

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

**ORIGINAL**

Form ACO-1  
September 1999  
Form Must Be Typed

**WELL COMPLETION FORM**  
**WELL HISTORY - DESCRIPTION OF WELL & LEASE**

Operator: License # 33344  
 Name: Quest Cherokee LLC  
 Address: 5901 North Western, Suite 200  
 City/State/Zip: Oklahoma City, OK 73118  
 Purchaser: BlueStem Pipeline LLC  
 Operator Contact Person: Richard Marlin  
 Phone: (405) 840-9894  
 Contractor: Name: M.O.K.A.T. Drilling  
 License: 05831  
 Wellsite Geologist: Walter Yuras  
 Designate Type of Completion:  
 New Well  Re-Entry  Workover  
 Oil  SWD  SLOW  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>11/19/03</u>	<u>11/20/03</u>	<u>01/23/04</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 099-23385 - 00-00  
 County: Labette  
 \_\_\_\_\_ SW \_\_\_\_\_ SW \_\_\_\_\_ Sec. 8 Twp. 35 S. R. 19  East  West  
330 South feet from S / N (circle one) Line of Section  
330 West feet from E / W (circle one) Line of Section  
 Footages Calculated from Nearest Outside Section Corner:  
 (circle one) NE SE NW SW  
 Lease Name: Cole Well #: 1-8  
 Field Name: Cherokee Basin CBM  
 Producing Formation: Weir Coal  
 Elevation: Ground: 985 Kelly Bushing: n/a  
 Total Depth: 880 Plug Back Total Depth: 861  
 Amount of Surface Pipe Set and Cemented at 22 Feet  
 Multiple Stage Cementing Collar Used?  Yes  No  
 If yes, show depth set \_\_\_\_\_ Feet  
 If Alternate II completion, cement circulated from 861  
 feet depth to surface w/ 95 \_\_\_\_\_ sx cmt.

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**KCC WICHITA**

**Drilling Fluid Management Plan** ALT #2 KGR 5/30/07  
 (Data must be collected from the Reserve Pit)  
 Chloride content \_\_\_\_\_ ppm Fluid volume \_\_\_\_\_ bbls  
 Dewatering method used Air Dry & Back Fill & Cover  
 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: Richard Marlin  
 Title: Operations Manager Date: 4/8/04  
 Subscribed and sworn to before me this 8th day of April,  
20 04.  
 Notary Public: Rebecca K. Williams  
 Date Commission Expires: July 6, 2004

**KCC Office Use ONLY**  
NO Letter of Confidentiality Attached  
 If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
 UIC Distribution

✓

X

# ORIGINAL

Operator Name: Quest Cherokee LLC Lease Name: Cole Well #: 1-8  
 Sec. 8 Twp. 35 S. R. 19  East  West County: Labette

**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  Yes  No  
 (Attach Additional Sheets)

Samples Sent to Geological Survey  Yes  No

Cores Taken  Yes  No

Electric Log Run  Yes  No  
 (Submit Copy)

List All E. Logs Run:

Diff Temp  
 Dual Induction  
 Density Neutron  
 Cement Bond  
 Radio Activity

Log Formation (Top), Depth and Datum  Sample  
 Name 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	32	22	Portland	5	
Production	6 3/4	4 1/2	10 1/2	861	Portland	95	

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	Weir Coal	600 gals 15% HCL	424-428

TUBING RECORD		Size	Set At	Packer At	Liner Run
		2 3/8	550	n/a	<input type="checkbox"/> Yes <input type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.		Producing Method			
2/2/04		<input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)			
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
		50	95		

Disposition of Gas  Vented  Sold  Used on Lease (If vented, Submit ACO-18.)

METHOD OF COMPLETION  Open Hole  Perf.  Dually Comp.  Commingled  Other (Specify) \_\_\_\_\_

Production Interval \_\_\_\_\_

Walter Yuras

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KCC WICHITA

December 22, 2003

Jerry Cash  
STP Cherokee  
OKC, OK 73118

Jerry:

RE: **Completion Recommendation:**  
Edna Hollow Project  
**Cole #1-8**  
SWSWSW-8-T35S-R19E  
Labette County, KS

The captioned well was spud 11/19/03 and drilled to TD 880'. This well was drilled as a Weir development well on the project; formation at TD is Mississippian. 4.5" casing has been set to 861' in the Miss.

