

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

Form ACO-1
October 2008
Form Must Be Typed

AMENDED

OPERATOR: License # 9090
Name: Charter Energy, Inc.
Address 1: P.O. Box 252
Address 2: _____
City: Great Bend State: Ks Zip: 67530 + 0252
Contact Person: Steve Baize
Phone: (620) 793-9090
CONTRACTOR: License # 33323
Name: Petromark Drilling, LLC
Wellsite Geologist: Josh Austin
Purchaser: N C R A

Designate Type of Completion:
☒ New Well ☐ Re-Entry ☐ Workover
☒ Oil ☐ SWD ☐ SIOW
☐ Gas ☐ ENHR ☐ SIGW
☐ CM (Coal Bed Methane) ☐ Temp. Abd.
☐ 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. ☐ Conv. to SWD
☐ Plug Back: _____ Plug Back Total Depth: _____
☐ Commingled ☐ Docket No.: _____
☐ Dual Completion ☐ Docket No.: _____
☒ Other (SWD or Enhr.?) ☐ Docket No.: _____
5/25/08 6/01/08 6/10/2008
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 185-23527-0000

Spot Description: _____
SW NE SW Sec. 4 Twp. 22 S. R. 13 ☐ East ☒ West
1380 Feet from ☐ North / ☒ South Line of Section
1930 Feet from ☐ East / ☒ West Line of Section

Footages Calculated from Nearest Outside Section Corner:

☐ NE ☐ NW ☐ SE ☒ SW

County: Stafford
Lease Name: L.V.M. Well #: 1
Field Name: Gates

Producing Formation: Arbuckle
Elevation: Ground: 1892 Kelly Bushing: 1897
Total Depth: 3890 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at: 318 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 AH I NUR 3-5-09
(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.: _____

dist. 2/17/09
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: President Date: 1/29/09

Subscribed and sworn to before me this 2nd day of February, 2009.

Notary Public: Lonna Moore
Date Commission Expires: 2-17-2009

KCC Office Use ONLY	
<input checked="" type="checkbox"/>	Letter of Confidentiality Received
<input type="checkbox"/>	If Denied, Yes <input type="checkbox"/> Date: _____
<input checked="" type="checkbox"/>	Wireline Log Received
<input checked="" type="checkbox"/>	Geologist Report Received
<input type="checkbox"/>	UIC Distribution

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CONSERVATION DIVISION
WICHITA, KS

NOTARY PUBLIC - State of Kansas
Lonna Moore
2-17-2009

Operator Name: Charter Energy, Inc. Lease Name: L.V.M. Well #: 1
 Sec. 4 Twp. 22 S. R. 13 ☐ East ☒ West County: Stafford

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:

**Dual Induction, Compensated Density Neutron,
 Micro, Sonic**

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

Name	Top	Datum
Heebner	3234	-1342
Lansing	3376	-1984
Arbuckle	3761	-1869

CASING RECORD <input checked="" 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	318	common	350	3%cc, 2% gel
Production	7 7/8	5 1/2	14	3881	EA-2	150	

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				

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	3767 - 3770	500 gal INS	

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TUBING RECORD:		Size:	Set At:	Packer At:	Liner Run:		
		2 7/8	3802		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Date of First, Resumed Production, SWD or Enhr. 1 / 1 / 09				Producing Method: <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		
	15		280		18		

CONSERVATION DIVISION
 WICHITA, KS

DISPOSITION OF GAS:	METHOD OF COMPLETION:	PRODUCTION INTERVAL:
<input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease (If vented, Submit ACO-18.)	<input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	3767 - 70

