

**CONFIDENTIAL**

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**

2/13/10

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: TXD  
License: 33837  
Wellsite Geologist: Ken Recoxy

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**FEB 13 2008**  
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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>10-18-07</u>	<u>10-24-07</u>	<u>10-25-07</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-133-27234-0000  
County: Neosho  
E/2 NW Sec. 31 Twp. 28 S. R. 19  East  West  
1300 feet from S  N (circle one) Line of Section  
2050 feet from E  W (circle one) Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE SE  NW SW  
Lease Name: Heilman, Vern L. Well #: 31-5  
Field Name: Cherokee Basin CBM  
Producing Formation: Multiple  
Elevation: Ground: 928 Kelly Bushing: n/a  
Total Depth: 1035 Plug Back Total Depth: 1020  
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 1020  
feet depth to surface w/ 150 sx cmt.

Drilling Fluid Management Plan AH IN 76 909  
(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: 2/13/08  
Subscribed and sworn to before me this 13<sup>th</sup> day of February,  
20 08.  
Notary Public: Debra Klauman  
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  
**FEB 15 2008**

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

CONSERVATION DIVISION  
WICHITA, KS

Operator Name: Quest Cherokee, LLC Lease Name: Heilman, Vern L. Well #: 31-5  
 Sec. 31 Twp. 28 S. R. 19  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 type="checkbox"/> No <i>(Attach Additional Sheets)</i>  Samples Sent to Geological Survey <input type="checkbox"/> Yes <input type="checkbox"/> No  Cores Taken <input type="checkbox"/> Yes <input type="checkbox"/> No Electric Log Run <input type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i>  List All E. Logs Run:  <b>Compensated Density Neutron Log</b> <b>Dual Induction Log</b>	<input checked="" type="checkbox"/> Log <input type="checkbox"/> Sample Formation (Top), Depth and Datum  Name <span style="float:right">Top <span style="float:right">Datum</span></span> See attached
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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"	22	22	"A"	5	
Production	6-3/4	4-1/2	10.5	1020	"A"	150	

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	922-925/868-870/862-864	500gal 15%HCLw/ 48bbls 2%KCl water, 647bbls water w/ 2% KCL, Blockde, 6400# 20/40 sand	922-925/868-870
			862-864
4	669-671/653-655/615-618/590-592	400gal 15%HCLw/ 53bbls 2%KCl water, 822bbls water w/ 2% KCL, Blockde, 5500# 20/40 sand	669-671/653-655
			615-618/590-592
4	512-516/499-503	400gal 15%HCLw/ 45bbls 2%KCl water, 710bbls water w/ 2% KCL, Blockde, 5800# 20/40 sand	512-516/499-503

TUBING RECORD		Size <u>2-3/8"</u>	Set At <u>965</u>	Packer At <u>n/a</u>	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. <u>1-07-08</u>			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. <u>n/a</u>	Gas Mcf <u>12.5 mcf</u>	Water Bbls. <u>83.8 bbls</u>	Gas-Oil Ratio	Gravity

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

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



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

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TICKET NUMBER **2545**

FIELD TICKET REF # \_\_\_\_\_

FOREMAN Joe

**TREATMENT REPORT  
& FIELD TICKET CEMENT**

DATE	WELL NAME & NUMBER			SECTION	TOWNSHIP	RANGE	COUNTY
10-25-07	Heilmann Vern 31-5			31	28	19	NO
FOREMAN / OPERATOR	TIME IN	TIME OUT	LESS LUNCH	TRUCK #	TRAILER #	TRUCK HOURS	EMPLOYEE SIGNATURE
Joe	6:45	10:00		903427		3.25	Joe Blumhardt
MAVERICK	6:45	↓		903197		3.25	120
Tyler	7:00	↓		903600		3	TH
Tim	6:45	↓		903140	932452	3.25	Tim Myers
Daniel	6:45	↓		931420		3.25	Daniel

JOB TYPE Logging HOLE SIZE 6 7/8 HOLE DEPTH 1025.10 CASING SIZE & WEIGHT 4 1/2 10.5  
 CASING DEPTH 1020.54 DRILL PIPE \_\_\_\_\_ TUBING \_\_\_\_\_ OTHER \_\_\_\_\_  
 SLURRY WEIGHT 14.2 SLURRY VOL \_\_\_\_\_ WATER gal/sk \_\_\_\_\_ CEMENT LEFT in CASING 0  
 DISPLACEMENT 16.27 DISPLACEMENT PSI \_\_\_\_\_ MIX PSI \_\_\_\_\_ RATE 4 bpm

