

**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  
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: 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>8/9/2011</u>	<u>8/15/2011</u>	<u>8/22/2011</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-185-23693-00-00  
Spot Description: \_\_\_\_\_  
SE NW NW SE Sec. 4 Twp. 22 S. R. 12  East  West  
2,279 Feet from  North /  South Line of Section  
2,216 Feet from  East /  West Line of Section

Footages Calculated from Nearest Section Corner:  
 NE  NW  SE  SW  
County: Stafford  
Lease Name: Meyer Farms Well #: 1  
Field Name: German Valley  
Producing Formation: Lansing  
Elevation: Ground: 1862 Kelly Bushing: 1869  
Total Depth: 3646 Plug Back Total Depth: 3619 CIBP \_\_\_\_\_  
Amount of Surface Pipe Set and Cemented at: 308 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 crnt.

**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 #: \_\_\_\_\_

**RECEIVED  
FEB 17 2012**

**KCC WICHITA**

**INSTRUCTIONS:** An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market, 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: 2-14-2012

**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: 3/13/12

Operator Name: Charter Energy, Inc. Lease Name: Meyer Farms Well #: 1  
 Sec. 4 Twp. 22 S. R. 12 [ ] East [x] 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 <i>(Attach Additional Sheets)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Name	Top	Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Anhydrite	662	+1207
Electric Log Run	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Heebner	3150	-1281
Electric Log Submitted Electronically <i>(If no, Submit Copy)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Douglas	3183	-1314
		Lansing	3300	-1431
		Viola	3541	1672
List All E. Logs Run:		Simpson Shale	3587	-1718
<b>Dual Induction, Micro, Comp. Density Neutron</b>		Arbuckle	3643	-1774

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	308	common	350	3%cc, 2% gel
Production	7 7/8	5 1/2	14	3645	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				

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
	Arb OH 3645 - 49	250 gal. - 15% INS	
	CIBP @ 3619		
2	3370 - 74	1500 gal. 20% MCA	
2	3427 - 30, 3445 - 50, 3464 - 70	3800 gal 20% MCA w/ rock salt plugs	
2	3520 - 24	500 gal 20% MCA	

**RECEIVED**  
**FEB 17 2012**  
**KCC WICHITA**

TUBING RECORD:	Size: <u>2 7/8</u>	Set At: <u>3610</u>	Packer At:	Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or ENHR.	Producing Method:			
<u>9/26/2011</u>	<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.	Gas Mcf	Water Bbls.	Gas-Oil Ratio Gravity
	<u>8</u>		<u>15</u>	

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input checked="" type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input checked="" 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:
--	---	----------------------

Phone 785-833-2025  
 Cell 785-825-1094

Home Office P.O. Box 32 - Russell, KS 67065

No. 5132

Date	8-11-11	Sec	4	Twp	22	Range	12	County	Stafford	State	Ks	On Location		Finish	2:00 PM
Lease	Pumps		Well No.	#1		Location		281-K-19, 6E, 12N, 14W							
Contract	Kopel		Pg 2		Owner		To Quality Oilwell Cementing, Inc.								
Type	Sh. Well		T.D.		308'		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	8 7/8"		Depth		308'		Charge To		Charter Energy, Inc.						
Tbg. Size			Depth				Street								
Tool			Depth				City		State						
Cement	15'		Shoe Joint		15'		The above was done to satisfaction and supervision of owner agent or contractor.								
Meas. Unit			Displace		18 1/2 BLS		Cement Amount Ordered		350 sk Common 3% CC 2% CA						

**EQUIPMENT**

Pump	No.	Charge	Helper	Common
Bulktrk	No.	Driver	Tim	Poz. Mix
Driver	No.	Driver	Rick	Gel.

**JOB SERVICES & REMARKS**

Remarks	Cement did Circulate	Calcium
Rat Hole		Hulls
Mouse Hole		Salt
Centralizers		Flowseal
Baskets		Koi-Seal
D/V or Port Collar		Mud CLR 48
		OFL-117 or CD110 CAF 38
		Sand
		Handling
		Mileage

**FLOAT EQUIPMENT**

Guide Shoe
Centralizer
Baskets
AFU Inserts
Float Shoe
Latch/Down

RECEIVED  
 MAR 17 2012

KCC WICHITA

Pump/Trk Charge	
Mileage	
Tax	
Discount	
Total Charge	

X  
 [Signature]

# SWIFT



Services, Inc.