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

PAGE 1 OF 2

SERVICE LOCATIONS 1. <u>NESS CAY, KS</u>		WELL/PROJECT NO. <u>#1</u>	LEASE <u>L.V.M.</u>	COUNTY/PARISH <u>STAFFORD</u>	STATE <u>KS</u>	CITY	DATE <u>6-1-08</u>	OWNER <u>SAME</u>
2. _____		TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <u>PETROMARK #2</u>	RIG NAME/NO.	SHIPPED VIA <u>CT</u>	DELIVERED TO <u>LOCATION</u>	ORDER NO.	
3. _____		WELL TYPE <u>OIL</u>	WELL CATEGORY <u>DEVELOPMENT</u>	JOB PURPOSE <u>5 1/2" LONGSTRING</u>		WELL PERMIT NO.	WELL LOCATION <u>K-19-281JCT - 1W, 1/4W, E8</u>	
4. _____ REFERRAL LOCATION		INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION					UNIT PRICE	AMOUNT	
		LOC	ACCT	DF		QTY.	UM	QTY.	UM			
575		1			MILEAGE ¹ 105	80	ME			6.00	480.00	
578		1			PUMP SERVICE	1	JOB	3881	FT	14.00	1400.00	
221		1			LIQUID KCL	2	GAL			26.00	52.00	
281		1			MUD FLUSH	500	GAL			1.00	500.00	
402		1			CENTRALIZERS	8	EA	5 1/2"		100.00	800.00	
406		1			LATCH DOWN PLUG - RAFFLE	1	EA			235.00	235.00	
407		1			INSERT FLOAT SHOE W/AUTO FILL	1	EA			310.00	310.00	
419		1			ROTATING HEAD RENTAL	1	JOB			250.00	250.00	

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MIDWINTER, KS

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CONSERVATION DIVISION
MIDCHITKA KS

LEGAL TERMS: Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY** provisions.

**MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO
START OF WORK OR DELIVERY OF GOODS**

X *[Signature]*

DATE SIGNED 6-1-08 TIME SIGNED 1400 ☒ A.M. ☒ P.M.

REMIT PAYMENT TO:

SWIFT SERVICES, INC.
P.O. BOX 466
NESS CITY, KS 67560
785-798-2300

SURVEY	AGREE	UN- DECIDED	DIS- AGREE	PAGE TOTAL	
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				#1	4027100
WE UNDERSTOOD AND MET YOUR NEEDS?					
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				#2	4232166
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				TAX	
ARE YOU SATISFIED WITH OUR SERVICE?				TOTAL	
<input type="checkbox"/> YES <input type="checkbox"/> NO					
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND					

CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES The customer hereby acknowledges receipt of the materials and services listed on this ticket.

SWIFT OPERATOR	APPROVAL
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Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 6-1-08 PAGE NO. 1

CUSTOMER CHARTER ENERGY	WELL NO. H1	LEASE L.V.M.	JOB TYPE 5 1/2" LONGSTRING	TICKET NO. 14443
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CHART NO.	TIME	RATE (BPM)	VOLUME (BBL/GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1400							ON LOCATION
	1500							START 5 1/2" CASING IN WELL
								TD- 3888 SITE 3881
								TP- 3881 5 1/2" " /ft 14
								ST- 15.60
								CENTRALIZER- 1, 3, 5, 7, 9, 11, 13, 15
	1610							DROP BALL - CIRCULATE ROTATE
	1725	6	12		✓		400	PUMP 500 GAL MUD FLUSH "
	1727	6	20		✓		400	PUMP 20 BBLS KCL-FLUSH "
	1735		4					PLUG RH
	1740	5 1/2	36		✓		300	MIX CEMENT - 150 SKS FA-2 @ 15.5 PPG "
	1748							WASH OUT PUMP - LTAES
	1749							RELEASE LATCH DOWN PLUG
	1750	7	0		✓			DISPLACE PLUG "
		7	84				650	
	1803	6 1/2	94.3				1500	PLUG DOWN - PSZ UP LATCH IN PLUG
	1805						OK	RELEASE PSZ - HELD
								WASH TRUCK
	1900							JOB COMPLETE

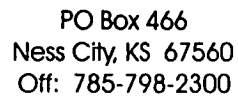
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WICHITA, KS

