

CONFIDENTIAL

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION ORIGINAL

Form ACO-1 June 2009 Form Must Be Typed Form must be Signed All blanks must be Filled

6/22/10

WELL COMPLETION FORM WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 5316 Name: FALCON EXPLORATION INC. Address 1: 125 N. MARKET, SUITE 1252 Address 2: City: WICHITA State: KS Zip: 67202 Contact Person: MICHEAL S MITCHELL Phone: (316) 262-1378 CONTRACTOR: License # 5822 Name: VAL ENERGY INC. Wellsite Geologist: DEREK PATTERSON & KEITH REAVIS Purchaser: NCRA

API No. 15 - 025-21496-0000 Spot Description: SW SE NE NW Sec. 31 Twp. 30 S. R. 22 East West 1,270 Feet from North / South Line of Section 2,150 Feet from East / West Line of Section Footages Calculated from Nearest Outside Section Corner: NE NW SE SW County: CLARK Lease Name: YBC Well #: 2-31 Field Name: Producing Formation: MISSISSIPPIAN Elevation: Ground: 2429 Kelly Bushing: 2439 Total Depth: 6490 Plug Back Total Depth: 5533 Amount of Surface Pipe Set and Cemented at: 692 Feet Multiple Stage Cementing Collar Used? Yes No If yes, show depth set: Feet If Alternate II completion, cement circulated from: with: w/ sx cmt.

Designate Type of Completion: New Well Re-Entry Workover Oil WSW SWD SIOW Gas D&A ENHR SIGW OG GSW Temp. Abd. CM (Coal Bed Methane) Cathodic Other (Core, Expl., etc.):

If Workover/Re-entry: Old Well Info as follows: Operator: JUN 22 2010

Well Name: Original Comp. Date: Original Total Depth: Deepening Re-perf. Conv. to ENHR Conv. to SWD Conv. to GSW Plug Back: Plug Back Total Depth Commingled Permit #: Dual Completion Permit #: SWD Permit #: ENHR Permit #: GSW Permit #:

03/04/2010 03/21/2010 05/24/2010 Spud Date or Recompletion Date Date Reached TD Completion Date or Recompletion Date

KCC JUN 22 2010 CONFIDENTIAL

RECEIVED KANSAS CORPORATION COMMISSION CONSERVATION DIVISION WICHITA, KS JUN 22 2010

Drilling Fluid Management Plan ATTEN 628-10 (Data must be collected from the Reserve Pit) Chloride content: 8400 ppm Fluid volume: bbls Dewatering method used: HAULED OFF FREE FLUIDS Location of fluid disposal if hauled offsite: Operator Name: DILLCO FLUID SERVICE Lease Name: I B REGIER License #: 6652 Quarter Sec. 17 Twp. 33 S. R. 27 East West County: MEADE Permit #: D21232

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.

AFFIDAVIT I am the affiant and I hereby certify that 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: 6/22/10

KCC Office Use ONLY Letter of Confidentiality Received Date: 6-22-10 Confidential Release Date: Wireline Log Received Geologist Report Received UIC Distribution ALT I II III Approved by: Date:

Operator Name: FALCON EXPLORATION INC. Lease Name: YBC Well #: 2-31
 Sec. 31 Twp. 30 S. R. 22 East West County: CLARK

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 complete 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 (Attach Additional Sheets) 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 Electric Log Submitted Electronically <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (If no, Submit Copy) List All E. Logs Run: MEL;CDL/CNL;DIL/BHCS	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum SEE ATTACHED SHEET
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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	12-1/4	8-5/8	24	692	65/35/6; CLASS 'A'	225;150	2% GEL, 3% CC
PRODUCTION	7-7/8	5-1/2	15.5	5556	AA2	175	3% FR, 10% SALT

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 (Amount and Kind of Material Used)	Depth
4	5462-70	750 GAL, 15% MCA	5462-70
	5450' SET WIRELINE PLUG		
4	5410-16		

TUBING RECORD:	Size:	Set At:	Packer At:	Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No
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Date of First, Resumed Production, SWD or ENHR. W/O EQUIPMENT	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 (If vented, Submit ACO-18.)	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled (Submit ACO-5) (Submit ACO-4) <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: <u>5410-16'</u>
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YBC #2-31
 SW SE NE NW SECTION 31-30S-22W
 1270' FNL & 2150' FWL
 CLARK COUNTY, KANSAS
 API #15-025-21496-0000

