

EXHIBIT 1

① First p of 21 pp.

September 12, 2016

RECEIVED
SEP 16 2016

To Mary King @ Barton Wand et al receiver for
Quest Energy Mgmt Group, Inc.

- ① Dear Mary - thanks for info necessary to fill out
Proof of Claim case # 8:09-cv-0087-T-26 TBM.
- ② you requested a hand written note to explore my question
regarding Quest. Question is if the Security and Exchange
Commission stopped the the group mentioned in above
case # on Jan 1 2009 - how is it that Workman
Securities Corp of MN (Representative Bob Bessari Inc.
an investment consulting + advisory firm ^{in Chicago, IL}) was able
to offer Quest to me for sale? My purchase date ^(ok copy enclosed)
was Aug 27, 2009. and accepted Sept 1, 2009. (letter ^{encl})
- ③ On Internet (under Finra) Workman Securities Corp of
Minn was ordered Apr 7-2011 was ordered to pay
restitution ^{\$}700,000 to 2 firms + 7 individuals re
selling private placements without conducting reasonable
investigation - One of the 2 firms loaned money to
oil + gas companies in TX - one of which I believe is
Quest. AND FINRA will continue to look at private
placements and determine if the selling firms fulfilled
their responsibilities to customers. Case # 2009017497201

Sincerely, Ruth P. Artisuk

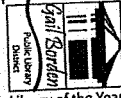


Ruth P. Artisuk

★ ~~NON~~ PERTINENT INFO

This Broker Rep
sold me other
Now defunct
investments

Plz help!



Library of the Year
Gail Borden Public Library
270 North Grove Avenue
Elgin, Illinois 60120
(847) 742-2411
www.gailborden.info

Amount Loaned: \$ _____

Number of Notes: _____



SUBSCRIPTION DOCUMENTS

**OFFERING OF SEVENTY (70) SENIOR PREFERRED NOTES
WITH CONVERSION OPTION**

FIFTY THOUSAND (\$50,000) DOLLARS PER NOTE

January 1, 2009

SUBSCRIPTION INSTRUCTIONS
(please read carefully)

3



BROKER TRANSACTION RECORD

KPC Production Project - Quest Austin Chalk Program

Standards of suitability have been established by the Program Sponsor and fully disclosed in the prospectus and in the Purchase Agreement. Before recommending purchase of an Interest, the undersigned has a reasonable grounds to believe, and in fact believes on the basis of information supplied by the prospective investor concerning its investment objectives, other investments, financial situation and needs, and other pertinent information that: (a) the prospective investor is an "accredited investor" as defined in Section 501(a) of Regulation D of the Securities Act of 1933, as amended, and meets the financial suitability and other purchase requirements set forth in the Prospectus; (b) the prospective investor has a net worth and income sufficient to bear the risks inherent in the investment, including loss of investment and lack of liquidity; (c) there is an adequate pre-existing relationship (one that enables the undersigned to evaluate the sophistication and financial circumstances of the potential investor) between the prospective investor and the undersigned prior to the offering and the contemplation of the offering; (d) the Interest is otherwise suitable for the prospective investor; (e) the prospective purchaser has a sufficient knowledge and experience in financial matters to understand the risks involved in the investment; (f) any prospective investor is aware of, the risks associated with and rules relating to like kind exchanges of property under Section 1031 of the Internal Revenue Code of 1986, and the rules relating to such investments. The undersigned will not act as a broker or dealer in the sale of the Interest, but will act as a broker or dealer in the sale of the Interest if the prospective investor is not an accredited investor. The undersigned has obtained written approval from the Commission relating to the integrity and independence of the undersigned during the term of the purchase. The undersigned further certifies that it has not conducted any "general solicitation" or "general advertising" (as defined in Rule 506(c) of Regulation D) in connection with the offer of the Interest to the prospective investor.

