Confidentiality Requested:
☐ Yes ☑ No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

1222597

Form ACO-1
August 2013
Form must be Typed
Form must be Signed
All blanks must be Filled

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 9090
Name: Charter Energy, Inc.
Address 1: PO BOX 252
Address 2:
City: GREAT BEND State: KS Zip: 67530 + 0252
Contact Person: Steve Baize
Phone: (620) 793-9090
CONTRACTOR: License # 33905
Name: Royal Drilling Inc
Wellsite Geologist: Kurt Talbott / Jake Eastes
Purchaser:

Designate Type of Completion:

☑ New Well ☐ Re-Entry ☐ Workover

☐ Oil ☐ WSW ☐ SWD ☐ SIOW
☐ Gas ☑ D&A ☐ ENHR ☐ SIGW
☐ OG ☐ GSW ☐ Temp. Abd.
☐ CM *(Coal Bed Methane)*
☐ Cathodic ☐ Other *(Core, Expl., etc.)*:

If Workover/Re-entry: Old Well Info as follows:

Operator:
Well Name:
Original Comp. Date: Original Total Depth:

☐ Deepening ☐ Re-perf. ☐ Conv. to ENHR ☐ Conv. to SWD
☐ Plug Back ☐ Conv. to GSW ☐ Conv. to Producer

☐ Commingled Permit #:
☐ Dual Completion Permit #:
☐ SWD Permit #:
☐ ENHR Permit #:
☐ GSW Permit #:

08/06/2014	08/12/2014	08/12/2014
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-145-21775-00-00
Spot Description:
SW NW SE SE Sec. 12 Twp. 20 S. R. 16 ☐ East ☑ West
910 Feet from ☐ North / ☑ South Line of Section
1295 Feet from ☑ East / ☐ West Line of Section
Footages Calculated from Nearest Outside Section Corner:
☐ NE ☐ NW ☑ SE ☐ SW
GPS Location: Lat: *(e.g. xx.xxxxx)* , Long: *(e.g. -xxx.xxxxx)*
Datum: ☐ NAD27 ☐ NAD83 ☐ WGS84
County: Pawnee
Lease Name: Nicholson Well #: 1
Field Name:
Producing Formation: D & A
Elevation: Ground: 2060 Kelly Bushing: 2067
Total Vertical Depth: 3796 Plug Back Total Depth:
Amount of Surface Pipe Set and Cemented at: 1088 Feet
Multiple Stage Cementing Collar Used? ☐ Yes ☑ No
If yes, show depth set: Feet
If Alternate II completion, cement circulated from:
feet depth to: w/ sx cmt.

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)

Chloride content: 50000 ppm Fluid volume: 600 bbls
Dewatering method used: Evaporated

Location of fluid disposal if hauled offsite:

Operator Name:
Lease Name: License #:
Quarter Sec. Twp. S. R. ☐ East ☐ West
County: Permit #:

AFFIDAVIT

I am the affiant and I hereby certify that all requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Submitted Electronically

KCC Office Use ONLY

☐ **Confidentiality Requested**
Date:
☐ **Confidential Release Date:**
☐ **Wireline Log Received**
☐ **Geologist Report Received**
☐ **UIC Distribution**
ALT ☐ I ☑ II ☐ III **Approved by:** NAOMI JAMES **Date:** 09/10/2014

[redacted] 1222597

Operator Name: Charter Energy, Inc. Lease Name: Nicholson Well #: 1

Sec. 12 Twp. 20 S. R. 16 ☐ East ☑ West County: Pawnee

INSTRUCTIONS: Show important tops of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed.

Final Radioactivity Log, Final Logs run to obtain Geophysical Data and Final Electric Logs must be emailed to kcc-well-logs@kcc.ks.gov. Digital electronic log files must be submitted in LAS version 2.0 or newer AND an image file (TIFF or PDF).

Drill Stem Tests Taken ☑ Yes ☐ No
(Attach Additional Sheets)

Samples Sent to Geological Survey ☑ Yes ☐ No

Cores Taken ☐ Yes ☑ No

Electric Log Run ☐ Yes ☑ No

List All E. Logs Run:

☐ Log Formation (Top), Depth and Datum ☑ Sample

Name	Top	Datum
Heebner	3388	-1321
Lansing	3480	-1413
Arbuckle	3744	-1677

CASING RECORD ☐ New ☑ Used
Report all strings set-conductor, surface, intermediate, production, etc.

Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Surface	12.25	8.625	28	1088	60/40	450	3%cc 2% gel

ADDITIONAL CEMENTING / SQUEEZE RECORD

Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
___ Perforate ___ Protect Casing ___ Plug Back TD ___ Plug Off Zone	-			
	-			

Did you perform a hydraulic fracturing treatment on this well? ☐ Yes ☑ No *(If No, skip questions 2 and 3)*

Does the volume of the total base fluid of the hydraulic fracturing treatment exceed 350,000 gallons? ☐ Yes ☐ No *(If No, skip question 3)*

Was the hydraulic fracturing treatment information submitted to the chemical disclosure registry? ☐ Yes ☐ No *(If No, fill out Page Three of the ACO-1)*

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record *(Amount and Kind of Material Used)*	Depth

TUBING RECORD: Size: Set At: Packer At: Liner Run: ☐ Yes ☐ No

Date of First, Resumed Production, SWD or ENHR. Producing Method: ☐ Flowing ☐ Pumping ☐ Gas Lift ☐ Other *(Explain)* _____

Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity

DISPOSITION OF GAS:
☐ Vented ☐ Sold ☐ Used on Lease
(If vented, Submit ACO-18.)

METHOD OF COMPLETION:
☐ Open Hole ☐ Perf. ☐ Dually Comp. *(Submit ACO-5)* ☐ Commingled *(Submit ACO-4)*
☐ Other *(Specify)* _____

PRODUCTION INTERVAL:
_____
_____

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

QUALITY OILWELL CEMENTING, INC.

Federal Tax I.D.# 20-2886107

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 606

Date	Sec.	Twp.	Range	County	State	On Location	Finish
8-7-14	12	20	16	Pawnee	Ks		10:15AM

Location Great Bend, Ks + 10th street, W to 110A to 3S 3¼ W N Into

Lease Nicholson Well No. 1

Owner

To Quality Oilwell Cementing, Inc.
You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.

