

CONFIDENTIAL

ORIGINAL 2/17/11
Form ACC-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 # 31783
 Name: Mid-Continent Energy Operating Company
 Address 1: 100 W. 5th Street
 Address 2: Suite 450
 City: Tulsa State: OK Zip: 74103 + 4254
 Contact Person: G. M. Canaday
 Phone: (918) 587-6363
 CONTRACTOR: License # 5822
 Name: Val Energy, Inc.
 Wellsite Geologist: Kevin Kessler
 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.)

API No. 15 - 101-22134-00-00
 Spot Description: SE/4
 S/2 NE NE SE Sec. 22 Twp. 18 S. R. 29 East West
23402240 Feet from North / South Line of Section
330 Feet from East / West Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
 County: Lane
 Lease Name: Taldo Well #: 1-22
 Field Name: Wildcat
 Producing Formation: _____
 Elevation: Ground: 2796 Kelly Bushing: 2801
 Total Depth: 4652 Plug Back Total Depth: _____
 Amount of Surface Pipe Set and Cemented at: _____ 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 crmt.

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.: PPA 11/18/08

<u>10/22/08</u>	<u>11/17/08</u>	<u>2/16/09</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

Drilling Fluid Management Plan DANS 4-27-09
 (Data must be collected from the Reserve Pit)
 Chloride content: 2300 ppm Fluid volume: 1000 bbls
 Dewatering method used: Allowed to dry
 Location of fluid disposal if hauled offsite:
 Operator Name: _____
 Lease Name: _____ License No.: _____
 Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
 County: _____ Docket No.: _____

*Rep
2/23
DM*

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: _____
 Title: President Date: 2/16/09
 Subscribed and sworn to before me this _____ day of _____, 2009.
 Notary Public Oklahoma
 OFFICIAL SEAL
 JO ANN ARCHERD
 Pawnee County
 08001689 Exp. 2-8-12
 Date Commission Expires: _____

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

FEB 19 2009

CONSERVATION DIVISION
WICHITA, KS

Operator Name: Mid-Continent Energy Operating Company Lease Name: Taldo Well #: 1-22
 Sec. 22 Twp. 18 S. R. 29 East West County: Lane

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: DIL/MEL CNL/CDL	<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:70%;">Name</td> <td style="width:15%;">Top</td> <td style="width:15%;">Datum</td> </tr> <tr> <td>Anhydrite</td> <td>2152</td> <td>+649</td> </tr> <tr> <td>Base Anhydrite</td> <td>2180</td> <td>-621</td> </tr> <tr> <td>Heebner</td> <td>3926</td> <td>-1125</td> </tr> <tr> <td>Stark</td> <td>4248</td> <td>-1447</td> </tr> <tr> <td>Fort Scott</td> <td>4492</td> <td>-1691</td> </tr> <tr> <td>Mississippi</td> <td>4594</td> <td>-1793</td> </tr> </table>	Name	Top	Datum	Anhydrite	2152	+649	Base Anhydrite	2180	-621	Heebner	3926	-1125	Stark	4248	-1447	Fort Scott	4492	-1691	Mississippi	4594	-1793
Name	Top	Datum																				
Anhydrite	2152	+649																				
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Heebner	3926	-1125																				
Stark	4248	-1447																				
Fort Scott	4492	-1691																				
Mississippi	4594	-1793																				

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CASING RECORD <input 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"	24#	303'	Class A	185	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 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 <i>(Amount and Kind of Material Used)</i>	Depth

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 FEB 19 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 type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
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Mid-Continent Energy Operating Company - Drilling Report

Phone: 918-587-6363

Fax: 918-592-0843

Well: **Taldo #1-22** SEC 22 T18S R29W County: Lane State: Kansas
GL: 2796' KB: 2801' Location SE4 2240' FSL, 330' FEL

Date *Report*

DST #1 4320'-4350' 30-30-30-30
Rec 5' drilling mud
IF 16-17# ISIP 54# FF 16-16# FSIP 83# HS 2150-2089#

DST #2 4340'-4440' 30-75-60-90
Rec. 80' drilling mud
IF 18-31# ISIP 304# FF 31-53# FSIP 293# HS 2110-2081#

DST #3 4500'-4570' 30-30-30-30
Rec. 15' drilling mud w/oil specks
IF 17-18# ISIP 302# FF 18# -19# FSIP 263# HS 2166-2148#

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KANSAS CORPORATION COMMISSION

FEB 19 2009

CONSERVATION DIVISION
WICHITA, KS



24 S. Lincoln Street
P.O. Box 31
Russell, KS 67665-2906
Voice: (785) 483-3887
Fax: (785) 483-5566

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RECEIVED OCT 30 2008

INVOICE

Invoice Number: 116711
Invoice Date: Oct 24, 2008
Page: 1

Bill To:
Mid-Continent Energy Operating Co.
100 West 5th St. Suite 450
Tulsa, OK 74103

SCANNED
NOV 05 2008

Associated Resources, Inc.

