TO:

STATE CORPORATION COMMISSION **CONSERVATION DIVISION - PLUGGING**

130 SOUTH MARKET, SUITE 2078

WICHITA, KANSAS 67202

API Well Number: 15-069-20355-00-00

Spot: NWNWNE

Sec/Twnshp/Rge: 8-24S-29W

330 feet from N Section Line,

2310 feet from E Section Line

Lease Name: MARKEL, INC.

Well #: 2

County: GRAY

Total Vertical Depth: 4970 feet

Operator License No.: 6039

Op Name: L. D. DRILLING, INC.

Address: 7 SW 26TH AVE

GREAT BEND, KS 67530

Depth (ft) Pulled (ft) Comment

String Size SURF 8.625 453

WITH 325 SX CMT

Well Type: DH

UIC Docket No:

Date/Time to Plug: 12/11/2011 6:45 PM

Plug Co. License No.: 5822

Plug Co. Name: VAL ENERGY, INC.

Proposal Rcvd. from: GREG DAVIDSON

Company: VAL ENERGY, INC.

Phone: (316) 263-6688

Plugging

Proposed IST PLUG AT 1930' WITH 50 SX CMT. 2ND PLUG AT 1160' WITH 80 SX CMT. 3RD PLUG AT 480' WITH 50 SX CMT. 4TH PLUG AT 60' WITH 20 SX CMT. 5TH PLUG TO CIRCULATE RAT HOLE WITH 30 SX CMT. 6TH

Method: PLUG TO CIRCULATE MOUSE HOLE WITH 20 SX CMT.

Plugging Proposal Received By: RICHARD LACEY

WitnessType: NONE

Date/Time Plugging Completed: 12/11/2011 8:45 PM

KCC Agent: RICHARD LACEY

Actual Plugging Report:

Perfs:

1ST PLUG AT 1930' WITH 50 SX CMT. 2ND PLUG AT 1160' WITH 80 SX CMT, 3RD PLUG AT 480' WITH 50 SX CMT. 4TH PLUG AT 60' WITH 20 SX CMT. 5TH PLUG TO CIRCULATE RAT HOLE WITH 30 SX CMT. 6TH PLUG TO CIRCULATE MOUSE HOLE WITH 20 SX CMT.

Remarks:

USED 60/40 POZMIX 4% GEL 1/4# FLO SEAL BY BASIC SERVICES.

Plugged through: DP

District: 01

TECHNICIAN)

RECEIVED

Form CP-2/3

KCC WICHITA

KCC DODGE CITY

RECEIVED