Contractor Royal 2

Type Job Surface

Hole Size 12¼" T.D. 1088'

Csg. 8 5/8" Depth 1088'

Charge To Charter Energy

Tbg. Size Depth

Street

Tool Depth

City State

The above was done to satisfaction and supervision of owner agent or contractor.

Cement Left in Csg. 39.00' Shoe Joint 39.00'

Cement Amount Ordered 450 60/40 3%CC 2% Gel 1/4# Flo-seal

Meas Line Displace 66 3/4 BLS

20'

EQUIPMENT

Pumptrk ~~16~~ No. Cementer Helper Nick

Bulktrk 21 No. Driver Driver Doug

Bulktrk pu. No. Driver Driver Rick

JOB SERVICES & REMARKS

Remarks:

Rat Hole Cement did Circulate

Mouse Hole

Centralizers

Baskets

D/V or Port Collar

Common	270
Poz. Mix	180
Gel.	9
Calcium	16
Hulls	
Salt	
Flowseal	112 ft
Kol-Seal	
Mud CLR 48	
CFL-117 or CD110 CAF 38	
Sand	
Handling	475
Mileage	

FLOAT EQUIPMENT

~~Guide Shoe~~	Baffle plate
~~Centralizer~~	Rubber plug
Baskets	
AFU Inserts	
Float Shoe	
Latch Down	

Pumptrk Charge	Long Surface
Mileage	16
Tax	
Discount	
Total Charge	

X Signature Tom Blake

QUALITY OILWELL CEMENTING, INC.

Federal Tax I.D.# 20-2886107

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 536

Date	Sec.	Twp.	Range	County	State	On Location	Finish
9-12-14	12	20	16	Pawnee	KS		4:45PM

Location Otis 18S 1/2 E N into

Lease Nicholson Well No. #1

Contractor Royal #2

Type Job Plug

Hole Size 7 7/8 T.D. 3796'

Csg. Drill Pipe Depth

Tbg. Size Depth

Tool Depth

Cement Left in Csg. Shoe Joint

Meas Line Displace

EQUIPMENT

Pumptrk 5 No. Cementer Helper David

Bulktrk 14 No. Driver Driver Chad

Bulktrk PU No. Driver Driver Brett

JOB SERVICES & REMARKS

Remarks:

Rat Hole - 30 sks

Mouse Hole - 20 sks

Centralizers

Baskets

D/V or Port Collar

1st Plug @ 3776' w/ 50 sks

2nd Plug @ 1110 w/ 50 sks

3rd Plug @ 420 w/ 50 sks

4th Plug @ 60 w/ 20 sks

X Signature Tom Blake

Owner

To Quality Oilwell Cementing, Inc.
You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.

Charge To Charter Energy

Street

City State

The above was done to satisfaction and supervision of owner agent or contractor.

Cement Amount Ordered 220 60/40 4% Gel

Common 132

Poz. Mix 88

Gel. 8

Calcium

Hulls

Salt

Flowseal 50#

Kol-Seal

Mud CLR 48

CFL-117 or CD110 CAF 38

Sand

Handling 228

Mileage 8 5/9

FLOAT EQUIPMENT

Guide Shoe

Centralizer

Baskets

AFU Inserts

Float Shoe

Latch Down

~~Wood Plug~~ 1

Pumptrk Charge plug

Mileage 16

Tax

Discount

Total Charge

TRILOBITE TESTING, INC.

DRILL STEM TEST REPORT

Prepared For: **Charter Energy Inc**

Po Box 252
Great Bend KS 67530

ATTN: Jake Eastes

Nicholson #1

12-20s-16w Pawnee KS

Start Date: 2014.08.11 @ 12:56:00
End Date: 2014.08.11 @ 20:49:45
Job Ticket #: 59332 DST #: 1

Trilobite Testing, Inc
1515 Commerce Parkway Hays, KS 67601
ph: 785-625-4778 fax: 785-625-5620

Printed: 2014.08.14 @ 11:09:47

DRILL STEM TEST REPORT

Charter Energy Inc

Po Box 252
Great Bend KS 67530

ATTN: Jake Eastes

12-20s-16w Pawnee KS

Nicholson #1

Job Ticket: 59332 **DST#: 1**

Test Start: 2014.08.11 @ 12:56:00

GENERAL INFORMATION:

Formation: **Arbuckle**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 16:46:15
Time Test Ended: 20:49:45

Test Type: Conventional Bottom Hole (Initial)
Tester: Cody Bloedorn
Unit No: 73

Interval: 3700.00 ft (KB) To 3759.00 ft (KB) (TVD)
Total Depth: 3759.00 ft (KB) (TVD)
Hole Diameter: 7.88 inches Hole Condition: Fair

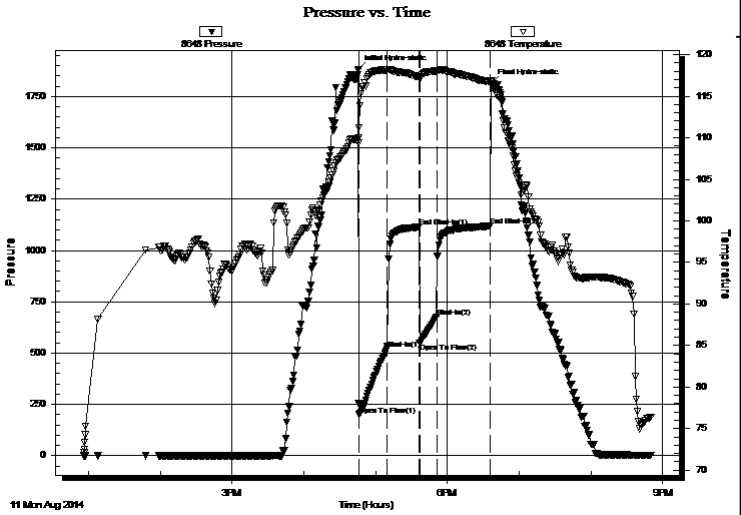
Reference Elevations: 2067.00 ft (KB)
2060.00 ft (CF)
KB to GR/CF: 7.00 ft

Serial #: 8648 **Inside**

Press@RunDepth: 675.90 psig @ 3738.00 ft (KB)
Start Date: 2014.08.11 End Date: 2014.08.11
Start Time: 12:56:05 End Time: 20:49:44

Capacity: 8000.00 psig
Last Calib.: 2014.08.11
Time On Btm: 2014.08.11 @ 16:45:30
Time Off Btm: 2014.08.11 @ 18:36:30

