

**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 # 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 #: _____

<u>8/22/2011</u>	<u>8/29/2011</u>	<u>9/12/2011</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-145-21649-00-00
Spot Description: _____
NE NW NE SW Sec. 26 Twp. 20 S. R. 16 East West
2,312 Feet from North / South Line of Section
1,812 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Pawnee
Lease Name: Clutter Well #: 1
Field Name: Pawnee Rock
Producing Formation: Arbuckle
Elevation: Ground: 2008 Kelly Bushing: 2013
Total Depth: 4070 Plug Back Total Depth: 3800
Amount of Surface Pipe Set and Cemented at: 1024 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 crmt.

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 #: _____

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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 - Room 2070, 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: 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: Dg Date: 3/13/12

Operator Name: Charter Energy, Inc. Lease Name: Clutter Well #: 1
 Sec. 26 Twp. 20 S. R. 16 East West County: Pawnee

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: Dual Induction, Micro, Sonic, Comp. Density Neutron	<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:70%;">Name</td> <td style="width:15%;">Top</td> <td style="width:15%;">Datum</td> </tr> <tr> <td>Anhydrite</td> <td>1009</td> <td>+1004</td> </tr> <tr> <td>Heebner</td> <td>3349</td> <td>-1336</td> </tr> <tr> <td>Douglas</td> <td>3381</td> <td>-1368</td> </tr> <tr> <td>Lansing</td> <td>3443</td> <td>-1430</td> </tr> <tr> <td>Simpson Sand</td> <td>3728</td> <td>-1715</td> </tr> <tr> <td>Arbuckle</td> <td>3741</td> <td>-1728</td> </tr> </table>	Name	Top	Datum	Anhydrite	1009	+1004	Heebner	3349	-1336	Douglas	3381	-1368	Lansing	3443	-1430	Simpson Sand	3728	-1715	Arbuckle	3741	-1728
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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	24	1024	common	400	3%cc, 2% gel
Production	7 7/8	5 1/2	14	3821	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 <i>(Amount and Kind of Material Used)</i>	Depth
4	3743 - 45, 3752 - 54	800 gal. 15% INS w/ plugging agent	

TUBING RECORD:	Size: 2 7/8	Set At: 3678	Packer At:	Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	RECEIVED FEB 17 2012 KCC WICHITA
Date of First, Resumed Production, SWD or ENHR. 1/12/2012		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. 8	Gas Mcf	Water Bbls. 600	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 type="checkbox"/> Open Hole <input checked="" 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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QUALITY OILWELL CEMENTING, INC.

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

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

No. 5079

Date	Sec.	Twp.	Range	County	State	On Location	Finish						
8-23-11	26	12	16	Rawl	Kansas		12:00 PM						
Lease: <i>Chatter</i>	Well No. 1		Location										
Contractor: <i>Royal Drill</i>	S. P. 1			Owner: <i>Chatter Energy Inc</i>									
Type Job: <i>Surface</i>				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: <i>1-2 1/2</i>	T.D. 1024			Charge To: <i>Chatter Energy Inc</i>									
Csg. <i>8 3/4 23 1/2</i>	Depth 1024			Street									
Tbg. Size	Depth			City State									
Tool	Depth			City State									
Cement Left in Csg. <i>20'</i>	Shoe Joint			The above was done to satisfaction and supervision of owner agent or contractor.									
Meas Line	Displace <i>63 3/4 RL</i>			Cement Amount Ordered: <i>400 Cms 30 cc 2 1/2 lbs</i>									
EQUIPMENT													
Pumptrk. <i>5</i>	No.	Cementer	Common										
		Helper											
Bulktrk. <i>13</i>	No.	Driver	Poz. Mix										
		Driver											
Bulktrk.	No.	Driver	Gel.										
		Driver											
JOB SERVICES & REMARKS													
Remarks:	Hulls												
Rat Hole	Salt												
Mouse Hole	Flowseal												
Centralizers	Kof-Seal												
Baskets	Mud CLR-48												
D/V or Port Collar	CFL-117 or CD110 CAF 38												
	Sand												
	Handling												
	Mileage												
FLOAT EQUIPMENT													
	Guide Shoe												
	Centralizer												
	Baskets												
	AFU Inserts												
	Float Shoe												
	Batch Down												
	<i>8 3/4 Rubber Plug</i>												
	Pumptrk Charge												
	Mileage												
<table border="0"> <tr> <td colspan="2">RECEIVED</td> </tr> <tr> <td colspan="2">MAR 12 2012</td> </tr> <tr> <td colspan="2">KCC WICHITA</td> </tr> </table>								RECEIVED		MAR 12 2012		KCC WICHITA	
RECEIVED													
MAR 12 2012													
KCC WICHITA													
Tax													
Discount													
Total Charge													
<table border="0"> <tr> <td>X Signature: <i>Donny Rudy</i></td> <td></td> </tr> </table>								X Signature: <i>Donny Rudy</i>					
X Signature: <i>Donny Rudy</i>													



