

ORIGINAL

Form ACO-1
October 2008
Form Must Be Typed

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

WELL COMPLETION FORM

WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 5822
Name: VAL ENERGY, INC
Address 1: 200 W. DOUGLAS
Address 2: SUITE 520
City: WICHITA State: KS Zip: 67202 +
Contact Person: K. TODD ALLAM
Phone: (316) 263-6688

CONTRACTOR: License # 5822
Name: VAL ENERGY, INC
Wellsite Geologist: N/A
Purchaser: N/A
Designate Type of Completion:

New Well Re-Entry Workover
 Oil SWD SLOW
 Gas ENHR SIGW
 CM (Coal Bed Methane) Temp. Abd.
 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. Conv. to SWD
 Plug Back: _____ Plug Back Total Depth _____
 Commingled Docket No.: _____
 Dual Completion Docket No.: _____
 Other (SWD or Enhr.?) Docket No.: _____
1/7/09 1/10/09 1/10/09
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 15-007-23414-0000
Spot Description: _____
SW NE NE NE Sec. 32 Twp. 34 S. R. 11 East West
395 Feet from North / South Line of Section
495 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW

County: BARBER
Lease Name: ROSE TRUST Well #: 1-32
Field Name: UNKNOWN
Producing Formation: N/A
Elevation: Ground: 1408 Kelly Bushing: 1419
Total Depth: 850 Plug Back Total Depth: 590
Amount of Surface Pipe Set and Cemented at: 220 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 Alt I NCR 3-4-09
(Data must be collected from the Reserve Pit)
Chloride content: _____ ppm Fluid volume: _____ bbls
Dewatering method used: _____
Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____ License No.: _____
Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
County: _____ Docket No.: _____

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.

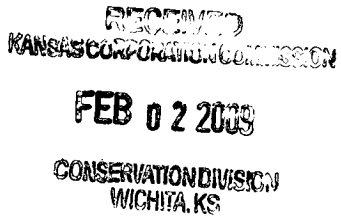
Signature: K Todd Allam
Title: PRESIDENT Date: 1/30/09
Subscribed and sworn to before me this 30 day of JANUARY
20 09
Notary Public: Brandi Wyer
Date Commission Expires: 2/24/2010

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

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

Operator Name: VAL ENERGY, INC Lease Name: ROSE TRUST Well #: 1-32
 Sec. 32 Twp. 34 S. R. 11 East West County: BARBER

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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run:	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum <div style="text-align: center;">  </div>
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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	220	60/40 POZ	195	2%GEL, 3% CC

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 checked="" type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone	590	60/40 POZ	135 SX	

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

TUBING RECORD: Size: _____ Set At: _____ Packer At: _____		Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Date of First, Resumed 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 Bbbs.	Gas Mcf	Water Bbbs. Gas-Oil Ratio Gravity

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input checked="" type="checkbox"/> Other (Specify) <u>PLUGGED & ABANDONED</u>	PRODUCTION INTERVAL: _____ _____
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24 S. Lincoln Street
P.O. Box 31
Russell, KS 67665-2906
Voice: (785) 483-3887
Fax: (785) 483-5566

INVOICE

Invoice Number: 117851
Invoice Date: Jan 11, 2009
Page: 1

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

RECEIVED
JAN 16 2008

9233

Customer ID	Well Name# or Customer P.O.	Payment Terms	
Val	Rose Trust #1-32	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS1	Medicine Lodge	Jan 11, 2009	2/10/09

Quantity	Item	Description	Unit Price	Amount
81.00	MAT	Class A Common	15.45	1,251.45
54.00	MAT	Pozmix	8.00	432.00
5.00	MAT	Gel	20.80	104.00
140.00	SER	Handling	2.40	336.00
1.00	SER	Minimum Handling Mileage Charge	312.00	312.00
1.00	SER	Rotary Plug	1,017.00	1,017.00
20.00	SER	Mileage Pump Truck	7.00	140.00

RECEIVED
KANSAS CORPORATION COMMISSION
FEB 02 2009
CONSERVATION DIVISION
WICHITA, KS

Cement to Plug well #1

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

\$ 359.24

ONLY IF PAID ON OR BEFORE

Feb 10, 2009

Subtotal	3,592.45
Sales Tax	226.32
Total Invoice Amount	3,818.77
Payment/Credit Applied	
TOTAL	3,818.77

359.24

\$ 3459.53

ALLIED CEMENTING CO., LLC. 34155

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

SERVICE POINT:
Medicine Lodge, KS

DATE <i>11-09</i>	SEC. <i>32</i>	TWP. <i>34S</i>	RANGE <i>11W</i>	CALLED OUT <i>7:30AM</i>	ON LOCATION <i>10:15AM</i>	JOB START <i>10:45AM</i>	JOB FINISH <i>12:00 PM</i>
Rose Trust LEASE		WELL # <i>1-32</i>	LOCATION <i>281 + Rattlesnake Trail, 2E,</i>		COUNTY <i>Barber</i>	STATE <i>KS</i>	
OLD OR NEW (Circle one) <u>NEW</u>			<i>1/0 S, W INTO</i>				

CONTRACTOR *VAL #5*

TYPE OF JOB *Rotary Plug*

HOLE SIZE *7 7/8* T.D. *590'*

CASING SIZE *8 5/8"* *24#* DEPTH *229'*

TUBING SIZE _____ DEPTH _____

DRILL PIPE *4 1/2* DEPTH *590'*

TOOL _____ DEPTH _____

PRES. MAX *300* MINIMUM *100*

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. _____

PERFS. _____

DISPLACEMENT _____

OWNER *VAL Energy*

CEMENT AMOUNT ORDERED *135 SK (60) 140:4*

EQUIPMENT

PUMP TRUCK CEMENTER *Thomas Dargarrow*

360-265 HELPER *Raymond K.*

BULK TRUCK DRIVER *JR.*

389

BULK TRUCK DRIVER _____

COMMON	<i>81 A</i>	@	<i>15.45</i>	<i>1251.45</i>
POZMIX	<i>54</i>	@	<i>8.00</i>	<i>432.00</i>
GEL	<i>5</i>	@	<i>20.80</i>	<i>104.00</i>
CHLORIDE	_____	@	_____	_____
ASC	_____	@	_____	_____
HANDLING	<i>140</i>	@	<i>2.40</i>	<i>336.00</i>
MILEAGE	<i>20</i>	Min chg	_____	<i>312.00</i>
TOTAL				<i>2435.45</i>

RECEIVED
KANSAS CORPORATION COMMISSION
FEB 02 2009
CONSERVATION DIVISION
WICHITA, KS

REMARKS:
*Pipe set @ (590) Load hole, Pump 5 frisk
50 SK 60:40:4, 3 Frisk, 2 mud, Pipe set @ 270'
Load hole, Pump 5 frisk, 35 SK 60:40:4, 1 1/2 Frisk
Pipe set @ 60, Load hole, Pump 25 SK 60:40:4,
Plug Rat w/ 15 sk + mouse w 10 sk 60:40:4
Cement circulated to surface + stayed*

Thank you

CHARGE TO: *VAL Energy*

STREET _____

CITY _____ STATE _____ ZIP _____

SERVICE

DEPTH OF JOB *590'*

PUMP TRUCK CHARGE *1017.00*

EXTRA FOOTAGE @ _____

MILEAGE *20* @ *7.00* *140.00*

MANIFOLD @ _____

TOTAL *1157.00*

PLUG & FLOAT EQUIPMENT

_____	@	_____
_____	@	_____
_____	@	_____
_____	@	_____
_____	@	_____

To Allied Cementing Co., LLC.
You are hereby requested to rent cementing equipment and furnish cementer and helper(s) 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 and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

PRINTED NAME *X Randy Smith*

SIGNATURE *X Randy Smith*

SALES TAX (If Any) _____

TOTAL CHARGES ~~_____~~

DISCOUNT ~~_____~~ IF PAID IN 30 DAYS

ANY APPLICABLE TAX WILL BE CHARGED UPON INVOICING



INVOICE

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

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

Invoice Number: 117817
 Invoice Date: Jan 9, 2009
 Page: 1

RECEIVED

JAN 14 2008

9308

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

Customer ID	Well Name# or Customer P.O.	Payment Terms	
Val	Rose Trust #1-32	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS2	Medicine Lodge	Jan 9, 2009	2/8/09

