

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

AUG 27 2007

CONSERVATION DIVISION
WICHITA, KS

ORIGINAL

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 33770
Name: ARES Energy, Ltd.
Address: 303 W. Wall St., Suite 900
City/State/Zip: Midland, TX 79701
Purchaser: Gary-Williams Energy Corporation
Operator Contact Person: Robert L. Dimit
Phone: (432) 685-1960
Contractor: Name: Excell Services, Inc.
License: 8273
Wellsite Geologist: Justin Carter

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SLOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)

If Workover/Re-entry: Old Well Info as follows:
Operator: _____
Well Name: _____

Original Comp. Date: _____ Original Total Depth: _____
 Deepening Re-perf. Conv. to Enhr./SWD
 Plug Back Plug Back Total Depth
 Commingled Docket No. _____
 Dual Completion Docket No. _____
 Other (SWD or Enhr.?) Docket No. _____

12/14/2006 12/20/06 03/15/2007
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 053-21193-0000
County: Ellsworth
N/2 N/2 SE Sec. 34 Twp. 17 S. R. 10 East West
2,300 2287 feet from S N (circle one) Line of Section
1,200 1177 feet from E W (circle one) Line of Section
Footages Calculated from GPS - KCC-DIG Nearest Outside Section Corner:

(circle one) NE SE NW SW
Lease Name: Schroeder-Maes-Huff Well #: 1-34 SWD
Field Name: Wildcat

Producing Formation: Arbuckle
Elevation: Ground: 1,790' Kelly Bushing: 1,796'
Total Depth: 3,700' Plug Back Total Depth: 3,700'
Amount of Surface Pipe Set and Cemented at 367 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from _____
feet depth to _____ w/ _____ sx cmt.

Drilling Fluid Management Plan SWD NH 7-10-08
(Data must be collected from the Reserve Pit)

Chloride content _____ ppm Fluid volume _____ bbls
Dewatering method used _____

Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____ License No.: _____
Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
County: _____ Docket No.: _____

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: Robert L. Dimit
Title: Managing Partner Date: 8/24/2007
Subscribed and sworn to before me this 24 day of August,
2007.
Notary Public: Wendi R. Fitting
Date Commission Expires: March 20, 2011

KCC Office Use ONLY
 Letter of Confidentiality Received
 If Denied, Yes Date: 9-6-07
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
Loop copies to JAW/mic

Operator Name: ARES Energy, Ltd. Lease Name: Schroeder-Maes-Huff Well #: 1-34 SWD
 Sec. 34 Twp. 17 S. R. 10 East West County: Ellsworth

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: Dual Induction, Density - Neutron, Sonic Log, Microlog	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>Towanda</td> <td>1,504'</td> <td>292'</td> </tr> <tr> <td>B/Root Shale</td> <td>2,260'</td> <td>- 464'</td> </tr> <tr> <td>Heebner</td> <td>2,822'</td> <td>-1,026'</td> </tr> <tr> <td>Lansing</td> <td>2,950'</td> <td>-1,154'</td> </tr> <tr> <td>Stark</td> <td>3,163'</td> <td>-1,367'</td> </tr> <tr> <td>Kansas City</td> <td>3,193'</td> <td>-1,397'</td> </tr> <tr> <td>Arbuckle</td> <td>3,290'</td> <td>-1,494'</td> </tr> </table>	Name	Top	Datum	Towanda	1,504'	292'	B/Root Shale	2,260'	- 464'	Heebner	2,822'	-1,026'	Lansing	2,950'	-1,154'	Stark	3,163'	-1,367'	Kansas City	3,193'	-1,397'	Arbuckle	3,290'	-1,494'
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Arbuckle	3,290'	-1,494'																							

CASING RECORD <input type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Surface	12-1/4"	8-5/8"	24	367'	60/40 POZ	175	2% gel & 3% CC
Production	7-7/8"	5-1/2"	15.5	3,406'	ASC	125	7#/gil&1/4# Flo-seal

