EXHIBIT C

BRADLEY BROOK FIELD REPORT

NORNEW, INC.

Overview of Field History

Bradley Brook field is located in southern Madison County, New York approximately two (2) miles west of the village of Hamilton. The closest established field in the area is the Lebanon Field located 2 miles west of Bradley Brook Field. The Lebanon Field consists of two (2) producing wells that were drilled in the 1960's by New York State Natural Gas. Those wells are now owned and operated by Nornew, Inc.

To date, fourteen (14) wells have been drilled and completed in the Oneida and Oswego formations within the defined limits of the Bradley Brook field. Eleven (11) of those wells are currently producing. Eleven (11) of the Bradley Brook field wells are located in the town of Lebanon and three (3) wells are located in the town of Eaton. The Bradley Brook field wells are as follows:

Well Name	Well No.	API No.	Status
A & L Barringer	1	31-053-21698	Producing
L & C Warren	1	31-053-21700	Producing
Hillage	1	31-053-21729	Producing
Lodor M-99-2 Unit	1	31-053-22803	Producing
Keefe/Spillman	1	31-053-22921	Producing
C Crouch	2	31-053-22922	Producing
C Crouch	1	31-053-22923	Producing
C Crouch	3	31-053-22925	Producing
G Corbin	1	31-053-22926	Producing
SJGS	1	31-053-23048	Producing
Mensche	1	31-053-23049	Producing
Whitney	1	31-053-23050	Shut-in
Swenson-Manning	1	31-053-23052	Shut-in
Symonds-Joseph	1	31-053-23060	Shut-in

Total Depth and Production Dates

Well Name	Well No.	Total Depth	1st Production
A & L Barringer	1	3112	11/12/1997
L & C Warren	1	3119	1/23/1998
Hillage	1	2615	12/3/1999
Lodor M-99-2 Unit	1	2864	11/24/1999
Keefe/Spillman	1	3011	10/09/2001
C Crouch	2	3098	10/09/2001
C Crouch	1	3133	10/23/2001
C Crouch	3	2884	10/09/2001
G Corbin	1	2826	10/23/2001
SJGS	1	3036	10/15/2003
Mensche	1	3058	11/12/2003
Whitney	1	3147	Shut-in
Swenson-Manning	1	3279	Shut-in
Symonds-Joseph	1	3263	Shut-in

The Bradley Brook field discovery well, the L & C Warren #1, was drilled in July of 1997 and placed on production January 23, 1998. Subsequent wells in the field primarily targeted the Lower Silurian Oneida and Upper Ordovician Oswego sandstones.

Nornew has completed the Oneida and Oswego intervals in several other wells in the area outside of the proposed boundaries of the field. The Oneida and Oswego are present and gas bearing throughout the area, however completion, seismic and well log data indicate a limited areal extent of the structural and stratigraphic features defining the field boundaries.

Though wells outside of the boundaries may be marginally productive, their drainage area is below the 40-acre minimum mandated by State regulation. These include the White Eagle Farms #1 (API Permit No. 31-053-21727), Fleming #1 (API Permit No. 31-053-21728) and Hartshorne #1 (API Permit No. 31-053-22930).

In addition to the Oneida and Oswego reservoirs in the Bradley Brook Field, gas has been encountered in a fractured reservoir in the Upper Silurian Herkimer sandstone east of the Bradley Brook Field in three (3) wells drilled by Nornew in Madison County. Those wells are the R. Beers #1 (API# 31-053-21699, the R. Beers #2 (API# 31-053-21730) and the F. Ogden #1 (API# 31-053-22738). This small "pocket" of Herkimer production does not extend into the geographic limits of the Bradley Brook field. A show of gas has been recorded in fractured Willowvale shale in the SJGS #1 (API# 31-053-23048). The capability of economic production from fractured Willowvale shale in the Bradley Brook field is currently under evaluation.

Wells within the limits of the Bradley Brook field produce from the Oneida and Oswego formations. Future development of the Bradley Brook field will target the Oneida and Oswego formations.

The Oneida is described as a clear to white to tan, very fine grained sandstone with gray shale and light gray, tightly cemented, very fine grained siltstone, while the Oswego is typically a green to light gray, tightly cemented, very fine grained siltstone with green to gray shale. Similar

reservoirs to the Oneida and Oswego can be found in western New York in the Medina and central New York in the Queenston respectively, and are discussed in the Analogous Production Areas portion of this report, which includes several industry publication references.

Structural mapping on several horizons indicates that the wells with better production are slightly higher structurally than less productive wells. Seismic data exhibits a subtle high at the subcrop of a predominantly sandstone interval of the Oswego formation. It is believed that the structural high is at least partially attributable to a paleotopographic high resulting from the presence of a more erosion resistant Oswego sandstone interval. This feature also places Oneida sands on a structural high. The overlying Willowvale shale provides a seal. Based on this interpretation, subsequent wells targeted the subcrop of the Oswego in order to exploit the potential gas trap in the Oswego subcrop and structurally higher Oneida sandstones.