Quantity	Item	Description	Unit Price	Amount
117.00	MAT	Class A Common	15.45	1,807.65
78.00	MAT	Pozmix	8.00	624.00
3.00	MAT	Gel	20.80	62.40
6.00	MAT	Chloride	58.20	349.20
204.00	SER	Handling	2.40	489.60
20.00	SER	Mileage 204 sx @ .10 per sk per mi	20.40	408.00
1.00	SER	Surface	1,018.00	1,018.00
20.00	SER	Mileage Pump Truck	7.00	140.00
1.00	SER	Head Rental	113.00	113.00
1.00	EQP	Wooden Plug	68.00	68.00

RECEIVED
 KANSAS CORPORATION COMMISSION
 FEB 02 2009
 CONSERVATION DIVISION
 WICHITA, KS

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

\$ 507.98

ONLY IF PAID ON OR BEFORE

Feb 8, 2009

Subtotal	5,079.85
Sales Tax	183.41
Total Invoice Amount	5,263.26
Payment/Credit Applied	
TOTAL	5,263.26

ALLIED CEMENTING CO., LLC. 32568

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

SERVICE POINT:
Medicine Lodge, ks

DATE <u>1-9-09</u>	SEC. <u>32</u>	TWP. <u>34S</u>	RANGE <u>11 W</u>	CALLED OUT <u>4:00 pm</u>	ON LOCATION <u>4:30 pm</u>	JOB START <u>6:30 pm</u>	JOB FINISH <u>7:00 pm</u>
LEASE <u>Rose Trust</u>		WELL # <u>1-32</u>	LOCATION <u>Medicine Lodge ks S to Rethel</u>		COUNTY <u>Boyer</u>	STATE <u>KS</u>	
OLD OR NEW (Circle one) <u>NEW</u>			SHEK Rd, 2 E to North Star, S 100 yards, W/in rd				

CONTRACTOR V91 #5 OWNER V91 Energy

TYPE OF JOB Surfacer

HOLE SIZE <u>12 1/4</u>	T.D. <u>223</u>
CASING SIZE <u>8 5/8</u>	DEPTH <u>224</u>
TUBING SIZE	DEPTH
DRILL PIPE	DEPTH
TOOL	DEPTH
PRES. MAX	MINIMUM
MEAS. LINE	SHOE JOINT
CEMENT LEFT IN CSG. <u>15'</u>	
PERFS.	
DISPLACEMENT <u>13 bbls of Freshwater</u>	

CEMENT AMOUNT ORDERED 195 sv 60'40'2+3%cc

COMMON	<u>117 A</u>	@	<u>15.45</u>	<u>1807.65</u>
POZMIX	<u>78</u>	@	<u>8.00</u>	<u>624.00</u>
GEL	<u>3</u>	@	<u>20.80</u>	<u>62.40</u>
CHLORIDE	<u>6</u>	@	<u>58.20</u>	<u>349.20</u>
ASC		@		

RECEIVED
KANSAS CORPORATION COMMISSION

FEB 02 2009

CONSERVATION DIVISION
WICHITA, KS

HANDLING	<u>204</u>	@	<u>2.40</u>	<u>489.60</u>
MILEAGE	<u>20 x 204 x .10</u>			<u>408.00</u>

TOTAL 3740.85

REMARKS:

Pipe on bottom & break circulation
mix 195sv of pump 3 bbls of Fresh
water ahead, mix 195sv of cement, shut
down & release plug, Start displacement
pump 13 bbls & shut in cement
did Circulate

SERVICE

DEPTH OF JOB	<u>224'</u>			
PUMP TRUCK CHARGE				<u>1018.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>20</u>	@	<u>7.00</u>	<u>140.00</u>
MANIFOLD		@		
	<u>Hood rental</u>	@	<u>113</u>	<u>113.00</u>

TOTAL 1271.00

CHARGE TO: V91 Energy

STREET _____

CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

<u>8 5/8</u>				
<u>1-wooden plug</u>	@	<u>68.00</u>	<u>68.00</u>	
	@			
	@			
	@			

TOTAL 68.00

To Allied Cementing Co., LLC.
You are hereby requested to rent cementing equipment and furnish cementer and helper(s) 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 and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

SALES TAX (If Any) _____

TOTAL CHARGES ~~1271.00~~

DISCOUNT ~~0.00~~ IF PAID IN 30 DAYS

PRINTED NAME x Randy Smith

SIGNATURE x Randy Smith

ANY APPLICABLE TAX
WILL BE CHARGED
UPON INVOICING