



KANSAS CORPORATION COMMISSION 1102297
OIL & GAS CONSERVATION DIVISION

Form ACO-1

June 2009

Form Must Be Typed
Form must be Signed
All blanks must be Filled

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # _____

Name: _____

Address 1: _____

Address 2: _____

City: _____ State: _____ Zip: _____ + _____

Contact Person: _____

Phone: (_____) _____

CONTRACTOR: License # _____

Name: _____

Wellsite Geologist: _____

Purchaser: _____

Designate Type of Completion:

- New Well Re-Entry Workover
- Oil WSW SWD SIOW
- Gas D&A ENHR SIGW
- OG GSW Temp. Abd.
- CM (Coal Bed Methane)
- Cathodic Other (Core, Expl., 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 Conv. to SWD
- Conv. to GSW
- Plug Back: _____ Plug Back Total Depth _____
- Commingled Permit #: _____
- Dual Completion Permit #: _____
- SWD Permit #: _____
- ENHR Permit #: _____
- GSW Permit #: _____

Spud Date or Recompletion Date Date Reached TD Completion Date or Recompletion Date

API No. 15 - _____

Spot Description: _____

_____ - _____ - _____ Sec. _____ Twp. _____ S. R. _____ East West

_____ Feet from North / South Line of Section

_____ Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:

- NE NW SE SW

County: _____

Lease Name: _____ Well #: _____

Field Name: _____

Producing Formation: _____

Elevation: Ground: _____ Kelly Bushing: _____

Total Depth: _____ Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at: _____ 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)

Chloride content: _____ ppm Fluid volume: _____ bbls

Dewatering method used: _____

Location of fluid disposal if hauled offsite: _____

Operator Name: _____

Lease Name: _____ License #: _____

Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West

County: _____ Permit #: _____

AFFIDAVIT

I am the affiant and I hereby certify that 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.

Submitted Electronically

KCC Office Use ONLY

- Letter of Confidentiality Received
Date: _____
- Confidential Release Date: _____
- Wireline Log Received
- Geologist Report Received
- UIC Distribution
- ALT I II III Approved by: _____ Date: _____



Operator Name: _____ Lease Name: _____ Well #: _____

Sec. _____ Twp. _____ S. R. _____ East West County: _____

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 complete copy of all Electric Wire-line Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <input type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input type="checkbox"/> No Electric Log Run <input type="checkbox"/> Yes <input type="checkbox"/> No Electric Log Submitted Electronically <input type="checkbox"/> Yes <input type="checkbox"/> No <i>(If no, Submit Copy)</i> List All E. Logs Run:	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum
---	---

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

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

TUBING RECORD: Size: _____ Set At: _____ Packer At: _____ Liner Run: Yes No

Date of First, Resumed Production, SWD or ENHR. _____ Producing Method: Flowing Pumping Gas Lift Other *(Explain)* _____

Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
-----------------------------------	-----------	---------	-------------	---------------	---------

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5)</i> <input type="checkbox"/> Other <i>(Specify)</i> _____ <input type="checkbox"/> Other <i>(Specify)</i> _____	PRODUCTION INTERVAL: _____ _____
--	---	---

QUALITY OILWELL CEMENTING, INC.

Federal Tax I.D.# 20-2886107

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

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

No. 4618

Date	7-4-12	Sec.	1	Twp.	9	Range	12	County	Osborne	State	KS	On Location		Finish	7:00 AM
Lease	Tomson Trust			Well No.	1-1			Location	Lucas Nto 190 Wido Deed Encl XEN with						
Contractor	WW #12							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	pipe 3g6							Charge To	Drilling Oil in K						
Hole Size	7 7/8							T.D.	3325						
Csg.	5g							Depth	3309						
Tbg. Size								Depth							
Tool								City	hays State KS						
Cement Left in Csg.	43.23							Shoe Joint	43.23						
Meas Line								Displace	79.69						
								Cement Amount Ordered	185 can 10% Salt						

EQUIPMENT

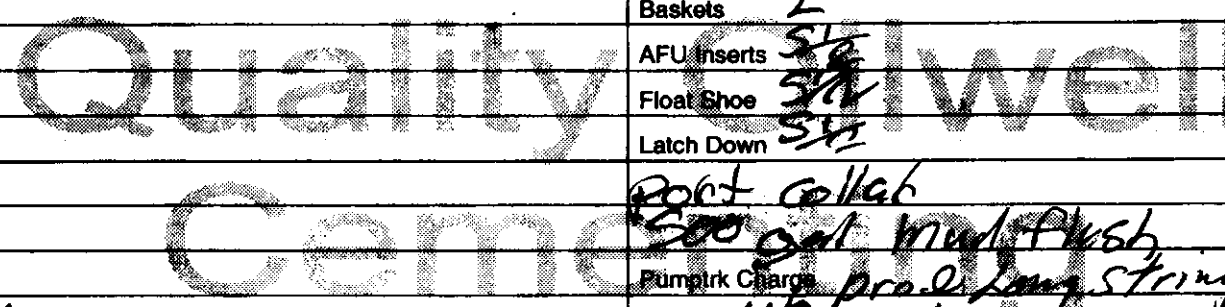
Pumptrk #9 No.	Cementer	Walt	Common	185
Bulktrk #10 No.	Helper	Trams	Poz. Mix	
Bulktrk No.	Driver	Levi	Gel.	0

JOB SERVICES & REMARKS

Remarks:	Calcium
Rat Hole	Hulls
Mouse Hole	Salt
Centralizers	Flowseal
Baskets	Kol-Seal
D/V or Port Collar	Mud CLR 48
	CFL-117 or CD110 CAF 38
	Sand
	Handling
	Mileage

FLOAT EQUIPMENT

Guide Shoe	3
Centralizer	5
Baskets	2
AFU Inserts	5
Float Shoe	5
Latch Down	5
Port Collar	1
500 gal mud flush	
Pumptrk Charge	pro. d. long string
Mileage	145



X Signature *Ferris M. Pieston*

Tax
Discount
Total Charge

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 shall 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.

