

JUN 22 2005

CONSERVATION DIVISION  
WICHITA, KS

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Form ACO-1  
September 1999  
Form Must Be Typed

ORIGINAL

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: Richard Howard  
Phone: (620) 431-9500  
Contractor: Name: Barton T. Lorenz  
License: 33286

Wellsite Geologist: Michael L. Ebers  
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. \_\_\_\_\_

7/7/04 7/8/04 7/19/04  
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 133-26082-0000  
County: Neosho  
\_\_\_\_\_ ne - sw Sec. 36 Twp. 29 S. R. 18  East  West  
1980 feet from  S /  N (circle one) Line of Section  
1980 feet from E  W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE SE NW SW  
Lease Name: John, Velma Well #: 36-1  
Field Name: Cherokee Basin CBM  
Producing Formation: Summit/Mulky  
Elevation: Ground: 968 Kelly Bushing: n/a  
Total Depth: 1027 Plug Back Total Depth: 1020.20  
Amount of Surface Pipe Set and Cemented at 21.5' Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set \_\_\_\_\_ Feet  
If Alternate II completion, cement circulated from 1020.20  
feet depth to surface w/ 128 sx cmt.

Drilling Fluid Management Plan Off #2 KJR 6/25/07  
(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: 6/20/2005

Subscribed and sworn to before me this 20th day of June, 2005.

Notary Public: Jennifer R. Houston  
Date Commission Expires: July 30, 2005

**KCC Office Use ONLY**  
 Letter of Confidentiality Received  
If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
 UIC Distribution

**JENNIFER R. HOUSTON**  
Notary Public - State of Kansas  
My Appt. Expires 7/30/05

Operator Name: Quest Cherokee, LLC Lease Name: John, Velma Well #: 36-1  
 Sec. 36 Twp. 29 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  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:

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**JUN 22 2005**  
 CONSERVATION DIVISION  
 WICHITA, KS

| <input checked="" type="checkbox"/> Log | Formation (Top), Depth and Datum | <input type="checkbox"/> Sample |
|---|----------------------------------|---------------------------------|
|   | Name                             | Top Datum                       |
|   | Lenapah Lime                     | 292 +676                        |
|   | Altamont                         | 321 +647                        |
|   | Pawnee Lime                      | 441 +527                        |
|   | Oswego Lime                      | 517 +451                        |
|   | Verdigris Lime                   | 654 +314                        |
|   | Mississippi Lime                 | 984 -16                         |

Comp Density/Neutron  
 Dual Induction  
 Gamma Ray/Neutron log

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           | 11"               | 8-5/8"                    | 24.75#            | 21.5'         | "A"            | 6sxs         |                            |
| Production        | 6 3/4"            | 4 1/2"                    | 10.5#             | 1020.20'      | "A"            | 128sxs       |                            |

ADDITIONAL CEMENTING / SQUEEZE RECORD

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

PERFORATION RECORD - Bridge Plugs Set/Type  
 Specify Footage of Each Interval Perforated

| Shots Per Foot | PERFORATION RECORD - Bridge Plugs Set/Type<br>Specify Footage of Each Interval Perforated | Acid, Fracture, Shot, Cement Squeeze Record<br>(Amount and Kind of Material Used) | Depth           |
|----------------|---|---|-----------------|
| 4              | 540-544   | 16900# 20/40 brady sand, 478 bbls 20# per   | 540-544&552-557 |
| 4              | 552-557   | 1000 gal HEC with Biocide, 2% KCL, Max Flow                                       |                 |
|                |   | 45 bbls straight 2% KCL water   |                 |

TUBING RECORD

| Size   | Set At  | Packer At | Liner Run   |
|--|---|-----------|---|
| 2-3/8"   | 665'  | n/a       | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Date of First, Resumerd Production, SWD or Enhr. | Producing Method  |           |   |
| 8/3/04   | <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                                   |
|  |   | 16.8      | 36  |

