

May 1, 2009

BRIAN P RAMEY
ARES ENERGY LTD
303 W WALL STE 900
MIDLAND TX 79701

RE: LEASE: SCHROEDER MAES HUFF 1-34
LEGAL: 2287'FSL-1177'FEL 34-17S-10W
COUNTY: ELLSWORTH
API NO: 15053211930000

Dear Mr. Ramey:

This letter is to inform you that you have been granted an extension of time in which to close the drilling pits associated with the drilling of the Schroeder Maes Huff 1-34 well.

The original 365 days for closure expired December 14, 2007. This extension will expire July 1, 2009. We urge you to make every effort to close these pits within this time frame. In the event there is water standing in these pits, please dewater and dispose of fluids in an authorized disposal facility to expedite closure. Extension of this time frame automatically extends the time period for filing the Closure of Surface Pit form.

Failure to close the pit or request an additional extension prior to the expiration date may result in a fine in accordance with K.A.R. 82-3-602(a). An additional extension will only be granted for good cause and after K.C.C. field staff has made an inspection of the site. Should field staff discover that said pit has been closed before the date of extension request, an administrative penalty may be assessed to you through K.C.C. invoice.

If you have any questions in this regard, please do not hesitate to contact Jonelle Rains at (316) 337-6226.

Very sincerely yours,


Doug Louis
Director

cc: Jonelle Rains
District #2

Sammy Flaharty

From: Virgil Clothier
Sent: Monday, April 27, 2009 11:47 AM
To: Sammy Flaharty
Subject: RE: more pit inspections.

Hi Sammy, Just to let you know that I had been by both of these last week before all the rain that we just got over the weekend. They both had water still remaining in them, then so I'm sure they are fuller now. So I imagine 60 days or whatever would be acceptable. Have a good day, Virgil

-----Original Message-----

From: Sammy Flaharty
Sent: Wednesday, April 22, 2009 11:44 AM
To: Virgil Clothier
Subject: more pit inspections.

Hi Virgil, I know you're just as pleased as punch to hear from me so soon. These operators are really at it. I only have two today for you to inspect and they both belong to Ares Energy LTD. They are as follows:

Behnke 3-29
2310'FNL-1650'FEL 29-18S-09W
Rice County
15159225080000
Spud 10/31/06 pit extension expires 4/20/09

Schroeder Maes Huff 1-34 SWD
2287'FSL-1177'FEL 34-17S-10W
Ellsworth County
15053211930000
Spud 12/14/06 pit extension expired 4/20/09

Well, the coyotes are yipping at night like crazy out my way. Poor old Zane last night just bayed and bayed. He can't howl. It's the most mournful sound I think I've ever heard. It's really funny. He's a mix between a St. Bernard, Newfoundland, and a Great Pyrenees. He's absolutely worthless. Richard calls him my pot licker but he is such a big old lovable lunk. The little chow mix is a much more fierce little dog. Anyway, just watch those coyotes, they run in packs. I haven't seen any cougars lately. LOL. Take care Virgil and let me know. Have a good day out there in the field. It's a beautiful day and I envy you.
Sammy

ARES ENERGY LTD.

April 20, 2009

VIA FEDERAL EXPRESS
316-337-6226

Kansas Corporation Commission
Attention: Jonelle Rains
130 South Market, Room – 2078
Wichita, Kansas 67202

Re: Closure of Surface Pit
Schroeder Maes Huff Well No. 1-34 SWD
Section 34, T17S-R10W
Ellsworth County, Kansas
API No. 15053211930000

KANSAS CORPORATION COMMISSION
APR 21 2009
RECEIVED

Dear Ms. Rains:

As a follow-up to your letter of March 20 and our telephone conversations of April 1 and April 20, pertaining to the captioned, we hereby request an extension of time for pit closure due to weather related issues.

Larry Schroeder, who is the land and mineral owner where the captioned well is located has requested that the pit be completely dry before it is covered and closed.

Thank you for your understanding of our situation in this matter. If you have any questions or need additional information, please do not hesitate to contact me at ARES Energy, Ltd. at the telephone number shown on the letterhead.

Sincerely,

ARES Energy, Ltd.



Brian P. Ramey
Operations Manager

Enclosures