BROKER WORKMAN SECURITIES Corp.
REPRESENTATIVE: Bob Bassani

City, State, Zip: Chicago IL 60611

Branch Fax: [Redacted]

I hereby certify that I am registered in Illinois
 Registered representative of [Redacted]
 Date: 6/21/2009

Listed in contract

Ⓟ

Dick Harris, Attorney at Law
Law Office of Dick Harris, P.C.

P.O. Box 3835

Hinds Square Building, Suite 103
100 Chestnut, Abilene, TX 79602
Telecopy (325) 677-3314

Abilene, TX 79604-3835
Phone (325) 677-3311
dharris_law_firm@swbell.net

Certified in Business and Consumer
Bankruptcy Law, Texas Board of
Legal Specialization

August 11, 2014

Mr. and Mrs. Alexander Artisuk



Re: Case No. 14-10069-7; Jeffery Paul Downey and Pepper Marie Downey

Dear Mr. and Mrs. Artisuk:

I attended the second creditors' meeting for Jeff Downey on July 18. Mr. Downey appeared and answered a few more questions, but did not add much to what we already knew. He was told by the Bankruptcy Trustee to turn over a gun collection and a small amount of money that was on hand when he filed bankruptcy and the meeting was concluded.

I have also spoken with the court appointed Receiver for Quest Energy Management Group, Inc. and he indicates that he will be filing an objection to Mr. Downey's discharge. If so, this should be beneficial to you and all investors as, if successful, it would mean that Mr. Downey would not be able to escape his liability due you and all the investors who were defrauded. At this time, I do not believe it is necessary or cost effective for you to take any action in Jeff Downey's bankruptcy. Hopefully, the Receiver will take some action and that will benefit everyone. Even if that does not happen, it is not likely that your spending money objecting will be a good investment as it does not appear that Jeff Downey has funds from which you could recover at this time. The Receiver is also attempting to collect from Paul Downey and that may be of more benefit to you in the future.

Please call or write if you have any other questions.

Yours very truly,

LAW OFFICE OF DICK HARRIS, P.C.

By: 
DICK HARRIS

DH:me

5

Dick Harris, Attorney at Law

Law Office of Dick Harris, P.C.


P.O. Box 3835

Hinds Square Building, Suite 103
100 Chestnut, Abilene, TX 79602
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Abilene, TX 79604-3835
Phone (325) 677-3311
dharris_law_firm@swbell.net

Certified in Business and Consumer
Bankruptcy Law, Texas Board of
Legal Specialization

May 20, 2014

Mr. and Mrs. Alexander Artisuk


Re: Case No. 14-10069-7
Jeffry Paul Downey and Pepper Marie Downey

Dear Mr. and Mrs. Artisuk:

I attended the creditors' meeting in the Jeff Downey bankruptcy case as you requested. Mr. Downey appeared with his wife. Also in attendance were a representative from the United States Trustee's office and Harvey Morton, Mr. Downey's Chapter 7 bankruptcy trustee. Mr. Downey testified that he is living in a rented house in Abilene, Texas; that he is currently unemployed and his "family" is giving him approximately \$4,000.00 per month to live on. He claims he owns no real estate, that he has two vehicles which are financed, that he has already cashed in his IRA and pension, and that he has no other assets. Mr. Downey "forgot" to list that he owns seven guns, three of which he has recently sold. He also testified that he sold his wife's gold necklace.

Mr. Downey testified that Quest started in 2005. He was initially Vice-President but has been President for the past two years. He testified that his salary was \$190,000.00 per year and that his father's salary was \$162,000.00. He claims he had none of the books and records but he did have a list of investors so that is how he listed you in his bankruptcy.

Mr. Downey claimed he had no interest in any other corporations although it was revealed that he is the Registered Agent for a corporation his father recently formed.

The Trustee was not satisfied with Mr. Downey's answers in many areas and continued the meeting until June 19, 2014 at 3:00 p.m., when Mr. Downey will be expected to appear and bring additional documents.