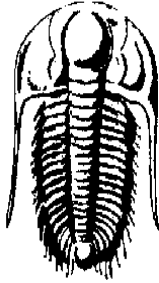
3. QUALITY does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

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.



TRILOBITE
TESTING, INC.

DRILL STEM TEST REPORT

Prepared For: **Dreiling Oil Inc**

PO Box 550
Hays KS 67601-0550

ATTN: Terry Peisker

Thompson Trust #1-1

1-9s-12w Osborne

Start Date: 2012.07.02 @ 02:36:04

End Date: 2012.07.02 @ 09:38:58

Job Ticket #: 47431 DST #: 1

Trilobite Testing, Inc

PO Box 362 Hays, KS 67601

ph: 785-625-4778 fax: 785-625-5620

Printed: 2012.07.12 @ 12:01:36

Dreiling Oil Inc
1-9s-12w Osborne
Thompson Trust #1-1
DST # 1
LKC "A"
2012.07.02



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

Dreiling Oil Inc
PO Box 550
Hays KS 67601-0550
ATTN: Terry Peisker

1-9s-12w Osborne
Thompson Trust #1-1
Job Ticket: 47431 **DST#: 1**
Test Start: 2012.07.02 @ 02:36:04

GENERAL INFORMATION:

Formation: **LKC "A"**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 04:59:29
Time Test Ended: 09:38:58
Interval: **3050.00 ft (KB) To 3085.00 ft (KB) (TVD)**
Total Depth: 3085.00 ft (KB) (TVD)
Hole Diameter: 7.88 inches Hole Condition: Fair
Test Type: Conventional Bottom Hole (Initial)
Tester: Ray Schwager
Unit No: 42
Reference Elevations: 1876.00 ft (KB)
1868.00 ft (CF)
KB to GR/CF: 8.00 ft

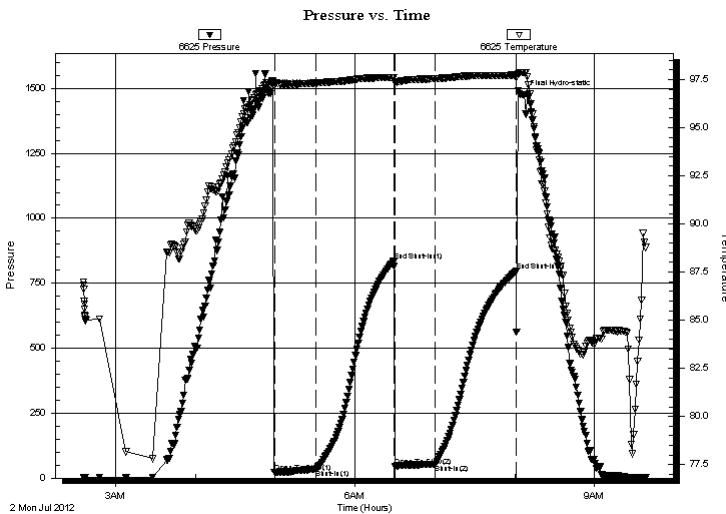
Serial #: 6625

Inside

Press @ Run Depth: 53.23 psig @ 3055.00 ft (KB) Capacity: 8000.00 psig
Start Date: 2012.07.02 End Date: 2012.07.02 Last Calib.: 2012.07.02
Start Time: 02:36:04 End Time: 09:38:58 Time On Btm: 2012.07.02 @ 04:55:29
Time Off Btm: 2012.07.02 @ 08:05:58

TEST COMMENT: 30-IFP-w k bl , 1/2" to 3" bl
60-ISIP-no bl
30-FFP-w k bl , surface to 1/2" bl
60-FSIP-no bl

PRESSURE SUMMARY



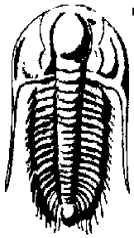
Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1481.61	97.34	Initial Hydro-static
4	21.66	97.21	Open To Flow (1)
35	34.66	97.32	Shut-In(1)
94	834.35	97.60	End Shut-In(1)
95	44.37	97.34	Open To Flow (2)
125	53.23	97.55	Shut-In(2)
186	795.94	97.73	End Shut-In(2)
191	1475.51	97.87	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
0.00	40'GIP	0.00
20.00	HOCM 30%O70%M	0.10
60.00	MGO 10%G40%M50%O	0.30

Gas Rates

	Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)



TRILOBITE TESTING, INC.

