

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
June 2009
Form Must Be Typed
Form must be Signed
All blanks must be Filled

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

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 / Josh Austin
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 #: _____

<u>5/12/2011</u>	<u>5/17/2011</u>	<u>5/31/2011</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 009-25553 -0001
Spot Description: _____
NW SW NE NE Sec. 5 Twp. 16 S. R. 13 East West
790 Feet from North / South Line of Section
1,200 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Barton
Lease Name: Popp-Harms Unit Well #: 2
Field Name: Trapp
Producing Formation: Arbuckle
Elevation: Ground: 1906 Kelly Bushing: 1913
Total Depth: 3424 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at: 425 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: _____
Dewatering method used: _____
Location of fluid disposal if hauled offsite: _____
Operator Name: Charter Energy, Inc.
Lease Name: Cropp License #: 9090
Quarter NE Sec. 7 Twp. 16 S. R. 13 East West
County: Barton Permit #: D-30,555

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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: [Signature]
Title: President Date: 8/19/2011

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: 8/25/11

Operator Name: Charter Energy, Inc. Lease Name: Popp-Harms Unit Well #: 2
 Sec. 5 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 checked="" type="checkbox"/> Yes <input 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: DIL, CD/CNL, Micro	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input 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>Anhydrite</td> <td>896</td> <td>+1017</td> </tr> <tr> <td>Heebner</td> <td>3011</td> <td>-1098</td> </tr> <tr> <td>Toronto</td> <td>3027</td> <td>-1114</td> </tr> <tr> <td>Douglas</td> <td>3039</td> <td>-1126</td> </tr> <tr> <td>Lansing</td> <td>3084</td> <td>-1171</td> </tr> <tr> <td>Arbuckle</td> <td>3347</td> <td>-1434</td> </tr> </table>	Name	Top	Datum	Anhydrite	896	+1017	Heebner	3011	-1098	Toronto	3027	-1114	Douglas	3039	-1126	Lansing	3084	-1171	Arbuckle	3347	-1434
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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	23	425	common	180	3%cc, 2% gel
Production	7 7/8	5 1/2	14	3422	EA-2	175sx	

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				RECEIVED AUG 23 2011

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)
4	3349-52	KCC WICHITA

TUBING RECORD:	Size: <u>2 7/8</u>	Set At: <u>3335</u>	Packer At:	Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No
Date of First, Resumed Production, SWD or ENHR: <u>6/8/2011</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>13</u>	Gas Mcf	Water Bbls. <u>600</u>	Gas-Oil Ratio

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 type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5)</i> <i>(Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
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Phone 785-483-2025
Cell 785-324-1041

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

No. 4273

Date	5/13/11	Sec.		Range		County	Barton	State	K3	On Location		Finish	12:00pm
Lease	Popp-Harms		Well No.	2		Location	Russell Barton Co Line 3E S1/4						
Contractor	Royal D. Ry's					Owner	To Quality Oilwell Cementing, Inc						
Type Job	Surface					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	12 1/4		T.D.	425		Charge To	Charter Energy						
Csg.	8 3/4		Depth	425		Street							
Tbg. Size			Depth			City	State						
Tool			Depth			The above was done to satisfaction and supervision of owner agent or contractor.							
Cement Left in Csg.	10 75		Shoe Joint	26 BBL		Cement Amount Ordered	180 3 Y 2						
Meas. Line			Displace										

EQUIPMENT

Pumptrk	9	No.	Cementer	Tim	Common
Bulktrk	3	No.	Driver	Dave	Poz. Mix
Bulktrk		No.	Driver		Gel.

JOB SERVICES & REMARKS

Remarks		Calcium
Rat. Hole		Hulls
Mouse Hole		Salt
Centralizers		Flowseal
Baskets		Kol-Seal
DAV. or Port Collar		Mud CLR 48
		CFL-117 or CD110 CAF 38
		Sand
		Handling
		Mileage

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FLOAT EQUIPMENT

		Guide Shoe
		Centralizer
		Baskets
		AFU Inserts
		Float Shoe
		Latch Down

Swage

		Pumptrk Charge
		Mileage
		Tax
		Discount
		Total Charge

Signature *[Handwritten Signature]*



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



Invoice

DATE	INVOICE #
5/17/2011	19678

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

- Acidizing
- Cement
- Tool Rental

TERMS	Well No.	Lease	County	Contractor	Well Type	Well Category	Job Purpose	Operator
Net 30	#2	Popp-Harms	Barton	Royal Drilling #2	Oil	Development	LongString	Dave

