TO:

STATE CORPORATION COMMISSION **CONSERVATION DIVISION - PLUGGING**

130 SOUTH MARKET, SUITE 2078

WICHITA, KANSAS 67202

Operator License No.: 34759

Op Name: STRAND ENERGY, L.C.

Address: 919 MILAM, STE 1820

HOUSTON, TX 77002

API Well Number: 15-083-21858-00-00

Spot: NWSESESE

Sec/Twnshp/Rge: 23-23S-24W

600 feet from S Section Line,

350 feet from E Section Line

Lease Name: HASTINGS

Well #: 23-1 Total Vertical Depth: 4800 feet

County: HODGEMAN

String Size

Depth (ft) Pulled (ft) Comment

SURF 8.625

385

Well Type: DH

UIC Docket No:

Date/Time to Plug: 12/01/2012 6:45 PM

Plug Co. License No.: 5822

Plug Co. Name: VAL ENERGY, INC.

Proposal Revd. from: RICK SMITH

Company: VAL ENERGY, INC.

Phone: (316) 263-6688

Proposed 1ST PLUG AT 1590' WITH 50 SX CMT. 2ND PLUG AT 700' WITH 80 SX CMT. 3RD PLUG AT 400' WITH 50 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: 12/01/2012 8:45 PM

KCC Agent: RICHARD LACEY

Actual Plugging Report:

Perfs:

1ST PLUG AT 1590' WITH 50 SX CMT. 2ND PLUG AT 700' WITH 80 SX CMT. 3RD PLUG AT 400' 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.

> DEC 0 6 2012 KCC WICHITA

Remarks:

USED 60/40 POZMIX 4% GEL BY CONSOLIDATED.

Plugged through: DP

District: 01

RECEIVED

DEC - 4 2012

KCC DODGE CITY

Signed

(TECHNICIAN)

Form CP-2/3