Only three gas tests were reported while drilling:

Zone	Net Gas Increase	Test Depth
Sum/Mulky	0 mcf	312
Sum/Mulky	5 mcf	337
Weir/CB/Mineral	6 mcf	588

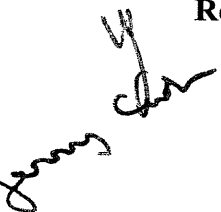
No additional testing was done due to the presence of excessive water in the Bartlesville Sand.

Logs indicate thin Croweberg and Mineral Coals that may warrant testing at a later date. The Bartlesville and Miss do not appear productive on logs.

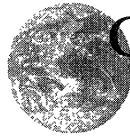
Logs indicate 4.0' of well-developed Weir Coal at 561' which tested 6 mcf. It was not clear from the Driller's Log if water in-flow from the Weir limited this test or if Bartlesville water only limited later tests. Thick, porous and wet Bartlesville develops at 614'.

**Recommendations:**

- Perforate Weir Coal: **561.5-565.5'**
- Stimulate using standard acid/water flush for clean up.



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CONSOLIDATED  
OIL WELL  
SERVICES  
AN INFINITY COMPANY

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APR 12 2004

TICKET NUMBER 23639

211 W. 14TH STREET, CHANUTE, KS 66720  
620-431-9210 OR 800-467-8676

KCC WICHITA

LOCATION B-ville

FIELD TICKET

DATE	CUSTOMER ACCT #	WELL NAME	QTR/QTR	SECTION	TWP	RGE	COUNTY	FORMATION
12-12-03	7551	Cole 1-8		8	35	19	Labette	
CHARGE TO <u>Std</u>				OWNER				
MAILING ADDRESS				OPERATOR				
CITY & STATE				CONTRACTOR				

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION OF SERVICES OR PRODUCT	UNIT PRICE	TOTAL AMOUNT
5401	1	PUMP CHARGE		525.00
5402	861	production casing Footage		<del>107.10</del> 150.24
1105	1 sk	collar steel hulle		12.95
1107	1 sk	Flt Seal		37.75
1110	19 sks	Gilsonite		368.60
1111	200 lbs	Salt		50.00
1111A	95 lbs	Mesto		128.25
1123	5000 gal	city H <sub>2</sub> O		2.25
1128	57 lbs	Lomax D		282.15
3123	57 lbs	Diaseel FL		513.00
4401	.1	4 1/2 rubber plug		27.00
		BLENDING & HANDLING		
8407	min	TON-MILES		190.00
		STAND BY TIME		
		MILEAGE		
5501	3hrs	WATER TRANSPORTS		240.00
		VACUUM TRUCKS		
		FRAC SAND		
1104	95 sks	CEMENT		779.00
			SALES TAX	147.70

Ravin 2790

ESTIMATED TOTAL ~~3478.19~~

CUSTOMER or AGENTS SIGNATURE

CIS FOREMAN Kj Sauts

CUSTOMER or AGENT (PLEASE PRINT)

DATE

1988296



## TERMS

In consideration of the prices to be charged for our services, equipment and products as set forth in Consolidated Oil Well Services, Inc's (COWS) current Price Schedule, and for the performance of services and supplying of materials; customer agrees to the following terms and conditions.

Terms. Cash in advance unless satisfactory credit is established. On credit sales, invoices payable to P.O. Box 884, Chanute, KS 66720. Invoices payable within 30 days of invoice date. Charges subjected to interest after 30 days from invoice date. Interest will be charged at Maximum rate allowed by law. In the event it is necessary to employ an attorney to enforce collection of such account, customer agrees pay all collection costs and attorney's fees in the amount of 20% of said amount.

Any applicable federal, state or local sales, use, occupation, consumer's or emergency taxes shall be added to the quoted price.

A sales tax reimbursement of 2% is applied to chemical and product charges for all services performed on oil and gas wells in the State of Texas.

All process license fees required to be paid to others will be added to the scheduled prices.

All prices are subject to change without notice.