TIGHT HOLE

DST #1: 5226-5380'. TIMES: 5-90-60-120. STRONG BLOW TO BOB, GTS IN 1 MINUTE. GA 750 MCF, FAIR BLOW BACK TO 4". 2ND OPEN BOB INSTANTANEOUSLY. GTS IMMEDIATELY. FAIR BLOW BACK BUILDING TO 4 INCHES. RECOVERED 240 GASSY MUD (25% GAS, 75% MUD). IHP 2703# -- IFP'S 338-251# -- ISIP 1700# -- FP'S 231-234# -- FSIP 1682# -- FHP 2467#. BHT 122°. INITIAL GAS GAUGES 750 MCF/5 MIN 2ND OPEN GAS GAUGES: GA 750 MCF REST OF TEST FOR 60 MIN

DST #2: 5390-5451', 10-90-60-120. STRONG BLOW ON 1ST OPEN. BOB IN 1 MINUTE, GTS IN 5 MINUTES. STRONG BLOW ON 2ND OPEN. GTS IN 7 MINUTES. RECOVERED 130' HO&GCM (25% OIL, 35% GAS, 40% MUD) AND 310' GO (35% GAS, 65% OIL). GAS GAUGE: 20 MIN/37 MCF, 30 MIN/30 MCF, 40 MIN/24.5 MCF, 50 MIN/28.5 MCF, 60 MIN/28.5 MCF. IHP 2677# -- IFP'S 72-68# -- ISIP 1759# -- FFP'S 69-191# -- FSIP 1750# -- FHP 2509#. BHT 118°.

DST #3: 5457-5545 , 5-90-60-90. WEAK TO FAIR BLOW. RECOVERED 160 SL.GCMW (5% GAS, 30% MUD, 65% WATER). IHP 2678# -- IFP'S 36-45# -- ISIP 1769# -- FFP'S 50-111# -- FSIP 1757# -- FHP 2502# -- BHT 120°.

ELECTRIC LOG TOPS

Chase Group	2763	-324
Root Shale	3,649	-1210
Stotler Ls.	3,713	-1274
King Hill Sh.	4,270	-1831
Heebner Sh.	4,422	-1983
Toronto Ls.	4,443	-2004
Douglas Sh.	4,461	-2022
Brown Ls.	4,592	-2153
Lansing 'A'	4,616	-2177
Stark Sh.	4,977	-2538
Hush. Sh.	5,015	-2576
BKC	5,080	-2641
Marmaton Ls.	5,100	-2661
Pawnee Ls.	5,180	-2741
Cherokee Sh.	5,229	-2790
Inola Ls.	5,328	-2889
Morrow Sh.	5,336	-2897
Morrow SS.	5,356	-2917
Miss.	5,367	-2928
Cowley For.	5,945	-3506
Chert	6,168	-3729
Kinderhook	6,252	-3813
Viola Dol.	6,372	-3933
Viola 1st Por	6,373	-3934
Viola 2nd Por	6,428	-3989
RTD	6,490	

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JUN 22 2010
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RECEIVED
 KANSAS CORPORATION COMMISSION

JUN 22 2010

CONSERVATION DIVISION
 WICHITA, KS

KCC
JUN 22 2010

TREATMENT REPORT

Customer Falcon Exploration, Incorporated	Lease No. Well #	Date 3-22-10	
Lease YBC	2-31	CONFIDENTIAL	
Field Order # 1654	Station Pratt, Kansas	Casing 5 1/2 15.5 Lb.	Depth 5.559 Ft.
Type Job C.N.W. Longstring	Formation	County Clark	State Kansas
		Legal Description 31-305-22W	

PIPE DATA		PERFORATING DATA		FLUID USED		TREATMENT RESUME	
Casing Size 5 1/2 15.5 Lb./Ft.	Tubing Size 6 Lb./Ft.	Shots/Ft 175	Shots/Ft 58	AA-2 with foamer, 108 Gal.	38 Friction Reducer, 758 FLA-3	RATE 758 Gal./str.	PRESS 57 lb./str. cell plate
Depth 5.559 Ft.	Depth 5.559 Ft.	From 50	From 60/40	15.3 Lb./Gal. Rat (30)	5.82 Gal./str. and Mouse (20 shots)	Min 1.38	10 Min 1.5 Min
Volume 132.2 Bbl.	Volume 132.2 Bbl.	From 50	To 60/40	Flush 131.7 Bbl. Fresh Water			
Max Press 1,500 P.S.I.	Max Press 1,500 P.S.I.	From 50	To 60/40				
Well Connection Plug Connector	Annulus Vol. ainer	From 50	To 60/40				
Plug Depth 5.532 Feet	Packer Depth	From 50	To 60/40				