TEST COMMENT: 15 - IF- B.O.B. in 30 seconds
30 - ISI- 3" return
15 - FF- B.O.B. in 1 minute
45 - FSI- 1/2" return



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1882.25	110.01	Initial Hydro-static
1	199.03	111.25	Open To Flow (1)
24	518.18	118.15	Shut-In(1)
51	1114.09	117.33	End Shut-In(1)
52	549.33	117.05	Open To Flow (2)
66	675.90	118.03	Shut-In(2)
110	1118.53	116.72	End Shut-In(2)
111	1811.69	116.91	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
744.00	GMW, 5%G, 5%M, 90%W	10.44
372.00	MW, 40%M, 60%W	5.22
310.00	WM, 5%W, 95%M	4.35

Gas Rates

	Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)

DRILL STEM TEST REPORT

Charter Energy Inc

Po Box 252
Great Bend KS 67530

ATTN: Jake Eastes

12-20s-16w Pawnee KS

Nicholson #1

Job Ticket: 59332 **DST#: 1**

Test Start: 2014.08.11 @ 12:56:00

GENERAL INFORMATION:

Formation: **Arbuckle**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 16:46:15
Time Test Ended: 20:49:45

Test Type: Conventional Bottom Hole (Initial)
Tester: Cody Bloedorn
Unit No: 73

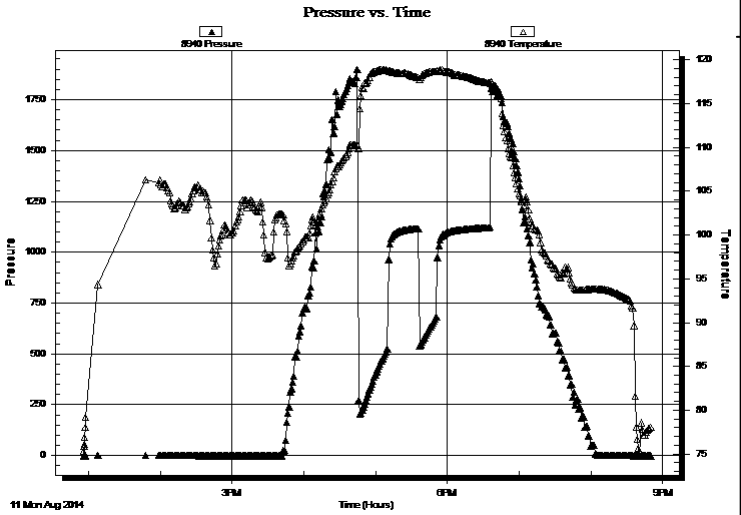
Interval: 3700.00 ft (KB) To 3759.00 ft (KB) (TVD)
Total Depth: 3759.00 ft (KB) (TVD)
Hole Diameter: 7.88 inches Hole Condition: Fair

Reference Elevations: 2067.00 ft (KB)
2060.00 ft (CF)
KB to GR/CF: 7.00 ft

Serial #: 8940 **Outside**
Press@RunDepth: psig @ 3738.00 ft (KB)
Start Date: 2014.08.11 End Date: 2014.08.11
Start Time: 12:56:05 End Time: 20:49:44

Capacity: 8000.00 psig
Last Calib.: 2014.08.11
Time On Btm:
Time Off Btm:

TEST COMMENT: 15 - IF- B.O.B. in 30 seconds
30 - ISI- 3" return
15 - FF- B.O.B. in 1 minute
45 - FSI- 1/2" return



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation

Recovery

Length (ft)	Description	Volume (bbl)
744.00	GMW, 5%G, 5%M, 90%W	10.44
372.00	MW, 40%M, 60%W	5.22
310.00	WM, 5%W, 95%M	4.35

Gas Rates

	Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)

DRILL STEM TEST REPORT

TOOL DIAGRAM

Charter Energy Inc

Po Box 252
Great Bend KS 67530

ATTN: Jake Eastes

12-20s-16w Pawnee KS

Nicholson #1

Job Ticket: 59332 **DST#: 1**

Test Start: 2014.08.11 @ 12:56:00

Tool Information

Drill Pipe:	Length:	3695.00 ft	Diameter:	3.80 inches	Volume:	51.83 bbl	Tool Weight:		2000.00 lb
Heavy Wt. Pipe:	Length:	0.00 ft	Diameter:	0.00 inches	Volume:	0.00 bbl	Weight set on Packer:		30000.00 lb
Drill Collar:	Length:	0.00 ft	Diameter:	0.00 inches	Volume:	0.00 bbl	Weight to Pull Loose:		60000.00 lb
					Total Volume:	51.83 bbl	Tool Chased		0.00 ft
Drill Pipe Above KB:		16.00 ft					String Weight:	Initial	47000.00 lb
Depth to Top Packer:		3700.00 ft						Final	54000.00 lb
Depth to Bottom Packer:		ft							
Interval betw een Packers:		59.00 ft							
Tool Length:		80.00 ft							
Number of Packers:		2	Diameter:	6.75 inches					

Tool Comments:

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths	
Change Over Sub	1.00			3680.00		
Shut In Tool	5.00			3685.00		
Hydraulic tool	5.00			3690.00		
Packer	5.00			3695.00	21.00	Bottom Of Top Packer
Packer	5.00			3700.00		
Perforations	4.00			3704.00		
Stubb	1.00			3705.00		
Change Over Sub	1.00			3706.00		
Drill Pipe	31.00			3737.00		
Change Over Sub	1.00			3738.00		
Recorder	0.00	8648	Inside	3738.00		
Recorder	0.00	8940	Outside	3738.00		
Perforations	18.00			3756.00		
Bullnose	3.00			3759.00	59.00	Bottom Packers & Anchor
Total Tool Length:	**80.00**					

DRILL STEM TEST REPORT

FLUID SUMMARY

Charter Energy Inc

Po Box 252
Great Bend KS 67530

ATTN: Jake Eastes

12-20s-16w Pawnee KS

Nicholson #1

Job Ticket: 59332 **DST#: 1**

Test Start: 2014.08.11 @ 12:56:00

Mud and Cushion Information

Mud Type:	Gel Chem	Cushion Type:		Oil API:	deg API
Mud Weight:	10.00 lb/gal	Cushion Length:	ft	Water Salinity:	31000 ppm
Viscosity:	56.00 sec/qt	Cushion Volume:	bbl		
Water Loss:	10.19 in³	Gas Cushion Type:			
Resistivity:	ohm.m	Gas Cushion Pressure:	psig		
Salinity:	8000.00 ppm				
Filter Cake:	inches				

