

ORIGINAL

CONFIDENTIAL

2/6/09

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999

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KANSAS CORPORATION COMMISSION
Must Be Typed

WELL COMPLETION FORM

WELL HISTORY - DESCRIPTION OF WELL & LEASE

FEB 06 2008

Operator: License # 5822
Name: VAL Energy Inc.
Address: 200 West Douglas #520
City/State/Zip: Wichita, Kansas 67202
Purchaser: Maclaskey
Operator Contact Person: K. Todd Allam
Phone: (316) 263-6688
Contractor: Name: VAL Energy Inc.
License: 5822
Wellsite Geologist: Wes Hansen

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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. _____

11-7-2007	11-21-2007	12-26-2007
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-007-23223-0000
County: Barber CONSERVATION DIVISION
WICHITA, KS
W/2 W/2 W/2 Sec. 29 Twp. 34 S. R. 11 East West
2640 feet from S N (circle one) Line of Section
330 feet from E / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Diel Well #: 1-29
Field Name: _____

Producing Formation: Mississippian
Elevation: Ground: 1398 Kelly Bushing: 1403
Total Depth: 5448 Plug Back Total Depth: 5382
Amount of Surface Pipe Set and Cemented at 245 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 A/H I NH 1070-08
(Data must be collected from the Reserve Pit)
Chloride content 31000 ppm Fluid volume 1800 bbls
Dewatering method used Hauled
Location of fluid disposal if hauled offsite: _____
Operator Name: VAL Energy Inc.
Lease Name: Cathy SWD License No.: 5822
Quarter N/E Sec. 25 Twp. 33S S. R. 11 East West
County: Barber Docket No.: D23,329

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: 1-18-08

Subscribed and sworn to before me this 18 day of January

20 08

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

Operator Name: VAL Energy Inc. Lease Name: Diel Well #: 1-29
 Sec. -29 Twp. 34 S. R. 11 East West County: Barber

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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 and 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.

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CONSERVATION DIVISION
 WICHITA, KS

Drill Stem Tests Taken Yes No
 (Attach Additional Sheets)

Samples Sent to Geological Survey Yes No

Cores Taken Yes No

Electric Log Run Yes No
 (Submit Copy)

List All E. Logs Run:

Dual Compensated Density
 Dual Induction
 Microresistivity

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<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
	Name Top Datum	
	Heebner 3770 -2367	
	KC 4300 -2897	
	Pawnee 4638 03235	
	Mississippian 4732 -3329	
	Viola 5080 -3677	
	Simpson Sand 5216 -3813	
	Arbuckle 5374 -3971	

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#	245	60/40 poz	190	2%&3%
Production	7 7/8	5 1/2	14#	5418	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 (Amount and Kind of Material Used)	Depth
2 spf	4729-32, 4734-42, 4747-50, 4753-63	1000 gal 15%MA, 6128bbl slickwater, 108 mlbs sand	4729-63

TUBING RECORD	Size	Set At	Packer At	Liner Run
	2 7/8	4775		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Date of First, Resumerd Production, SWD or Enhr.	Producing Method
	<input type="checkbox"/> Flowing <input checked="" 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
	10	35			

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

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled

Production Interval Other (Specify) _____



VAL ENERGY, INC.

200 W. Douglas, Suite 520
Wichita, Kansas 67202-3005

Office: (316) 263-6688 Fax: (316) 262-2512

February 6, 2008

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

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To Whom It May Concern:

Please keep all information confidential pertaining to the Diel 1-29 located in the approx.
W/2 W/2 W/2 Sec. 29-34S-11W, Barber County, Kansas.

Sincerely

Todd Allam

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CONSERVATION DIVISION
WICHITA, KS

ALLIED CEMENTING CO., INC.

31372

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

REGISTRATION COMMISSION

FEB 06 2008

SERVICE POINT:
Medicine Lodge, KS

DATE <u>Nov 07</u>	SEC. <u>29</u>	TWP. <u>34N</u>	RANGE <u>11W</u>	CONSERVATION REVISED OUT WICHITA # <u>7.00 PM</u>	ON LOCATION <u>8:30 PM</u>	JOB START <u>10:00 PM</u>	JOB FINISH <u>10:30 PM</u>
LEASE <u>DIEL</u>	WELL # <u>1-29</u>	LOCATION <u>US 281 & Hawkins Rd, 1/2 E,</u>			COUNTY <u>Barber</u>	STATE <u>KS</u>	
OLD OR <u>NEW</u> (Circle one)			<u>S/INT</u>			CONFIDENTIAL	