Customer Representative Chuck Tomer	Station Manager David Scott	Treater Clarence R. Messick
Service Units 19,866	19,903	19,905
Driver Names Messick	Veatch	M. McGraw

Time	Casing Pressure	Tubing Pressure	Bbls. Pumped	Rate	Service Log
5:00					Trucks on location and hold safety meeting.
9:30					Val Drilling start to run Auto Fill Float shoe. Shoe Joint with Latch Down Baffle screwed in collar and a total of 14 5 Joints new 15.5 Lb./Ft. 5 1/2" casing. Installed Turbolizers on Collars # 4, 6, 7, and # 8. Install A Basket above Collars # 1 and # 5.
12:30					Casing in well. Circulate and Reciprocate for 45 min.
1:20	300		6	6	Start Fresh Water Pre-Flush.
	300		20	6	Start Super Flush II.
	350		32	5	Start Fresh Water Spacer.
1:36	350		35	5	Start mixing 175 sacks AA-2 cement.
	-0-		78		Stop pumping. Shut in well. Wash pump and lines. Release Latch Down Plug. Open Well.
1:47	200			6.5	Start Fresh Water Displacement.
			110	5	Start to lift cement.
2:10	700		131.7		Plug down.
	1,500				Pressure up.
					Release Pressure. Float Shoe held.
	-0-		75	3	Plug Rat and Mouse holes.
					Wash up pump truck.
3:00					Job Complete
					Thank You.
					Clarence, Chris, Milre

ALLIED CEMENTING CO., LLC. 037108

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

SERVICE POINT:

Medicine Lodge

JUN 22 2010

~~CONFIDENTIAL~~

DATE <u>3/4/10</u>	SEC. <u>31</u>	TWP. <u>30S</u>	RANGE <u>22W</u>	CALLED OUT <u>11:00 A.M.</u>	ON LOCATION <u>2:30 P.M.</u>	JOB START <u>5:45</u>	JOB FINISH <u>6:30</u>
LEASE <u>VBC</u>	WELL # <u>2-31</u>	LOCATION <u>Kingsdown South on 94</u>			COUNTY <u>Clay</u>	STATE <u>KS.</u>	
OLD OR NEW (Circle one)		Focus of <u>BKTOP. 1/2w slinto</u>					

CONTRACTOR Vol #2
 TYPE OF JOB Surface
 HOLE SIZE 12 1/4 T.D. 697
 CASING SIZE 8 5/8 DEPTH 697
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX 800 MINIMUM _____
 MEAS. LINE _____ SHOE JOINT 47

OWNER Falcon Exploration

CEMENT LEFT IN CSG. _____
 PERFS. _____
 DISPLACEMENT 4 1/2 BBLs Fresh

CEMENT
 AMOUNT ORDERED 2255x45:35:6 + 39cc + 1/4" Flo seal. 1505x A + 39cc + 29 gel

EQUIPMENT

PUMP TRUCK CEMENTER Mark C.
 # 352 HELPER David F.
 BULK TRUCK
 # 421-251 DRIVER RON G.
 BULK TRUCK
 # _____ DRIVER _____

COMMON <u>A 150 SX</u>	@ <u>15.45</u>	<u>2317.50</u>
POZMIX	@	
GEL <u>3 SX</u>	@ <u>20.80</u>	<u>62.40</u>
CHLORIDE <u>13 SX</u>	@ <u>58.20</u>	<u>756.60</u>
ASC	@	
<u>Flo seal 56</u>	@ <u>2.50</u>	<u>140.00</u>
<u>RECEIVED KANSAS CORPORATION COMMISSION 225 SX</u>	@ <u>14.80</u>	<u>3330.00</u>

JUN 22 2010

CONSERVATION DIVISION
WICHITA, KS

HANDLING <u>375</u>	@ <u>2.40</u>	<u>900.00</u>
MILEAGE <u>375/10/40</u>		<u>1500.00</u>
		TOTAL <u>9006.50</u>

REMARKS:

Pipe on bottom, break circ. Pump 3 fresh mix 225 sx lead cement. Mix 150 sx tail cement, release plug. Dip w/ fresh H2O @ 6 Bam. Pump plug @ 4 1/2. Flo did hold cement did circ.

