

**KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE**

**ORIGINAL**

Form ACO-1  
September 1999  
Form Must Be Typed

*corrected  
5/12/08  
KCC*

Operator: License # 3956  
Name: Brungardt Oil & Leasing, Inc.  
Address: P.O. Box 871  
City/State/Zip: Russell, KS 67665  
Purchaser: Dry Hole  
Operator Contact Person: Gary L. Brungardt  
Phone: ( 785 ) 483-4975  
Contractor: Name: Shields Oil Producers  
License: 5184  
Wellsite Geologist: Brad Hutchison

API No. 15 - 167-23491-0000  
County: Russell  
SE NE SE Sec. 20 Twp. 13 S. R. 12  East  West  
1920 feet from (S) N (circle one) Line of Section  
330 feet from (E) W (circle one) Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
(circle one) (NE) SE NW SW  
Lease Name: Holland A POOL Well #: 1  
Field Name: Unknown  
Producing Formation: Dry hole

Designate Type of Completion:  
 New Well  Re-Entry  Workover  
 Oil  SWD  SIOW  Temp. And  
 Gas  ENHR  SIGW  
 Dry  Other (Core, WSW, Expl., Cathodic, etc.)

Elevation: Ground: 1642 Kelly Bushing: 1647  
Well Depth: 3160 Plug Back Total Depth: \_\_\_\_\_  
Amount of Surface Pipe Set and Cemented at 208 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If Alternates, show depth set \_\_\_\_\_ Feet

If Workover/Re-entry: Old Well Info as follows:  
Operator: \_\_\_\_\_  
Well Name: \_\_\_\_\_  
Original Comp. Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_  
 Deepening  Re-perf.  Conv. to Enhr./SWD  
 Plug Back \_\_\_\_\_ Plug Back Total Depth \_\_\_\_\_  
 Commingled Docket No. \_\_\_\_\_  
 Dual Completion Docket No. \_\_\_\_\_  
 Other (SWD or Enhr.?) Docket No. \_\_\_\_\_

If Alternate II completion, cement circulated from 208  
feet depth to surface w/ 165 sx cmt.  
*P&A - Dlg - 6/25/08*

**Drilling Fluid Management Plan**  
(Data must be collected from the Reserve Pit)  
Chloride content \_\_\_\_\_ ppm Fluid volume 600 bbls  
Dewatering method used Hauled water off to SWD  
Location of fluid disposal if hauled offsite:  
Operator Name: Brungardt Oil & Leasing, Inc.  
Lease Name: Rogg Farms License No.: 3956  
Quarter NW Sec. 23 Twp. 12 S. R. 13  East  West  
County: Russell Docket No.: D-28,424

4/15/08	4/22/08	4/22/08
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

**RECEIVED**  
KANSAS CORPORATION COMMISSION  
**MAY 09 2008**  
CONSERVATION DIVISION  
WICHITA, KS

**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.

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: Gary L. Brungardt  
Title: Owner Date: 5/7/08  
Subscribed and sworn to before me this 7<sup>th</sup> day of May,  
2008  
Notary Public: Carlene Hachmeister  
Date Commission Expires: 10/23/2010

**KCC Office Use ONLY**

Letter of Confidentiality Received  
If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
 UIC Distribution

**CARLENE HACHMEISTER**  
NOTARY PUBLIC  
STATE OF KANSAS  
My Appt. Exp. 10/23/2010

Operator Name: Brungardt Oil & Leasing, Inc. Lease Name: Holland Well #: 1  
 Sec. 20 Twp. 13 S. R. 12  East  West County: Russell

**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 copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken  Yes  No  Log Formation (Top), Depth and Datum  Sample  
 (Attach Additional Sheets)  
 Samples Sent to Geological Survey  Yes  No Name Top Datum  
 Cores Taken  Yes  No  
 Electric Log Run  Yes  No See attached Geologist Report  
 (Submit Copy)

List All E. Logs Run:

Radiation Guard

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 KANSAS CORPORATION COMMISSION

MAY 09 2008

CONSERVATION DIVISION  
 WICHITA, KS

CASING RECORD <input 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	208	Common	165	3% cc 2% gel

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		See plugging report		

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
	Dry Hole		

TUBING RECORD		Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input type="checkbox"/> No
Date of First, Resumerd 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  Vented  Sold  Used on Lease (If vented, Submit ACO-18.)

