

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
October 2008
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

12/04/09

OPERATOR: License # 33397

Name: Running Foxes Petroleum

Address 1: 7060 B South Tucson Way

Address 2: _____

City: Centennial State: CO Zip: 80112 + _____

Contact Person: Neil D. Sharp

Phone: (720) 889-0510

CONTRACTOR: License # 5822

Name: VAL Energy

Wellsite Geologist: Neil D. Sharp

Purchaser: Plains Marketing

Designate Type of Completion:

New Well Re-Entry Workover

Oil SWD SIOW

Gas ENHR SIGW

CM (Coal Bed Methane) Temp. Abd.

Dry Other _____

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(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.: _____

8/13/2009 8/22/2009 8/23/2009

Spud Date or Recompletion Date Date Reached TD Completion Date or Recompletion Date

API No. 15 - 191-22566-00-00

Spot Description: _____

C NW NW NW Sec. 7 Twp. 33 S. R. 2 East West

330' 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: Sumner

Lease Name: Atoka Osceola Well #: 4-7-2

Field Name: Sauzek North

Producing Formation: MISSISSIPPIAN

Elevation: Ground: 1141' Kelly Bushing: 1151'

Total Depth: 3905' KB Plug Back Total Depth: 3822.66' GL

Amount of Surface Pipe Set and Cemented at: 254' GL 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 ATI NS 121509
(Data must be collected from the Reserve Pit)

Chloride content: _____ ppm Fluid volume: _____ bbls

Dewatering method used: Air 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: 12/4/09

Subscribed and sworn to before me this 4th day of December

20 09 Kenton E. Keppel

Notary Public: _____

Date Commission Expires: 11-13-2011

KENTON E. KEPPEL
NOTARY PUBLIC
STATE OF COLORADO

My Commission Expires November 13, 2011

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

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Operator Name: Running Foxes Petroleum Lease Name: Atoka Osceola Well #: 4-7-2
 Sec. 7 Twp. 33 S. R. 2 East West County: Sumner

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 (Attach Additional Sheets) Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Cores Taken <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (Submit Copy) List All E. Logs Run: Density, Induction, CBL | <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>Heebner</td> <td>2101' GL</td> <td>-960' GL</td> </tr> <tr> <td>Tonganoxie</td> <td>2449' GL</td> <td>-1308' GL</td> </tr> <tr> <td>Excello</td> <td>3286' GL</td> <td>-2145' GL</td> </tr> <tr> <td>Chattanooga/Woodford</td> <td>3410' GL</td> <td>-2569' GL</td> </tr> </table> | Name | Top | Datum | Heebner | 2101' GL | -960' GL | Tonganoxie | 2449' GL | -1308' GL | Excello | 3286' GL | -2145' GL | Chattanooga/Woodford | 3410' GL | -2569' GL |
| Name | Top | Datum | | | | | | | | | | | | | | |
| Heebner | 2101' GL | -960' GL | | | | | | | | | | | | | | |
| Tonganoxie | 2449' GL | -1308' GL | | | | | | | | | | | | | | |
| Excello | 3286' GL | -2145' GL | | | | | | | | | | | | | | |
| Chattanooga/Woodford | 3410' GL | -2569' GL | | | | | | | | | | | | | | |

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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 | 12.25" | 8.625" | 24# | 254' GL | Class A | 175 | 3% |
| Production | 7.875" | 5.5" | 17# | 3822.66' GL | Class A | 160 | |

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| 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 | n/a | n/a | n/a | |

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| 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 |
|----------------|---|---|-------|
| 4 spf (23g) | 3752' - 3756' GL CIBP set @ 3600' GL | 500 gallons 15% HCL & 25 RCN Balls | |
| 4 spf (23g) | 3399.5' - 3415.5' GL | 1000 gallons 15% HCL & 75 RCN Balls | |

| | | | |
|------------------------------------|------------------------|------------|--|
| TUBING RECORD: Size: <u>2 7/8"</u> | Set At: <u>3435.5'</u> | Packer At: | Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
|------------------------------------|------------------------|------------|--|

| | | | | | |
|--|---|--------------------|----------------------|-------------------------------|-------------------|
| Date of First, Resumed Production, SWD or Enhr. <u>September 13, 2009</u> | Producing Method: <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) | | | | |
| Estimated Production Per 24 Hours | Oil Bbls. <u>35</u> | Gas Mcf <u>n/a</u> | Water Bbls. <u>0</u> | Gas-Oil Ratio <u>100% Oil</u> | Gravity <u>40</u> |

| | | |
|--|---|---|
| DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input checked="" type="checkbox"/> Used on Lease <small>(If vented, Submit ACO-18.)</small> | METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____ | PRODUCTION INTERVAL: <u>3399.5' - 3415.5' GL</u> |
|--|---|---|