DRILL STEM TEST REPORT

Drilling Oil Inc
 PO Box 550
 Hays KS 67601-0550
 ATTN: Terry Peisker

1-9s-12w Osborne
Thompson Trust #1-1
 Job Ticket: 47431 **DST#: 1**
 Test Start: 2012.07.02 @ 02:36:04

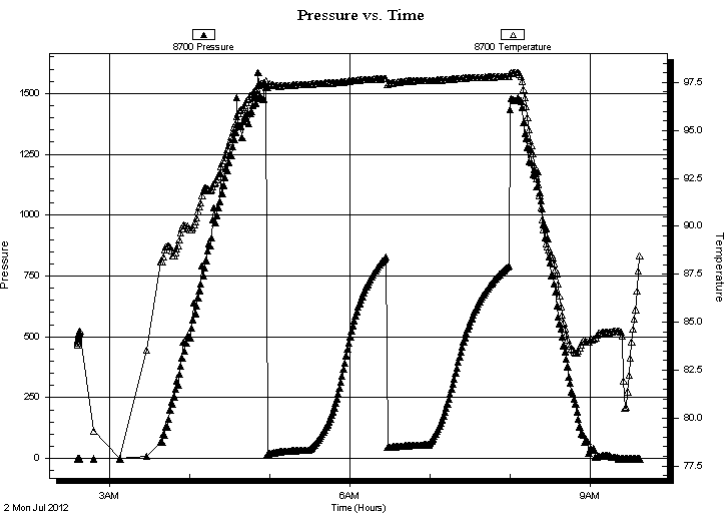
GENERAL INFORMATION:

Formation: LKC "A"		
Deviated: No Whipstock: ft (KB)	Test Type: Conventional Bottom Hole (Initial)	
Time Tool Opened: 04:59:29	Tester: Ray Schwager	
Time Test Ended: 09:38:58	Unit No: 42	
Interval: 3050.00 ft (KB) To 3085.00 ft (KB) (TVD)	Reference Elevations: 1876.00 ft (KB)	
Total Depth: 3085.00 ft (KB) (TVD)	1868.00 ft (CF)	
Hole Diameter: 7.88 inches	Hole Condition: Fair	KB to GR/CF: 8.00 ft

Serial #: 8700 Outside

Press @ Run Depth: psig @ 3055.00 ft (KB)	Capacity: 8000.00 psig
Start Date: 2012.07.02 End Date: 2012.07.02	Last Calib.: 2012.07.02
Start Time: 02:35:53 End Time: 09:37:17	Time On Btm:
	Time Off Btm:

TEST COMMENT: 30-IFP-w k bl , 1/2" to 3" bl
 60-ISIP-no bl
 30-FFP-w k bl , surface to 1/2" bl
 60-FSIP-no bl



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation

Recovery

Length (ft)	Description	Volume (bbl)
0.00	40'GIP	0.00
20.00	HOCM 30%O70%M	0.10
60.00	MGO 10%G40%M50%O	0.30

Gas Rates

Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

TOOL DIAGRAM

Dreiling Oil Inc
PO Box 550
Hays KS 67601-0550
ATTN: Terry Peisker

1-9s-12w Osborne
Thompson Trust #1-1
Job Ticket: 47431 **DST#: 1**
Test Start: 2012.07.02 @ 02:36:04

Tool Information

Drill Pipe:	Length: 2914.00 ft	Diameter: 3.80 inches	Volume: 40.88 bbl	Tool Weight: 2200.00 lb
Heavy Wt. Pipe:	Length: 0.00 ft	Diameter: 0.00 inches	Volume: 0.00 bbl	Weight set on Packer: 25000.00 lb
Drill Collar:	Length: 120.00 ft	Diameter: 2.25 inches	Volume: 0.59 bbl	Weight to Pull Loose: 50000.00 lb
			<u>Total Volume: 41.47 bbl</u>	Tool Chased 0.00 ft
Drill Pipe Above KB:	5.00 ft			String Weight: Initial 34000.00 lb
Depth to Top Packer:	3050.00 ft			Final 35000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	35.00 ft			
Tool Length:	56.00 ft			
Number of Packers:	2	Diameter: 6.75 inches		

Tool Comments:

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths
-------------------------	--------------------	-------------------	-----------------	-------------------	-----------------------

Change Over Sub	1.00			3030.00	
Shut In Tool	5.00			3035.00	
Hydraulic tool	5.00			3040.00	
Packer	5.00			3045.00	21.00 Bottom Of Top Packer
Packer	5.00			3050.00	
Stubb	1.00			3051.00	
Perforations	4.00			3055.00	
Recorder	0.00	6625	Inside	3055.00	
Recorder	0.00	8700	Outside	3055.00	
Perforations	27.00			3082.00	
Bullnose	3.00			3085.00	35.00 Bottom Packers & Anchor

Total Tool Length: 56.00



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

FLUID SUMMARY

Dreiling Oil Inc
PO Box 550
Hays KS 67601-0550
ATTN: Terry Peisker

1-9s-12w Osborne
Thompson Trust #1-1
Job Ticket: 47431 **DST#: 1**
Test Start: 2012.07.02 @ 02:36:04

