



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

April 10, 2009

WELDA J 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 June 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

Sammy Flaharty

From: Virgil Clothier
Sent: Monday, April 06, 2009 10:51 AM
To: Sammy Flaharty
Subject: RE: pit closure inspection

Sammy, the Kansas wind wants to keep blowing today again. Just wanted to let you know about couple of pits here in Rice cty. The Samuel Gary Jr.-- Mooney Et Al 2-5 in 5-19-10W still has water in main reserve pit, it has been crowded on 3 sides but will need the water removed and more crowding. The Ares Energy Ltd--Carter Family Trust 1-3 has been crowded alot but still has some water in it also. So I'd recommend granting extensions on these--probably not more than 60 days or less. Thanks, Virgil

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

From: Sammy Flaharty
Sent: Thursday, April 02, 2009 10:29 AM
To: Virgil Clothier
Subject: pit closure inspection

Virgil, How the heck are you? Staying out of trouble I hope. Well, I got a pit closure from Samuel Gary Jr. & Assoc. Inc. on the Thomas 3-30 in Rice County, 30-19S-10W. The pit is 1825'FNL-2300' FWL. The API # is 15159225540000. Anyway, I had sent that out for inspection for an additional extension. I just received a pit closure form on the pits that they were closed March 12, 2009. So if you haven't inspected them already, don't bother unless you don't trust them to tell us the truth. I'm thinking Samuel Gary is a pretty good operator. Hope all is well with you and you are ready for the tornado season down there in Harper County. It is close to being upon us. Such excitement living in Kansas offers. Take care Virgil.
Sammy



March 17, 2009

VIA FEDERAL EXPRESS

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 letter dated February 27, 2009, pertaining to the captioned, please allow us an extension of time for pit closure due to weather related issues.

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.

A handwritten signature in cursive script that reads "Welda J. Bates".

Welda J. Bates
Land Administrator

Enclosures

RECEIVED

MAR 18 2009

KCC WICHITA