ALLIED CEMENTING CO., LLC. 042531

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

SERVICE POINT:

McPherson, KS

ATDKA OSCEOLA

| | | | | | | | |
|-------------------------|---------------------|-----------------|------------------|---|-------------------------------|-----------------------------|------------------------------|
| DATE: <u>8/1/09</u> | SEC: <u>7</u> | TWP: <u>33S</u> | RANGE: <u>2E</u> | CALLED OUT: <u>2:00 P.M.</u> | ON LOCATION: <u>3:00 P.M.</u> | JOB START: <u>8:30 A.M.</u> | JOB FINISH: <u>7:00 P.M.</u> |
| LEASE # <u>4-7-2</u> | WELL # <u>4-7-2</u> | | | LOCATION <u>Wading Lake, SE, 4S, 1E</u> | | COUNTY: <u>Sumner</u> | STATE: <u>KS</u> |
| OLD OR NEW (Circle one) | | | | <u>15, 1/2, 1/2</u> | | | |

CONTRACTOR Val #3

TYPE OF JOB Seal

HOLE SIZE 12 1/4 TD 26 1/2

CASING SIZE 8 7/8 DEPTH 261

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX 300 MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. 20'

PERFS. _____

DISPLACEMENT 15 1/4 Fresh

OWNER Running Foxes

CEMENT AMOUNT ORDERED 175.5x Co. 40.2 + 3.25

| | | | | |
|----------|--------------|---|--------------|----------------|
| COMMON | <u>105 A</u> | @ | <u>16.45</u> | <u>1622.25</u> |
| POZMIX | <u>70</u> | @ | <u>8.00</u> | <u>560.00</u> |
| GEL | <u>3</u> | @ | <u>20.80</u> | <u>62.40</u> |
| CHLORIDE | <u>6</u> | @ | <u>58.26</u> | <u>349.20</u> |
| ASC | | @ | | |

EQUIPMENT

PUMP TRUCK _____ CEMENTER MARK C.

414-32 HELPER David W.

BULK TRUCK _____

381-210 DRIVER C. B.

BULK TRUCK _____

_____ DRIVER _____

| | | | | |
|----------|------------------|---|-------------|----------------|
| HANDLING | <u>184</u> | @ | <u>2.46</u> | <u>447.60</u> |
| MILEAGE | <u>184/25/10</u> | @ | | <u>460.00</u> |
| TOTAL | | | | <u>3495.45</u> |

REMARKS:

Pipe on bottom, Co. 40.2 + 3
175.5x Co. 40.2 + 3
Release plug
Disposal Fresh 15 1/4 BTL
Shut in
Cement did fill hole

SERVICE

| | | | |
|-------------------|-------------|---|---------------|
| DEPTH OF JOB | <u>261'</u> | | |
| PUMP TRUCK CHARGE | | | <u>991.00</u> |
| EXTRA FOOTAGE | | @ | |
| MILEAGE | <u>25</u> | @ | <u>7.00</u> |
| MANIFOLD | | @ | |

CHARGE TO: Running Foxes

STREET _____

CITY _____ STATE _____ ZIP _____

TOTAL 1166.00

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PLUG & FLOAT EQUIPMENT

| | | |
|----------------------|---|------------|
| <u>1-wacker plug</u> | @ | <u>N/C</u> |
| | @ | |
| | @ | |
| | @ | |

TOTAL _____

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.

KCC WICHITA

PRINTED NAME David Dalton

SIGNATURE _____

| | |
|---------------------|--------------------|
| SALES TAX (if Any) | |
| TOTAL CHARGES | <u>4661.45</u> |
| DISCOUNT <u>25%</u> | IF PAID IN 30 DAYS |
| <u>Net 3496.00</u> | |



CEMENTING LOG

Production

STAGE NO.