SERVICE

DEPTH OF JOB <u>697'</u>		
PUMP TRUCK CHARGE		<u>1018.00</u>
EXTRA FOOTAGE	@	
MILEAGE <u>40</u>	@ <u>7.00</u>	<u>280.00</u>
MANIFOLD	@	
	@	
	@	
		TOTAL <u>1298.00</u>

CHARGE TO: Falcon Exploration

STREET _____

CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

<u>1-AFU Insert</u>	@	<u>158.00</u>
<u>1-Rubber plug</u>	@	<u>113.00</u>
<u>2-Centralsizers</u>	@	<u>44.00</u>
<u>3-Baskets</u>	@ <u>221.00</u>	<u>663.00</u>

TOTAL 979.00

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.

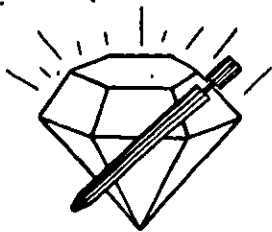
SALES TAX (If Any) _____

TOTAL CHARGES [scribble]

DISCOUNT [scribble] IF PAID IN 30 DAYS

PRINTED NAME _____

SIGNATURE [Signature]



DIAMOND TESTING

P.O. Box 157
HOISINGTON, KANSAS 67544
(620) 653-7550 • (800) 542-7313
STC 30046.D711

Company Falcon Exploration, Inc. Lease & Well No. YBC No. 2-31
Elevation 2439 KB Formation Mississippi Effective Pay -- Ft. Ticket No. J2507
Date 3-17-10 Sec. 31 Twp. 30S Range 22W County Clark State Kansas
Test Approved By Keith Reavis Diamond Representative John C. Riedl

Formation Test No. 3 Interval Tested from 5,457 ft. to 5,545 ft. Total Depth 5,545 ft.
Packer Depth 5,452 ft. Size 6 3/4 in. Packer Depth -- ft. Size -- in.
Packer Depth 5,457 ft. Size 6 3/4 in. Packer Depth -- ft. Size -- in.
Depth of Selective Zone Set ft.

Top Recorder Depth (Inside) 5,460 ft. Recorder Number 30046 Cap. 6,000 psi
Bottom Recorder Depth (Outside) 5,542 ft. Recorder Number 11017 Cap. 4,000 psi
Below Straddle Recorder Depth ft. Recorder Number psi

Drilling Contractor Val Energy, Inc. - Rig 2 Drill Collar Length -- ft. I.D. -- in.
Mud Type Chemical Viscosity 58 Weight Pipe Length -- ft. I.D. -- in.
Weight 8.8 Water Loss 8.8 cc. Drill Pipe Length 5,431 ft. I.D. 3 1/2 in.
Chlorides 10,000 P.P.M. Test Tool Length 26 ft. Tool Size 3 1/2 - IF in.
Jars: Make Sterling Serial Number 2 Anchor Length 88 ft. Size 4 1/2 - FH in.
Did Well Flow? No Reversed Out No Surface Choke Size 1 in. Bottom Choke Size 5/8 in.
Main Hole Size 7 7/8 in. Tool Joint Size 4 1/2 - XH in.

Blow: 1st Open: Weak, 2 in., blow. No blow back during shut-in.
2nd Open: Fair, 6 in., blow. No blow back during shut-in.

Recovered 160 ft. of slightly gas cut muddy water = 2.276800 bbls. (Grind out: 5%-gas; 30%-mud; 65%-water)
Recovered ft. of Chlorides: 55,000 Ppm
Recovered ft. of
Recovered ft. of
Recovered ft. of

Remarks

Time Set Packer(s) 2:15 ~~PM~~ ^{A.M.} Time Started Off Bottom 6:20 ~~PM~~ ^{A.M.} Maximum Temperature 120°
Initial Hydrostatic Pressure (A) 2678 P.S.I.
Initial Flow Period Minutes 5 (B) 36 P.S.I. to (C) 45 P.S.I.
Initial Closed In Period Minutes 90 (D) 1769 P.S.I.
Final Flow Period Minutes 60 (E) 50 P.S.I. to (F) 111 P.S.I.
Final Closed In Period Minutes 90 (G) 1757 P.S.I.
Final Hydrostatic Pressure (H) 2502 P.S.I.

GENERAL INFORMATION

Client Information:

Company: FALCON EXPLORATION INC

Contact: MIKE MITCHELL

Phone: Fax: e-mail:

Site Information:

Contact: KEITH REAVIS

Phone: Fax: e-mail:

Well Information:

Name: YBC 2-31

Operator: FALCON EXPLORATION UINC.