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
744.00	GMW, 5%G, 5%M, 90%W	10.436
372.00	MW, 40%M, 60%W	5.218
310.00	WM, 5%W, 95%M	4.348

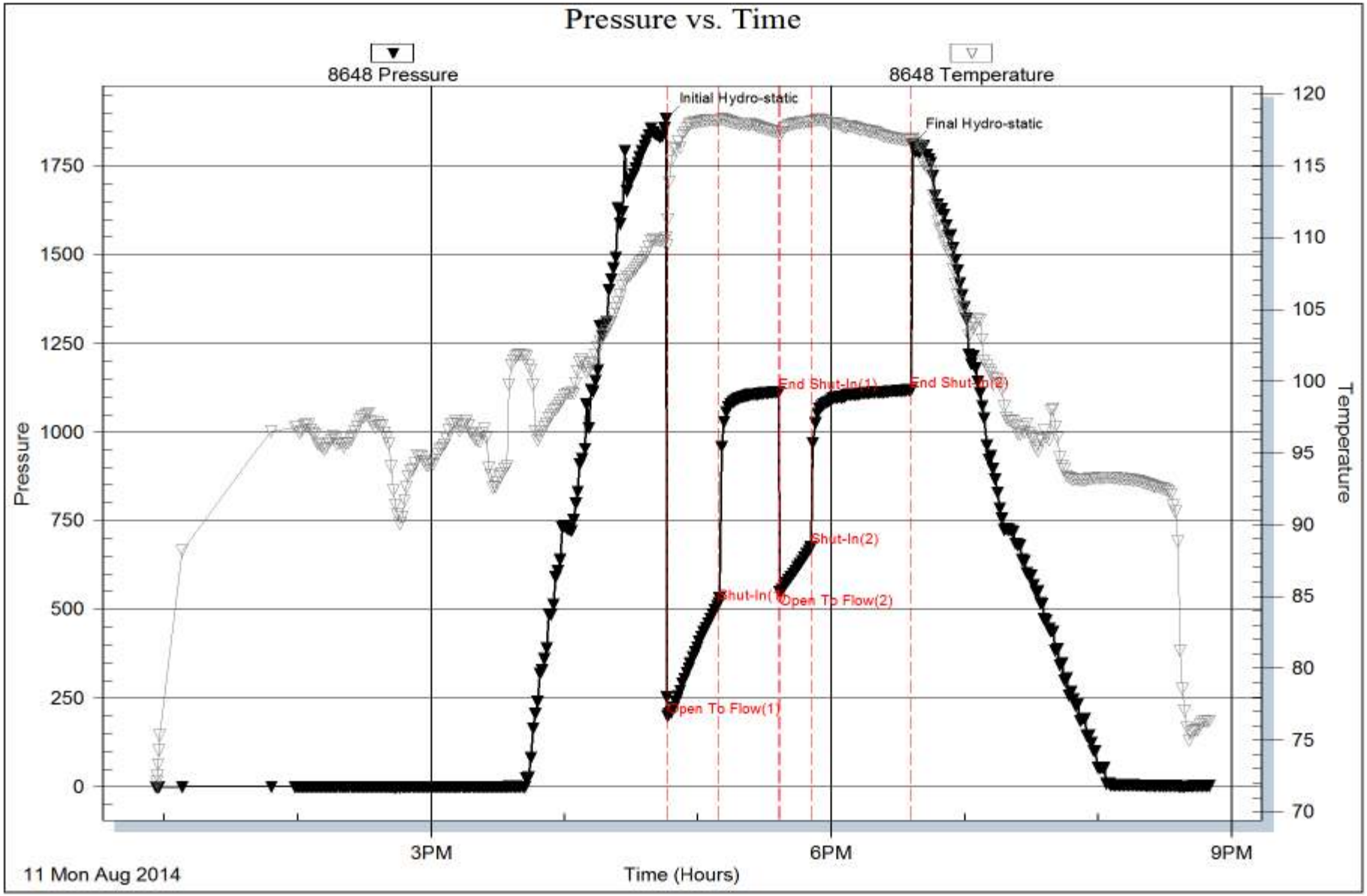
Total Length: 1426.00 ft Total Volume: 20.002 bbl

Num Fluid Samples: 0 Num Gas Bombs: 0 Serial #:

Laboratory Name: Laboratory Location:

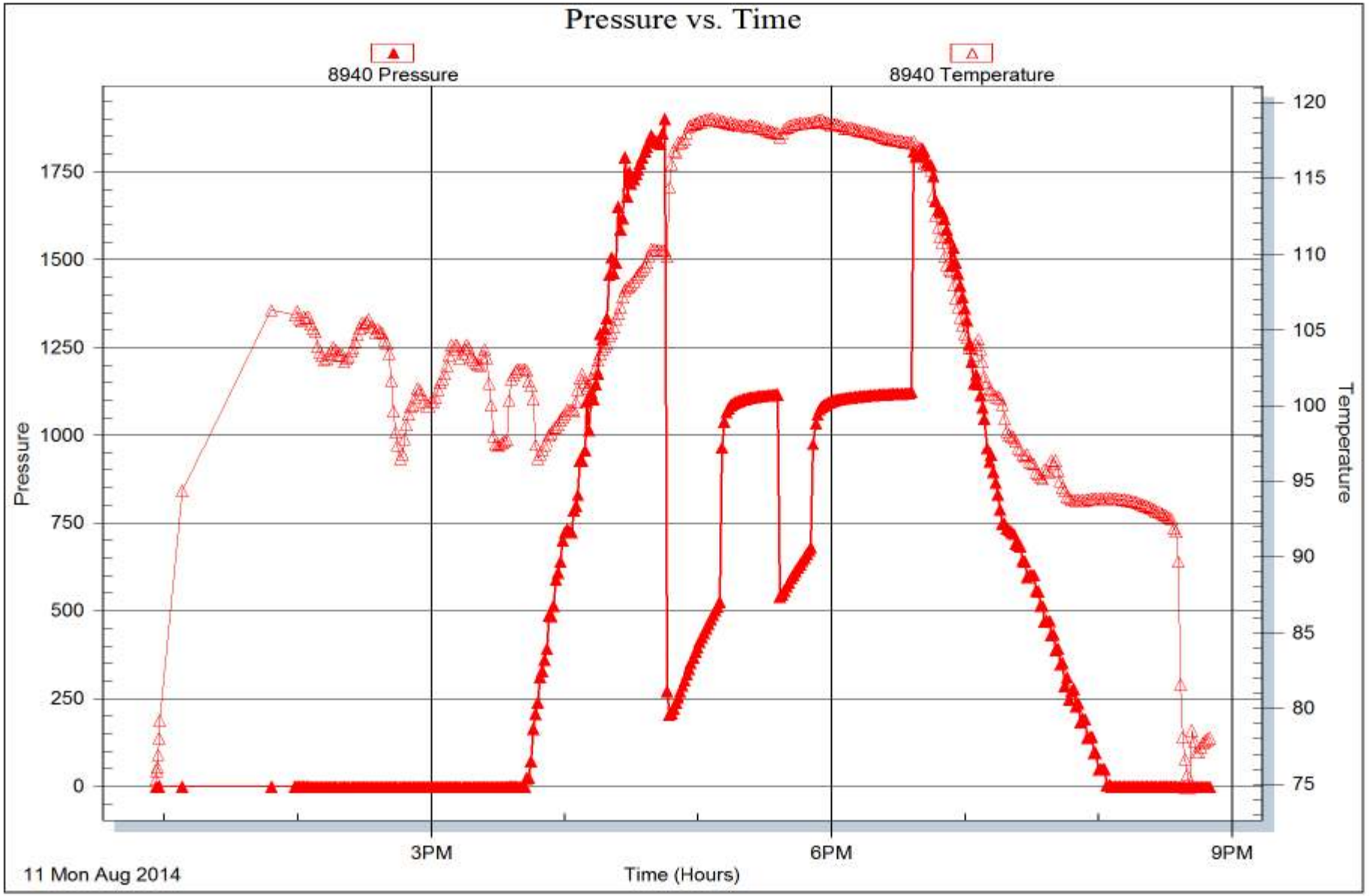
Recovery Comments: Salinity: .25 @ 60 Degrees = 31,000
*********HAD A HOLE IN PIPE *****

