

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

8/12/10

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: KEITH REAVIS
Purchaser: NA

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Designate Type of Completion:
 New Well Re-Entry Workover
 Oil WSW SWD SLOW
 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: _____
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 #: _____

4/21/2010 5/06/2010
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 025-21499-0000
Spot Description: _____
NE_NE_NE_SW Sec. 19 Twp. 30 S. R. 22 East West
2,360 Feet from North / South Line of Section
2,500 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: CLARK
Lease Name: SWAYZE Well #: 3-19
Field Name: WC
Producing Formation: _____
Elevation: Ground: 2456 Kelly Bushing: 2466
Total Depth: 6122 Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at: 683 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set: _____ Feet
If Alternate II completion, cement circulated from: RECEIVED
feet depth to: _____ w/ _____ / _____ sx fms.

Drilling Fluid Management Plan **KCC WICHITA**
(Data must be collected from the Reserve Pit)
Chloride content: 26500 ppm Fluid volume: _____ bbls
Dewatering method used: HAUL OFF FREE FLUIDS; ALLOW TO DRY
Location of fluid disposal if hauled offsite: _____
Operator Name: HAYDEN OPERATING
Lease Name: LIZ SMITH License #: 33562
Quarter _____ Sec. 26 Twp. 30 S. R. 34 East West
County: HASKELL Permit #: D26802

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: 8/11/2010

KCC Office Use ONLY

Letter of Confidentiality Received
Date: 8-12-10 - 8/12/10
 Confidential Release Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
ALT I II III Approved by: KCC WICHITA
PA

Operator Name: FALCON EXPLORATION INC. Lease Name: SWAYZE Well #: 3-19
 Sec. 19 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 Wire-line Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i>	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample
Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Name Top Datum
Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	SEE ATTACHED SHEET
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 <i>(If no, Submit Copy)</i>	

List All E. Logs Run:
MEL;CDL/CNL;DIL

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AUG 12 2010
KCC WICHITA

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	683	65/35;CLASS A	225;150	6% GEL, 3% CC;2% GEL, 3% CC

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

TUBING RECORD: Size: _____ Set At: _____ Packer At: _____		Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Date of First, Resumed Production, SWD or ENHR. _____		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 <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5)</i> <i>(Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
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SWAYZE #3-19
2360' FSL & 2500' FWL (NE NE NE SW)
SECTION 19-30S-22W
CLARK COUNTY, KANSAS
API #15-025-21499-000

RECEIVED
AUG 12 2010

KCC WICHITA

DST #1: 4816-4854', 5-90-60-131. VERY WEAK SURFACE BLOW SLOWLY BUILDING TO 1 INCH. 2ND OPEN - VERY WEAK SURFACE BLOW BUILDING TO 6 INCHES AT END OF 2ND FLOW. RECOVERED 50' SLIGHT OIL AND WATER CUT MUD, (7% OIL, 16% WATER, 77% MUD), 50' SLIGHT OIL AND VERY HEAVY MUD CUT WATER, (7% OIL, 50% WATER, 43% MUD), IHP 2307# -- IFP'S 50-31# -- ISIP 1611# -- FFP'S 52-64# -- FSIP 1550# -- FHP 2335#. BHT 110.

DST #2: 5336-5378', 5-90-45-0. VERY WEAK SURFACE BLOW AT THE START OF THE INITIAL FLOW PERIOD, BUILDING TO 1 1/2 INCHES. NO BLOW AT THE START OF THE FINAL FLOW PERIOD, UNTIL THE 5 MINUTE MARK, WHERE WE GOT A VERY WEAK SURFACE BLOW. AT ABOUT THE 25 MINUTE MARK, THE TOOL WAS FLUSHED AND AFTER 5 MINUTES HAD A VERY WEAK SURFACE BLOW OF 1/4 INCH AND THE TOOL WAS PULLED WITH OUT TAKING A 2ND SHUT-IN. RECOVERED 20' OF DRILLING MUD. IHP 2545# -- IFP'S 26-17# -- ISIP 38# -- FFP'S 20-28# -- FSIP NOT TAKEN -- FHP 2481#. BHT 114

DST #3: 5384-5487', 5-90-120-180. WEAK SURFACE BLOW AT THE START OF FIRST OPEN, BUILDING TO 1 INCH. WEAK 1 INCH BLOW AT THE START OF THE FINAL FLOW, BUILDING, REACHING BOB IN 37 MINUTES. RECOVERED 335' GIP AND 45' MUD W/VERY SLIGHT TRACE OF OIL. IHP 2590# -- IFP'S 44-31# -- ISIP 1618# -- FFP'S 37-30# -- FSIP 1339# -- FHP 2487#. BHT 117⁰.