Mud and Cushion Information

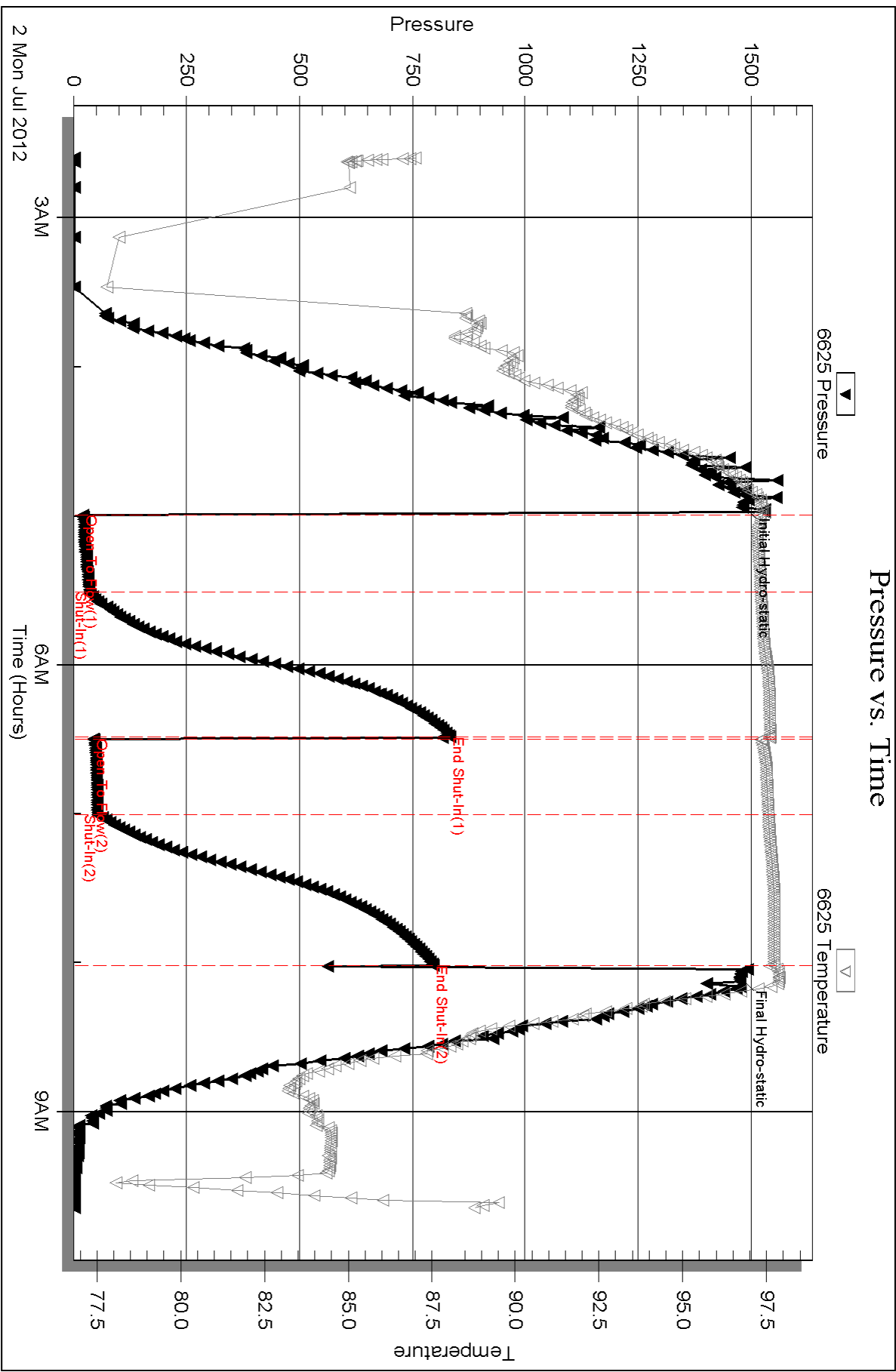
Mud Type: Gel Chem	Cushion Type:	Oil API:	deg API
Mud Weight: 9.00 lb/gal	Cushion Length: ft	Water Salinity:	ppm
Viscosity: 53.00 sec/qt	Cushion Volume: bbl		
Water Loss: 7.94 in ³	Gas Cushion Type:		
Resistivity: ohm.m	Gas Cushion Pressure: psig		
Salinity: 4000.00 ppm			
Filter Cake: 1.00 inches			

