

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL
2-6-09

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

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: Steve Van Buskirk

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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. _____

12-18-2007	1-2-2008	1-14-2008
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 007-23242-0000
County: Barber
C SW Sec. 16 Twp. 34 S. R. 11 East West
1320 feet from S N (circle one) Line of Section
1320 feet from SW E (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Stan Michel Well #: 1-16

Field Name: _____
Producing Formation: Mississippian
Elevation: Ground: 1358 Kelly Bushing: 1368
Total Depth: 4843 Plug Back Total Depth: 4814
Amount of Surface Pipe Set and Cemented at 225 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 *AK II NO 6-16-09*
(Data must be collected from the Reserve Pit)
Chloride content 18000 ppm Fluid volume 1800 bbls
Dewatering method used hauled
Location of fluid disposal if hauled offsite: _____
Operator Name: VAL Energy Inc.
Lease Name: Talbott License No.: 5822
Quarter SW Sec. 9 Twp. 34S S. R. 11W East West
County: Barber Docket No.: D-30,033

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: _____
Subscribed and sworn to before me this _____ day of _____,
20_____.
Notary Public: Brandi Wyer
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

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MAR 13 2008

CONSERVATION DIVISION
WICHITA, KS

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

Operator Name: VAL Energy Inc. Lease Name: Stan Michel Well #: 1-16 FEB 06 2008
Sec. 16 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, 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 (Attach Additional Sheets)
Samples Sent to Geological Survey
Cores Taken
Electric Log Run (Submit Copy)
List All E. Logs Run:
dual compensated density
dual induction
micro
Log Formation (Top), Depth and Datum
Sample
Name Top Datum
stark shale 4352 -2989
pawnee 4521 -3158
Cherokee 4568 -3205
Mississippian 4584 -3221
Mississippian Porosity 4601 -3238

CASING RECORD
Report all strings set-conductor, surface, intermediate, production, etc.
Table with columns: 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

ADDITIONAL CEMENTING / SQUEEZE RECORD
Table with columns: Purpose (Perforate, Protect Casing, Plug Back TD, Plug Off Zone), Depth Top Bottom, Type of Cement, #Sacks Used, Type and Percent Additives

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 4616-28 & 4645-51 1000 gal 15%MA, Frac w/7442 bbls slickwater & 120,000 mlbs sand 4616-51

TUBING RECORD
Size 2 7/8 Set At 4684 Packer At Liner Run Yes No

Date of First, Resumerd Production, SWD or Enhr. Producing Method
Flowing Pumping Gas Lift Other (Explain)

Estimated Production Per 24 Hours
Oil Bbls. 101 Gas Mcf 482 Water Bbls. 325 Gas-Oil Ratio Gravity 26

Disposition of Gas METHOD OF COMPLETION Production Interval
Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled
Other (Specify) RECEIVED KANSAS CORPORATION COMMISSION

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Pratt

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: Stan Michel
 WELL NO.: 1-16
 COUNTY: Barber
 STATE: KS
 JOB DESCRIPTION: Cement-New Well Casing/~~Flow~~
 JOB CONTACT:

CONFIDENTIAL

FEB 06 2008

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PAGE 1 of 2	CUST NO 1970-VAL002	INVOICE DATE 01/04/2008
INVOICE NUMBER 1970001310		

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JOB #	EQUIPMENT #	PURCHASE ORDER NO.	TERMS	DUE DATE
1970-01316	301		Net 30 DAYS	02/03/2008
For Service Dates: 01/02/2008 to 01/02/2008				
1970-01316				
1970-16972 Cement-New Well Casing 1/2/08				
Pump Charge-Hourly			1.00 Hour	1827.000 1,827.00
Casing Cement Pumper			1.00 EA	250.000 250.00
Cementing Head w/Manifold			1.00 EA	175.000 175.00
Cement Head Rental				
Cement Float Equipment			1.00 EA	175.000 175.00
Flapper Type Insert Float Valve				
Cement Float Equipment			1.00 EA	186.650 186.65
Guide Shoe-Regular				
Cement Float Equipment			1.00 EA	75.000 75.00
Top Rubber Cement Plug				
Cement Float Equipment			6.00 EA	74.200 445.20
Turbolizer				
Mileage			175.00 DH	1.500 262.50
Cement Service Charge				
Mileage			90.00 DH	5.000 450.00
Heavy Vehicle Mileage				
Mileage			367.00 DH	1.600 587.20
Proppant and Bulk Delivery				
Pickup			45.00 Hour	3.000 135.00
Car, Picku or Van Mileage				
Additives			43.00 EA	6.000 258.00 T
Cement Friction Reducer				
Additives			36.00 EA	3.450 124.20 T
Defoamer				
Additives			113.00 EA	8.250 932.25 T
FLA-322				
Additives			141.00 EA	5.150 726.15 T
Gas Blok				
Additives			750.00 EA	0.670 502.50 T
Gilsonite				
Additives			724.00 EA	0.250 181.00 T
Salt				
Additives			1,000.00 EA	1.530 1,530.00 T
Super Flush II				
Cement			25.00 EA	10.710 267.75 T
60/40 POZ				