Location-Downhole:

Location-Surface: S31/30S/22W CLARK COUNTY

Test Information:

Company: DIAMOND TESTING

Representative: JOH RIEDL

Supervisor: KEITH REAVIS

Test Type: CONVENTIONAL Job Number: D711

Test Unit:

Start Date: 2010/03/17 Start Time: 00:05:00

End Date: 2010/03/17 End Time: 09:45:00

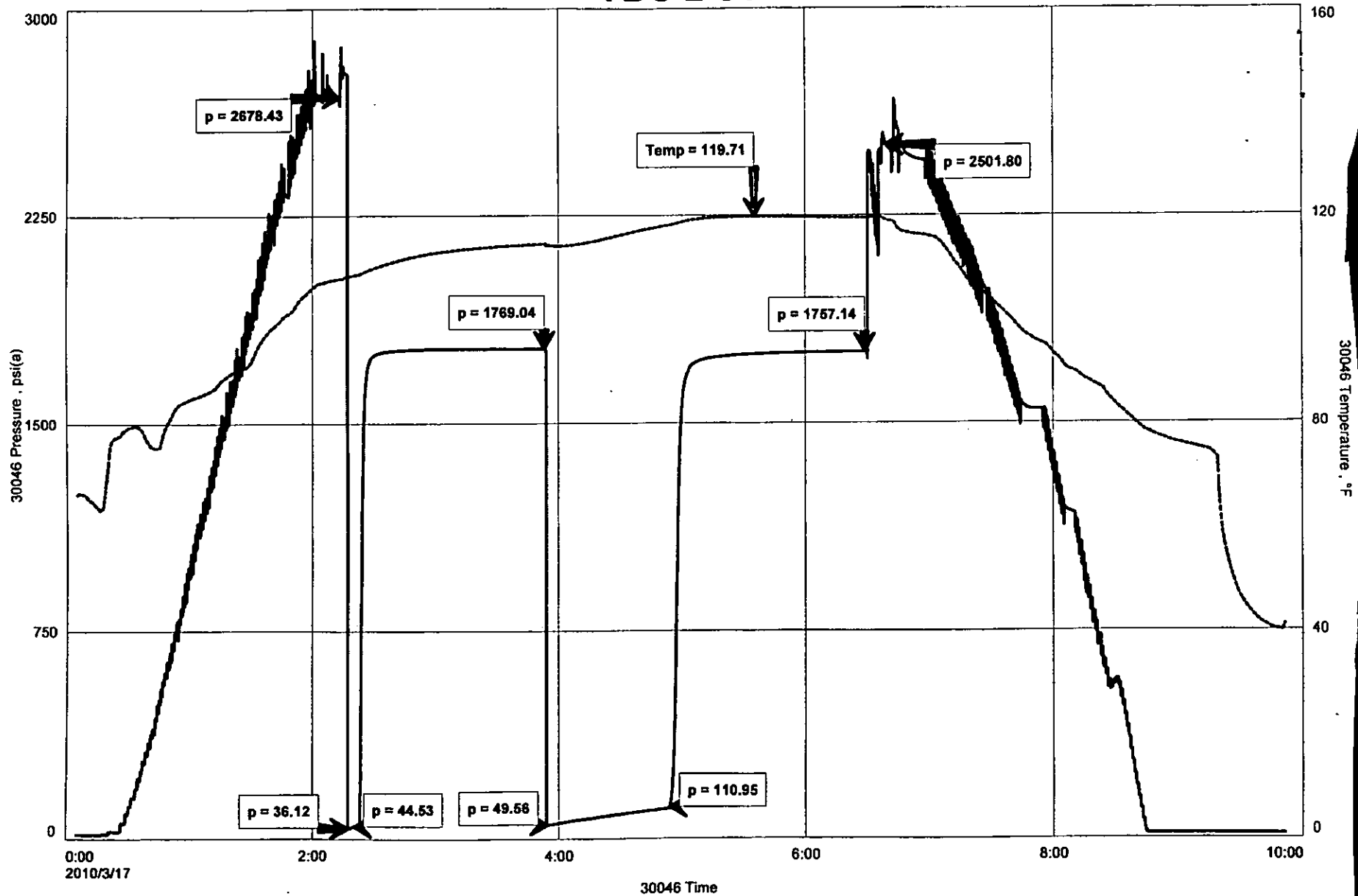
Report Date: 2010/03/17 Prepared By: JOHN RIEDL

Qualified By: KEITH REAVIS

Remarks:

RECOVERY: 160' SLIGHTLY GAS CUT MUDDY WATER

YBC 2-31





DIAMOND TESTING

P.O. Box 157

HOISINGTON, KANSAS 67544

(620) 653-7550 • (800) 542-7313

STC 30046.D709

Company Falcon Exploration, Inc. Lease & Well No. YBC No. 2-31

Elevation 2439 KB Formation Morrow Sand Effective Pay Ft. Ticket No. J2505

Date 3-13-10 Sec. 31 Twp. 30S Range 22W County Clark State Kansas

Test Approved By Keith Reavis Diamond Representative John C. Riedl

Formation Test No. 1 Interval Tested from 5,226 ft. to 5,380 ft. Total Depth 5,380 ft.

Packer Depth 5,221 ft. Size 6 3/4 in. Packer Depth ft. Size in.

Packer Depth 5,226 ft. Size 6 3/4 in. Packer Depth ft. Size in.

Depth of Selective Zone Set ft.

Top Recorder Depth (Inside) 5,229 ft. Recorder Number 30046 Cap. 6,000 psi

Bottom Recorder Depth (Outside) 5,377 ft. Recorder Number 11017 Cap. 4,000 psi

Below Straddle Recorder Depth ft. Recorder Number Cap. psi

Drilling Contractor Val Energy, Inc. - Rig 2 Drill Collar Length ft. I.D. in.

Mud Type Chemical Viscosity 56 Weight Pipe Length ft. I.D. in.

Weight 9.2 Water Loss 8.8 cc. Drill Pipe Length 5,200 ft. I.D. 3 1/2 in.

Chlorides 7,000 P.P.M. Test Tool Length 26 ft. Tool Size 3 1/2 - IF in.

Jars: Make Sterling Serial Number 2 Anchor Length 154 ft. Size 4 1/2 - FH in.

Did Well Flow? No Reversed Out No Surface Choke Size 1 in. Bottom Choke Size 5/8 in.

Main Hole Size 7 7/8 in. Tool Joint Size 4 1/2 - XH in.

Blow: 1st Open: Strong blow. Off bottom of bucket in 1 min. Gas to surface in 5 mins. Fair, 4 in., blow back during shut-in. (SEE GAS VOLUME REPORT)

2nd Open: Strong blow. Gas to surface throughout. Sample taken. Weak, 1 in., blow back during shut-in. (SEE GAS VOLUME REPORT)

Recovered 240 ft. of gassy drilling mud = 3.415200 bbls. (Grind out: 25%-gas; 75%-mud)

Recovered ft. of

Recovered ft. of

Recovered ft. of

Recovered ft. of

Recovered ft. of

Remarks Gas initially guaged at 764 MCF/D. Stabilized the last 40 mins. at 953 MCF/D.

Gas burned.

Time Set Packer(s) 10:30 ^{A.M.}/_{P.M.} Time Started Off Bottom 3:05 ^{AM.}/_{P.M.} Maximum Temperature 122°

Initial Hydrostatic Pressure 2703 P.S.I. (A)

Initial Flow Period 5 Minutes (B) 338 P.S.I. to (C) 251 P.S.I.

Initial Closed In Period 90 Minutes (D) 1700 P.S.I.

Final Flow Period 60 Minutes (E) 231 P.S.I. to (F) 234 P.S.I.

Final Closed In Period 120 Minutes (G) 1682 P.S.I.

Final Hydrostatic Pressure 2468 P.S.I. (H)

GENERAL INFORMATION

Client Information:

Company: FALCON EXPLORATION

Contact: MIKE MITCHELL

Phone: Fax: e-mail:

Site Information:

Contact: KEITH REAVIS

Phone: Fax: e-mail:

Well Information:

Name: YBC 2-31

Operator: FALCON EXPLORATION

Location-Downhole:

Location-Surface: S31/30S/22W CLARK COUNTY

Test Information:

Company: DIAMOND TESTING

Representative: JOHN RIEDL

Supervisor: KEITH REAVIS

Test Type: CONVENTIONAL Job Number: D709

Test Unit:

Start Date: 2010/03/13 Start Time: 08:15:00

End Date: 2010/03/13 End Time: 18:35:00

Report Date: 2010/03/13 Prepared By: JOHN RIEDL

Qualified By: KEITH REAVIS

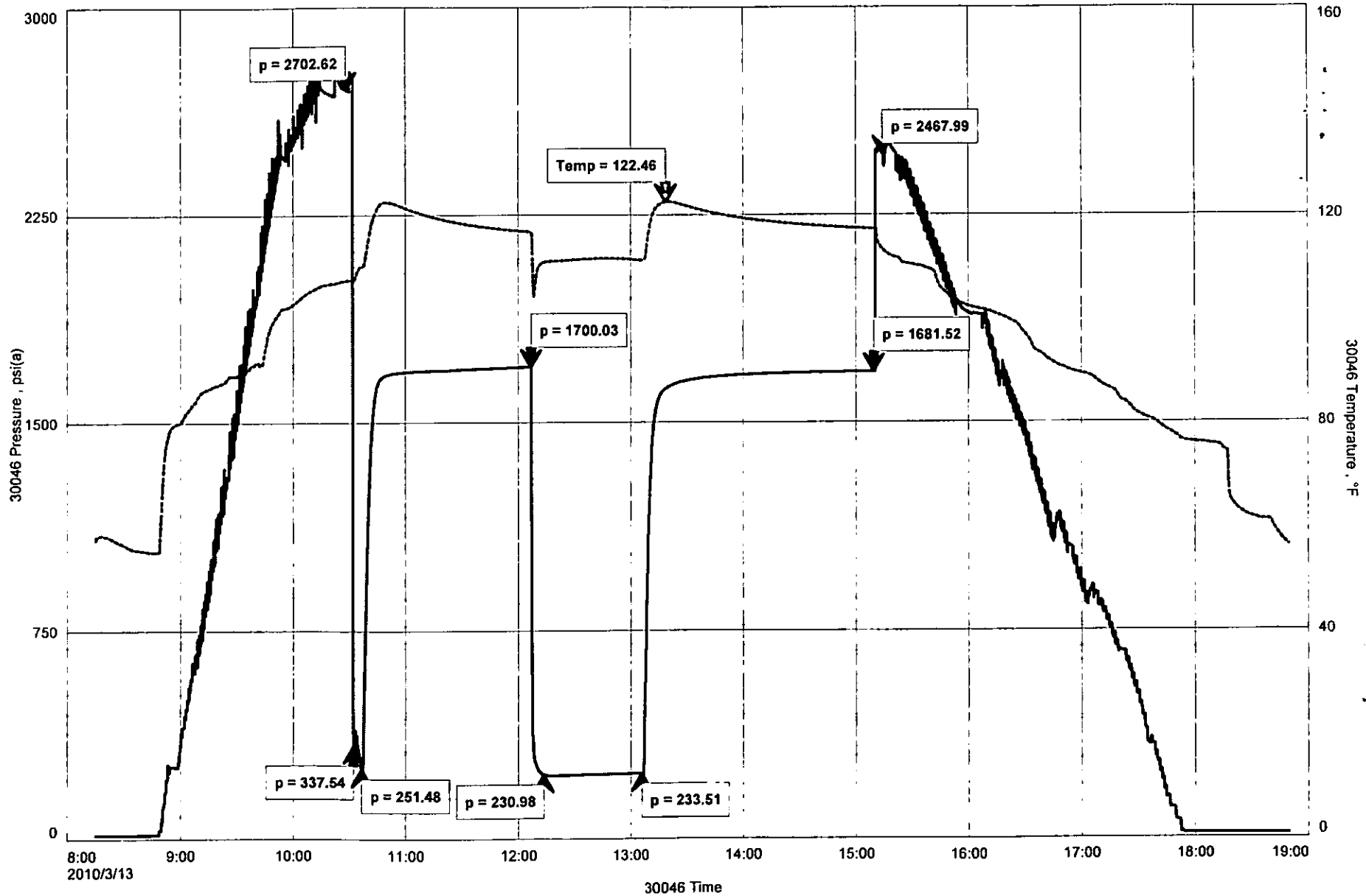
Remarks:

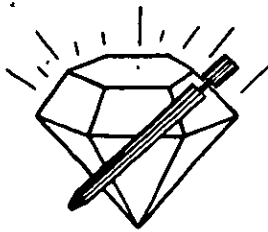
RECOVERY: 240' GASSY DRILLING MUD

FALCON EXPLORATION
Start Test Date: 2010/03/13
Final Test Date: 2010/03/13

YBC 2-31
Formation: MORROW SAND
Job Number: D709

YBC 2-31





DIAMOND TESTING
P.O. Box 157
HOISINGTON, KANSAS 67544
(620) 653-7550 • (800) 542-7313
STC 30046.D710

Company Falcon Exploration, Inc. Lease & Well No. YBC No. 2-31
Elevation 2439 KB Formation Mississippi Effective Pay Ft. Ticket No. J2506
Date 3-15-10 Sec. 31 Twp. 30S Range 22W County Clark State Kansas
Test Approved By Keith Reavis Diamond Representative John C. Riedl

Formation Test No. 2 Interval Tested from 5,390 ft. to 5,451 ft. Total Depth 5,451 ft.
Packer Depth 5,385 ft. Size 6 3/4 in. Packer Depth ft. Size in.
Packer Depth 5,390 ft. Size 6 3/4 in. Packer Depth ft. Size in.
Depth of Selective Zone Set ft.

Top Recorder Depth (Inside) 5,393 ft. Recorder Number 30046 Cap. 6,000 psi
Bottom Recorder Depth (Outside) 5,448 ft. Recorder Number 11017 Cap. 4,000 psi
Below Straddle Recorder Depth ft. Recorder Number Cap. psi

Drilling Contractor Val Energy, Inc. - Rig 2 Drill Collar Length ft. I.D. in.
Mud Type Chemical Viscosity 58 Weight Pipe Length ft. I.D. in.
Weight 9.1 Water Loss 8.0 cc. Drill Pipe Length 5,364 ft. I.D. 3 1/2 in.
Chlorides 7,800 P.P.M. Test Tool Length 26 ft. Tool Size 3 1/2 - IF in.
Jars: Make Sterling Serial Number 2 Anchor Length 61 ft. Size 4 1/2 - FH in.
Did Well Flow? No Reversed Out No Surface Choke Size 1 in. Bottom Choke Size 5/8 in.
Main Hole Size 7 7/8 in. Tool Joint Size 4 1/2 - XH in.

Blow: 1st Open: Strong blow. 12 in. off bottom of bucket in 1 min. No blow back during shut-in.
2nd Open: Strong blow. Off bottom of bucket immediately. Gas to surface in 7 mins. Sample taken. Strong blow back off bottom of bucket in 4 mins. during shut-in. (SEE GAS VOLUME REPORT)

Recovered 130 ft. of heavy oil & gas cut mud = 1.849900 bbls. (Grind out: 25%-oil; 35%-gas; 40%-mud)
Recovered 310 ft. of gassy oil = 4.411300 bbls. (Grind out: 35%-gas; 65%-oil) Gravity: 39 @ 60°
Recovered 440 ft. of TOTAL FLUID = 6.261200 bbls.
Recovered ft. of
Recovered ft. of

Remarks

Time Set Packer(s) 2:00 ^{XXM.} P.M. Time Started Off Bottom 6:35 ^{XXM.} P.M. Maximum Temperature 118°
Initial Hydrostatic Pressure (A) 2677 P.S.I.
Initial Flow Period Minutes 5 (B) 72 P.S.I. to (C) 68 P.S.I.
Initial Closed In Period Minutes 90 (D) 1759 P.S.I.
Final Flow Period Minutes 60 (E) 69 P.S.I. to (F) 191 P.S.I.
Final Closed In Period Minutes 120 (G) 1750 P.S.I.
Final Hydrostatic Pressure (H) 2509 P.S.I.

GENERAL INFORMATION

Client Information:

Company: FALCON EXPLORATION INC.
Contact: MIKE MITCHELL
Phone: Fax: e-mail:

Site Information:

Contact: KEITH REAVIS
Phone: Fax: e-mail:

Well Information:

Name: YBC 2-31
Operator: FALCON EXPLORATION INC
Location-Downhole:
Location-Surface: S31/30S/22W CLARK CTY

Test Information:

Company: DIAMOND TESTING
Representative: JOHN RIEDL
Supervisor: KEITH REAVIS
Test Type: CONVENTIONAL Job Number: D710
Test Unit:
Start Date: 2010/03/15 Start Time: 11:00:00
End Date: 2010/03/15 End Time: 22:00:00
Report Date: 2010/03/15 Prepared By: JOHN RIEDL
Remarks: Qualified By: KEITH REAVIS

RECOVERY: 130' GASSY OIL CUT MUD
310' GASSY OIL (GAS TO SURFACE 7 MINUTES 2ND FLOW)

YBC 2-31