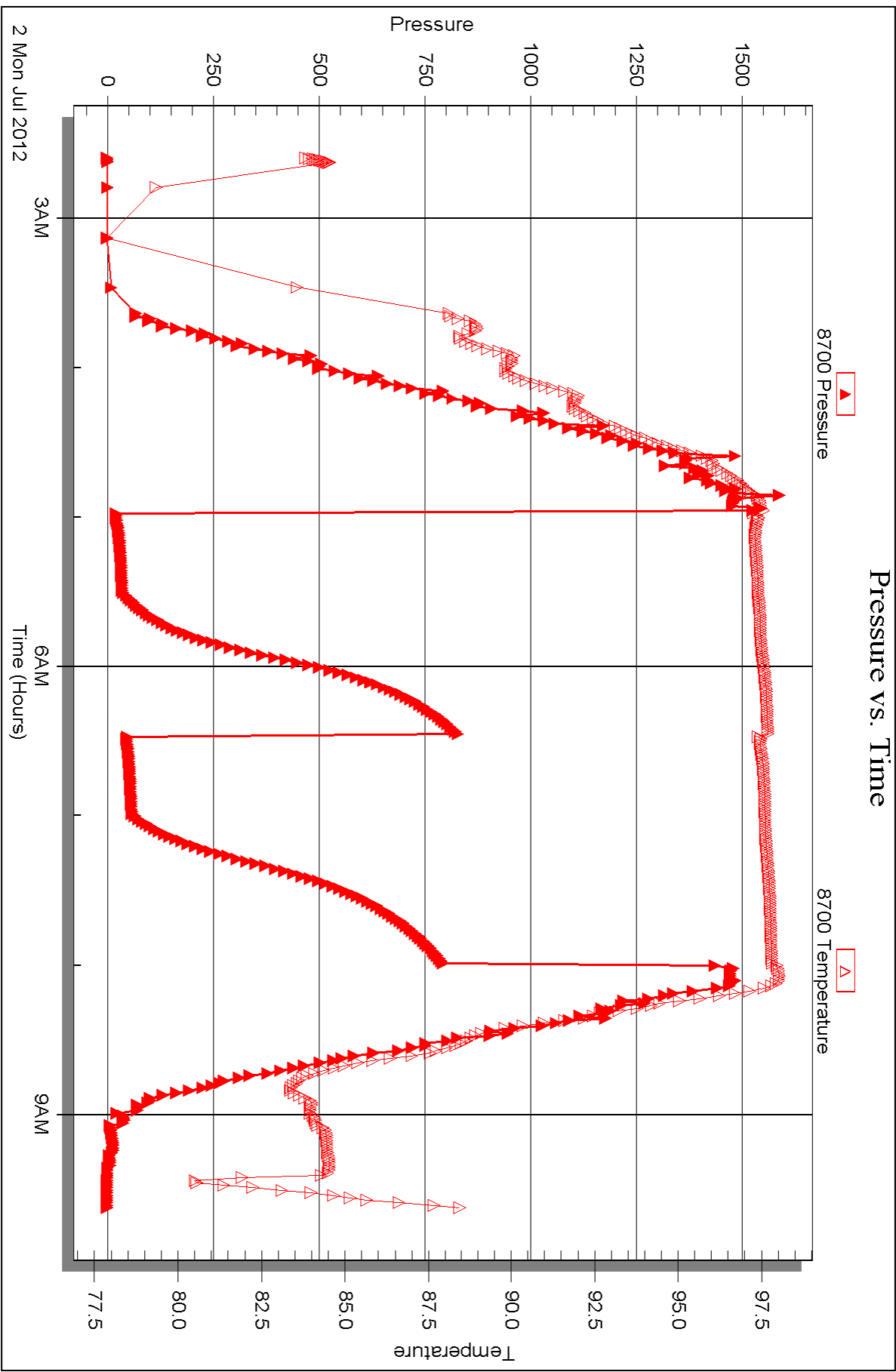
Recovery Information

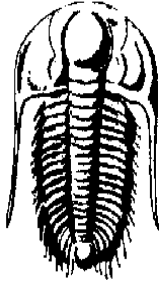
Recovery Table

Length ft	Description	Volume bbl
0.00	40'GIP	0.000
20.00	HOCM 30%O70%M	0.098
60.00	MGO 10%G40%M50%O	0.295

Total Length: 80.00 ft Total Volume: 0.393 bbl
Num Fluid Samples: 0 Num Gas Bombs: 0 Serial #:
Laboratory Name: Laboratory Location:
Recovery Comments:







TRILOBITE
TESTING, INC.

DRILL STEM TEST REPORT

Prepared For: **Dreiling Oil Inc**

PO Box 550
Hays KS 67601-0550

ATTN: Terry Peisker

Thompson Trust #1-1

1-9s-12w Osborne

Start Date: 2012.07.02 @ 15:31:04

End Date: 2012.07.02 @ 20:17:28

Job Ticket #: 47432 DST #: 2

Trilobite Testing, Inc

PO Box 362 Hays, KS 67601

ph: 785-625-4778 fax: 785-625-5620

Printed: 2012.07.12 @ 12:00:36

Dreiling Oil Inc
1-9s-12w Osborne
Thompson Trust #1-1
DST # 2
LKC "B"
2012.07.02



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

Drilling Oil Inc
PO Box 550
Hays KS 67601-0550
ATTN: Terry Peisker

1-9s-12w Osborne
Thompson Trust #1-1
Job Ticket: 47432 **DST#: 2**
Test Start: 2012.07.02 @ 15:31:04

GENERAL INFORMATION:

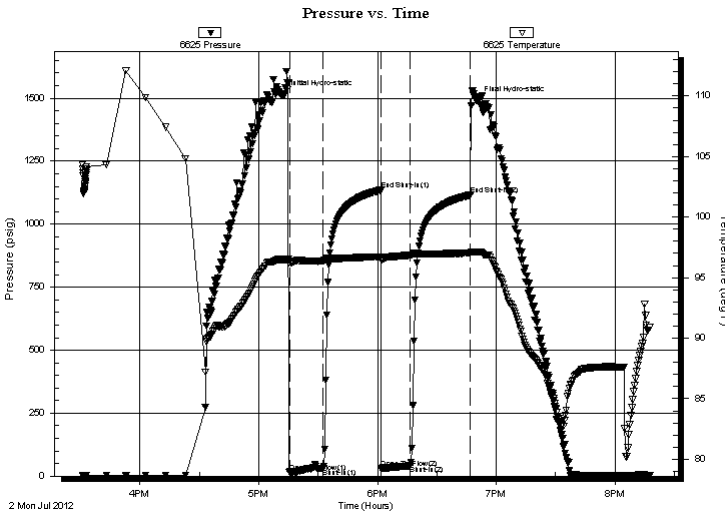
Formation: **LKC "B"**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 17:15:29
Time Test Ended: 20:17:28
Interval: **3095.00 ft (KB) To 3117.00 ft (KB) (TVD)**
Total Depth: 3117.00 ft (KB) (TVD)
Hole Diameter: 7.88 inches Hole Condition: Fair
Reference Elevations: 1876.00 ft (KB)
1868.00 ft (CF)
KB to GR/CF: 8.00 ft
Test Type: Conventional Bottom Hole (Reset)
Tester: Ray Schwager
Unit No: 42