## SERVICE CONDITIONS

**Customer warrants that the well is in proper condition to receive the services, equipment, products, and materials to be supplied by COWS.**

**"The customer shall at all time have complete care, custody, and control of the well, the drilling and production equipment at the well, and the premises about the well. A responsible representative of the customer shall be present to specify depths, pressures, or materials used for any service which is to be performed."**

- (a) COWS shall not be responsible for, and customer shall secure COWS against any liability for damage to property of customer and of the well owner (if different from customer), unless caused by the willful misconduct or gross negligence of COWS, this provision applying to but not limited to sub-surface damage and surface damage arising from subsurface damage.
- (b) Customer shall be responsible for and secure COWS against any liability for reservoir loss or damage, or property damage resulting from sub-surface pressure, losing control of the well and/or a well blowout, unless such loss or damage is caused by the willful misconduct of gross negligence of COWS.

- (c) Customer shall be responsible for and secure COWS against any and all liability of whatsoever nature for damages as a result of a subsurface trespass, or an action in the nature thereof, arising from a service operation performed by COWS hereunder.
- (d) Customer shall be responsible for and secure COWS against any liability for injury to or death of persons, other than employees of COWS, or damage to property (including, but not limited to, injury to the well), or any damages whatsoever, irrespective of cause, growing out of or in any way connected with the use of radioactive material in the well hole, unless such damage shall be caused by the willful misconduct or gross negligence of COWS.
- (e) COWS makes no guarantee of the effectiveness of the products, supplies or materials, nor of the results of any treatment or services.
- (f) Because of the uncertainty of variable well conditions and the necessity of relying on facts and supporting services furnished by others, COWS is unable to guarantee the accuracy of any chart interpretation, research analysis, job recommendation or other data furnished by COWS. COWS personnel will use their best efforts in gathering such information and their best judgment in interpreting it, but customer agrees that COWS shall not be responsible for any damage arising from the use of such information except where due to COWS gross negligence or willful misconduct in the preparation or furnishing of it.

## WARRANTIES – LIMITATION OF LIABILITY

COWS warrants only title to the products, supplies and materials and that the same are free from defects in workmanship and materials. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED OR MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. COWS's liability and customer's exclusive remedy in any cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale or use of any products, supplies or materials is expressly limited to the replacement of such products, supplies or materials on their return to COWS or, at COWS's option, to the allowance to the customer of credit for the cost of such items. In no event, shall COWS be liable for special, incidental, indirect, punitive or consequential damages.

COWS personnel will use their best efforts in gathering such information and their best judgement in interpreting it, but Customer agrees that COWS shall not be liable for and CUSTOMER SHALL INDEMNIFY AGAINST ANY DAMAGED ARISING FROM THE USE OF SUCH INFORMATION, even if such is contributed by the COWS negligence or fault.



# M.O.K.A.T. Drilling Inc.

P.O. BOX 590  
Caney, KS 67333

Phone: (620)879-5377 Cell: (620)252-8338

"For All Your Drilling Needs"  
Specializing In Coal Gas

# Invoice

DATE	INVOICE NO.
12/1/2003	561

BILL TO
STP Cherokee Inc. 5901 N. Western Suite 200 Oklahoma City, OK 73118

## ORIGINAL

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WELL NO.	LEASE
1-8	COLE

DESCRIPTION	QTY	RATE	AMOUNT																				
880' DRILLED AT \$6.50 PER FT.	880	6.50	5,720.00																				
5 SACKS OF CEMENT.	5	10.00	50.00																				
<p>REC'D <u>12/5</u> VENDOR _____</p> <p>ENGR <u>RAM</u> DATE _____</p> <p>ADMN _____ INVOICE # _____</p> <p>ACCT _____ INVOICE AMT <u>5770<sup>00</sup></u></p> <p>PD/CHK _____ BATCH # _____</p> <table border="1"> <tr> <td>LEASE</td> <td>CAT</td> <td>NET AMT</td> <td>SPECIAL INSTRUCTIONS:</td> </tr> <tr> <td><u>140084</u></td> <td><u>109</u></td> <td><u>5770<sup>00</sup></u></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </table>				LEASE	CAT	NET AMT	SPECIAL INSTRUCTIONS:	<u>140084</u>	<u>109</u>	<u>5770<sup>00</sup></u>													
LEASE	CAT	NET AMT	SPECIAL INSTRUCTIONS:																				
<u>140084</u>	<u>109</u>	<u>5770<sup>00</sup></u>																					

