

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE**

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

Operator: License # 33344
Name: Quest Cherokee, LLC
Address: 211 W. 14th Street
City/State/Zip: Chanute, KS 66720
Purchaser: Bluestem Pipeline, LLC
Operator Contact Person: Gary Laswell
Phone: (620) 431-9500
Contractor: Name: Michael Drilling, LLC
License: 33027

**RECEIVED
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MAY 11 2006
CONSERVATION DIVISION
WICHITA, KS**

Wellsite Geologist: Ken Recoy
Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SIOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, 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./SWD
 Plug Back Plug Back Total Depth
 Commingled Docket No. _____
 Dual Completion Docket No. _____
 Other (SWD or Enhr.?) Docket No. _____

<u>1/11/06</u>	<u>1/13/06</u>	<u>1/18/06</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 133-26406-0000
County: Neosho
50' W of
_____ ne ne Sec. 35 Twp. 28 S. R. 18 East West
660 feet from S / (N) (circle one) Line of Section
810 feet from (E) / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) (NE) SE NW SW
Lease Name: Neely, William G. Well #: 35-1
Field Name: Cherokee Basin CBM

Producing Formation: Multiple
Elevation: Ground: 910 Kelly Bushing: n/a
Total Depth: 1033 Plug Back Total Depth: 1028.14
Amount of Surface Pipe Set and Cemented at 20' 4" Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set _____ Feet
If Alternate II completion, cement circulated from 1028.14
feet depth to surface w/ 149 _____ sx cmt.
ALT II WITH 5-16-08

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)
Chloride content _____ ppm Fluid volume _____ bbls
Dewatering method used _____
Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____ License No.: _____
Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
County: _____ Docket No.: _____

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

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.

Signature: [Signature]
Title: Head of Operations Date: 5/10/06
Subscribed and sworn to before me this 10th day of May,
2006.
Notary Public: Jennifer R. Ammann
Date Commission Expires: July 30, 2009

KCC Office Use ONLY

N Letter of Confidentiality Received
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

JENNIFER R. AMMANN
Notary Public - State of Kansas
My Appt. Expires 7-30-09

Operator Name: Quest Cherokee, LLC Lease Name: Neely, William G. Well #: 35-1
 Sec. 35 Twp. 28 S. R. 18 East West County: Neosho

INSTRUCTIONS: Show important tops and base 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. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: Comp. Density/Neutron Log Dual Induction Log Gamma Ray CCL	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name <u>See Attached</u> Top Datum
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CASING RECORD <input type="checkbox"/> New <input type="checkbox"/> 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	12-1/4"	8-5/8"	20#	20' 4"	"A"	4	
Production	6-3/4"	4-1/2"	10.5#	1028.14'	"A"	149	

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone				

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
4	936-940/877-879/648-650/614-617/591-593/514-518-501-505	400gal 15% HCL w/ 42 bbbls 2% kcl water, 391bbbls water w/ 2% KCL, Biocide 8000# 20/40 sand	936-940/877-879
4	600-602/520-524/508-512	500gal 15% HCL w/ 42 bbbls 2% kcl water, 531bbbls water w/ 2% KCL, Biocide 11600# 20/40 sand	648-650/614-617
			591-593
		400gal 15% HCL w/ 47 bbbls 2% kcl water, 531bbbls water w/ 2% KCL, Biocide 13000# 20/40 sand	514-518/501-505

TUBING RECORD	Size <u>2-3/8"</u>	Set At <u>991.16</u>	Packer At <u>n/a</u>	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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Date of First, Resumerd Production, SWD or Enhr. <u>2/25/06</u>	Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)
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Estimated Production Per 24 Hours	Oil Bbls. <u>n/a</u>	Gas Mcf <u>44.7mcf</u>	Water Bbls. <u>5.2bbbls</u>	Gas-Oil Ratio	Gravity
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Disposition of Gas Vented Sold Used on Lease *(If vented, Submit ACO-18.)*

METHOD OF COMPLETION

Production Interval Open Hole Perf. Dually Comp. Commingled _____
 Other (Specify) _____