PRICE REF.	DESCRIPTION	QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way	50	Miles	5.00	250.00
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
290	D-Air	2	Gallon(s)	35.00	70.00T
402-5	5 1/2" Centralizer	3	Each	65.00	195.00T
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	300.00	300.00T
325	Standard Cement	175	Sacks	12.00	2,100.00T
276	Flocele	50	Lb(s)	1.50	75.00T
283	Salt	850	Lb(s)	0.15	127.50T
284	Calseal	8	Sack(s)	30.00	240.00T
286	Halad-1 (Halad 9)	100	Lb(s)	7.00	700.00T
581D	Service Charge Cement	175	Sacks	1.50	262.50
583D	Drayage	456.25	Ton Miles	1.00	456.25
	Subtotal				6,951.25
	Sales Tax Barton County				384.52
				7.30%	

*CK 4649
5-27-11*

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384.52
7.30%
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We Appreciate Your Business!	Total	\$7,285.77
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CHARGE TO: **CHARTER ENERGY**

ADDRESS

CITY, STATE, ZIP CODE

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TICKET
19678

PAGE 1 OF 2

SERVICE LOCATIONS HAYS NESS	WELL/PROJECT NO. 2	LEASE HOPP-HARMS	COUNTY/PARISH BARTON	STATE KS	CITY	DATE 05-17-11	OWNER
TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR		RIG NAME/NO. ROYAL JUC 2	SHIPPED VIA GT	DELIVERED TO N. SUSAN H	ORDER NO.	
WELL TYPE OIL	WELL CATEGORY DEVELOP	JOB PURPOSE LONGSTRING		WELL PERMIT NO. 15-009-25553	WELL LOCATION 55716 R13		
REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT	
		LOC	ACCT	DF								
575		1			MILEAGE #112	50		mi		5.00	250	00
578		1			PUMP SERVICE	1		EA		1400.00	1400	00
221		1			LIRUIDUCL	2		GAZ		25.00	50	00
281		1			MUD FLUSH	500		GAZ		1.00	500	00
290		1			D-AIR	2		GAZ		35.00	70	00
402		1			CENTRALIZER	3		EA	5 1/2 IN	65.00	195	00
406		1			LATCH DOWN PULVER DAPPLE	1		EA		225.00	225	00
407		1			INVERT PUMP SIDE 4/ AUTO FIL	1		EA		300.00	300	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 PART OF WORK OR DELIVERY OF GOODS

[Signature]

DATE SIGNED **05-17-11** TIME SIGNED **2300** 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	16-1	2990	00
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				PAGE TOTAL	3961	25
WE UNDERSTOOD AND MET YOUR NEEDS?				sub	6951	25
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				7002		
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				Barton TAX 7.3%	334	52
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES <input type="checkbox"/> NO			TOTAL	7285	77
<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 **DAVE BSH** APPROVAL

Thank You!

JOB LOG

SWIFT Services, Inc.

DATE 05-17-11 PAGE NO. 1

CUSTOMER CHARTER ENERGY WELL NO. 2 LEASE Popp. Harms JOB TYPE LONGSTRIKING TICKET NO. 19678

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	2300							ONLOCATION CMT 17550 STD EA-2
								RED 3/4" SET PIPE 5/8" SJ 12.22 TUBING 3 1/2" 5/8" H ⁶ CMT 1.35 Bisset 0 JOINTS CMT 1, 10
	0050							START CSE PROBLEM
	0100							TABUTERM - DNP BAIL
	0205							BUSH CMT 1/2" PLUG RA 30, MH 15
			7.5					
			12				200	SOCCER MUD FLOW
			20					JOINTS HILL FLOW
			31.5					130 SO EA2
								DROPPED PLUG, WASHDOWN
			0				200	START DNG
			50.0				200	CMT ON BUZZER
			75.0				600	
			80.0				700	
	0250		83.2				1400	LAND PLUG
	0305							Release
	0330							JOB COMPLETE

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THANK YOU! KCC WICHITA

DAVE, JOSH, JOHN