KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

CLOSURE OF SURFACE PIT

Operator Name: ARES Energy, LTD.	License Number: 33770
Operator Address: 405 N. Marienfeld, Suite 250, Midland, TX 7970	1
Contact Person: Henry N. Clanton	Phone Number: (432) 685-1960
Permit Number (API No. if applicable): 15-053-21221-0000	Lease Name & Well No.: Schepmann 7-27
Type of Pit:	Pit Location (QQQQ):
☐ Emergency Pit ☐ Burn Pit	<u>SW</u> - <u>SE</u> <u>SE</u>
Settling Pit Drilling Pit	Sec. <u>27</u> Twp. <u>17</u> R. <u>10</u> East West
☐ Workover Pit ☐ Haul-Off Pit	330 Feet from North / South Line of Section
	1,000 Feet from East / West Line of Section
	EllsworthCounty
Date of closure: 10/15/2010 Was an artificial liner used? Yes No If no, how were the sides and bottom sealed to prevent downward migration of the pit contents? NATIVE MUD AND CLAY Abandonment procedure of pit: ALLOWED TO DRY, THEN BACKFILLED	
The undersigned hereby certifies that he / she is	
BECKY R. MARTINEZ My Commission Expires September 2, 2013 My Commission Expires:	Belley R. Martinez Notary Public RECEIVED