Customer ID	Well Name# or Customer P.O.	Payment Terms	
MidCoEnOp	Talco #1-22	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS1	Oakley	Oct 24, 2008	11/23/08

Quantity	Item	Description	Unit Price	Amount
185.00	MAT	Class A Common	15.45	2,858.25
3.00	MAT	Gel	20.80	62.40
6.00	MAT	Chloride	58.20	349.20
194.00	SER	Handling	2.40	465.60
40.00	SER	Mileage 194 sx @ .10 per sk per mi	19.40	776.00
1.00	SER	Surface	1,018.00	1,018.00
40.00	SER	Mileage Pump Truck	7.00	280.00

CO. #
LSE # 300120
ACCT # ~~156230~~ 156230
APPROVED
BCP ACP LOE

APE
+
DOI

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

\$ 580.94

ONLY IF PAID ON OR BEFORE

Nov 23, 2008

Subtotal	5,809.45
Sales Tax	173.30
Total Invoice Amount	5,982.75
Payment/Credit Applied	
TOTAL	5,982.75

5401.81

KANSAS COMMISSION

FEB 19 2009

CONSERVATION DIVISION
WICHITA, KS

ALLIED CEMENTING CO., LLC. 043847

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

SERVICE POINT: oakley

DATE <u>10-24-08</u>	SEC <u>22</u>	TWP. <u>18s</u>	RANGE <u>29w</u>	CALLED OUT	ON LOCATION <u>6:45pm</u>	JOB START <u>3:30am</u>	JOB FINISH <u>4:00am</u>
LEASE <u>talco</u>	WELL # <u>1-22</u>	LOCATION <u>Dighton</u>	<u>2w 1/2s</u>	COUNTY <u>Lane</u>	STATE <u>KS</u>		
OLD OR <input checked="" type="radio"/> NEW (Circle one)			<u>W into</u>				

CONTRACTOR Precision Drilling Rig / OWNER same

TYPE OF JOB surface
 HOLE SIZE 12 1/4 T.D. 308'
 CASING SIZE 8 5/8 DEPTH 297'
 TUBING SIZE DEPTH
 DRILL PIPE DEPTH
 TOOL DEPTH
 PRES. MAX MINIMUM
 MEAS. LINE SHOE JOINT
 CEMENT LEFT IN CSG. 15'
 PERFS.
 DISPLACEMENT 17.96 BBL

CEMENT
 AMOUNT ORDERED 185 sks com
3% gel 2% gel

EQUIPMENT
 PUMP TRUCK CEMENTER Andrew
 # 422 HELPER Larene
 BULK TRUCK
 # 218 DRIVER ALVIN
 BULK TRUCK
 # DRIVER

COMMON	<u>185 sks</u>	@ <u>15.45</u>	<u>2858.25</u>
POZMIX		@	
GEL	<u>3 gel</u>	@ <u>20.80</u>	<u>62.40</u>
CHLORIDE	<u>6 sks</u>	@ <u>58.20</u>	<u>349.20</u>
ASC		@	

HANDLING	<u>194 sks</u>	@ <u>2.40</u>	<u>465.60</u>
MILEAGE	<u>104 sk/mile</u>		<u>716.00</u>
TOTAL			<u>4571.45</u>

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REMARKS:

Cement did circulate

Thank you

CHARGE TO: Mid-continent Energy Corp
 STREET _____
 CITY Topeka STATE OK ZIP _____

SERVICE

DEPTH OF JOB	<u>297'</u>		
PUMP TRUCK CHARGE			<u>1018.00</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>40 miles</u>	@ <u>7.00</u>	<u>280.00</u>
MANIFOLD		@	
TOTAL			<u>1298.00</u>

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 Greg Whittaker
 SIGNATURE [Signature]

SALES TAX (If Any) _____
 TOTAL CHARGES _____
 DISCOUNT _____ IF PAID IN 30 DAYS

KANSAS CORP. COMMISSION
 FEB 19 2009
 CONSERVATION DIVISION
 WICHITA, KS

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

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

INVOICE

Invoice Number: 117160
Invoice Date: Nov 18, 2008
Page: 1

RECEIVED NOV 25 2008

Bill To:

Mid-Continent Energy Operating Co.
100 West 5th St. Suite 450
Tulsa, OK 74103

Customer ID	Well Name# or Customer P.O.	Payment Terms	
MidCoEnOp	Taldo #1-22	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS1	Great Bend	Nov 18, 2008	12/18/08

Quantity	Item	Description	Unit Price	Amount
171.00	MAT	Class A Common	13.65	2,334.15
114.00	MAT	Pozmix	7.60	866.40
10.00	MAT	Gel	20.40	204.00
71.00	MAT	Flo Seal	2.45	173.95
298.00	SER	Handling	2.25	670.50
40.00	SER	Mileage 298 sx @ .10 per sk per mi	29.80	1,192.00
1.00	SER	Rotary Plug	1,170.00	1,170.00
40.00	SER	Mileage Pump Truck	7.00	280.00

ALL 100

CO. #
LSE # 300120
ACCT # 156230
APPROVED
LSE

Scanned
Associated Resources, Inc.

AFE
DOI
KCC
FEB 17 2009
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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

\$ 689.10

ONLY IF PAID ON OR BEFORE

Dec 18, 2008

Subtotal	6,891.00
Sales Tax	365.22
Total Invoice Amount	7,256.22
Payment/Credit Applied	
TOTAL	7,256.22

KANSAS CONSERVATION COMMISSION

FEB 19 2009

CONSERVATION DIVISION
WICHITA, KS

6567.12

ALLIED CEMENTING CO., LLC. 33435

P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:

Academy City, KS

DATE <u>11-18-08</u>	SEC <u>21</u>	TWP <u>18S</u>	RANGE <u>29W</u>	CALLED OUT <u>9:00 AM</u>	ON LOCATION <u>1:00 PM</u>	JOB START <u>4:00</u>	JOB FINISH <u>5:00</u>
LEASE <u>Talco</u>	WELL # <u>1-22</u>	LOCATION <u>20 Dighton Spinto</u>			COUNTY <u>Lanc</u>	STATE <u>KS</u>	
OLD OR <input checked="" type="radio"/> NEW (Circle one)							

CONTRACTOR Val Rig #4

TYPE OF JOB Rotary Plug

HOLE SIZE 1.0 2160'

CASING SIZE DEPTH 1320'

TUBING SIZE DEPTH 690'

DRILL PIPE 4 1/2" DEPTH 330'

TOOL DEPTH 60'

PRES. MAX 200# MINIMUM 50#

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG.

PERFS.

DISPLACEMENT Fresh water + mud

EQUIPMENT

PUMP TRUCK CEMENTER Kenny

181 HELPER Joe

BULK TRUCK

482 DRIVER Jeff

BULK TRUCK

DRIVER

OWNER Mid Continent

CEMENT

AMOUNT ORDERED 285 sks 60/40

48 Gcl 1/4# Flo Seal

COMMON 171 Wt @ 13.65 2334.15

POZMIX 114 Sk @ 7.60 866.40

GEL 10 Sk @ 20.40 204.00

CHLORIDE @

ASC @

Flo Seal 71 # @ 2.45 173.95

HANDLING 298 Sk @ 2.25 670.50

MILEAGE 298 Sk 10 40 1192.00

TOTAL 5441.00

REMARKS:

1- 2160' - 50 sks 285 sks 60/40

2- 1320' - 80 sks 4% Gcl 1/4# Flo Seal

3- 690' - 50 sks

4- 330' - 50 sks

5- 60' - 60 sks

Asthale - 15 sks

Marschale 10 sks

SERVICE

DEPTH OF JOB 2160'

PUMP TRUCK CHARGE 1170.00

EXTRA FOOTAGE @

MILEAGE 40 @ 7.00 280.00

MANIFOLD @

TOTAL 1450.00

CHARGE TO: Mid Continent Energy Op. Co.

STREET _____

CITY _____ STATE _____ ZIP _____

Thank you!

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 Kerry Partridge

SIGNATURE Kerry Partridge

PLUG & FLOAT EQUIPMENT

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

TOTAL _____

SALES TAX (If Any) _____

TOTAL CHARGES _____

DISCOUNT _____ IF PAID IN 30 DAYS

KCC
FEB 17 2009
CONFIDENTIAL

KANSAS CORP. REGISTRATION
FEB 19 2009
CONSERVATION DIVISION
WICHITA, KS