LOG TOPS:

HEEBNER	4458(-1992)
LANSING	4626(-2160)
MARMATON	5084(-2618)
PAWNEE	5181(-2715)
CHEROKEE	5230(-2764)
INOLA LS	5323(-2857)
MORROW SH	5335(-2869)
MORROW SS	5348(-2882)
MISS	5366(-2900)
COWLEY	5874(-3408)

ALLIED CEMENTING CO., LLC. 041452

KCC

AUG 12 2010

SERVICE POINT:

Medicine Lodge, ks

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

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DATE <u>5-6-2010</u>	SEC. <u>19</u>	TWP. <u>30S</u>	RANGE <u>22W</u>	CALLED OUT <u>12:00pm</u>	ON LOCATION <u>4:00pm</u>	JOB START <u>8:00pm</u>	JOB FINISH <u>9:00pm</u>
LEASE <u>Swagye</u>		WELL # <u>B-19</u>		LOCATION <u>Kingsdown, ks 6.2 south</u>		COUNTY <u>Clyde</u>	STATE <u>KS</u>
OLD OR <input checked="" type="radio"/> NEW (Circle one)			<u>U+S/INTO</u>				

CONTRACTOR USI #1
 TYPE OF JOB Rotary Plug
 HOLE SIZE 7 7/8 T.D.
 CASING SIZE 8 5/8 DEPTH
 TUBING SIZE DEPTH
 DRILL PIPE 4 1/2 DEPTH 1,400'
 TOOL DEPTH
 PRES. MAX MINIMUM
 MEAS. LINE SHOE JOINT
 CEMENT LEFT IN CSG.
 PERFS.
 DISPLACEMENT 3 bbls fresh water, 10 bbls mud

OWNER Falcon Exploration

CEMENT
 AMOUNT ORDERED 210 sk 60' 40' 4% 60'

COMMON Class A 10 @ 15.45 1946.70
 POZMIX 84 sk @ 8.00 672.00
 GEL 8 sk @ 20.00 166.40
 CHLORIDE @
 ASC RECEIVED

EQUIPMENT

PUMP TRUCK CEMENTER Darin F
 # 372 HELPER Darin F
 BULK TRUCK
 # 383-250 DRIVER Ron G
 BULK TRUCK
 # NCU 461 DRIVER Kenny B
 # NCU 391 Dave F.

AUG 12 2010
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 @
 @
 @
 @
 HANDLING 210 @ 2.40 504.00
 MILEAGE 210 / 10/25 525.00
 TOTAL 5814.00

REMARKS:

1st plug - 1400', loss hole, pump 8 1/2 bbls water shed, mix 50sk of cement, Displace 3 bbls water, 10 bbls mud, 2nd plug - 710' loss hole, pump 15 bbls water shed, mix 50sk of cement, Displace 5 bbls water, 3rd plug - 340' loss hole, pump 4 bbls water shed, mix 40sk Displace 1 1/2 bbls water, 4th plug - 60' loss hole, mix 20sk, Ret hole, mix 30sk, mouse hole mix 20sk

SERVICE

DEPTH OF JOB 1400'
 PUMP TRUCK CHARGE 1017.00
 EXTRA FOOTAGE @
 MILEAGE 25 @ 7.00 175.00
 MANIFOLD @
 @
 @

TOTAL 1192.00

CHARGE TO: Falcon Exploration
 STREET _____
 CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

none
 @
 @
 @
 @
 @

TOTAL _____

SALES TAX (If Any) _____
 TOTAL CHARGES 5814.00
 DISCOUNT 5814.00 IF PAID IN 30 DAYS

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 X Toby Hagenier

SIGNATURE X Toby Hagenier

Thank You!!!

Company **Falcon Exploration, Inc.**
 Address **125 N. Market, Ste. 1252**
 CSZ **Wichita, KS 67202**
 Attn. **Keith Reavis**

Lease Name **Swayze**
 Lease # **3-19**
 Legal Desc **NE-NE-NE-SW** Job Ticket **2104**
 Section **19** Range **22W**
 Township **30S**
 County **Clark** State **KS**
 Drilling Cont **Val Energy, Inc. Rig #1**

Comments **Legal Description in feet: 2360' FSL & 2500' FWL**
Added 132 miles to pick up tool on 5-5-2010

GENERAL INFORMATION

Test # 1 Test Date **4/29/2010**
 Tester **Tim Venters**
 Test Type **Conventional Bottom Hole**
Successful Test
 # of Packers **2.0** Packer Size **6 3/4**
 Mud Type **Gel Chem**
 Mud Weight **9.4** Viscosity **54.0**
 Filtrate **11.2** Chlorides **7600**

Chokes **3/4** Hole Size **7 7/8**
 Top Recorder # **W1119**
 Mid Recorder # **W1022**
 Bott Recorder # **13564**

Drill Collar Len **0**
 Wght Pipe Len **0**

Mileage **132** Approved By
 Standby Time **0**
 Extra Equipmnt **Jars & Safety joint**
 Time on Site **3:15 AM**
 Tool Picked Up **8:20 AM**
 Tool Layed Dwn **5:55 PM**
 Elevation **2456.00** Kelley Bushings **2466.00**

Formation **Lansing "H"**
 Interval Top **4816.0** Bottom **4854.0**
 Anchor Len Below **38.0** Between **0**
 Total Depth **4854.0**

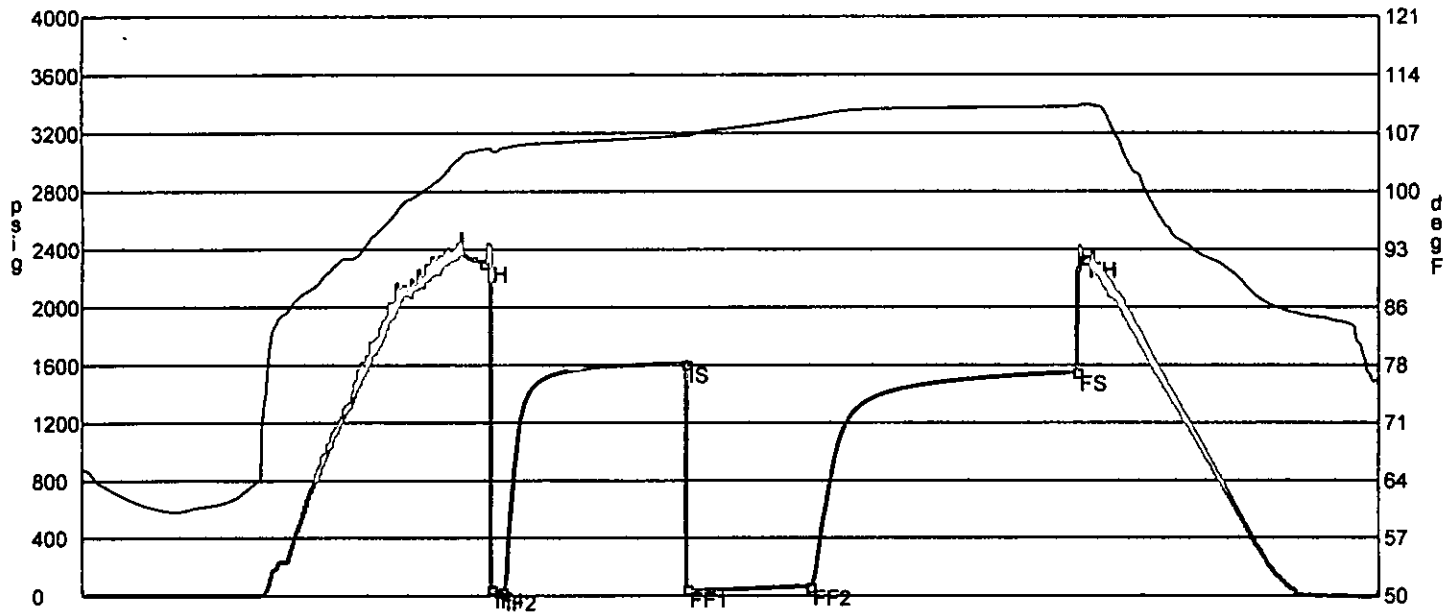
Start Date/Time **4/29/2010 7:19 AM**
 End Date/Time **4/29/2010 5:55 PM**

Blow Type **Very weak surface blow at the start of the initial flow period, building to 1 in ch. Very weak surface blow at the start of the final flow period, building to 6 inches. Times: 5, 90, 60, 131.**

RECOVERY

Feet	Description	Gas		Oil		Water		Mud	
50	Slight oil, water cut mud	0%	0ft	7%	3.5ft	16%	8ft	77%	38.5ft
50	Slight oil, very heavy mud cut water	0%	0ft	7%	3.5ft	50%	25ft	43%	21.5ft

DST Fluids **48000**



	Date	Time	Pressure	Temp	
IH	4/29/2010 10:35:00 AM	3.266667	2307.471	104.826	Initial Hydro-static
IF1	4/29/2010 10:38:40 AM	3.327778	49.54	104.9	Initial Flow (1)
IF2	4/29/2010 10:44:10 AM	3.419444	31.141	104.956	Initial Flow (2)
IS	4/29/2010 12:14:20 PM	4.922222	1611.149	106.502	Initial Shut-In
FF1	4/29/2010 12:14:50 PM	4.930556	51.874	106.364	Final Flow (1)
FF2	4/29/2010 1:15:20 PM	5.938889	64.401	108.757	Final Flow (2)
FS	4/29/2010 3:26:20 PM	8.122222	1550.011	110.005	Final Shut-In
FH	4/29/2010 3:30:30 PM	8.191667	2335.094	110.222	Final Hydro-static

GAS FLOWS

Min Into IFP Min Into FFP Gas Flows Pressure Choke

Company Falcon Exploration, Inc.
 Address 125 N. Market, Ste. 1252
 CSZ Wichita, KS 67202
 Attn. Keith Reavis

Lease Name Swayze
 Lease # 3-19
 Legal Desc NE-NE-NE-SW
 Section 19
 Township 30S
 County Clark
 Drilling Cont Val Energy, Inc. Rig #1
 Job Ticket 2104
 Range 22W
 State KS

Comments Legal Description in feet: 2360' FSL & 2500' FWL
 Added 132 miles to pick up tool on 5-5-2010

GENERAL INFORMATION

Test # 2 Test Date 5/2/2010
 Tester Tim Venters
 Test Type Conventional Bottom Hole
 Successful Test
 # of Packers 2.0 Packer Size 6 3/4

Mud Type Gel Chem
 Mud Weight 9.2 Viscosity 69.0
 Filtrate 12.4 Chlorides 7600

Drill Collar Len 0
 Wght Pipe Len 0

Formation Morrow/Mississippian
 Interval Top 5336.0 Bottom 5378.0
 Anchor Len Below 42.0 Between 0
 Total Depth 5378.0

Blow Type Weak surface blow at the start of the initial flow period, building to 1 1/2 inches. No blow at the start of the final flow period, until the 5 minute mark, where we got a very weak surface blow. At about the 25 minute mark, we flushed the tool and got a 1/4 inch blow. Times: 5, 90, 45, 0.

Chokes 3/4 Hole Size 7 7/8
 Top Recorder # W1119
 Mid Recorder # W1022
 Bott Recorder # 13564

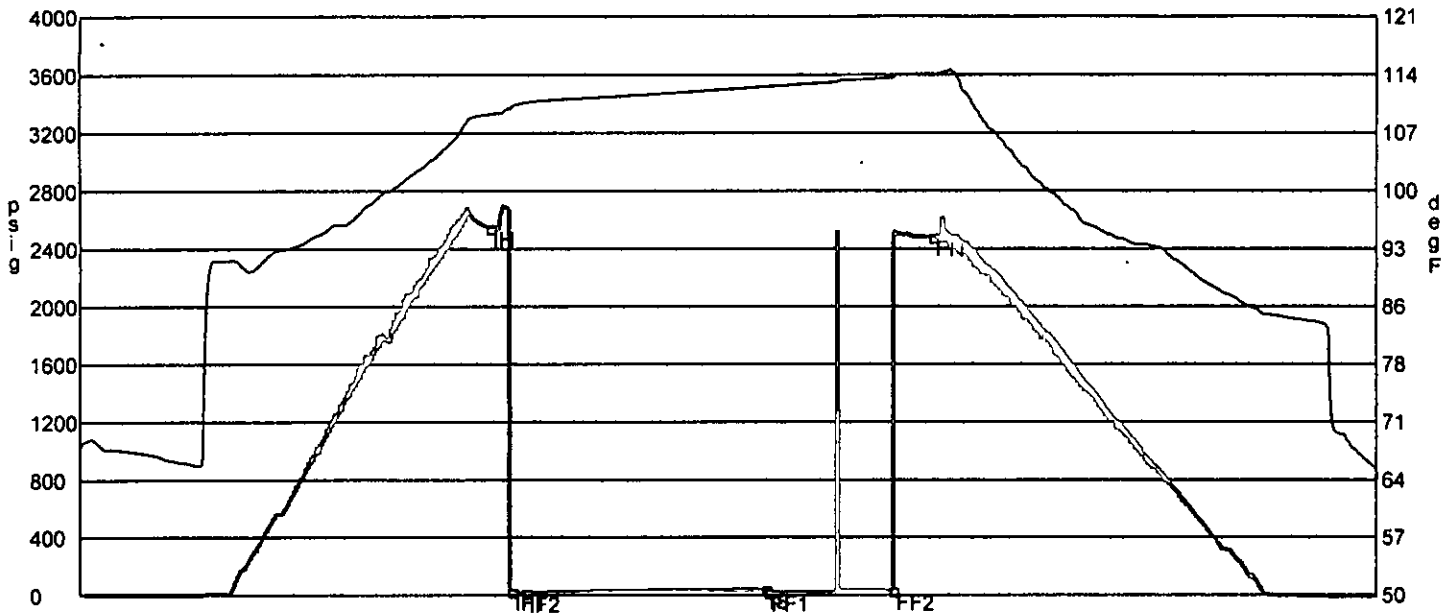
Mileage 132 Approved By
 Standby Time 0
 Extra Equipmnt Jars & Safety joint
 Time on Site 6:45 PM
 Tool Picked Up 8:15 PM
 Tool Layed Dwn 3:30 AM

Elevation 2456.00 Kelley Bushings 2466.00

Start Date/Time 5/1/2010 7:31 PM
 End Date/Time 5/2/2010 3:29 AM

RECOVERY

Feet	Description	Gas		Oil		Water		Mud
20	Drilling mud	0%	0ft	0%	0ft	0%	0ft	100% 20ft
DST Fluids		0						



	Date	Time	Pressure	Temp	
IH	5/1/2010 10:00:45 PM	2.495833	2545.321	109.072	Initial Hydro-static
IF1	5/1/2010 10:08:45 PM	2.629167	26.276	110.012	Initial Flow (1)
IF2	5/1/2010 10:14:00 PM	2.716667	16.558	110.49	Initial Flow (2)
IS	5/1/2010 11:43:00 PM	4.2	37.765	112.465	Initial Shut-In
FF1	5/1/2010 11:43:45 PM	4.2125	19.78	112.475	Final Flow (1)
FF2	5/2/2010 12:30:00 AM	4.983333	27.777	113.542	Final Flow (2)
FH	5/2/2010 12:44:45 AM	5.229167	2481.086	114.008	Final Hydro-static

GAS FLOWS

Min Into IFP Min Into FFP Gas Flows Pressure Choke

Company · **Falcon Exploration, Inc.**
 Address **125 N. Market, Ste. 1252**
 CSZ **Wichita, KS 67202**
 Attn. **Keith Reavis**

Lease Name **Swayze**
 Lease # **3-19**
 Legal Desc **NE-NE-NE-SW**
 Section **19**
 Township **30S**
 County **Clark**
 Drilling Cont **Val Energy, Inc. Rig #1**

Job Ticket **2104**
 Range **22W**
 State **KS**

Comments **Legal Description in feet: 2360' FSL & 2500' FWL**
Added 132 miles to pick up tool on 5-5-2010

GENERAL INFORMATION

Test # **3** Test Date **5/3/2010**
 Tester **Tim Venters**
 Test Type **Conventional Bottom Hole**
Successful Test
 # of Packers **2.0** Packer Size **6 3/4**

Mud Type **Gel Chem**
 Mud Weight **9.2** Viscosity **47.0**
 Filtrate **13.2** Chlorides **10000**

Drill Collar Len **0**
 Wght Pipe Len **0**

Formation **Mississippian**
 Interval Top **5384.0** Bottom **5487.0**
 Anchor Len Below **103.0** Between **0**
 Total Depth **5487.0**

Blow Type **Weak surface blow at the start of the initial flow period, building to 1 inch.**
Weak 1 inch blow at the start of the final flow period, building, reaching the b
ottom of the bucket in 37 minutes. It never did blow water out of the bucket.
Times: 5, 90, 120, 180.

Chokes **3/4** Hole Size **7 7/8**
 Top Recorder # **W1119**
 Mid Recorder # **W1022**
 Bott Recorder # **13564**

Mileage **264** Approved By
 Standby Time **0**
 Extra Equipmnt **Jars & Safety joint**
 Time on Site **8:15 PM**
 Tool Picked Up **10:55 PM**
 Tool Layed Dwn **10:10 AM**

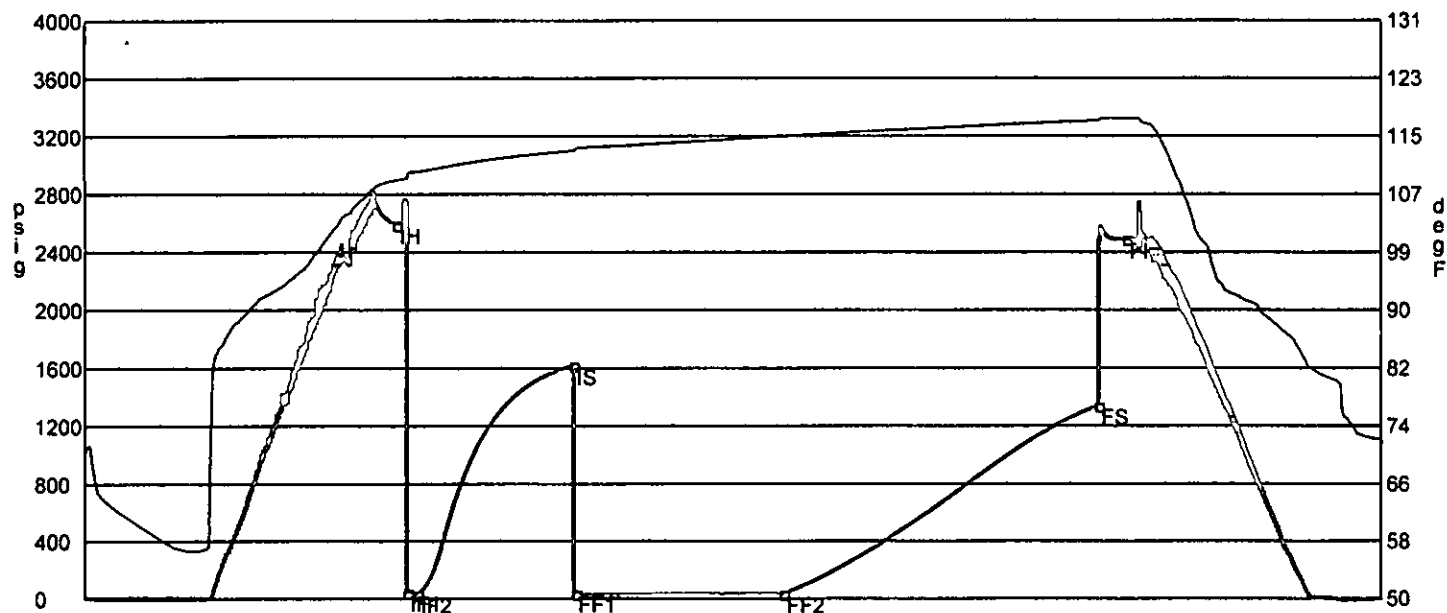
Elevation **2456.00** Kelley Bushings **2466.00**

Start Date/Time **5/3/2010 9:52 PM**
 End Date/Time **5/4/2010 10:14 AM**

RECOVERY

Feet	Description	Gas	Oil	Water	Mud
335	Gas in Pipe	100% 335ft	0% 0ft	0% 0ft	0% 0ft
45	Mud with a very slight trace of oil	0% 0ft	trace	0% 0ft	100% 45ft

DST Fluids **0**



	Date	Time	Pressure	Temp	
IH	5/4/2010 12:49:30 AM	2.958333	2590.011	108.652	Initial Hydro-static
IF1	5/4/2010 12:55:50 AM	3.063889	44.018	108.909	Initial Flow (1)
IF2	5/4/2010 1:01:40 AM	3.161111	30.609	109.876	Initial Flow (2)
IS	5/4/2010 2:30:50 AM	4.647222	1618.566	112.784	Initial Shut-In
FF1	5/4/2010 2:32:00 AM	4.666667	36.842	113.037	Final Flow (1)
FF2	5/4/2010 4:31:30 AM	6.658333	30.168	114.775	Final Flow (2)
FS	5/4/2010 7:31:40 AM	9.661111	1339.059	116.983	Final Shut-In
FH	5/4/2010 7:47:40 AM	9.927778	2487.322	117.284	Final Hydro-static

GAS FLOWS

Min Into IFP Min Into FFP Gas Flows Pressure Choke