

**CONFIDENTIAL**

**ORIGINAL**

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form ACO-1  
October 2008  
Form Must Be Typed

1/19/11

**WELL COMPLETION FORM**  
**WELL HISTORY - DESCRIPTION OF WELL & LEASE**

OPERATOR: License # 5822  
Name: VAL ENERGY INC  
Address 1: 200 W. DOUGLAS SUITE 520  
Address 2: \_\_\_\_\_  
City: WICHITA State: KS Zip: 67202 + \_\_\_\_\_  
Contact Person: K. TODD ALLAM  
Phone: (316) 263-6688 **KCC**  
CONTRACTOR: License # 5822 **JAN 19 2010**  
Name: VAL ENERGY INC.  
Wellsite Geologist: ZEB STEWART **CONFIDENTIAL**  
Purchaser: MACLASKEY

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.: \_\_\_\_\_  
12-28-09      1-6-10      1-6-10  
Spud Date or      Date Reached TD      Completion Date or  
Recompletion Date                Recompletion Date

API No. 15 - 173-21001-00-00  
Spot Description: \_\_\_\_\_  
SE NW NE SW Sec. 23 Twp. 29 S. R. 4  East  West  
2040 Feet from  North /  South Line of Section  
1905 Feet from  East /  West Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
 NE  NW  SE  SW  
County: SEDGWICK  
Lease Name: KONECNY Well #: 1-23  
Field Name: UNKNOWN  
Producing Formation: SIMPSON  
Elevation: Ground: 1348 Kelly Bushing: 1359  
Total Depth: 4350 Plug Back Total Depth: \_\_\_\_\_  
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/ \_\_\_\_\_ **PA-Dg<sup>sx cmt</sup> - 2/2/10**

**Drilling Fluid Management Plan**  
*(Data must be collected from the Reserve Pit)*  
Chloride content: 24000 ppm Fluid volume: 1800 bbls  
Dewatering method used: HAUL OFF  
Location of fluid disposal if hauled offsite: \_\_\_\_\_  
Operator Name: 5822  
Lease Name: ORR License No.: 5822  
Quarter SW Sec. 8 Twp. 31 S. R. 11  East  West  
County: SUMNER Docket No.: D06470

**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: OPERATIONS Date: 1-12-10  
Subscribed and sworn to before me this 12 day of JANUARY  
20 10  
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**  
**JAN 26 2010**

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

**KCC WICHITA**

Operator Name: VAL ENERGY INC Lease Name: KONECNY Well #: 1-23  
 Sec. 23 Twp. 29 S. R. 4  East  West County: SEDGWICK

**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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i>  Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input 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: <b>ACRT</b> <b>DUAL SPACED NEUTRON</b>	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>SWOPE</td> <td>3368</td> <td>-2021</td> </tr> <tr> <td>BKC</td> <td>3446</td> <td>-2095</td> </tr> <tr> <td>MARMATON</td> <td>3527</td> <td>-2172</td> </tr> <tr> <td>MISS</td> <td>3864</td> <td>-2516</td> </tr> <tr> <td>KINDERHOOK</td> <td>4182</td> <td>-2855</td> </tr> <tr> <td>SIMPSON</td> <td>4297</td> <td>-2946</td> </tr> </table>	Name	Top	Datum	SWOPE	3368	-2021	BKC	3446	-2095	MARMATON	3527	-2172	MISS	3864	-2516	KINDERHOOK	4182	-2855	SIMPSON	4297	-2946
Name	Top	Datum																				
SWOPE	3368	-2021																				
BKC	3446	-2095																				
MARMATON	3527	-2172																				
MISS	3864	-2516																				
KINDERHOOK	4182	-2855																				
SIMPSON	4297	-2946																				

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	12.25	8.625	23	253	60/40 POZ	175	2%GEL, 3%CC, .25# CELL

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				<b>KCC</b> <b>JAN 19 2010</b> <b>CONFIDENTIAL</b>

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
NA	NA		

TUBING RECORD:	Size:	Set At:	Packer At:	Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No	<b>KCC WICHITA</b>
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. 0	Gas Mcf 0	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>D &amp; A</u>	PRODUCTION INTERVAL: _____ _____
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PAGE 1 of 1	CUST NO 1004409	INVOICE DATE 12/30/2009
INVOICE NUMBER <b>1718 - 90209350</b>		

