

KCC WICHITA

JUN 03 2014

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KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

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 Balze
Phone: (620) 793-9090
CONTRACTOR: License # 33323
Name: Petromark Drilling, LLC
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 #:
6/4/2010 6/10/2010 6/14/2010
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 185-23627 - 20-20
Spot Description:
SE NW SW NE Sec. 4 Twp. 22 S. R. 13 East West
1,798 1771 Feet from North / South Line of Section
2,086 2033 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Stafford
Lease Name: Gates Well #: 1
Field Name: Gates
Producing Formation: Arbuckle
Elevation: Ground: 1891 Kelly Bushing: 1896
Total Depth: 3762 Plug Back Total Depth:
Amount of Surface Pipe Set and Cemented at: 307 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: [Signature]
Title: President Date: 8/30/2010

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: [Signature] Date: 6/4/14

Operator Name: Charter Energy, Inc. Lease Name: Gates 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

<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Name	Top	Datum
Anhydrite	748	+1148
Heebner	3232	-1336
Toronto	3251	-1355
Lansing	3373	-1477
Viola	3661	-1765
Simpson Shale	3703	-1807
Arbuckle	3756	-1860

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	307	common	450sx	3%cc, 2% gel
Production	7 7/8	5 1/2	15.50	3758	common	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 (Amount and Kind of Material Used)	Depth
open hole		100 gal 15% INS with 5% MAS	

TUBING RECORD: Size: <u>2 7/8</u> Set At: <u>3756</u> Packer At: _____ Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Date of First, Resumed Production, SWD or ENHR. <u>6 / 2010</u>	Producing Method: <input type="checkbox"/> Flowing <input 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>40</u> 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-10.)	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: _____ _____
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Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

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QUALITY OILWELL CEMENTING, INC.

Federal Tax I.D.# 20-2886107

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

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

No. 4277
6-5-2010

Date 6-4-2010 Sec. 3 Twp. 13 Range 12 County Stafford State Ks On Location (Russell) Finish 3:45 AM

Lease Gate Well No. 1 Location 281 + K-19 Sub, 1N, 12W, S/S

Contractor Petromark #2 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. 312' Charge To Charter Energy

Csg. 8 3/8" Depth 312' To Charter Energy

Tbg. Size _____ Depth _____ Street _____

Tool _____ Depth _____ City _____ State _____

Cement Left in Csg. 15' Shoe Joint 15' The above was done to satisfaction and supervision of owner agent or contractor.

Meas Line _____ Displace 18 3/4 BBLs Cement Amount Ordered 300 ex Common 3% Gel 2% Label

pickup EQUIPMENT Rick 7 1/2 OT 150 ex Common 3% Gel 2% Label 1/4 flouresce

Pumptrk 9 No. 1 Cementer Jason Helper Jason Common 450 ex

Bulktrk 9 No. 1 Driver Weale 7 1/2 hrs OT Poz. Mix _____

Bulktrk 8 No. 1 Driver Jason 5 hrs Gel. 9

JOB SERVICES & REMARKS

Remarks: Cement did NOT Circulate Calcium 14

Rat Hole _____ Hulls _____

Mouse Hole _____ Salt _____

Centralizers _____ Flowseal _____

Baskets _____ Kol-Seal _____

D/V or Port Collar _____ Mud CLR 48 _____

Ran 80' of 1" pipe down Sand _____

the backside + mix 150 ex Handling 473

Common 3% Gel 2% Label Mileage _____

FLOAT EQUIPMENT

Cement did Circulate Guide Shoe _____

Centralizer _____

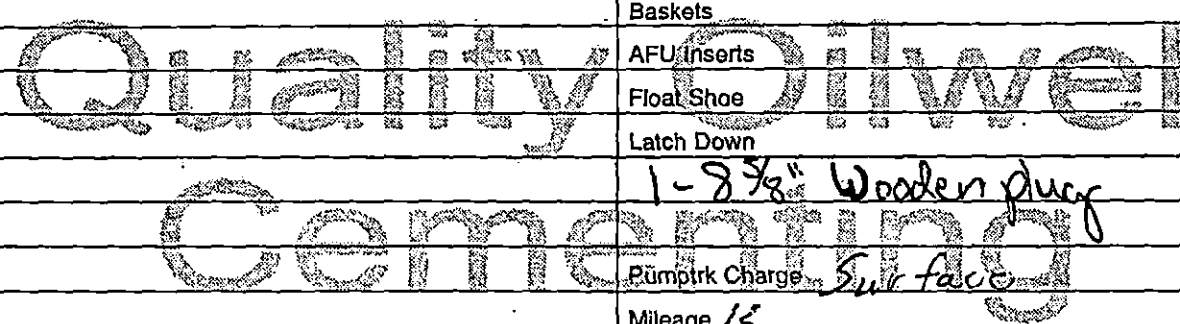
Baskets _____

AFU Inserts _____

Float Shoe _____

Latch Down _____

1-8 3/8" Wooden plug



Pumptrk Charge Surf face

Mileage 15

Signature Shawn BPP

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Tax _____
Discount _____
Total Charge _____