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



Invoice

DATE	INVOICE #
8/29/2011	20334

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	Clutter	Pawnee	Royal Drilling	Oil	Development	LongString	Nick
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				50	Miles	6.00	300.00
578D-L	Pump Charge - Long String - 4070 Feet				1	Job	1,500.00	1,500.00
221	Liquid KCL (Clayfix)				2	Gallon(s)	25.00	50.00T
281	Mud Flush				500	Gallon(s)	1.25	625.00T
290	D-Air				2	Gallon(s)	35.00	70.00T
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
405-5	5 1/2" Formation Packer Shoe				1	Each	1,400.00	1,400.00T
406-5	5 1/2" Latch Down Plug & Baffle				1	Each	250.00	250.00T
325	Standard Cement				175	Sacks	13.50	2,362.50T
276	Flocele				50	Lb(s)	2.00	100.00T
283	Salt				900	Lb(s)	0.20	180.00T
284	Calseal				8	Sack(s)	35.00	280.00T
286	Halad-1 (Halad 9)				100	Lb(s)	7.50	750.00T
287	Gas Stop (2 LBS/SK)				350	Lb(s)	8.00	2,800.00T
581D	Service Charge Cement				175	Sacks	2.00	350.00
583D	Drayage				466	Ton Miles	1.00	466.00
	Subtotal							12,293.50
	Sales Tax Pawnee County						8.30%	803.23
<i>CK 52055 9-19-11</i>							RECEIVED MAR 12 2012 KCC WICHITA	
We Appreciate Your Business!							Total	\$13,096.73



CHARGE TO: *Charter Energy*

ADDRESS:

CITY, STATE, ZIP CODE:

TICKET 20334

PAGE 1 OF 2

1. SERVICE LOCATIONS <i>Hays KS</i>	WELL/PROJECT NO. <i>#1</i>	LEASE <i>Clutter</i>	COUNTY/PARISH <i>Pawnee</i>	STATE <i>KS</i>	CITY	DATE <i>8-29-11</i>	OWNER <i>SAMU</i>
2. <i>Ness City KS</i>	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <i>Royal Drlg</i>	RIG NAME/NO.	SHIPPED VIA <i>CH</i>	DELIVERED TO <i>Location</i>	ORDER NO.	RECEIVED MAR 12 2012 KCC WICHITA
3.	WELL TYPE <i>oil</i>	WELL CATEGORY <i>Development</i>	JOB PURPOSE <i>Longstring</i>	WELL PERMIT NO.	WELL LOCATION		
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UM		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
575		1			MILEAGE #111	50	mi			6.00	300.00
578		1			Pump Charge (Longstring)	1	ea	4070	'	1500.00	1500.00
221		1			KCL	2	gal			25.00	50.00
281		1			Mud/Flash	500	gal			1.25	625.00
290		1			D-Air	2	gal			35.00	70.00
402		1			Centralizer	8	ea	5 1/2	"	70.00	560.00
403		1			Basket	1	ea			250.00	250.00
405		1			Formation Packer Shoe	1	ea			1400.00	1400.00
406		1			h.d. Plug & Baffle	1	ea			250.00	250.00

