

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: 211 W. 14th Street
 City/State/Zip: Chanute, KS 66720
 Purchaser: Bluestem Pipeline, LLC
 Operator Contact Person: Jennifer R. Ammann
 Phone: (620) 431-9500
 Contractor: Name: B C Steel
 License: 33711
 Wellsite Geologist: Ken Recoy
 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>6/15/06</u>	<u>6/16/06</u>	<u>6/23/06</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 205-26736 -00-00
 County: Wilson
 _____ ne - nw Sec. 3 Twp. 28 S. R. 16 East West
660 feet from S (circle one) Line of Section
1980 feet from E (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE NW SW
 Lease Name: Varnar, Roy E. Well #: 3-1
 Field Name: Cherokee Basin CBM
 Producing Formation: Multiple
 Elevation: Ground: 1000 Kelly Bushing: n/a
 Total Depth: 1330 Plug Back Total Depth: 1325.12
 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 1325.12
 feet depth to surface w/ 126 ^{sx dmt.}
Alt-2-Dlg-12/4/08

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: Jennifer R. Ammann

Title: New Well Development Coordinator Date: 10/11/06

Subscribed and sworn to before me this 11th day of October

20 06.

Notary Public: Jovra Klauaman

Date Commission Expires: 8-4-2010

KCC Office Use ONLY

Letter of Confidentiality Received

If Denied, Yes Date: _____

Wireline Log Received

Geologist Report Received

UIC Distribution

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KANSAS CORPORATION COMMISSION
OCT 12 2006

TERRA KLAUMAN
Notary Public - State of Kansas
My Appt. Expires 8-4-2010

CONSERVATION DIVISION
WICHITA, KS

Operator Name: Quest Cherokee, LLC Lease Name: Varnier, Roy E. Well #: 3-1
 Sec. 3 Twp. 28 S. R. 16 East West County: Wilson

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 <i>(Attach Additional Sheets)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Name	Top	Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	See attached		
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			

List All E. Logs Run:

Gamma Ray Neutron Log
Dual Induction Log
Compensated Density/Neutron Log

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#	1325.12	"A"	126	

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 <i>(Amount and Kind of Material Used)</i>	Depth
4	1062-1064/947-949/912-915/896-898	400gal 15%KCL w/ 23 bbls 2%KCl water, 625bbls water w/ 2% KCL, Blockade, 15400# 20/40 sand	1062-1064/947-949 912-915/896-898
4	829-834/817-821	300gal 15%KCL w/ 57 bbls 2%KCl water, 575bbls water w/ 2% KCL, Blockade, 13000# 20/40 sand	829-834/817-821

TUBING RECORD	Size 2-3/8"	Set At 1078	Packer At n/a	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. 9/27/06	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. n/a	Gas Mcf 0mcf	Water Bbls. 81.8bbls	Gas-Oil Ratio
Disposition of Gas	METHOD OF COMPLETION		Production Interval	
<input type="checkbox"/> Vented <input checked="" type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	<input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf.	<input type="checkbox"/> Dually Comp.	<input type="checkbox"/> Commingled	
	<input type="checkbox"/> Other (Specify) _____			

QUEST

Resource Corporation

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

TICKET NUMBER 1599

FIELD TICKET REF # _____

FOREMAN Craig / Joe

TREATMENT REPORT & FIELD TICKET CEMENT

DATE	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
June 23, 2006	Vanner Ray E 3-1	3	28	16	Wichita

FOREMAN / OPERATOR	TIME IN	TIME OUT	LESS LUNCH	TRUCK #	TRAILER #	TRUCK HOURS	EMPLOYEE SIGNATURE
Craig	6:25	10:45		903427		4.25	<i>Craig</i>
Joe B	7:00			903197		3.75	<i>Joe B</i>
Uxas T	7:00			903206		3.75	<i>Uxas T</i>
Maverick D.	7:00			903129	932452	3.75	<i>Maverick D.</i>
Troy W.	7:00			903106		4.25	<i>Troy W.</i>
Dave C	7:15			Extra		4	<i>Dave C</i>
Tim A	6:30						<i>Tim A</i>
Russell A	6:45						<i>Russell A</i>

JOB TYPE log string HOLE SIZE 6 3/4 HOLE DEPTH 1325 CASING SIZE & WEIGHT 4 1/2 x 10
 CASING DEPTH 1325.12 DRILL PIPE _____ TUBING _____ OTHER _____
 SLURRY WEIGHT 14.5 SLURRY VOL _____ WATER gal/sk _____ CEMENT LEFT in CASING 0
 DISPLACEMENT 2.13 DISPLACEMENT PSI _____ MIX PSI _____ RATE 40 bpm

REMARKS:
 Run 2 sacks of prem. gel and swept to surface. Installed cement head, pumped 15 barrels of dye and sack of cement to get dye to surface. Flushed pump pumped wiper plug to bottom. Set floor shoe.