Date 9/23/09 District _____ Ticket No. 42533
 Company _____ Rig Uc173
 Lease ADKA OBCEOLA Well No. 4-7-2
 County Sevier State MS
 Location _____ Field 7-335-22

CEMENT DATA:
 Spacer Type: 500 gal Mud Clean
 Amt. _____ Sks Yield _____ ft³/sk Density _____ PPG _____

CASING DATA: PTA Squeeze
 Surface Intermediate Production Liner
 Size 5 1/2 Type 1 Weight 17 Collar _____

LEAD: Pump Time _____ hrs. Type A ASC + 5'
161-527 7.39 11-1-0 Excess _____
 Amt. 175 Sks Yield 1.57 ft³/sk Density 14.5 PPG

Casing Depths: Top _____ Bottom _____

TAIL: Pump Time _____ hrs. Type _____ Excess _____
 Amt. _____ Sks Yield _____ ft³/sk Density _____ PPG
 WATER: Lead 7.73 gals/sk Tail _____ gals/sk Total _____ Bbls.

Drill Pipe: Size _____ Weight _____ Collars _____
 Open Hole: Size 3 7/8 T.D. 390' ft. P.B. to 3838' ft.

Pump Trucks Used _____
 Bulk Equip. _____

CAPACITY FACTORS:
 Casing: Bbls/Lin. ft. 10737 Lin. ft./Bbl. _____
 Open Holes: Bbls/Lin. ft. _____ Lin. ft./Bbl. _____
 Drill Pipe: Bbls/Lin. ft. _____ Lin. ft./Bbl. _____
 Annulus: Bbls/Lin. ft. 10309 Lin. ft./Bbl. 57.11
 Bbls/Lin. ft. _____ Lin. ft./Bbl. _____
 Perforations: From _____ ft. to _____ ft. Amt. _____

Float Equip: Manufacturer _____
 Shoe: Type _____ Depth _____
 Float: Type _____ Depth _____
 Centralizers: Quantity _____ Plugs Top _____ Btm. _____
 Stage Collars _____
 Special Equip. _____
 Disp. Fluid Type Water Amt. 895 Bbls. Weight 31 PPG
 Mud Type Water Weight 93 PPG

COMPANY REPRESENTATIVE Noc

CEMENTER M. C. C.

| TIME | PRESSURES PSI | | FLUID PUMPED DATA | | | REMARKS | |
|------|---------------|-------------------|-------------------|-------------|------------------------|--------------|--|
| | AM/PM | DRILL PIPE CASING | ANNULUS | TOTAL FLUID | Pumped Per Time Period | | RATE Bbls Min. |
| | | | | | | P.P. ambient | |
| 3:25 | | 300 | | 18 | 18 | 6 | plug 18 Bbls per stroke |
| | | | | | | | plug 10 + distance |
| | | 300 | | 63 | 45 | 6 | mix 16.05x ASC |
| | | | | | | | Washing di no |
| | | | | | | | 6 Disp w/ fresh |
| | | 300 | | 175 | 65 | 6 | See Log |
| | | 600 | | 14.8 | 20 | 3 | Stop |
| 4:00 | | 1100 | | 150 | 47 | | Bring plug 526 over float d.o. 1410 |

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MILLER PRINTERS, INC. - Great Bend, KS

ALLIED CEMENTING CO., LLC. 042533

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

SERVICE POINT:

Maple, a lady

| | | | | | | | | |
|------------------------------------|---------------|----------------|-----------------|---------------------------|-----------------------------|---|---------------------------|-----------------|
| DATE <u>8/23/09</u> | SEC. <u>7</u> | TWP. <u>33</u> | RANGE <u>2E</u> | CALLED OUT <u>4:30 AM</u> | ON LOCATION <u>10:00 AM</u> | JOB START <u>3:00 PM</u> | JOB FINISH <u>4:00 PM</u> | |
| ADDRESS <u>OSCEOLA</u> | | | | LEASE # <u>1107</u> | WELL # <u>4-7-7</u> | LOCATION <u>Wellhead N 35, 45, 15, 15</u> | COUNTY <u>Sumner</u> | STATE <u>KS</u> |
| OLD OR NEW (Circle one) <u>NEW</u> | | | | <u>1/2" of hole</u> | | | | |

CONTRACTOR Ual #3

TYPE OF JOB Prediction

HOLE SIZE 7 1/2 T.D. 2905

CASING SIZE 5 1/2 DEPTH 3838

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX 1100 MINIMUM _____

MEAS. LINE _____ SHOE JOINT 40'