Since I spoke with you, I have also been contacted by an attorney in Atlanta representing investors who lost over \$2,000,000.00, and the Receiver for Quest Management Group who has been pursuing Mr. Downey and his father.

Whether or not the Trustee, the Receiver, or anyone else pursues Mr. Downey further will probably depend on his answers at the continued meeting on June 19. I will update you following that meeting. Call or write if you have any questions.



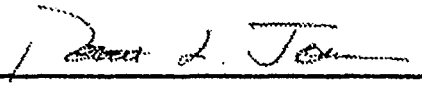
U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

ENTERED

TAWANA C. MARSHALL, CLERK
THE DATE OF ENTRY IS
ON THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed September 24, 2014


United States Bankruptcy Judge

BTXN 077 (rev. 10/02)

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

In Re:
Jeffrey Paul Downey
Pepper Marie Downey

Debtor(s)

§
§
§
§
§

Case No.: 14-10069-rlj7
Chapter No.: 7

ORDER VACATING ORDER OF DISCHARGE

The Court, after review of the file and docket in the above entitled and numbered case, finds that an order discharging the debtor was inadvertently entered, due to clerk's error, on 9/22/14; it is therefore

ORDERED that the above referenced order is set aside and **VACATED**.

End of Order

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B18 (Official Form 18) (12/07)

United States Bankruptcy Court

Northern District of Texas

Case No. 14-10069-rlj

Chapter 7

In re Debtor(s) (name(s) used by the debtor(s) in the last 8 years, including married, maiden, trade, and address):

Jeffrey Paul Downey

Pepper Marie Downey

[REDACTED]

[REDACTED]

Social Security / Individual Taxpayer ID No.:

[REDACTED]

[REDACTED]

Employer Tax ID / Other nos.:

DISCHARGE OF DEBTOR

It appearing that the debtor is entitled to a discharge,

IT IS ORDERED:

The debtor is granted a discharge under section 727 of title 11, United States Code, (the Bankruptcy Code).

BY THE COURT


Dated: 9/22/14

Robert L. Jones
United States Bankruptcy Judge

SEE THE BACK OF THIS ORDER FOR IMPORTANT INFORMATION.

8-21-16

PROOF OF CLAIM FORM

<p>SECURITIES AND EXCHANGE COMMISSION, Plaintiff,</p> <p>v.</p> <p>ARTHUR NADEL, SCOOP CAPITAL, LLC, SCOOP MANAGEMENT, INC., Defendants, SCOOP REAL ESTATE, L.P., VALHALLA INVESTMENT PARTNERS, L.P., VALHALLA MANAGEMENT, INC., VICTORY IRA FUND, LTD., VICTORY FUND, LTD., VIKING IRA FUND, LLC, VIKING FUND, LLC, AND VIKING MANAGEMENT, LLC, Relief Defendants.</p> <hr/> <p>Case Number: 8:09-CV-00087-T-26TBM U.S. District Court Middle District of Florida (Tampa Division)</p>	<p>Name and address of Claimant (Please print or type):</p> <p>RUTH P. and ALEXANDER A. ARTISUK</p> 
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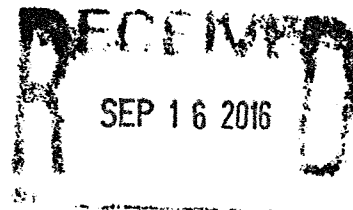
ATTENTION:

On May 24, 2013, the Honorable Richard A. Lazzara of the United States District Court, Middle District of Florida, entered an Order appointing Burton W. Wiand as Receiver of QUEST ENERGY MANAGEMENT GROUP, INC. ("QUEST"). On June 17, 2016, the Court issued an Order establishing a Claim Bar Date for all claims and approving this Proof of Claim Form and the basic procedures to administer any claims. To be eligible to receive a distribution from QUEST's assets, you must complete and return this entire Proof of Claim Form and provide the requested documentation, so that it is received on or before **October 12, 2016, to Burton W. Wiand, Receiver, c/o Maya M. Lockwood, Esquire, Wiand Guerra King P.A., 5505 West Gray Street, Tampa, Florida 33609.** *The proper filing of this completed claim form may entitle you to receive a distribution from the Receivership. Altered forms will not be accepted.*

The information provided in this Proof of Claim Form will be used to calculate your distribution, if any, from the Receivership. The Receiver has the right to dispute and/or verify any information you have provided in order to determine the proper distribution amount, if any, to which you may be entitled.