Serial #: 6625 Inside

Press @ Run Depth: 41.04 psig @ 3096.00 ft (KB) Capacity: 8000.00 psig
Start Date: 2012.07.02 End Date: 2012.07.02 Last Calib.: 2012.07.02
Start Time: 15:31:04 End Time: 20:17:28 Time On Btm: 2012.07.02 @ 17:12:29
Time Off Btm: 2012.07.02 @ 18:50:29

TEST COMMENT: 15-IFP-surface bl, died in 12 min
30-ISIP-no bl
15-FFP-no bl
30-FSIP-no bl

PRESSURE SUMMARY



Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1515.91	96.51	Initial Hydro-static
3	15.27	96.25	Open To Flow (1)
20	29.57	96.41	Shut-In(1)
49	1134.84	96.73	End Shut-In(1)
50	32.08	96.50	Open To Flow (2)
64	41.04	96.86	Shut-In(2)
95	1116.06	97.03	End Shut-In(2)
98	1492.17	97.12	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
20.00	SOCM 2%O98%M	0.10

* Recovery from multiple tests

Gas Rates

Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

TOOL DIAGRAM

Dreiling Oil Inc
PO Box 550
Hays KS 67601-0550
ATTN: Terry Peisker

1-9s-12w Osborne
Thompson Trust #1-1
Job Ticket: 47432 **DST#: 2**
Test Start: 2012.07.02 @ 15:31:04

Tool Information

Drill Pipe:	Length: 2975.00 ft	Diameter: 3.80 inches	Volume: 41.73 bbl	Tool Weight: 2200.00 lb
Heavy Wt. Pipe:	Length: 0.00 ft	Diameter: 0.00 inches	Volume: 0.00 bbl	Weight set on Packer: 25000.00 lb
Drill Collar:	Length: 120.00 ft	Diameter: 2.25 inches	Volume: 0.59 bbl	Weight to Pull Loose: 50000.00 lb
			<u>Total Volume: 42.32 bbl</u>	Tool Chased 0.00 ft
Drill Pipe Above KB:	21.00 ft			String Weight: Initial 35000.00 lb
Depth to Top Packer:	3095.00 ft			Final 35000.00 lb
Depth to Bottom Packer:	ft			
Interval between Packers:	22.00 ft			
Tool Length:	43.00 ft			
Number of Packers:	2	Diameter: 6.75 inches		

Tool Comments:

Tool Description	Length (ft)	Serial No.	Position	Depth (ft)	Accum. Lengths
Change Over Sub	1.00			3075.00	
Shut In Tool	5.00			3080.00	
Hydraulic tool	5.00			3085.00	
Packer	5.00			3090.00	21.00 Bottom Of Top Packer
Packer	5.00			3095.00	
Stubb	1.00			3096.00	
Recorder	0.00	6625	Inside	3096.00	
Recorder	0.00	8700	Outside	3096.00	
Perforations	18.00			3114.00	
Bullnose	3.00			3117.00	22.00 Bottom Packers & Anchor
Total Tool Length:	43.00				



**TRILOBITE
TESTING, INC.**

DRILL STEM TEST REPORT

FLUID SUMMARY

Dreiling Oil Inc
PO Box 550
Hays KS 67601-0550
ATTN: Terry Peisker

1-9s-12w Osborne
Thompson Trust #1-1
Job Ticket: 47432 **DST#: 2**
Test Start: 2012.07.02 @ 15:31:04

Mud and Cushion Information

Mud Type: Gel Chem	Cushion Type:	Oil API:	deg API
Mud Weight: 9.00 lb/gal	Cushion Length: ft	Water Salinity:	ppm
Viscosity: 53.00 sec/qt	Cushion Volume: bbl		
Water Loss: 7.92 in ³	Gas Cushion Type:		
Resistivity: ohm.m	Gas Cushion Pressure: psig		
Salinity: 4000.00 ppm			
Filter Cake: 1.00 inches			

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
20.00	SOCM 2% O98%M	0.098

Total Length: 20.00 ft Total Volume: 0.098 bbl
 Num Fluid Samples: 0 Num Gas Bombs: 0 Serial #:
 Laboratory Name: Laboratory Location:
 Recovery Comments:

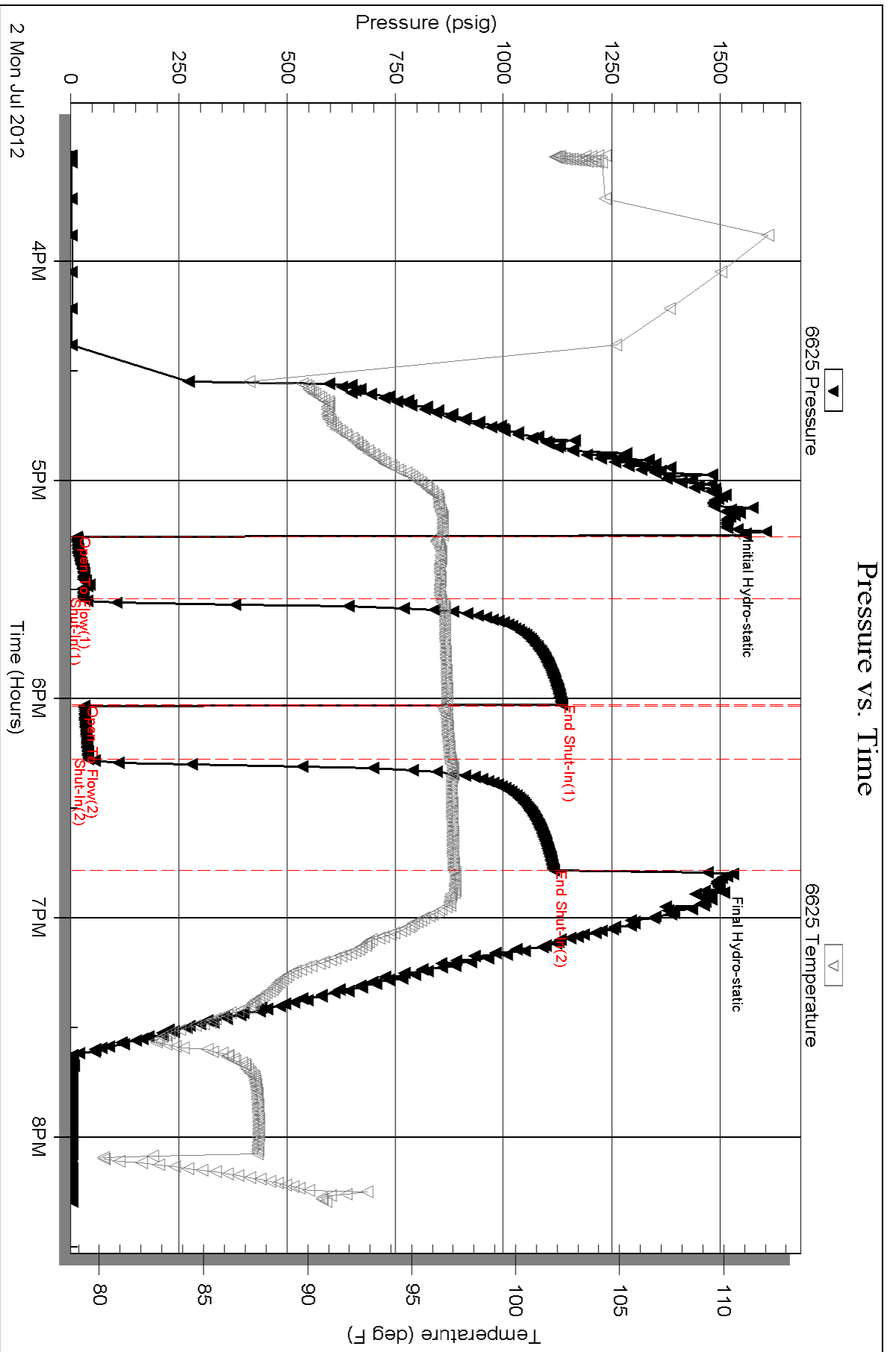
Serial #: 6625

Inside

Drilling Oil Inc

Thompson Trust #1-1

DST Test Number: 2

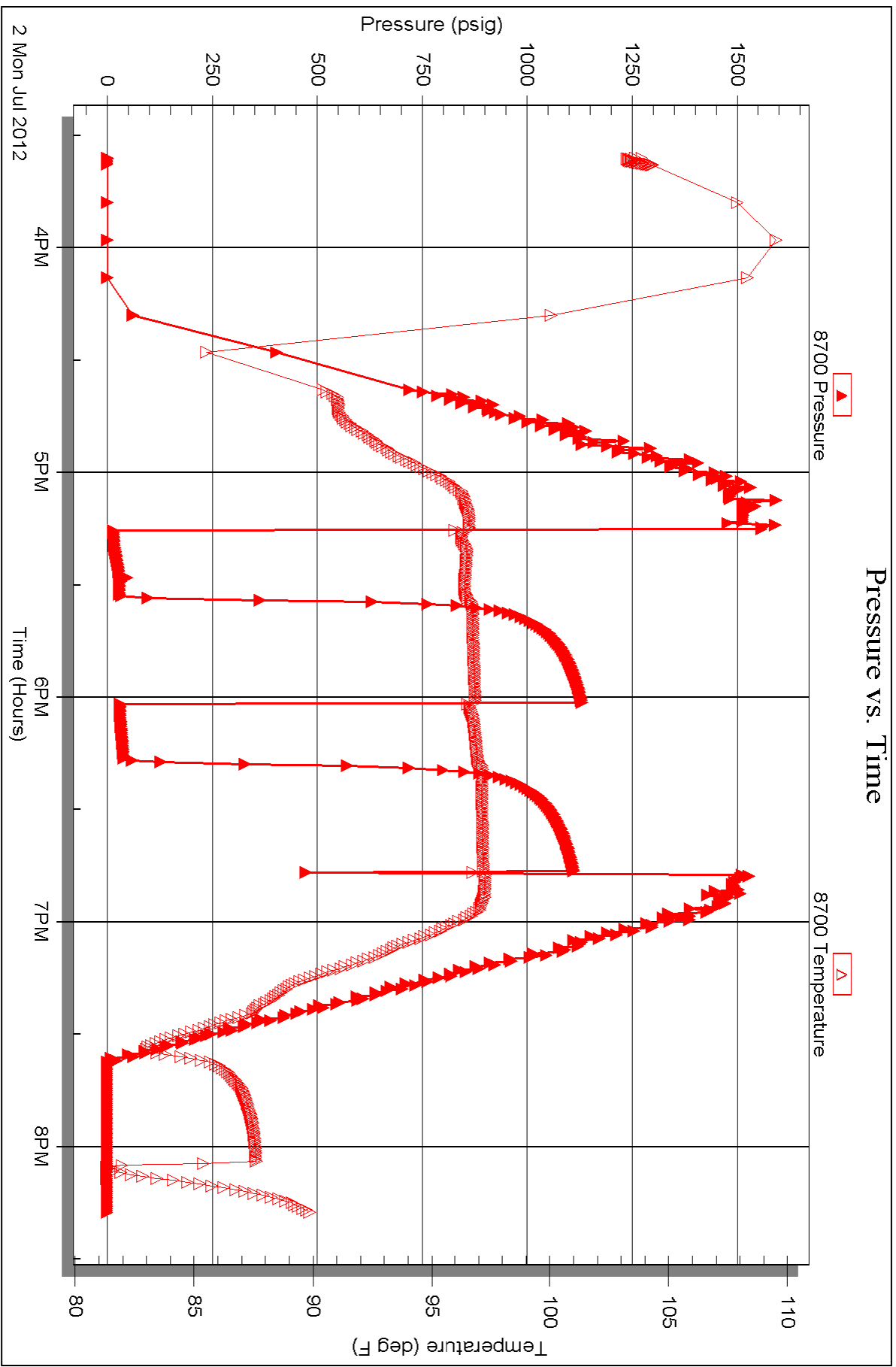


Serial #: 8700

Outside Drilling Oil Inc

Thompson Trust #1-1

DST Test Number: 2





TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 47431

Well Name & No. Thompson Trust #1-1 Test No. 1 Date 7-2-12
 Company Dreiling Oil Inc Elevation 1876 KB 1868 GL
 Address Po Box 550 Hays, Ks 67601-0550
 Co. Rep / Geo. Bill Ree Rig WWrig12
 Location: Sec. 1 Twp. 9s Rge. 12^w Co. Osborne State Ks

Interval Tested 3050-3085 Zone Tested LKC 'A'
 Anchor Length 35 Drill Pipe Run 2914 Mud Wt. 9.4
 Top Packer Depth 3045 Drill Collars Run 120 Vis 53
 Bottom Packer Depth 3050 Wt. Pipe Run - WL 8
 Total Depth 3085 Chlorides 4000 ppm System LCM 2#

Blow Description IFP - WEAK BLOW 1/2" TO 3" BLOW
ISTP - NO BLOW
FFP - WEAK BLOW SURFACE TO 1/2" BLOW
F5IP - NO BLOW

Rec	Feet of	%gas	%oil	%water	%mud
<u>40</u>	<u>GIP</u>				
<u>20</u>	<u>HOCM</u>		<u>30</u>		<u>70</u>
<u>60</u>	<u>MGO</u>	<u>10</u>	<u>50</u>		<u>40</u>

Rec Total 80 BHT 97 Gravity - API RW - @ - ° F Chlorides - ppm

(A) Initial Hydrostatic 1481 Test 1150 T-On Location 0030
 (B) First Initial Flow 21 Jars - T-Started 0235
 (C) First Final Flow 34 Safety Joint - T-Open 0500
 (D) Initial Shut-In 834 Circ Sub - T-Pulled 0800
 (E) Second Initial Flow 44 Hourly Standby - T-Out 0938
 (F) Second Final Flow 53 Mileage 164 RT 254.20 Comments -
 (G) Final Shut-In 795 Sampler -
 (H) Final Hydrostatic 1475 Straddle - Ruined Shale Packer -
 Shale Packer - Ruined Packer -
 Extra Packer - Extra Copies -
 Extra Recorder - Sub Total 0
 Day Standby - Total 1404.20
