

ORIGINAL

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

Form ACO-1  
September 1999  
Form Must Be Typed

Operator: License # 3956  
Name: Brungardt Oil & Leasing, Inc.  
Address: P.O. Box 871  
City/State/Zip: Russell, KS 67665  
Purchaser: N.C.R.A.  
Operator Contact Person: Gary L. Brungardt  
Phone: (785) 483-4975  
Contractor: Name: Mid Kan Well Service  
License: 33695  
Wellsite Geologist:

Designate Type of Completion:  
 New Well  Re-Entry  Workover  
 Oil  SWD  SLOW  Temp. Abd.  
 Gas  ENHR  SIGW  
 Dry  Other (Core, WSW, Expl., Cathodic, 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./SWD  
 Plug Back  Plug Back Total Depth  
 Commingled  Docket No.  
 Dual Completion  Docket No.  
 Other (SWD or Enhr.?)  Docket No.

7-5-06 7-13-06 8-28-06  
Spud Date or Date Reached TD Completion Date or  
Recompletion Date Recompletion Date

per oper - kcc - bly

API No. 15 - 167-23363-0000  
County: Russell  
SW SE NE Sec. 16 Twp. 12 S. R. 13  East  West  
2550 feet from S / (N) (circle one) Line of Section  
1180 feet from (E) / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE SE NW SW  
Lease Name: L. Reilly - Harris - Quinn Well #: 1

Field Name: Waldo  
Producing Formation: Lansing Kansas City

Elevation: Ground: 1737 Kelly Bushing: 1742

Total Depth: 3560 Plug Back Total Depth:

Amount of Surface Pipe Set and Cemented at 387 Feet

Multiple Stage Cementing Collar Used?  Yes  No

If yes, show depth set Feet

If Alternate II completion, cement circulated from

feet depth to w/ sx cmt.

Drilling Fluid Management Plan  
(Data must be collected from the Reserve Pit) Act with  
12-7-07  
Chloride content N/A ppm Fluid volume N/A bbls  
Dewatering method used Evaporation

Location of fluid disposal if hauled offsite:

Operator Name:

Lease Name: License No.:

Quarter Sec. Twp. S. R.  East  West

County: Docket No.:

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 R. Brungardt

Title: Owner - President Date: 10/5/06

Subscribed and sworn to before me this 5th day of October

2006

Notary Public: Carlene Hachmeister

Date Commission Expires: 10/23/2006

CARLENE HACHMEISTER  
NOTARY PUBLIC  
STATE OF KANSAS  
My Appt. Exp. 10/23/2006

KCC Office Use ONLY  
N Letter of Confidentiality Received  
If Denied, Yes  Date:  
Wireline Log Received  
Geologist Report Received  
vcm UIC Distribution  
RECEIVED  
OCT - 6 2006

KCC WICHITA

Operator Name: Brungardt Oil & Leasing, Inc. Lease Name: L. Reilly - Harris - Quinn Well #: 1  
 Sec. 16 Twp. 12 S. R. 13  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 <i>(Attach Additional Sheets)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Name	Top	Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	See attached Geologist Report.		
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
List All E. Logs Run:				
Sonic Log Cement Bond Log				

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"	23#	387	Common	225	2% gel 3% cc
Oil String	7 - 7/8"	4 1/2	10.5#	3545	Common	250	10% Salt

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
___ Perforate				
___ Protect Casing				
___ Plug Back TD				
___ Plug Off Zone				

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record <i>(Amount and Kind of Material Used)</i>	Depth
2	3058 - 3060	500 gallons 15% acid	3058, 3060
2	2997 - 3000	500 gallons 15% acid	2997, 3000

TUBING RECORD		Size 2 3/8	Set At 3406	Packer At None	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. 8/28/06			Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)		
Estimated Production Per 24 Hours	Oil X	Bbls. 60	Gas Mcf	Water X	Bbls. 80
Disposition of Gas			Production Interval		