THANK YOU FOR YOUR BUSINESS

**Total**

\$5,770.00

Air Drilling  
Specialist  
Oil and Gas Wells

# ORIGINAL



**M.O.K.A.T. DRILLING**  
Office Phone: (620) 879-5377



P.O. Box 590  
Caney, KS 67333

Operator <b>STP INC.</b>		Well No. 1-8	Lease COLE	Loc. 1/4 1/4 1/4	Sec. 8	Twp. 35	Rge, 19					
County LABETTE		State KS	Type/Well	Depth 880'	Hours	Date Started 11-19-03	Date Completed 11-20-03					
Job No.	Casing Used 22'4" OF 8 5/8"	Bit Record			Coring Record							
Driller TOOTIE	Cement Used	Bit No.	Type	size	From	To	Bit No.	type	Size	From	To	% Rec.
Driller	Rig No. #1			6 3/4"								
	Hammer No.											

### Formation Record

From	To	Formation	From	To	Formation	From	To	Formation	From	To	Formation
0	10	OVERBURDEN	730	812	SHALE						
10	11	LIME	812	814	COAL ?						
11	25	SHALE	814	820	SHALE						
25	35	LIME	820	832	LIME						
35	135	SANDY SHALE	832	835	SAND						
135	162	LIME	835	850	SHALE						
162	173	BLACK SHALE	850	880	LIME MISSISSIPPI						
173	229	GREY SANDY SHALE/ SHALE			OIL ODOR @ 855'						
229	270	LIME OSWEGO									
270	276	SHALE			T.D. 880'						
276	307	LIME									
307	310	BLACK SHALE / COAL WATER									
310	319	LIME									
319	324	SHALE									
324	333	LIME / LIMEY SHALE									
333	395	SANDY SHALE									
395	397	LIME									
397	432	SHALE									
432	434	LIME									
434	559	SHALE									
559	567	COAL WATER									
567	580	SANDY SHALE									
580	605	SHALE									
605	630	SANDY SHALE / SAND									
630	660	SAND									
660	695	SHALE/ SANDY SHALE									
695	698	COAL / BLACK SHALE									
698	700	SANDY SHALE / SAND									
700	705	SAND									
705	727	SHALE									
727	730	COAL / BLACK SHALE									

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COPY

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form T-1  
June 2000  
Form must be Typed  
Form must be Signed  
All blanks must be Filled

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

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Check Applicable Boxes:

Oil Lease: No. of Wells \_\_\_\_\_

Gas Lease: No. of Wells 1

*\*\* 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: Cherokee Basin Coal Area

Effective Date of Transfer: December 26, 2003

Lease Name: Cole #1-8

\_\_\_\_\_ - SW - SW - SW Sec. 8 Twp. 35S R. 19E  E  W

Legal Description of Lease: 330 FSL & 330 FWL;  
Sec. 8-35S-19E

County: Labette

Production Zone(s): Cherokee Coals

Injection Zone(s): \_\_\_\_\_

Surface Pond Permit # 15-099-23385  
(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

Past Operator's License No. 32380

Past Operator's Name & Address: STP Cherokee Inc.  
5901 North Western, Suite 200 Oklahoma City, OK 73118

Title: Co-Chief Executive Officer

Contact Person: Mr. Jerry Cash

Phone: (405) 840-9894

Date: February 27, 2004

Signature: \_\_\_\_\_

New Operator's License No. 33344

New Operator's Name & Address: Quest Cherokee LLC  
5901 North Western, Suite 200  
Oklahoma City, OK 73118

Title: CEO

Contact Person: Mr. Jerry Cash

Phone: (405) 840-9894

Oil / Gas Purchaser: BlueStem Pipeline LLC

Date: February 27, 2004

Signature: \_\_\_\_\_

**Acknowledgment of Transfer:** The above request for transfer of injection authorization, surface pond permit # 15-099-23385 has been noted, approved and duly recorded in the records of the Kansas Corporation Commission. This acknowledgment 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 named lease containing the surface pond  
permitted by # \_\_\_\_\_ .  
Date: \_\_\_\_\_  
Authorized Signature

