

  
**KANSAS**  
CORPORATION COMMISSION

Kathleen Sebelius, Governor  
Thomas E. Wright, Chairman  
Michael C. Moffet, Commissioner  
Joseph F. Harkins, Commissioner

February 27, 2009

WELDA BATES  
ARES ENERGY LTD  
303 W WALL STE 900  
MIDLAND TX 79701

RE: LEASE: CARTER FAMILY TRUST 1-3  
LEGAL: 330'FSL-1800'FEL 03-18S-09W  
COUNTY: RICE  
API NO: 15159224730000

Dear Ms. Bates:

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 Carter Family Trust 1-3 well.

The original 365 days for closure expired October 19, 2006. This extension will expire April 6, 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



MEMORANDUM

To: District 2

From: Sammy K. Flaharty *SK*

Date: January 8, 2009

Re: Pit Extensions

The following operators have requested additional extensions of time in which to fill the pits associated with the given lease. Please inspect the lease and let me know what your recommendations are. Your time and work are appreciated.

The following wells belong to Ares Energy Ltd.

Schroeder Maes Huff 1-34 SWD\  
2287' FSL-1177' FEL 34-17S-10W  
Ellsworth County  
15053211930000  
spud 12/14/06 pit extension expired 11/18/08

*45 days VC  
2/19/09*

Schepman 5-27  
915' FSL-2170' FEL 27-17S-10W  
Ellsworth County  
15053211940000  
spud 12/28/06 pit extension expired 11/18/08

*45 days VC  
2/19/09*

Carter Family Trust 1-3  
330' FSL-1800' FEL 03-18S-09W  
Rice County  
15159224730000  
spud 10/19/05 pit extension expired 11/07/08

*45 days VC  
2/19/09*

# ARES ENERGY LTD.

RECEIVED  
KANSAS CORPORATION COMMISSION

JAN 07 2009

CONSERVATION DIVISION  
WICHITA, KS

January 5, 2009

Kansas Corporation Commission  
Attention: Sammy Flaharty  
130 South Market, Room – 2078  
Wichita, Kansas 67202

Re: Closure of Surface Pit  
Carter Family Trust 1-3  
Section 3, T18S-R9W  
Rice County, Kansas  
API No. 15159224730000

Dear Ms. Flaharty:

Pursuant to your letter dated December 31, 2008, pertaining to the captioned, please allow us an extension of time for pit closure due to the excessive amount of rainwater which has been received.

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.



Welda J. Bates  
Land Administrator

Enclosures