

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form CP-1
March 2010
This Form must be Typed
Form must be Signed
All blanks must be Filled

WELL PLUGGING APPLICATION

Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act,
MUST be submitted with this form.

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

API No. 15 - 195-21840-00-00
If pre 1967, supply original completion date: _____
Spot Description: _____
~~SW~~ SW Sec. 21 Twp. 11 S. R. 22 East West
~~750~~ 750 Feet from North / South Line of Section
~~800~~ 800 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Trego
Lease Name: Shaw Creek Unit Well #: Water Supply Well

RECEIVED
KANSAS CORPORATION COMMISSION

JUL 02 2010

CONSERVATION DIVISION

WICHITA, KS

Check One: Oil Well Gas Well OG D&A Cathodic Water Supply Well Other: _____
 SWD Permit #: _____ ENHR Permit #: _____ Gas Storage Permit #: _____

Conductor Casing Size: _____ Set at: _____ Cemented with: _____ Sacks
Surface Casing Size: 8 5/8 Set at: 1638 Cemented with: 600 Sacks
Production Casing Size: _____ Set at: _____ Cemented with: _____ Sacks

List (ALL) Perforations and Bridge Plug Sets:

1102-48

Elevation: 2338 (G.L. / K.B.) T.D.: 1638 PBTD: _____ Anhydrite Depth: unknown
(Stone Corral Formation)

Condition of Well: Good Poor Junk in Hole Casing Leak at: _____
(Interval)

Proposed Method of Plugging (attach a separate page if additional space is needed):

Tie onto casing and pump water down hole to determine that perms are open. Upon determination, pump hole full of cement.

Is Well Log attached to this application? Yes No Is ACO-1 filed? Yes No

If ACO-1 not filed, explain why:

Plugging of this Well will be done in accordance with K.S.A. 55-101 et. seq. and the Rules and Regulations of the State Corporation Commission

Company Representative authorized to supervise plugging operations: Steve Baize

Address: P.O.Box 252 City: Great Bend State: Ks Zip: 67530 + 0252

Phone: (620) 793-9090

Plugging Contractor License #: 31925 Name: Quality Oilwell Cementing

Address 1: PO Box 32 Address 2: _____

City: Russell State: Ks Zip: 67665 + 0032

Phone: (785) 483-2025

Proposed Date of Plugging (if known): July - 2010

Payment of the Plugging Fee (K.A.R. 82-3-118) will be guaranteed by Operator or Agent

Date: 6/30/2010 Authorized Operator / Agent: _____
(Signature)

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

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form KSONA-1
July 2010
Form Must Be Typed
Form must be Signed
All blanks must be Filled

**CERTIFICATION OF COMPLIANCE WITH THE
KANSAS SURFACE OWNER NOTIFICATION ACT**

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: C-1 (Intent) CB-1 (Cathodic Protection Borehole Intent) T-1 (Transfer) CP-1 (Plugging Application)

RECEIVED
KANSAS CORPORATION COMMISSION

OPERATOR: License # 9090 JUL 02 2010
Name: Charter Energy, Inc.
Address 1: P.O. Box 252 CONSERVATION DIVISION WICHITA, KS
Address 2: _____
City: Great Bend State: Ks Zip: 67530 + 0252
Contact Person: Steve Baize
Phone: (620) 793-9090 Fax: (620) 793-9090
Email Address: charterenergy@att.net

Well Location: SW/NE NW SW SW Sec. 21 Twp. 11 S. R. 22 East West
County: Trego
Lease Name: Shaw Creek Unit SUPPLY Well #/ water supply well

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Surface Owner Information:

Name: Elmer Schlegel
Address 1: RR1 Box 27
Address 2: _____
City: Ogallah State: KS Zip: 67656 + _____

When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 6/30/2010 Signature of Operator or Agent: [Signature] Title: President

STATE CORPORATION COMMISSION OF KANSAS
OIL & GAS CONSERVATION DIVISION

WELL COMPLETION OR RECOMPLETION FORM
ACO-1 WELL HISTORY

DESCRIPTION OF WELL AND LEASE

Operator: License # 8572
Name: Reach Oil Corp. dba The Reach Group
Address: 229 E. William, Suite 500
City/State/Zip: Wichita, KS 67202

Purchaser: NA
Operator Contact Person: Jim Gowens
Phone: (361) 262-1515

Contractor: License # 8059
Name: Rob't-Gay Energies Enterprises, Inc.

Wellsite Geologist: Jim Gowens
Phone: (316) 262-1515

Designate Type of Completion
 New Well, Re-Entry, Workover
 Oil, Gas, Dry, SWD, Inj, Temp Abd, Delayed Comp., Other (Core, Water Supply etc.)

If OWWO: old well info as follows:
Operator
Well Name
Comp. Date
Old Total Depth

WELL HISTORY

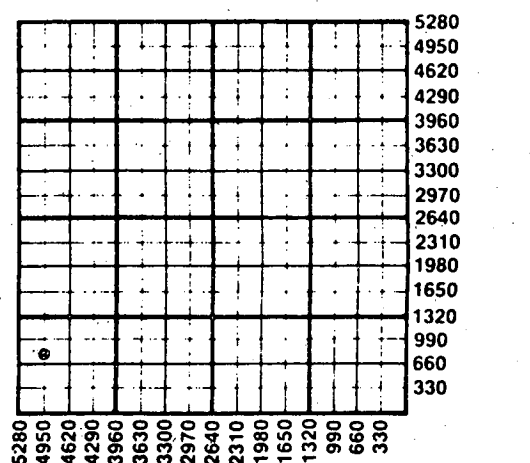
Drilling Method:
 Mud Rotary, Air Rotary, Cable
...01-26-86 Spud Date, ...01-29-86 Date Reached TD, ...02-26-86 Completion Date
...1650! Total Depth, ...1627! PBD
Amount of Surface Pipe Set and Cemented at...feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set...feet
If alternate 2 completion, cement circulated from...feet depth to...w/...SX cmt

API NO. 15-195-21,840-8000
County: Trego
SW NE NW SW Sec. 21 Twp. 11S Rge. 22 East West

750 Ft North from Southeast Corner of Section
800-1950 Ft West from Southeast Corner of Section
(Note: Locate well in section plat below)

Lease Name: Shaw Creek Unit Supply Well #1
Field Name: Shaw Creek
Producing Formation: NA

Elevation: Ground 2338' KB 2345'
Section Plat



WATER SUPPLY INFORMATION
Disposition of Produced Water: Disposal, Repressuring
Docket # E-23,813

Questions on this portion of the ACO-1 call:
Water Resources Board (913) 296-3717
Source of Water:
Division of Water Resources Permit #
 Groundwater (Well) Ft North from Southeast Corner, Ft West from Southeast Corner, Sec Twp Rge East West
 Surface Water (Stream, pond etc) Ft North from Southeast Corner, Ft West from Southeast Corner, Sec Twp Rge East West
 Other (explain) (purchased from city, R.W.D. #)

INSTRUCTIONS: This form shall be completed in duplicate and filed with the Kansas Corporation Commission, 200 Colorado Derby Building, Wichita, Kansas 67202, within 90 days after completion or recompletion of any well. Rule 82-3-130 and 82-3-107 apply. Information on 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 drillers time log shall be attached with this form. 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: Exploration Manager Date: 05-05-86

Subscribed and sworn to before me this 5th day of May 1986
Notary Public: [Signature]

Date Commission Expires: [Signature]
JEFF T. LOGAN
NOTARY PUBLIC
STATE OF KANSAS
My Appt. Exp. Nov. 1, 1989

K.C.C. OFFICE USE ONLY
 Letter of Confidentiality Attached
 Wireline Log Received
 Drillers Timelog Received
Distribution
 KCC SWD/Rep NGPA
 KGS Plug Other (Specify)

SIDE TWO

Operator Name Reach Oil Corp., dba The Reach Group Lease Name Shaw Creek Unit Well # 1
Supply Well

Sec. 21 Twp. 11S Rge. 22 East West County Trego

WELL LOG

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all drill stem 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 during test. Attach extra sheet if more space is needed. Attach copy of log.

Drill Stem Tests Taken Yes No
 Samples Sent to Geological Survey Yes No
 Cores Taken Yes No

Formation Description
 Log Sample

Name	Top	Bottom
Dakota	722'	
Cheyenne	1034'	
Cedar Hills	1322'	

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
Production	12-1/4"	8-5/8"	24#	1638'	KB lite common	400 200	2% gel
PERFORATION RECORD				Acid, Fracture, Shot, Cement Squeeze Record			
Shots Per Foot	Specify Footage of Each Interval Perforated			(Amount and Kind of Material Used)		Depth	
2	1102-18'			A/1000			
2	1024-30'						
2	1038-48'						
2	964-988'						
TUBING RECORD				Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Size 2-7/8"		Set At 918'		Packer at NA			
Date of First Production	Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (explain).....						
02-26-86							
Estimated Production Per 24 Hours	Oil Bbls	Gas MCF	Water Bbls	Gas-Oil Ratio	Gravity CFPB		
NA	NA	NA					

METHOD OF COMPLETION

Production Interval

Disposition of gas: Vented Open Hole Perforation Sold Other (Specify) 964' - 1118' 0/A
 Used on Lease Dually Completed Commingled



CORPORATION COMMISSION

Mark Parkinson, Governor Thomas E. Wright, Chairman, Joseph F. Harkins, Commissioner, Ward Loyd, Commissioner

NOTICE OF RECEIPT OF WELL PLUGGING APPLICATION (CP-1)

CHARTER ENERGY, INC.
PO BOX 252
GREAT BEND, KS 67530-0252

July 12, 2010

Re: SHAW CREEK UNIT SUPPLY #1
API 15-195-21840-00-00
21-11S-22W, 750 FSL 800 FWL
TREGO COUNTY, KANSAS

Dear Operator:

This letter is to notify you that the Conservation Division has received your plugging proposal, form CP-1, for the above well and has reviewed the proposal for completeness. The central office will now forward your CP-1 to the district office listed below for review of the proposed plugging method. **Please contact the district office for approval of your proposed plugging method at least five (5) days before plugging the well, pursuant to K.A.R. 82-3-113(b). If a workover pit will be used during the plugging of the well it must be permitted. A CDP-1 form must be filed and approved prior to the use of the pit in accordance with K.A.R. 82-3-600.**

The Conservation Division's review of form CP-1, either in the central or district office, does not include an inquiry into well ownership or the filing operator's legal right to plug the well. This notice in no way constitutes authorization to plug the above well by persons not having legal rights of ownership or interest in the well.

This notice is void after January 8, 2011. The CP-1 filing does not bring the above well into compliance with K.A.R. 82-3-111 with regard to the Commission's temporary abandonment requirements.

Sincerely

Steve Bond
Production Department Supervisor

District: #4
2301 E. 13th
Hays, KS 67601
(785) 625-0550