Pratt (620) 672-1201  
 B VAL ENERGY  
 I 200 W DOUGLAS AVE STE 520  
 L WICHITA  
 L KS US 67202  
 T  
 O ATTN:

J LEASE NAME Konecny 1-23  
 O LOCATION  
 B COUNTY Sedgwick  
 S STATE KS  
 I JOB DESCRIPTION Cement-New Well Casing/Pi  
 T JOB CONTACT  
 E

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 JAN 02 2010

*Surface*

#1-13

JOB #	EQUIPMENT #	PURCHASE ORDER NO.	TERMS	DUE DATE
40134209	27463	920B	Net - 30 days	01/29/2010

**For Service Dates: 12/29/2009 to 12/29/2009**

0040134209

171801253A Cement-New Well Casing/Pi 12/29/2009

	QTY	U of M	UNIT PRICE	INVOICE AMOUNT
Cement	175.00	EA	4.80	840.00
60/40 POZ				
Additives	44.00	EA	1.48	65.12
Cello-flake				
Calcium Chloride	453.00	EA	0.42	190.26
Cement Float Equipment	1.00	EA	64.00	64.00
Wooden Cement Plug, 8 5/8"				
Mileage	140.00	MI	2.80	392.00
Heavy Equipment Mileage				
Mileage	529.00	MI	.64	338.56
Proppant and Bulk Delivery Charge				
Mileage	280.00	MI	0.56	156.80
Blending & Mixing Service Charge				
Pickup	70.00	HR	1.70	119.00
Unit Mileage Charge-Pickups, Vans & Cars				
Pump Charge-Hourly	1.00	HR	400.00	400.00
Depth Charge; 0-500'				
Cementing Head w/Manifold	1.00	EA	100.00	100.00
Plug Container Utilization Charge				
Supervisor	1.00	HR	70.00	70.00
Service Supervisor				

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**JAN 19 2010**  
**CONFIDENTIAL**

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**JAN 26 2010**  
**KCC WICHITA**

PLEASE REMIT TO:	SEND OTHER CORRESPONDENCE TO:	SUB TOTAL	2,735.74
BASIC ENERGY SERVICES, LP	BASIC ENERGY SERVICES, LP	TAX	58.06
PO BOX 841903	PO BOX 10460	INVOICE TOTAL	2,793.80
DALLAS, TX 75284-1903	MIDLAND, TX 79702		



**BASIC**<sup>SM</sup>  
ENERGY SERVICES  
PRESSURE PUMPING & WIRELINE

10244 NE Hwy. 61  
P.O. Box 8613  
Pratt, Kansas 67124  
Phone 620-672-1201

FIELD SERVICE TICKET

1718 1253 A

23-295-4 W

DATE \_\_\_\_\_ TICKET NO. \_\_\_\_\_

DATE OF JOB 12-29-09		DISTRICT Pratt, Kansas		NEW WELL <input checked="" type="checkbox"/> OLD WELL <input type="checkbox"/>		PROD <input type="checkbox"/> INJ <input type="checkbox"/> WDW <input type="checkbox"/>		CUSTOMER ORDER NO.:	
CUSTOMER Val Energy, Incorporated				LEASE konecny				WELL NO. 1-23	
ADDRESS				COUNTY Sedgwick		STATE Kansas			
CITY				STATE		SERVICE CREW C. Messick: K. Lesley: M. Nall			
AUTHORIZED BY				JOB TYPE: C. N. W. - Surface					
EQUIPMENT#	HRS	EQUIPMENT#	HRS	EQUIPMENT#	HRS	TRUCK CALLED	DATE	AM	TIME
19,866	.5			KCC			12-28-09	AM	8:00
						ARRIVED AT JOB	12-29-09	PM	12:15
27,463	.5					START OPERATION		AM	2:50
						FINISH OPERATION		PM	3:20
19,826-19,860	.5					RELEASED	12-29-09	AM	3:45
						MILES FROM STATION TO WELL	70		

CONTRACT CONDITIONS: (This contract must be signed before the job is commenced or merchandise is delivered).

The undersigned is authorized to execute this contract as an agent of the customer. As such, the undersigned agrees and acknowledges that this contract for services, materials, products, and/or supplies includes all of and only those terms and conditions appearing on the front and back of this document. No additional or substitute terms and/or conditions shall become a part of this contract without the written consent of an officer of Basic Energy Services LP.