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PAGE 2 of 2	CUST NO 1970-VAL002	INVOICE DATE 01/04/2008
INVOICE NUMBER 1970001310		

Pratt

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

J LEASE NAME Stan Michel
O WELL NO. 1-16
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
1970-01316	301			Net 30 DAYS	02/03/2008
Cement		QTY	U of M	UNIT PRICE	INVOICE AMOUNT
AA2		150.00	EA	16.530	2,479.50 T
Supervisor		1.00	Hour	150.000	150.00
Service Supervisor					

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 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	-1,847.18 9,697.72 370.51 10,068.23
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KCC

Customer Val Energy, Incorporated	Lease No. Stan Michel	Well # 1-16	Date 1-2-08
Field Order # 16972	Station Pratt	Casing 5 1/2 14 Lb	Depth 4,839 Ft.
Type Job C.W.W. - Long string	Formation	County Barber	State KS
Legal Description 16-375-11W			

PIPE DATA		PERFORATING DATA		CEMENT USED		TREATMENT RESUME		
Casing Size 5 1/2 14 Lb	Tubing Size 6 1/2 17 Ft.	Shots/Ft 150	sacks AA-2 with 3%	From .88%	To FLA-322, 10%	Rate 38	Press Friction Reducer	ISIP .25%
Depth 4,839 Ft.	Volume 118 Bbl.	From 25	To sacks 60/40 Poz	From 15.3 Lb	To 5.79 Gal.	Max 1.38	Gas Gas Blok, 5 Lb/sk	5 Min. Gilsonite
Max Press 500 P.S.I.	Annulus Vol. Plug Container	From 17.7	To Bbl.	From 117.7	To Bbl.	Min 1.38	CU.FT. 1.38 CU.FT./sk.	10 Min. 15 Min.
Well Connection Plug Container	Packer Depth 4,823 Ft.	From 117.7	To Bbl.	From 117.7	To Bbl.	Annulus Pressure	HHP Used	Total Load
Flush 117.7 Bbl.	Gas Volume Water							

Customer Representative Russell Myers	Station Manager David Scott	Treater Clarence R. Messick
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Service Units	19,870	19,903	19,905	19,831	19,862				
Driver Names	Messick	Mattal	Shields						

Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
10:30 P.M.					Trucks on location and hold safety meeting.
12:30 A.M.					Val Drilling start to run Regular Guide Shoe, Shoe joint with Auto-Fill Insert screwed into collar and a total of 124 joints new 14 Lb./Ft. 5 1/2" casing. Ran Turbolizers on Collars #1, 3, 5, 7, 9, and 12.
2:30					Casing in well. Circulate for 30 minutes.
4:57	400			6	Start Fresh Water Pre-Flush.
	400		20	6	Start Super Flush II.
	400		44	6	Start Fresh Water Spacer.
5:06	400		47	5	Start mixing 150 sacks AA-2 cement.
	-0-		84		Stop pumping. Shut in well. Wash pump and lines. Release plug. Open Well.
5:17	100			6.5	Start Fresh Water Displacement.
			102	5	Start to lift cement.
5:36	600		118		Plug down.
	1,500				Pressure up.
					Release pressure. Insert held.
	-0-		4	3	Plug Rat hole.
					Wash up pump truck.
6:30					Job Complete.
					Thank You.
					Clarence, Mike, Billy