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone				

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
Open Hole	3,406' - 3,700'		
		RECEIVED KANSAS CORPORATION COMMISSION	
		AUG 27 2007	
		CONSERVATION DIVISION WICHITA, KS	
TUBING RECORD	Size <u>2-3/8"</u> Set At <u>3,378'</u> Packer At <u>3,377'</u>	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Date of First, Resumerd Production, SWD or Enhr. <u>9/1/07</u>	Producing Method <input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)		
Estimated Production Per 24 Hours	Oil Bbls. <u>0</u>	Gas Mcf <u>0</u>	Water Bbls. <u>0</u> Gas-Oil Ratio Gravity

Disposition of Gas Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled _____
(If vented, Submit ACO-18.) Other (Specify) _____

METHOD OF COMPLETION Production Interval

ALLIED CEMENTING CO., INC.

Federal Tax I.D.#

26353

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:
Great Bend, KS

DATE <u>12-20-06</u>	SEC <u>34</u>	TWP. <u>17S</u>	RANGE <u>10W</u>	CALLED OUT <u>11:30 AM</u>	ON LOCATION <u>12:30 AM</u>	JOB START <u>3:30 PM</u>	JOB FINISH <u>4:30 PM</u>
LEASEE <u>Schroeder</u>				LOCATION <u>Bushton 1/2 W 1/2 N</u>		COUNTY <u>Ellsworth</u>	STATE <u>KS</u>
WELL # <u>1-34</u>				OLD OR <input checked="" type="radio"/> NEW (Circle one)			
				<u>W/INTO</u>			

CONTRACTOR EXCEL #10

TYPE OF JOB long string

HOLE SIZE 7 7/8 T.D. 3200

CASING SIZE 5 1/2 DEPTH 3406

TUBING SIZE _____ DEPTH _____

DRILL PIPE 4 1/2 DEPTH 3200

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM 200 PSF

MEAS. LINE _____ SHOE JOINT 42.50

CEMENT LEFT IN CSG. 42.50 FT

PERFS. _____

DISPLACEMENT Fresh Water

EQUIPMENT _____

PUMP TRUCK CEMENTER David W.

120 HELPER Tim D.

BULK TRUCK _____

342 DRIVER Steve T.

BULK TRUCK _____

_____ DRIVER _____

OWNER Ares Energy LTD

CEMENT

AMOUNT ORDERED 125 SX ASC + 7#

1kol-seal 1/4# Flo-seal

500 gal ASF

COMMON	@		
POZMIX	@		
GEL	<u>2.04</u>	@	<u>16.15</u> <u>33.30</u>
CHLORIDE	@		
ASC	<u>125 gal</u>	@	<u>13.10</u> <u>1637.50</u>
<u>KOL SEAL</u>	<u>875#</u>	@	<u>70</u> <u>612.50</u>
<u>SALT</u>	<u>8 gal</u>	@	<u>19.20</u> <u>153.60</u>
<u>hp seal</u>	<u>31#</u>	@	<u>2.00</u> <u>62.00</u>
<u>AS FLUSH</u>	<u>500 gal</u>	@	<u>1.00</u> <u>500.00</u>
	@		
	@		
	@		
	@		
HANDLING	<u>152 gal</u>	@	<u>1.90</u> <u>288.80</u>
MILEAGE	<u>152 MI</u>	@	<u>24</u> <u>328.32</u>
			TOTAL <u>3616.02</u>

REMARKS:

Pipe on bottom break line pump
10 BBS, ASF Mix 125 SX ASC +
7# Kol-seal 1/4# Flo-seal shut
Down wash pump & lines, Release plug
Displace w/ Fresh Water slow rate
Bump Plug float did hold
wash up Rig Down.

SERVICE

DEPTH OF JOB 3406

PUMP TRUCK CHARGE _____ 1610.00

EXTRA FOOTAGE _____ @ _____

MILEAGE 24 @ 6.00 144.00

MANIFOLD Head Rent @ 100.00 100.00

_____ @ _____

_____ @ _____

TOTAL 1854.00

CHARGE TO: Ares Energy LTD.

