

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

**KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
NOTICE OF INTENT TO DRILL**

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

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

Expected Spud Date: 7 / 1 / 2007  
month day year

Spot: SW NW NE SE Sec. 3 Twp. 33 S. R. 19  East  West  
760 feet from  N /  S Line of Section  
2,080 feet from  E /  W Line of Section

OPERATOR: License# 33770  
Name: ARES Energy, Ltd.  
Address: 303 W. Wall St., Suite 900  
Midland, TX 79701  
City/State/Zip:  
Contact Person: Robert L. Dimil  
Phone: 432.685.1960

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: Webster Well #: 3-2X  
Field Name: Colter West

Is this a Prorated / Spaced Field?  Yes  No

Target Formation(s): Mississippian  
Nearest Lease or unit boundary: 560 feet

Well Drilled For:	Well Class:	Type Equipment:
<input type="checkbox"/> Oil <input type="checkbox"/> Enh. Rec. <input checked="" type="checkbox"/> Infield	<input type="checkbox"/> Storage <input checked="" type="checkbox"/> Pool Ext.	<input checked="" type="checkbox"/> Mud Rotary
<input checked="" type="checkbox"/> GWS <input type="checkbox"/> Disposal	<input type="checkbox"/> Wkicat	<input type="checkbox"/> Air Rotary
<input type="checkbox"/> Seismic; # of Holes <input type="checkbox"/> Other		<input type="checkbox"/> Cable

Ground Surface Elevation: 1,938 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: 650 feet

Length of Conductor Pipe required: 80 feet

Projected Total Depth: 5,500 feet

Formation at Total Depth: Mississippian

Water Source for Drilling Operations:

Well  Farm Pond  Other N/A

DWR Permit #: N/A

(Note: Apply for Permit with DWR )

Will Cores be taken?  Yes  No

If Yes, proposed zone: N/A

If OWWC: 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 #: \_\_\_\_\_

**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. 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.

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: [Signature] Title: Managing Partner

For KCC Use ONLY	
API # <u>033-21498-0000</u>	
Conductor pipe required: <u>NONE</u> feet	
Minimum surface pipe required: <u>200</u> feet per Alt. <u>ALT I</u>	
Approved by: <u>Wthm</u> <u>5-21-07/5-22-07</u>	
Trl. authorization expires: <u>11-21-07</u>	
<i>(This authorization void if drilling not started within 6 months of approval date.)</i>	
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 prorator 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: \_\_\_\_\_

5  
33  
19W

**MAY 11 2007**

CONSERVATION DIVISION  
WICHITA, KS

RECEIVED  
KANSAS CORPORATION COMMISSION