TO:

STATE CORPORATION COMMISSION CONSERVATION DIVISION - PLUGGING

130 SOUTH MARKET, SUITE 2078

WICHITA, KANSAS 67202

Operator License No.: 5316

Op Name: FALCON EXPLORATION, INC.

Address: 125 N. MARKET, STE. 1252

WICHITA, KS 67202

API Well Number: 15-025-21419-00-00

Spot: SWSWNENE

Sec/Twnshp/Rge: 17-31S-21W

1160 feet from N Section Line,

1160 feet from E Section Line

Lease Name: R. SHRAUNER

Well #: 1-17(NE)

County: CLARK

Total Vertical Depth: 5450 feet

String Size SURF 8.625

658

Depth (ft) Pulled (ft) Comment

WITH 340 SX CMT

77.13

Well Type: DH

UIC Docket No:

Date/Time to Plug: 07/10/2007 12:00 AM

Plug Co. License No.: 5822

Plug Co. Name: VAL ENERGY, INC.

Proposal Revd. from: RON MOON

Company: VAL ENERGY, INC.

Phone: (316) 263-6688

Proposed 1ST PLUG AT 1230' WITH 50 SX CMT. 2ND PLUG AT 660' WITH 50 SX CMT. 3RD PLUG AT 210' WITH 30 SX Plugging CMT. 4TH PLUG AT 60' WITH 20 SX CMT. 5TH PLUG TO CIRCULATE RAT HOLE WITH 15 SX CMT. 6TH

Method: PLUG TO CIRCULATE MOUSE HOLE WITH 10 SX CMT.

Plugging Proposal Received By: JERRY W. STAPLETON

WitnessType: NONE

Date/Time Plugging Completed: 07/10/2007 2:15 AM

KCC Agent: JERRY W. STAPLETON

Actual Plugging Report:

Perfs:

1ST PLUG AT 1230' WITH 50 SX CMT. 2ND PLUG AT 660' WITH 50 SX CMT. 3RD PLUG AT 210' WITH 30 SX CMT. 4TH PLUG AT 60' WITH 20 SX CMT. 5TH PLUG TO CIRCULATE RAT HOLE WITH 15 SX CMT. 6TH PLUG TO CIRCULATE MOUSE HOLE WITH 10 SX CMT.

> INVOICED DATE 7-16-07

Remarks:

USED 60/40 POZMIX 6% GEL BY ALLIED.

Plugged through: DP

District: 01

igned JUL 1 0 2007 KCC Dodge City

(TECHNICIAN)

RECEIVED KANSAS CORPORATION COMMISSION Form CP-2

JUL 13 2007

CONSERVATION DIVISION WICHITA, KS