

Confidentiality Requested:

Yes  No

**KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION**

Form ACO-1

January 2018

**Form must be Typed**

**Form must be Signed**

**All blanks must be Filled**

**WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE**

OPERATOR: License # \_\_\_\_\_

Name: \_\_\_\_\_

Address 1: \_\_\_\_\_

Address 2: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ + \_\_\_\_\_

Contact Person: \_\_\_\_\_

Phone: ( \_\_\_\_\_ ) \_\_\_\_\_

CONTRACTOR: License # \_\_\_\_\_

Name: \_\_\_\_\_

Wellsite Geologist: \_\_\_\_\_

Purchaser: \_\_\_\_\_

Designate Type of Completion:

New Well  Re-Entry  Workover

Oil  WSW  SWD

Gas  DH  EOR

OG  GSW

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 EOR  Conv. to SWD  
 Plug Back  Liner  Conv. to GSW  Conv. to Producer

Commingled Permit #: \_\_\_\_\_

Dual Completion Permit #: \_\_\_\_\_

SWD Permit #: \_\_\_\_\_

EOR Permit #: \_\_\_\_\_

GSW Permit #: \_\_\_\_\_

Spud Date or Date Reached TD Completion Date or Recompletion Date

API No.: \_\_\_\_\_

Spot Description: \_\_\_\_\_

\_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  East  West

\_\_\_\_\_ Feet from  North /  South Line of Section

\_\_\_\_\_ Feet from  East /  West Line of Section

Footages Calculated from Nearest Outside Section Corner:

NE  NW  SE  SW

GPS Location: Lat: \_\_\_\_\_, Long: \_\_\_\_\_  
(e.g. xx.xxxxx) (e.g. -xxx.xxxxx)

Datum:  NAD27  NAD83  WGS84

County: \_\_\_\_\_

Lease Name: \_\_\_\_\_ Well #: \_\_\_\_\_

Field Name: \_\_\_\_\_

Producing Formation: \_\_\_\_\_

Elevation: Ground: \_\_\_\_\_ Kelly Bushing: \_\_\_\_\_

Total Vertical Depth: \_\_\_\_\_ Plug Back Total Depth: \_\_\_\_\_

Amount of Surface Pipe Set and Cemented at: \_\_\_\_\_ 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 #: \_\_\_\_\_

**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.

Submitted Electronically

**KCC Office Use ONLY**

Confidentiality Requested

Date: \_\_\_\_\_

Confidential Release Date: \_\_\_\_\_

Wireline Log Received  Drill Stem Tests Received

Geologist Report / Mud Logs Received

UIC Distribution

ALT  I  II  III Approved by: \_\_\_\_\_ Date: \_\_\_\_\_

Operator Name: \_\_\_\_\_ Lease Name: \_\_\_\_\_ Well #: \_\_\_\_\_

Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  East  West County: \_\_\_\_\_

**INSTRUCTIONS:** Show important tops 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.

Final Radioactivity Log, Final Logs run to obtain Geophysical Data and Final Electric Logs must be emailed to [kcc-well-logs@kcc.ks.gov](mailto:kcc-well-logs@kcc.ks.gov). Digital electronic log files must be submitted in LAS version 2.0 or newer AND an image file (TIFF or PDF).

Drill Stem Tests Taken <input type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i>  Samples Sent to Geological Survey <input type="checkbox"/> Yes <input type="checkbox"/> No  Cores Taken <input type="checkbox"/> Yes <input type="checkbox"/> No Electric Log Run <input type="checkbox"/> Yes <input type="checkbox"/> No Geologist Report / Mud Logs <input type="checkbox"/> Yes <input type="checkbox"/> No List All E. Logs Run: _____	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample  Name Top Datum
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CASING RECORD <input 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

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				

1. Did you perform a hydraulic fracturing treatment on this well?  Yes  No *(If No, skip questions 2 and 3)*
2. Does the volume of the total base fluid of the hydraulic fracturing treatment exceed 350,000 gallons?  Yes  No *(If No, skip question 3)*
3. Was the hydraulic fracturing treatment information submitted to the chemical disclosure registry?  Yes  No *(If No, fill out Page Three of the ACO-1)*

Date of first Production/Injection or Resumed Production/Injection:	Producing Method: <input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other <i>(Explain)</i> _____				
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	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 type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5)</i> <i>(Submit ACO-4)</i>	PRODUCTION INTERVAL: Top Bottom
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Shots Per Foot	Perforation Top	Perforation Bottom	Bridge Plug Type	Bridge Plug Set At	Acid, Fracture, Shot, Cementing Squeeze Record <i>(Amount and Kind of Material Used)</i>

TUBING RECORD:	Size:	Set At:	Packer At:	
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REMIT TO  
 QES Pressure Pumping LLC  
 Dept:970  
 P.O.Box 4346  
 Houston,TX 77210-4346

MAIN OFFICE

P.O.Box884  
 Chanute,KS 66720  
 620/431-9210,1-800/467-8676  
 Fax 620/431-0012

Invoice

Invoice#

813196

Invoice Date: 05/22/18

Terms: Net 30

Page 1

VAL ENERGY

125 N. Market, Ste. 1110  
 WICHITA KS 67202  
 USA  
 316-263-6688

TJ 1-2

Part No	Description	Quantity	Unit Price	Discount(%)	Total
CE0451	Cement Pump Charge 1501' - 3000'	1.000	1,900.0000	30.000	1,330.00
CE0002	Equipment Mileage Charge - Heavy Equipment	30.000	7.1500	30.000	150.15
CE0711	Minimum Cement Delivery Charge	1.000	660.0000	30.000	462.00
CC5829	Lite-Weight Blend V (60:40:4)	240.000	16.0000	30.000	2,688.00
CC6075	Celloflake	60.000	3.0000	30.000	126.00
CP8228	8 5/8" Wooden Plug	1.000	165.0000	30.000	115.50

Subtotal 6,959.50

Discounted Amount 2,087.85

SubTotal After Discount 4,871.65

Amount Due 7,294.30 If paid after 06/21/18

Tax: 234.36

Total: 5,106.01



PRESSURE PUMPING LLC  
 PO Box 884, Chanute, KS 66720  
 620-431-9210 or 800-467-8676

10109/10600

TICKET NUMBER 55182  
 LOCATION Oakley, KS  
 FOREMAN Walt Dunkel

FIELD TICKET & TREATMENT REPORT  
 CEMENT

Invoice #813196

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
5-15-18	2576	TJ #1-2	2	8 <sup>s</sup>	36 <sup>w</sup>	Thomas
CUSTOMER <u>Val Energy</u>			Levant			
MAILING ADDRESS <u>125 N. Market, Ste. 1110</u>			TRUCK #	DRIVER	TRUCK #	DRIVER
CITY <u>Wichita</u>			<u>529-T118</u>	<u>miles Shaw</u>		
STATE <u>KS</u>			<u>70</u>	<u>Cory Davis</u>		
ZIP CODE <u>67202</u>						
JOB TYPE <u>PTA</u>	HOLE SIZE <u>7 7/8</u>	HOLE DEPTH <u>4850'</u>	CASING SIZE & WEIGHT <u>8 3/8 302'</u>			
CASING DEPTH	DRILL PIPE <u>4 1/2 x H</u>	TUBING	OTHER			
SLURRY WEIGHT <u>13.0</u>	SLURRY VOL	WATER gal/sk	CEMENT LEFT in CASING			
DISPLACEMENT	DISPLACEMENT PSI	MIX PSI	RATE <u>4 BPM</u>			
REMARKS: <u>Safety meeting, rig up on WW #12, Plug as ordered</u>						

50 SKS @ 2885'  
 100 SKS @ 1910'  
 50 SKS @ 315'  
 10 SKS @ 40'  
 30 SKS in R.H.

240 SKS 6 3/4 pipe, 4% cel 1 1/4"  
 Flo Seal

Thank You  
 Walt & Crew

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
C00451	1	PUMP CHARGE	1,900.00	1,900.00
C00002	30	MILEAGE	17.15	214.50
C00711	10.32	Tan Mileage Delivery	1.75	660.00
C05829	240 SKS	Lite-Weight Blend V	16.00	3,840.00
C06025	60 #	Flo Seal	3.00	180.00
CP8228	1	8 3/8 Wooden Plug	165.00	165.00
				6,959.50
		Less 30% Disc	-	2,087.85
				4,871.65
			8 1/2 SALES TAX	234.36
			ESTIMATED TOTAL	5106.01

AVIN 3737

AUTHORIZATION [Signature] TITLE [Signature] DATE 5-15-18

I acknowledge that the payment terms, unless specifically amended in writing on the front of the form or in the customer's account records, at our office, and conditions of service on the back of this form are in effect for services identified on this form.

## TERMS AND CONDITIONS

### ATTENTION: THESE TERMS AND CONDITIONS CONTAIN INDEMNITY PROVISIONS FOR DAMAGE TO PERSONS AND PROPERTY.

All Services or Products provided by QES Pressure Pumping LLC (fka Consolidated Oil Well Services LLC) are subject to these Terms and Conditions unless superseded by a Master Service Agreement signed by the parties. In the event Customer does not accept these Terms and Conditions as written, Customer must request a Master Service Agreement from QES' Contracts Administration Department at [msa@qeslp.com](mailto:msa@qeslp.com).

The operations, services, supplies, materials, personnel or goods to be provided ("Services" or "Products" as applicable) by QES Pressure Pumping LLC ("QES") will be provided to you as customer ("Customer") in accordance with the following terms and conditions ("Agreement"). QES and Customer may be referred to as "Party" or "Parties".

1. **Price and Taxes.** Customer will pay QES for the Services or Products in accordance with QES' quoted price which exclude applicable taxes or process license fees. Customer shall pay all applicable taxes and process license fees related to the Services and/or Products. QES' prices are subject to change without notice.

2. **Terms of Payment.** Customer will pay QES cash in advance for Services and Products unless QES has approved credit prior to the performance of the Services and/or delivery of the Products. Credit terms for approved accounts require full payment of the invoiced amount within 30 days from the date of invoice. All invoices not paid within 30 days will be charged an interest rate of 1 1/4% per month or the maximum rate allowed under applicable state law, whichever is higher. Customer will be responsible for any fees incurred by QES in the collection of any amounts owed to QES including but not limited to attorney's fees and/or collection fee costs.

3. **Proof of Services or Delivery of Products.** QES will furnish verification of proof of Services performed and Product delivered to Customer's representative at the time of performance of the Services or Product delivery. Customer agrees to sign and return such verification indicating Customer's acceptance of the Services or Products.

4. **Delivery or Completion.** All liability and responsibility of QES ceases when (1) Products are delivered to the Customer by QES and no longer in the care, custody and control of QES or (2) when the carrier receives the Products and/or shipment. QES will not be responsible for loss or damage to Products in transit or for delays of carriers in delivering goods. In case of shortage, non-conformance, or apparent damage, it is the Customer's responsibility to secure written acknowledgement from the carrier before Customer accepts delivery. Additionally, QES will not be liable for any damage for delays in delivery or completion due to a Force Majeure (as defined below), acts or omissions of the Customer, third party material or manufacturing delays, impossibility or impracticability of performance or any other cause or causes beyond the control of QES. In the event of a delay caused by the aforesaid, the delivery or completion date will be extended for a period equal to any such delay, and the purchase or service will not be void or voidable as a result thereof.

5. **Well or Service Site Conditions.** Customer, having custody and control of the well and/or service site, and having superior knowledge of the same and the conditions surrounding them, warrant that the well and/or service site will be in proper condition to receive and accommodate Services and Products. Upon QES' request, Customer will provide documentation to verify that the well or service site is adequate to support the Services and the delivery of Products. Customer also warrants that QES' personnel and equipment will be able to safely access the well and service site and that any special equipment or road improvements required for such access will be the responsibility of Customer, unless otherwise agreed to by the parties.

6. **Chemical Handling and Hazardous Materials.** Customer agrees that for any waste created as part of the Services, Customer will be considered the "generator" for purposes of any applicable laws or regulations pertaining to the transportation, storage and handling of chemicals and hazardous materials.

7. **Data, Data Transmission and Storage.** QES does not warrant or guarantee the accuracy of any research analysis, survey, or other data generated for the Services. QES is not responsible for any accidental or intentional interception of such data by third parties and it is the responsibility of the Customer to safeguard such data against loss including any need to secure digital or paper copies for storage.

### 8. WARRANTIES - LIMITATION OF LIABILITY.

a) QES warrants that the Services and Products will: (i) be free from defects in materials and workmanship; (ii) be performed in a good and workmanlike manner, in accordance with good oilfield servicing practices; and (iii) conform to the plans, specifications and technical information provided in writing by Customer until the Services or Products are accepted by Customer or QES' contractual obligations are met. In the event that Customer discovers a defect in the Services or Products within the warranty period specified above, Customer will notify QES of such defect. In the event that QES confirms that the Services or Products are defective, QES's liability and Customer's exclusive remedy in any cause of action (whether in tort, contract, breach of warranty or otherwise) arising out of the sale or use of any Services or Products is expressly limited to, at QES' option, the (i) replacement of such Services or Products upon their return to QES or (ii) a credit to Customer for the full price paid by Customer for the defective segment of the Services or Products upon their return to QES. In the case of products or parts not wholly of QES' manufacture, QES' liability will be limited to the extent of its recovery from the manufacturer of such products or parts under its liability to QES. QES will not be liable for any damages, claims, losses or expenses of Customer resulting from such defects or for damages resulting from delays, loss of use, or other direct, indirect, incidental, punitive or consequential damages of any kind. QES will not be responsible for: (i) failures of Services that have been in any way tampered with or altered by anyone other than an authorized representative of QES; (ii) failures due to lack of compliance with recommended maintenance procedures; and (iii) products requiring replacement due to normal wear and tear.

b) EXCEPT FOR THE WARRANTIES EXPRESSLY STATED ABOVE, THERE ARE NO OTHER WARRANTIES. THE PARTIES EXPRESSLY EXCLUDE AND CUSTOMER WAIVES ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

c) IN NO EVENT WILL QES' ENTIRE LIABILITY (IN TORT, CONTRACT, WARRANTY, INFRINGEMENT OR OTHERWISE) TO CUSTOMER EXCEED THE PURCHASE PRICE ACTUALLY PAID BY CUSTOMER FOR THE SERVICES OR PRODUCTS THAT GIVE RISE TO A DISPUTE. THIS PROVISION WILL SURVIVE ANY TERMINATION OF THIS AGREEMENT.