METHOD OF COMPLETION  Open Hole  Perf.  Dually Comp.  Commingled  Other (Specify) \_\_\_\_\_

Production Interval \_\_\_\_\_

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form CDP-5  
August 2004  
Form must be Typed

EXPLORATION & PRODUCTION WASTE TRANSFER

Operator Name: <b>Brungardt Oil &amp; Leasing, Inc.</b>		License Number: <b>3956</b>
Operator Address: <b>P.O. Box 871, Russell, KS 67665</b>		
Contact Person: <b>Gary L. Brungardt</b>		Phone Number: <b>( 785 ) 483 - 4975</b>
Permit Number (API No. if applicable): <b>167-23491-0000</b>		Lease Name: <b>Holland</b>
Source of Waste: <input type="checkbox"/> Dike <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Workover Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Haul-off Pit <input type="checkbox"/> Steel Pit <input type="checkbox"/> Spill / Escape		Well Number: <b>#1</b> Source Location (QQQQ): <b>SE - NE - SE -</b> Sec. <b>20</b> Twp. <b>13</b> R. <b>12</b> <input type="checkbox"/> East <input checked="" type="checkbox"/> West <b>1920</b> Feet from <input type="checkbox"/> North / <input checked="" type="checkbox"/> South Line of Section <b>330</b> Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section _____ County

Type of waste to be disposed:  Fluid  Soil  Mud / Cuttings  Other: \_\_\_\_\_

Amount of waste: 8 No. of loads 600 Barrels \_\_\_\_\_ Tons \_\_\_\_\_ YDS

Destination of waste:  Reserve Pit  Disposal Well  Lease Road  Dike / Berm  Other: \_\_\_\_\_

If waste is transferred to another reserve pit, is the lease active?  Yes  No

Location of waste disposal: \_\_\_\_\_ Date of Waste Transfer: 4/15/08 thru 4/22/08

Operator Name: Brungardt Oil & Leasing, Inc. License No.: 3956

Lease Name: Rogg Farms Sec. 20 Twp. 13 R. 12  East  West

Docket No.: D-28,424 County: Russell

**COPY** - orig. sent to Cathy 5/2/08 cu

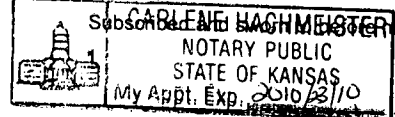
RECEIVED  
KANSAS CORPORATION COMMISSION  
MAY 09 2008  
CONSERVATION DIVISION  
WICHITA, KS

The undersigned hereby certifies that he / she is President  
for Brungardt Oil & Leasing, Inc. (Co.), a duly authorized agent, that all information shown hereon is true  
and correct to the best of his / her knowledge and belief. Gary L. Brungardt  
Agent Signature

Subscribed and sworn to before me on this 7th day of May 2008

Carlene Hochmeister  
Notary Public

My Commission Expires: 10/3/2010





## GENERAL TERMS AND CONDITIONS

**DEFINITIONS:** In these terms and conditions, "ALLIED" shall mean Allied Cementing Co., LLC, and "CUSTOMER" shall refer to the party identified by that term on the front of this contract. As applicable, "Job" relates to the services described on the front side of this contract, "Merchandise" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