CONTRACTOR Val #4
 TYPE OF JOB Surf face
 HOLE SIZE 12 5/8 T.D. 245
 CASING SIZE 8 5/8 DEPTH 240
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX 300 MINIMUM _____
 MEAS. LINE _____ SHOE JOINT N/A
 CEMENT LEFT IN CSG. 15
 PERFS. _____
 DISPLACEMENT 1 1/4 Bbls fresh H₂O

OWNER Val Energy FEB 06 2008
 CEMENT KCC
 AMOUNT ORDERED 190 sk 60:40:2% gel
+ 3% CE

EQUIPMENT

PUMP TRUCK CEMENTER D. Felio
 # 352 HELPER M. Becker
 BULK TRUCK
 # 356 DRIVER R. Romans
 BULK TRUCK
 # _____ DRIVER _____

COMMON	<u>114 A</u>	@ <u>11.10</u>	<u>1265.40</u>
POZMIX	<u>76</u>	@ <u>6.20</u>	<u>471.20</u>
GEL	<u>3</u>	@ <u>16.65</u>	<u>49.95</u>
CHLORIDE	<u>6</u>	@ <u>46.60</u>	<u>279.60</u>
ASC		@	
		@	
		@	
		@	
		@	
		@	
		@	
		@	
HANDLING	<u>199</u>	@ <u>1.90</u>	<u>378.10</u>
MILEAGE	<u>18 x 199</u>	@ <u>1.09</u>	<u>322.38</u>
			TOTAL <u>2766.63</u>

REMARKS:

Pipe on Bttm, Break Circ, Pump Spec, Mix 190 sk 60:40:2 + 3% gel, Stop Pump, Release Plug, Start Disp, Wash up on Plug, Sec increase in PST, Slow Rate, Stop Pump at 1 1/4 Bbls total Fresh H₂O Disp, Shut in, Release Line PST, Cement Did Circ.

SERVICE

DEPTH OF JOB	<u>240'</u>	
PUMP TRUCK CHARGE		<u>815.00</u>
EXTRA FOOTAGE	@	
MILEAGE	<u>18</u>	@ <u>6.00</u> <u>108.00</u>
MANIFOLD head rental	@ <u>100.00</u>	<u>100.00</u>
	@	
	@	

CHARGE TO: Val Energy
 STREET _____
 CITY _____ STATE _____ ZIP _____

TOTAL 1023.00

PLUG & FLOAT EQUIPMENT

8 5/8" 1-TWP

	@ <u>60.00</u>	<u>60.00</u>
	@	
	@	
	@	
	@	

ANY APPLICABLE TAX WILL BE CHARGED UPON INVOICING TOTAL 60.00

TAX _____
 TOTAL CHARGE ~~_____~~
 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 X Randy Smith PRINTED NAME X Randy Smith

BASIC

energy services

Pratt

PAGE 2 of 2	CUST NO 1970-VAL002	INVOICE DATE 11/28/2007
INVOICE NUMBER 1970001175		

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

J O B S I T E
 LEASE NAME
 WELL NO.
 COUNTY
 STATE
 JOB DESCRIPTION
 JOB CONTACT

Diel
 1-29
 Barber
 KS
 Cement-New Well Casing/Pipe:

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JOB #	EQUIPMENT #	PURCHASE ORDER NO.	TERMS	DUE DATE
1970-01179	301		Net 30 DAYS	12/28/2007
Cement 60/40 POZ			QTY 25.00 U of M EA	UNIT PRICE 10.710 INVOICE AMOUNT 267.75 T
Cement AA2			175.00 EA	16.530 2,892.75 T
Supervisor Service Supervisor			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

-2,061.72
 10,821.92
 416.68
 11,238.60



PAGE 2 of 2	CUST NO 1970-VAL002	INVOICE DATE 11/28/2007
INVOICE NUMBER 1970001175		

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FEB 06 2008

B
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VAL ENERGY
200 W. DOUGLAS
SUITE 520
WICHITA KS 67202
ATTN:

CONSERVATION DIVISION
WICHITA, KS

J
O
B
S
I
T
E

LEASE NAME
WELL NO.
COUNTY
STATE
JOB DESCRIPTION
JOB CONTACT

Diel
1-29
Barber
KS
Cement-New Well Casing/Pipe:

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SUBTOTAL	10,821.92
TAX	416.68
INVOICE TOTAL	11,238.60

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energy services, L.P.