Serial #: 8648 **Inside** Charter Energy Inc Nicholson #1 DST Test Number: 1



Trilobite Testing, Inc Ref. No: 59332 Printed: 2014.08.14 @ 11:09:48

Serial #: 8940 **Outside** Charter Energy Inc Nicholson #1 DST Test Number: 1



Trilobite Testing, Inc Ref. No: 59332 Printed: 2014.08.14 @ 11:09:48

TRILOBITE TESTING, INC.

DRILL STEM TEST REPORT

Prepared For: **Charter Energy Inc**

Po Box 252
Great Bend KS 67530

ATTN: Jake Eastes

Nicholson #1

12-20s-16w Pawnee KS

Start Date: 2014.08.12 @ 04:53:00
End Date: 2014.08.12 @ 11:55:00
Job Ticket #: 59333 DST #: 2

Trilobite Testing, Inc
1515 Commerce Parkway Hays, KS 67601
ph: 785-625-4778 fax: 785-625-5620

Printed: 2014.08.14 @ 11:09:18

DRILL STEM TEST REPORT

Charter Energy Inc

Po Box 252
Great Bend KS 67530

ATTN: Jake Eastes

12-20s-16w Pawnee KS

Nicholson #1

Job Ticket: 59333 **DST#: 2**

Test Start: 2014.08.12 @ 04:53:00

GENERAL INFORMATION:

Formation: **Arbuckle**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 07:32:15
Time Test Ended: 11:55:00

Test Type: Conventional Bottom Hole (Reset)
Tester: Cody Bloedorn
Unit No: 73

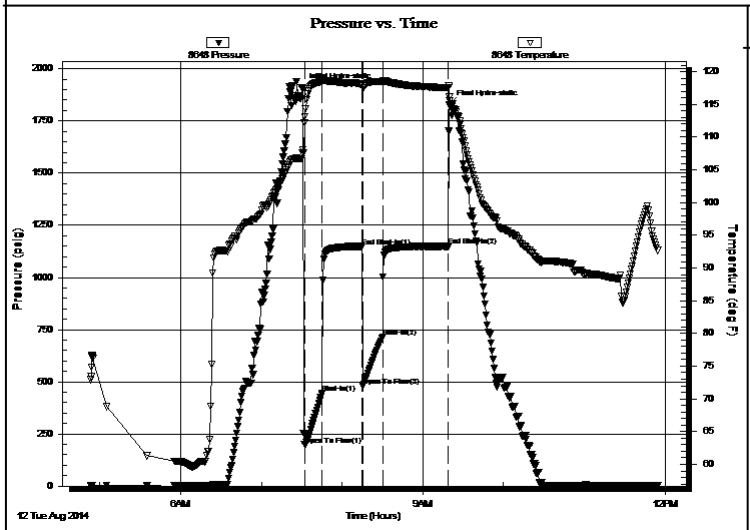
Interval: 3774.00 ft (KB) To 3796.00 ft (KB) (TVD)
Total Depth: 3796.00 ft (KB) (TVD)
Hole Diameter: 7.88 inches Hole Condition: Fair

Reference Elevations: 2067.00 ft (KB)
2060.00 ft (CF)
KB to GR/CF: 7.00 ft

Serial #: 8648 **Inside**
Press@RunDepth: 712.71 psig @ 3775.00 ft (KB)
Start Date: 2014.08.12 End Date: 2014.08.12
Start Time: 04:53:05 End Time: 11:54:59

Capacity: 8000.00 psig
Last Calib.: 2014.08.12
Time On Btm: 2014.08.12 @ 07:31:00
Time Off Btm: 2014.08.12 @ 09:19:45

TEST COMMENT: 15 - IF- B.O.B. in 30 seconds
30 - ISI- 8 1/2" return
15 - FF- B.O.B. instantly
45 - FSI- 2 1/2" return



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1909.66	108.04	Initial Hydro-static
2	197.62	113.11	Open To Flow (1)
14	445.02	118.47	Shut-In(1)
44	1148.01	118.04	End Shut-In(1)
45	479.21	117.49	Open To Flow (2)
60	712.71	118.44	Shut-In(2)
108	1149.89	117.53	End Shut-In(2)
109	1829.94	116.21	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
930.00	MW, 5%M, 95%W	13.05
434.00	WM, 20%W, 80%M	6.09
186.00	Mud, w ith oil spots, 100%M	2.61

* Recovery from multiple tests

Gas Rates

	Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)

