

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

Form ACO-1
 September 1999
 Form Must Be Typed

ORIGINAL

WELL COMPLETION FORM
 WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 3956
 Name: Brungardt Oil & Leasing, Inc.
 Address: P.O. Box 871
 City/State/Zip: Russell, Kansas 67665
 Purchaser: Dry Hole
 Operator Contact Person: Gary L. Brungardt
 Phone: (785) 483-4975
 Contractor: Name: Shields Oil Producers
 License: 5184
 Wellsite Geologist: Brad Hutchinson
 Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SIOW 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. _____

1-19-2007	1-27-2007	Plug 1-28-2007
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 141-20369-0000
 County: Osborne
 SW SW NW SW Sec. 30 Twp. 10 S. R. 14 East West
1990 feet from S / (N) (circle one) Line of Section
590 feet from E / (W) (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE SE (NW) SW
 Lease Name: Koelling C Well #: 1
 Field Name: Ruggels
 Producing Formation: Dry Hole
 Elevation: Ground: 1835 Kelly Bushing: 1840
 Total Depth: 3700 Plug Back Total Depth: _____
 Amount of Surface Pipe Set and Cemented at 217 Feet
 Multiple Stage Cementing Collar Used? Yes No
 If yes, show depth set _____ Feet
 If Alternate II completion, cement circulated from Dry Hole
 feet depth to _____ w/ _____ sx cmt.

Drilling Fluid Management Plan
 (Data must be collected from the Reserve Pit) *Am Hutchinson*
12-2-07
 Chloride content _____ ppm Fluid volume 100 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 L. Brungardt*
 Title: Owner Date: 2/21/07
 Subscribed and sworn to before me this 21 day of February,
2007.
 Notary Public: *Carlene Hochmeister*
 Date Commission Expires: October 23, 2010

KCC Office Use ONLY

N Letter of Confidentiality Received
 If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
RECEIVED
 KANSAS CORPORATION COMMISSION

FEB 22 2007

CONSERVATION DIVISION
 WICHITA, KS

Operator Name: Brungardt Oil & Leasing, Inc. Lease Name: Koelling C Well #: 1
 Sec. 30 Twp. 10 S. R. 14 East West County: Osborne

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 <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" 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 <i>(Submit Copy)</i> List All E. Logs Run: Radiation Guard Microresistivity Sonic	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum See attached Geologist report for all information.
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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 3/4	8 5/8	24 lbs	217'	Common	165	3% 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		See attached	well plugging	application

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
	See attached well plugging record and Shield's well log.		

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 _____

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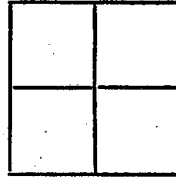
Shields

Russell, Kansas

WELL LOG

Operator: Brungardt Oil & Leasing, Inc.
 Well: Koelling "C" #1
 Commenced: 1-19-2007
 Completed: 1-27-2007
 Contractor: Shields Drilling Co.

Well Description: 1,990' FNL; 590' FWL
 NW/4 Sec. 30-10S-14W
 Osborne Co., KS



CASING RECORD

Size	Run	Pulled
8 5/8"	217'	Cmtd. w/165 sax

Elevation: 1,840' K.B.

Treatment:

Production: D & A

Tops:

..... Figures Indicate Bottom of Formations

Sand & shale	365'	
Sand	570'	
Sand & redbed	995'	
Anhydrite	1,045'	
Redbed & shale	1,370'	
Shale	1,600'	
Shale & lime	2,675'	
Lime	3,630'	
Arbuckle	3,700'	RTD

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CONSERVATION DIVISION
 WICHITA, KS

Notes

Quality Oilwell Cementing Inc.

845 E Wichita
P.O. Box 32
Russell, KS 67665

Koelling C #1
Dnlg.

Invoice

Date	Invoice #
1/22/2007	256

Bill To
Brungardt Oil & Producing Co P.O. Box 871 Russell Ks 67665

P.O. No.	Terms	Project
	Net 30	

Quantity	Description	Rate	Amount
165	common	10.80	1,782.00T
3	GEL	17.00	51.00T
5	Calcium	47.00	235.00T
173	handling	1.90	328.70
3,979	.08 * 173 SACKS * 23 MILES	0.08	318.32
1	8 5/8 wooden plug	69.00	69.00T
1	surface pipes 0-500ft	700.00	700.00
23	pump truck mileage charge	5.00	115.00
360	discount 10% if paid within 30 days DISCOUNT HAS ALREADY BEEN DEDUCTED	-1.00	-360.00
	LEASE: KOELLING WELL #C-1 Osborne County Sales Tax	6.80%	145.32

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FEB 22 2007
CONSERVATION DIVISION
WICHITA, KS

Thank you for your business. Dave	Total	\$3,384.34
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Pa 1/23/07
CG#594

QUALITY OILWELL CEMENTING, INC.