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



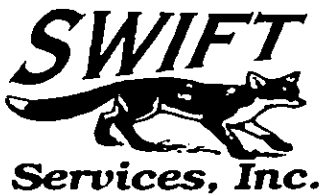
## Invoice

DATE	INVOICE #
8/15/2011	20991

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	#1	Meyer Farms	Stafford	Royal Drilling #2	Oil	Development	Cement LongStri...	Blaine
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				70	Miles	6.00	420.00
578D-L	Pump Charge - Long String				1	Job	1,500.00	1,500.00
402-5	5 1/2" Centralizer				8	Each	70.00	560.00T
403-5	5 1/2" Cement Basket				1	Each	250.00	250.00T
406-5	5 1/2" Latch Down Plug & Baffle				1	Each	250.00	250.00T
407-5	5 1/2" Insert Float Shoe With Auto Fill				1	Each	350.00	350.00T
281	Mud Flush				500	Gallon(s)	1.25	625.00T
221	Liquid KCL (Clayfix)				2	Gallon(s)	25.00	50.00T
290	D-Air				2	Gallon(s)	35.00	70.00T
325	Standard Cement				175	Sacks	13.50	2,362.50T
284	Calseal				8	Sack(s)	35.00	280.00T
283	Salt				900	Lb(s)	0.20	180.00T
286	Halad-1 (Halad 9)				100	Lb(s)	7.50	750.00T
276	Flocele				50	Lb(s)	2.00	100.00T
581D	Service Charge Cement				175	Sacks	2.00	350.00
583D	Drayage				640.5	Ton Miles	1.00	640.50
	Subtotal							8,738.00
	Sales Tax Stafford County						7.30%	425.41
<p>OK #952 8-22-11</p>						<p>RECEIVED MAR 12 2012 KCC WICHITA</p>		
<b>We Appreciate Your Business!</b>						<b>Total</b>		<b>\$9,163.41</b>



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

RECEIVED  
 MAR 12 2012  
 KCC WICHITA

TICKET  
 20991  
 PAGE 1 OF 2

SERVICE LOCATIONS: Ness City KS WELL/PROJECT NO.: #1 LEASE: Meyer Farms COUNTY/PARISH: Stafford STATE: KS CITY: Seward DATE: 15 AUG 11 OWNER:  
 TICKET TYPE:  SERVICE  SALES CONTRACTOR: Royal RIG NAME/NO.: 2 SHIPPED: CT DELIVERED TO: location ORDER NO.:  
 WELL TYPE: oil WELL CATEGORY: Development JOB PURPOSE: cement long string WELL PERMIT NO.: WELL LOCATION: 4-225-RW  
 REFERRAL LOCATION: INVOICE INSTRUCTIONS:

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UNIT PRICE		AMOUNT
		LOC	ACCT	DF			U/M			
575		1			MILEAGE TRK 114	70	mi		6.00	420.00
578		1			Pump Charge	1	ea		1500.00	1500.00
402		1			Centralizer	52	in	8	ea	560.00
403		1			Basket	52	in	1	ea	250.00
406		1			Latch down plug & bagfill	52	in	1	ea	250.00
407		1			insert float shoe w/ absofill	52	in	1	ea	350.00
281		1			MUD FLUSH	500	gal		1.25	625.00
221		1			KCH liquid	2	gal		25.00	50.00
290		1			D-AIR	2	gal		35.00	70.00

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

DATE SIGNED: TIME SIGNED:  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	PAGE TOTAL	AMOUNT
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				1	4075.00
WE UNDERSTOOD AND MET YOUR NEEDS?				2	4662.00
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				subtotal	8738.00
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				Stafford TAX 7.3%	425.41
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				TOTAL	9163.41
<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: Royal APPROVAL: [Signature]

Thank You!



JOB LOG

SWIFT Services, Inc.

DATE SALE-11 PAGE NO.

CUSTOMER Charter Energy WELL NO. #1 LEASE Mayer Fe-DMS JOB TYPE Cement long string TICKET NO. 20991

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
								10' sks SA-2 @ 1 1/2" flow, 5 1/2" 14# 87 ft
								TD-3076' casing 3.44' sleeve 17.84'
								Cent - 1, 3, 5, 7, 9, 11, 13, 15 Basket #2
								#41, 80, 89 out
	0700							on loc TRK #14
	0835							start 5 1/2" 14# casing in well
	1000							Drop ball - circulate
	1100	4 3/4	12				200	Pump 50 gal MUDFLUSH
	1115	4 3/4	20				700	Pump 20 gal KCL flush
			7					Plug RH - MH <u>30 sks - 20 sks</u>
	1125	4 3/4	44				200	mix SA-2 <u>125 sks</u> @ 15.3 PPG
	1132							Drop latch down plug
								wash out pump & lines
	1135	6 3/4					200	Displace plug
		6 3/4	75				400	
	1200	6 3/4	89				1500	LAND plug
	1205							Release pressure to truck - dried up
	1230							wash up truck
								Rack up
	1245							job complete
								flunks
								Dave, Alan, & David

RECEIVED  
MAR 12 2012

KCC WICHITA