The 2001 Bradley Brook drilling program included 5 productive wells that encountered the Oneida and Oswego sands within the subcrop of sandstone units of the Oswego formation. The wells were drilled in July and August and turned into line for New York State mandated production testing in October.

The work done in Bradley Brook Field thus far incorporates drilling, seismic data acquisition, interpretation, analogy with similar fields, experimentation and testing intended to determine how to best develop the

field "….in such a manner that a greater ultimate recovery of oil and gas may be had, and that the correlative rights of all owners and the rights of all persons including landowners and the general public may be fully protected…." (23-0301-Declaration of policy, Environmental Conservation Law, Article 23, New York State Oil, Gas and Solution Mining Law.).

The specific results and conclusions drawn from the testing are included in the Unit Justification section of this report. In summary, to optimize gas recovery, individual well economics and landowner compensation, spacing between wells is proposed to be no closer than approximately 1800 feet unless justified by geological, geophysical or engineering data. Nornew has self-imposed well spacing that exceeds the minimum 40-acre spacing mandated by the state for similar field-wide spacing rules established for analogous fields in New York State, allowing efficient and cost effective exploitation of the reservoir and the preservation of landowner correlative rights.

Analogous Production Areas

The Lower Silurian Oneida Sandstone is a member of the Clinton Group and the Upper Ordovician Oswego is lithostratigraphically correlative with the Queenston. In fact, with the exception of the color difference between the Oswego and the Queenston, they are virtually identical in lithology. Within the State of New York there are several producing reservoirs that appear to be similar to the Oswego and Oneida reservoirs in

the Bradley Brook field. The Fayette-Waterloo and Auburn Queenston formation fields in Cayuga and Seneca counties, respectively, are analogous to the Oswego formation reservoir in Bradley Brook field. The Lakeshore field Medina formation reservoir of western New York is analogous to the Oneida formation reservoir in Bradley Brook field. The Oswego can be correlated with the Bald Eagle formation in Pennsylvania. The Bald Eagle formation is productive in the Grugan field in Clinton County, Pennsylvania. In the case of the Grugan field, the producing reservoir appears to be fracture controlled unlike the predominant sandstone matrix porosity Oswego reservoir play in the Bradley Brook area.

According to Henderson and Timm "…the Upper Ordovician Oswego sandstone in New York is a transitional sequence that occurs at the base of the Ordovician Queenston delta "...the Oswego represents the first terrigenous clastic influx over the marine shales and sandstones of the Martinsburg/Lorraine formation..." the sand source area was in southeastern Pennsylvania with sediment dispersal to the north, west and south..."

All available evidence, seismic data, drilling samples and analysis, log information, reservoir pressure data, practical drilling experience, flow tests and production information from the wells that are on line, demonstrate that the Oswego and Oneida reservoirs in the Bradley Brook field are comparable to and is supported by data presented for analogous fields.

References that discuss Oneida/Oswego and similar reservoirs, include:

- McCormac, M.P., Mychkovsky, G.O., Opritza, S.T., Riley, R.A., Wolfe, M.E., Larsen, G.E. and Baranoski, M.T., Play Scm: Lower Silurian Cataract/Medina Group ("Clinton") Sandstone Play: The Atlas of Major Appalachian Gas Plays.
- Laughrey, C.D. and Harper, R.M., Play Obe: Upper Ordovician Bald Eagle Formation Fractured Anticlinal Play: The Atlas of Major Appalachian Gas Plays.
- Henderson, G.J. and Timm, C.M., 1985, Ordovician stratigraphic hydrocarbon entrapment potential of Appalachia, Oil & Gas Journal, April 29, 1985.
- Hughes, S.E.M., 1976, The Paleogeography and subsurface stratigraphy of the Late Ordovician Queenston coastal complex in New York. Masters Thesis, Cornell University.

Unit Justification

The exhibit maps herewith show the locations of the fourteen (14) Bradley Brook wells that have been drilled to date.

In December of 2000, Nornew commissioned Eastern Reservoir Services (ERS) to collect and analyze data from several wells completed in the Oneida and Oswego formations. The objective was to determine how to

most effectively complete and produce Oneida/Oswego wells with focus on key issues like stimulation effectiveness, reservoir quality and efficiency of fluid removal. Three Oneida/Oswego wells were tested during this phase: the Hillage #1, A & L Barringer #1 and the L & C Warren #1. Results of the testing indicate that the Warren is producing from higher quality reservoirs than the other 2 wells, interpreted to be due to the higher permeability observed in the Warren. In addition, the testing indicates that the fracture half-length in the Warren is almost double that of the Hillage and Barringer. The testing also revealed that the Hillage and Barringer had high bottomhole producing pressures indicative of a substantial fluid column in the wells. This was verified by subsequent swabbing operations.