STREET _____

CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

Furnished By Customer

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

TOTAL _____

To Allied Cementing Co., Inc.
You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE [Signature] X Carl O Joseph

PRINTED NAME

ALLIED CEMENTING CO., INC.

Federal Tax I.D.#

26557

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:

M.B.

DATE <u>12-15-06</u>	SEC. <u>34</u>	TWP. <u>17</u>	RANGE <u>10w</u>	CALLED OUT <u>11 AM</u>	ON LOCATION <u>5 AM</u>	JOB START <u>7 AM</u>	JOB FINISH
LEASE <u>Schroeder</u> Mares <u>Mares</u> OLD OR <input checked="" type="radio"/> NEW (Circle one)		WELL # <u>1-34</u>	LOCATION <u>Holly Road + H Hwy 1/2 N 4/5</u>			COUNTY <u>Ellsworth</u>	STATE <u>K.S.</u>

CONTRACTOR Excel Rig 10

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D. 367 ft

CASING SIZE 8 5/8 DEPTH 367 ft

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. 15 ft

PERFS. _____

DISPLACEMENT 22.662

OWNER _____

CEMENT AMOUNT ORDERED 175 sk Common
32cc 22 gel

COMMON	<u>175 sk</u>	@	<u>10.15</u>	<u>1863.75</u>
POZMIX		@		
GEL	<u>32cc</u>	@	<u>16.65</u>	<u>49.95</u>
CHLORIDE	<u>S sk</u>	@	<u>46.60</u>	<u>233.00</u>
ASC		@		
		@		
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>183 sk</u>	@	<u>1.90</u>	<u>347.70</u>
MILEAGE	<u>183 sk 09</u>	<u>24</u>		<u>35.28</u>
TOTAL				<u>2859.18</u>

REMARKS:

Circulate Hole with Rig mud pump
Mix Cement + Release Plug Displace
plug down with water

SERVICE

DEPTH OF JOB	<u>367 ft</u>			
PUMP TRUCK CHARGE				<u>815.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>24</u>	@	<u>6.00</u>	<u>144.00</u>
MANIFOLD		@		
<u>LEAK RENTAL</u>		@	<u>100.00</u>	<u>100.00</u>
		@		
TOTAL				<u>1059.00</u>

CHARGE TO: Ares Energy

STREET _____

CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

<u>1-8 5/8 wooden plug</u>	@	<u>60.00</u>	<u>60.00</u>
	@		
	@		
	@		
TOTAL			<u>60.00</u>

To Allied Cementing Co., Inc.
You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE [Signature] Carl O. Teresh
PRINTED NAME

Thank you

ALLIED CEMENTING CO., INC.

Federal Tax I.D.#

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT: 26353
Great Bend KS,

DATE 12-20-06	SEC 34	TWP. 17S	RANGE 10W	CALLED OUT 11:30 AM	ON LOCATION 12:30 AM	JOB START 3:30 PM	JOB FINISH 4:30 PM
Schroeder		LEASE MOES HUFFWELL # 1-34		LOCATION Bushton 1/2 W 1/2 N		COUNTY Ellsworth	STATE KS
OLD OR <input checked="" type="radio"/> (NEW) (Circle one)			W/INTO				

CONTRACTOR EXCEL #10

TYPE OF JOB long string

HOLE SIZE 7 7/8 I.D. 3200

CASING SIZE 5 1/2 DEPTH 3406

TUBING SIZE _____ DEPTH _____

DRILL PIPE 4 1/2 DEPTH 3200

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM 200 PSF

MEAS. LINE _____ SHOE JOINT 42.50

CEMENT LEFT IN CSG. 42.50 FT

PERFS. _____

DISPLACEMENT Fresh Water

OWNER Ares Energy LTD

CEMENT

AMOUNT ORDERED 125.5x ASC + 7#

Kol-seal 1/4# Flo-seal

500 gal ASF

COMMON	@		
POZMIX	@		
GEL		<u>2.04</u>	<u>16.65</u>
CHLORIDE	@		<u>33.30</u>
ASC		<u>125.54</u>	<u>13.10</u>
<u>KOL SEAL</u>	@	<u>70</u>	<u>612.50</u>
<u>SALT</u>	@	<u>19.20</u>	<u>153.60</u>
<u>KOL SEAL</u>	@	<u>314</u>	<u>62.00</u>
<u>ASF</u>	@	<u>1.00</u>	<u>500.00</u>
	@		
	@		
	@		
HANDLING		<u>152</u>	<u>1.90</u>
MILEAGE		<u>152</u>	<u>24</u>
			<u>328.32</u>
			<u>TOTAL 3616.02</u>