CEMENT LEFT IN CSG. _____

PERFS. _____

DISPLACEMENT 89.5' BBLs Freshwater

OWNER Running Fed

CEMENT

AMOUNT ORDERED 1853 Plastic Asc

+ 5" K 150 1.39 1.16

500 gal - mycelium

COMMON _____ @ _____

POZMIX _____ @ _____

GEL _____ @ _____

CHLORIDE _____ @ _____

ASC _____ @ _____

RECEIVED @ _____

HANDLING _____ @ _____

MILEAGE DEC 08 2009

EQUIPMENT

PUMP TRUCK CEMENTER Art's City

322 HELPER Dennis

BULK TRUCK

1251-252 DRIVER Dennis

BULK TRUCK

_____ DRIVER _____

REMARKS:

pipe on bottom level in pump

3 hrs 12 minutes 3 hrs plus at

4 hrs in 1600 Asc. stop

was from 1600 to 1800

500 gal. stop & Bunge plus see

over float held

CHARGE TO: Running Fed

STREET _____

CITY _____ STATE _____ ZIP _____

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 _____

SIGNATURE _____

KCC WICHITA TOTAL _____

SERVICE TOTAL _____

DEPTH OF JOB 3838'

PUMP TRUCK CHARGE _____

EXTRA FOOTAGE _____ @ _____

MILEAGE _____ @ _____

MANIFOLD _____ @ _____

TOTAL _____

PLUG & FLOAT EQUIPMENT

1-Relubricator @ _____

1-AFTAS @ _____

1-Guide Shoe @ _____

5-Connectors @ _____

TOTAL _____

SALES TAX (If Any) _____

TOTAL CHARGES _____

DISCOUNT _____ IF PAID IN 30 DAYS



VAL ENERGY, INC.

200 W. Douglas, Suite 520
Wichita, Kansas 67202-3005

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

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Well: **Atoka Osceola 4-7-2** Date: **8/14/09** Rig # **3**

Depth: **265** Formation: Operation: **RUNNING 8 5/8**

Progress: **265** Days on Well: **2** Hole Cond.: **GOOD**

Slope Test

Mud Report: Wt: Vis: WL: LCM:

PH: Cl: Ca: Sand: PV:

YP: Gels: Cake: Solids:

SPM: **54** Pump Pressure: **300** Liner: **6.5x15**

Mud Used:

Bit Report: RPM: **85** Weight: **30,000** Torque: Drag:

| Bit # | Size | Make | Type | In | Out | Footage | Hrs. |
|----------|---------------|-----------|---------------|----------|------------|------------|-----------|
| 1 | 12 1/4 | RR | BUTTON | 0 | 265 | 265 | 11 |
| | | | | | | | |

Cumulative Rotating Hours **11**

Operating Hours: Drlg: **11** Trip: **1** Circ.: **1/2**

Service: Surveys: Rig Repair: **1/2** Logs:

RU & Run Csg: Cmtg: WOC: LC:

Other: **MOVE RIG & RIG UP: 8** **DRILL RAT & MOUSE:2** **CONN: 1**

Comments: _____

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VAL ENERGY, INC.

200 W. Douglas, Suite 520
Wichita, Kansas 67202-3005

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

Well: **Atoka Osceola 4-7-2** Date: **8/15/09** Rig # **3**

Depth: **717** Formation: Operation: **DRILLING**

Progress: **458** Days on Well: **3** Hole Cond.: **GOOD**

Slope Test **1 @ 265**

Mud Report: Wt: Vis: WL: LCM:

PH: Cl: Ca: Sand: PV:

YP: Gels: Cake: Solids:

SPM: **54** Pump Pressure: **300** Liner: **6.5x15**

Mud Used:

Bit Report: RPM: **85** Weight: **12,000** Torque: Drag:

| Bit # | Size | Make | Type | In | Out | Footage | Hrs. |
|----------|---------------|------------|---------------|------------|------------|------------|--------------|
| 1 | 12 1/4 | RR | BUTTON | 0 | 265 | 265 | 11 |
| 2 | 7 7/8 | PDC | | 265 | | 458 | 8 3/4 |

Cumulative Rotating Hours **19 3/4**

Operating Hours: Drlg: **8 3/4** Trip: **1** Circ.: **RECEIVED**

Service: Surveys: Rig Repair: **2 1/2** Logs: **DEC 08 2009**

RU & Run Csg: **1 1/2** Cmtg: **1/2** WOC: **8** LC: **KCC WICHITA**

Other: **CONN: 1 3/4**

Comments: **RAN 6 JTS NEW 8 5/8 23#, SET @ 261, CEMENT WITH 175SX**
60/40 POZ, 2%GEL, 3%CC, PLUG DOWN @ 9AM



VAL ENERGY, INC.