REMARKS:

Installed Cement head RAW 2 SKS gal & 10 bbl dye & 1 SK gal & 150 SKS of  
Cement to get dye to surface. Flush pump. Pump wiper plug to bottom &  
Set float shoe

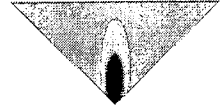
	1020.54	Ft 4 1/2 Casing	
	6	Controlizers	
	1	4 1/2 Float shoe	

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION OF SERVICES OR PRODUCT	TOTAL AMOUNT
903427	3.25 hr	Foreman Pickup	
903197	3.25 hr	Cement Pump Truck	
903600	3 hr	Bulk Truck	
1104	140 SK	Portland Cement	
1124	2	50/50 POZ-Blend Cement <u>Baffles 3 1/2 43</u>	
1126	1	OWC-Blend Cement <u>4 1/2 wiper plug</u>	
1110	20 SK	Gilsonite	
1107	1.5 SK	Flo-Seal	
1118	6 SK	Premium Gel	
1215A	1 gal	KCL	
1111B	3 SK	Sodium-Silicate <u>Calcchloride</u>	
1123	7000 l	City Water	
903140	3.25 hr	Transport Truck	
932452	3.25 hr	Transport Trailer	
931420	3.25 hr	80 Vac	

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**WICHITA, KS**

# QUEST

Resource Corporation



DATE: 10/24/07

Geology Brief - Data taken from Driller's Log & Compensated Density Log

TXD Drilling

<b>WELL NAME:</b>	Heilman, Vern L.	<b>SECTION:</b>	31	<b>REPORT #:</b>		<b>SPUD DATE:</b>	10/18/2007
<b>WELL #:</b>	31-5	<b>TWP:</b>	28S	<b>DEPTH:</b>	1035		
<b>FIELD:</b>	Cherokee Basin	<b>RANGE:</b>	19E	<b>PBD:</b>			
<b>COUNTY:</b>	Neosho	<b>ELEVATION:</b>	928	<b>FOOTAGE:</b>	1300	<b>FT FROM</b>	North
<b>STATE:</b>	Kansas	<b>API #:</b>	15-133-27234-0000		2050	<b>FT FROM</b>	West
							E/2 NW

**ACTIVITY DESCRIPTION:**

TXD Drilling, David Small & Joe Chaloupek, drilled to TD 1035 ft. on Wednesday, 10/24/07 at 9:00 a.m.

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Surface Casing @ 22.0 ft.

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Surface Casing Size: 8 5/8"

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GAS SHOWS:	Gas Measured	COMMENTS: Wet: 167 ft.
Mulberry Coal	0 mcf/day @ 389-392 FT.	Gas check at 405 ft. No blow.
Lexington Shale and Coal	0 mcf/day @ 429-432 FT.	GCS. Gas check at 436 & 467 ft.
Summit Shale & Coal	0 mcf/day @ 498-504 FT.	GCS. Gas check at 498 ft.
Mulky Shale & Coal	55 mcf/day @ 511-515 FT.	55 mcf/day from this area. Gas check at 529 ft.
Bevier Coal	55 mcf/day @ 591-594 FT.	Upper baffle set at 550.53 ft. Big hole.
Verdigris Limestone	55 mcf/day @ 611-614 FT.	
Croweburg Coal & Shale	55 mcf/day @ 614-618 FT.	
Fleming Coal	55 mcf/day @ 652-655 FT.	
Weir Coal	32 mcf/day @ 722-726 FT.	Gas check at 746 ft.
Bartlesville Sand	32 mcf/day @ Poorly developed FT.	Lower baffle set at 747.27 ft. Small hole.
Rowe Coal	32 mcf/day @ 861-864 FT.	
Neutral Coal	32 mcf/day @ 868-870 FT.	
Riverton Coal	32 mcf/day @ 922-925 FT.	
Mississippi	32 mcf/day @ Top at 938 FT.	GCS. Gas check at 963 ft.
TD: 1035 ft.	32 mcf/day @	GCS at TD.

**Note: Water coming into the hole from zones drilled affects Drilling & Gas Tests, and these Wells may require a booster to reach target TD. This water pressure may cause the Gas coming into the hole to be sporadic and/or appear non-existent, giving false readings of Gas measured.**

Bottom of Production Pipe Tally sheet: 1020.54 ft.

Bottom Logger: 1035.10 ft. Driller TD: 1035 ft.

Shoe & Centralizer Set on bottom joint & Centralizers Set every 5 joints to surface.

**OTHER COMMENTS:**

Information in this report was taken directly from the Drillers hand written notes, Geologists examination of rock samples with a hand lens & the Compensated Density Log only. Gas Tests reflect what the driller wrote down during drilling activities. All zones are picked on site with minimal log correlation. Detailed work with logs may provide more accurate data for reservoir analysis. Below Zones fyi only.

Pawnee LS / Pink	392-429
Oswego Coal	470-472
Oswego Limestone	472-498
Mineral Coal	668-671
Scammon Coal	678-680
Tebo Coal	709-712
Drywood Coal	822-824
Stray Black Shale / Coal	882-884

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**CASING RECOMMENDATIONS:** Run casing / Cement to surface

On Site Representative: Ken Recoy, Senior Geologist, CPG #4630 & #5927 Cell: (620) 305-9900 krecoy@grcp.net

End of Drilling Report. Thank You!

**TXD SERVICES**

**DRILLERS LOG**

**TXD SERVICES**

<b>RIG #</b>	101	<b>S. 31</b>	<b>T. 28</b>	<b>R. 19</b>	<b>GAS TESTS:</b>	
<b>API #</b>	133-27234	<b>County:</b>	Neosho		405'	no blow
<b>Elev.:</b>	928'	<b>Location:</b>	Kansas		436'	no blow
					467'	no blow

<b>Operator:</b>	Quest Cherokee LLC		498'	no blow			
<b>Address</b>	9520 N. May Ave., Suite 300		529'	17 - 3/4"	55.2		
	Oklahoma City, OK. 73120		746'	5 - 3/4"	31.6		
<b>WELL #</b>	31-5	<b>Lease Name:</b>	Heilman, Vern L.		963'/mississ	5 - 3/4"	31.6
<b>Footage location</b>	1300 ft. from the	<b>N</b>	line	1035'	5 - 3/4"	31.6	
	2050 ft. from the	<b>W</b>	line				

<b>Drilling Contractor:</b>	<b>TXD SERVICES LP</b>				
<b>Spud Date:</b>	10-18-07	<b>Geologist:</b>			
<b>Dale Comp:</b>	10-24-07	<b>Total Depth:</b>	1035'		
<b>Exact Spot Location</b>	E2 NW				

<b>Casing Record</b>			<b>Rig Time</b>		
	<b>Surface</b>	<b>Production</b>			
<b>Size Hole</b>	12-1/4"	6-3/4"			
<b>Size Casing</b>	8-5/8"	4-1/2"			
<b>Weight</b>	24#	10-1/2#			
<b>Setting Depth</b>	22'				
<b>Type Cement</b>					
<b>Sacks</b>					

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**WELL LOG**

Formation	Top	Btm.	Formation	Top	Btm.	Formation	Top	Btm.
top soil	0	1	lime	392	421	sand/shale	740	758
clay/lime	1	22	b.shale	421	423	sh	758	848
lime	22	36	lime	423	432	sand/shale	848	866
shale	36	40	coal	432	433	shale	866	933
lime	40	47	shale	433	450	coal	933	934
sand	47	110	coal	450	451	shale	934	941
lime	110	128	sand	451	470	mississippi	941	1036
shale	128	149	coal	470	471			
lime	149	161	lime	471	497			
b.shale	161	163	shale	497	498			
shale	163	174	b.shale	498	500			
lime	174	201	shale	500	511			
shale	201	215	lime	511	515			
sand	215	224	b.shale	515	517			
shale	224	257	coal	517	519			
lime	257	276	shale	519	552			
shale	276	290	sand	552	558			
lime	290	303	shale	558	593			
sand	303	322	coal	593	594			
shale	322	387	shale	594	619			
lime	387	391	coal	619	820			
coal	391	392	shale	620	740			

Comments: 167' added water

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