IMPORTANT INFORMATION TO READ PRIOR TO SUBMITTING THIS FORM

ANY PERSON OR ENTITY SUBMITTING THIS PROOF OF CLAIM FORM SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF FLORIDA FOR ALL PURPOSES, INCLUDING, WITHOUT LIMITATION, AS TO ANY CLAIMS, OBJECTIONS, DEFENSES, OR COUNTERCLAIMS THAT COULD BE OR HAVE BEEN ASSERTED BY THE RECEIVER AGAINST SUCH CLAIMANT OR THE HOLDER OF SUCH CLAIM IN CONNECTION WITH THIS RECEIVERSHIP, INCLUDING THOSE ARISING OUT OF (1) ANY DEALING OR BUSINESS TRANSACTED BY OR WITH QUEST OR (2) ANY DEALING OR BUSINESS TRANSACTED THAT RELATES IN ANY WAY TO ANY RECEIVERSHIP PROPERTY. FURTHER, CLAIMANTS WAIVE ANY RIGHT TO A JURY TRIAL WITH RESPECT TO SUCH CLAIMS, OBJECTIONS, DEFENSES, AND COUNTERCLAIMS. IF THIS COMPLETED FORM, SIGNED UNDER PENALTY OF PERJURY, IS NOT RECEIVED BY THE RECEIVER AT THE ABOVE-REFERENCED ADDRESS BY **OCTOBER 12, 2016**, YOU WILL BE FOREVER BARRED FROM ASSERTING ANY CLAIM AGAINST QUEST AND ITS ASSETS AND YOU WILL NOT BE ELIGIBLE TO RECEIVE ANY DISTRIBUTIONS FROM THE RECEIVER.



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General Instructions:

You must answer each and every question. Please answer each question as fully as possible. If you need additional space to complete an answer, please attach a separate sheet of paper and indicate the number of the question for which you are providing the additional information. If the question does not apply to you, please write "not applicable." If the answer to the question is "no" or "none," please answer as such.

1. Full name, current address, telephone number, and email address of the Claimant (the person or entity making this claim to QUEST's assets).

RUTH P and ALEXANDER A. ARTISUK
[Redacted Address]

2. If this form is being completed by a person other than the Claimant or on behalf of an entity, please provide the full name, address, telephone number, and email address of the person completing this form and the basis for that person's authority to act on the Claimant's behalf.

NOT APPLICABLE

3. If this form is being completed on behalf of an entity, please provide the full name of the entity and all of its trustees, officers, directors, managing agents, shareholders, partners, beneficiaries, and any other party with an interest in the entity.

NOT APPLICABLE

4. Provide one mailing address where the Claimant authorizes the receipt of all future communications relating to this claim, including any possible distribution payment the Claimant may receive. It is the Claimant's sole responsibility to advise the Receiver of any change to this address after the submission of this form.

check here to use the same address provided in response to question number 1. Use the lines below to designate a mailing address different than the address provided in response to question number 1.

[Blank lines for alternate mailing address]

5. Provide the basis for your claim (please check applicable boxes):

- Investor
- Provided Goods or Services to QUEST
- Other (specify basis) _____

If you are not an investor, write "Not Applicable" to questions number 6 through 13. If you are an investor, write "Not Applicable" to questions number 14 through 16. All Claimants must answer question number 17.

