

Notice: Fill out COMPLETELY and return to Conservation Division at the address below within 60 days from plugging date.

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL PLUGGING RECORD
K.A.R. 82-3-117

Form CP-4
December 2003
Type or Print on this Form
Form must be Signed
All blanks must be Filled

Lease Operator: ARES ENERGY, LTD
Address: 303 W. WALL ST., SUITE 900 MIDLAND, TX 79701
Phone: (432) 685-1960 Operator License #: 33770
Type of Well: D & A Docket #: _____
(Oil, Gas D&A, SWD, ENHR, Water Supply Well, Cathodic, Other) (If SWD or ENHR)
The plugging proposal was approved on: _____ (Date)
by: Mike w/KCC (KCC District Agent's Name)
Is ACO-1 filed? Yes No If not, is well log attached? Yes No
Producing Formation(s): List All (If needed attach another sheet)
NONE Depth to Top: _____ Bottom: _____ T.D. _____
Depth to Top: _____ Bottom: _____ T.D. _____
Depth to Top: _____ Bottom: _____ T.D. _____

API Number: 15-053-21204-0000
Lease Name: SCHPEMANN
Well Number: 3-27
Spot Location (QQQQ): _____ - NE - SW - SE
990 Feet from North / South Section Line
1,650 Feet from East / West Section Line
Sec. 27 Twp. 17 S. R. 10 East West
County: ELLSWORTH
Date Well Completed: _____
Plugging Commenced: 06/18/2007
Plugging Completed: 06/19/2007

Show depth and thickness of all water, oil and gas formations.

Oil, Gas or Water Records		Casing Record (Surface Conductor & Production)				
Formation	Content	From	To	Size	Put In	Pulled Out
		Surf	360'	8-5/8"	06/12/2007	None

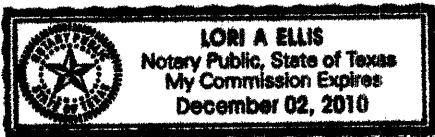
Describe in detail the manner in which the well is plugged, indicating where the mud fluid was placed and the method or methods used in introducing it into the hole. If cement or other plugs were used, state the character of same depth placed from (bottom), to (top) for each plug set.

Cement plugs set through drill pipe (60/40 POZ w/4% Gel) 35 sx @ 3,331', 35 sx @ 1,300', 35 sx @ 950', 35 sx @ 410', 25 sx @ 60' to surface, 15 sx in rathole, 10 sx in mousehole.

RECEIVED
KANSAS CORPORATION COMMISSION
SEP 07 2007
CONSERVATION DIVISION
WICHITA, KS

Name of Plugging Contractor: EXCELL SERVICES, INC. License #: 8273
Address: 7074 SOUTH REVERE PARKWAY, CENTENNIAL, COLORADO 80112-3932
Name of Party Responsible for Plugging Fees: ARES ENERGY, LTD.
State of TEXAS County, MIDLAND, ss.
ROBERT L. DIMIT

(Employee of Operator) or (Operator) on above-described well, being first duly sworn on oath, says: That I have knowledge of the facts statements, and matters herein contained, and the log of the above-described well is as filed, and the same are true and correct, so help me God.



(Signature) Robert L. Dimit

(Address) 303 W WALL ST, SUITE 900 MIDLAND, TX 79701

SUBSCRIBED and SWORN TO before me this 4th day of September, 20 07

Lori A. Ellis My Commission Expires: 12-2-10
Notary Public