TO:

STATE CORPORATION COMMISSION CONSERVATION DIVISION - PLUGGING

130 SOUTH MARKET, SUITE 2078

WICHITA, KANSAS 67202

API Well Number: 15-165-21970-00-00

Spot: NWSENWNE

Sec/Twnshp/Rge: 34-16S-16W

735 feet from N Section Line,

1970 feet from E Section Line

Lease Name: SCHLEGEL

Well #: 2-34

County: RUSH

Total Vertical Depth: 3650 feet

Operator License No.: 3882

Op Name: SAMUEL GARY JR. & ASSOCIATES, IN

String Size SURF 8.625

Depth (ft) Pulled (ft) Comment

779

WITH 350 SX CMT

Address: 1515 WYNKOOP, STE 700

DENVER, CO 80202

Proposal Revd. from: RANDY MARTIN

Well Type: DH

UIC Docket No:

Date/Time to Plug: 05/10/2012 2:15 PM

Plug Co. License No.: 5822

Plug Co. Name: VAL ENERGY, INC.

Company: VAL ENERGY, INC.

Phone: (316) 263-6688

Proposed IST PLUG AT 3546' WITH 50 SX CMT. 2ND PLUG AT 1080' WITH 50 SX CMT. 3RD PLUG AT 810' WITH 50 SX Plugging CMT. 4TH PLUG AT 450' WITH 30 SX CMT. 5TH PLUG AT 60' WITH 20 SX CMT. 6TH PLUG TO CIRCULATE

Method: RAT HOLE WITH 30 SX CMT. 7TH PLUG TO CIRCULATE MOUSE HOLE WITH 20 SX CMT.

Plugging Proposal Received By: ERIC MACLAREN

WitnessType: NONE

Date/Time Plugging Completed: 05/10/2012 4:15 PM

KCC Agent: ERIC MACLAREN

Actual Plugging Report:

Perfs:

IST PLUG AT 3546' WITH 50 SX CMT. 2ND PLUG AT 1080' WITH 50 SX CMT. 3RD PLUG AT 810' WITH 50 SX CMT. 4TH PLUG AT 450' WITH 30 SX CMT. 5TH PLUG AT 60' WITH 20 SX CMT. 6TH PLUG TO CIRCULATE RAT HOLE WITH 30 SX CMT. 7TH PLUG TO CIRCULATE MOUSE HOLE WITH 20 SX CMT.

Remarks:

USED 60/40 POZMIX 4% GEL BY QUALITY.

RECEIVED

MAY 1 5 2012

KCC WICHITA

Plugged through: DP

Signed Sin Mu Lo

(TECHNICIAN)

District: 01

RECEIVED

MAY 1 1 2012

KCC DODGE CITY

Form CP-2/3