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)

CONSOLIDATED OIL WELL SERVICES  
 211 W 14TH STREET, CHANUTE, KS 66720  
 620-431-9210 OR 800-467-8676

TICKET NUMBER 1507  
 LOCATION Chanute  
 FOREMAN Todd A. Tindle

TREATMENT REPORT & FIELD TICKET  
 CEMENT

| DATE    | CUSTOMER # | WELL NAME & NUMBER             | SECTION | TOWNSHIP | RANGE | COUNTY |
|---------|------------|--------------------------------|---------|----------|-------|--------|
| 7-19-04 | 6628       | <del>Foster #</del> John #36-1 | 36      | 295      | 18E   | NO     |

| CUSTOMER           | TRUCK # | DRIVER | TRUCK # | DRIVER |
|--------------------|---------|--------|---------|--------|
| Quest Cherokee LLC | 255     | John   |         |        |
| Mailing Address    | 286     | Wes    |         |        |
| P.O. Box 100       | 296     | Tim    |         |        |
| CITY               | 206     | Daniel |         |        |
| STATE              |         |        |         |        |
| Kansas             |         |        |         |        |
| ZIP CODE           |         |        |         |        |
| 66714              |         |        |         |        |

JOB TYPE log-string HOLE SIZE 6 3/4 HOLE DEPTH 1027' CASING SIZE & WEIGHT 4 1/2 - 10.50  
 CASING DEPTH 1020 DRILL PIPE \_\_\_\_\_ TUBING \_\_\_\_\_ OTHER \_\_\_\_\_  
 SLURRY WEIGHT 13.8 SLURRY VOL \_\_\_\_\_ WATER gal/sk \_\_\_\_\_ CEMENT LEFT in CASING 0  
 DISPLACEMENT 16.2 DISPLACEMENT PSI \_\_\_\_\_ MIX PSI \_\_\_\_\_ RATE \_\_\_\_\_

REMARKS: Circulate w/ fresh H<sub>2</sub>O; 2 gal ahead; run 3 bbl dye w/ 15 gal sodium silicate.  
Cement until dye returns; flush pump; pump plug w/ KCl water; set float shoe  
wait 4 Jams of casing; Circulate gel to surface

(owc; 5# gilsonite; 1/4# flo-seal)

| ACCOUNT CODE   | QUANTITY or UNITS | DESCRIPTION of SERVICES or PRODUCT | UNIT PRICE | TOTAL     |
|--|-------------------|------------------------------------|------------|-----------|
| 5401   | 1- well           | PUMP CHARGE Cement pump            |            | 639.00    |
| 5407   | 16 mi             | MILEAGE minimum                    |            | 225.00    |
| 1110   | 13 sk             | gilsonite                          |            | 264.55    |
| 1107   | 1/2 sk            | flo-seal                           |            | 10.00     |
| 1118   | 2 sk              | Premium gel (ahead)                |            | 24.80     |
| 1215A  | 1 gal             | Kcl                                |            | 2.30      |
| 1111B  | 15 gal            | sodium silicate                    |            | 157.50    |
| 1123   | 5880 gal          | city water (140 bbl)               |            | 67.62     |
| 5501C  | 4 1/2 hr          | Transport                          |            | 378.00    |
| 5502C  | 4 1/2 hr          | 80-vac                             |            | 351.00    |
| 1126   | 12 3/4 sk         | owc cement (130 sk total)          |            | 1457.55   |
| RECEIVED<br>KANSAS CORPORATION COMMISSION<br>JUN 22 2005<br>CONSERVATION DIVISION<br>WICHITA, KS |                   |                                    |            |           |
|  |                   |                                    |            | SALES TAX |
|  |                   |                                    |            | ESTIMATED |
|  |                   |                                    |            | TOTAL     |
|  |                   |                                    |            | 198.00    |
|  |                   |                                    |            | 3776.14   |

AUTHORIZATION \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

191410

## 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.