

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed
ORIGINAL 7/24/08

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 5316
Name: FALCON EXPLORATION, INC.
Address: 125 N. MARKET, SUITE 1252
City/State/Zip: WICHITA, KS 67202
Purchaser: NONE
Operator Contact Person: RONALD S. SCHRAEDER

Phone: (316) 262-1378
Contractor: Name: VAL ENERGY INC
License: 5822
Wellsite Geologist: KEITH REAVIS

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SIOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)

If Workover/Re-entry: Old Well Info as follows:
Operator: _____
Well Name: _____

Original Comp. Date: _____ Original Total Depth: _____
 Deepening Re-perf. Conv. to Enhr./SWD
 Plug Back _____ Plug Back Total Depth _____
 Commingled _____ Docket No. _____
 Dual Completion _____ Docket No. _____
 Other (SWD or Enhr.?) _____ Docket No. _____

4/28/07 5/14/07
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 025-21409-0000
County: CLARK
SW SW SE NW Sec. 9 Twp. 31 S. R. 21 East West
2480 feet from S (circle one) Line of Section
1560 feet from E (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: SHRAUNER Well #: 1-9
Field Name: W/C

Producing Formation: _____
Elevation: Ground: 2193 Kelly Bushing: 2203
Total Depth: 6410 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 635 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 PA MH 8-25-08
(Data must be collected from the Reserve Pit)
Chloride content 22000 ppm Fluid volume 2040 bbls
Dewatering method used HAULED OFF

Location of fluid disposal if hauled offsite:
Operator Name: GENE R DILL
Lease Name: REGIER SWD License No.: 6652
Quarter _____ Sec. 17 Twp. 33 S. R. 27 East West
County: MEADE Docket No.: C21232

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

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.

Signature: Ronald S. Schraeder
Title: ENGINEER Date: 7/24/07

Subscribed and sworn to before me this 24th day of July,
20 07.

Notary Public: Rosann M Schippers
Date Commission Expires: 9/28/07

KCC Office Use ONLY
 Letter of Confidentiality Received
 If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
RECEIVED
KANSAS CORPORATION COMMISSION

ROSANN M. SCHIPPERS
NOTARY PUBLIC
STATE OF KANSAS
My Appl. Exp. 9/28/07

JUL 24 2007
CONSERVATION DIVISION
WICHITA, KS

Operator Name: FALCON EXPLORATION, INC. Lease Name: SHRAUNER Well #: 1-9
 Sec. 9 Twp. 31 S. R. 21 East West County: CLARK

INSTRUCTIONS: Show important tops and base 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. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: CNL/CDL;DIL;BHCS;MEL	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>LANSING</td> <td>4450</td> <td>-2247</td> </tr> <tr> <td>PAWNEE</td> <td>5013</td> <td>-2810</td> </tr> <tr> <td>MORROW SAND</td> <td>5164</td> <td>-2961</td> </tr> <tr> <td>MISSISSIPPIAN</td> <td>5175</td> <td>-2972</td> </tr> <tr> <td>VIOLA</td> <td>6122</td> <td>-3919</td> </tr> <tr> <td>SIMPSON SD</td> <td>6317</td> <td>-4114</td> </tr> <tr> <td>ARBUCKLE</td> <td>6328</td> <td>-4125</td> </tr> </table>	Name	Top	Datum	LANSING	4450	-2247	PAWNEE	5013	-2810	MORROW SAND	5164	-2961	MISSISSIPPIAN	5175	-2972	VIOLA	6122	-3919	SIMPSON SD	6317	-4114	ARBUCKLE	6328	-4125
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ARBUCKLE	6328	-4125																							

CASING RECORD <input checked="" 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
SURFACE	12-1/4	8-5/8"	23#	635	65/35;CLASS A	300;100	3% cc, 2% GEL

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				

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
		KCC JUL 24 2007 CONFIDENTIAL	

TUBING RECORD	Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.		Producing Method <input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)		
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio Gravity

Disposition of Gas Vented Sold Used on Lease *(If vented, Submit ACO-18.)*

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled Other (Specify) _____

Production Interval _____

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 WICHITA, KS

SHRAUNER #1-9

DST #1: 5062-5242', 5-80-95-177. STRONG BLOW ON BOTH OPENS. RECOVERED 105' MUD WITH A SLIGHT TRACE OF OIL AND 60' MUD. HP'S 2487-2420#, FP'S 44-97#, SIP'S 1578-1382#. BHT 115⁰.

