

# EXHIBIT D



**TO:** QUEST NOTE HOLDERS  
**FROM:** PAUL DOWNEY  
**RE:** STATUS UPDATE MEMO  
**DATE:** SEPTEMBER 24, 2012

Following a successful week of meetings, I am able to report that that we have made excellent progress in the sale of Quest assets that will enable Quest to re-purchase all Notes at full face value, pay accrued interest and most all other production interest in our leases. The Buyer is a Fortune 100 company with a long, successful track record of acquiring and developing Texas oil and gas properties in partnership with the current operator. The next two steps will be first to re-format our lease/well data to the be compatible with their system and then to conduct a field audit. We expect to complete these steps in the next 2-3 weeks, and at that time, we will be able to go public with an announcement of the Buyer and transaction. We are optimistic that we will achieve our previously stated target of completing the sale by the end of this year.

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TO: QUEST NOTE HOLDERS  
FROM: PAUL DOWNEY  
RE: STATUS UPDATE MEMO  
DATE: OCTOBER 16, 2012

Let me begin by thanking you for your support and patience as we continue to progress in the resolution of the Note redemption.

At the April maturity date, we had what we believed to be a firm commitment from a local funding group to provide the necessary financing to retire the Notes. Due to internal problems with that company, including the sudden death of their founder, that financing never closed.

At that point, we analyzed finding the best solution that we could have confidence in. Our decision was that a partial asset sale to a proven asset buyer with a successful track record of acquisitions in the Permian Basin would be in the best interest of the Note holders and Quest. The decision required us to develop an extensive data presentation for any prospective buyers to review. That package consists, among other items, of several third-party engineering reports, over 50 subsurface maps, historical production data, service contracts, testing results and various permit filings. Concurrently, Quest was involved in the significant of drilling our first horizontal Caddo well, a watershed moment in the Company's history.

Upon completion of the data package, we identified three qualified buyers and made those presentations. Of the three, two were interested in pursuing the acquisition. Of those two, we determined to move forward with the prospective buyer that we believed offered us the best opportunity to close the transaction in the shortest time.

As of this week that prospective buyer, a Fortune 100 Company, and Quest have met 2 of the 3 pre-conditions necessary to complete the transaction. Quest is confident that the third condition can and will be met, resulting in the successful closing of the transaction by year's end.

We ask that you understand that this negotiated sale process has multiple moving parts and is structured in a way that enables Quest to retire **all** of the outstanding debt. We anticipate making a partial interest payment in the next 2-3 weeks, with the timetable of redeeming the Notes by the end of the year still in place. As we move closer to completing this transaction, we will provide more updates.

We appreciate your patience as we are moving to the positive conclusion of the note retirement process.

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