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

X *[Signature]*

DATE SIGNED *8-30-11* TIME SIGNED *0300* 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 1	5005.00
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				page 2	7288.50
WE UNDERSTOOD AND MET YOUR NEEDS?				Subtotal	12293.50
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				Pawnee TAX 8.3%	803.23
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				TOTAL	13,096.73
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES <input type="checkbox"/> NO				
<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 *Mich. Koke* APPROVAL

Thank You!



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

TICKET CONTINUATION

TICKET No. 20334

CUSTOMER: *Charter Energy* WEL: *#1 clutter* DATE: *8-29-11* PAGE: *2* OF: *2*

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			TIME	DESCRIPTION	QTY.		UM		UNIT PRICE	AMOUNT
		LOC	ACCT	DF								
325		2				<i>Standard Cement</i>	<i>175</i>	<i>sk</i>			<i>13.50</i>	<i>2362.50</i>
276		2				<i>Flocele</i>	<i>50</i>	<i>#</i>	<i>1/4</i>	<i>#/sk</i>	<i>2.00</i>	<i>100.00</i>
283		2				<i>Salt</i>	<i>900</i>	<i>#</i>	<i>10</i>	<i>%</i>	<i>20</i>	<i>1800.00</i>
284		2				<i>Calseal</i>	<i>8</i>	<i>sk</i>	<i>5</i>	<i>%</i>	<i>35.00</i>	<i>280.00</i>
286		2				<i>Halad-1</i>	<i>100</i>	<i>#</i>	<i>1/2</i>	<i>%</i>	<i>7.50</i>	<i>750.00</i>
287		2				<i>Gas Stop</i>	<i>350</i>	<i>#</i>	<i>2</i>	<i>%</i>	<i>8.00</i>	<i>2800.00</i>
<i>581</i>		2				SERVICE CHARGE					<i>2.00</i>	<i>350.00</i>
<i>583</i>		2				TOTAL WEIGHT <i>18650</i>	LOADER MILES <i>50</i>		TON MILES <i>466</i>		<i>1.00</i>	<i>466.00</i>
												<i>7288.50</i>

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JOB LOG

SWIFT Services, Inc.

DATE: 8-29-11 PAGE NO. 1

CUSTOMER: *Chertan Energy* WELL NO. #1 LEASE: *Clutter* JOB TYPE: *Longstring* TICKET NO. 20334

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	2230							<i>Calc w/ FE</i>
								<i>RTD 4070'</i>
								<i>5 1/2" X 14 # X 3822' R 21'</i>
								<i>Cent 2, 4, 6, 8, 10, 12, 14, 16</i>
								<i>Bush 2</i>
	0600							<i>Start FE</i>
	0150							<i>Break Circulation</i>
								<i>Set PK-Stage</i>
	0210	2.5	7/5					<i>Plug with MH 30/15 EA-2</i>
	0220	4.5	0				200	<i>Start Mudflush 50 gal</i>
		4.5	12/0				200	<i>start KCL flush 20 bbl</i>
		5.5	20/0				250	<i>Start Cement</i>
	0236		32					<i>End Cement</i>
								<i>Wash P/L</i>
								<i>Drop L D Plug</i>
	0240	6.5	0				200	<i>Start Displacement</i>
	0250	5	00				250	<i>Catch Cement</i>
	0255		92.7				6.5 400	<i>Load Plug</i>
								<i>Release Pressure</i>
								<i>Fleet Hold</i>

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Thank you

Nick, Josh F. & David