

ORIGINAL

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form ACO-1  
October 2008  
Form Must Be Typed

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: JON STEWART  
 Purchaser: \_\_\_\_\_  
 Designate Type of Completion:  
 New Well \_\_\_\_\_ Re-Entry \_\_\_\_\_ Workover  
 \_\_\_\_\_ Oil \_\_\_\_\_ SWD \_\_\_\_\_ SIOW  
 \_\_\_\_\_ 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.: \_\_\_\_\_  

<u>11/22/08</u>	<u>11/30/08</u>	<u>PA 11/30/08</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-007-21646-0000  
 Spot Description: \_\_\_\_\_  
NE NE SW SW Sec. 3 Twp. 33 S. R. 6  East  West  
1010 Feet from  North /  South Line of Section  
1000 Feet from  East /  West Line of Section  
 Footages Calculated from Nearest Outside Section Corner:  
 NE  NW  SE  SW  
 County: HARPER  
 Lease Name: IRELAND TRUST Well #: 1-3  
 Field Name: UNKNOWN  
 Producing Formation: SIMPSON  
 Elevation: Ground: 1319 Kelly Bushing: 1329  
 Total Depth: 4890 Plug Back Total Depth: 0  
 Amount of Surface Pipe Set and Cemented at: 253 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** P+A AIT I NCR  
 (Data must be collected from the Reserve Pit) 1-21-09  
 Chloride content: 18000 ppm Fluid volume: 800 bbls  
 Dewatering method used: LET DRY  
 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: [Signature]  
 Title: PRESIDENT Date: 12/8/08  
 Subscribed and sworn to before me this 10 day of DECEMBER  
 20 08  
 Notary Public: [Signature]  
 Date Commission Expires: 2/24/2010

**KCC Office Use ONLY**  
 Letter of Confidentiality Received  
 If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
 UIC Distribution  
**RECEIVED**  
 KANSAS CORPORATION COMMISSION  
**JAN 02 2009**



Operator Name: VAL ENERGY, INC Lease Name: IRELAND TRUST Well #: 1-3  
 Sec. 3 Twp. 33 S. R. 6  East  West County: HARPER

**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 type="checkbox"/> No <i>(Submit Copy)</i>  List All E. Logs Run: RADIATION GUARD BOREHOLE COMPENSATED	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample  <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>Name</th> <th>Top</th> <th>Datum</th> </tr> </thead> <tbody> <tr> <td>STALNAKER</td> <td>3535</td> <td>-2201</td> </tr> <tr> <td>KC</td> <td>3791</td> <td>-2457</td> </tr> <tr> <td>STARK SHALE</td> <td>3933</td> <td>-2599</td> </tr> <tr> <td>B/KC</td> <td>4023</td> <td>-2689</td> </tr> <tr> <td>MISSISSIPPIAN</td> <td>4405</td> <td>-3071</td> </tr> <tr> <td>KINDERHOOK</td> <td>4706</td> <td>-3372</td> </tr> <tr> <td>SIMPSON SAND</td> <td>4813</td> <td>-3979</td> </tr> </tbody> </table>	Name	Top	Datum	STALNAKER	3535	-2201	KC	3791	-2457	STARK SHALE	3933	-2599	B/KC	4023	-2689	MISSISSIPPIAN	4405	-3071	KINDERHOOK	4706	-3372	SIMPSON SAND	4813	-3979
Name	Top	Datum																							
STALNAKER	3535	-2201																							
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KINDERHOOK	4706	-3372																							
SIMPSON SAND	4813	-3979																							

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	253	60/40 POZ	190	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	0-1150	60/40 POZ	155	4% GEL

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

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 KANSAS CORPORATION COMMISSION  
**JAN 02 2009**  
 CONSERVATION DIVISION  
 WICHITA, KS

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 Bbls. _____	Gas Mcf _____	Water Bbls. _____ 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>PLUG &amp; 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: 117242  
Invoice Date: Nov 22, 2008  
Page: 1

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

RECEIVED  
NOV 28 2008

9208

Customer ID	Well Name# or Customer P.O.	Payment Terms	
Val	Ireland Trust #1-3	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS1	Medicine Lodge	Nov 22, 2008	12/22/08

Quantity	Item	Description	Unit Price	Amount
114.00	MAT	Class A Common	15.45	1,761.30
76.00	MAT	Pozmix	8.00	608.00
3.00	MAT	Gel	20.80	62.40
6.00	MAT	Chloride	58.20	349.20
199.00	SER	Handling	2.40	477.60
45.00	SER	Mileage 199 sx @ .10 per sk per mi	19.90	895.50
1.00	SER	Surface	1,018.00	1,018.00
45.00	SER	Mileage Pump Truck	7.00	315.00
1.00	SER	Head Rental	113.00	113.00
1.00	EQP	Wooden Plug	68.00	68.00

*Cement Surface Casing*

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KANSAS CORPORATION COMMISSION  
JAN 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

\$ 566.80

ONLY IF PAID ON OR BEFORE

Dec 22, 2008

Subtotal	5,668.00
Sales Tax	150.99
Total Invoice Amount	5,818.99
Payment/Credit Applied	
<b>TOTAL</b>	<b>5,818.99</b>

566.80

5252.19

# ALLIED CEMENTING CO., LLC. 32527

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

SERVICE POINT:  
Medicine Lodge

DATE <u>11-22-08</u>	SEC. <u>3</u>	TWP. <u>33S</u>	RANGE <u>6W</u>	CALLED OUT <u>0900 AM</u>	ON LOCATION <u>1200 PM</u>	JOB START <u>0245 PM</u>	JOB FINISH <u>0315 PM</u>
LEASE <u>Ireland Trust</u> WELL # <u>1-3</u>			LOCATION <u>Anthony KS, 4E TO MM #4, 3/4</u>		COUNTY <u>Harper</u>	STATE <u>Ks</u>	
OLD OR <u>(NEW)</u> (Circle one)			<u>N on Rd. 40, E/into</u>				

CONTRACTOR Val 3  
TYPE OF JOB Surface

OWNER Val Energy

HOLE SIZE <u>12 1/4</u>	T.D. <u>253</u>
CASING SIZE <u>8 5/8 23 #</u>	DEPTH <u>253</u>
TUBING SIZE	DEPTH
DRILL PIPE	DEPTH
TOOL	DEPTH
PRES. MAX <u>300 psi</u>	MINIMUM <u>100 psi</u>
MEAS. LINE	SHOE JOINT <u>20'</u>
CEMENT LEFT IN CSG. <u>20' per Customer Request</u>	
PERFS.	
DISPLACEMENT <u>14 3/4 Bbls Fresh Water</u>	

CEMENT  
AMOUNT ORDERED 190 SY 60:40:2+3% CC

COMMON	<u>114 A</u>	@ <u>15.45</u>	<u>1761.30</u>
POZMIX	<u>76</u>	@ <u>8.00</u>	<u>608.00</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		@	

**EQUIPMENT**

PUMP TRUCK	CEMENTER <u>Greg G.</u>
# <u>480-486</u>	HELPER <u>Heath M.</u>
BULK TRUCK	
# <u>364</u>	DRIVER <u>Randy F</u>
BULK TRUCK	
#	DRIVER

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KANSAS CORPORATION COMMISSION  
JAN 02 2009  
CONSERVATION DIVISION  
WICHITA, KS

HANDLING	<u>199</u>	@ <u>2.40</u>	<u>477.60</u>
MILEAGE	<u>45 x 199 x .10</u>		<u>895.50</u>
TOTAL			<u>4154.00</u>

**REMARKS:**

Pipe on Bottom, Break Circulation, Pump 5 Bbls  
Fresh Water Ahead Pump Cement 190 SY 60:40:2+3%  
CC, Stop pumps, Release plug, Start Disp., See lift, slow  
Rate, Disp with 14 3/4 Bbls Fresh Water, Shut in,  
Cement circulated to surface.