DRILL STEM TEST REPORT

Charter Energy Inc

Po Box 252
Great Bend KS 67530

ATTN: Jake Eastes

12-20s-16w Pawnee KS

Nicholson #1

Job Ticket: 59333 **DST#: 2**

Test Start: 2014.08.12 @ 04:53:00

GENERAL INFORMATION:

Formation: **Arbuckle**
Deviated: No Whipstock: ft (KB)
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Interval: 3774.00 ft (KB) To 3796.00 ft (KB) (TVD)
Total Depth: 3796.00 ft (KB) (TVD)
Hole Diameter: 7.88 inches Hole Condition: Fair

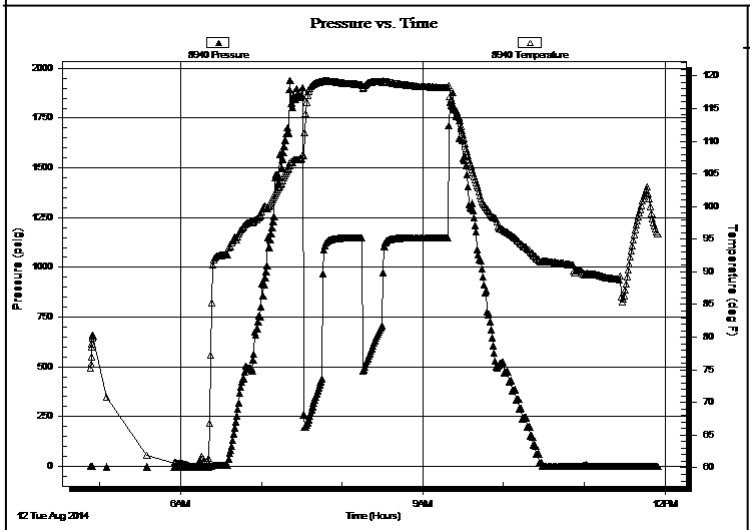
Reference Elevations: 2067.00 ft (KB)
2060.00 ft (CF)
KB to GR/CF: 7.00 ft

Serial #: 8940 **Outside**

Press@RunDepth: psig @ 3775.00 ft (KB)
Start Date: 2014.08.12 End Date: 2014.08.12
Start Time: 04:53:05 End Time: 11:54:59

Capacity: 8000.00 psig
Last Calib.: 2014.08.12
Time On Btm:
Time Off Btm:

TEST COMMENT: 15 - IF- B.O.B. in 30 seconds
30 - ISI- 8 1/2" return
15 - FF- B.O.B. instantly
45 - FSI- 2 1/2" return



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation

Recovery

Length (ft)	Description	Volume (bbl)
930.00	MW, 5%M, 95%W	13.05
434.00	WM, 20%W, 80%M	6.09
186.00	Mud, w ith oil spots, 100%M	2.61

* Recovery from multiple tests

Gas Rates

	Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)

DRILL STEM TEST REPORT

TOOL DIAGRAM

Charter Energy Inc

Po Box 252
Great Bend KS 67530

ATTN: Jake Eastes

12-20s-16w Pawnee KS

Nicholson #1

Job Ticket: 59333 **DST#: 2**

Test Start: 2014.08.12 @ 04:53:00

Tool Information

Drill Pipe:	Length:	3758.00 ft	Diameter:	3.80	inches	Volume:	52.71	bbl	
Heavy Wt. Pipe:	Length:	0.00 ft	Diameter:	0.00	inches	Volume:	0.00	bbl	
Drill Collar:	Length:	0.00 ft	Diameter:	0.00	inches	Volume:	0.00	bbl	
						Total Volume:	52.71	bbl	

Drill Pipe Above KB:	5.00 ft
Depth to Top Packer:	3774.00 ft
Depth to Bottom Packer:	ft
Interval betw een Packers:	22.00 ft
Tool Length:	43.00 ft
Number of Packers:	2 Diameter: 6.75 inches

Tool Weight:		2000.00 lb
Weight set on Packer:		30000.00 lb
Weight to Pull Loose:		58000.00 lb
Tool Chased		0.00 ft
String Weight:	Initial	47000.00 lb
	Final	54000.00 lb

Tool Comments:

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths	
Change Over Sub	1.00			3754.00		
Shut In Tool	5.00			3759.00		
Hydraulic tool	5.00			3764.00		
Packer	5.00			3769.00	21.00	Bottom Of Top Packer
Packer	5.00			3774.00		
Stubb	1.00			3775.00		
Recorder	0.00	8648	Inside	3775.00		
Recorder	0.00	8940	Outside	3775.00		
Perforations	18.00			3793.00		
Bullnose	3.00			3796.00	22.00	Bottom Packers & Anchor
Total Tool Length:	**43.00**					

DRILL STEM TEST REPORT

FLUID SUMMARY

Charter Energy Inc

Po Box 252
Great Bend KS 67530

ATTN: Jake Eastes

12-20s-16w Pawnee KS

Nicholson #1

Job Ticket: 59333 **DST#: 2**

Test Start: 2014.08.12 @ 04:53:00

Mud and Cushion Information

Mud Type:	Gel Chem	Cushion Type:		Oil API:	deg API
Mud Weight:	10.00 lb/gal	Cushion Length:	ft	Water Salinity:	ppm
Viscosity:	56.00 sec/qt	Cushion Volume:	bbl		
Water Loss:	10.18 in³	Gas Cushion Type:			
Resistivity:	ohm.m	Gas Cushion Pressure:	psig		
Salinity:	8000.00 ppm				
Filter Cake:	inches				

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
930.00	MW, 5%M, 95%W	13.045
434.00	WM, 20%W, 80%M	6.088
186.00	Mud, with oil spots, 100%M	2.609