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



Invoice

DATE	INVOICE #
6/10/2010	17653

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	Gates	Stafford	PetroMark Drillin...	Oil	Development	LongString	Nick
PRICE REF.	DESCRIPTION				QTY	UM	UNIT PRICE	AMOUNT
575D	Mileage - 1 Way				70	Miles	5.00	350.00
578D-L	Pump Charge - Long String - 3762 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
402-5	5 1/2" Centralizer				6	Each	55.00	330.00T
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	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
581D	Service Charge Cement				175	Sacks	1.50	262.50
583D	Drayage				640.5	Ton Miles	1.00	640.50
	Subtotal							7,183.00
	Sales Tax Stafford County						6.30%	285.39

CK 3679
6-28-10

Thank You For Your Business!	Total	\$7,468.39
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CHARGE TO: Charter Energy
 ADDRESS:
 CITY, STATE, ZIP CODE:

KCC WICHITA TICKET
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PAGE 1 OF 2

SERVICE LOCATIONS
 1. Hays, KS
 2. Ness City, KS

WELL/PROJECT NO. #1 LEASE Gates COUNTY/PARISH Stafford STATE KS CITY DATE 6-10-10 OWNER Sqmc

TICKET TYPE SERVICE SALES CONTRACTOR Petromark #2 RIG NAME/NO. SHIPPED VIA CT 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.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
575		1			MILEAGE #111	70	mi			5 ⁰⁰	350 ⁰⁰
578		1			Pump Charge (Longstring)	1	ea	3762	'	1400 ⁰⁰	1400 ⁰⁰
221		1			KCL	2	gal			25 ⁰⁰	50 ⁰⁰
281		1			Mud Flush	500	gal			1 ⁰⁰	500 ⁰⁰
402		1			Centralizers	6	ea	5 1/2	"	55 ⁰⁰	330 ⁰⁰
406		1			LD Plug & Baffle	1	ea			225 ⁰⁰	225 ⁰⁰
407		1			Insect Float Shoe	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 6-10-10 TIME SIGNED 1205 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	3170 ⁰⁰
WE UNDERSTOOD AND MET YOUR NEEDS?				page 2	4053 ⁰⁰
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				subtotal	7183 ⁰⁰
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				Stafford TAX 6.3%	285 ³⁹
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				TOTAL	7468 ³⁹
<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 Wick Kuhn APPROVAL

Thank You!



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

TICKET CONTINUATION

TICKET No. **17653**

CUSTOMER **Charter Energy** WELL #1 Gates DATE **6-10-10** PAGE **2** OF **2**

PRICE REFERENCE	SECONDARY REFERENCE PART NUMBER	ACCOUNTING			TIME	DESCRIPTION	QTY.		UNIT PRICE	AMOUNT	
		LOC	ACCT	DEF			QTY.	LWM		PRICE	AMOUNT
725		2				Standard Cement	175	sk	12.00	2100	00
276		2				Fluocel	50	#	1.50	75	00
283		2				Salt	900	00	.15	135	00
284		2				Calseal	8	sk	30.00	240	00
286		2				Halad-1	100	#	6.00	600	00
581		2				SERVICE CHARGE	175	sk	1.50	262	50
583		2				MILEAGE CHARGE	18300		1.00	640	50
						TOTAL WEIGHT	18300				
						LOADED MILES	71				

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CONTINUATION TOTAL **4053.00**

JOB LOG

SWIFT Services, Inc.

DATE 6-10-10 PAGE NO.

CUSTOMER Charter Energy

WELL NO. #1

LEASE Gates

JOB TYPE Longstring

TICKET NO. 17653

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	0745							on loc w/ FE
								RTB 3762'
								5 1/2" x 19.5" x 3757' x 21'
								cent 92, 1, 3, 5, 7, 9
	0900							Start FE
	1035							Break Circ
	1115	2.5	7					Plug RH
	1120	4.5	0			100		Start Mud Flush
		4.5	12/0			100		start KCL Flush
		6	20/0			150		start Cement
	1132		36					End Cement
								Wash P&L
								Drop D Plug
	1135	6.5	0			100		Start Displacement
	1145	5	64			150		Catch Cement
	1150		88			600/1500		Land Plug
								Release pressure
								float held

Thank you
Mick, Josh F., & Lane

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