

Operator Name: Permian Reef, LLC Lease Name: Salvation Army Well #: 2
 Sec. 4 Twp. 22 S. R. 40 East West County: Hamilton

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
 (Attach Additional Sheets)

Samples Sent to Geological Survey Yes No

Cores Taken Yes No

Electric Log Run Yes No
 (Submit Copy)

List All E. Logs Run:

Cement Bond Log

<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Name	Top	Datum
T/Blaine	1612'	+1953'
B/Stone Corral	2332'	+1233'
T/Hollenberg	2681'	+884'
T/Herington	2711'	+854'
T/Winfield	2757'	+808'
Log Total Depth	2786'	+779'
Rotary Total Depth	2800'	+765'

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 Casing	12 1/4	8 5/8	24	377	Com CI A	225	2% Gel, 3% CaCl
Well Casing	7 7/8	5 1/2	15.5	2800	Lt Wt CI A	300	1/2 # floeal
					ASC CI A	150	2%gel,5%gilsonite,6%Caseal

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	n/a	n/a	n/a	n/a

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
2	2765' to 2775'		

TUBING RECORD		Size	Set At	Packer At	Liner Run
		2 3/8	2770	n/a	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.		Producing Method			
n/a		<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 Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
	n/a			n/a	n/a

Disposition of Gas **METHOD OF COMPLETION** Production Interval

Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled
 (If vented, Submit ACO-18.) Other (Specify) _____

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CONSERVATION DIVISION
 WICHITA, KS

GEOLOGICAL SUMMARY

Permian Reef, LLC
Salvation Army #2
1320' FNL, 1320' FEL Sec 4-T22S-R40W
Hamilton County, Kansas
API #15-075-20837
Elevations: G.L.- 3553', K.B.- 3565'

The following formation depths were determined from open-hole electric logs, and the sub-sea datums are referenced to the KB elevation of 3565':

<u>Formation</u>	<u>Log Depth</u>	<u>Datum</u>
T/Blaine	1612'	+1953'
B/Stone Corral	2332'	+ 1233'
T/Hollenberg	2681'	+ 884'
T/Herington	2711'	+ 854'
T/Winfield	2757'	+ 808'
Log Total Depth	2786'	+ 779'
Rotary Total depth	2800'	+ 765'

Drill cuttings samples were examined in selected intervals, with the following observations:

The Winfield interval consists primarily of light tan to light gray, dolomitic and anhydritic siltstone with intergranular porosity. Recommended perforations are in the Winfield from 2765'-2775'.



Ron Osterbuhr
10/2007

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CONSERVATION DIVISION
WICHITA, KS



ALLIED

CEMENTING CO., LLC
Cementing & Acidizing Services

24 S. Lincoln Street
P.O. Box 31
Russell, KS 67665-2906
Voice: (785) 483-3887
Fax: (785) 483-5566

INVOICE

Invoice Number: 110209
Invoice Date: Sep 20, 2007
Page: 1

Bill To:
Permian Reef, LLC
ATTN: D. M. Loesch
2262 Willow Cirde Drive
Greenwood Village, IN 48143

Federal Tax I.D. [REDACTED]

Customer ID	Well Name# or Customer P.O.	Payment Terms	
Perm	Salvation Army #2	Net 30 Days	
Sales Rep ID	Camp Location	Service Date	Due Date
	Oakley	Sep 20, 2007	10/20/07

Quantity	Item	Description	Unit Price	Amount
225.00	MAT	Common Class A	12.60	2,835.00
4.00	MAT	Gel	16.65	66.60
8.00	MAT	Chlonde	46.60	372.80
237.00	SER	Handling	1.90	450.30
90.00	SER	Mileage 237 sx @.09 per sk per mi	21.33	1,919.70
1.00	SER	Surface	815.00	815.00
77.00	SER	Extra Footage	0.65	50.05
90.00	SER	Mileage Pump Truck	6.00	540.00
1.00	SER	Head Rental	100.00	100.00
1.00	EQP	Baffle Plate	135.00	135.00
2.00	EQP	Centralizers	55.00	110.00
1.00	EQP	Wooden Surface Plug	60.00	60.00

ALL PRICES ARE NET, PAYABLE
30 DAYS FOLLOWING DATE OF
INVOICE. 1 1/2% CHARGED
THEREAFTER. IF ACCOUNT IS
CURRENT, TAKE DISCOUNT OF

\$ 745.44

ONLY IF PAID ON OR BEFORE

Oct 20, 2007

Subtotal	7,454.45
Sales Tax	207.61
Total Invoice Amount	7,662.06
Payment/Credit Applied	
TOTAL	7,662.06

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WICHITA, KS



ALLIED

CEMENTING CO., LLC
Cementing & Acidizing Services

24 S. Lincoln Street
P.O. Box 31
Russell, KS 67665-2906

Voice: (785) 483-3887
Fax: (785) 483-5566

INVOICE

Invoice Number: 110234
Invoice Date: Sep 24, 2007
Page: 1

Bill To:

Permian Reef, LLC
ATTN: D. M. Loesch
2262 Willow Circle Drive
Greenwood Village, IN 48143

Federal Tax I.D.#

Customer ID	Well Name# or Customer P.O.	Payment Terms	
Perm	Salvation Army #2	Net 30 Days	
Sales Rep ID	Camp Location	Service Date	Due Date
	Oakley	Sep 24, 2007	10/24/07

Quantity	Item	Description	Unit Price	Amount
3.00	MAT	Gel	16.65	49.95
150.00	MAT	ASC Class A	14.90	2,235.00
300.00	MAT	Lightweight Class A	11.25	3,375.00
750.00	MAT	Gilsonite	0.70	525.00
14.00	MAT	Salt	19.20	268.80
75.00	MAT	Flo Seal	2.00	150.00
516.00	SER	Handling	1.90	980.40
90.00	SER	Mileage 516 sx @ .09 per sk per mi	46.44	4,179.60
1.00	SER	Production String	1,610.00	1,610.00
90.00	SER	Mileage Pump Truck	6.00	540.00
1.00	SER	Head Rental	100.00	100.00
1.00	EQP	Guide Shoe	170.00	170.00
1.00	EQP	AFU Insert	260.00	260.00
8.00	EQP	Centralizers	50.00	400.00
1.00	EQP	Limit Clamp	25.00	25.00
1.00	EQP	Rubber Plug	65.00	65.00

ALL PRICES ARE NET, PAYABLE
30 DAYS FOLLOWING DATE OF
INVOICE. 1 1/2% CHARGED
THEREAFTER. IF ACCOUNT IS
CURRENT, TAKE DISCOUNT OF

\$ 1493.37

ONLY IF PAID ON OR BEFORE

Oct 24, 2007

Subtotal	14,933.75
Sales Tax	436.38
Total Invoice Amount	15,370.13
Payment/Credit Applied	
TOTAL	15,370.13

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WICHITA, KS