In October of 2001 and January of 2002, Nornew again retained ERS to conduct a field study involving 7 wells in the area, namely the Crouch #1, #2 and #3, Keefe-Spillman #1, Corbin #1, Hillage #1 and the A & L Barringer #1. All of these wells are producing from the Oneida and Oswego formations. The purpose of this field study was to collect and analyze reservoir data to determine the optimum well spacing and unit sizing to be used for future development.

The results of these tests indicate that most of the wells have permeabilities in the range of 0.08 md to 0.18 md. The exceptions are the Crouch #1 and #2, which have somewhat higher permeability than the other wells tested. Testing included a minimum 14-day buildup period to

determine investigation radii, which ranged from 105 feet to 265 feet. The recommended radius of investigation for determining permeability, skin and reservoir pressure is 50 to 200 feet from the wellbore, therefore the buildup period appears sufficient to yield accurate results. The Oneida and Oswego formations are typically characterized by relatively low permeability and low reservoir pressure, both of which would contribute to the shallow radii of investigation calculated.

Reservoir simulation models were generated to establish pressure distribution (10 year simulation) throughout the reservoir surrounding each well. The simulations indicated that, because of the relatively low pressure and low permeability encountered across this field, efficient gas recovery would typically require approximately 60-acre minimum well spacing, as will be discussed below.

Comparisons of various well spacing options for a 640-acre area were assessed. Included in the ERS study was a drainage area simulation utilizing the results of the flow tests for 40, 80, 160, 320 and 640-acre units. The simulated reservoir utilized the measured or calculated permeability, porosity, pressure, pay thickness, water saturation and gas gravity for the individual wells. We have herein presented normalized "recovery factors" (assigning a value of 1.0 for the 40-acre case). A recovery factor of less than 1.0 indicates a fractional recovery of producible reserves. Implicit in this simulation is that the 40-acre case would result in all of the recoverable gas

being produced. While the 40-acre unit may be efficient for prevention of waste, it does not protect correlative rights of adjacent units nor is it economic in areas of the field where reservoir properties indicate a larger drainage area is appropriate. At the other end of the spectrum is the 640-acre unit case that resulted in an average of recovery factor of 0.18, which indicates that most of the recoverable reserves would not be produced, creating waste. The 80-acre unit and 160-acre unit cases yielded average recovery factors of 0.78 and 0.53 respectively. The study also indicted that the Hillage #1, would only exhibit a recovery factor of 0.60 for an 80-acre unit, which indicates that a somewhat smaller unit would be appropriate for that portion of the field with similar reservoir characteristics. Based on these analyses, the 60 to 160-acre unit size would in general be appropriate and consistent with the reservoir properties throughout the known field limits.

Well spacing, in turn, is a part of determining appropriate unit size. Once again, as with modeling the reservoir, the concept is straightforward but the practice requires one leave room for some uncertainty. New York State regulation must also be considered.

So, in determining unit size and layout, first, we have to calculate, to available accuracy, the size of the reservoir we believe a well drains. Then we must provide for compliance with Section 553.1, as cited above.

Based on the well spacing calculations and unit design considerations mentioned previously, a unit designed with 1800+/- feet rectangular well

spacing calculates to be an approximately 74-acre unit. A minimum well spacing of 1800 feet allows for wells to be drilled on larger well spacing when the larger spacing is technically appropriate. Considering the range of reservoir thickness and quality, regulatory well radius provision and an allowance for uncertainty, the available engineering, geological and engineering data indicates that unit sizes with a minimum of 60-acres and a maximum of 160-acres covers the reasonable range for units in the Bradley Brook Field.

A well location results as a compromise of a number of factors. First, and most important, is the apparent quality of the Oneida/Oswego formation at each possible location as indicated by adjacent, nearby well control and seismic character for that location. Other considerations include topography, cultural dictates and leasehold restrictions. Seismic and well control information across the Bradley Brook Field suggests that a dramatic difference in reservoir quality exists at various locales within the trend. Because the reservoir is so variable, offset well locations should be selected as close to seismic and other well control as possible to assure success.

Other well site considerations include the terms of applicable lease agreements, regulatory consideration, limitations on surface access and use for building the drilling location, the road to the location and/or the related pipelines, well spacing consideration, relationship to unit boundaries, impact on adjacent units, etc.

The purpose of ERS' reservoir tests was, to determine appropriate well spacing. From viewing of all available geological, geophysical and engineering data, and models and analogues, the most efficient average well spacing is 80-acres. However, where justified by actual results, allowances need to be made to accommodate somewhat smaller units (60-acres) as well as units approaching 160-acres. In addition, uncertainties inherent in these calculations dictate that allowance be made to form somewhat larger initial spacing units, up to 160-acres per planned well when substantiated by geological and engineering data, so that as production results dictate units can be de-spaced allowing for the drilling of additional wells.

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At Quest Energy

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