200 W. Douglas, Suite 520
Wichita, Kansas 67202-3005

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

Well: **AG-NH-4-1-2** Date: **8-16-09** Rig # **3**

Depth: **1585** Formation: **Savery shale** Operation: **WORK SLIDES**

Progress: **870** Days on Well: **3** Hole Cond.: **Good**

Slope Test **700 @ 1 1/4 : 1275 @ 1/2 : @**

Mud Report: Wt: **13.3** Vls: **20** WL: **0/C** LCM: **10**

PH: **7.0** Cl: **0.00** Ca: **hvy** Sand: **hr** PV: **2**

YP: **3** Gels: **2/4** Cake: **hvy** Solids: **3.6**

SPM: **64** Pump Pressure: **400** Liner: **6.5x1.5**

Mud Used: **Gal 20 soda ash-1**

DAY-n/a TOTAL-n/a

Bit Report: RPM: **85** Weight: **12,000** Torque: **1200** Drag: **1200**

| Bit # | Size | Make | Type | In | Out | Footage | Hrs. |
|-------|-------|------|-------|-----|-----|---------|--------|
| 2 | 7 7/8 | PDC | 61336 | 265 | | 1330 | 28 1/2 |

Cumulative Rotating Hours **37 1/4**

Operating Hours: Drig: **17 1/2** Trip: **1** Circ.: **3/4** LC: **1**

Service: **1/2** Surveys: **1/2** Rig Repair: **1** Logs: **1**

RU & Run Csg: **1** WOC: **1**

Conn: 1 1/4 **W.O Kelly bushing slides 2 1/4**

Conn 1/4

Cement w/ 175 60/40 poz 2% gel 3% cc pluge down @ 9 am dld clr set @ 281 Ran 6 jts new 8 5/8 23 lb casing

Ticket # 04263

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VAL ENERGY, INC.

200 W. Douglas, Suite 520

Wichita, Kansas 67202-3005

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

| | | | | | |
|------------|-------------|---------------|------------|-------------|------------|
| Well: | AG-NH-47-2 | Date: | 8-17-09 | Rig # | 3 |
| Depth: | 2370 | Formation: | | Operation: | Drilling |
| Progress: | 870 | Days on Well: | 4 | Hole Cond.: | Good |
| Slope Test | 780 @ 1 1/2 | : | 1215 @ 1/2 | : | 2219 @ 1/2 |

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| | | | | | | | |
|-----------------|----------------------------|----------------|-----|--------|--------|---------|-----|
| Mud Report: Wt: | 90 | Vis: | 30 | WL: | n/c | LCM: | 1/2 |
| PH: | 7.0 | Cl: | 900 | Ca: | hvy | Sand: | lc |
| YP: | 3 | Gels: | 2/4 | Cake: | hvy | Solids: | 3.6 |
| SPM: | 54 | Pump Pressure: | 400 | Liner: | 6.5x15 | | |
| Mud Used: | Gel 30 soda ash 3 hulls 10 | | | | | | |
| DAY: | n/a | TOTAL: | n/a | | | | |

Blt Report: RPM: 85 Weight: 12,000 Torque: Drag:

| Blt # | Size | Make | Type | In | Out | Footage | Hrs. |
|-------|-------|------|-------|-----|-----|---------|--------|
| 2 | 7 7/8 | PDC | 61336 | 265 | | 2106 | 42 1/2 |

Cumulative Rotating Hours 53 1/2

| | | | | | | | |
|------------------|----------|----------|-------------|-----|--------|-----|-----|
| Operating Hours: | Drig: | 16 1/2 | Trip: | | Circ.: | 1/4 | LC: |
| Service: | Surveys: | 1 | Rlg Repair: | 1/2 | Logs: | | |
| RU & Run Csg: | | | | | WOC: | | |
| Conn: | 2 1/2 | W/O R/S: | 1/2 | | | | |
| | | Cem: | | | | | |

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VAL ENERGY, INC.

