

EXHIBIT G

MANAGEMENT SERVICES AGREEMENT

THIS MANAGEMENT SERVICES AGREEMENT (the "**Agreement**") is made and entered into effective as of the __ day of April, 2009, by and between Mahalo Energy Ltd., an Alberta corporation ("**Mahalo**"), and Mahalo Energy (USA) Inc., a Delaware corporation (the "**Mahalo USA**").

PREMISES

Mahalo USA desires to have Mahalo provide certain management and administrative services to Mahalo USA, and Mahalo is willing and able to provide such services, pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises of the parties hereto and the mutual benefits to be gained by the performance hereof, the parties hereto agree as follows:

1. Services. During the term of this Agreement, Mahalo shall, directly or through its contractors and agents, provide Mahalo USA with the management and administrative services described on Schedule 1 attached hereto, as may be amended from time to time (collectively, the "**Services**").
2. Compensation. In consideration for the Services provided by Mahalo hereunder, Mahalo USA shall pay Mahalo the amounts set forth on Schedule 1 attached hereto (the "**Fees**").
3. Allowable Expenses. Mahalo may charge Mahalo USA an amount equal to any other expenses ("**Allowable Expenses**") reasonably incurred by Mahalo in providing the Services, provided such expenses shall not include any amounts for which Mahalo is entitled to payment pursuant to Schedule 1 attached hereto.
4. Limitation. Notwithstanding any other provision of this Agreement, the amounts payable by Mahalo USA to Mahalo hereunder shall not exceed the amounts in the approved DIP Budget (as defined in Schedule 1).
5. Payment and Calculation. Mahalo shall invoice Mahalo USA twice per month for the Fees and any Allowable Expenses incurred by Mahalo during such month, which shall be payable within 15 days of receipt of the invoice in question. In the event of a dispute with respect to any invoice, Mahalo USA shall nevertheless pay the amount not in dispute and the parties shall attempt to resolve any such dispute, failing which such dispute shall be referred to arbitration before a single arbitrator in Calgary, Alberta in accordance with the *Arbitration Act* (Alberta).
6. Personnel. Mahalo shall provide a sufficient number of qualified and competent employees and consultants as are reasonably necessary to provide the Services, including, without limitation, the services of:
 - (a) James Burns (or his successor) as president and chief executive officer of Mahalo USA (up to 98% of his time);
 - (b) Dave Burton (or his successor) as chief operating officer of Mahalo USA (up to 98% of his time); and
 - (c) Stuart King (or his successor) as controller of Mahalo USA (up to 98% of his time).

~~THIS IS EXHIBIT 67~~
referred to in the Affidavit of

JAMES BURNS

Sworn before me this 21
day of MAY A.D. 2009

Trevor A. Batty
A Commissioner in and for the Province of Alberta

Trevor A. Batty
Barrister and Solicitor

7. Events of Default. This Agreement may be terminated forthwith by either party immediately upon written notice at its discretion upon the occurrence of any one or more of the following events of default in respect of the other party (the “**Defaulting Party**”):
 - (a) default by the Defaulting Party of any of its obligations under this Agreement which have not been remedied upon thirty (30) days written notice of such default; or
 - (b) any other order made by a court of competent jurisdiction by which the Defaulting Party is deprived of the right to manage its undertaking where such decree or order shall have remained in force undischarged or unstayed for a period of sixty (60) days.
8. Books and Records. Mahalo shall maintain such accounting and other records as may be necessary with respect to the Services performed and with respect to the operations of Mahalo USA for which Mahalo is responsible hereunder. Mahalo shall from time to time allow Mahalo USA to review any such records upon reasonable advance notice.
9. Separate Entities. Mahalo and Mahalo USA are separate entities, and nothing in this Agreement or otherwise shall be construed to create any rights or liabilities of any party hereto for any rights, duties or liabilities of the other party, except to the extent provided herein or in any other agreement between the parties.
10. Term. This Agreement shall be effective as of the date hereof and shall continue in effect until the earlier of: (i) September 30, 2009; and (ii) the date that the sale of substantially all of Mahalo USA's assets occurs. For the absence of doubt, all unpaid Fees and Allowable Expenses payable by Mahalo USA hereunder shall remain payable notwithstanding any termination of this Agreement.
11. Captions. Headings and captions used in this Agreement are used for convenience of reference only and shall not affect the construction of any provision of this Agreement.
12. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Except as otherwise set forth herein, nothing in this Agreement, express or implied, is intended to confer on any person other than the parties hereto or their respective successors and permitted assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement.
13. Notices. Any notice, demand, request or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given when delivered in person or when deposited in the mail for delivery by first class mail, postage prepaid, to the following address or to such other address as the intended recipient may designate by prior notice hereunder:

in the case of a Notice to Mahalo at:

Mahalo Energy Ltd.
540, 734 – 7 Avenue SW
Calgary AB T2P 3P8

Phone: (403) 451-3500
Fax: (403) 451-3501

Attention: Chief Executive Officer

in the case of a Notice to Mahalo USA at:

Mahalo Energy (USA) Inc.
540, 734 – 7 Avenue SW
Calgary AB T2P 3P8

Phone: (403) 451-3500
Fax: (403) 451-3501

Attention: Chief Executive Officer

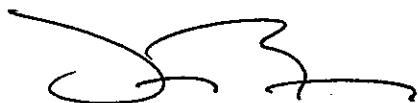
14. Amendments. This Agreement may not be modified or changed except by a writing signed by the party against whom enforcement of such modification or amendment is sought.
15. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta, without giving effect to the conflicts of law principles thereof.
16. Language. The Parties hereto have requested that this Agreement and all correspondence and all documentation, respecting this Agreement, be written in the English language./*Les Parties aux présentes ont exigé que la présente entente, de même que toute la correspondance et la documentation relative à cette entente, soient rédigées en langue anglaise.*
17. Termination. This Agreement may be terminated by either party at any time by 30 days notice in writing to the other party.
18. Entire Agreement. This Agreement, together with any exhibits and schedules attached hereto, constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior agreements and understandings, oral and written, between the parties hereto with respect to such subject matter.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered by their respective authorized officers effective as of the date first above written.

MAHALO ENERGY LTD.

MAHALO ENERGY (USA) INC.

By: _____



JAMES BURNS
President & CEO

By: _____



JAMES BURNS
President & CEO

**SCHEDULE 1
SERVICES**

1. Provision of management personnel pursuant to Section 5 of the Agreement.
2. Ensuring that Mahalo USA obtains and maintains all licenses required in all applicable jurisdictions.
3. Coordinating relationships with all relevant regulatory agencies and insuring that Mahalo USA is in compliance with all applicable regulations.
4. Satisfying disclosure requirements specified by applicable securities law and exchange requirements.
5. Marketing of production.
6. Back office administration, including accounting and financial reporting, payroll service, investor relations, filing, human resources, geology, geophysicist, engineering, information technology and data backup and data entry.
7. Such other services as may be agreed between the parties from time-to-time, at rates to be agreed upon by the parties.

FEES

Management Services

Chief Executive Officer	*as set forth in the DIP Budget
Chief Operating Officer	*as set forth in the DIP Budget
Controller	*as set forth in the DIP Budget

Technical Services

Engineering	*as set forth in the DIP Budget
Production and Operations Manager	*as set forth in the DIP Budget
Information Technology	*as set forth in the DIP Budget

Administrative Services

Accounting General	*as set forth in the DIP Budget
H.R., Payroll, Secretarial	*as set forth in the DIP Budget

Miscellaneous

Office Space/Services	\$40,000/month
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The foregoing fees shall be derived from the budget (the "**DIP Budget**") to be entered into by Mahalo Energy (USA) Inc. with Ableco Financial LLC in connection with Mahalo USA's insolvency proceedings.