless. The proposed route effects an area in Kansas that has been oil rich for decades and has been given new life through the implementation of 3D seismic and other technologies. As operators, we have zero leeway as to where a well can be drilled when basing locations on the information gathered from interpreting 3D seismic maps. The spots we pick on these maps are exact with no tolerances for deviation from the maps to the surface. Therefore, any future or proposed well locations under the route and within the right-of-way would be useless due to the dangers and illegality of operating oil and gas drilling equipment in and around large electrical transmission lines.

The spots picked to drill new wells using 3D Seismic are only economic when accompanied with a vertical drilling program and are extremely target specific. Simply moving the well location to accommodate for a right of way of this magnitude would render those spots obsolete and worthless in terms of future oil and gas production. Horizontal drilling techniques are not the solution for the problems created by this project either. At a rate of 10 to 1 in terms of costs, horizontal wells are highly un-economic when compared to vertical wells and take the majority of the profitability of these wells out of the equation. The effect this route will have on future oil and gas production throughout its entire length is of the utmost concern not only to myself as an oil operator but as a landowner as well.

Not to be overlooked, the complete lack of notification to oil operators with wells under this route as well as mineral and royalty owners that would be affected is absolutely appalling. Add that to the fact that the energy transported by this transmission line isn't even for Kansas and there is no doubt in my mind that this project is absolutely devoid of any necessity and should be thoroughly reviewed. There has been little effort on the part of Clean Line Energy Partners and the Kansas Corporation Commission to let all of those that will truly be affected by this project know of its existence and the route it will take. The only reason I have had any notification as to the existence of this proposed route was through a letter I received as a surface owner within Russell County, Kansas. Not

only will the Grain Belt Express Project devalue my property to a laughable amount, any hope I have of selling this real estate in the future is all but gone if this project is given the green light. As a native Kansan, I take pride in owning land within the state and I'm not ignorant to the fact that transmission lines running through any real estate, especially farm and ranch land, vastly rob that land of value to potential buyers.

Additionally, as an avid hunter within the state of Kansas, I also understand the impact that the clear cutting necessary to accommodate such a large right-of-way will have on the wildlife in and around the proposed route. It is no secret that cover and wooded areas are a necessity for wildlife to flourish and survive and the essential deforestation of the areas outlined in the proposed route map would eliminate wildlife of any and all types currently living within this route. It would seem to me that any project touting its "Green" initiative would find the necessity to clear a 400 foot right-of-way through some of the most heavily wooded areas in Kansas to be in direct opposition to the "Green" benefits it allegedly brings to the environment. All too often organizations are allowed to operate under the auspices of being green and environmentally friendly all the while destroying valuable resources to reach their supposed "Green" goals. Moreover, it has been brought to my attention that this transmission line would not be limited to its supposed wind energy purpose and would be allowed to transport energy generated from the use of fossil fuels. Specifically, fossil fuels generated at a coal powered energy plant that is associated with Clean Line Energy Partners. Is this project a guise to get fossil fuel energy into the same transmission line as "Green" energy? Not to be ignored, Clean Line Energy Partners would also benefit from a 10 year tax abatement should this project be seen to fruition. With benefits like that it's no wonder this project is being touted as "Green" and environmentally friendly.

To solidify the point I touched on earlier in this letter, below is a list of some of our leases that will be directly affected by the proposed route of the Grain Belt Express Project and current production numbers to show the financial impact this project will have on our company alone.

Flegler A #2 (saltwater disposal well)

This saltwater disposal well is directly under the proposed route of the Grain Belt Express Project and is currently utilized by 14 producing wells all of which have a total production of 170 barrels of oil per day.

Flegler Lease – 3 producing wells making approximately 38 barrels of oil per day

Flegler A Lease – 2 producing wells making approximately 15 barrels of oil per day

Schmidt Lease – 7 producing wells making approximately 110 barrels of oil per day

Schmidt-Flegler Lease – 2 producing wells making approximately 6 barrels of oil per day (with a vast amount of work-over and new drill potential)

Maintenance of this disposal well would be impossible should the Grain Belt Express Project materialize and production from these 14 wells would be temporarily eliminated while a new saltwater disposal well is being drilled.

The drilling of a new saltwater disposal well would cost us in excess of \$500,000.00 in direct drilling costs as well as lost revenues from these wells being temporarily shut down.