EQUIPMENT

PUMP TRUCK CEMENTER David W.

120 HELPER Tim D.

BULK TRUCK

342 DRIVER Steve T.

BULK TRUCK

_____ DRIVER _____

REMARKS:

Pipe on bottom Break Line Pump

10 BBLs, ASF Mix 125.5x ASC +

2# Kol-seal 1/4# Flo-seal SHUT

Down wash Pump & lines, Release plug

Displace w/ Fresh Water slow rate

Bump Plug Float did hold

wash up Rig Down.

SERVICE

DEPTH OF JOB	<u>3406</u>		
PUMP TRUCK CHARGE			<u>1610.00</u>
EXTRA FOOTAGE	@		
MILEAGE	<u>24</u>	@	<u>6.00</u>
MANIFOLD	<u>Head Rent</u>	@	<u>100.00</u>
		@	
		@	
			<u>TOTAL 1854.00</u>

CHARGE TO: Ares Energy LTD.

STREET _____

CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

Furnished By Customer

@ _____

@ _____

@ _____

@ _____

To Allied Cementing Co., Inc.
You are hereby requested to rent cementing equipment
and furnish cementer and helper to assist owner or

ALLIED CEMENTING CO., INC.

Federal Tax I.D.

26557

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:

M.B.

DATE <u>12-15-06</u>	SEC. <u>34</u>	TWP. <u>17</u>	RANGE <u>10w</u>	CALLED OUT <u>4:00 AM</u>	ON LOCATION <u>5:30 AM</u>	JOB START <u>7 AM</u>	JOB FINISH
LEASE <u>Schroeder</u>		WELL # <u>1-34</u>	LOCATION <u>Holly Road + H Hwy 1/2 N W 1/4</u>		COUNTY <u>Ellis</u>	STATE <u>W. K.S.</u>	
OLD OR NEW (Circle one) <u>NEW</u>							

CONTRACTOR Excel Rig 10

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D. 367 ft

CASING SIZE 8 3/8 DEPTH 367 ft

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. 15 ft

PERFS. _____

DISPLACEMENT 22.662

OWNER _____

CEMENT AMOUNT ORDERED 175 sk Common
37cc 22 gel

COMMON	<u>175 sk</u>	@	<u>10.15</u>	<u>1863.75</u>
POZMIX		@		
GEL	<u>3 sk</u>	@	<u>16.65</u>	<u>49.95</u>
CHLORIDE	<u>S sk</u>	@	<u>46.60</u>	<u>233.00</u>
ASC		@		
		@		
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>183.44</u>	@	<u>1.90</u>	<u>347.70</u>
MILEAGE	<u>183.44</u>	@	<u>0.21</u>	<u>38.52</u>
TOTAL				<u>2889.18</u>

REMARKS:

circulate hole with Rig mud pump
Mix Cement + Purchase plug Displace
plug down with water

SERVICE

DEPTH OF JOB	<u>367 ft</u>		
PUMP TRUCK CHARGE			<u>815.00</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>2 sk</u>	@	<u>6.00</u>
MANIFOLD		@	
<u>LEAN RENTAL</u>		@	<u>100.00</u>
		@	
TOTAL <u>1059.00</u>			

CHARGE TO: Ares Energy

STREET _____

CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

<u>1-8 3/8 wooden plug</u>	@	<u>6.00</u>	<u>60.00</u>
	@		
	@		
	@		
	@		

Thank you

To Allied Cementing Co., Inc.
You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or