 Accessibility - MP/DST Disc't -
 Sub Total 1404.20

Initial Open 30
 Initial Shut-In 60
 Final Flow 30
 Final Shut-In 60

Approved By _____ Our Representative RAY SCHWAGER Thank you

Trilobite Testing Inc. shall not be liable for damaged of any kind of the property or personnel of the one for whom a test is made, or for any loss suffered or sustained, directly or indirectly, through the use of its equipment, or its statements or opinion concerning the results of any test, tools lost or damaged in the hole shall be paid for at cost by the party for whom the test is made.



TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 47432

Well Name & No. Thompson Trust #1-1 Test No. 2 Date 7-2-12
 Company Dreiling Oil Inc Elevation 1876 KB 1868 GL
 Address PO Box 1550 Hays Ko 67601-0550
 Co. Rep / Geo. Bill Ree Rig WW rig 12
 Location: Sec. 1 Twp. 9^s Rge. 12^w Co. Osborne State K

Interval Tested 3095-3117 Zone Tested LKC "B"
 Anchor Length 22 Drill Pipe Run 2975 Mud Wt. 9.4
 Top Packer Depth 3090 Drill Collars Run 120 Vis 53
 Bottom Packer Depth 3095 Wt. Pipe Run - WL 8
 Total Depth 3117 Chlorides 4000 ppm System LCM 2#

Blow Description IFP - SURFACE Blow died in 12 min
ISIP - NO Blow
FFP - NO Blow
FSIP - NO Blow

Rec	Feet of	%gas	%oil	%water	%mud
<u>20</u>	<u>50 CM</u>		<u>2</u>		<u>98</u>
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud

Rec Total 20 BHT 97 Gravity - API RW - @ - °F Chlorides - ppm

(A) Initial Hydrostatic <u>1515</u>	<input checked="" type="checkbox"/> Test <u>1150</u>	T-On Location <u>1515</u>
(B) First Initial Flow <u>15</u>	<input type="checkbox"/> Jars	T-Started <u>1530</u>
(C) First Final Flow <u>29</u>	<input type="checkbox"/> