TO:

STATE CORPORATION COMMISSION CONSERVATION DIVISION - PLUGGING

130 SOUTH MARKET, SUITE 2078

WICHITA, KANSAS 67202

Operator License No.: 3882

Op Name: SAMUEL GARY JR. & ASSOCIATES, IN

Address: 1515 WYNKOOP, STE 700

DENVER, CO 80202

API Well Number: 15-165-21978-00-00

Spot: E2SWSWSW

Sec/Twnshp/Rge: 2-16S-16W

330 feet from S Section Line,

530 feet from W Section Line

Lease Name: JONES

County: RUSH

Well #: 3-2

Total Vertical Depth: 3540 feet

Depth (ft) Pulled (ft) Comment String Size

COND 13.375 96

SURF 8.625

958

WITH 415 SX CMT

Well Type: DH

UIC Docket No:

Date/Time to Plug: 06/12/2012 5:15 PM

Plug Co. License No.: 5822

Plug Co. Name: VAL ENERGY, INC.

Proposal Revd. from: RANDY MARTIN

Company: VAL ENERGY, INC.

Phone: (316) 263-6688

Proposed IST PLUG AT 3441' WITH 50 SX CMT. 2ND PLUG AT 980' WITH 50 SX CMT. 3RD PLUG AT 350' WITH 40 SX Plugging 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: 06/12/2012 7:15 PM

KCC Agent: RICHARD LACEY

Actual Plugging Report:

Perfs:

IST PLUG AT 3441' WITH 50 SX CMT. 2ND PLUG AT 980' WITH 50 SX CMT. 3RD PLUG AT 350' WITH 40 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 BY QUALITY OIL WELL CEMENTING.

RECEIVED

Plugged through: DP

JUN 18 2012

KCC WICHITA

District: 01

Signed

(TECHNICIAN)

Form CP-2/3

RECEIVED

JUN 1 4 2012

KCC DODGE CITY