

TO:
STATE CORPORATION COMMISSION
CONSERVATION DIVISION - PLUGGING
130 SOUTH MARKET, SUITE 2078
WICHITA, KANSAS 67202

API Well Number: 15-119-21171-00-00
Spot: SESENW Sec/Twnshp/Rge: 16-33S-27W
2310 feet from N Section Line, 2310 feet from W Section Line
Lease Name: LOEWEN Well #: 1-16
County: MEADE Total Vertical Depth: 5842 feet

Operator License No.: 6039
Op Name: L.D. DRILLING, INC.

Address: RR 1 BOX 183B 7 SW 26TH AVENUE
GREAT BEND, KS 67530

| String | Size | Depth (ft) | Pulled (ft) | Comment |
|--------|-------|------------|-------------|---------|
| SURF | 8.625 | 1432 | | |

\$ 189.87

Well Type: DH UIC Docket No: _____ Date/Time to Plug: 08/20/2006 4:00 PM
Plug Co. License No.: 5822 Plug Co. Name: VAL ENERGY, INC.
Proposal Revd. from: LYNN Company: VAL ENERGY, INC. Phone: (316) 263-6688

Proposed Plugging Method: 1ST PLUG AT 1440' WITH 50 SX CMT. 2ND PLUG AT 740' WITH 50 SX CMT. 3RD PLUG AT 60' WITH 25 SX CMT. 4TH PLUG TO CIRCULATE RAT HOLE WITH 15 SX CMT. 5TH PLUG TO CIRCULATE MOUSE HOLE WITH 10 SX CMT.

Plugging Proposal Received By: STEVE DURRANT WitnessType: NONE
Date/Time Plugging Completed: 08/20/2006 6:45 PM KCC Agent: STEVE DURRANT

Actual Plugging Report:

1ST PLUG AT 1440' WITH 50 SX CMT. 2ND PLUG AT 740' WITH 50 SX CMT. 3RD PLUG AT 60' WITH 25 SX CMT. 4TH PLUG TO CIRCULATE RAT HOLE WITH 15 SX CMT. 5TH PLUG TO CIRCULATE MOUSE HOLE WITH 10 SX CMT.

Perfs:

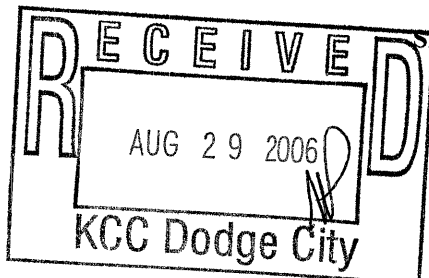
INVOICED
DATE 9/6/06
2007060492

Remarks: USED 60/40 POZMIX 6% GEL BY JET STAR.

Plugged through: DP

RECEIVED
SEP 05 2006
KCC WICHITA

District: 01



Signed Steve Durrant
(TECHNICIAN)

PPF