DST #2:5540-5560' (STRADDLE), 5-90-75-159. STRONG BLOW THROUGHOUT 1ST OPEN. WEAK BLOW ON 2ND. RECOVERED 45' WATER CUT MUD AND 240' MUD CUT WATER (90% WATER, 10% MUD), 660' FAINT GAS IN PIPE. HP'S 2606-2580#, FP'S 49-152#, SIP'S 1793-1402#.

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CONSERVATION DIVISION
WICHITA, KS

Name: Falcon Exploration
 Lease: Schrauner
 Well #: 1-9
 Date: 5-15-07
 Field Order #: 15934
 Station: Pratt
 Casing: _____
 Depth: _____
 County: Clark
 State: Ks.
 Type Job: CPA - CNW - P.A.
 Formation: _____
 Legal Description: G-315-21W

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME		
Casing Size	Tubing Size	Shots/Ft		Acid	RATE	PRESS	ISIP	
				225 sk. 60/40/200			5 Min	
Depth	Depth	From	To	Pre Pad	Max		10 Min	
Volume	Volume	From	To	Pad	Min		15 Min	
Max Press	Max Press	From	To	Frac	Avg		Annulus Pressure	
Well Connection	Annulus Vol.	From	To		HHP Used		Total Load	
Plug Depth	Packer Depth	From	To	Flush	Gas Volume			

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Customer Representative: _____ Station Manager: Dave Scott
 Treater: Bobby Drake

Service Units	1981de	1984H	19832	19860					
Driver Names	Drake	Sullivan	Colman	Shields					

Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
0230					On location - Safety Meeting
0457	300		10	3.5	1st Plug - 6140' w/ 50sk. @ 13.3#/gal
0500	400		18	4	H2O Ahead
0505	300		30	4	Mix Cont. @ 13.3#/gal
0515	350		50		H2O Disp.
1225	200				Mud Disp.
1225	200		10	3	2nd Plug - 1110' w/ 50sk.
1227	20		14	3	H2O Ahead
1231	0		9.5	3	Mix Cont. @ 13.3#/gal
					Disp.
1255	150		8	4.5	3rd Plug - 660' w/ 50sk.
1257	150		14	3.5	H2O Ahead
1302	100		4.5	3.	Mix Cont. @ 13.3#/gal
					Disp.
1315	50		5	2.5	4th Plug - 210' w/ 30sk.
1316	150		8.5	4.5	H2O Ahead
1318	0		1	4.	Mix Cont. @ 13.3#/gal
					Disp.
1355	100		5.5	3.	5th Plug - 60' w/ 20sk.
1408	0		4	3	Mix Cont. @ 13.3#/gal
1410	0		3	3	Rat Hole
					Mouse Hole - Job Complete - Thanks.

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 WICHITA, KS

ALLIED CEMENTING CO., INC.

32413

Federal Tax I.D.# ~~XXXXXXXXXX~~

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:
med. lodge, KS

DATE <u>4-28-07</u>	SEC. <u>9</u>	TWP. <u>31</u>	RANGE <u>21</u>	CALLED OUT <u>4:00P.m.</u>	ON LOCATION <u>8:30P.m.</u>	JOB START <u>3:00A.M.</u>	JOB FINISH <u>4:00A.m.</u>
LEASE <u>Shrauner</u>		WELL # <u>1-19</u>	LOCATION <u>160+34 Fct. 15.3 N</u>	COUNTY <u>CLARK</u>	STATE <u>KS.</u>		
OLD OR <u>NEW</u> (Circle one)			<u>to mm #29, 1/4 E, 3 S/E</u>				

CONTRACTOR Val Energy

TYPE OF JOB Surface Csq.

