

ORIGINAL

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE**

RECEIVED
KANSAS CORPORATION COMMISSION Form ACO-1
September 1999
Form Must Be Typed

NOV 27 2007

CONSERVATION DIVISION
WICHITA, KS

Operator: License # 5822
Name: VAL Energy Inc.
Address: 200 West Douglas #520
City/State/Zip: Wichita, Kansas 67202
Purchaser: None
Operator Contact Person: K. Todd Allam
Phone: (316) 263-6688
Contractor: Name: VAL Energy Inc.
License: 5822

Wellsite Geologist: Wes Hansen
Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SLOW 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. _____

11-1-2007	1-12-2007	11-18-2007
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 007-23212 -00-00
County: Barber
SW SW SW SW Sec. 9 Twp. 34 S. R. 11 East West
150 740 feet from (S) N (circle one) Line of Section
150 5103 feet from (E) W (circle one) Line of Section
GPS-KCC-Dlg
Footages Calculated from N Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Talbott Well #: SWD
Field Name: _____
Producing Formation: Arbuckle
Elevation: Ground: 1366 Kelly Bushing: 1376
Total Depth: 5602 Plug Back Total Depth: 5602
Amount of Surface Pipe Set and Cemented at 250 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 16,000 ppm Fluid volume 160 bbls
Dewatering method used hauled
Location of fluid disposal if hauled offsite: _____
Operator Name: Benco
Lease Name: Cole SWD License No.: 32613
Quarter NWNW Sec. 25 Twp. 32S S. R. 12 East West
County: Barber Docket No.: D19886

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: K Todd Allam
Title: President Date: 11/26/07
Subscribed and sworn to before me this 26 day of November,
20 07.
Notary Public: Brandi Wyer
Date Commission Expires: 2/24/2010

NOTARY PUBLIC - State of Kansas
BRANDI WYER
My Appt. Expires 2/24/2010

KCC Office Use ONLY
 Letter of Confidentiality Received
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
copy to uic

NOV 27 2007

Operator Name: VAL Energy Inc. Lease Name: Talbot CONSERVATION DIVISION SWD
 Sec. 9 Twp. 34 S. R. 11 East West County: Barber WICHITA, KS

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 <i>(Attach Additional Sheets)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Log Formation (Top), Depth and Datum	<input checked="" type="checkbox"/> Sample
Samples Sent to Geological Survey	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Name	Top Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Heebner	3632 -2256
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	KC	4144 -2768
List All E. Logs Run:		Pawnee	4494 -3118
Dual Induction		Miss.	4571 -3195
Dual Compensated Porosity		Viola	4910 -3534
Microresistivity		Simpson Sand	5038 -3662
		Arbuckle	5202 -3826

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#	250	Class A	205	2%&3%
Production	7 7/8	5 1/2	14#	5247	AA-2	175	

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 <i>(Amount and Kind of Material Used)</i>	Depth
Open Hole	5247-5602	2000 gal. 15% Acid	5247-5602

TUBING RECORD	Size 3 1/2	Set At 5225	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 checked="" type="checkbox"/> Other (Explain)			
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio Gravity
			10000 capability	

Disposition of Gas METHOD OF COMPLETION Production Interval

Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled

(If vented, Submit ACO-18.) Other (Specify) SWD Well



PAGE 1 of 2	CUST NO 1970-VAL002	INVOICE DATE 11/14/2007
INVOICE NUMBER 1970001142		

Pratt

B VAL ENERGY
I 200 W. DOUGLAS
L SUITE 520
L WICHITA KS 67202
T ATTN:
O

J LEASE NAME Talbott SWD
O WELL NO. 1
B COUNTY Barber
S STATE KS
I JOB DESCRIPTION Cement-New Well Casing/Pipe
T JOB CONTACT
E

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9308

JOB #	EQUIPMENT #	PURCHASE ORDER NO.	TERMS	DUE DATE		
1970-01146	301		Net 30 DAYS	12/14/2007		
			QTY	U of M	UNIT PRICE	INVOICE AMOUNT
For Service Dates: 11/13/2007 to 11/13/2007						
1970-01146						
<i>Production</i>						
1970-17233 Cement-New Well Casing 11/13/07						
Pump Charge-Hourly			1.00	Hour	1827.000	1,827.00
<i>Casing Cement Pumper</i>						
Cementing Head w/Manifold			1.00	EA	250.000	250.00
<i>Cement Head Rental</i>						
Cement Float Equipment			1.00	EA	268.500	268.50
<i>Basket</i>						
Cement Float Equipment			1.00	EA	250.000	250.00
<i>I.R. Latch Down Plug & Baffle</i>						
Cement Float Equipment			6.00	EA	74.200	445.20
<i>Turbolizer</i>						
Cement Float Equipment			1.00	EA	3700.000	3,700.00
<i>Weatherford Cementing Shoe</i>						
<i>Packer Type</i>						
Mileage			200.00	DH	1.500	300.00
<i>Cement Service Charge</i>						
Mileage			90.00	DH	5.000	450.00
<i>Heavy Vehicle Mileage</i>						
Mileage			421.00	DH	1.600	673.60
<i>Proppant and Bulk Delivery</i>						
Pickup			45.00	Hour	3.000	135.00
<i>Car, Pickup or Van Mileage</i>						
Additives			50.00	EA	6.000	300.00 T
<i>Cement Friction Reducer</i>						
Additives			42.00	EA	3.450	144.90 T
<i>Defoamer</i>						
Additives			132.00	EA	8.250	1,089.00 T
<i>FLA-322</i>						
Additives			165.00	EA	5.150	849.75 T
<i>Gas Blok</i>						
Additives			875.00	EA	0.670	586.25 T
<i>Gilsonite</i>						
Additives			847.00	EA	0.250	211.75 T
<i>Salt</i>						
Additives			1,000.00	EA	1.530	1,530.00 T
<i>Super Flush II</i>						
Cement			25.00	EA	10.710	267.75 T
<i>60/40 POZ</i>						

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CONSERVATION DIVISION
 WICHITA, KS



PAGE 2 of 2	CUST NO 1970-VAL002	INVOICE DATE 11/14/2007
INVOICE NUMBER 1970001142		

Pratt

B VAL ENERGY
I 200 W. DOUGLAS
L SUITE 520
L
T WICHITA KS 67202
O ATTN:

J LEASE NAME Talbott SWD
O WELL NO. 1
B COUNTY Barber
S STATE KS
I JOB DESCRIPTION Cement-New Well Casing/Pipe:
T JOB CONTACT
E

JOB #	EQUIPMENT #	PURCHASE ORDER NO.		TERMS	DUE DATE
1970-01146	301			Net 30 DAYS	12/14/2007
Cement AA2 Supervisor Service Supervisor		QTY	U of M	UNIT PRICE	INVOICE AMOUNT
		175.00	EA	16.530	2,892.75 T
		1.00	Hour	150.000	150.00

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 CONSERVATION DIVISION
 WICHITA, KS

PLEASE REMIT TO: BASIC ENERGY SERVICES, LP PO BOX 841903 DALLAS, TX 75284-1903	SEND OTHER CORRESPONDENCE TO: BASIC ENERGY SERVICES, LP PO BOX 10460 MIDLAND, TX 79702	BID DISCOUNT SUBTOTAL TAX INVOICE TOTAL	-2,611.77 13,709.68 416.60 14,126.28
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BASIC

energy services, L.P.

FIELD ORDER

17233

Subject to Correction

Date	11/13/07	Customer ID	Val Energy	Lease	Talbot Swire	Well #	1	Legal	7-3/4 Hwy
				County	Butler	State	Ks	Station	Part II
				Depth		Formation		Shoe Joint	18.14
				Casing	2 1/2	Casing Depth	5477	TD	5400
				Customer Representative	Katie H. [unclear]		Treater	Robby [unclear]	
				Job Type	CMW - L.S.				

AFE Number		PO Number		Materials Received by	X K.M.H.	DLS
------------	--	-----------	--	-----------------------	----------	-----

Station Code	Product Code	QUANTITY	MATERIALS, EQUIPMENT, and SERVICES USED	UNIT PRICE	AMOUNT
P	13205	175 gal.	API 2		2892.75
P	D303	25 gal.	60/40 P22		267.25
P	C196	132 lb.	FIA-322		1089.00
P	C221	917 lb.	Salt (Line)		211.75
P	C243	47 lb.	Oil Breaker		144.90
P	C311	50 lb.	Corrosion Inhibitor		300.00
P	C312	115 lb.	Gas Blok		849.75
P	C321	475 lb.	Gilgiate		546.00
P	C304	1000 gal.	Super Flash II		1530.00
P	F101	10 gal.	Turbolizer, 5 1/2"		445.20
P	F121	1 gal.	Bucket, 5 1/2"		268.00
P	F171	1 gal.	I.R. Latex Down Plug + Bull Plug, 5 1/2"		250.00
P	F271	1 gal.	Weatherhead Remounting, Steel Packoff Type, 5 1/2"		3700.00
P	E100	4 gal.	Heavy Lubricant Mixture		450.00
P	E101	4 gal.	Picking Mixture		135.00
P	E104	42 gal.	Bulk Delivery		673.20
P	E107	200 gal.	Corrosion Inhibitor Charge		300.00
P	E991	1 gal.	Service Supervisor		150.00
P	R210	1 gal.	Corrosion Pump, 4500' - 5000'		1427.00
P	R701	1 gal.	Corrosion Head Rental		290.00

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CONSERVATION DIVISION
WICHITA, KS

Discontinued P.O. - \$13,701.00

Customer <i>Val Line</i>	Lease No.	Date <i>11-13-07</i>	
Lease <i>THOTT SWL</i>	Well # <i>1</i>		
Field Order # <i>1033</i>	Station <i>Pratt</i>	Casing <i>5 1/2</i>	Depth
Type Job <i>CVU - L.S.</i>	Formation	County <i>Barber</i>	State <i>Ks.</i>
		Legal Description <i>1-346-11W</i>	

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME		
Casing Size	Tubing Size	Shots/Ft		Acid	RATE	PRESS	ISIP	
<i>5 1/2</i>				<i>775 gal. HCl</i>				
Depth <i>5217</i>	Depth	From	To	Pre Pad <i>1.38 ft³</i>	Max		5 Min.	
Volume <i>124</i>	Volume	From	To	Pad	Min		10 Min.	
Max Press <i>1500</i>	Max Press	From	To	Frac	Avg		15 Min.	
Well Connection	Annulus Vol.	From	To		HHP Used		Annulus Pressure	
Plug Depth <i>2000</i>	Packer Depth	From	To	Flush <i>127 gal.</i>	Gas Volume		Total Load	

Customer Representative <i>Robert Harris</i>	Station Manager <i>Scotty</i>	Treater <i>Wally</i>
---	----------------------------------	-------------------------

Service Units <i>19800</i>	<i>19840</i>	<i>19860</i>	<i>19880</i>						
Driver Names <i>Lincoln</i>	<i>Paul</i>	<i>Tom</i>	<i>Res</i>	<i>Shel</i>					

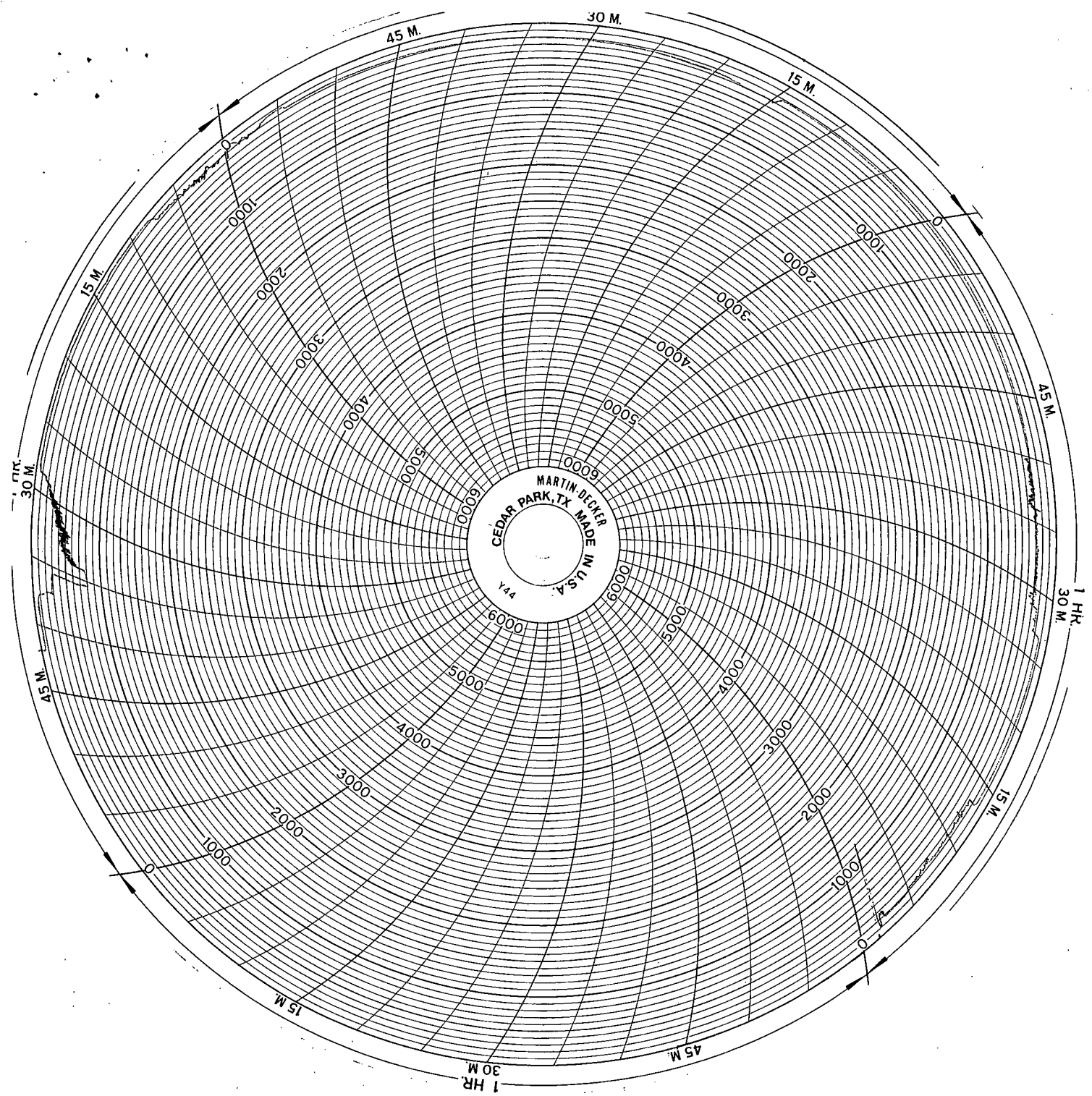
Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
<i>07:00</i>					<i>On location - Safety meeting</i>
<i>07:30</i>					<i>Run 135 ft 14" 5 1/2" Nut-1 Coil - 46.5 m</i>
<i>08:29</i>					<i>Per. in bottom</i>
<i>08:30</i>					<i>Make up to Per. - Break Circ. w/ plug</i>
<i>09:00</i>					<i>Get Packer Shoe</i>
<i>09:20</i>					<i>Pipe. - Did not see Packer Shoe Set</i>
<i>09:54</i>	<i>250</i>		<i>24</i>	<i>6.0</i>	<i>Sum + flush II</i>
<i>08:59</i>	<i>250</i>		<i>5</i>	<i>6.0</i>	<i>add spacer</i>
<i>09:00</i>	<i>250</i>		<i>45</i>	<i>6.0</i>	<i>mix coil @ 15 3" tank</i>
<i>09:10</i>					<i>Release Plug - Check Pump + Lines</i>
<i>09:12</i>	<i>150</i>			<i>6.0</i>	<i>Start Diso.</i>
<i>09:27</i>	<i>300</i>		<i>75</i>	<i>5.6</i>	<i>lift pressure</i>
<i>09:35</i>	<i>1500</i>		<i>127</i>		<i>plug down</i>
<i>09:40</i>			<i>7</i>		<i>plug out + House Hole</i>
					<i>Circulation Then Job</i>
					<i>Job Complete</i>

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CONSERVATION DIVISION
WICHITA, KS

Thanks, Bobby



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CONSERVATION DIVISION
WICHITA, KS



ALLIED

CEMENTING CO., LLC
Cementing & Acidizing Services

INVOICE

24 S. Lincoln Street
P.O. Box 31
Russell, KS 67665-2906

Voice: (785) 483-3887
Fax: (785) 483-5566

Invoice Number: 111069
Invoice Date: Nov 7, 2007
Page: 1

Bill To:
Val Energy, Inc. 200 W. Douglas STE #520 Wichita, KS 67202

[Redacted]
9208

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Customer ID	Well Name# or Customer P.O.	Payment Terms	
Val	Talbott #1 SWD	Net 30 Days	
Sales Rep ID	Camp Location	Service Date	Due Date
	Medicine Lodgege	Nov 7, 2007	12/7/07

Quantity	Item	Description	Unit Price	Amount
117.00	MAT	Common Class A	11.10	1,298.70
78.00	MAT	Pozmix	6.20	483.60
4.00	MAT	Gel	16.65	66.60
6.00	MAT	Chloride	46.60	279.60
205.00	SER	Handling	1.90	389.50
16.00	SER	Mileage 205 sx @ .09 per sk per mi	18.45	295.20
1.00	SER	Surface	815.00	815.00
16.00	SER	Mileage Pump truck	6.00	96.00
1.00	SER	Head Rental	100.00	100.00
1.00	EQP	Wooden Plug	60.00	60.00

Cement Surface Casing

ALL PRICES ARE NET, PAYABLE
30 DAYS FOLLOWING DATE OF
INVOICE. 1 1/2% CHARGED
THEREAFTER. IF ACCOUNT IS
CURRENT, TAKE DISCOUNT OF

\$ 388.42

ONLY IF PAID ON OR BEFORE

Dec 7, 2007

Subtotal	3,884.20
Sales Tax	
Total Invoice Amount	3,884.20
Payment/Credit Applied	
TOTAL	3,884.20

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CONSERVATION DIVISION
WICHITA, KS

ALLIED CEMENTING CO., INC. 16534

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

SERVICE POINT:
Medicine Lodge KS.

DATE <u>11-02-07</u>	SEC. <u>09</u>	TWP. <u>34s</u>	RANGE <u>11w</u>	CALLED OUT <u>1:30 Am</u>	ON LOCATION <u>3:30 Am</u>	JOB START <u>6:36 Am</u>	JOB FINISH <u>7:00 Am</u>
LEASE <u>Talbot</u>	WELL # <u>1 SW2</u>	LOCATION <u>Gerlain Rd. 1 E, 3 S,</u>			COUNTY <u>Barber</u>	STATE <u>KS.</u>	
OLD OR <u>NEW</u> (Circle one)		<u>1 E, 1 S, E/S</u>					

CONTRACTOR Val #3

TYPE OF JOB Surface

HOLE SIZE 12 5/8" T.D. 257'

CASING SIZE 8 5/8" DEPTH 250'

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX 300 MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. 15'

PERFS. _____

DISPLACEMENT 15 Bbls Freshwater

OWNER Val Energy

CEMENT AMOUNT ORDERED 195 sx 60:40:2+3/cc

COMMON	<u>117</u>	<u>A</u>	@	<u>11.10</u>	<u>1298.70</u>
POZMIX	<u>78</u>		@	<u>6.20</u>	<u>483.60</u>
GEL	<u>4</u>		@	<u>16.65</u>	<u>66.60</u>
CHLORIDE	<u>6</u>		@	<u>46.60</u>	<u>279.60</u>
ASC			@		
			@		
			@		
			@		
			@		
			@		
			@		
HANDLING	<u>205</u>		@	<u>1.90</u>	<u>389.50</u>
MILEAGE	<u>16 x 205 x .09</u>				<u>295.20</u>
TOTAL					<u>2813.20</u>

REMARKS:

Run 250' 8 5/8" casing.
Break circulation with Rig.
Mix 195 sx 60:40:2+3/cc
Release wooden plug.
Displace with 15 bbls water.
Leave 15' cement in casing + shut in.
Cement did circulate.

SERVICE

DEPTH OF JOB	<u>250'</u>			
PUMP TRUCK CHARGE				<u>815.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>16</u>	@	<u>6.00</u>	<u>96.00</u>
<u>Head Rental</u>		@	<u>100.00</u>	<u>100.00</u>
		@		
		@		
TOTAL <u>1011.00</u>				

CHARGE TO: Val Energy

STREET _____

CITY _____ STATE _____

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CONSERVATION DIVISION
WICHITA, KS

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.

8 5/8" PLUG & FLOAT EQUIPMENT

MANIFOLD	@		
<u>1- wooden plug</u>	@	<u>60.00</u>	<u>60.00</u>
	@		
	@		

ANY APPLICABLE TAX WILL BE CHARGED UPON INVOICING TOTAL 60.00

TAX _____

TOTAL CHARGE ~~1071.00~~

DISCOUNT ~~100.00~~ IF PAID IN 30 DAYS

SIGNATURE Brian Davidson

PRINTED NAME _____