### 9. INDEMNIFICATION AND WAIVER OF CONSEQUENTIAL DAMAGES.

9.1 For purpose of this Section 9, the following definitions will apply: "QES Group" means QES Pressure Pumping LLC, its parent company, and affiliated companies, and its and their officers, directors, employees, contractors, subcontractors and invitees. "Customer Group" means Customer, its parent (if any), subsidiary and affiliated companies, co-owners, co-venturers, partners and any entity with whom Customer has an economic interest with respect to the Services, including Customer's joint interest owners and partners and its and their officers, directors, employees, contractors (not including QES), subcontractors and invitees.

9.2 **QES INDEMNITY.** QES AGREES TO PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS CUSTOMER GROUP FROM AND AGAINST ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION OF EVERY KIND AND CHARACTER, ARISING IN CONNECTION WITH THE SERVICES, ON ACCOUNT OF BODILY INJURY, ILLNESS, OR DEATH OF ANY MEMBER OF QES GROUP OR, DAMAGE TO OR LOSS OF PROPERTY OF ANY MEMBER OF QES GROUP.

9.3 **CUSTOMER INDEMNITY.** CUSTOMER AGREES TO PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS QES GROUP FROM AND AGAINST ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION OF EVERY KIND AND CHARACTER, ARISING IN CONNECTION WITH THE SERVICES, ON ACCOUNT OF BODILY INJURY ILLNESS, OR DEATH OF ANY MEMBER OF CUSTOMER GROUP OR DAMAGE TO OR LOSS OF PROPERTY OF ANY MEMBER OF CUSTOMER GROUP.

9.4 **WELL.** CUSTOMER WILL RELEASE, PROTECT, DEFEND, AND INDEMNIFY QES GROUP FROM AND AGAINST ALL CLAIMS, DEMANDS AND CAUSES OF ACTION OF EVERY KIND AND CHARACTER IN THE EVENTS OF: (i) LOSS OR DAMAGE TO ANY GEOLOGICAL FORMATION, STRATA OR OIL OR GAS RESERVOIR OR MINERAL OR WATER RESOURCE BENEATH THE SURFACE OF THE LAND OR WATER, (ii) LOSS OR DAMAGE TO THE HOLE OR WELL, (iii)

IMPAIRMENT OF PROPERTY RIGHTS OR OTHER INTERESTS IN OR TO OIL, GAS, MINERAL OR WATER RESOURCES, AND (iv) REGAINING CONTROL OF ANY WILD WELL OR OUT OF CONTROL WELL, UNDERGROUND OR ABOVE THE SURFACE, INCLUDING REMOVAL OF WRECK, DEBRIS, EQUIPMENT, AND HAZARDOUS MATERIALS AND REMEDIATING ENVIRONMENTAL DAMAGE.

9.5 **POLLUTION RESPONSIBILITY.** Subject to paragraphs 9.2 and 9.3, it is understood and agreed between Customer and QES that the responsibility for pollution shall be as follows:

(a) QES WILL ASSUME RESPONSIBILITY FOR CONTROL AND REMOVAL OF AND WILL PROTECT, DEFEND AND INDEMNIFY CUSTOMER GROUP FROM AND AGAINST ALL CLAIMS, DEMANDS AND CAUSES OF ACTION OF EVERY KIND OF CHARACTER ARISING FROM POLLUTION OR CONTAMINATION WHICH ORIGINATES ABOVE THE SURFACE OF THE LAND OR WATER FROM THE EQUIPMENT OF ANY MEMBER OF QES GROUP MAINTAINED IN QES GROUPS' CARE, CUSTODY AND CONTROL, AND ARISING FROM THE PERFORMANCE OF THE SERVICES.

(b) CUSTOMER WILL ASSUME RESPONSIBILITY FOR CONTROL AND REMOVAL OF AND WILL PROTECT, DEFEND AND INDEMNIFY QES GROUP FROM AND AGAINST ALL CLAIMS, DEMANDS AND CAUSES OF ACTION OF EVERY KIND AND CHARACTER ARISING FROM POLLUTION OTHER THAN THAT DESCRIBED IN SECTION 9.5(A) ABOVE, WHICH MAY OCCUR DURING THE CONDUCT OF OPERATIONS HEREUNDER, INCLUDING, BUT NOT LIMITED TO, POLLUTION RESULTING FROM FIRE, BLOWOUT, CRATERING, SEEPAGE OR OTHER UNCONTROLLED FLOW OF OIL, GAS OR OTHER SUBSTANCE.

9.6 **WAIVER OF CONSEQUENTIAL DAMAGES.** NOTWITHSTANDING ANY PROVISION TO THE CONTRARY, CUSTOMER AND QES FURTHER AGREE THAT NEITHER PARTY WILL BE LIABLE TO THE OTHER OR EACH OTHER'S RESPECTIVE GROUP FOR ANY CONSEQUENTIAL, INCIDENTAL OR INDIRECT DAMAGES, INCLUDING BUT NOT LIMITED TO, LOSS OF PROFIT, LOSS OF PRODUCTION, REVENUE, OR ANTICIPATED BUSINESS ("LOSSES"). CUSTOMER AGREES TO INDEMNIFY AND HOLD QES' GROUP HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS FOR SUCH LOSSES ASSERTED BY MEMBERS OF CUSTOMER GROUP. QES AGREES TO INDEMNIFY AND HOLD CUSTOMER GROUP HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS FOR SUCH LOSSES ASSERTED BY MEMBERS OF QES GROUP.

9.7 EXCEPT AS OTHERWISE EXPRESSLY LIMITED BY THIS AGREEMENT OR BY LAW, ALL RELEASES, INDEMNITY OBLIGATIONS AND OTHER LIABILITIES ASSUMED UNDER THIS AGREEMENT WILL BE WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES, INCLUDING, WITHOUT LIMITATION, PREEXISTING CONDITIONS, UNSEAWORTHINESS, STRICT LIABILITY, WILLFUL MISCONDUCT, AND THE SOLE, JOINT, GROSS, OR CONCURRENT NEGLIGENCE OF ANY PARTY.

9.8. Each Party hereunder agrees to support its indemnity obligations with liability insurance coverage with limits of liability not less than ten million dollars (\$10,000,000). It is the express intention of the Parties that the indemnities contained herein apply to the fullest extent permitted by applicable law, and in no event will a Party's indemnity obligation be limited to the amount of insurance carried by each Party.

THIS SECTION 9 WILL SURVIVE THE TERMINATION OR EXPIRATION OF THIS AGREEMENT.

10. **Insurance.** All insurance policies of either Party, in any way related to the Services, whether or not required by this Agreement, shall to the extent of the risks and liabilities assumed by such party: (i) name the other party group as additional insured (except for worker's compensation, OEE/COW, or professional liability policies), (ii) waive subrogation as to the other party group; and (iii) be primary and non-contributory to any insurance of the other party group.

11. **Force Majeure.** Except the obligation to make payments when due, neither QES nor Customer will be liable nor deemed to be in breach of this Agreement for any delay or failure in performance resulting from the acts of God, civil or military authority, material change of law, any governmental action, acts of public enemy, war, accidents, fires, explosions, earthquakes, floods, failure of transportation, national strikes, acute or unusual labor, material or equipment shortages, or any similar or dissimilar cause beyond the reasonable control of either Party. The Party so affected will as soon as such a cause or event occurs promptly notify the other Party in writing concerning the cause and the estimated effect and take reasonable measures with proper dispatch to remedy the condition. In the event Customer declares a force majeure occurrence, QES will be compensated at the standard daily rate for the materials and personnel that are standing idle as a consequence of the force majeure occurrence until Customer terminates the work order or work resumes.

12. **Governing Law.** This Agreement will be governed by the laws of the State of Texas, without regard to its conflicts of law provisions. The Parties agree to submit to the exclusive jurisdiction of the federal or state courts located in Houston, Harris County, Texas with respect to any and all disputes that arise out of or are related in any way to the subject matter of this Agreement. This Section 12 will survive the termination or expiration of this Agreement.

13. **Independent Contractor.** QES will be an independent contractor with respect to the Services performed, and neither QES nor anyone employed by QES will be deemed for any purpose to be the employee, agent, servant, borrowed servant or representative of Customer.

14. **Severability.** In the event any provision of this Agreement is inconsistent with or contrary to any applicable law, rule or regulation, the provision will be deemed modified to the extent required to comply, and the remaining terms, as modified, will remain in full force and effect.

15. **Waiver.** A waiver on the part of either Party of any breach of any term, provision or condition of this Agreement will not constitute a precedent and not bind either Party hereto to a waiver of any succeeding or other breach of the same or any other term, provision or condition of this Agreement.

16. **Entire Agreement.** This Agreement contains the entire agreement of the Parties with regard to the subject matter hereof and supersedes any prior oral and written agreements, contracts, representations or warranty between the Parties relating to the subject matter hereof. No amendment or modification of this Agreement will be effective unless it is in writing and signed by an authorized representative of each Party. If the Parties enter into a Master Service Agreement, then any term or condition herein which conflicts with the provisions of such Master Service Agreement will be deemed invalid.



REMIT TO  
 QES Pressure Pumping LLC  
 Dept:970  
 P.O.Box 4346  
 Houston,TX 77210-4346

MAIN OFFICE  
 P.O.Box884  
 Chanute,KS 66720  
 620/431-9210,1-800/467-8676  
 Fax 620/431-0012

Invoice

Invoice# 813137

Invoice Date: 05/11/18

Terms: Net 30

Page 1

VAL ENERGY

125 N. Market, Ste. 1110  
 WICHITA KS 67202  
 USA  
 316-263-6688

TJ 1-2

Part No	Description	Quantity	Unit Price	Discount(%)	Total
CE0471	Cement Pump Charge 301' - 500' (Coalbed/Methane)	1.000	1,150.0000	30.000	805.00
CE0002	Equipment Mileage Charge - Heavy Equipment	30.000	7.1500	30.000	150.15
CE0711	Minimum Cement Delivery Charge	1.000	660.0000	30.000	462.00
CC5871	Surface Blend II, 2% Gel/3% CaCl	225.000	24.0000	30.000	3,780.00

Subtotal 7,424.50

Discounted Amount 2,227.35

SubTotal After Discount 5,197.15

Amount Due 7,856.50 If paid after 06/10/18

Tax: 302.40

Total: 5,499.55





PRESSURE PUMPING LLC

PO Box 884, Chanute, KS 66720  
620-431-9210 or 800-467-8676

10651  
10543

TICKET NUMBER **55149**  
LOCATION Dakley, KS  
FOREMAN Walt Dinkel

FIELD TICKET & TREATMENT REPORT  
CEMENT

Invoice #813137

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
5-5-18	8576	TJ #1-2	2	83	36 W	Thomas
CUSTOMER <u>Val Energy, Inc</u>			Brewster			
MAILING ADDRESS <u>125 N. Market, Ste. 1110</u>			East to			
CITY <u>Wichita</u>			Rd 5			
STATE <u>KS</u>			1 1/2 N			
ZIP CODE <u>67202</u>			E.S			
TRUCK #		DRIVER		TRUCK #		DRIVER
731		Cory Davis				
566		Neil White				

JOB TYPE Surface HOLE SIZE 12" 1/4 HOLE DEPTH 262' CASING SIZE & WEIGHT 8 5/8" - 23#  
 CASING DEPTH 262' DRILL PIPE \_\_\_\_\_ TUBING \_\_\_\_\_ OTHER \_\_\_\_\_  
 SLURRY WEIGHT 15 1/2 SLURRY VOL \_\_\_\_\_ WATER gal/sk \_\_\_\_\_ CEMENT LEFT in CASING 15-20'  
 DISPLACEMENT 15 1/2 DISPLACEMENT PSI \_\_\_\_\_ MIX PSI \_\_\_\_\_ RATE 4 BPM

REMARKS: Safety Meeting, Rig up on WW #12, Circ casing on bottom  
MIX 225 - SKS COM 3% CC - 2% CC, Displace 15 1/2 BBL #20, Shut in

Cement Did Cure

Thank You  
Walt Dinkel

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
<u>C00474</u>	<u>1</u>	<u>PUMP CHARGE</u>	<u>1,150.00</u>	<u>1,150.00</u>
<u>C00002</u>	<u>30</u>	<u>MILEAGE</u>	<u>7.15</u>	<u>214.50</u>
<u>C00711</u>	<u>10.58</u>	<u>Ton Mileage Delivery</u>	<u>62.40</u>	<u>660.00</u>
<u>C05871</u>	<u>225 - SKS</u>	<u>Surface Blend II</u>	<u>24.00</u>	<u>5400.00</u>
				<u>7424.50</u>
		<u>Less 30%</u>		<u>- 2,227.35</u>
				<u>5,197.15</u>
			<u>8%</u>	<u>302.40</u>
			SALES TAX	<u>302.40</u>
			ESTIMATED TOTAL	<u>5499.55</u>

Flavin 3737

AUTHORIZATION [Signature]

TITLE Toolpusher

DATE 5-5-18

I acknowledge that the payment terms, unless specifically amended in writing on the front of the form or in the customer's account records, at our office, and conditions of service on the back of this form are in effect for services identified on this form.