200 W. Douglas, Suite 520

Wichita, Kansas 67202-3005

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

Well: **AG-NH-4-7-2** Date: **8-18-09** Rig # **3**

Depth: **3160** Formation: **Pawnee limestone** Operation: **drilg**

Progress: **820** Days on Well: **6** Hole Cond.: **Good**

Slope Test **2798** @ **1 3/4** : @ : @

Mud Report: Wt: **11.0** Vis: **30** WL: **24** LCM: **0**

PH: **9.0** Cl: **1,100** Ca: **80** Sand: **100** PV: **3**

YP: **4** Gels: **2/5** Cake: **1** Solids: **4.0**

SPM: **64** Pump Pressure: **600** Liner: **6.5x15**

Mud Used: **Gal-56 caustic-4 flg-3 pac-2 1/2 hulls-15**

DAY: **n/a** TOTAL: **n/a**

Blt Report: RPM: **85** Weight: **12,000** Torque: Drag:

| Bil # | Size | Make | Type | In | Out | Footage | Hrs. |
|-------|-------|------|-------|-----|-----|---------|--------|
| 2 | 7 7/8 | PDC | 61336 | 265 | | | 61 3/4 |

Cumulative Rotating Hours **72%**

Operating Hours: Drilg: **19 3/4** Trip: Circ.: **1/4** LC:

Service: **1** Surveys: **1/2** Rig Repair: Logs:

RU & Run Csg: WOC:

Conn: **2 1/2**

Cement:

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| | | | | | |
|------------|--------------|---------------|---------------|-------------|---------|
| Well: | AG-NH-4-7-2 | Date: | 8-19-09 | Rig # | 3 |
| Depth: | 3390 | Formation: | Mississippian | Operation: | w/o/cal |
| Progress: | 230 | Days on Well: | 6 | Hole Cond.: | Good |
| Slope Test | 3244 @ 1-1/2 | : | @ | : | @ |

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| | | | | | | | | | |
|-------------|---|----------------|------|--------|--------|---------|-----|-----|---|
| Mud Report: | Wt: | 32 | WL: | 10 | LCM: | nc | | | |
| PH: | 10 | CI: | 1050 | Ca: | 80 | Sand: | nc | PV: | 3 |
| YP: | 6 | Gels: | 2/6 | Cake: | 1 | Solids: | 6.3 | | |
| SPM: | 54 | Pump Pressure: | 600 | Liner: | 6.5x15 | | | | |
| Mud Used: | Gel-72 caustic-3 llg-3 pac-1 hulls-1 soda ash-3 | | | | | | | | |
| DAY: | na | TOTAL: | na | | | | | | |

| | | | | | | | | |
|-------------|------|----|---------|--------|---------|--|-------|--|
| Bit Report: | RPM: | 75 | Weight: | 15,000 | Torque: | | Drag: | |
|-------------|------|----|---------|--------|---------|--|-------|--|

| Bit # | Size | Make | Type | In | Out | Footage | Hrs. |
|-------|-------|------|-------|-----|-----|---------|--------|
| 2 | 7 7/8 | PDC | 61336 | 265 | | 3125 | 70 1/2 |

Cumulative Rotating Hours: 81 1/2

| | | | | | | | | |
|------------------|-------|----------|-------|-------------|--------|-------|-----|--|
| Operating Hours: | Drig: | 6 1/2 | Trip: | 6 1/2 | Circ.: | 1 1/2 | LC: | |
| Service: | 1 | Surveys: | | Rig Repair: | 5 | Logs: | | |

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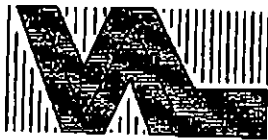
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| | | | | |
|------------------|----------|--|------|--|
| RU & Run Csg: | | | WOC: | |
| Conn: 1/2 | W/O Ca/E | | | |
| Cement: | | | | |

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Well: **AG-NH-1-2-2** Date: **8/20/09** Rig # **3**

Depth: **3390** Formation: **mississippian** Operation: **10/h**

Progress: **n/a** Days on Well: **6** Hole Cond.: **Good**

Slope Test: @ : @ : @

Mud Report: Wt: **92** Vls: **32** WL: **10** LCM: **irc**

PH: **10** Cl: **1,050** Ca: **80** Sand: **irc** PV: **3**

YP: **6** Gels: **25** Cake: **7** Solids: **6.3**

SPM: **54** Pump Pressure: **600** Liner: **6.5x15**

Mud Used: **Gel-10-caustic-1/lg-1-pac-1/bulls-1/7-soda-ash-1**

DAY: **n/a** TOTAL: **n/a**

Bit Report: RPM: **85** Weight: **15,000** Torque: Drag:

| Bit # | Size | Make | Type | In | Out | Footage | Hrs. |
|-------|-------|------|-------|-----|------|---------|--------|
| 2 | 7 7/8 | PDC | 61336 | 265 | 3390 | 3125 | 70 1/2 |