HOLE SIZE 12 1/4 T.D. 635'

CASING SIZE 8 5/8 DEPTH 630'

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT 45.80

CEMENT LEFT IN CSG. _____

PERFS. _____

DISPLACEMENT Bbls Fresh water

EQUIPMENT _____

OWNER Falcon Exploration

CEMENT

AMOUNT ORDERED 300 SX 65' 35

6% Gel + 3% CC + 1/4" Flo-Seal.

100 SX CLASS A + 3% CC + 2% Gel

COMMON	<u>100 A</u>	@ <u>11.10</u>	<u>1110.00</u>
POZMIX		@	
GEL	<u>2</u>	@ <u>16.65</u>	<u>33.30</u>
CHLORIDE	<u>13</u>	@ <u>46.60</u>	<u>605.80</u>
ASC		@	
<u>ALLW 300</u>		@ <u>10.45</u>	<u>3135.00</u>
<u>Flo seal 75 #</u>		@ <u>2.00</u>	<u>150.00</u>
		@	
		@	
		@	
		@	
		@	
HANDLING	<u>434</u>	@ <u>1.90</u>	<u>824.60</u>
MILEAGE	<u>70 x 4.34 x .09</u>		<u>2734.20</u>
TOTAL			<u>8593.70</u>

PUMP TRUCK CEMENTER Larry Dreiling

414-302 HELPER Dennis C.

BULK TRUCK

363 DRIVER mike B.

BULK TRUCK

397 DRIVER Raymond R.

REMARKS:

Pipe on Bottom - Break Circ.

mix + Pump 300 SX 65' 35' 6

3% CC + 1/4" Flo-Seal.

mix + Pump 100 SX CLASS A

3% CC + 2% Gel. Stop pumps.

Release Plug. Displace 37 1/2 Bbls

Fresh water. Bump Plug. Release

PSI. Float Held. Cement Did Circ.

CHARGE TO: Falcon Exploration

STREET _____

CITY _____ STATE _____ ZIP _____

SERVICE

DEPTH OF JOB	<u>630'</u>		
PUMP TRUCK CHARGE	<u>0-300'</u>		<u>815.00</u>
EXTRA FOOTAGE	<u>330'</u>	@ <u>.65</u>	<u>214.50</u>
MILEAGE	<u>70</u>	@ <u>6.00</u>	<u>420.00</u>
MANIFOLD		@	
<u>Head Rental</u>		@ <u>100.00</u>	<u>100.00</u>
		@	
TOTAL			<u>1549.50</u>

8 5/8" PLUG & FLOAT EQUIPMENT

<u>1-8 5/8 Top Rubber</u>	@ <u>100.00</u>	<u>100.00</u>
<u>1-AFU Insert</u>	@ <u>335.00</u>	<u>335.00</u>
1-8 5/8 Top Rubber	@	
<u>2-BASKETS</u>	@ <u>220.00</u>	<u>440.00</u>
	@	

ANY APPLICABLE TAX WILL BE CHARGED UPON INVOICING

TOTAL 875.00

TAX _____

TOTAL CHARGE ~~1549.50~~

DISCOUNT ~~_____~~ IF PAID IN 30 DAYS

To Allied Cementing Co., Inc.

You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

SIGNATURE [Signature]

x Chel Toner

PRINTED NAME

FALCON EXPLORATION, INC.
OIL & GAS EXPLORATION

7/24/08

125 N. MARKET, SUITE 1252
WICHITA, KANSAS 67202

TELEPHONE: (316)262-1378
FAX: (316)265-3354

Kansas Corporation Commission
130 S. Market, Room 2078
Wichita, Kansas 67202-3802

KCC
JUL 24 2007
CONFIDENTIAL

Re: Shrauner #1-9
Clark County, Kansas

Gentlemen:

Enclosed you will find the ACO-1; in triplicate, along with a copy of the CNL/CDL; DIL; BHCS; MEL logs and geologist's report covering the above captioned well. Also enclosed is a copy of each of Allied Cementing ticket #32413 to cement the surface casing and Jetstar ticket to plug and abandon.