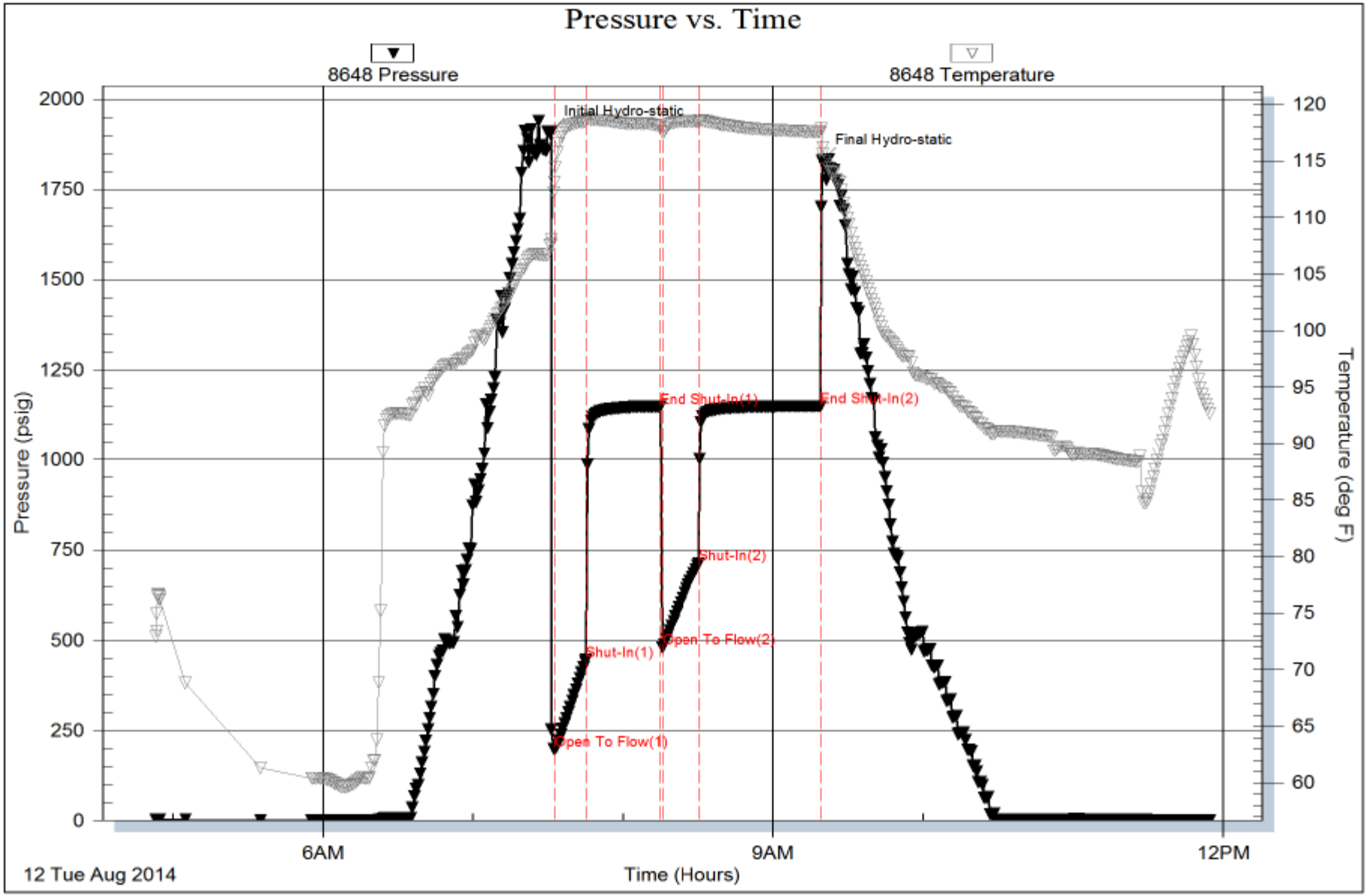
Total Length: 1550.00 ft Total Volume: 21.742 bbl

Num Fluid Samples: 0 Num Gas Bombs: 0 Serial #:

Laboratory Name: Laboratory Location:

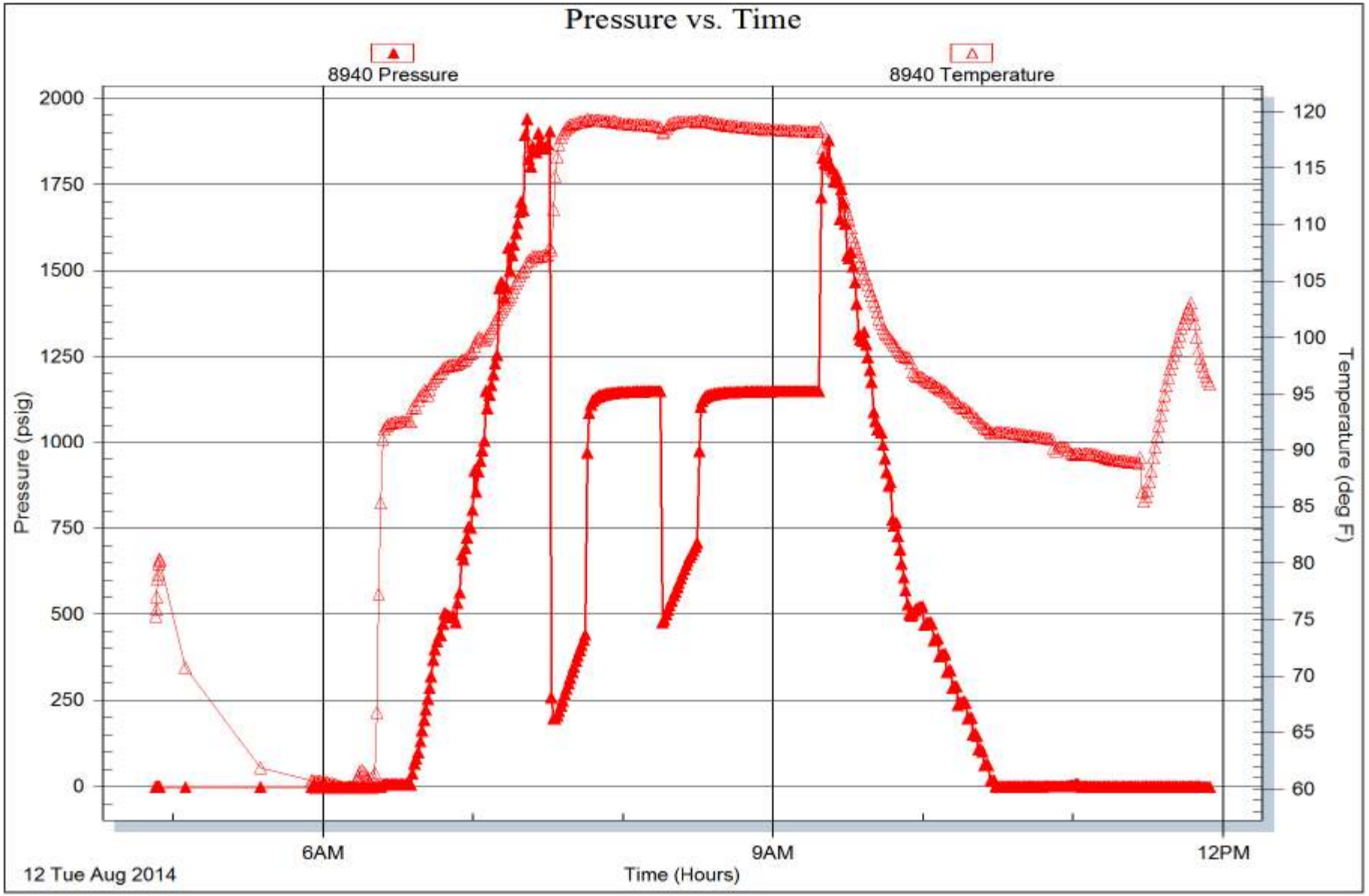
Recovery Comments: H2S present. 100+ PPM. Dropped bar.