**SERVICE**

DEPTH OF JOB	<u>253'</u>
PUMP TRUCK CHARGE	<u>1018.00</u>

# INVOICE

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

Invoice Number: 117350  
Invoice Date: Nov 30, 2008  
Page: 1

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

<b>Bill To:</b>
Val Energy, Inc. 200 W. Douglas STE #520 Wichita, KS 67202
9233

Customer ID	Well Name/# or Customer P.O.	Payment Terms	
Val	Ireland Trust #3	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS1	Medicine Lodge	Nov 30, 2008	12/30/08

Quantity	Item	Description	Unit Price	Amount
93.00	MAT	Class A Common	15.45	1,436.85
62.00	MAT	Pozmix	8.00	496.00
5.00	MAT	Gel	20.80	104.00
160.00	SER	Handling	2.40	384.00
45.00	SER	Mileage 160 sx @ .10 per sk per mi	16.00	720.00
1.00	SER	Rotary Plug	1,017.00	1,017.00
45.00	SER	Mileage Pump Truck	7.00	315.00

RECEIVED  
KANSAS CORPORATION COMMISSION  
  
JAN 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

Subtotal	4,472.85
Sales Tax	237.06
Total Invoice Amount	4,709.91
Payment/Credit Applied	
<b>TOTAL</b>	<b>4,709.91</b>

\$ 4,472.85

ONLY IF PAID ON OR BEFORE

Dec 30, 2008

# ALLIED CEMENTING CO., LLC. 042771

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

SERVICE POINT:

*1/06/09*  
*Medicine Lodge*

*Ireland Trust*

DATE <i>11-30-08</i>	SEC <i>3</i>	TWP. <i>33S</i>	RANGE <i>6W</i>	CALLED OUT <i>3:00p.m.</i>	ON LOCATION <i>7:00p.m.</i>	JOB START <i>9:00p.m.</i>	JOB FINISH <i>12:00a.m.</i>
LEASE <del><i>ITL</i></del>	WELL # <i>31-3</i>	LOCATION <i>Harper Co. 44, 5 1/2 S, E1 into</i>			COUNTY <i>Harper</i>	STATE <i>KO.</i>	
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR *Ual 3*

TYPE OF JOB *Rot. plug*

HOLE SIZE *7 7/8* T.D. *4890'*

CASING SIZE *8 3/8* DEPTH

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM *—*

MEAS. LINE SHOE JOINT *—*

CEMENT LEFT IN CSG.

PERFS.

DISPLACEMENT *mud / flush*

EQUIPMENT

OWNER *Ual Energy*

CEMENT

AMOUNT ORDERED *155 3x60/40/4*

PUMP TRUCK CEMENTER *Mark Colof*

# *360-263* HELPER *Steve K.*

BULK TRUCK

# *364* DRIVER *Michael N.*

BULK TRUCK

# DRIVER

COMMON	<i>93 A</i>	@ <i>15.65</i>	<i>1436.85</i>
POZMIX	<i>62</i>	@ <i>8.00</i>	<i>496.00</i>
GEL	<i>5</i>	@ <i>20.80</i>	<i>104.00</i>
CHLORIDE		@	
ASC		@	
@ RECEIVED			
KANSAS CORPORATION COMMISSION			
@ <b>JAN 02 2009</b>			
@			
@ CONSERVATION DIVISION			
@ WICHITA, KS			
@			
HANDLING	<i>160</i>	@ <i>2.40</i>	<i>384.00</i>
MILEAGE	<i>45 x 160 x .10</i>		<i>720.00</i>
			TOTAL <del><i>3140.85</i></del>

REMARKS:

*plug @ 1150' w/ 355x disp w/ mud.*

*plug @ 750' w/ 355x disp w/ flush*

*plug @ 300' w/ 355x disp w/ flush*

*plug @ 60' w/ 255x*

*plug set w/ 155x*

*plug mouse w/ 105x*

SERVICE

DEPTH OF JOB	<i>1150'</i>		
PUMP TRUCK CHARGE			<i>1017.00</i>
EXTRA FOOTAGE		@	
MILEAGE	<i>45</i>	@ <i>7.00</i>	<i>315.00</i>
MANIFOLD		@	
		@	
		@	

CHARGE TO: *Ual Energy*

STREET \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

TOTAL *1332.00*

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.

*Brad Davidson* TOTAL \_\_\_\_\_

SALES TAX (If Any) \_\_\_\_\_

TOTAL CHARGES ~~*1332.00*~~

DISCOUNT ~~*1332.00*~~ IF PAID IN 30 DAYS

PRINTED NAME *[Signature]*

SIGNATURE *[Signature]*

ANY APPLICABLE TAX  
WILL BE CHARGED  
UPON INVOICING.