Cumulative Rotating Hours **87 1/2**

Operating Hours: Drig: Trip: **0 1/2** Circ.: LC:

Service: Surveys: Rig Repair: **5** Logs:

RU & Run Csg: ream **2** WOC:

Conn: **1/2** W/O: **cat-1**

Cement: **Core-6-1/2**

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| | | | | | |
|------------|------------|---------------|---------------|-------------|-------|
| Well: | AG-NH-1-12 | Date: | 8-21-09 | Rig # | 3 |
| Depth: | 3885 | Formation: | Mississippian | Operation | Drill |
| Progress: | 275 | Days on Well: | 7 | Hole Cond.: | Good |
| Slope Test | @ | : | @ | : | @ |

DFC 0

| | | | | | | | |
|---|-----|----------------|-------|--------|--------|---------|-----|
| Mud Report: | Wt: | Vis: | 49 | WL: | 8.0 | LCM: | 7 |
| PH: | 10 | CI: | 2,000 | Ca: | 40 | Sand: | 1% |
| YP: | 15 | Gels: | 9/20 | Cake: | 7 | Solids: | 16% |
| SPM: | 50 | Pump Pressure: | 900 | Liner: | 6.5x15 | | |
| Mud Used: Gel-50 caustic-3 lb-1 1/2 pac-1 hulls-30 soda ash-1 | | | | | | | |
| DAY: n/a TOTAL: n/a | | | | | | | |

| | | | | | | | | |
|-------------|------|----|---------|--------|---------|--|-------|--|
| Bit Report: | RPM: | 78 | Weight: | 82,000 | Torque: | | Drag: | |
|-------------|------|----|---------|--------|---------|--|-------|--|

| Bit # | Size | Make | Type | In | Out | Footage | Hrs. |
|-------|-------|--------|-------|------|------|---------|--------|
| 2 | 7 7/8 | PDC | 61336 | 265 | 3390 | 3125 | 70 1/2 |
| 3 | 7 7/8 | button | RR | 3390 | | | 15 1/2 |

| | |
|---------------------------|----|
| Cumulative Rotating Hours | 97 |
|---------------------------|----|

| | | | | | | | | |
|------------------|----------|--------|-------------|-------|--------|--|-----|--|
| Operating Hours: | Drig: | 16 1/2 | Trip: | 6 1/2 | Circ.: | | LC: | |
| Service: | Surveys: | | Rig Repair: | 1/2 | Logs: | | | |

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| | | | | | |
|------------------|------------------------------------|------|---|------|------------|
| RU & Run Csg: | [REDACTED] | ream | 1 | WOC: | [REDACTED] |
| Conn: 1/2 | Core: 1 top 12 1/2 fill premix 1/4 | | | | |
| Cement: | Core | | | | |

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Well: **AG-NH-47-2** Date: **8-21-09** Rig # **3**

Depth: **3705** Formation: **Chattanooga shale** Operation: **Reaming 7 7/8**

Progress: **275** Days on Well: **9** Hole Cond.: **Good**

Slope Test **3/4 @ 3605** : **@** : **@** : **@**

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Mud Report:

Wt: **11.8** Vls: **40** WL: **6.0** LCM: **0**

PH: **10** Cl: **2.000** Ca: **40** Sand: **7%** PV: **16**

YP: **15** Gels: **9/26** Cake: **1** Solids: **6.8**

SPM: **50** Pump Pressure: **300** Liner: **6.5x15**

Mud Used: **Gel-20 caustic-2 lig-1 pac-1/2 hulls- soda ash-1**

DAY: **n/a** TOTAL: **n/a**

Bit Report: RPM: **75** Weight: **8200** Torque: **1** Drag: **1**

| Bit # | Size | Make | Type | In | Out | Footage | Hrs. |
|-------|-------|--------|-------|------|------|---------|--------|
| 2 | 7 7/8 | PDC | 61336 | 265 | 3390 | 3125 | 70 1/2 |
| 3 | 7 7/8 | button | RR | 3390 | 3705 | 315 | 19 |