Serial #: 8648 **Inside** Charter Energy Inc Nicholson #1 DST Test Number: 2



Trilobite Testing, Inc Ref. No: 59333 Printed: 2014.08.14 @ 11:09:19

Serial #: 8940 **Outside** Charter Energy Inc Nicholson #1 DST Test Number: 2



Trilobite Testing, Inc Ref. No: 59333 Printed: 2014.08.14 @ 11:09:19

TRILOBITE TESTING INC.

1515 Commerce Parkway • Hays, Kansas 67601

4/10

Test Ticket

NO. 59332

Well Name & No. Nicholson #1 Test No. 1 Date 8-11-14

Company Charter Energy Inc Elevation 2067 KB 2060 GL

Address Po Box 252, Great Bend KS, 67530

Co. Rep / Geo. Jake Eastes 785-410-3310 Rig Royal #2

Location: Sec. 12 Twp. 20s Rge. 16w Co. Pawnee State KS

Interval Tested 3700-3759 Zone Tested Arbuckle

Anchor Length 59' Drill Pipe Run 3695' Mud Wt. 9.6

Top Packer Depth 3695 Drill Collars Run — Vis 56

Bottom Packer Depth 3700 Wt. Pipe Run — WL 10.2

Total Depth 3759 Chlorides 8,000 ppm System LCM —

Blow Description IF- B.O.B. in 30 seconds

ISI- 3" return

FF- B.O.B. in 1 minute

FSI- ½" return

Rec 744	Feet of GMW	5	%gas	%oil 90	%water 5	%mud
Rec 372	Feet of MW		%gas	%oil 60	%water 40	%mud
Rec 310	Feet of WM		%gas	%oil 5	%water 95	%mud
Rec	Feet of		%gas	%oil	%water	%mud
Rec	Feet of		%gas	%oil	%water	%mud

Rec Total 1426' BHT 116° Gravity — API RW .25 @ 60 °F Chlorides 31,000 ppm

(A) Initial Hydrostatic	1882	☑ Test	1150	T-On Location	1228
(B) First Initial Flow	199	☐ Jars		T-Started	1256
(C) First Final Flow	518	☐ Safety Joint		T-Open	1646
(D) Initial Shut-In	1114	☐ Circ Sub		T-Pulled	1836
(E) Second Initial Flow	549	☐ Hourly Standby		T-Out	2049
(F) Second Final Flow	675	☑ Mileage 113RT	34rt 52.70	Comments	Hole in Pipe
(G) Final Shut-In	1118	☐ Sampler			
(H) Final Hydrostatic	1811	☐ Straddle		☐ Ruined Shale Packer	
		☐ Shale Packer		☐ Ruined Packer	
Initial Open	15	☐ Extra Packer		☐ Extra Copies	
Initial Shut-In	30	☐ Extra Recorder		Sub Total	0
Final Flow	15	☐ Day Standby		Total	1202.70
Final Shut-In	45	☐ Accessibility		MP/DST Disc't	
		Sub Total	1202.70		

Approved By _____ Our Representative Cody Bloedorn

TRILOBITE TESTING INC.

1515 Commerce Parkway • Hays, Kansas 67601

4/10

Test Ticket

NO. 59333

Well Name & No. Nicholson #1 Test No. 2 Date 8-12-14

Company Charter Energy Inc Elevation 2067 KB 2060 GL

Address Po Box 252, Greatbend KS, 67530

Co. Rep / Geo. Jake Easters Rig Royal #2

Location: Sec. 12 Twp. 20s Rge. 16w Co. Pawnee State KS

Interval Tested 3774-3796 Zone Tested Arbuckle

Anchor Length 22' Drill Pipe Run 3758' Mud Wt. 9.6

Top Packer Depth 3769 Drill Collars Run — Vis 56

Bottom Packer Depth 3774 Wt. Pipe Run — WL 10.2

Total Depth 3796 Chlorides 8,000 ppm System LCM —

Blow Description IF - B.O.B. in 30 seconds
ISI - 8½" return
FF - B.O.B. instantly
FSI - 2½" return

Rec 930	Feet of MW	%gas	%oil 95	%water 5	%mud
Rec 434	Feet of WM	%gas	%oil 20	%water 80	%mud
Rec 186	Feet of Mud - oil spots	%gas	%oil	%water 100	%mud
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of 620' G.I.P.	%gas	%oil	%water	%mud

Rec Total 1550 BHT 117° Gravity — API RW — @ — °F Chlorides — ppm

(A) Initial Hydrostatic	1909	☑ Test	1150	T-On Location	0441
(B) First Initial Flow	197	☐ Jars		T-Started	0453
(C) First Final Flow	445	☐ Safety Joint		T-Open	0731
(D) Initial Shut-In	1148	☑ Circ Sub	50	T-Pulled	0916
(E) Second Initial Flow	479	☐ Hourly Standby		T-Out	1156
(F) Second Final Flow	712	☑ Mileage 113 RT	52.70.	Comments	H2S present 100+ ppm dropped bar
(G) Final Shut-In	1149	☐ Sampler			
(H) Final Hydrostatic	1829	☐ Straddle		☐ Ruined Shale Packer	
		☐ Shale Packer		☐ Ruined Packer	
Initial Open	15	☐ Extra Packer		☐ Extra Copies	
Initial Shut-In	30	☐ Extra Recorder		Sub Total	0
Final Flow	15	☐ Day Standby		Total	1252.70
Final Shut-In	45	☐ Accessibility		MP/DST Disc't	
		Sub Total	1252.70		

Approved By _____ Our Representative Cody Bloedorn