Drillers total depth was of by 5 feet.

1325.12	4 1/2 FL casing
6	centralizers
931300	w/casing tractor
932900	w/casing trailer
1	2 1/2 casing clamp
1	weld on collar

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION OF SERVICES OR PRODUCT	TOTAL AMOUNT
903427	3.75 hr	Foreman Pickup	
903197	3.75 hr	Cement Pump Truck	
903206	3.75 hr	Bulk Truck	
1104	126 sr	Portland Cement	
1124	1	50/50 POZ-Blend-Cement <u>3 1/2</u>	
1126	1	OWG-Blend-Cement <u>4 1/2 wiper plug</u>	
1110	13 sr	Gilsonite	
1107	1 sr	Flo-Seal	
1118	3 sr	Premium Gel	
1115A		KCL	
1111B		Sodium Silicate <u>calculator etc</u>	
1123	7000 gals	City Water	
903139	2.50 hr	Transport Truck	
932452	3.50 hr	Transport Trailer	
903106	4.25 hr	80 Vac	
Ravin 4513	1	2 1/2 Floor shoe	

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B-C Steel LLC

P.O. Box 326
Yates Center, KS 66783

Invoice

Date	Invoice #
6/19/2006	182725

Bill To
Quest Cherokee LLC 9520 North May Ave. Suite 300 Oklahoma City, OK 73120

Ship To
Varner, Roy E. Well 3-1 API#15-205-26736-0000 Field: Cherokee Basin CBM Wilson County NE NW Sec 3 Twp 28 Rng16E

P.O. No.	Terms	Due Date	Project	
OP#33344	Due on receipt	6/19/2006	API#15-205-26736	Rig #2

Quantity	Description	Rate	Amount
1,330	Well Drilling Depth 1530 ft	8.50	11,305.00
20.4	20 ft 4" Casing 8 5/8"	20.00	408.00
6	6 Sacks Portland Cement	11.50	69.00
Spud Date: 6/15/2006 Complete 6/16/2006			

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Please remit to above address.	Total	\$11,782.00
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Drilling Field Services
PO Box 328
Yates Center, KS 66783

Rig# 2
API# 15-205-26736-0000
Operator Quest Cherokee LLC OP #33344

County Wilson
State KS
Section 3
Township 28
Range 16E

Well # 3-1
Lease Name Roy E. Varner
Location 660 ft from north line
1980 ft from west line

Spud Date 6/15/2006
Date Complete 6/16/2006
Total Depth 1330

Hole Size Surface Production 6 3/4
Casing Size 8 5/8
Setting Depth 20' 4"
Cement Type
Sacks 6
Surface furnished by BCFS
Cement furnished by BCFS

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Drill Rig Reports.xls

Depth in Feet From	To	Formation	Remarks	Gas Test	Pressure	Orifice	MCF
	0	18	Lime	505			
	18	135	Shale	605			
	135	140	Lime	705			
	140	260	Shale	805			
	260	270	Lime	905	2	1/2	47.70
	270	275	Shale	1105	9	1/2	108.00
	275	280	Lime	1165	18	1/2	166.00
	280	300	Shale	1245	25	1/2	205.00
	300	315	Lime				
	315	347	Shale				
	347	375	Lime				
	375	380	Shale				
	380	395	Lime				
	395	410	Shale				
	410	428	Lime				
	428	430	Shale				
	430	436	Lime				
	436	460	Shale				
	460	470	Lime				
	470	490	Shale				
	490	500	Shale				
	500	515	Lime				
	515	530	Shale				
	530	535	Shale				
	535	539	Coal				
	539	556	Shale				
	556	561	Coal				
	561	600	Shale				
	600	610	Lime				
	610	635	Shale				
	635	640	Lime				
	640	690	Shale				
	690	710	Lime				
	710	740	Shale				
	740	745	Sand				
	745	752	Shale				
	752	770	Lime				
	770	772	Coal				
	772	800	Shale				
	800	810	Lime				
	810	812	Coal				
	812	835	Shale				
	835	838	Coal				
	838	840	Shale				
	840	870	Lime				
	870	895	Shale				
	895	897	Sand				
	897	910	Shale				
	910	915	Shale				

Mulberry
PN
Lexington

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Drill Rig Reports.xls

915	925	Coal	
925	942	Shale	
942	948	Coal	Fleming
948	982	Shale	
982	995	Sand	
995	1090	Shale	
1090	1185	Sand	Bartlesville
1185	1230	Shale	
1230	1330	Coal	
1330 TD			Mississippi

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