Disposition of Gas:  Vented  Sold  Used on Lease *(If vented, Submit ACO-18.)*

Production Interval:  Open Hole  Perf.  Dually Comp.  Commingled  Other (Specify) \_\_\_\_\_

**RECEIVED**  
OCT - 6 2006  
KCC WICHITA

Allied Cementing Co., Inc  
P.O. Box 31  
Russell, KS 67665

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\*  
\* I N V O I C E \*  
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Invoice Number: 103372

Invoice Date: 07/13/06

*Completion*

Sold Brungardt Oil Company  
To: P. O. Box 871  
Russell, KS  
67665

Cust I.D.....: Brung  
P.O. Number...: L.ReillyHarris *June*  
P.O. Date.....: 07/13/06 *#1*

Due Date.: 08/12/06  
Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	275.00	SKS	10.6500	2928.75	T
Salt	25.00	SKS	19.2000	480.00	T
WFR-2	500.00	GAL	1.0000	500.00	T
Handling	300.00	SKS	1.9000	570.00	E
Mileage	20.00	MILE	24.0000	480.00	E
300 sks @ .08 per sk per mi					
Prod. String	1.00	JOB	1610.0000	1610.00	E
Mileage pmp trk	20.00	MILE	5.0000	100.00	E
Guide Shoe	1.00	EACH	125.0000	125.00	T
Insert	1.00	EACH	215.0000	215.00	T
Turbolizers	6.00	EACH	55.0000	330.00	T
TRP	1.00	EACH	55.0000	55.00	T

All Prices Are Net, Payable 30 Days Following  
Date of Invoice. 1 1/2% Charged Thereafter.  
If Account CURRENT take Discount of \$ 739.37  
ONLY if paid within 30 days from Invoice Date

Subtotal: 7393.75  
Tax.....: 338.27  
Payments: 0.00  
Total....: 7732.02

*Deduct*

*\$6992.65*

*Pa 7/21/06*  
*call 547*

RECEIVED  
OCT - 6 2006  
KCC WICHITA

Allied Cementing Co., Inc  
P.O. Box 31

Russell, KS 67665

\*\*\*\*\*  
\* I N V O I C E \*  
\*\*\*\*\*

Invoice Number: 103371

Invoice Date: 07/13/06

Sold Brungardt Oil Company  
To: P. O. Box 871  
Russell, KS  
67665

*Drilling*

Cust I.D.....: Brung  
P.O. Number...: L.ReillyHarris *Jun*  
P.O. Date.....: 07/13/06 *#1*

Due Date.: 08/12/06  
Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	225.00	SKS	10.6500	2396.25	T
Gel	4.00	SKS	16.6500	66.60	T
Chloride	7.00	SKS	46.6000	326.20	T
Handling	236.00	SKS	1.9000	448.40	E
Mileage	22.00	MILE	18.8800	415.36	E
236 sks @.08 per sk per mi					
Long Surface	1.00	JOB	815.0000	815.00	E
Mileage pmp trk	22.00	MILE	5.0000	110.00	E
Rubber Plug	1.00	EACH	100.0000	100.00	T

All Prices Are Net, Payable 30 Days Following	Subtotal:	4677.81
Date of Invoice. 1 1/2% Charged Thereafter.	Tax.....:	210.90
If Account CURRENT take Discount of \$ <u>467.78</u>	Payments:	0.00
ONLY if paid within 30 days from Invoice Date	Total....:	4888.71

*467.78*  
→  
*Deduct*

RECEIVED  
OCT - 6 2006  
KCC WICHITA

*\$4420.93*  
*pd 7/13/06*  
*ck# 543*



## GENERAL TERMS AND CONDITIONS

**DEFINITIONS:** In these terms and conditions, "Allied" shall mean Allied Cementing Co., Inc., and "Customer" shall mean 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 willful 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.



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2. More specifically:

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