

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
June 2009

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

KCC WICHITA

Form Must Be Typed
Form must be Signed
All blanks must be Filled

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 # 33905
Name: Royal Drilling, Inc.
Wellsite Geologist: James C. Musgrove
Purchaser: N C R A

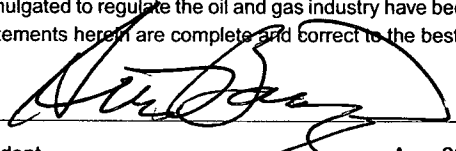
Designate Type of Completion:
 New Well Re-Entry Workover
 Oil WSW SWD SIOW
 Gas D&A ENHR SIGW
 OG GSW Temp. Abd.
 CM (Coal Bed Methane)
 Cathodic Other (Core, Expl., etc.): _____

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
 Conv. to GSW
 Plug Back: _____ Plug Back Total Depth _____
 Commingled Permit #: _____
 Dual Completion Permit #: _____
 SWD Permit #: _____
 ENHR Permit #: _____
 GSW Permit #: _____
3-31-2010 4-5-2010 4-12-2010
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 009-25402-00-00
Spot Description: _____
SW NE SE SE Sec. 7 Twp. 16 S. R. 13 East West
715 Feet from North / South Line of Section
620 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Barton
Lease Name: Gary Bitter Well #: 1
Field Name: Trapp
Producing Formation: Arbuckle
Elevation: Ground: 1928 Kelly Bushing: 1933
Total Depth: 3373 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at: 412 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
(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 #: _____
Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
County: _____ Permit #: _____

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.

AFFIDAVIT
I am the affiant and I hereby certify that 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: 
Title: President Date: Aug. 26, 2010

KCC Office Use ONLY
 Letter of Confidentiality Received
Date: _____
 Confidential Release Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
ALT I II III Approved by: Dlg Date: 9/2/10

Operator Name: Charter Energy, Inc. Lease Name: Gary Bitter Well #: 1
 Sec. 7 Twp. 16 S. R. 13 East West County: Barton

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 complete copy of all Electric Wire-line Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Submitted Electronically <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(If no, Submit Copy)</i> List All E. Logs Run:	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input checked="" type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>Heebner</td> <td>3054</td> <td>-1121</td> </tr> <tr> <td>Toronto</td> <td>3071</td> <td>-1138</td> </tr> <tr> <td>Douglas</td> <td>3085</td> <td>-1152</td> </tr> <tr> <td>Brown Lime</td> <td>3126</td> <td>-1193</td> </tr> <tr> <td>Lansing</td> <td>3138</td> <td>-1205</td> </tr> <tr> <td>Arbuckle</td> <td>3367</td> <td>1434</td> </tr> </table>	Name	Top	Datum	Heebner	3054	-1121	Toronto	3071	-1138	Douglas	3085	-1152	Brown Lime	3126	-1193	Lansing	3138	-1205	Arbuckle	3367	1434
Name	Top	Datum																				
Heebner	3054	-1121																				
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Brown Lime	3126	-1193																				
Lansing	3138	-1205																				
Arbuckle	3367	1434																				

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	24	412	common	180	3%cc, 2% gel
Production	7 7/8	5 1/2	15.50	3369	EA-2	135	

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
open hole		150 gal. 15% INS	

TUBING RECORD: Size: <u>2 7/8</u> Set At: <u>3368</u> Packer At:		Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Date of First, Resumed Production, SWD or ENHR. <u>4/2010</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>40</u>	Gas Mcf	Water Bbls. <u>260</u> Gas-Oil Ratio Gravity

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input checked="" type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5) (Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
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Quality Oilwell Cementing Inc.

Drilling

Invoice

740 W WICHITA
P.O. Box 32
Russell, KS 67665

Date	Invoice #
4/1/2010	2421

Bill To
CHARTER ENERGY P.O. BOX 252 GREAT BEND KS 67530

RECEIVED
AUG 1 2010
KCC WICHITA

P.O. No.	Terms	Project
	Net 30	

Item	Description	Qty	Rate	Amount
55	common	180	10.00	1,800.00T
58	GEL	4	17.00	68.00T
14	Calcium	7	42.00	294.00T
4	handling	191	2.00	382.00
5	MILEAGE CHARGE	1	250.00	250.00
23	8 5/8 wooden plug	1	69.00	69.00T
27	surface pipes 0-500ft	1	400.00	400.00
13	pump truck mileage charge	18	6.00	108.00
6	discount if paid within 30 days DISCOUNT HAS ALREADY BEEN DEDUCTED	446	-1.00	-446.00T
6	discount if paid within 30 days DISCOUNT HAS ALREADY BEEN DEDUCTED	228	-1.00	-228.00
	BARTON COUNTY LOCATION LEASE: GARY BITTER WELL #1			

*CR # 3475
4-21-10*

Thank you for your business. Dave	Subtotal	\$2,697.00
	Sales Tax (6.3%)	\$112.46
	Total	\$2,809.46
	Payments/Credits	\$0.00
	Balance Due	\$2,809.46

QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 3938

Date	4-1-10	Sec.	Twp.	Range	County	State	On Location	Finish
Lease	ConocoPhillips	Well No.	1	Location	Russell NE 21E S. 4			
Contractor	Royal Drilling Rig	Owner	To: Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.					
Type Job	Surface	Hole Size	12"	T.D.	412	Charge To	Chas. Emery	
Csg.	8 1/2" 2-11	Depth	412	Tbg. Size		Street		
Tool		Depth		City		State		
Cement Left in Csg.		Shoe Joint		The above was done to satisfaction and supervision of owner agent or contractor.				
Meas Line		Displace	75 @ 1.71	Cement Amount Ordered	120 @ 3.00 @ 2.00			

EQUIPMENT

Pumptrk	9	No.	Cementer	Common	180 @ 10.00	1800.00
			Helper			
Bulktrk	2	No.	Driver	Poz. Mix		
			Driver			
Bulktrk		No.	Driver	Gel.	4 @ 17.00	68.00
			Driver	Calcium	7 @ 42.00	294.00

JOB SERVICES & REMARKS

Remarks:	Hulls	
Rat Hole	Salt	RECEIVED
Mouse Hole	Flowseal	AUG 7
Centralizers	Kol-Seal	
Baskets	Mud CLR 48	KCC WICHITA
D/V or Port Collar	CFL-117 or CD110 CAF 38	
	Sand	
	Handling	191 @ 2.00 = 382.00
	Mileage	250 @ 1.00 = 250.00

FLOAT EQUIPMENT

	Guide Shoe	
	Centralizer	
	Baskets	
	AFU Inserts	
	Float Shoe	
	Latch Down	
		69.00
	Pumptrk Charge	400.00
	Mileage	18 @ 6.00 = 108.00
		112.46
		(674.00)
		2809.46

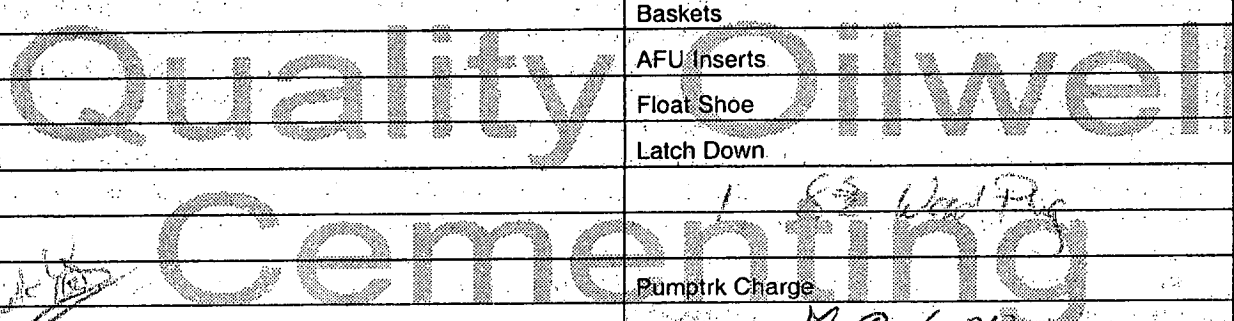
RECEIVED

AUG 30 2010

KCC WICHITA

X Signature *Wong R...*

Tax 112.46
Discount (674.00)
Total Charge 2809.46





P. O. Box 466
 Ness City, KS 67560
 Off: 785-798-2300



Invoice

DATE	INVOICE #
4/5/2010	18475

BILL TO
Charter Energy, Inc. P. O. Box 252 Great Bend, KS 67530-0252

Drilling

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#1	Gary Bitter	Barton	Royal Drilling #3	Oil	Development	LongString	Nick
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				50	Miles	5.00	250.00
578D-L	Pump Charge - Long String - 3373 Feet				1	Job	1,400.00	1,400.00
221	Liquid KCL (Clayfix)				2	Gallon(s)	25.00	50.00T
281	Mud Flush				500	Gallon(s)	1.00	500.00T
290	D-Air				2	Gallon(s)	35.00	70.00T
402-5	5 1/2" Centralizer				6	Each	55.00	330.00T
403-5	5 1/2" Cement Basket				1	Each	200.00	200.00T
406-5	5 1/2" Latch Down Plug & Baffle				1	Each	225.00	225.00T
407-5	5 1/2" Insert Float Shoe With Auto Fill				1	Each	275.00	275.00T
325	Standard Cement				175	Sacks	12.00	2,100.00T
276	Fiocele				50	Lb(s)	1.50	75.00T
283	Salt				900	Lb(s)	0.15	135.00T
284	Calseal				8	Sack(s)	30.00	240.00T
286	Halad-1 (Halad 9)				100	Lb(s)	6.00	600.00T
581D	Service Charge Cement				175	Sacks	1.50	262.50
583D	Drayage				457.5	Ton Miles	1.00	457.50
Subtotal								7,170.00
Sales Tax Barton County							6.30%	302.40

*CK# 3480
 4-21-10*

We Appreciate Your Business!	Total	\$7,472.40
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RECEIVED

AUG 3 0 2010

KCC WICHITA



CHARGE TO: Charter Energy
 ADDRESS:
 CITY, STATE, ZIP CODE:

RECEIVED
 AUG 30 2010
 KCC WICHITA

TICKET
 18475
 PAGE 1 OF 2

SERVICE LOCATIONS
 1. Hays, Ks.
 2. Ness City Ks.
 3.
 4.