—**TERMS:** Unless satisfactory credit has been established, CUSTOMER must tender full cash payment to ALLIED before the job is undertaken or merchandise is delivered. If satisfactory credit has been established, the terms of payment for the job and/or merchandise, including bulk cement, are net cash, payable in 30 days from the completion of the job and/or delivery of the merchandise. For all past due invoices, CUSTOMER agrees to pay interest on amounts invoiced at a rate of 18 percent per annum until paid. Notwithstanding the foregoing, in no event shall this Contract provide for interest exceeding the maximum rate of interest that CUSTOMER may agree to pay under applicable law. If any such interest should be provided for, it shall be and hereby is deemed to be a mistake, and this contract shall be automatically reformed to lower the rate of interest to the maximum legal contract rate, any amounts previously paid as excess interest shall be deducted from the amounts owing from the CUSTOMER or at the option of ALLIED, refunded directly to CUSTOMER. For purposes of this paragraph, ALLIED and CUSTOMER agree that Kansas law shall apply. Any discounts granted with this contract are null and void if the charges are not paid when due.

—**ATTORNEY FEES:** In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the terms of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limited to, a reasonable sum as and for attorney's fees.

—**PRICES AND TAXES:** All merchandise listed in ALLIED'S current price schedule are F.O.B. ALLIED'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by ALLIED shall be added to the quoted prices charged to CUSTOMER.

—**TOWING CHARGES:** ALLIED will make a reasonable attempt to get to and from each job site using its own equipment. Should ALLIED be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ a tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMER or, if furnished by ALLIED, will be charged to and paid by CUSTOMER.

—**PREPARATION CHARGES:** If a job and/or merchandise is ordered and CUSTOMER cancels the order after preparation of a chemical solution or other material, CUSTOMER will pay ALLIED for the expenses incurred by ALLIED as a result of the cancellation.

—**DEADHAUL, CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charge as set forth in ALLIED'S current price book will be charged each way for each service unit which is ordered by CUSTOMER but not used.

—**SERVICE CONDITIONS AND LIABILITIES:**

1. ALLIED carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond ALLIED'S control, ALLIED shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. CUSTOMER shall be responsible for and indemnify, defend, and hold harmless ALLIED, its officers, agents and employees, from and against any and all claims or suits for:

(A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with ALLIED'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of ALLIED or its employees.

2. With respect to any of ALLIED'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to ALLIED at the landing, CUSTOMER shall either recover the lost item without cost to ALLIED or reimburse ALLIED the current replacement cost of the item unless the loss or damage results from the sole negligence of ALLIED or its employees.

3. ALLIED does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

**WARRANTIES:**

1. ALLIED warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. ALLIED'S obligation under this warranty is expressly limited to repair, replacement, or allowance for credit, at its option, for any merchandise which is determined by ALLIED to be defective. **THIS IS THE SOLE WARRANTY OF ALLIED AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and ALLIED shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.**

2. More specifically:

(A) Nothing in this contract shall be construed as a warranty by ALLIED of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.

(B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by ALLIED or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by ALLIED, unless the inaccuracy or incorrectness is caused by the wilful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.

(C) Work done by ALLIED shall be under the direct supervision and control of the CUSTOMER or his agent and ALLIED will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.

# ALLIED CEMENTING CO., LLC. 33987

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

SERVICE POINT:  
Russell KS

DATE <u>4-22-08</u>	SEC. <u>20</u>	TWP. <u>13</u>	RANGE <u>12</u>	CALLED OUT	ON LOCATION	JOB START <u>11:45pm</u>	JOB FINISH <u>12:30am</u>
LEASE <u>Holland</u>		WELL # <u>1</u>		LOCATION <u>Bunker Hill KS # I-70 2 North</u>		COUNTY <u>Russell</u>	STATE <u>KS</u>
<input checked="" type="radio"/> OLD OR NEW (Circle one)				<u>3 East</u>			

CONTRACTOR Shields Drilling Co. Rig#2

TYPE OF JOB Rotary Plug

HOLE SIZE 7 7/8 T.D. 3160'

CASING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_

TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_

DRILL PIPE \_\_\_\_\_ DEPTH 630'

TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_

PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_

MEAS. LINE \_\_\_\_\_ SHOE JOINT \_\_\_\_\_

CEMENT LEFT IN CSG. \_\_\_\_\_

PERFS. \_\_\_\_\_

DISPLACEMENT \_\_\_\_\_

**EQUIPMENT**

PUMP TRUCK CEMENTER John Roberts

# 409 HELPER Robert

BULK TRUCK DRIVER Chris B.