Federal Tax I.D.# [REDACTED]

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 1324

Date	1-20-07	Sec.	Twp.	Range	Called Out	On Location	Job Start	Finish
Lease	Koelling	Well No.	C-1	Location	paradise 2 N 1 E 1/2 N	Osborne County	Osborne	Ks State
Contractor	Shield, D. L.				Owner	To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.		
Type Job	Surface				Charge To	Brungardt Oil & Leasing		
Hole Size	12 1/4	T.D.	220	Depth	217	Street		
Csg.	8 3/8	Depth		City		State		
Tbg. Size		Depth		The above was done to satisfaction and supervision of owner agent or contractor.				
Drill Pipe		Depth						
Tool		Depth						
Cement Left in Csg.	10.15	Shoe Joint						
Press Max.		Minimum						
Meas Line		Displace	13 BBL	CEMENT				
Perf.				Amount Ordered	165 com 3% cc 2% gel			
EQUIPMENT				Consisting of				
Pumptrk	1	No.	Cementer		Common			
			Helper	Dave				
Bulktrk	2	No.	Driver		Poz. Mix			
			Driver	Dan				
Bulktrk	120	No.	Driver		Gel.			
			Driver	David				
JOB SERVICES & REMARKS				Chloride				
				Hulls				
Pumptrk Charge	Surface							
Mileage	230							
Footage								
Total								
Remarks:	Cement Cir			Handling				
				Mileage				
				Sub Total				
				Total				
				Floating Equipment & Plugs	8 3/8 wooden			
				Squeeze Manifold				
				Rotating Head				
				Tax				
				Discount				
				Total Charge				
X Signature	Buston Beery							

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KANSAS CORPORATION COMMISSION
FEB 22 2007

CONSERVATION DIVISION
WICHITA, KANSAS

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "Quality" shall mean Quality Oilwell Cementing, Inc., 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 "QUALITY" 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 "QUALITY," refunded directly to "CUSTOMER." For purposes of this paragraph, QUALITY 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 term of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limit to, a reasonable sum as and attorney's fees.

–**PRICES AND TAXES:** All merchandise listed in "QUALITY'S" current price schedule are F.O.B. QUALITY'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 QUALITY shall be added to the quoted prices charged to CUSTOMER.

–**TOWING CHARGES:** QUALITY will make a reasonable attempt to get to and from each job site using its own equipment. Should QUALITY 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 QUALITY, 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 QUALITY for the expenses incurred by QUALITY as a result of the cancellation.

–**DEADHAUL, CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charges as set forth in QUALITY'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. QUALITY carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond QUALITY'S control, QUALITY 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 QUALITY, 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 QUALITY'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 QUALITY or its employees.

2. With respect to any of QUALITY'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 QUALITY at the landing, CUSTOMER shall either recover the lost item without cost to QUALITY or reimburse QUALITY the current replacement cost of the item unless the loss or damage results from the sole negligence of QUALITY or its employees.

3. QUALITY 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. QUALITY 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. QUALITY'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 QUALITY to be defective. THIS IS THE SOLE WARRANTY OF QUALITY 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 QUALITY 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 constructed as a warranty by QUALITY 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 QUALITY or any interpretation of test, meter readings, chart information, analysis or research, or recommendations made by QUALITY, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of QUALITY or its employees in the preparation or furnishing of such facts, information or data.

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

Quality Oilwell Cementing Inc.

845 E Wichita
P.O. Box 32
Russell, KS 67665

*Dr. G.
Koelling Co.*

Invoice

Date	Invoice #
1/29/2007	260

Bill To
Brungardt Oil & Producing Co P.O. Box 871 Russell Ks 67665

P.O. No.	Terms	Project
	Net 30	

Quantity	Description	Rate	Amount
123	common	10.80	1,328.40T
82	POZ	6.00	492.00T
12	GEL	17.00	204.00T
51	Celloseal	2.00	102.00T
1	dry hole plug	45.00	45.00T
1	pump truck charge plugging ARBUCKLE	850.00	850.00T
23	pump truck mileage charge	5.00	115.00T
217	handling	1.90	412.30T
4,991	.08 * 217 SACKS * 23 MILES	0.08	399.28T
395	discount 10% if paid within 30 days DISCOUNT HAS ALREADY BEEN DEDUCTED	-1.00	-395.00
	LEASE: KOELLING C WELL #1 Osborne County Sales Tax	6.80%	268.46

*Pa 1/31/07
CC# 599*

RECEIVED
KANSAS CORPORATION COMMISSION
FEB 22 2007
CONSERVATION DIVISION
WICHITA, KS

Thank you for your business. Dave	Total	\$3,821.44
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QUALITY OILWELL CEMENTING, INC.

Federal Tax I.D. [Redacted]

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 1331

Date	1-27-06	Sec.	30	Twp.	10	Range	14	Called Out		On Location	2:30pm	Job Start	3:15pm	Finish	9:15pm
Lease	Keedling C	Well No.	1	Location			Paradise, 7 1/2 W 1/2 E 1 W 1/2 E	County	Osborne	State					

Contractor	Shields Drilling	Owner	To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.
Type Job	Dry Hole Plug	Hole Size	7 7/8
T.D.	3700		

Csg.		Depth		Charge To	Brimmings Oil & Leasing
Tbg. Size		Depth		Street	
Drill Pipe		Depth		City	State

Tool		Depth		The above was done to satisfaction and supervision of owner agent or contractor.	
Cement Left in Csg.		Shoe Joint			
Press Max.		Minimum			

Meas Line		Displace		CEMENT	
Perf.					

EQUIPMENT			Amount Ordered	205 60440 (60440) 1/2 FE S-1
			Consisting of	

Pumptrk	1	No.	Cementer	Steve		Common	
			Helper	Erin			
Bulktrk	2	No.	Driver	Keith		Poz. Mix	
			Driver				
Bulktrk		No.	Driver			Gel.	
			Driver				

JOB SERVICES & REMARKS			Chloride	
			Hulls	

Pumptrk Charge				
Mileage				
Footage				
Total				

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Remarks:				Conservation Division Sales Tax
1st Plug	3604	25		Handling
2nd "	1030	25		Mileage
3rd "	540	80		
4th "	267	40		
5th "	417	10		
Rot Hole	15	10		
Total				

Floating Equipment & Plugs	1 Dry Hole Plug			
Squeeze Manifold				
Rotating Head				

Signature	Mike Hynes	Tax	
		Discount	
		Total Charge	

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

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