

Operator Name: Brungardt Oil & Leasing, Inc. Lease Name: L. Reilly 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 <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: Sonic Micro Radiation Guard	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum See attached geology report.
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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"	23#	392	Common	225	3%cc 2%gel
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
<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 <i>(Amount and Kind of Material Used)</i>	Depth
1	2973	1000 gallons 15% acid	2973
1	2988 - 2990	2000 gallons 15% acid	2988, 2990

TUBING RECORD		Size 2 3/8"	Set At 3414	Packer At None	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. 9/15/06		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. 35	Gas Mcf	Water X	Bbls. 20
		Gas-Oil Ratio		Gravity 40	

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 _____

RECEIVED
OCT 10 2006
KCC WICHITA

Quality Oilwell Cementing Inc.

Completion

Invoice

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

Date	Invoice #
7/19/2006	46

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

P.O. No.	Terms	Project
	Net 30	<i>L. Reilly #1</i>

Quantity	Description	Rate	Amount
275	common	10.50	2,887.50T
51	Salt	9.00	459.00T
500	Mudclear	1.50	750.00T
326	handling	1.90	619.40
1	pump truck charge	1,050.00	1,050.00
22	pump truck mileage charge	5.00	110.00
7,172	Mileage	0.08	573.76
1	4 1/2" rubber plug	45.00	45.00T
8	centralizers	52.00	416.00T
1	AFU insert	200.00	200.00T
1	guide shoe	120.00	120.00T
	russell co. Sales Tax	7.30%	356.06

RECEIVED
 OCT 10 2006
 KCC WICHITA

Thank you for your business. Dave	Total	\$7,586.72
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*pd 7/19/06
 acct 547*

Quality Oilwell Cementing Inc.

Invoice

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

Drilling
Reilly #2

Date	Invoice #
7/11/2006	37

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

P.O. No.	Terms	Project
	Net 30	

Quantity	Description	Rate	Amount
225	common	10.50	2,362.50T
7	Calcium	45.00	315.00T
4	Gel	16.25	65.00T
1	surface pipes 0-500ft	700.00	700.00
22	pump truck mileage charge	5.00	110.00
236	handling	1.90	448.40
5,192	Mileage	0.08	415.36
1	8 5/8 solid rubber plug	95.00	95.00T
	russell co. Sales Tax	7.30%	207.14

RECEIVED
OCT 10 2006
KCC WICHITA

Thank you for your business. Dave	Total	\$4,718.40
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Pd 7/13/06
CEL 544

QUALITY OILWELL CEMENTING, INC.

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

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

No. 1037

Date	7-11-06	Sec.	Twp.	Range	Called Out	On Location	Job Start	Finish
Lease	L Reilly	Well No.	1	Location	Bunker Hill 9N	Russell	County	KS
State								11:30 PM
Contractor	Shield's D.I.G.			Owner	2w 1N 1w 2s			
Type Job	1244		392	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.				
Hole Size	8 5/8	T.D.	389	Charge To	Brangardt Oil & Leasing, Inc.			
Csg.		Depth		Street				
Tbg. Size		Depth		City	State			
Drill Pipe		Depth		The above was done to satisfaction and supervision of owner agent or contractor.				
Tool		Depth						
Cement Left in Csg.	10' 15"	Shoe Joint						
Press Max.		Minimum						
Meas Line		Displace	23# 24.16	CEMENT				
Perf.								

EQUIPMENT				Amount Ordered	225 comm 3% cc 2% gel			
				Consisting of				
Pumptrk	1	No.	Cementer	Common	225	@	10.50	2362.50
			Helper					
Bulktrk	2	No.	Driver	Poz. Mix				
			Driver	Gel.	4	@	16.25	65.00
Bulktrk		No.	Driver	Chloride	7	@	45.00	315.00
			Driver	Hulls				

JOB SERVICES & REMARKS							
Pumptrk Charge			700.00				
Mileage	22	@	5.00				110.00
Footage							
			Total				810.00

Remarks:	Comp. Cir	Sales Tax	
		Handling	236 x 1.90 = 448.40
		Mileage	.08¢ per sack per mile = 415.36
			Pump TRK CHG. = 810.00
		Sub Total	810.00
		Total	
		Floating Equipment & Plugs	8 5/8 sol. d = 95.00
		Squeeze Manifold	Rubber plug
		Rotating Head	

RECEIVED		Tax	207.14
OCT 10 2006		Discount	
KCC WICHITA		Total Charge	4718.40

X Signature Burton Berry

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 construed 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.

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

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

No. 1047

Date	7-18-06	Sec.	16	Twp.	12	Range	13	Called Out		On Location		Job Start		Finish	10:30pm
Lease	1 Reilly	Well No.	1	Location			Bunker Hill 4NW	Russell	County					KS	State
Contractor	Shields Drilling							Owner	1N1W 1/2 S						
Type Job	production string							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.							
Hole Size	7 7/8		T.D.	3550			Charge To	Bunker Hill Oil & Leasing							
Csg.	4 1/2		Depth	3545			Street								
Tbg. Size			Depth				City	State							
Drill Pipe			Depth				The above was done to satisfaction and supervision of owner agent or contractor.								
Tool			Depth												
Cement Left in Csg.	18'		Shoe Joint												
Press Max.			Minimum												
Meas Line			Displace	10.5 56.50											
Perf.			.016w			CEMENT 500 gal mud clear 18									

EQUIPMENT

Pumptrk	1	No.	Cementor		Driver	
			Helper		Keith	
Bulktrk	2	No.	Driver		Driver	
			Driver		Dan	

Amount Ordered ~~275 @ 10%~~ 2887.50

Consisting of Common 275 @ 10% 2887.50

Poz. Mix

Gel.

Chloride

Hulls salt 51 @ 9.00 459.00

500 gal mud clear 48 @ 15.62 750.00

JOB SERVICES & REMARKS

Pumptrk Charge		1050.00
Mileage	22 @ 5.00	110.00
Footage		
Total		

Remarks: plug mouse hole 10sk
Rat hole 15sk
Cent on 1, 4, 7, 10, 11, 12, 13, 14

Handling 326 @ 1.90 619.40

Mileage 8¢ per sk per mile pump trk 573.76

Sub Total 1160.00

Total

Mixed 500 gal Mud Clear 48 followed w/ 250 sk loaded plug @ 1200psi float held

Floating Equipment & Plugs 4 1/2 Rubber plug 45.00

Squeeze Manifold

Rotating Head 52.00 EA. 416.00

8 Turbu Centralizers 120.00

1 Guide Shoe 200.00

1 PEW Insert

RECEIVED

OCT 10 2006

KCC WICHITA

Tax 356.06

Discount

Total Charge 7586.72

X Signature *Bruce B. ...*

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