# 396

BULK TRUCK DRIVER \_\_\_\_\_

# \_\_\_\_\_

**REMARKS:**

25 sks @ 630'

80 sks @ 370'

10 sks @ 40'

15 sks in Rathole

10 sks in Mousehole

CHARGE TO: Brungardt Oil & Leasing, Inc.

STREET \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

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.

*Thanks!*

PRINTED NAME Thomas Engel

SIGNATURE

OWNER \_\_\_\_\_

CEMENT AMOUNT ORDERED 1410 60/40 4% Gel 1/4" Flo

COMMON \_\_\_\_\_ @ \_\_\_\_\_

POZMIX \_\_\_\_\_ @ \_\_\_\_\_

GEL \_\_\_\_\_ @ \_\_\_\_\_

CHLORIDE \_\_\_\_\_ @ \_\_\_\_\_

ASC \_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

HANDLING \_\_\_\_\_ @ \_\_\_\_\_

MILEAGE \_\_\_\_\_ @ 1/2

TOTAL \_\_\_\_\_

**SERVICE**

DEPTH OF JOB \_\_\_\_\_

PUMP TRUCK CHARGE \_\_\_\_\_ 1/2

EXTRA FOOTAGE \_\_\_\_\_ @ \_\_\_\_\_

MILEAGE \_\_\_\_\_ @ \_\_\_\_\_

MANIFOLD \_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

TOTAL \_\_\_\_\_

**PLUG & FLOAT EQUIPMENT**

\_\_\_\_\_ @ \_\_\_\_\_

1 Dry hole plug @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

TOTAL \_\_\_\_\_

SALES TAX (If Any) \_\_\_\_\_

TOTAL CHARGES \_\_\_\_\_

DISCOUNT \_\_\_\_\_ IF PAID IN 30 DAYS

## GENERAL TERMS AND CONDITIONS

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(A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with ALLIED'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of ALLIED or its employees.

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2. More specifically:

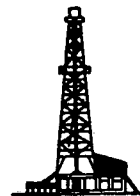
(A) Nothing in this contract shall be construed as a warranty by ALLIED of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.

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(C) Work done by ALLIED shall be under the direct supervision and control of the CUSTOMER or his agent and ALLIED will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.

# Brungardt Oil & Leasing Inc.

Gary L. Brungardt, Owner  
P.O. Box 871  
213 West Seventh Street  
Russell, Kansas 67665  
(785) 483-4975



May 7, 2008

Kansas Corporation Commission  
130 S. Market, Room 2078  
Wichita, KS 67202

Re: Holland #1  
API 15-167-23491-0000  
SE ¼ 20-13S-12W  
Russell County

RECEIVED  
KANSAS CORPORATION COMMISSION

MAY 09 2008

CONSERVATION DIVISION  
WICHITA, KS

Dear Sirs:

Please find enclosed the following documents:

1. Original and two copies of ACO-1
2. Exploration & Production Waste Transfer CDP-5
3. Surface and Plugging Cement Tickets
4. Drill Stem Test Report
5. Copy of Intent to Drill
6. Geologist Report
7. Radiation Guard Log
8. Well Plugging Application plus well log

*sent to Kathy 5/9*

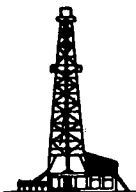
*sent to Kadya 5/9*

If you have any questions, please feel free contact me.

Thank you,

A handwritten signature in cursive script, appearing to read "Gary L. Brungardt".

Gary L. Brungardt  
Brungardt Oil & Leasing, Inc.