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WICHITA, KS



FIELD ORDER 16972

Subject to Correction

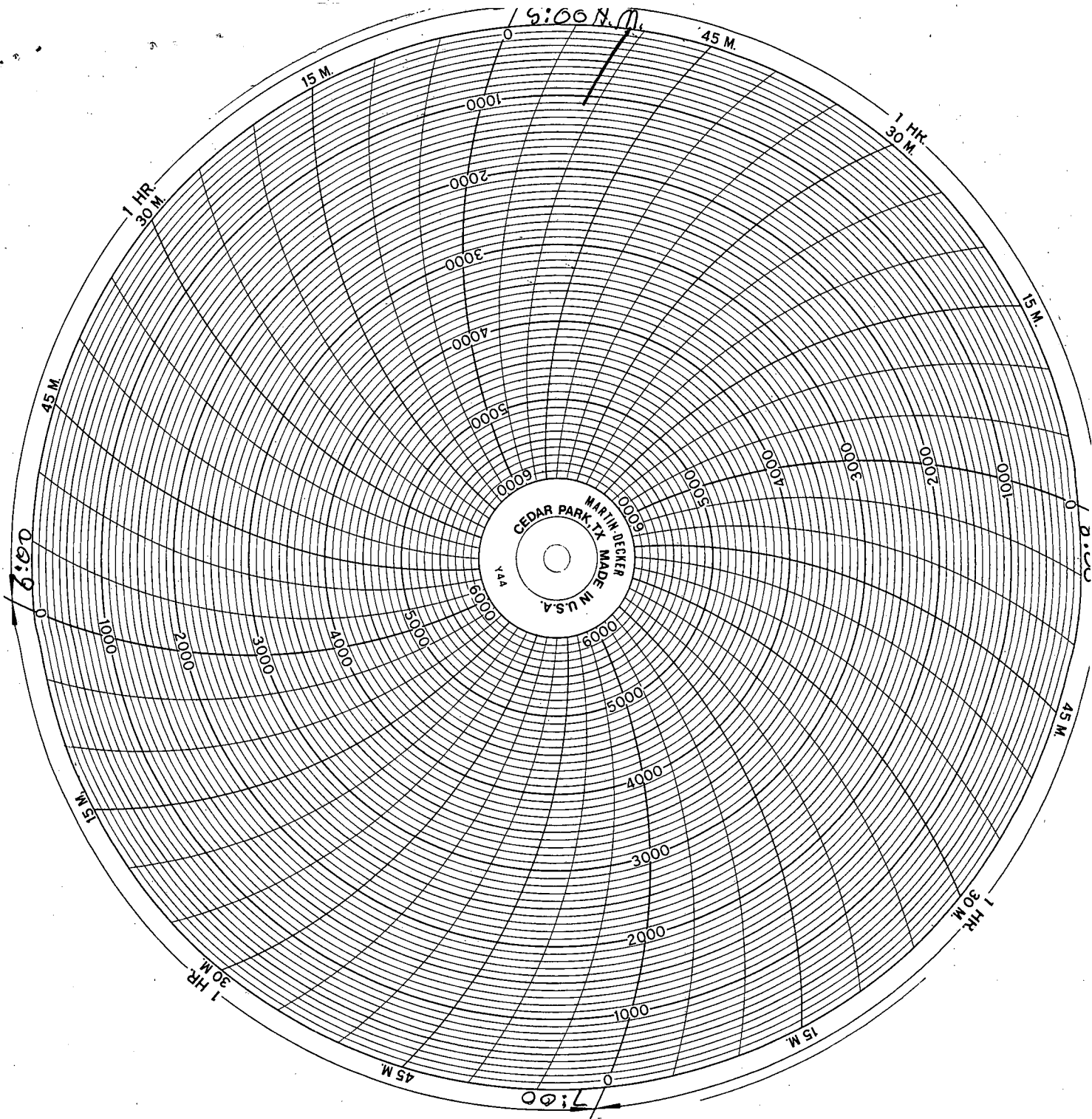
Date	1-2-08	Customer ID	Lease	Stan Michel	Well #	1-16	Legal	16-345-11W
C H A R G E	Val Energy, Incorporated		County	Barber	State	KS.	Station	Pratt
	Depth		Formation		Shoe Joint	20.75 Feet		
	Casing	5 1/2" 14 Lb.	Casing Depth	4,839 Ft.	TDL	4,840 Ft. C.W. - Long String		
	Customer Representative		Russell Myers	Treater	Clarence R. Messick			
AFE Number		PO Number	Materials Received by		X Randy Smith		DL5	

Station Code	Product Code	QUANTITY	MATERIALS, EQUIPMENT, and SERVICES USED	UNIT PRICE	AMOUNT
P	D205	150 sk	AA-2	—	\$ 2,479.50
P	D203	25 sk	60/40 Poz	—	\$ 267.75
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P	C195	113 Lb	FLA-322	—	\$ 932.25
P	C221	724 Lb	Salt (Fine)	—	\$ 181.00
P	C243	36 Lb	Defoamer	—	\$ 124.20
P	C244	43 Lb	Cement Friction Reducer	—	\$ 258.00
P	C312	141 Lb	Gas Blok	—	\$ 726.15
P	C321	750 Lb	Gilsonite	—	\$ 502.50
P	C304	1,000 Gal	Super Flush II	—	\$ 1,530.00
P	F101	6 ea	Turbolizer, 5 1/2"	—	\$ 445.20
P	F143	1 ea	Top Rubber Cement Plug, 5 1/2"	—	\$ 75.00
P	F191	1 ea	Regular Guide Shoe, 5 1/2"	—	\$ 186.65
P	F231	1 ea	Insert Float Valve, 5 1/2"	—	\$ 175.00
P	E100	90 mi	Heavy Vehicle Mileage, 1-Way		\$ 450.00
P	E101	45 mi	Pickup Mileage, 1-Way		\$ 135.00
P	E104	367 tm	Bulk Delivery		\$ 587.20
P	E107	175 sk	Cement Service Charge		\$ 262.50
P	E891	1 ea	Service Supervisor		\$ 150.00
P	R210	1 ea	Cement Pumper: 4,500 Ft. To 5,000 Ft.		\$ 1,827.00
P	R701	1 ea	Cement Head Rental		\$ 250.00
Discounted Price =					\$ 9,697.72
Plus Taxes					