Michael Drilling, LLC
P.O. Box 402
Iola, KS 66749
620-365-2755

Company: Quest Cherokee LLC
Address: 9520 North May Ave, Suite 300
Oklahoma City, Oklahoma 73120
Ordered By: Donnie Meyers

Date: 01/14/06
Lease: Neely, William G.
County: Neosho
Well#: 35-1
API#: 15-133-26406-00-00

Drilling Log

FEET	DESCRIPTION	FEET	DESCRIPTION
0-12	Overburden	345-366	Sand
12-26	Shale	366-383	Sandy Shale
26-29	Black Shale	383-386	Black Shale
29-89	Lime	386-393	Lime
89-95	Black Shale	393-395	Coal
95-122	Lime	395-437	Lime
122-133	Shale	437-440	Black Shale
133-145	Lime	440-477	Shale
145-150	Black Shale	477-479	Coal
150-153	Shale	479-503	Lime
153-215	Lime	503-506	Black Shale
215-221	Shale	506-511	Shale
221-224	Black Shale	507	Gas Test (33" at 3/4 Choke) 81 MCF
224-226	Shale	511-518	Lime
226-230	Sandy Shale	518-521	Black Shale
230-231	Coal	521-524	Shale
231-244	Sandy Shale	523	Gas Test (33" at 3/4 Choke)
244-248	Lime	524-532	Sand
248-279	Lime and Shale	532-579	Sandy Shale
279-292	Lime	579-585	Lime
292-304	Shale	585-587	Shale
304-315	Lime	587-590	Black Shale
315-320	Lime and Shale	590-591	Coal
320-345	Shale	591-594	Shale

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County: Neosho
Well#: 35-1
API#: 15-133-26406-00-00

Drilling Log

FEET	DESCRIPTION	FEET	DESCRIPTION
594-595	Coal	882-936	Shale
595-619	Shale	936-938	Coal
619-620	Coal	938-946	Shale
620-647	Shale	946-948	Coal
647-649	Coal	933	Gas Test (10" at 3/4 Choke)
649-651	Shale	948-1033	Mississippi Lime
651-656	Sand	1033	T.D.
656-679	Sandy Shale		
679-735	Sand		
735-740	Red Shale		
740-754	Shale		
754-764	Sand		
764-789	Shale		
789-793	Sand		
793-814	Shale		
814-815	Coal		
815-836	Shale		
836-837	Coal		
837-860	Shale		
860-870	Sand		
870-875	Shale		
875-877	Coal		
877-881	Shale		
881-882	Coal		

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WICHITA, KS

QUEST

Resource Corporation



DATE: 1-13-06

Data from Driller's Log - Michael Drilling Rig #2

WELL NAME:	Neely, William	SECTION:	35	REPORT #:		SPUD DATE:	1/11/2006
WELL #:	35-1	TWP:	28S	DEPTH:	1033'		
FIELD:	Cherokee Basin	RANGE:	18E	PBTD:			
COUNTY:	Neosho	ELEVATION:	910'	FOOTAGE:	660	FT FROM	North
STATE:	Kansas	API #:	15-133-26406-00-00		810	FT FROM	East
							NENE
							LINE
							LINE

ACTIVITY DESCRIPTION:

Michael Drilling, Duane Martin, drilled to T.D. 1033' on 1/13/06.

GAS SHOWS:	Cumulative Gas	COMMENTS:
Mulberry Coal	0 mcf/day @	393-395 FT.
Lexington Shale	0 mcf/day @	437-445 FT.
Lexington Coal	0 mcf/day @	Unknown FT.
Summit Shale & Coal	0 mcf/day @	477-479 FT.
Mulky Shale & Coal	81 mcf/day @	503-506 FT. 81 mcf/day from Mulky at 507'
Bevier Coal	81 mcf/day @	590-595 FT.
Croweburg Coal & Shale	81 mcf/day @	619-620 FT.
Fleming Coal	81 mcf/day @	647-649 FT.
Weir Coal	81 mcf/day @	814-815 FT.
Bartlesville Sand	81 mcf/day @	860-870 FT.
Rowe Coal	81 mcf/day @	875-877 FT.
Neutral Coal	81 mcf/day @	881-882 FT.
Upper Riverton Coal	45 mcf/day @	936-938 FT.
Lower Riverton Coal	45 mcf/day @	946-948 FT.
Mississippi	45 mcf/day @	Top at 948 FT.