Cumulative Rotating Hours: **100 1/2**

Operating Hours: Drig: **3 1/2** Trip: **7 1/4** Circ.: **2** LC: **1**

Service: Surveys: **1** Rig Repair: **1** Logs: **1**

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| | | | | | |
|------------------|------------|------------|------------|------------|------------|
| RU & Run Csg: | [REDACTED] | ream | [REDACTED] | WOC: | [REDACTED] |
| Conn: 1/2 | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| Cement: | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |

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| | | | | | |
|------------|------------|---------------|----------|-------------|------|
| Well: | AG-NH-1-12 | Date: | 8-23-09 | Rig # | |
| Depth: | 3805 | Formation: | Arbuckle | Operation: | circ |
| Progress: | 140 | Days on Well: | 9 | Hole Cond.: | Good |
| Slope Test | 3705 @ 3/4 | : | | : | |

| | | | | | | | | | |
|-------------|--------------------------------|----------------|-------|--------|--------|---------|------|-----|---|
| Mud Report: | Wt: | 40 | Vis: | 41 | WL: | 76.8 | LCM: | 2 | |
| PH: | 8 | Cl: | 6.700 | Ca: | 200 | Sand: | 1/2 | PV: | 8 |
| YP: | 13 | Gels: | 56/30 | Cake: | 2 | Solids: | 4.7 | | |
| SPM: | 50 | Pump Pressure: | 900 | Liner: | 6.5x15 | | | | |
| Mud Used: | caustic-311g-2 pac-1soda-351ml | | | | | | | | |
| DAY: | n/a | TOTAL: | n/a | | | | | | |

| | | | | | | | | |
|-------------|------|----|---------|--------|---------|--|-------|--|
| Bit Report: | RPM: | 75 | Weight: | 32,000 | Torque: | | Drag: | |
|-------------|------|----|---------|--------|---------|--|-------|--|

| Bit # | Size | Make | Type | In | Out | Footage | Hrs. |
|-------|-------|--------|-------|------|------|---------|--------|
| 2 | 7 7/8 | PDC | 61336 | 265 | 3390 | 3125 | 70 1/2 |
| 3 | 7 7/8 | button | RR | 3390 | 3905 | 516 | 25 1/4 |

Cumulative Rotating Hours: 106 1/2

| | | | | | | | | |
|------------------|----------|---|-------------|-------|--------|-------|-----|--|
| Operating Hours: | Drig: | 6 | Trip: | 4 1/2 | Clrc.: | 2 1/2 | LC: | |
| Service: | Surveys: | | Rig Repair: | | Logs: | 0 | | |

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|------------------|------------|------------|------------|------------|------------|
| RU & Run Csg: | [REDACTED] | ream | [REDACTED] | WOC: | [REDACTED] |
| Conn:1/4 | [REDACTED] | | | | |
| Cement: | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |

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Well: **ATOKA OSCEOLA 4-7-2** Date: **8/23/09** Rig # **3**

Depth: **3905** Formation: Operation: **CIRC**

Progress: **140** Days on Well: **11** Hole Cond.: **GOOD**

Slope Test ¾ @ **3705**

Mud Report: Wt: **8.9** Vis: **41** WL: **16.8** LCM: **2**

PH: **8** Cl: **6700** Ca: **200** Sand: **TRC** PV: **8**

YP: **13** Gels: **36/39** Cake: **2** Solids: **4.1**

SPM: **50** Pump Pressure: **900** Liner: **6.5x15**

Mud Used:

Bit Report: RPM: **75** Weight: **32000** Torque: Drag:

| Bit # | Size | Make | Type | In | Out | Footage | Hrs. |
|-------|-------|--------|------|------|------|---------|------|
| 3 | 7 7/8 | BUTTON | RR | 3390 | 3905 | 515 | 25¼ |
| 2 | 7 7/8 | PDC | | 265 | 3390 | 3125 | 70½ |

Cumulative Rotating Hours **106½**

Operating Hours: Drlg: **6** Trip: **4 ¾** Circ.: **2 ¾**

Service: **¼** Surveys: Rig Repair: Logs: **9**

RU & Run Csg: Cmtg: WOC: LC:

Other: **CONN : ¼ REAM: 1**

Comments:

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