FOR KCC Use:  
 Effective Date: 3-208  
 District: 4  
 SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
 OIL & GAS CONSERVATION DIVISION

**CORRECTED**

Form must  
 Form must I  
 All blanks mus:

**NOTICE OF INTENT TO DRILL**

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date: March 10 2008  
month day year

OPERATOR: License# 3956 ✓  
 Name: Brungardt Oil & Leasing, Inc.  
 Address 1: P.O. Box 871  
 Address 2: \_\_\_\_\_  
 City: Russell State: KS Zip: 67665 + \_\_\_\_\_  
 Contact Person: Gary L. Brungardt  
 Phone: 785-483-4975

CONTRACTOR: License# 5184  
 Name: Shields Oil Producers

Well Drilled For:  Oil  Gas  
 Enh Rec  Storage  Disposal  
 Seismic: \_\_\_\_\_ # of Holes  
 Other: \_\_\_\_\_

Well Class:  Infield  Pool Ext.  Wildcat  Other

Type Equipment:  Mud Rotary  Cable

If OWWO: old well information as follows:

Operator: \_\_\_\_\_  
 Well Name: \_\_\_\_\_  
 Original Completion Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

Directional, Deviated or Horizontal wellbore?  Yes  No

If Yes, true vertical depth: \_\_\_\_\_  
 Bottom Hole Location: \_\_\_\_\_  
 KCC DKT #: \_\_\_\_\_

AS: 130' FEL IS: 330' FEL  
Oil & Gas Leases w/ pooling clauses submitted.

Spot Description: \_\_\_\_\_  
 NE - NE - SE - \_\_\_\_\_ Sec. 20 Twp. 13 S. R. 12  
(000/00) 1,920 feet from  N /  S Line  
130 - 330' feet from  E /  W Line  
 Is SECTION:  Regular  Irregular?

(Note: Locate well, on the Section Plat on reverse side)  
 County: Russell  
 Lease Name: Holland Well #: 1  
 Field Name: Unknown

Is this a Prorated / Spaced Field?  Yes  
 Target Formation(s): Arbuckle

Nearest Lease or unit boundary line (in footage): 1920'  
 Ground Surface Elevation: 1642 - No change

Water well within one-quarter mile:  Yes  
 Public water supply well within one mile:  Yes

Depth to bottom of fresh water: 180  
 Depth to bottom of usable water: 300 260

Surface Pipe by Alternate:  I  II  
 Length of Surface Pipe Planned to be set: 200'  
 Length of Conductor Pipe (if any): None

Projected Total Depth: 3500'  
 Formation at Total Depth: Arbuckle

Water Source for Drilling Operations:  
 Well  Farm Pond  Other: \_\_\_\_\_  
 DWR Permit #: \_\_\_\_\_

(Note: Apply for Permit with DWR )  
 Will Cores be taken?  Yes  
 If Yes, proposed zone: \_\_\_\_\_

**AFFIDAVIT**

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. \_\_\_\_\_  
 It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office *prior* to spudding of well;
2. A copy of the approved notice of intent to drill *shall be* posted on each drilling rig;
3. The minimum amount of surface pipe as specified below *shall be set* by circulating cement to the top; in all cases surface pipe *shall be set* through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary *prior to plugging*;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within **120 DAYS** of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. *In all cases, NOTIFY district office prior to any cementing.*

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 2/15/08 Signature of Operator or Agent: Gary L. Brungardt Title: Owner

For KCC Use ONLY  
 API # 15: 167-23491-0000  
 Conductor pipe required None feet  
 Minimum surface pipe required 200 feet per ALT.  I  II  
 Approved by: 2-26-08 / 3-10-08  
 This authorization expires: 2-26-09  
(This authorization void if drilling not started within 12 months of approval date.)

- Remember to:
- File Drill Pit Application (form CDP-1) with Intent to Drill;
  - File Completion Form ACO-1 within 120 days of spud date;
  - File acreage attribution plat according to field proration orders;
  - Notify appropriate district office 48 hours prior to workover or re-entry;
  - Submit plugging report (CP-4) after plugging is completed (within 60 days)
  - Obtain written approval before disposing or injecting salt water.
  - If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.

RECEIVED  
 KANSAS CORPORATION COMMISSION  
 MAR 07 2008  
 CONSERVATION DIVISION  
 WICHITA, KS