

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

REQUEST FOR CHANGE OF OPERATOR
TRANSFER OF INJECTION OR SURFACE POND PERMIT

RECEIVED

MAY 18 2006

KCC WICHITA

Form T-1
June 2000

Form must be typed
Form must be signed
All blanks must be filled

DOR 137264

Check Applicable Boxes:

☒ Oil Lease: No. of Wells 2 **

☐ Gas Lease: No. of Wells _____

** Side Two Must Be Completed.

☐ Saltwater Disposal Well - Docket No. _____

Spot Location: _____ feet from N / S Line

_____ feet from E / W Line

☐ Enhanced Recovery Project Docket No. _____

Entire Project: ☐ Yes ☐ No

Number of Injection Wells _____ **

Field Name: _____

Effective Date of Transfer: 06/01/06

Lease Name: SCHEPMANN

_____ - _____ - _____ Sec. 27 Twp. 17S R. 10 ☐ E X W

Legal Description of Lease or Unit: T17S-R10W-SEC 27:

NE, SE, S/2NW, E/2SW

County: ELLSWORTH

Production Zone(s): Arbuckle

Injection Zone(s): _____

Surface Pond Permit # SEE PAGE TWO
(API # if Drill Pit)

_____ feet from N / S Line of Section

_____ feet from E / W Line of Section

Identify: ☐ Emergency Pit ☐ Burn Pit ☐ Storage Pit ☒ Drill Pit

de

Past Operator's License No. 3882 ✓

Past Operator's Name & Address: Samuel Gary Jr. & Associates, Inc.

1670 Broadway Suite 3300, Denver, CO 80202

Title: Chief Engineer

Contact Person: Mr. Brian Disney

Phone: 303-831-4673

Date: 5/2/06

Signature: Brian R. Disney

New Operator's License No. 33770 ✓

New Operator's Name & Address: ARES ENERGY, LTD

303 West Wall Street, Suite 900, Midland, TX 79701

Title: _____

Contact Person: Mr. Henry N. Clanton

Phone: 432-685-1960

Oil / Gas Purchaser: GARY WILLIAMS ENERGY

Date: 5/8/06

Signature: Henry N. Clanton

Acknowledgement of Transfer: The above request for transfer of injection, surface pond permit # _____ has been noted, approved and duly recorded in the records of the Kansas Corporation Commission. This acknowledgement of transfer pertains to Kansas Corporation Commission records only and does not convey any ownership interest in the above injection well(s) or pond permit.

_____ is acknowledged as the
new operator and may continue to inject fluids as authorized by

Docket # _____ Recommended action: _____

Date: _____

Authorized Signature

_____ is acknowledged as the
new operator of the above lease containing the surface pond
permitted by # _____

Date: _____

Authorized Signature

EP&R 6-14-06 PROD 15 2006 JIC 6-14-06

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*Lease Name SCHEPMANN *Location T17S-R10W-SEC 27: NE, SE, S/2NW, E/2SW

A separate sheet may be attached if necessary

*When transferring a unit which consists of more than one lease please file a separate side two for each lease. If a lease covers more than one section please indicate which section each well is located.