TERMS AND CONDITIONS

ATTENTION: THESE TERMS AND CONDITIONS CONTAIN INDEMNITY PROVISIONS FOR DAMAGE TO PERSONS AND PROPERTY.

All Services or Products provided by QES Pressure Pumping LLC (fka Consolidated Oil Well Services LLC) are subject to these Terms and Conditions unless superseded by a Master Service Agreement signed by the parties. In the event Customer does not accept these Terms and Conditions as written, Customer must request a Master Service Agreement from QES' Contracts Administration Department at [masa@qesllp.com](mailto:masa@qesllp.com).

Notwithstanding to whom supplied, materials, personnel or goods to be provided ("Services" or "Products") as applicable by QES Pressure Pumping LLC ("QES") will be provided to a customer ("Customer") in accordance with the following terms and conditions ("Agreement"). QES and Customer may be referred to as "Party" or "Parties".

IMPAIRMENT OF PROPERTY RIGHTS OR OTHER INTERESTS IN OR TO OIL, GAS, MINERAL OR WATER RESOURCES, AND (IV) REGAINING CONTROL OF ANY WILD WELL OR OUT OF CONTROL WELL, UNDERGROUND OR ABOVE THE SURFACE, INCLUDING REMOVAL OF WRECK, DEBRIS, EQUIPMENT, AND HAZARDOUS MATERIALS AND REMEDIATING ENVIRONMENTAL DAMAGE.

1. **Estimated Taxes.** Customer will pay QES for the Services or Products in accordance with QES' quoted price which includes applicable taxes or process license fees. Customer shall pay all applicable taxes and process license fees related to the Services and/or Products. QES' prices are subject to change without notice.

9.5 **POLLUTION RESPONSIBILITY.** Subject to paragraphs 9.2 and 9.3, it is understood and agreed between Customer and QES that the responsibility for pollution shall be as follows: (a) QES WILL ASSUME RESPONSIBILITY FOR CONTROL AND REMOVAL OF AND WILL PROTECT, DEFEND AND INDEMNIFY CUSTOMER GROUP FROM AND AGAINST ALL CLAIMS, DEMANDS AND CAUSES OF ACTION OF EVERY KIND OF CHARACTER ARISING FROM POLLUTION OR CONTAMINATION WHICH ORIGINATES ABOVE THE SURFACE OF THE LAND OR WATER FROM THE EQUIPMENT OF ANY MEMBER OF QES GROUP MAINTAINED IN QES GROUP'S CARE, CUSTODY AND CONTROL, AND ARISING FROM THE PERFORMANCE OF THE SERVICES.

2. **Terms of Payment.** Customer will pay QES cash in advance for Services and Products unless QES has approved credit prior to the performance of the Services and/or delivery of the Products. Credit terms for approved accounts require full payment of the invoiced amount within 30 days from the date of invoice. An invoice not paid within 30 days will be charged an interest rate of 1.5% per month on the maximum rate allowed under applicable state law, until it is fully paid. Customer will be responsible for any fees incurred by QES in the collection of any amounts owed to QES including but not limited to attorney's fees and/or collection fee costs.

(b) CUSTOMER WILL ASSUME RESPONSIBILITY FOR CONTROL AND REMOVAL OF AND WILL PROTECT, DEFEND AND INDEMNIFY QES GROUP FROM AND AGAINST ALL CLAIMS, DEMANDS AND CAUSES OF ACTION OF EVERY KIND AND CHARACTER ARISING FROM POLLUTION OTHER THAN THAT DESCRIBED IN SECTION 9.5(A) ABOVE, WHICH MAY OCCUR DURING THE CONDUCT OF OPERATIONS HEREUNDER, INCLUDING, BUT NOT LIMITED TO, POLLUTION RESULTING FROM FIRE, BLOWOUT, CHATERING, SEEPAGE OR OTHER UNCONTROLLED FLOW OF OIL, GAS OR OTHER SUBSTANCE.

3. **Proof of Services or Delivery of Products.** QES will furnish verification of proof of Services performed and Product delivered to Customer's representative at the time of performance of the Services or Product delivery. Customer agrees to sign and return such verification indicating Customer's acceptance of the Services or Products.

9.6 **WAIVER OF CONSEQUENTIAL DAMAGES.** NOTWITHSTANDING ANY PROVISION TO THE CONTRARY, CUSTOMER AND QES FURTHER AGREE THAT NEITHER PARTY WILL BE LIABLE TO THE OTHER OR EACH OTHER'S RESPECTIVE GROUP FOR ANY CONSEQUENTIAL, INCIDENTAL OR INDIRECT DAMAGES, INCLUDING BUT NOT LIMITED TO, LOSS OF PROFIT, LOSS OF PRODUCTION, REVENUE, OR ANTICIPATED BUSINESS ("LOSSES"). CUSTOMER AGREES TO INDEMNIFY AND HOLD QES GROUP HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS FOR SUCH LOSSES ASSERTED BY MEMBERS OF CUSTOMER GROUP. QES AGREES TO INDEMNIFY AND HOLD CUSTOMER GROUP HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS FOR SUCH LOSSES ASSERTED BY MEMBERS OF QES GROUP.

4. **Delivery or Completion.** All liability and responsibility of QES ceases when (1) Products are delivered to the Customer by QES and no longer in the care, custody and control of QES or (2) when the carrier receives the Products and/or shipment. QES will not be responsible for loss or damage to Products or transit or for delays or claims in delivering goods. In case of damage, loss, destruction, or apparent damage, it is the Customer's responsibility to secure written acknowledgment from the carrier before Customer accepts delivery. Additionally, QES will not be liable for any damage for delays in delivery or completion due to a Force Majeure (as defined below), acts or omissions of the Customer, third party natural or manufacturing delays, impossibility or impracticability of performance or any other cause or causes beyond the control of QES. In the event of a delay caused by the aforesaid, the delivery or completion date will be extended for a period equal to any such delay and the payment or service will not be void or voidable as a result thereof.

9.7 EXCEPT AS OTHERWISE EXPRESSLY LIMITED BY THIS AGREEMENT OR BY LAW, ALL RELEASES, INDEMNITY OBLIGATIONS AND OTHER LIABILITIES ASSUMED UNDER THIS AGREEMENT WILL BE WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES, INCLUDING, WITHOUT LIMITATION, PREEXISTING CONDITIONS, UNSEAWORTHINESS, STRICT LIABILITY, WILLFUL MISCONDUCT, AND THE SOLE, JOINT, GROSS, OR CONCURRENT NEGLIGENCE OF ANY PARTY.

5. **Well or Service Site Conditions.** Customer having custody and control of the well under service and having sufficient knowledge of the same and the conditions surrounding them, warrant that the well and/or service site will be in proper condition to receive and accommodate Services and Products. Upon QES' request, Customer will provide documentation to verify that the well or service site is adequate to support the Services and the delivery of Products. Customer also warrants that QES' personnel and equipment will be able to safely access the well and service site and that any special equipment or road improvements required for such access will be the responsibility of Customer, unless otherwise agreed to by the parties.

9.8. Each Party hereunder agrees to support its indemnity obligations with liability insurance coverage with limits of liability not less than ten million dollars (\$10,000,000). It is the express intention of the Parties that the indemnities contained herein apply to the fullest extent permitted by applicable law, and in no event will a Party's indemnity obligation be limited to the amount of insurance carried by each Party.

6. **Chemical Handling and Hazardous Materials.** Customer agrees that for any waste created as part of the Services, Customer will be considered the "generator" for purposes of any applicable laws or regulations pertaining to the transportation, storage and handling of chemicals and hazardous materials.

THIS SECTION 9 WILL SURVIVE THE TERMINATION OR EXPIRATION OF THIS AGREEMENT.

7. **Data, Data Transmission and Storage.** QES does not warrant or guarantee the accuracy of any research, analysis, survey, or other data generated for the Services. QES is not responsible for any accidental or intentional interception of such data by third parties and it is the responsibility of the Customer to safeguard such data against loss, whether any need to secure digital or paper copies for storage.

9.9 **Insurance.** All insurance policies of either Party, in any way related to the Services, whether or not covered by the Agreement, shall be the basis of the risks and liabilities assumed by each party. (a) name the other party group as additional insured (except for worker's compensation, OCE/CGW or professional liability policies); (b) waive subrogation as to the other party group; and (c) be primary and non-contributory in any instance of the other party group.

9. WARRANTIES, LIMITATION OF LIABILITY

(a) QES warrants that the Services and Products will (i) be free from defects in materials and workmanship; (ii) be performed in a good and workmanlike manner, in accordance with good oilfield servicing practices; and (iii) conform to the plans, specifications and technical information provided in writing by Customer and the Services or Products accepted by Customer or QES. Notwithstanding the warranties stated above, Customer will notify QES of such defect. In the event that QES confirms that the Services or Products are defective, QES's liability and Customer's obligation remedy in any case of defect (whether in fact, contract, breach of warranty or otherwise) arising out of the sale or use of any Services or Products is expressly limited to: (a) QES' option, the (b) replacement of such Services or Products upon their return to QES or to a credit to Customer for the full price paid by Customer for the defective Services or Products upon their return to QES; or (c) in the case of products or parts not verified by QES' manufacture, QES' liability will be limited to the extent of recovery from the manufacturer of such products or parts under its liability to QES. QES will not be liable for any damages, fines, losses or expenses of Customer resulting from such defects or for damages resulting from delays, fires of use, or other direct, indirect, incidental, punitive or consequential damages of any kind. QES will not be responsible for (i) failures of Services that have been in any way repaired with or without by anyone other than an authorized representative of QES; (ii) failures due to lack of compliance with recommended maintenance practices; or (iii) requests requiring repair or maintenance to be conducted at a well.

10. **Force Majeure.** Except the obligation to make payments when due, neither QES nor Customer will be liable or deemed to be in breach of this Agreement for any delay or failure in performance resulting from the acts of God, civil or military authority, national change of law, any governmental action, acts of public enemy, war, accidents, fires, explosions, earthquakes, floods, failure of transportation, national strikes, acts of unusual labor, material or equipment shortages, or any similar or dissimilar cause beyond the reasonable control of either Party. The Party so affected will be excused as such a cause or event occurs promptly notify the other Party in writing concerning the cause and the estimated effect and take reasonable measures with proper dispatch to remedy the condition. In the event Customer declares a force majeure occurrence, QES will be compensated at the standard daily rate for the materials and personnel that are starting site as a consequence of the force majeure occurrence and Customer terminates the work order or work orders.

(b) EXCEPT FOR THE WARRANTIES EXPRESSLY STATED ABOVE, THERE ARE NO OTHER WARRANTIES. THE PARTIES EXPRESSLY EXCLUDE AND CUSTOMER WAIVES ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

12. **Governing Law.** This Agreement will be governed by the laws of the State of Texas, without regard to the conflicts of law provisions. The Parties agree to submit to the exclusive jurisdiction of the federal or state courts located in Houston, Harris County, Texas with regard to any and all disputes that arise out of or are related in any way to the subject matter of this Agreement. This Section 12 will survive the termination or expiration of this Agreement.

(c) IN NO EVENT WILL QES' ENTIRE LIABILITY (IN TORT, CONTRACT, WARRANTY, INFREINGEMENT OR OTHERWISE) TO CUSTOMER EXCEED THE PURCHASE PRICE ACTUALLY PAID BY CUSTOMER FOR THE SERVICES OR PRODUCTS THAT GIVE RISE TO A DISPUTE. THIS PROVISION WILL SURVIVE ANY TERMINATION OF THIS AGREEMENT.

13. **Independent Contractor.** QES will be an independent contractor with respect to the Services performed and neither QES nor anyone employed by QES will be deemed for any purpose to be the agent, servant, authorized servant or representative of Customer.

9. INDEMNIFICATION AND WAIVER OF CONSEQUENTIAL DAMAGES.

9.1 For purpose of the Section 9, the following definitions will apply: "QES Group" means QES Pressure Pumping LLC, its parent company, and affiliated companies, and its and their officers, members, employees, contractors, subcontractors and assigns. "Customer Group" means Customer, its parent (if any), subsidiary and affiliated companies, co-owners, co-venturers, partners and any entity with whom Customer has an economic interest with respect to the Services, including Customer's joint interest owners and partners and its and their officers, directors, employees, contractors and including QES' subcontractors and assigns.

14. **Severability.** In the event any provision of this Agreement is inconsistent with or contrary to any applicable law, rule or regulation, the provision will be deemed modified to the extent required to comply with the remaining terms, as modified, and remain in full force and effect.

9.2 QES INDEMNITY. QES AGREES TO PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS CUSTOMER GROUP FROM AND AGAINST ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION OF EVERY KIND AND CHARACTER, ARISING IN CONNECTION WITH THE SERVICES, ON ACCOUNT OF BODILY INJURY, ILLNESS, OR DEATH OF ANY MEMBER OF QES GROUP OR DAMAGE TO OR LOSS OF PROPERTY OF ANY MEMBER OF QES GROUP.

15. **Waiver.** A waiver on the part of either Party of any breach of any term, provision or condition of this Agreement will not constitute a precedent and not bind either Party herein to a waiver of any succeeding or other breach of the same or any other term, provision or condition of this Agreement.