WELL/PROJECT NO. #1 LEASE Gary Bitter COUNTY/PARISH Barton STATE Ks CITY DATE 4-5-10 OWNER SAME

TICKET TYPE SERVICE SALES CONTRACTOR Royal Drlg #3 RIG NAME/NO. SHIPPED VIA OT DELIVERED TO Location ORDER NO.

WELL TYPE oil WELL CATEGORY Development JOB PURPOSE Longstring WELL PERMIT NO. WELL LOCATION

REFERRAL LOCATION INVOICE INSTRUCTIONS

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UNIT PRICE		AMOUNT
		LOC	ACCT	DF		QTY.	U/M	QTY.	U/M	
575		1			MILEAGE #111	50	mi		5.00	250.00
578		1			Pump Charge Longstring	1	ea	3375'	1400.00	1400.00
221		1			KCL	2	gal		25.00	50.00
281		1			Mud Flush	500	gal		1.00	500.00
290		1			D-Air	2	gal		35.00	70.00
402		1			Centralizers	6	ea	5 1/2"	55.00	330.00
403		1			Basket	1	ea		200.00	200.00
406		1			LD Plug & Baffle	1	ea		225.00	225.00
407		1			Insert Float Shoe w/ fill	1	ea		275.00	275.00

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

[Signature]
 DATE SIGNED 4-6-10 TIME SIGNED 8:05 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		
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				PAGE TOTAL 1	3300.00
WE UNDERSTOOD AND MET YOUR NEEDS?				page 2	7870.00
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				Subtotal	7120.00
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				Barton TAX 6.3%	302.40
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				TOTAL	7472.40
<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 *[Signature]* APPROVAL

Thank You!



TICKET CONTINUATION

PO Box 466
Ness City, KS 67560
Off: 785-798-2300

TICKET No. **18475**

CUSTOMER *Charter Energy* WELL #1 *Gary Bitter* DATE *4-5-10* PAGE *2* OF *2*

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			TIME	DESCRIPTION	QTY.		QTY.		UNIT PRICE	AMOUNT		
		LOC	ACCT	DP			U/M	U/M						
<i>325</i>		<i>2</i>				<i>Standard Cement</i>	<i>175</i>	<i>sk</i>			<i>12.00</i>	<i>2100</i>	<i>00</i>	
<i>276</i>		<i>2</i>				<i>Flocle</i>	<i>50</i>	<i>#</i>			<i>1.50</i>	<i>75</i>	<i>00</i>	
<i>283</i>		<i>2</i>				<i>Salt</i>	<i>900</i>	<i>#</i>			<i>15</i>	<i>135</i>	<i>00</i>	
<i>284</i>		<i>2</i>				<i>Calseq</i>	<i>8</i>	<i>sk</i>			<i>30.00</i>	<i>240</i>	<i>00</i>	
<i>285</i>		<i>2</i>				<i>Halad-1</i>	<i>100</i>	<i>#</i>			<i>6.00</i>	<i>600</i>	<i>00</i>	
<i>581</i>		<i>2</i>				SERVICE CHARGE	<i>175</i>				CUBIC FEET	<i>1.50</i>	<i>262</i>	<i>50</i>
<i>583</i>		<i>2</i>				MILEAGE CHARGE	<i>18700</i>	TOTAL WEIGHT	<i>50</i>	LOADED MILES	TON MILES	<i>1.00</i>	<i>457</i>	<i>50</i>

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AUG 30 2010
KCC WICHITA

CONTINUATION TOTAL *3870 00*

JOB LOG

SWIFT Services, Inc.

DATE 4-5-10 PAGE NO. 1

CUSTOMER Charter Energy WELL NO. #1 LEASE #1 Gary Bitter JOB TYPE Longstring TICKET NO. 18475

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1925							on loc w/FE
								RTD 3373'
								5 1/2" x 15.5" x 3371' x 22'
								Cent. 1, 4, 6, 8, 10, 12
								Back #3
								5ts out 2, 55, 79
	2050							start F.E.
								Break Circ.
	2310	2.5	7/4					Plug RH+MH 40sks EA-2
	2320	4.5	0			250		start Mud Flush
		4.5	120/0			250		start KCL Flush
		5	220/0			250		start Cement 135sks EA-2
	2335		32					End Cement
								Wash P+K
								Drop LD Plug
	2340	6	0			200		start Displacement
	2350	5	58			250		catch Cement
	2355		80			800/1400		Land Plug
								Release Pressure
								Float Held
								RECEIVED
								AUG 30 2010
								KCC WICHITA
								Thank you
								Nick, Josh F. & Rob