13

Questions Specific to Investors

6. Please provide the following information regarding your investment in or with, or interest in QUEST or any project or venture promoted by QUEST, and attach copies of all checks, bank or other financial account statements, invoices, wire transfer confirmations, and other documents relating to your answer.

1st investment in or with QUEST:

totalled \$ 50,000 ⁰⁰/₁₀₀ and was made on 08/27/2009 (date); through a check # 1263 (or wire transfer) made payable to QUEST ENERGY and drawn on account number [redacted] with [redacted] (identify financial institution).
STATE BANK OF DAVIS DAVIS IL 61019 *Copy included*

If applicable, 2nd investment in or with QUEST:

totalled \$ No and was made on No (date); through a check (or wire transfer) made payable to No and drawn on account number No with No (identify financial institution).

If additional investments were made, please attach a separate sheet identifying (1) those amounts, (2) the dates on which they were made, (3) the payee of the check (or recipient of the wire transfer), and (4) the account number and financial institution on which the check was drawn or the wire transfer initiated.

Total amount you invested with QUEST: \$ 50,000 ⁰⁰/₁₀₀

7. Have you ever received any money from QUEST, including as an interest payment or "return of principal" on your investment or for any other reason? Yes No. If yes, please provide the following information for each amount received, and attach copies of all checks, bank or other financial account statements, wire transfer confirmations, and other documents relating to your answers.

	Date	Amount	Payor/Payee of check/wire	Reason for Payment
4Q 2009 A.	<u>01/27/10</u>	<u>1260.40</u>	<u>Quest Energy Mgmt</u>	<u>Q INT for 4th 2009</u>
1Q 2010 B.	<u>03/24/10</u>	<u>1233.00</u>	<u>operating LLC</u>	<u>" " 1st 2010</u>
2Q 2010 C.	<u>07/12/10</u>	<u>1246.70</u>	<u>"</u>	<u>" " 2 2010</u>
3Q 2010 D.	<u>10/13/10</u>	<u>1260.40</u>	<u>"</u>	<u>" " 3 2010</u>

and 2 more attached

If any additional amounts were received from QUEST, please attach a separate sheet identifying those amounts, the dates on which they were received, the payor and payee of the check(s) or wire transfers, and the reasons for the payments.

Total amount you received from QUEST: \$ 7507.47 (*this includes the attach sheet*)

8. State the total amount of your claim (this is the amount that you are claiming you are owed from QUEST): \$ 87,434 ⁰⁰/₁₀₀

*Contract 125% of Investment = 62,500 on April 2
4 and 2 half years Interest \$ 24,934*

9. Did you receive any other funds or anything of value other than money (for example, a car or shares of stock) from QUEST, Paul Downey, Jeffry Downey, or anyone acting on their behalf? Yes No. If yes, please identify how much or what you received, from whom, the date it was received, and the reason it was paid to you. _____

★ 10. Provide the name of the person or persons who solicited your investment in or with QUEST.
BOB BASSARI REPRESENTATIVE WORKMAN SECURITY CORP OF MN
CHGO IL 60611

11. Please explain the way in which you came to learn about QUEST and thereafter invest in or with it, including the person who introduced you to this entity, the statements made by that person, any documents provided by that person, meetings you had with the representative(s) of those entities, information that you relied on, and any other information.

INVESTMENT ADVISOR BOB BASSARI of WORKMAN'S ↑ BROKER TRANS
ACTION KPC PRODUCTION PROJECT - QUEST AUSTIN CHALK PROGRAM
SOLD ME SENIOR PREFERRED NOTES for a 3 YR
INVESTMENT PAYING 10% INTEREST AND 125% RETURN to be PAID
BY APRIL 2012. (most investments were paying up to 8%
at that time. SAID This was a good INVEST for RETIRED
SCHOOL TEACHER.

12. Are you related by blood or marriage to any of the Defendants in this matter (see case caption on first page for names), sales agents, Paul or Jeffry Downey, or any current or former employee of QUEST? Yes No. If yes, identify to whom are you related and the nature of the relationship. _____

13. Did you receive any commissions or other compensation of any nature from QUEST? Yes No. If yes, please identify how much or what you received, from whom, the date it was received, and the reason it was paid to you. _____

Questions Specific To Non-Investor Claimants

14. If you were not an investor, state with specificity how you claim an interest in any distribution by QUEST (for example, you provided goods or services to QUEST for which you have not been paid). _____

NOT APPLICABLE

12

15. State the amount you claim you are owed by QUEST. \$ NOT APPLICABLE
 Attach copies of all documents relating to your claim (for example, copies of all invoices submitted to QUEST and copies of records of all payments received from same). If you delivered goods to QUEST, include a copy of the document confirming receipt by a representative of QUEST.
16. Identify your contact person or persons at QUEST. NOT APPLICABLE
-
-

Question for all Claimants:

17. Have you sued, threatened suit, or otherwise commenced any lawsuits, arbitrations, actions, or other proceedings, or made any demands against any person or entity relating in any way to your claim?
 Yes No. If yes, please identify the nature and status of any such action, the name of the attorney who commenced the action, and any monies received. COPIES ATTACHED
ZERO MONIES RECEIVED - COSTS ATTORNEY EXPENDED
-
-

Please submit this completed and signed, under penalty of perjury, Proof of Claim Form and legible copies of all documentation requested in this form to **Burton W. Wiand, Receiver, c/o Maya M. Lockwood, Esquire, Wiand Guerra King P.A., 5505 West Gray Street, Tampa, Florida 33609, SO THAT IT IS RECEIVED NO LATER THAN OCTOBER 12, 2016.**

YOU MUST PROVIDE COPIES OF ALL DOCUMENTS OR OTHER MATERIALS THAT RELATE IN ANY WAY TO YOUR INVESTMENT IN QUEST, OR, IF YOU ARE NOT AN INVESTOR, TO YOUR CLAIM AGAINST QUEST, INCLUDING COPIES OF YOUR CANCELLED CHECKS, BANK OR OTHER FINANCIAL ACCOUNT STATEMENTS SHOWING ALL TRANSFERS OF FUNDS BETWEEN (OR FOR THE BENEFIT OF) YOU AND QUEST, STATEMENTS FROM QUEST, WIRE TRANSFER CONFIRMATIONS, AND ANY OTHER DOCUMENTS REGARDING YOUR CLAIM(S).

By signing below, I certify under penalty of perjury pursuant to Florida law that the information provided in this form is true and correct. If this claim is being submitted by more than one person, all persons submitting the claim must sign below certifying under penalty of perjury that the information provided is true and correct.

Signature of Claimant: *Ruth P. Artisuk and Alexander A. Artisuk*

Print Name: RUTH P. ARTISUK and ALEXANDER A. ARTISUK

Date: 08/30/2016

Title (if any): RETIRED TEACHERS (CHGO PUBLIC SCHOOLS)

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page 3 of 5 PROOF OF CLAIM

7. monies received from Quest

			arrears and much correspondence + C
07/06/11	1233.00	Quest Operating LLC	..↓
12/29/11	1260.27	"	"

14

Memorandum# _____

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM



A Delaware Corporation

Senior Preferred Notes with Conversion Option

\$3,500,000

~~\$50,000 per Note~~ ← *Fact 4*

MINIMUM PURCHASE: 1 Note

10% Annual Rate of Return, Paid Quarterly

Maturity Date: April 1, 2012

Redemption at Maturity - 125% of the face value per Note ← *Fact 5*

Fact 1 →
Fact 2 →
Fact 3 →

Quest Energy Management Group, Inc., a Delaware corporation (hereinafter referred to as the "COMPANY"), is offering by means of this Confidential Private Placement Memorandum Seventy (70) Notes of \$50,000 each in Senior Preferred Notes ("Notes") to qualified investors who meet the Investor Suitability Requirements set forth herein (see "INVESTOR SUITABILITY REQUIREMENTS"). Each investor must agree to purchase the Notes, as a lender to the Company, for investment purposes only, and execute a Subscription Agreement in the form contained in the accompanying Subscription Document (see "TERMS OF THE OFFERING").

**THESE SECURITIES ARE SPECULATIVE AND INVESTMENT
IN THE NOTES INVOLVES A DEGREE OF RISK
(SEE "RISK FACTORS")**

	Offering Price	Selling Commissions	Proceeds to Company
Per Unit	\$50,000	\$5,000	\$45,000
Maximum Units	\$3,500,000	\$350,000	\$3,150,000

Quest Energy Management Group, Inc.
64 South Jacobs Street
Albany, Texas 76430
Telephone: (325) 762-3281
Facsimile: (325) 762-3284

The date of this Private Placement Memorandum is January 1, 2009

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RUTH P. ARTISUK
 ALEXANDER A. ARTISUK
 ALEXANDRA M. ARTISUK

1263

8/27/09

PAY TO THE ORDER OF Quest Energy \$ 50,000 ⁰⁰/₁₀₀

Fifty Thousand and 00/100

STATE BANK of DAVIS DISCOVER CLUB

Ruth P. Artisuk

1263

From: QUEST OPERATING LLC
 To: ALEXANDER & RUTH ARTISUK

Vendor Code: ARTALE
 Check Date: 03/30/2012
 Check Amount: \$1,246.70
 Check Number: A-1110702

Invoice #	Invoice Amt
03312012	1,246.70
10% FULL 1ST QUARTER	

last 4th Q 2011

Rec'd 4th Q 2009 on 1/27/10 1260.40

Q1-2010, on 3/4/10	1233.00
Q2-2010, on 6/4/10	1246.70
Q3-2010, on 9/4/10	1252.40
Q4-2010, on 12/29/11	1260.27

*actually there was no 4th Q 2011
 They pay after the 3rd quarter
 ok*

16



*Completed info
done by 7/20/12
10/20/12
Miss...*

September 1, 2009

Mr. & Mrs. Alexander and Ruth Artisuk

RE: Quest Energy Management Group KPC Production Project

Dear Mr. & Mrs. Artisuk,

We at Quest Energy Management Group, Inc. would like to thank you for purchasing a Senior Corporate Note on our KPC Production and Expansion Project. Enclosed are your executed subscription documents. As a note holder you will be receiving 10% annual interest paid quarterly starting the 4th quarter of 2009. Along with your interest payments, there will also be periodic updates on Quest's progress on the KPC Project available on Quest Energy Management Group, Inc.'s website (www.questemg.com).

Quest Energy Management Group, Inc. is a progressive company which focuses on Secondary and Enhanced Oil Recovery Technology. We are very confident that the KPC Production and Expansion Project will be a success. Again, we would like to thank you for your support and we look forward to a mutually beneficial relationship with you.

Best regards,

Jaime L. Downey
Jaime Lynne Downey
Vice President, Land & Legal
Quest Energy Management Group

V: 325-762-3281
F: 325-762-3284

64 S. Jacobs St.
Albany, TX 76430

www.questemg.com

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The investor is PARTNERSHIP, CORPORATION, TRUST OR OTHER ENTITY, complete the following:

The undersigned (circle one) [is] [is not] a foreign partnership, foreign corporation, trust or foreign estate (as defined in the Internal Revenue Code of 1986, as amended, and the treasury regulations promulgated thereunder).

Print Name of Partnership, Corporation, Trust or Entity:	Title of Authorized Representative
Signature of Authorized Representative	Print Jurisdiction of Organization or Incorporation
Print Name of Authorized Representative	Print Federal Tax Identification Number
Print Address of Residence:	Print Telephone Number: ()

ACCEPTANCE

The terms of the foregoing, including the subscription described therein, are agreed to and accepted on this 1st day of September, 2001.

Quest Energy Management Group, Inc.,

By: Jamie L. Downey

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Ruths + Alexander



*64 S. Jacobs
Albany, Texas 76430*

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 drilling our first horizontal Caddo well, a significant step forward in Quest's long-term business development.

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.

What are they now?

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.

V: 325-762-3281
 F: 325-762-3284

64 S. Jacobs St.
 Albany, TX 76430

www.questemg.com

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TO: QUEST NOTE HOLDERS
FROM: PAUL DOWNEY
RE: STATUS UPDATE MEMO
DATE: NOVEMBER 27, 2012

I hope each of you enjoyed a Thanksgiving holiday that was just what you wanted it to be.

In our last update, I presented the plan that we have been hoping to implement as soon as possible, optimally by the end of the year. It referenced a partial interest payment to be followed by the completion of the Note redemption process, following the successful closing of the asset sale to our respected prospective buyer. Part of that transaction requires us to meet 3 pre-conditions; as I said in the last memo, 2 of them have been met.

The "one more step" stands at approximately 50% completion, thanks to the drilling and completion of a new well, and the re-working of several others. These moves are designed to increase our daily oil production totals, which insures that the sale price will be sufficient to repurchase all the notes at face value plus the bonus. We remain optimistic that we will be able to do that before the end of the year. If not, we plan on making at least partial interest payments by then.

I am scheduled to meet with the buyers late next week to give them an update and review the steps we have taken to meet their conditions. I know some of you have had questions about our timetable and I would reiterate that this is a fluid process; we are complying with the closing requirements and have no reason to think that we are not on track; our feedback has been positive.

I also wish to report that we have received an additional offer from another financially qualified buyer with fewer preconditions for closing the transaction, which would hopefully allow Quest to complete the process in a more timely fashion.

This gives us all the more reason to appreciate your patience as we are moving to the positive conclusion of the note retirement. After the meetings, we will let you know those results. Thank you for your support.

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TO: QUEST NOTE HOLDERS
FROM: PAUL DOWNEY
RE: STATUS UPDATE MEMO
DATE: DECEMBER 7, 2012

Quest Energy Management Group, Inc. has executed a definitive term sheet with a qualified financial group that, when closed, will result in Quest receiving the funds necessary to meet our obligations to redeem the outstanding notes.

When we made the decision to re-capitalize Quest, our two priorities were to obtain a fair price for ALL of the investors and to close the sale by the end of 2012. The closing is subject to the normal conditions, which include adjustment for inventory, title insurance, operating and performance bonds. I expect we have, at best, a 50-50 chance of closing by December 31, 2012, but I have firmly believed that securing a fair price for all was a higher priority than the self-imposed deadline of December 31, 2012. We will apprise you when the details of the closing are finalized.

Thank you for your understanding and patience during this complex process.

Best Regards and Merry Christmas.

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TO: QUEST NOTE HOLDERS
FROM: PAUL DOWNEY
RE: STATUS UPDATE MEMO
DATE: April 16, 2013

A pre-requisite of any prospective real estate sale, especially involving oil and gas properties, is providing the buyer with clear title. Quest was unexpectedly required to file an affidavit in this process of curing title in the case of our prospective asset sale. Quest counsel advises that both the Texas State Securities Board and the SEC will support the affidavit, which was filed yesterday. The affidavit was filed with the intention of providing the maximum security and protection for all note holders; that is accomplished, as it confirms your senior preferred position in the assets to be sold. While I understand that this report may raise more questions than it answers, it further supports our ongoing fiduciary commitment to all investors. This title procedure is not uncommon, and clears one more step in the completion of the asset sale. I continue to appreciate your support and patience as this process works out.

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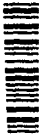
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BURTON W. WIAND RECEIVER

C/O MAYA M, LOCKWOOD, ESA.

WIAND GUERRA KING P.A.

5505 WEST GRAY STREET

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