

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

ORIGINAL

Form ACO-1

June 2009

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 # 33323
Name: Petromark Drilling, LLC
Wellsite Geologist: Josh Austin
Purchaser: N C R A

RECEIVED

SEP 17 2010

KCC WICHITA

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 #: _____

2 / 26 / 2010 3 / 04 / 2010 3 / 09 / 2010

Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 185-23609 - 6000

Spot Description: _____

NE SW SE SE Sec. 4 Twp. 22 S. R. 13 ☐ East ☒ West

400 Feet from ☐ North / ☒ South Line of Section

960 Feet from ☒ East / ☐ West Line of Section

Footages Calculated from Nearest Outside Section Corner:

☐ NE ☐ NW ☒ SE ☐ SW

County: Stafford

Lease Name: Blakeslee Well #: 1

Field Name: Gates

Producing Formation: Arbuckle

Elevation: Ground: 1889 Kelly Bushing: 1894

Total Depth: 1883 Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at: 306 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: 9 / 16 / 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: Dg Date: 9/21/10

Operator Name: Charter Energy, Inc. Lease Name: Blakeslee 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 complete copy of all Electric Wire-line 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

Electric Log Submitted Electronically ☐ Yes ☒ No

(If no, Submit Copy)

List All E. Logs Run:

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

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

| Name | Top | Datum |
|---------------|------|-------|
| Anhydrite | 744 | +1150 |
| Heebner | 3238 | -1344 |
| Lansing | 3384 | -1490 |
| Conglomerate | 3629 | -1735 |
| Viola | 3655 | -1761 |
| Simpson Shale | 3715 | -1821 |
| Arbuckle | 3764 | -1870 |

CASING RECORD ☒ New ☐ 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 | 23 | 306 | common | 320 | 3%cc, 2% gel |
| Production | 7 7/8 | 5 1/2 | 15.50 | 3770 | EA-2 | 145 | |
| | | | | | | | |

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 |
|----------------|-------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-------|
| open hole | | | |
| | | | |
| | | | |
| | | | |
| | | | |

| | | | | |
|------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|------------------|---------------------------------------------------------------------|
| TUBING RECORD: | Size: 2 7/8 | Set At: 3771 | Packer At: | Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Date of First, Resumed Production, SWD or ENHR. 5 / 13 / 2010 | 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. 25 | Gas Mcf | Water Bbls. 7 | Gas-Oil Ratio Gravity |

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

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

QUALITY OILWELL CEMENTING, INC.

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

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

No. 3555

| | | | | | | | | | | | | | | | |
|---------------------------------------|---------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|----------------------------------------|----|-------|----|--------|----------|-------|----|-------------|--|--------|----------|
| Date | 2/27/10 | Sec. | 15 | Twp. | 21 | Range | 12 | County | Stafford | State | KS | On Location | | Finish | 11:30 PM |
| Lease | Blakeslee | Well No. | 1 | Location 281 + K-19, 1/2 W, N + E into | | | | | | | | | | | |
| Contractor | Petromark Drilling Rig #2 | Owner | | | | | | | | | | | | | |
| Type Job | Surface | 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. | | | | | | | | | | | | | |
| Hole Size | | T.D. | | | | | | | | | | | | | |
| Csg. | 8 5/8" 24# | Depth | 306' | | | | | | | | | | | | |
| Tbg. Size | | Depth | | | | | | | | | | | | | |
| Drill Pipe | | Depth | | | | | | | | | | | | | |
| Tool | | Depth | | | | | | | | | | | | | |
| Cement Left in Csg. | 15' | Shoe Joint | 4 # 2 1/2" Flowseal CEMENT | | | | | | | | | | | | |
| Press Max. | | Minimum | Amount Ordered 320 x (cm 3 1/4" 2 1/4" gel) | | | | | | | | | | | | |
| Meas Line | | Displace | 17 1/2 Bbls. | | | | | | | | | | | | |
| Perf. | | Poz. Mix | | | | | | | | | | | | | |
| EQUIPMENT | | | | | | | | | | | | | | | |
| Pumptrk | 9 | No. | Cementor | Paul | | | | | | | | | | | |
| Bulktrk | 8 | No. | Driver | Neale | | | | | | | | | | | |
| Bulktrk | PV | No. | Driver | Jason | | | | | | | | | | | |
| JOB SERVICES & REMARKS | | | | | | | | | | | | | | | |
| Pumptrk Charge | | | | | | | | | | | | | | | |
| Mileage | | | | | | | | | | | | | | | |
| Footage | | | | | | | | | | | | | | | |
| Total | | | Handling | | | | | | | | | | | | |
| Remarks: | | | Mileage | | | | | | | | | | | | |
| | | | Pump Truck Charge | | | | | | | | | | | | |
| FLOAT EQUIPMENT | | | | | | | | | | | | | | | |
| | | | Guide Shoe | | | | | | | | | | | | |
| | | | Centralizer 8 5/8" | | | | | | | | | | | | |
| | | | Baskets | | | | | | | | | | | | |
| | | | AFU Inserts | | | | | | | | | | | | |
| | | | Head + Mainfold | | | | | | | | | | | | |
| | | | Wood Plug | | | | | | | | | | | | |
| | | | Rotating Head | | | | | | | | | | | | |
| | | | Squeez Mainfold | | | | | | | | | | | | |
| | | | Tax | | | | | | | | | | | | |
| | | | Discount | | | | | | | | | | | | |
| | | | Total Charge | | | | | | | | | | | | |
| Thank You!! Shawn EPP Signature | | | | | | | | | | | | | | | |