SIGNED: \_\_\_\_\_  
(WELL OWNER, OPERATOR, CONTRACTOR OR AGENT)

ITEM/PRICE REF. NO.	MATERIAL, EQUIPMENT AND SERVICES USED	UNIT	QUANTITY	UNIT PRICE	\$ AMOUNT
CP 103	60/40 Poz Cement		175 sh		\$ 2,100 00
	RECEIVED				
CC 102	Cellflatre		44 Lb		\$ 162 80
CC 109	Calcium Chloride		453 Lb		\$ 475 65
	KCC WICHITA				
CF 153	Wooden Plug, 8 5/8"		1 ea		\$ 160 00
E 101	Heavy Equipment Mileage		140 mi		\$ 980 00
E 113	Bult Delivery		529 tm		\$ 846 40
E 100	Pickup Mileage		70 mi		\$ 297 50
CE 240	Blending and Mixing Service		280 sh		\$ 392 00
S 003	Service Supervisor		1 ea		\$ 175 00
CE 200	Cement Pump: 0-500 Feet		1 ea		\$ 1,000 00
CE 504	Plug Container		1 ea		\$ 250 00

SUB TOTAL \$ 2,735 74

CHEMICAL / ACID DATA:			

SERVICE & EQUIPMENT	%TAX ON \$	
MATERIALS	%TAX ON \$	DLS
TOTAL		

SERVICE REPRESENTATIVE <i>Ernesto R. M. Madrid</i>	THE ABOVE MATERIAL AND SERVICE ORDERED BY CUSTOMER AND RECEIVED BY <i>Eric D. Dillardson</i>
FIELD SERVICE ORDER NO.	(WELL OWNER OPERATOR CONTRACTOR OR AGENT)

Customer Val Energy, Incorporated	Lease No. Konecny	Date 12-29-09
Lease Konecny	Well # 1-23	
Field Order # 253	Station Pratt, Kansas	Casing 8 7/8 23Lb.
Type Job C.N.W. - Surface	Depth 253 Feet	County Sedgwick
	Formation	State Kansas
		Legal Description 23-245-4W

PIPE DATA		PERFORATING DATA		CEMENT USED		TREATMENT RESUME		
Casing Size 8 7/8 23Lb./ft.	Tubing Size 4 1/2 17 1/2	Shots/Ft	175	sacks	60/40 Poz	RATE	PRESS	ISIP
Depth 253 Feet	Depth	From	To	28 Gal.	38 Calcium Chloride	Max	25	5 Min. Cellflake
Volume 16 Bbl.	Volume	From	To	14.7 Bbl./Gal.	5.71	Min	1.25	10 Min. T./Stk.
Max Press 300 P.S.I.	Max Press	From	To			Avg		15 Min.
Well Connection Plug Container	Annulus Vol.	From	To			HHP Used		Annulus Pressure
Plug-Depth 238 Feet	Backer Depth	From	To	Flush	15 Bbl. Fresh Water	Gas Volume		Total Load

Customer Representative Greg Davidson	Station Manager David Scott	Treater Clarence R. Messick
--	--------------------------------	--------------------------------

Service Units	19,866	27,463	19,826	19,860					
Driver Names	Messick	Lesley	Nall						

Time A.M.	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
12:15					Trucks on location and hold safety meeting.
1:15					Val Drilling start to run 6 Joints new 23Lb./ft. 8 7/8" casing.
2:43					Casing in well. Circulate for 5 minutes.
2:50	200			5	Start Fresh Water Pre-Flush.
			10	5	Start mixing 175 sacks 60/40 Poz cement.
	-0-		49		Stop pumping. Shut in well. Release Wooden Plug. Open Well.
3:05	150			5	Start Fresh Water Displacement.
3:10	300		15		Plug down. Shut in well.
					Circulated 5 sacks cement to pit.
					Wash up pump truck.
3:45					Job Complete.
					Thank You.
					Clarence, Keevin, Mike

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JAN 26 2010

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PAGE 1 of 1	CUST NO 1004409	INVOICE DATE 01/08/2010
INVOICE NUMBER 1718 - 90215955		

Pratt (620) 672-1201  
 B VAL ENERGY  
 I 200 W DOUGLAS AVE STE 520  
 L WICHITA  
 T KS US 67202  
 O ATTN:

J LEASE NAME Konecny 1-23  
 O LOCATION  
 B COUNTY Sedgwick  
 S STATE KS  
 I JOB DESCRIPTION Cement-New Well Casing/Pi  
 T JOB CONTACT  
 E

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*Plugging Cement*

JOB #	EQUIPMENT #	PURCHASE ORDER NO.	TERMS	DUE DATE
40137095	20920	9215	Net - 30 days	02/07/2010
			UNIT PRICE	INVOICE AMOUNT
<i>For Service Dates: 01/06/2010 to 01/06/2010</i>				
0040137095				
171801094A Cement-New Well Casing/Pi 01/06/2010				
Cement		155.00	EA	5.76 892.80 T
60/40 POZ		268.00	EA	0.12 32.16 T
Additives		140.00	MI	3.36 470.40
Cement Gel		469.00	MI	0.77 360.19
Mileage		155.00	MI	0.67 104.16
Heavy Equipment Mileage		70.00	HR	2.04 142.80
Mileage		1.00	HR	576.00 576.00
Proppant and Bulk Delivery Charge		1.00	HR	84.00 84.00
Mileage				
Blending & Mixing Service Charge				
Pickup				
Unit Mileage Charge-Pickups, Vans & Cars				
Pump Charge-Hourly				
Depth Charge; 501-1000'				
Supervisor				
Service Supervisor				

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 JAN 19 2010  
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PLEASE REMIT TO:	SEND OTHER CORRESPONDENCE TO:	SUB TOTAL	2,662.51
BASIC ENERGY SERVICES, LP	BASIC ENERGY SERVICES, LP	TAX	49.02
PO BOX 841903	PO BOX 10460	INVOICE TOTAL	2,711.53
DALLAS, TX 75284-1903	MIDLAND, TX 79702		



Customer <b>VAL ENERGY INC</b>	Lease No.	Date <b>01-06-10</b>
Lease <b>KONECKY</b>	Well # <b>1-23</b>	
Field Order # <b>1094</b>	Station <b>PRATT</b>	Casing <b>A.P.</b>
Type Job <b>CNW</b>	Formation <b>P.T.A.</b>	Depth <b>300</b>
		County <b>Sedgewick</b>
		State <b>Ks</b>
		Legal Description <b>23-29-4</b>

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME		
Casing Size	Tubing Size	Shots/Ft		Acid	RATE	PRESS	ISIP	
Depth	Depth	From	To	Pre Pad	Max		5 Min.	
Volume	Volume	From	To	Pad	Min		10 Min.	
Max Press	Max Press	From	To	Frac	Avg		15 Min.	
Well Connection	Annulus Vol.	From	To		HHP Used		Annulus Pressure	
Plug Depth	Packer Depth	From	To	Flush	Gas Volume		Total Load	

Customer Representative	Station Manager <b>DAVE SCOTT</b>	Treater <b>Robert Sullivan</b>
Service Units <b>19867 19959 20970 19832 21010</b>		
Driver Names <b>Sullivan Roush NALL</b>		

Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
1230					ON loc job, ready
					P.T.A.
1415	150		5		710' plug, w/ 35sk 60/40 per
			9	35	SPACER
1425			5		CMF
					Dis. & shut down
1440			5	25	400' w/ 35sk 60/40 per
			9		SPACER
1445			11		CMF
					Dis. & shut down
1450	150		5		300' w/ 35sk 60/40 per
			9		SPACER
1455			11		CMF
					shut down
1525			6	3	JOP 60' w/ 25sk
			5		RH. w/ 15sk
			4		M.H. w/ 10sk
1545					Job Complete

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Thank you





VAL ENERGY, INC.

200 W. Douglas, Suite 520  
Wichita, Kansas 67202

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

JANUARY 19, 2010

Kansas Corporation Commission  
130 S. Market # 2078  
Wichita, KS 67202

Re: API 15-173-21001-00-00

To Whom It May Concern:

Please hold all information confidential for the KONECNY 1-23 located in the SW-NW-NE-SW  
Sec. 23-29S-4W SEDGWICK County, Kansas.

Sincerely

A handwritten signature in black ink, appearing to read 'Dustin Wyer', with a long horizontal flourish extending to the right.

Dustin Wyer

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