Pursuant to the rules and regulations please hold this information "confidential" for the initial one year period.

Sincerely,

FALCON EXPLORATION, INC.


Cynthia L. Wolf

/clw
Encl.

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JUL 24 2007

CONSERVATION DIVISION
WICHITA, KS

KANSAS

CORPORATION COMMISSION

Kathleen Sebelius, Governor Thomas E. Wright, Chairman Michael C. Moffet, Commissioner Joseph F. Harkins, Commissioner

August 18, 2008

FALCON EXPLORATION, INC.
125 N MARKET STE 1252
WICHITA, KS 67202-1719

RE: API Well No. 15-025-21409-00-00
SHRAUNER 1-9
SWSWSEW, 9-31S-21W
CLARK County, Kansas

Dear Operator:

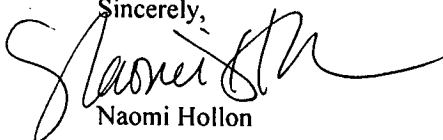
An affidavit of completion form (ACO-1) on the above referenced well was received on July 24, 2007. Technical review finds that the ACO-1 is incomplete. The information requested below, or an amended/corrected ACO-1, must be submitted by September 05, 2008. Only the current ACO-1 form will be accepted (Form ACO-1, Rev. 9-99), and only the lines marked below apply.

- | | |
|---|---|
| <input type="checkbox"/> All drilling and completion information. No ACO-1 has been received as of this date. | <input type="checkbox"/> TD and Completion date. (Month, Day, Year) |
| <input type="checkbox"/> Must be notarized and signed. | <input type="checkbox"/> Must have Footages from nearest outside corner of section. |
| <input type="checkbox"/> Must have the ORIGINAL HARD COPY of ACO-1. We do not accept fax copies. | <input type="checkbox"/> Side two on back of ACO-1 must be completed. |
| <input type="checkbox"/> Must be put on new form and typed. | <input checked="" type="checkbox"/> Must have final copies of DST's/Charts. |
| <input type="checkbox"/> API # or date when original well was first drilled. | <input type="checkbox"/> All original complete open and cased hole wireline logs run. |
| <input type="checkbox"/> Contractor License #. | <input type="checkbox"/> A copy of geological reports compiled by wellsite geologist. |
| <input type="checkbox"/> Designate type of Well Completion. | <input type="checkbox"/> A copy of all cement job logs showing type, amounts and additives used to cement casing strings, squeeze and/or to plug and abandon. (Note: Cement tickets must be from company providing the cement, not necessarily the contractor.) |
| <input type="checkbox"/> If Workover/Re-entry, need old well information, including original completion date. | <input type="checkbox"/> Any commingling information; File on the ACO-4 form. |
| <input type="checkbox"/> Spud date. (Month, Day, Year) | <input type="checkbox"/> Anything HIGHLIGHTED on ACO-1. |
| <input type="checkbox"/> Other: | |

K.C.C. regulation 82-3-107 provides confidentiality, upon written request, for a period of one year from the date of such letter request. Confidentiality rights are waived if the ACO-1 remains incomplete, or is not timely filed (within 120 days from the well's spud date) including: electric logs, geologist's wellsite reports, driller's logs, and Kansas Geological Survey requested samples.

Do not hesitate to call the Kansas Corporation Commission, Conservation Division, at (316) 337-6200 if there are any questions. PLEASE RETURN THIS FORM AND ANY ENCLOSURES WITH YOUR REPLY. Note: If the intent is incorrect, you need to file a corrected intent.

Sincerely,



Naomi Hollon
Production Department

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KANSAS CORPORATION COMMISSION

AUG 20 2008

CONSERVATION DIVISION
WICHITA, KS