9.3 CUSTOMER INDEMNITY. CUSTOMER AGREES TO PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS QES GROUP FROM AND AGAINST ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION OF EVERY KIND AND CHARACTER, ARISING IN CONNECTION WITH THE SERVICES, ON ACCOUNT OF BODILY INJURY ILLNESS, OR DEATH OF ANY MEMBER OF CUSTOMER GROUP OR DAMAGE TO OR LOSS OF PROPERTY OF ANY MEMBER OF CUSTOMER GROUP.

16. **Entire Agreement.** This Agreement contains the entire agreement of the Parties with regard to the subject matter hereof and supersedes any prior oral and written agreements, contracts, representations or warranties between the Parties relating to the subject matter hereof. No amendment or modification of this Agreement will be effective unless it is in writing and signed by an authorized representative of each Party. If the Parties enter into a Master Service Agreement, then any term or condition herein which conflicts with the provisions of such Master Service Agreement will be deemed waived.

9.4 WELL. CUSTOMER WILL RELEASE, PROTECT, DEFEND, AND INDEMNIFY QES GROUP FROM AND AGAINST ALL CLAIMS, DEMANDS AND CAUSES OF ACTION OF EVERY KIND AND CHARACTER IN THE EVENTS OF: (i) LOSS OR DAMAGE TO ANY GEOLOGICAL FORMATION, STRATA OR OIL OR GAS RESERVOIR OR MINERAL OR WATER RESOURCE BENEATH THE SURFACE OF THE LAND OR WATER; (ii) LOSS OR DAMAGE TO THE HOLE OR WELL; (iii)





**TRILOBITE TESTING, INC.**

# DRILL STEM TEST REPORT

Val Energy Inc.  
 125 N Market  
 Suite 1110  
 Wichita, Kansas 67202+1728  
 ATTN: Tim Priest

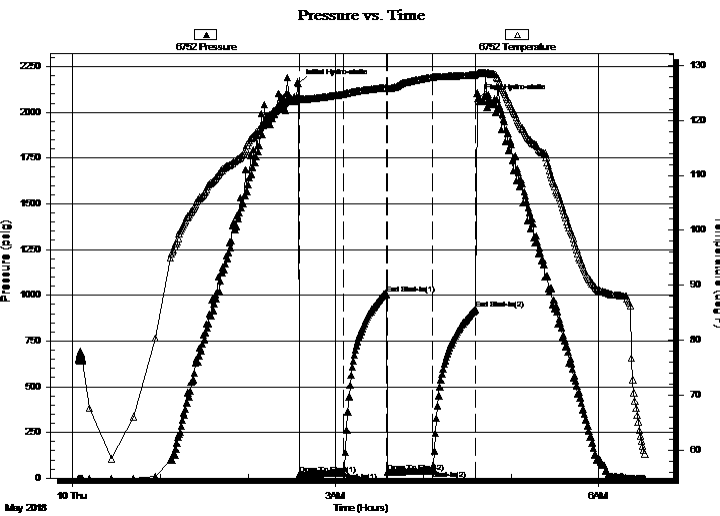
**2/8S/36W/Thomas**  
**TJ 1-2**  
 Job Ticket: 63485      **DST#: 1**  
 Test Start: 2018.05.10 @ 00:04:00

## GENERAL INFORMATION:

Formation: **Lansing/Kansas City**  
 Deviated: No Whipstock:      ft (KB)  
 Time Tool Opened: 02:35:17  
 Time Test Ended: 06:32:02  
 Interval: **4272.00 ft (KB) To 4350.00 ft (KB) (TVD)**  
 Total Depth: 4350.00 ft (KB) (TVD)  
 Hole Diameter: 7.80 inches Hole Condition: Fair  
 Test Type: Conventional Bottom Hole (Initial)  
 Tester: Ken Swinney  
 Unit No: 72 Oberlin/ 136  
 Reference Elevations: 3317.00 ft (KB)  
 3309.00 ft (CF)  
 KB to GR/CF: 8.00 ft

**Serial #: 6752      Outside**  
 Press@RunDepth: 924.33 psig @ 4347.11 ft (KB)      Capacity:      psig  
 Start Date: 2018.05.10      End Date: 2018.05.10      Last Calib.: 2018.05.10  
 Start Time: 00:04:01      End Time: 06:32:02      Time On Btm: 2018.05.10 @ 02:34:47  
 Time Off Btm: 2018.05.10 @ 04:37:32

**TEST COMMENT:** I.F. 30 Minutes/ Blow built to 3/4 inch then died to surface  
 I.S.I. 30 Minutes/ No blow back  
 F.F. 30 Minutes/ Dead no blow  
 F.S.I. 30 Minutes/ No blow back



## PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2156.75	124.31	Initial Hydro-static
1	19.42	123.83	Open To Flow (1)
31	29.23	124.79	Shut-In(1)
60	1006.42	125.95	End Shut-In(1)
61	32.74	125.76	Open To Flow (2)
92	41.41	127.87	Shut-In(2)
121	924.33	128.32	End Shut-In(2)
123	2076.64	128.63	Final Hydro-static

## Recovery

Length (ft)	Description	Volume (bbl)
55.00	Muddy Water w/show oil in tool	0.27
0.00	Mud 50% Water 50%	0.00

## Gas Rates

Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)



**TRILOBITE  
TESTING, INC.**

# DRILL STEM TEST REPORT

## FLUID SUMMARY

Val Energy Inc.

**2/8S/36W/Thomas**

125 N Market  
Suite 1110  
Wichita, Kansas 67202+1728  
ATTN: Tim Priest

**TJ 1-2**

Job Ticket: 63485

**DST#: 1**

Test Start: 2018.05.10 @ 00:04:00

### Mud and Cushion Information

Mud Type: Gel Chem

Cushion Type:

Oil API:

deg API

Mud Weight: 9.00 lb/gal

Cushion Length:

ft

Water Salinity:

17000 ppm

Viscosity: 57.00 sec/qt

Cushion Volume:

bbbl

Water Loss: 7.99 in<sup>3</sup>

Gas Cushion Type:

Resistivity: ohm.m

Gas Cushion Pressure:

psig

Salinity: 3000.00 ppm

Filter Cake: 1.00 inches

### Recovery Information

Recovery Table

Length ft	Description	Volume bbl
55.00	Muddy Water w/show oil in tool	0.270
0.00	Mud 50% Water 50%	0.000

Total Length: 55.00 ft      Total Volume: 0.270 bbl

Num Fluid Samples: 0

Num Gas Bombs: 0

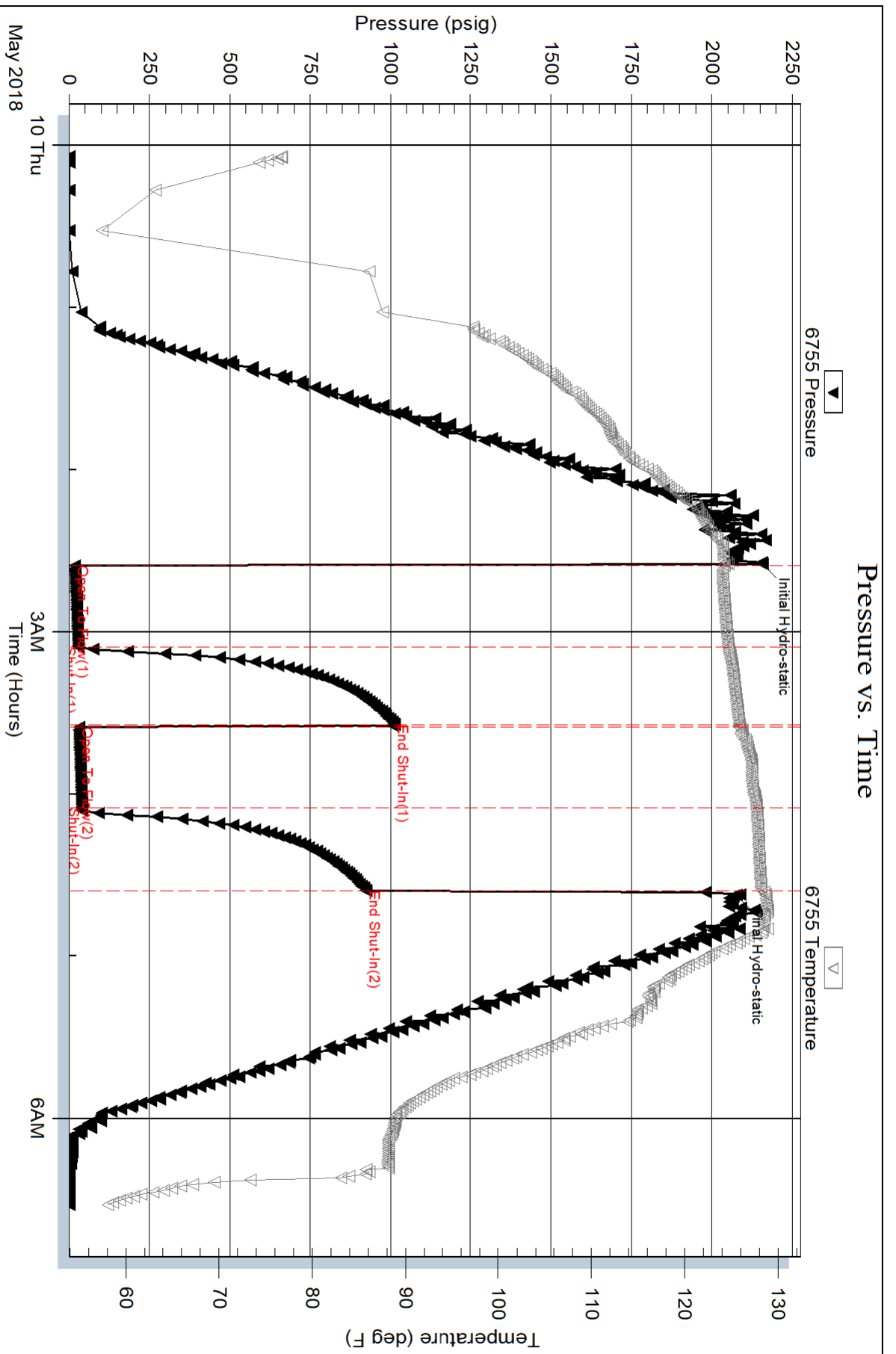
Serial #:

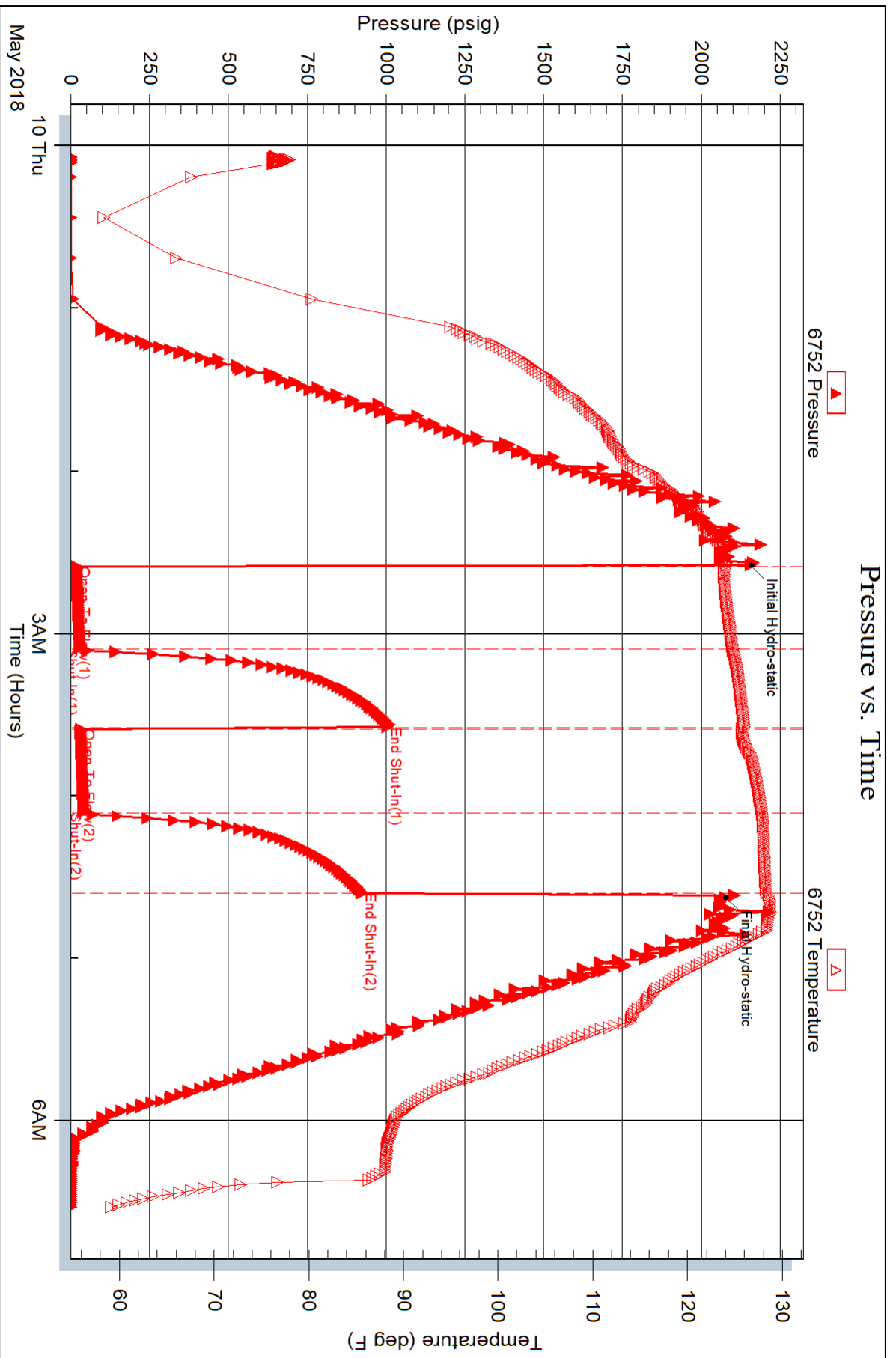
Laboratory Name:

Laboratory Location:

Recovery Comments: Recovery Resistivity .445 ohms @ 58 deg.