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CONSERVATION DIVISION
WICHITA KS

TREATMENT REPORT

Customer <i>Val Energy</i>	Lease No.	Date <i>11-21-07</i>	
Lease <i>1101</i>	Well # <i>1-27</i>		
Field Order # <i>17227</i>	Station <i>South</i>	Casing <i>5 1/2</i>	Depth
Type Job <i>Control 13</i>	Formation	County <i>Barber</i>	State <i>KS</i>
		Legal Description <i>29-34-11w</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>175 gal 14112</i>				
Depth <i>1414</i>	Depth	From	To	Pre Pad <i>1.38443</i>	Max		50 Min.	
Volume <i>132</i>	Volume	From	To	Pad	Min		10 Min.	
Max Press <i>1700</i>	Max Press	From	To	Frac	Avg		15 Min.	
Well Connection <i>11</i>	Annulus Vol.	From	To		HHP Used		Annulus Pressure	
Plug Depth <i>3100</i>	Packer Depth	From	To	Flush <i>121/161</i>	Gas Volume		Total Load	

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Customer Representative <i>Michael Hays</i>	Station Manager <i>Scotty</i>	Treater <i>Wade</i>
Service Units <i>10016 15640 19026 19863</i>		
Driver Names <i>Dick Paul Steve Wilson</i>		

Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
<i>0830</i>					<i>On location - Set by Scotty</i>
<i>0946</i>					<i>Run Csg. 1381/5 141 5/2 Csg - 1247, 11120</i>
					<i>Next - 12</i>
<i>1230</i>					<i>Run in pattern</i>
<i>1335</i>					<i>Working to Csg - brace Circ. w/ plug</i>
<i>1320</i>	<i>250</i>		<i>24</i>	<i>5.5</i>	<i>Super-Flush II</i>
<i>1325</i>	<i>290</i>		<i>5</i>	<i>5.5</i>	<i>Flow Spacer</i>
<i>1326</i>	<i>300</i>		<i>46</i>	<i>5.5</i>	<i>10% Cement</i>
<i>1337</i>					<i>Release Plug - Clear Pump + Lines</i>
<i>1339</i>	<i>150</i>			<i>6.5</i>	<i>Start Displ.</i>
<i>1355</i>	<i>250</i>		<i>100</i>	<i>5.4</i>	<i>1.1 ft Pressure</i>
<i>1400</i>	<i>1500</i>		<i>131</i>		<i>Plug Down</i>
<i>1405</i>			<i>7</i>		<i>Plug Set & Mouse Hole</i>

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energy services, L.P.

FEB 06 2008

CONSERVATION DIVISION
Subject to Correction

FIELD ORDER 17237

Date	11-21-07	Customer ID	Val Energy	Lease	Direl	Well #	129	Legal	29-345-11w
CHARGE	Depth	Formation	Shoe Joint	County	Barber	State	KS	Station	Pratt
	Casing	5 1/2	Casing Depth	5418	TD	5439	Job Type	C/W-L.S.	
	Customer Representative	Russell Meyer		Treater	Bobby Drake				
	AFE Number	PO Number	Materials Received by	X	H. Meyer		DLS		

Station Code	Product Code	QUANTITY	MATERIALS, EQUIPMENT, and SERVICES USED	UNIT PRICE	AMOUNT	
P	0055	176 cu ft.	AD 2		2492.75	
P	0103	76 cu ft.	100/100 Poz		767.25	
P	P194	13216 lb.	FC-A-322		1089.00	
P	P221	94716 lb.	Salt (An)		211.75	
P	P243	4216 lb.	DeKromer		144.90	
P	P244	4016 lb.	Cement Friction Reducer		300.00	
P	P312	16516 lb.	Gas Blk		819.75	
P	P321	87716 lb.	Gilsonite		587.57	
P	P304	1000 gal	Super Flush II		1530.00	
P	F101	7 ea.	Turbolizer, 5 1/2"		519.40	
P	F121	1 ea.	Basket, 5 1/2"		368.50	
P	F143	1 ea.	Top Rubber Cement Plug, 5 1/2"		75.00	
P	F191	1 ea.	Guide Shoe - Reg. 5 1/2"		186.65	
P	F231	1 ea.	Flapper Type Insert Float Valve, 5 1/2"		175.00	
P	E100	90 min.	Heavy Vehicle Mileage		450.00	
P	E101	45 min.	Pickup Mileage		135.00	
P	E104	471 min.	Bank Delivery		673.20	
P	E107	2000 ft.	Cement Service Charge		300.00	
P	E891	1 ea.	Spicer Supervisor		150.00	
P	A210	1 ea.	Cement Plug, 4500' - 5000'		1927.00	
P	A701	1 ea.	Cement Head Rental		250.00	
Discounted Price						14,821.92

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