

**FIRST CORRECTED**  
5-22-07

For KCC Use:  
Effective Date: 5-26-07  
District #: 1  
SGA?  Yes  No

**KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION**

Form C-1  
December 2002  
Form must be Typed  
Form must be Signed  
All blanks must be Filled

**NOTICE OF INTENT TO DRILL**

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date: 8 / 1 / 2007  
month day year

Spot:  NW  SE  East  
Sec. 36 Twp. 32 S. R. 19  West

OPERATOR: License# 33770  
Name: ARES Energy, Ltd.  
Address: 303 W. Wall St., Suite 900  
City/State/Zip: Midland, TX 79701  
Contact Person: Robert L. Dinit  
Phone: 432.685.1980

1,980 feet from  N /  S Line of Section  
1,980 feet from  E /  W Line of Section  
is SECTION  Regular  Irregular?

(Note: Locate well on the Section Plat on reverse side)

CONTRACTOR: License# Will be licensed by KCC  
Name: Will advise on ACO-1

County: Comanche  
Lease Name: Cary Well #: 38-10  
Field Name: Colter

Well Drilled For: Well Class: Type Equipment:  
 Oil  Enh Rec  Infield  Mud Rotary  
 Gas  Storage  Pool Ext.  Air Rotary  
 OWWO  Disposal  Wildcat  Cable  
 Seismic  # of holes  Other

Is this a Prorated / Spaced Field?  Yes  No  
Target Formation(s): Mississippian

Nearest Lease or unit boundary: 660 feet  
Ground Surface Elevation: 2,060 est feet MSL

Water well within one-quarter mile:  Yes  No  
Public water supply well within one mile:  Yes  No

Depth to bottom of fresh water: 180  
Depth to bottom of usable water: 180

Surface Pipe by Alternate:  1  2  
Length of Surface Pipe Planned to be set: 850 feet

Length of Conductor Pipe required: 60 feet  
Projected Total Depth: 5,500 feet

Formation at Total Depth: Mississippian  
Water Source for Drilling Operations:  
 Well  Farm Pond  Other

If OWWO: old well information as follows:

Operator: \_\_\_\_\_  
Well Name: \_\_\_\_\_  
Original Completion Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

Directional, Deviated or Horizontal wellbore?  Yes  No

If Yes, true vertical depth: \_\_\_\_\_

Bottom Hole Location: \_\_\_\_\_

KCC DKT #: \_\_\_\_\_

DWR Permit #: N/A

(Note: Apply for Permit with DWR )

Will Cores be taken?  Yes  No

If Yes, proposed zone: N/A **RECEIVED**

KANSAS CORPORATION COMMISSION

\* WAS : 200' SURF. CASING ALT II  
\* IS : 200' SURF. CASING ALT I

**AFFIDAVIT**

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq. **MAY 11 2007**

It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office **prior** to spudding of well;
2. A copy of the approved notice of intent to drill **shall be posted** on each drilling rig;
3. The minimum amount of surface pipe as specified below **shall be set** by circulating cement to the top; in all cases surface pipe **shall be set** through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary **prior to plugging**;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within **120 days** of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. **In all cases, NOTIFY district office** prior to any cementing.

CONSERVATION DIVISION  
WICHITA, KS

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 5/9/2007 Signature of Operator or Agent: Robert L. Dinit Title: Managing Partner

For KCC Use ONLY

API # 15 - 033-21497-20-00

Conductor pipe required: NONE feet

Minimum surface pipe required: 200 feet per Alt. **ALT I**

Approved by: WHL 5-21-07/5-22-07

Title authorization expires: 5-21-07

(This authorization void if drilling not started within 6 months of approval date.)

Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

**Remember to:**

- File Drill Pit Application (form CDP-1) with intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.

If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.

Well Not Drilled - Permit Expired

Signature of Operator or Agent: \_\_\_\_\_  
Date: \_\_\_\_\_

36  
32  
192