**TRILOBITE TESTING, INC.**

# DRILL STEM TEST REPORT

Val Energy Inc.  
 125 N Market  
 Suite 1110  
 Wichita, Kansas 67202+1728  
 ATTN: Tim Priest

**2/8S/36W/Thomas**  
**TJ 1-2**  
 Job Ticket: 63486 **DST#: 2**  
 Test Start: 2018.05.11 @ 05:18:00

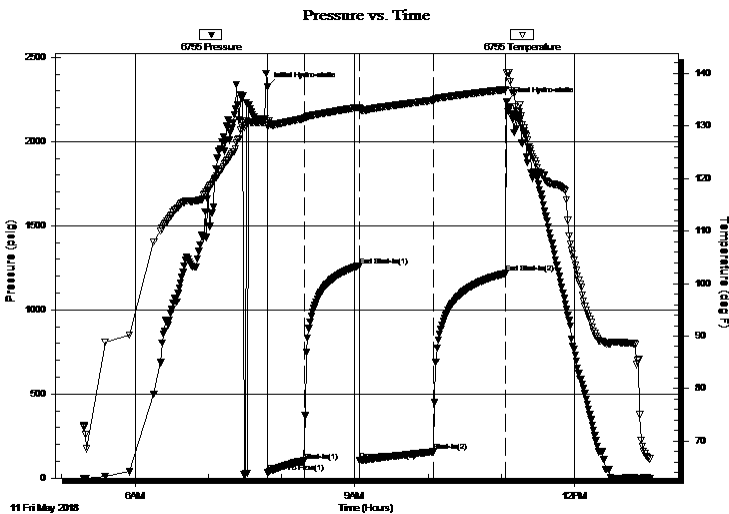
## GENERAL INFORMATION:

Formation: **Pawnee**  
 Deviated: No Whipstock: ft (KB)  
 Time Tool Opened: 07:48:47  
 Time Test Ended: 13:02:02  
 Interval: **4500.00 ft (KB) To 4543.00 ft (KB) (TVD)**  
 Total Depth: 4543.00 ft (KB) (TVD)  
 Hole Diameter: 7.80 inches Hole Condition: Poor  
 Test Type: Conventional Bottom Hole (Initial)  
 Tester: Ken Swinney  
 Unit No: 72 Oberlin/ 136  
 Reference Elevations: 3317.00 ft (KB)  
 3309.00 ft (CF)  
 KB to GR/CF: 8.00 ft

**Serial #: 6755** **Inside**  
 Press@RunDepth: 156.78 psig @ 4501.00 ft (KB) Capacity: psig  
 Start Date: 2018.05.11 End Date: 2018.05.11 Last Calib.: 2018.05.11  
 Start Time: 05:18:01 End Time: 13:02:02 Time On Btm: 2018.05.11 @ 07:48:32  
 Time Off Btm: 2018.05.11 @ 11:04:17

**TEST COMMENT:** I.F. 30 Minutes/ Blow built to 4 1/2 inches  
 I.S.I. 45 Minutes/ No blow back  
 F.F. 60 Minutes/ Blow built to 6 inches  
 F.S.I. 60 Minutes/ No blow back

## PRESSURE SUMMARY



Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2323.91	131.04	Initial Hydro-static
1	32.41	129.96	Open To Flow (1)
30	102.77	131.44	Shut-In(1)
75	1262.47	133.53	End Shut-In(1)
76	104.61	133.22	Open To Flow (2)
136	156.78	134.93	Shut-In(2)
195	1217.23	136.98	End Shut-In(2)
196	2235.61	140.13	Final Hydro-static

## Recovery

Length (ft)	Description	Volume (bbl)
186.00	Mud cut Water/ Mud 5% Water 95%	0.97
124.00	Muddy Water/ Mud 30% Water 70%	1.74

## Gas Rates

Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)



**TRILOBITE TESTING, INC.**

# DRILL STEM TEST REPORT

Val Energy Inc.  
 125 N Market  
 Suite 1110  
 Wichita, Kansas 67202+1728  
 ATTN: Tim Priest

**2/8S/36W/Thomas**  
**TJ 1-2**  
 Job Ticket: 63486 **DST#: 2**  
 Test Start: 2018.05.11 @ 05:18:00

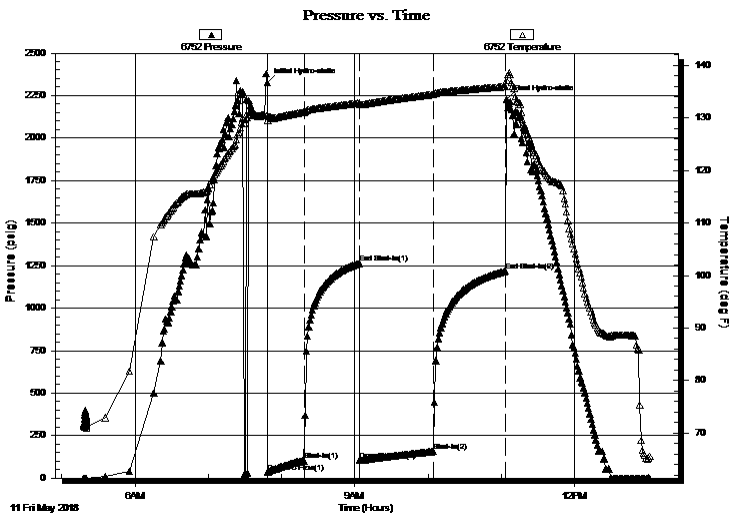
## GENERAL INFORMATION:

Formation: **Pawnee**  
 Deviated: No Whipstock: ft (KB)  
 Time Tool Opened: 07:48:47  
 Time Test Ended: 13:02:02  
 Interval: **4500.00 ft (KB) To 4543.00 ft (KB) (TVD)**  
 Total Depth: 4543.00 ft (KB) (TVD)  
 Hole Diameter: 7.80 inches Hole Condition: Poor  
 Test Type: Conventional Bottom Hole (Initial)  
 Tester: Ken Swinney  
 Unit No: 72 Oberlin/ 136  
 Reference Elevations: 3317.00 ft (KB)  
 3309.00 ft (CF)  
 KB to GR/CF: 8.00 ft

**Serial #: 6752 Outside**  
 Press@RunDepth: 1217.66 psig @ 4502.00 ft (KB) Capacity: psig  
 Start Date: 2018.05.11 End Date: 2018.05.11 Last Calib.: 2018.05.11  
 Start Time: 05:18:01 End Time: 13:02:02 Time On Btm: 2018.05.11 @ 07:48:32  
 Time Off Btm: 2018.05.11 @ 11:04:17

**TEST COMMENT:** I.F. 30 Minutes/ Blow built to 4 1/2 inches  
 I.S.I. 45 Minutes/ No blow back  
 F.F. 60 Minutes/ Blow built to 6 inches  
 F.S.I. 60 Minutes/ No blow back

## PRESSURE SUMMARY



Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2324.28	130.64	Initial Hydro-static
1	34.13	129.46	Open To Flow (1)
30	102.55	131.15	Shut-In(1)
75	1262.99	132.81	End Shut-In(1)
76	104.94	132.56	Open To Flow (2)
136	156.88	134.53	Shut-In(2)
195	1217.66	136.01	End Shut-In(2)
196	2226.88	137.12	Final Hydro-static

## Recovery

Length (ft)	Description	Volume (bbl)
186.00	Mud cut Water/ Mud 5% Water 95%	0.97
124.00	Muddy Water/ Mud 30% Water 70%	1.74

## Gas Rates

Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)





**TRILOBITE  
TESTING, INC.**

# DRILL STEM TEST REPORT

## FLUID SUMMARY

Val Energy Inc.

**2/8S/36W/Thomas**

125 N Market  
Suite 1110  
Wichita, Kansas 67202+1728  
ATTN: Tim Priest

**TJ 1-2**

Job Ticket: 63486

**DST#: 2**

Test Start: 2018.05.11 @ 05:18:00

### Mud and Cushion Information

Mud Type: Gel Chem  
Mud Weight: 9.00 lb/gal  
Viscosity: 56.00 sec/qt  
Water Loss: 8.79 in<sup>3</sup>  
Resistivity: ohm.m  
Salinity: 4700.00 ppm  
Filter Cake: 1.00 inches

Cushion Type:  
Cushion Length: ft  
Cushion Volume: bbl  
Gas Cushion Type:  
Gas Cushion Pressure: psig

Oil API: deg API  
Water Salinity: 23000 ppm

### Recovery Information

Recovery Table

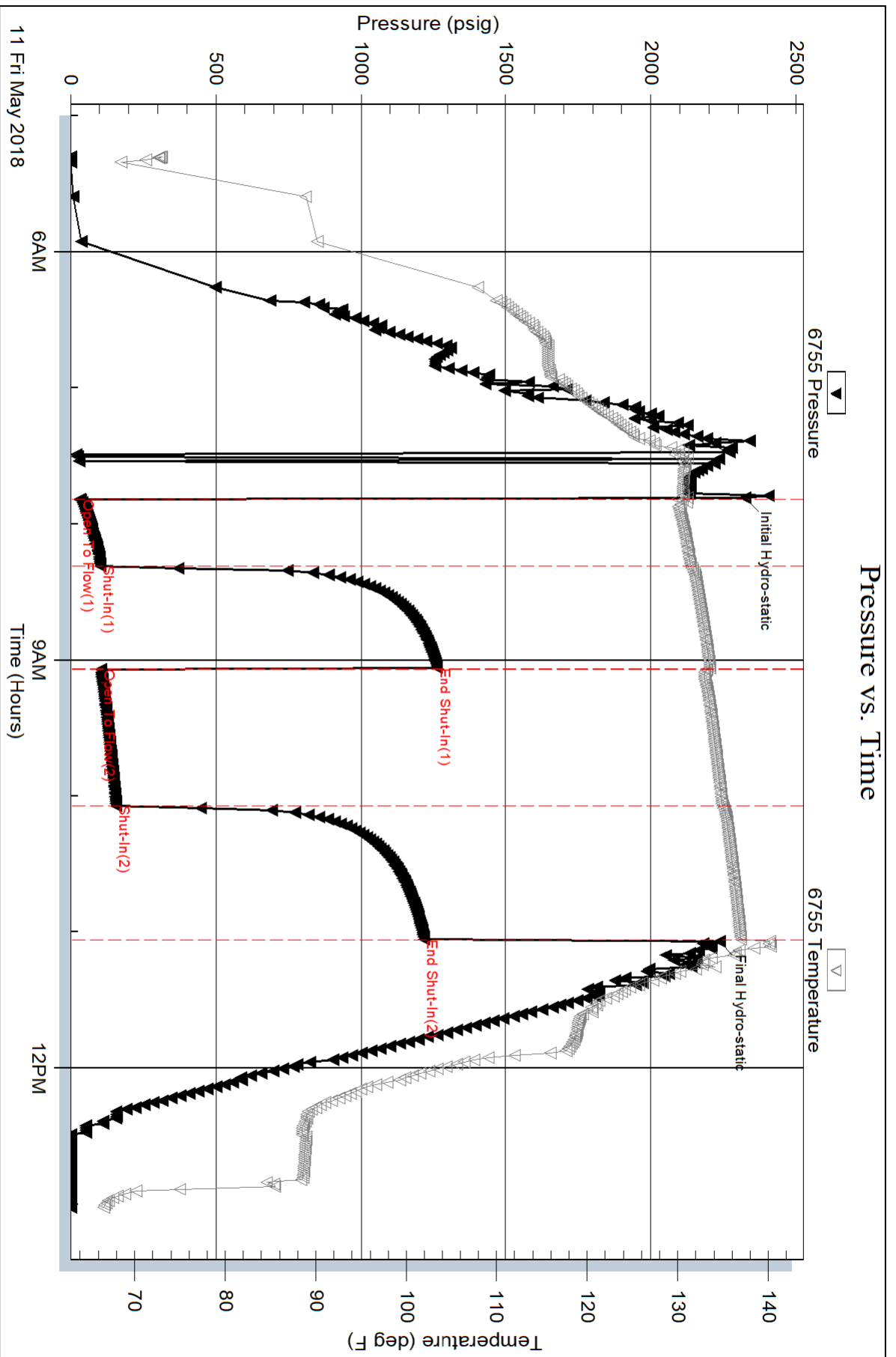
Length ft	Description	Volume bbl
186.00	Mud cut Water/ Mud 5% Water 95%	0.969
124.00	Muddy Water/ Mud 30% Water 70%	1.739

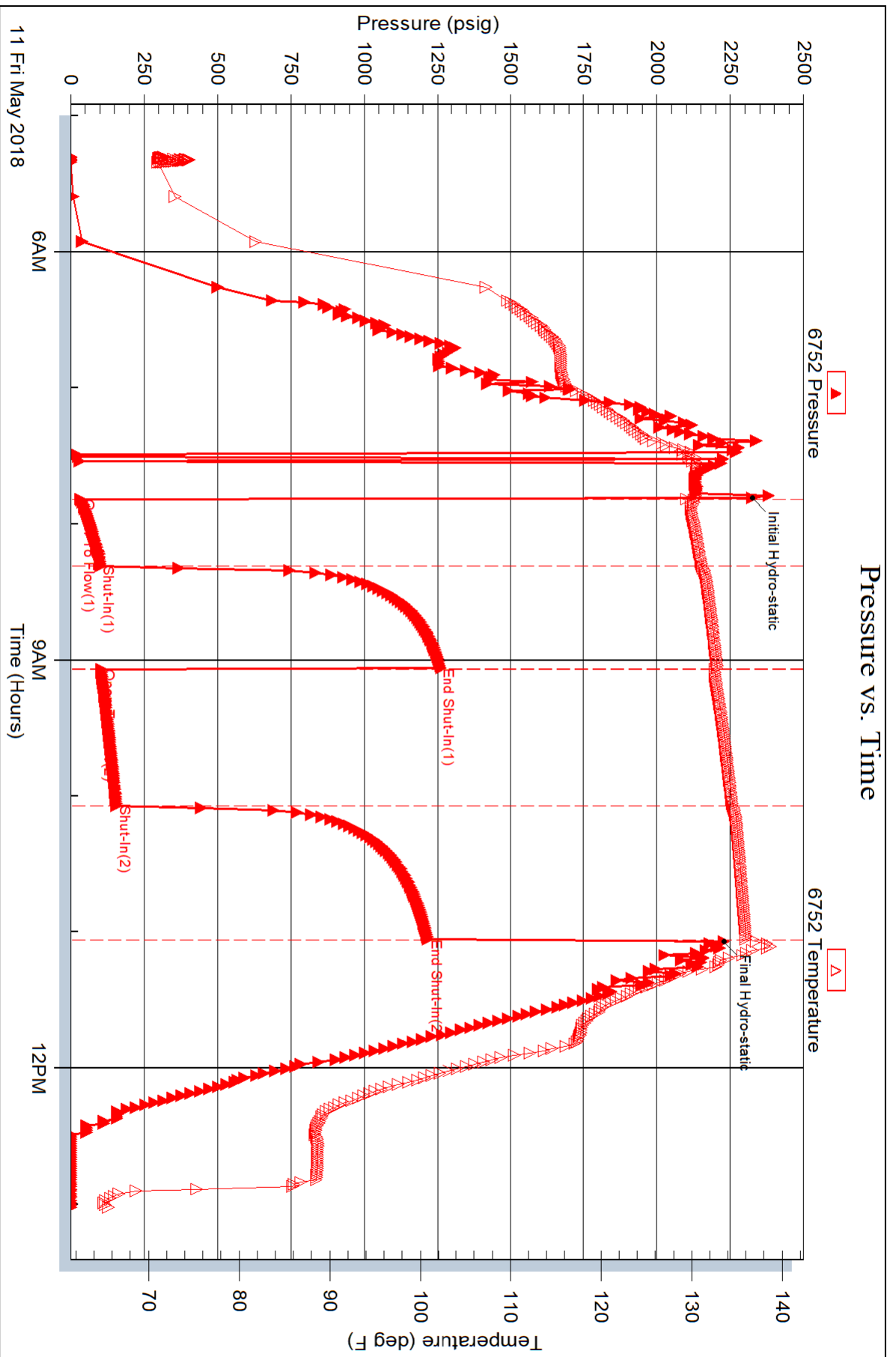
Total Length: 310.00 ft      Total Volume: 2.708 bbl

Num Fluid Samples: 0      Num Gas Bombs: 0      Serial #:

Laboratory Name:      Laboratory Location:

Recovery Comments: Recovery Resistivity .305 ohms @ 65 deg.







**TRILOBITE TESTING, INC.**

# DRILL STEM TEST REPORT

Val Energy Inc.  
 125 N Market  
 Suite 1110  
 Wichita, Kansas 67202+1728  
 ATTN: Tim Priest

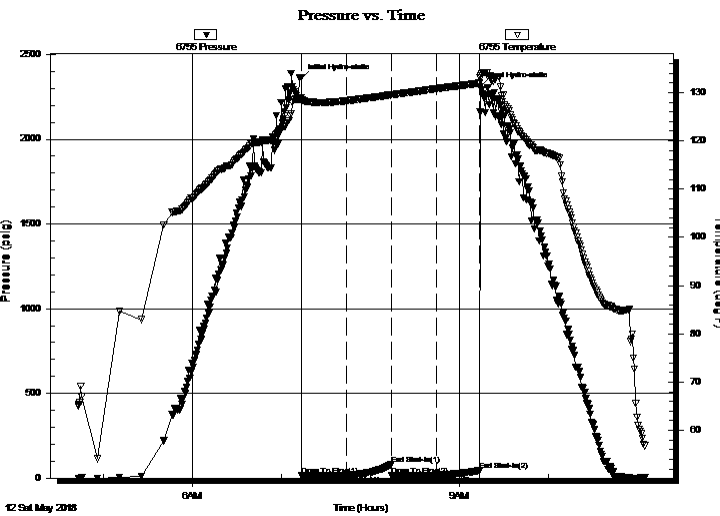
**2/8S/36W/Thomas**  
**TJ 1-2**  
 Job Ticket: 63487      **DST#: 3**  
 Test Start: 2018.05.12 @ 04:43:00

## GENERAL INFORMATION:

Formation: **Cherokee/Johnson**  
 Deviated: No Whipstock:      ft (KB)  
 Time Tool Opened: 07:13:32  
 Time Test Ended: 11:05:02  
 Interval: **4613.00 ft (KB) To 4650.00 ft (KB) (TVD)**  
 Total Depth: 4650.00 ft (KB) (TVD)  
 Hole Diameter: 7.80 inches Hole Condition: Fair  
 Test Type: Conventional Bottom Hole (Initial)  
 Tester: Ken Swinney  
 Unit No: 72 Oberlin/ 136  
 Reference Elevations: 3317.00 ft (KB)  
 3309.00 ft (CF)  
 KB to GR/CF: 8.00 ft

**Serial #: 6755      Inside**  
 Press@RunDepth: 16.72 psig @ 4646.00 ft (KB)      Capacity:      psig  
 Start Date: 2018.05.12      End Date: 2018.05.12      Last Calib.: 2018.05.12  
 Start Time: 04:43:01      End Time: 11:05:02      Time On Btm: 2018.05.12 @ 07:13:17  
 Time Off Btm: 2018.05.12 @ 09:14:02

**TEST COMMENT:** I.F. 30 Minutes/ Blow built to 1/4 inch died in 16 minutes  
 I.S.I. 30 Minutes/ No blow back  
 F.F. 30 Minutes/ Dead no blow  
 F.S.I. 30 Minutes/ No blow back



## PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2360.39	129.06	Initial Hydro-static
1	15.96	128.23	Open To Flow (1)
31	18.09	128.31	Shut-In(1)
61	79.78	129.53	End Shut-In(1)
61	17.74	129.54	Open To Flow (2)
92	16.72	130.81	Shut-In(2)
120	43.89	131.97	End Shut-In(2)
121	2310.29	133.55	Final Hydro-static

## Recovery

Length (ft)	Description	Volume (bbl)
1.00	Light oil spotted mud/ Mud 100%	0.00

## Gas Rates

Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)





**TRILOBITE TESTING, INC.**

# DRILL STEM TEST REPORT

Val Energy Inc.  
 125 N Market  
 Suite 1110  
 Wichita, Kansas 67202+1728  
 ATTN: Tim Priest

**2/8S/36W/Thomas**  
**TJ 1-2**  
 Job Ticket: 63487      **DST#: 3**  
 Test Start: 2018.05.12 @ 04:43:00

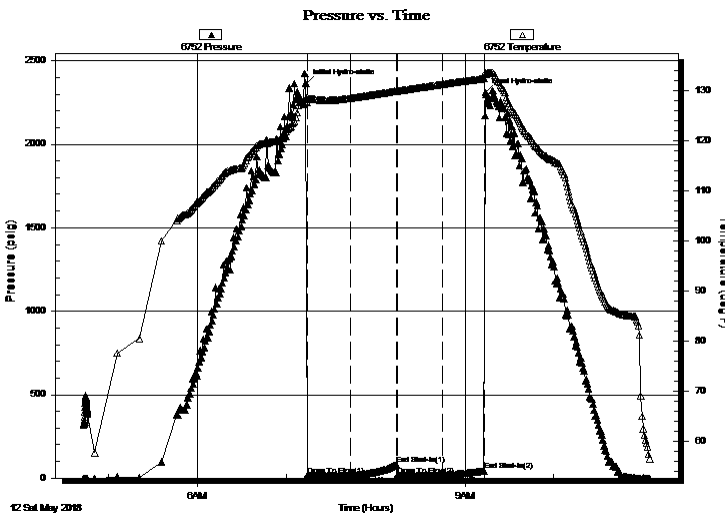
## GENERAL INFORMATION:

Formation: **Cherokee/Johnson**  
 Deviated: No Whipstock:      ft (KB)  
 Time Tool Opened: 07:13:32  
 Time Test Ended: 11:05:02  
 Interval: **4613.00 ft (KB) To 4650.00 ft (KB) (TVD)**  
 Total Depth: 4650.00 ft (KB) (TVD)  
 Hole Diameter: 7.80 inches Hole Condition: Fair  
 Test Type: Conventional Bottom Hole (Initial)  
 Tester: Ken Swinney  
 Unit No: 72 Oberlin/ 136  
 Reference Elevations: 3317.00 ft (KB)  
 3309.00 ft (CF)  
 KB to GR/CF: 8.00 ft

**Serial #: 6752      Outside**  
 Press@RunDepth: 44.30 psig @ 4647.00 ft (KB)      Capacity:      psig  
 Start Date: 2018.05.12      End Date: 2018.05.12      Last Calib.: 2018.05.12  
 Start Time: 04:43:01      End Time: 11:05:02      Time On Btm: 2018.05.12 @ 07:13:02  
 Time Off Btm: 2018.05.12 @ 09:14:02

**TEST COMMENT:** I.F. 30 Minutes/ Blow built to 1/4 inch died in 16 minutes  
 I.S.I. 30 Minutes/ No blow back  
 F.F. 30 Minutes/ Dead no blow  
 F.S.I. 30 Minutes/ No blow back

## PRESSURE SUMMARY



Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2360.56	128.49	Initial Hydro-static
1	16.34	127.68	Open To Flow (1)
30	18.00	128.50	Shut-In(1)
61	81.47	129.92	End Shut-In(1)
62	17.89	129.93	Open To Flow (2)
92	17.32	131.28	Shut-In(2)
120	44.30	132.45	End Shut-In(2)
121	2308.22	133.22	Final Hydro-static

## Recovery

Length (ft)	Description	Volume (bbl)
1.00	Light oil spotted mud/ Mud 100%	0.00

## Gas Rates

Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)



**TRILOBITE  
TESTING, INC.**

# DRILL STEM TEST REPORT

**FLUID SUMMARY**

Val Energy Inc.

**2/8S/36W/Thomas**

125 N Market  
Suite 1110  
Wichita, Kansas 67202+1728  
ATTN: Tim Priest

**TJ 1-2**

Job Ticket: 63487

**DST#: 3**

Test Start: 2018.05.12 @ 04:43:00

## Mud and Cushion Information

Mud Type: Gel Chem

Cushion Type:

Oil API:

deg API

Mud Weight: 9.00 lb/gal

Cushion Length:

ft

Water Salinity:

ppm

Viscosity: 56.00 sec/qt

Cushion Volume:

bbbl

Water Loss: 7.20 in<sup>3</sup>

Gas Cushion Type:

Resistivity: ohm.m

Gas Cushion Pressure:

psig

Salinity: 5500.00 ppm

Filter Cake: 1.00 inches

## Recovery Information

Recovery Table

Length ft	Description	Volume bbl
1.00	Light oil spotted mud/ Mud 100%	0.005

Total Length: 1.00 ft      Total Volume: 0.005 bbl

Num Fluid Samples: 0

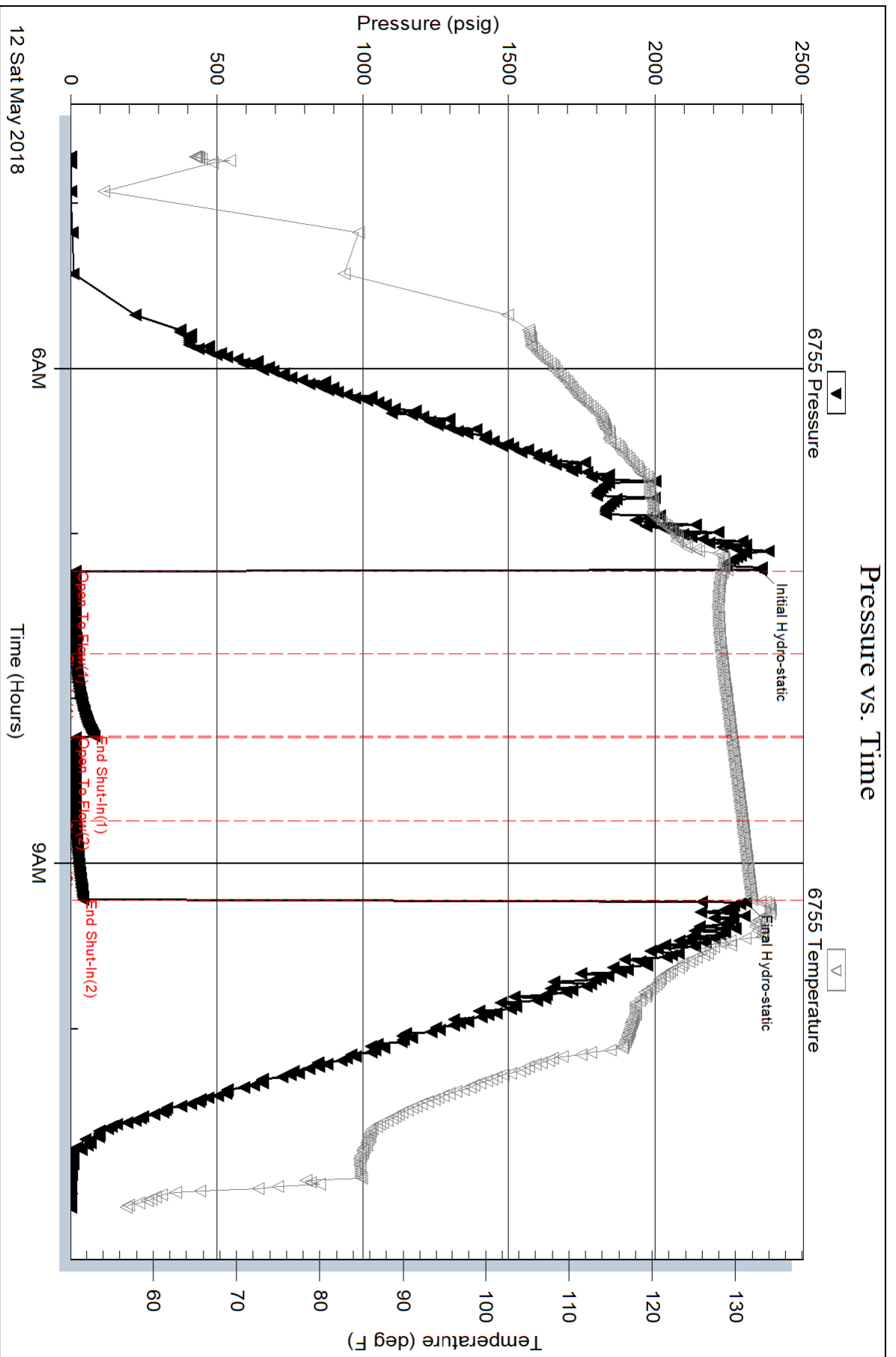
Num Gas Bombs: 0

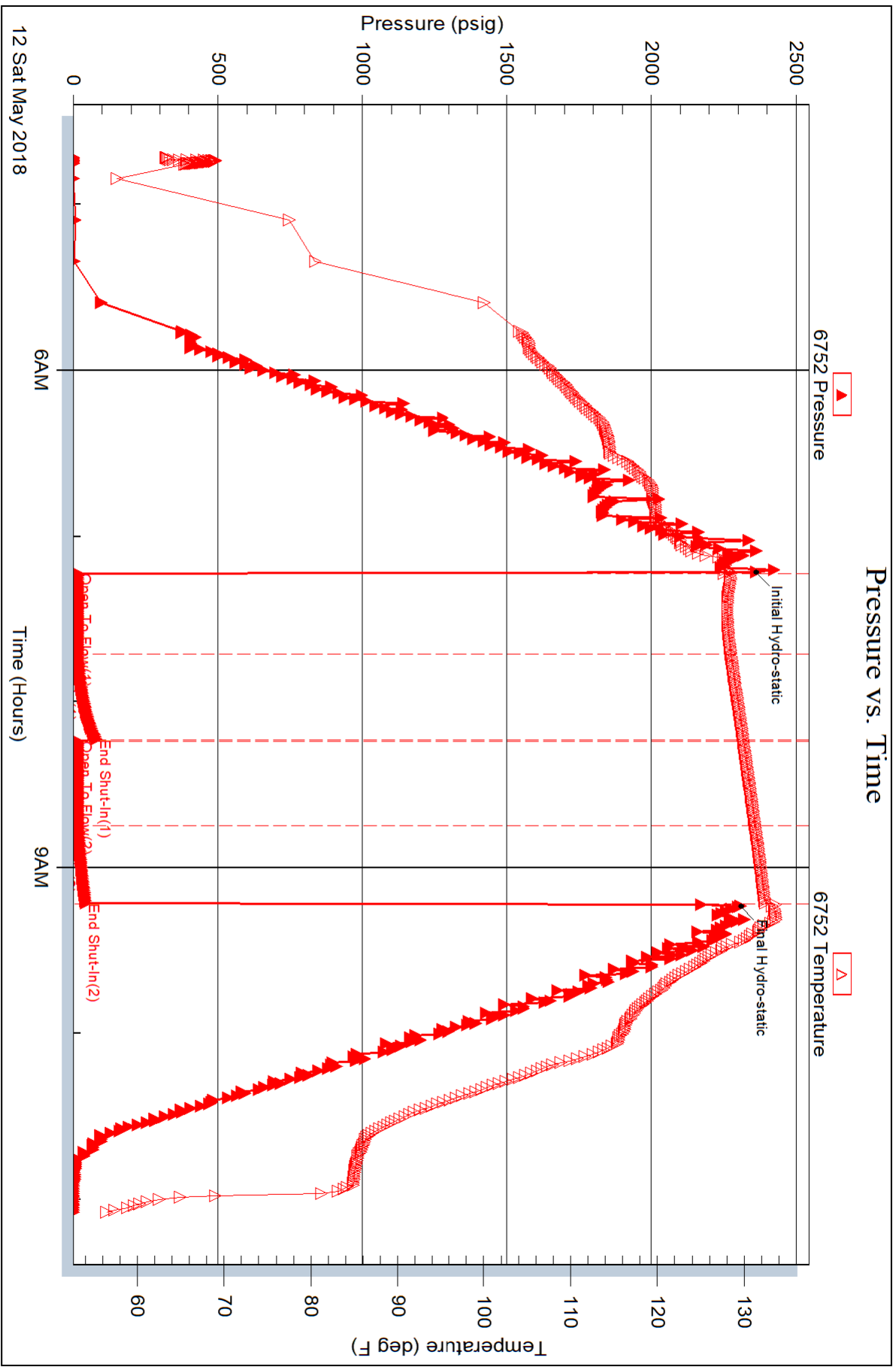
Serial #:

Laboratory Name:

Laboratory Location:

Recovery Comments:











**TRILOBITE  
TESTING, INC.**

# DRILL STEM TEST REPORT

**FLUID SUMMARY**

Val Energy Inc.

**2/8S/36W/Thomas**

125 N Market  
Suite 1110  
Wichita, Kansas 67202+1728  
ATTN: Tim Priest

**TJ 1-2**

Job Ticket: 63488

**DST#: 4**

Test Start: 2018.05.13 @ 01:55:00

## Mud and Cushion Information

Mud Type: Gel Chem

Cushion Type:

Oil API:

deg API

Mud Weight: 9.00 lb/gal

Cushion Length:

ft

Water Salinity:

ppm

Viscosity: 50.00 sec/qt

Cushion Volume:

bbbl

Water Loss: 7.20 in<sup>3</sup>

Gas Cushion Type:

Resistivity: ohm.m

Gas Cushion Pressure:

psig

Salinity: 5000.00 ppm

Filter Cake: 1.00 inches

## Recovery Information

Recovery Table

Length ft	Description	Volume bbl
1.00	Mud 100%	0.005

Total Length: 1.00 ft      Total Volume: 0.005 bbl

Num Fluid Samples: 0

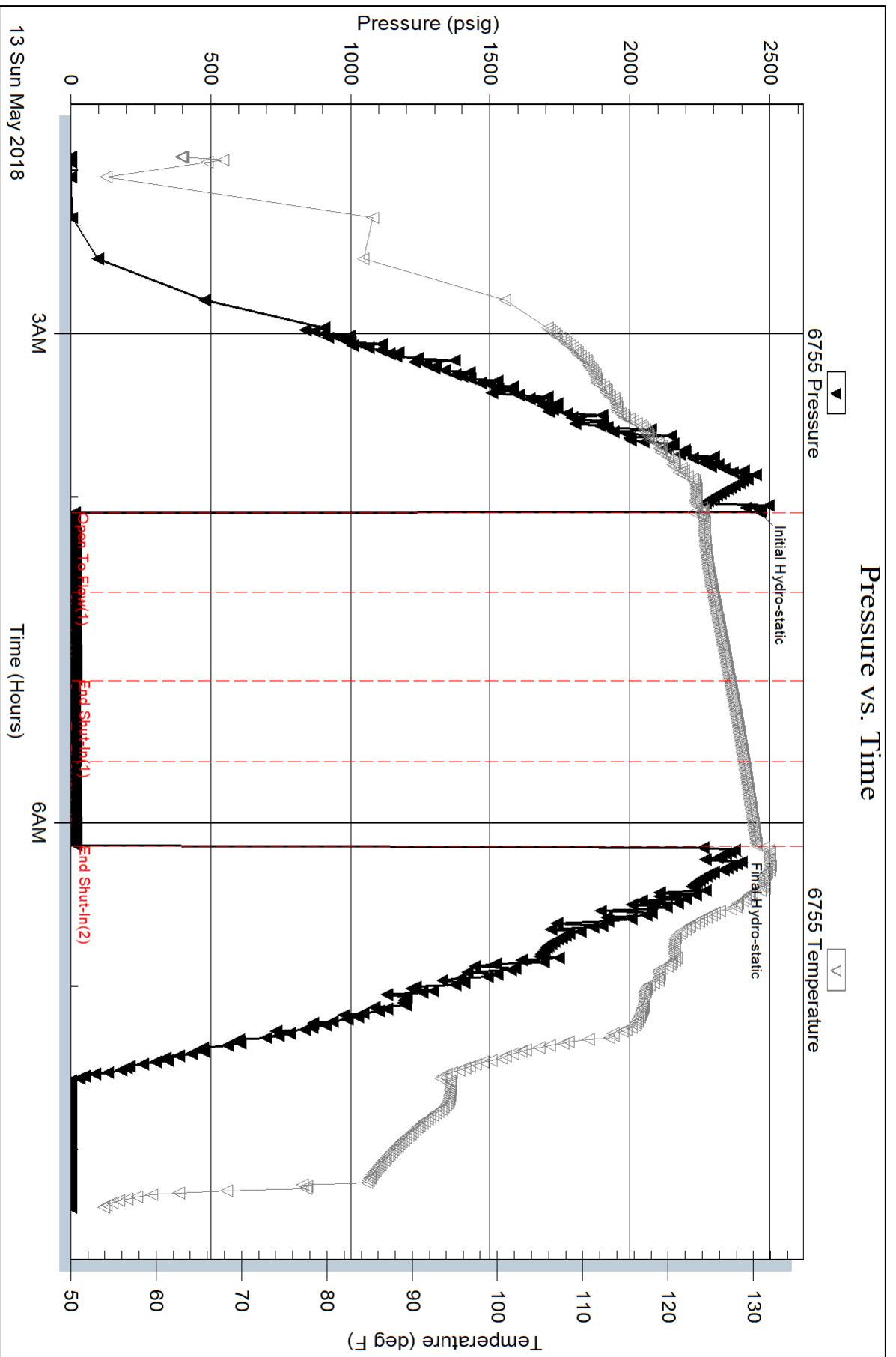
Num Gas Bombs: 0

Serial #:

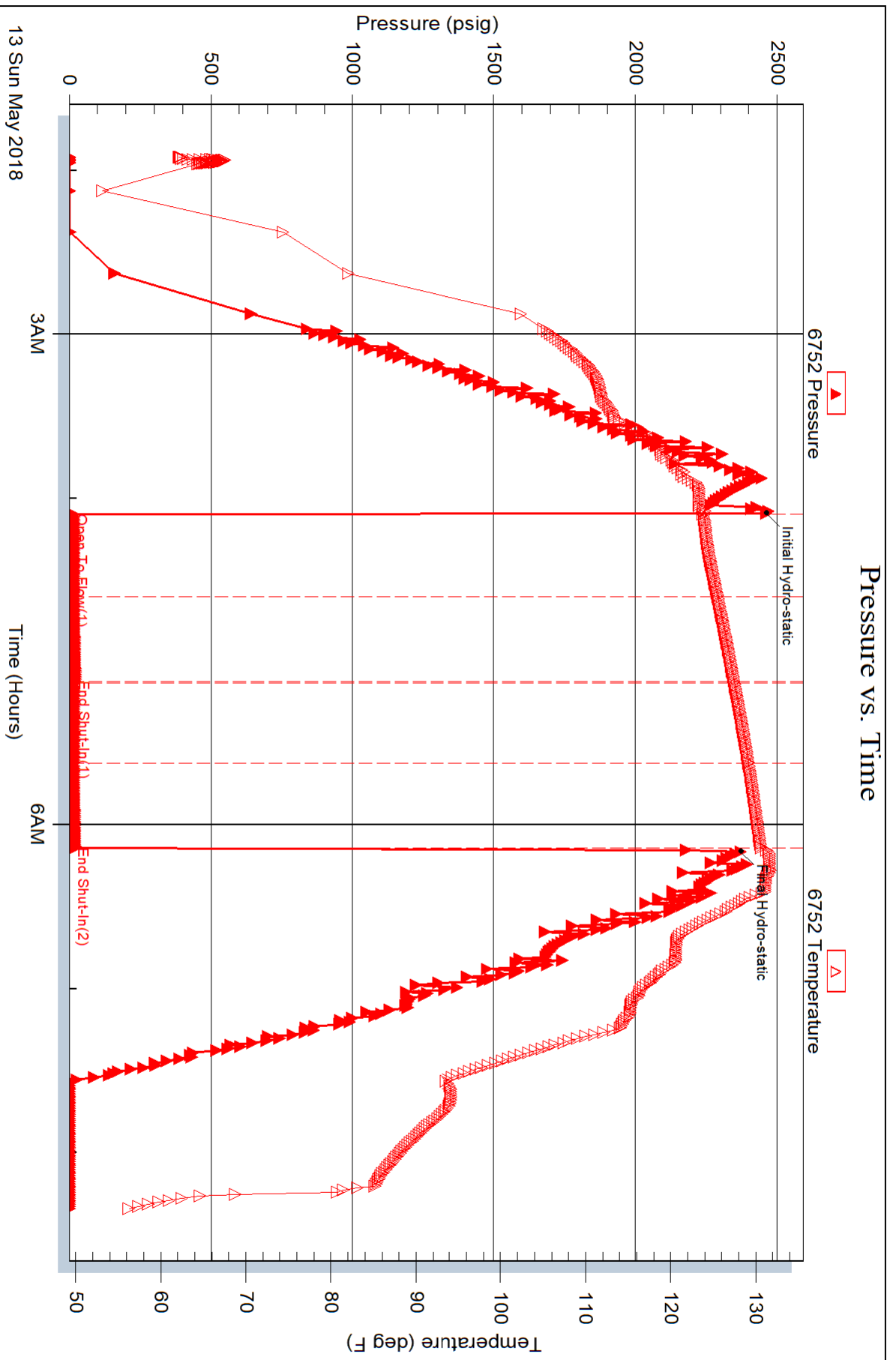
Laboratory Name:

Laboratory Location:

Recovery Comments:













**TRILOBITE  
TESTING, INC.**

# DRILL STEM TEST REPORT

## FLUID SUMMARY

Val Energy Inc.

**2/8S/36W/Thomas**

125 N Market  
Suite 1110  
Wichita, Kansas 67202+1728  
ATTN: Tim Priest

**TJ 1-2**

Job Ticket: 63489

**DST#: 5**

Test Start: 2018.05.13 @ 15:52:00

### Mud and Cushion Information

Mud Type: Gel Chem

Cushion Type:

Oil API:

deg API

Mud Weight: 10.00 lb/gal

Cushion Length:

ft

Water Salinity:

ppm

Viscosity: 61.00 sec/qt

Cushion Volume:

bbbl

Water Loss: 10.39 in<sup>3</sup>

Gas Cushion Type:

Resistivity: ohm.m

Gas Cushion Pressure:

psig

Salinity: 7000.00 ppm

Filter Cake: 2.00 inches

### Recovery Information

Recovery Table

Length ft	Description	Volume bbl
200.00	Mud 100%	1.166

Total Length: 200.00 ft      Total Volume: 1.166 bbl

Num Fluid Samples: 0

Num Gas Bombs: 0

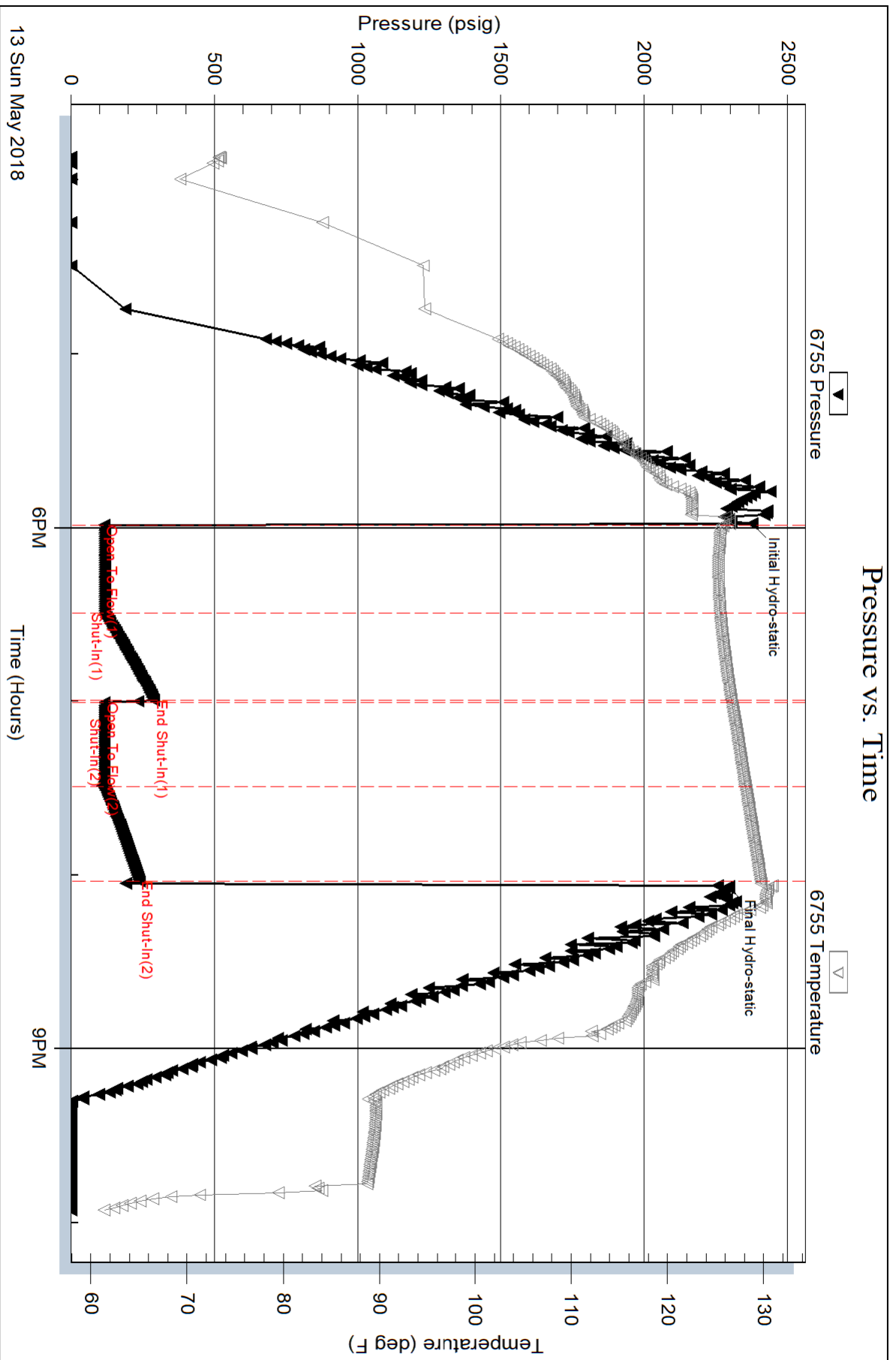
Serial #:

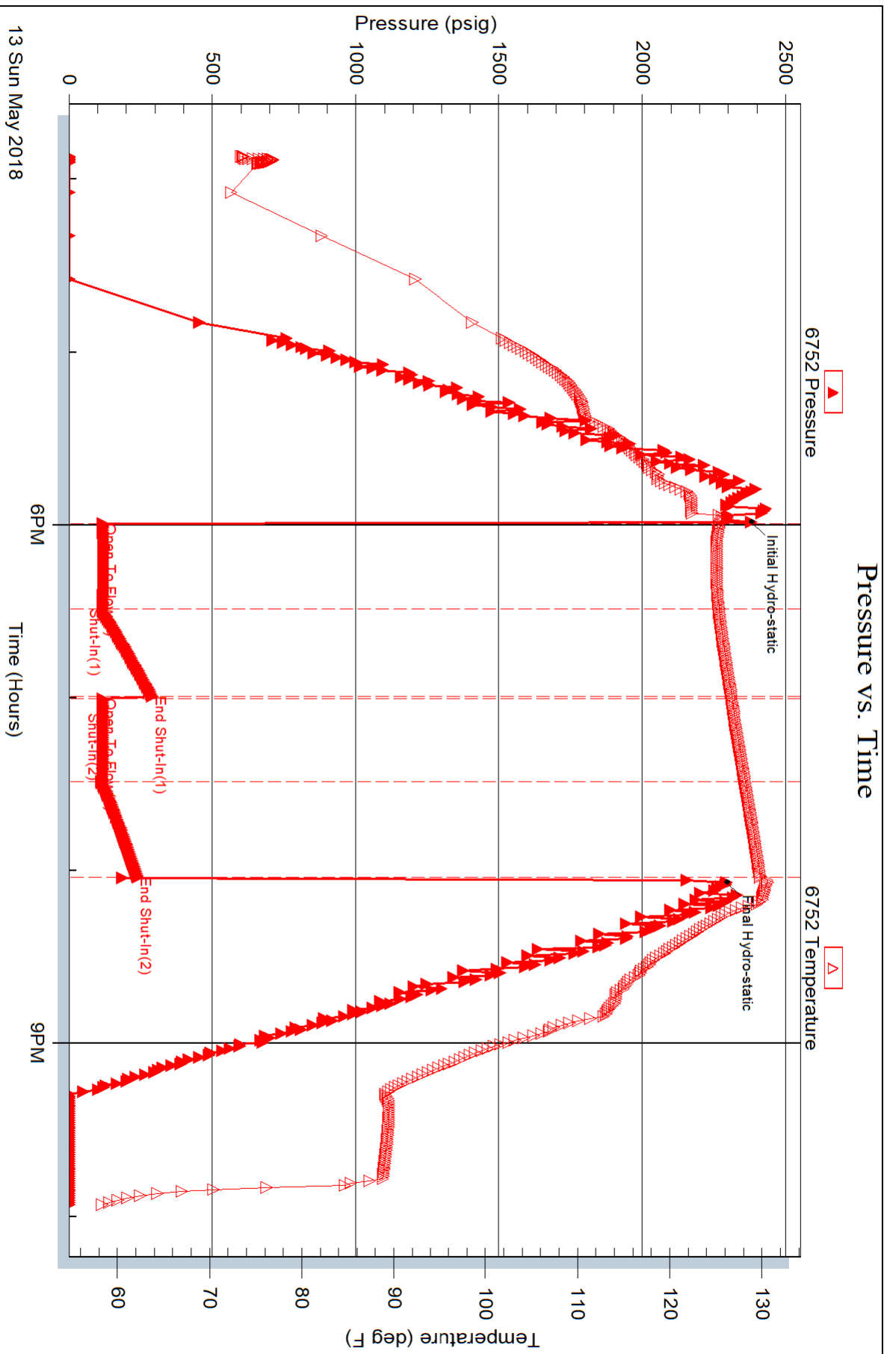
Laboratory Name:

Laboratory Location:

Recovery Comments:

# Pressure vs. Time

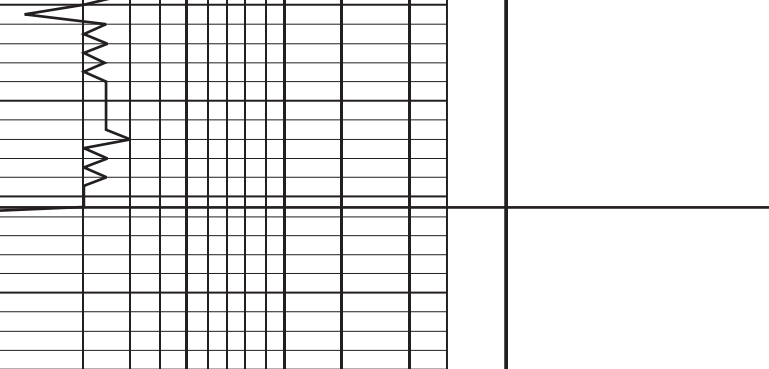




**GEOLOGIST'S REPORT**  
**DRILLING TIME AND SAMPLE LOG**

COMPANY **VAL ENERGY, INC.** EL ELEVATIONS  
 LEASE **TJ-2** **KG 3317'**  
 FIELD **Wildcat** DF \_\_\_\_\_  
 LOCATION **1768' F.L. 479' F.W.L** GL **3309'**  
 SEC **2** TWP **8S** R **8E** **36W**  
 COUNTY **Thomas** STATE **Kansas** Measurements Are All From **KB**  
 CONTRACTOR **WW Drilling, Rig #12**  
 SPUD **5-5-18** COMP **5-15-18**  
 RTD **4875'** LTD **4869'** CASING **N/A**  
 MUD UP **3500'** TYPE MUD **Chemical** CONDUCTION **N/A**  
 SAMPLES SAVED FROM **3800'** to RTD SURFACE **8.5/8" @ 261'**  
 DRILLING TIME KEPT FROM **3800'** to RTD PRODUCTION **None**  
 SAMPLES EXAMINED FROM **3800'** to RTD **ELECTRICAL SURVEYS**  
 GEOLOGICAL SUPERVISION FROM **4000'** to RTD **CND/D/SP: Micro**  
 GEOLOGIST ON WELL **Tim Priest** By: Pioneer Energy Service

FORMATION TOPS	ELECTRIC LOG	SAMPLE
Anyvrite	2868 (+449)	2868 (+449)
Heebner Shale	4090 (+773)	4099 (+782)
Austin	4133 (+816)	4143 (+826)
Stark	4347 (+1030)	4355 (+1038)
Marmaton	4451 (+1134)	4451 (+1134)
Fort Scott	4590 (+1273)	4591 (+1274)
Cherokee Shale	4623 (+1306)	4627 (+1310)
Mississippian	4808 (+1491)	4815 (+1498)



REMARKS Due to negative DSTs and E-log calculations, it was decided to plug and abandon the well.

Respectfully Submitted,

**API #15-193-21018**

**Tim Priest**  
 Petroleum Geologist