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ALLIED

CEMENTING CO., LLC
Cementing & Acidizing Services

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

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

INVOICE

Invoice Number: 111750
Invoice Date: Dec 21, 2007
Page: 1

Bill To:

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

Federal Tax I.D.# [REDACTED]

Stan Michel

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DEC 28 2007

Customer ID	Well Name/# or Customer P.O.	Payment Terms	
Val	Sta Stawright #1-16	Net 30 Days	
Sales Rep ID	Camp Location	Service Date	Due Date
	Medicine Lodge	Dec 21, 2007	1/20/08

Quantity	Item	Description	Unit Price	Amount
114.00	MAT	Common Class A	11.10	1,265.40
76.00	MAT	Pozmix	6.20	471.20
3.00	MAT	Gel	16.65	49.95
6.00	MAT	Chloride	46.60	279.60
199.00	SER	Handling	1.90	378.10
18.00	SER	Mileage 199 sx @.09 per sk per mi	17.91	322.38
1.00	SER	Surface	815.00	815.00
18.00	SER	Mileage Pump Truck	6.00	108.00
1.00	SER	Head Rental	100.00	100.00
1.00	EQP	Wooden Plug	60.00	60.00

Cement Surface Casing

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

\$ 384.96

ONLY IF PAID ON OR BEFORE

Jan 20, 2008

Subtotal	3,849.63
Sales Tax	133.95
Total Invoice Amount	3,983.58
Payment/Credit Applied	
TOTAL	3,983.58

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CONSERVATION DIVISION
WICHITA, KS

ALLIED CEMENTING CO., LLC. 31503

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

SERVICE POINT: Med. Lodge

St Anwright

DATE <u>12-19-07</u>	SEC. <u>110</u>	TWP. <u>34S</u>	RANGE <u>11W</u>	CALLED OUT <u>4:30 p.m.</u>	ON LOCATION <u>6:00 p.m.</u>	JOB START <u>7:00 p.m.</u>	JOB FINISH <u>7:30 p.m.</u>
LEAS. <u>St Anwright</u>		WELL # <u>1-116</u>	LOCATION <u>Med. Lodge, South to Scott Key</u>			COUNTY <u>Bates</u>	STATE <u>KS</u>
OLD OR <input checked="" type="radio"/> NEW (Circle one)			<u>2d. 2nd, 1/4 S, 4 into</u>				

CONTRACTOR Val 4
 TYPE OF JOB System
 HOLE SIZE 12 1/4 T.D. 225
 CASING SIZE 8 7/8 DEPTH 225
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ SHOE JOINT -
 CEMENT LEFT IN CSG. 20'
 PERFS. _____
 DISPLACEMENT 13 Bbls fresh

OWNER Val Energy
 CEMENT
 AMOUNT ORDERED 1905x60 40.2 K3 %CC

EQUIPMENT
 PUMP TRUCK CEMENTER M. Kalkc.
 # 372 HELPER Darin F.
 BULK TRUCK
 # 364 DRIVER Heath M.
 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 x .09</u>			<u>322.38</u>
TOTAL				<u>2766.63</u>

REMARKS:

2. Re Connection, check Circ. Pump 3.
Used mix 1905x60 40.2+3%CC.
Stop release plug. Depth 225' w/13 leads
float. Shut in. Release psi. Cement
did Circ

SERVICE

DEPTH OF JOB	<u>225'</u>			
PUMP TRUCK CHARGE				<u>815.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>18</u>	@	<u>6.00</u>	<u>108.00</u>
MANIFOLD		@		
<u>Head Rental</u>		@	<u>100.00</u>	<u>100.00</u>
TOTAL				<u>1023.00</u>

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

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CONSERVATION DIVISION
WICHITA, KS

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

8 5/8" PLUG & FLOAT EQUIPMENT

<u>1-wooder plug</u>	@	<u>60.00</u>	<u>60.00</u>	
TOTAL				<u>60.00</u>

ANY APPLICABLE TAX WILL BE CHARGED UPON INVOICING
 SALES TAX (If Any) _____
 TOTAL CHARGES ~~6849.63~~
 DISCOUNT ~~6849.63~~ IF PAID IN 30 DAYS