THANK YOU

WANE, JOSH, ROB



TICKET
No. 14443

Services, Inc.		Ness City, KS 67560 Off: 785-798-2300		CUSTOMER CHARTER SERVICE		WELL L.V.M. #1		DATE 6-1-08		PAGE 2		OF 2	
PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			TIME	DESCRIPTION					UNIT PRICE	AMOUNT	
		LOG	ACCT	DP			QTY	UN	QTY	UN			
325		1				STANDARD CEMENT	SA-2	150	SK		12.75	1912.50	
276		1				FLOCCID		38	UBS		11.50	571.00	
283		1				SALT		750	UBS		1.20	150.00	
284		1				CAISAL		7	SK	700.00	30.00	210.00	
285		1				CFR-1		100	UBS		4.50	450.00	
290		1				D-ADR		2	GAL		35.00	70.00	

ALLIED CEMENTING CO., LLC.

33246

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:

Great Bend

DATE <u>5-25-08</u>	SEC. <u>4</u>	TWP <u>22</u>	RANGE <u>13</u>	CALLED OUT <u>8:00 PM</u>	ON LOCATION <u>9:30 PM</u>	JOB START <u>12:30 AM</u>	JOB FINISH <u>1:00 AM</u>
LEASE <u>LVM</u>	WELL # <u>1</u>	LOCATION <u>281 + K-19, 1W, 1/2N, E/4</u>			COUNTY <u>Stafford</u>	STATE <u>KS</u>	
OLD OR NEW (Circle one) <u>NEW</u>							

CONTRACTOR Petromark #2

OWNER Charter Energy

TYPE OF JOB Surface Job

HOLE SIZE <u>12 1/4"</u>	T.D. <u>323'</u>
CASING SIZE <u>8 5/8"</u>	DEPTH <u>323'</u>
TUBING SIZE	DEPTH
DRILL PIPE	DEPTH
TOOL	DEPTH
PRES. MAX <u>200#</u>	MINIMUM <u>0</u>
MEAS. LINE	SHOE JOINT <u>15'</u>
CEMENT LEFT IN CSG. <u>15'</u>	
PERFS.	
DISPLACEMENT <u>19.61 BBLs of freshwater</u>	

EQUIPMENT

PUMP TRUCK # <u>181</u>	CEMENTER <u>Rick H.</u>
	HELPER <u>Steve T.</u>
BULK TRUCK # <u>344-112</u>	DRIVER <u>David J.</u>
BULK TRUCK #	DRIVER

REMARKS:

pipe on bottom, break Circulation, mixed
350 sx Common 3%CL, 2% Gel.
Shut down, Released plug & displaced
with freshwater, and shut in.
Cement did Circulate.

CEMENT

AMOUNT ORDERED 350 sx Common 3%CL
2% Gel
ordered by Petromark Drilling

COMMON <u>350 sx</u>	@ <u>12.15</u>	<u>4,252.50</u>
POZMIX	@	
GEL <u>7 sx</u>	@ <u>18.25</u>	<u>127.75</u>
CHLORIDE <u>11 sx</u>	@ <u>51.00</u>	<u>561.00</u>
ASC	@	

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HANDLING <u>368 sx</u>	@ <u>2.05</u>	<u>754.40</u>
MILEAGE <u>368 X 15 X .09</u>		<u>496.80</u>
TOTAL		<u>6,192.45</u>

SERVICE

DEPTH OF JOB <u>323'</u>		
PUMP TRUCK CHARGE		<u>893.00</u>
EXTRA FOOTAGE <u>23 FT</u>	@ <u>.70</u>	<u>16.10</u>
MILEAGE <u>15</u>	@ <u>7.00</u>	<u>105.00</u>
MANIFOLD <u>Head Rent</u>	@ <u>110.00</u>	<u>110.00</u>
TOTAL		<u>1,124.10</u>

CHARGE TO: Charter Energy

TREET _____

TY _____ STATE _____ ZIP _____

Allied Cementing Co., LLC.

are hereby requested to rent cementing equipment

PLUG & FLOAT EQUIPMENT

<u>1-Wooden plug</u>	<u>66.00</u>	<u>66.00</u>
	@	
	@	
	@	
	@	