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***Zone not identified in Driller's notes.**

Formation Tops and Casing Recommendation made without benefit of viewing open-hole logs first.

Surface Casing @ 20' 4"

Total Depth @ 1033'

Surface Casing Size: 8 5/8"

OTHER COMMENTS:

Information in this report was taken directly from the Drillers hand written notes. All depths and orifice checks reflect what the driller recorded during drilling activities.

- Stark Sandstone
- Weiser Sandstone
- Peru Sandstone
- Pawnee LS / Pink
- Oswego Limestone
- Unknown Coal
- Squirrel Sandstone
- Mineral Coal
- Sscammon Coal
- Cattleman Sandstone
- Tebo Coal
- Bluejacket Coal
- Drywood Coal
- Tucker Sandstone

***Zones not identified in Driller's notes.**

CASING RECOMMENDATIONS: Run casing / Cement to surface

On Site Representative: Ken Recoy, Senior Geologist, CPG #4630 (620) 305-9203

End of Drilling Report Thank you!

QUEST

Resource Corporation

211 W. 14TH STREET,
CHANUTE, KS 66720
620-431-9500

RECEIVED
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TICKET NUMBER 1214

MAY 11 2006

FIELD TICKET-REF #

FOREMAN Joe

CONSERVATION DIVISION
WICHITA, KS

TREATMENT REPORT & FIELD TICKET CEMENT

DATE	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
1-18-06	Neely William 35-1	35	28	18	NO

FOREMAN / OPERATOR	TIME IN	TIME OUT	LESS LUNCH	TRUCK #	TRAILER #	TRUCK HOURS	EMPLOYEE SIGNATURE
Joe . B	7:00	12:00		903388		5	<i>[Signature]</i>
TIM . A	7:00	12:00		903197		5	<i>[Signature]</i>
maverick . D	7:00	12:00		903206		5	<i>[Signature]</i>
DAVID . C	7:15	12:00		903296	932452	4.75	<i>[Signature]</i>
LEON . H	7:00	12:00		931420		5	<i>[Signature]</i>

JOB TYPE Long string HOLE SIZE 6 7/8 HOLE DEPTH 1023 CASING SIZE & WEIGHT 4 1/2 10.5
 CASING DEPTH 1028.14 DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 14.5 SLURRY VOL _____ WATER gal/sk _____ CEMENT LEFT in CASING 0
 DISPLACEMENT 16 39 DISPLACEMENT PSI _____ MIX PSI _____ RATE 4 bpm

REMARKS:

ran 2 SKS prem gel swept to surface. Installed cement head RA 1 SK
 Prem gel 10 bbl dye followed by 159 SKS of cement to get
 dye to surface. Flushed Pump. pumped wiper plug to bottom
 Set float shoe

	1028.14	FT 4 1/2 casing	
	4	centralizers	
903139	2 hr	Casing tractor	
931804	2 hr	Casing trailer	
ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION OF SERVICES OR PRODUCT	TOTAL AMOUNT
903388	5 hr	Foreman Pickup	
903197	5 hr	Cement Pump Truck	
903206	5 hr	Bulk Truck	
1104	149 SK	Portland Cement	
1124	2	50/50 POZ Blend Cement Frac Baffles 3 1/2" x 3"	
1126	1	OWC - Blend Cement 4 1/2 wiper Plug	
1110	15 SK	Gilsonite	
1107	1.5 SK	Flo-Seal	
1118	3 SK	Premium Gel	
1215A	1 gal	KCL	
1111B	3 SK	Sodium Silicate Calchloride	
1123	7000 gal	City Water	
903296	4.75 hr	Transport Truck	
932452	4.75 hr	Transport Trailer	
931420	5 hr	80 Vac	
Ravin 4513	1	4 1/2 Float shoe	