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



Invoice

| DATE | INVOICE # |
|----------|-----------|
| 3/4/2010 | 18337 |

| |
|--------------------------------------------------------------------|
| 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 | Blakeslee | Stafford | PetroMark Drillin... | Oil | Development | Cement 5-1/2" C... | Brett |
| PRICE REF. | | DESCRIPTION | | | QTY | UM | UNIT PRICE | AMOUNT |
| 575D | Mileage - 1 Way | 70 | Miles | 5.00 | 350.00 | | | |
| 578D-L | Pump Charge - Long String | 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 | | | |
| 402-5 | 5 1/2" Centralizer | 8 | Each | 55.00 | 440.00T | | | |
| 403-5 | 5 1/2" Cement Basket | 1 | Each | 180.00 | 180.00T | | | |
| 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 | 11.00 | 1,925.00T | | | |
| 276 | Flocele | 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 | | | |
| 290 | D-Air | 2 | Gallon(s) | 35.00 | 70.00T | | | |
| 581D | Service Charge Cement | 175 | Sacks | 1.50 | 262.50 | | | |
| 583D | Drayage | 640.5 | Ton Miles | 1.00 | 640.50 | | | |
| Subtotal | | | | | | | | 7,368.00 |
| Sales Tax Stafford County | | | | | | | 6.30% | 297.05 |
| <div>RECEIVED SEP 17 2010 KCC WICHITA CK 3385 3-22-10</div> | | | | | | | | |
| We Appreciate Your Business! | | | | | | Total \$7,665.05 | | |



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

TICKET
18337

| | |
|------|----|
| PAGE | OF |
| 1 | 2 |

| | | | | | | | |
|-----------------------------------|----------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|-----------------|-------------------------------------------|----------------|------------|
| SERVICE LOCATIONS Ness City KS | WELL/PROJECT NO. 1 | LEASE Blakeslee | COUNTY/PARISH Stafford | STATE KS | CITY Ness City | DATE 3-4-10 | OWNER = |
| | TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES | CONTRACTOR Petro-Mark Drly. CO. | RIG NAME/NO. 2 | SHIPPED VIA | DELIVERED TO Great Bend | ORDER NO. | |
| | WELL TYPE Oil | WELL CATEGORY Development | JOB PURPOSE Cement 5 1/2 Casing | WELL PERMIT NO. | WELL LOCATION Great Bend 15S, 14W, N14 | | |
| REFERRAL LOCATION | INVOICE INSTRUCTIONS | | | | | | |

| PRICE REFERENCE | SECONDARY REFERENCE/ PART NUMBER | ACCOUNTING | | | DESCRIPTION | QTY. | | U/M | | UNIT PRICE | AMOUNT | | |
|-----------------|-------------------------------------|------------|------|----|--------------------------------|------|--|-----|--|------------|--------|----|--|
| | | LOC | ACCT | DF | | | | | | | | | |
| 575 | | 1 | | | MILEAGE Trk # 114 | 70 | | mi | | 5.00 | 350 | 00 | |
| 578 | | 1 | | | Pump Charge Longstring | 1 | | ea | | 1400.00 | 1400 | 00 | |
| 221 | | 1 | | | Liquid KCL | 2 | | gal | | 25.00 | 50 | 00 | |
| 281 | | 1 | | | Mudflush | 500 | | gal | | 1.00 | 500 | 00 | |
| 402 | | 1 | | | Centralizer | 8 | | ec | | 55.00 | 440 | 00 | |
| 403 | | 1 | | | Cement Basket | 1 | | ea | | 180.00 | 180 | 00 | |
| 406 | | 1 | | | Latch Down Plug + Baffle | 1 | | ea | | 225.00 | 225 | 00 | |
| 407 | | 1 | | | Insert Float Shoe w/ Auto Fill | 1 | | ec | | 275.00 | 275 | 00 | |
| | | | | | | | | | | | | | |
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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 3-4-10 | TIME SIGNED 1300 | <input type="checkbox"/> A.M. <input checked="" type="checkbox"/> 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 1 | 3420.00 |
| OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN? | | | | Page #2 | 3948.00 |
| WE UNDERSTOOD AND MET YOUR NEEDS? | | | | sub total | 7368.00 |
| OUR SERVICE WAS PERFORMED WITHOUT DELAY? | | | | TAX | |
| WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY? | | | | Stafford 6.3% | 297.05 |
| ARE YOU SATISFIED WITH OUR SERVICE? | <input type="checkbox"/> YES | <input type="checkbox"/> NO | | TOTAL | 7665.05 |
| <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 Brett Corsair | APPROVAL |

Thank You!



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

TICKET CONTINUATION

TICKET
No. 18337

CUSTOMER Charter Energy
WELL Blackeslee #1
DATE 3-4-10
PAGE 2 OF 2

| PRICE REFERENCE | SECONDARY REFERENCE/ PART NUMBER | ACCOUNTING | | | TIME | DESCRIPTION | QTY | | U/M | | UNIT PRICE | AMOUNT |
|-------------------------------------------------------------------|-------------------------------------|------------|------|----|------|----------------------|--------------|-----|--------|-----|---------------|---------|
| | | LOC | ACCT | DF | | | QTY | U/M | QTY | U/M | | |
| 325 | | 1 | | | | Standard Cement EA-2 | 175 | sk | | | 11.00 | 1925.00 |
| 276 | | 1 | | | | Floccle | 50 | lbs | | | 1.50 | 75.00 |
| 283 | | 1 | | | | Salt | 900 | lbs | | | 0.15 | 135.00 |
| 284 | | 1 | | | | Cal Seal | 8 | sk | | | 30.00 | 240.00 |
| 286 | | 1 | | | | Halad-1 | 100 | lbs | | | 6.00 | 600.00 |
| 290 | | 1 | | | | D-Air | 2 | gal | | | 35.00 | 70.00 |
| <div>RECEIVED</div> <div>SEP 17 2010</div> <div>KCC WICHITA</div> | | | | | | | | | | | | |
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| | | | | | | | | | | | | |
| 581 | | 1 | | | | SERVICE CHARGE | CUBIC FEET | | 175 | | 1.50 | 262.50 |
| 583 | | | | | | MILEAGE CHARGE | TOTAL WEIGHT | | 18300 | | 1.50 | 640.50 |
| | | | | | | | LOADED MILES | | 70 | | | |
| | | | | | | | TON MILES | | 640.50 | | | |

CONTINUATION TOTAL 3948.00

JOB LOG

SWIFT Services, Inc.

DATE

PAGE NO.

CUSTOMER

Charter Energy

WELL NO.

1

LEASE

Diskeslee

JOB TYPE

Cement 5 1/2 Casing

TICKET NO.

18337

| CHART NO. | TIME | RATE (BPM) | VOLUME (BBL) (GAL) | PUMPS | | PRESSURE (PSI) | | DESCRIPTION OF OPERATION AND MATERIALS |
|-----------|------|------------|--------------------|-------|---|----------------|--------|-------------------------------------------|
| | | | | T | C | TUBING | CASING | |
| | 1300 | | | | | | | On Location |
| | | | | | | | | TD-3777' Cent. 1,2,4,6,8,10,12,14 |
| | | | | | | | | TP-3770' Basket, 2 |
| | | | | | | | | PS-3770' Jts out 64 & 91 |
| | | | | | | | | ST-21' 5 1/2 IS, 5 # |
| | 1330 | | | | | | | Start 5 1/2 Casing |
| | 1500 | | | | | | | Break Circulation |
| | 1545 | 6 3/4 | 32 | ✓ | | | 250 | Pump Mud Flush & KCL Flush |
| | 1550 | 3 | 7 | ✓ | | | | Plug Rat Hole 30 sks |
| | 1555 | 4 | | ✓ | | | 200 | Start Cement 145 sks @ 15.5 gpp |
| | | | 35 | | | | - | Shut Down - Release Plug - Wash Pump line |
| | 1605 | 6 3/4 | | ✓ | | | 200 | Start Displacement |
| | | 6 3/4 | 65 | ✓ | | | 300 | Lift Cement |
| | | | | | | | 650 | Max Lift |
| | 1620 | | 89.2 | | | | 1500 | Land Plug - Release - Held |
| | | | | | | | | Wash Truck |
| | 1700 | | | | | | | Job Complete |
| | | | | | | | | Thank you |
| | | | | | | | | Brett, Dave & Blaine |

RECEIVED

SEP 17 2010

KCC WICHITA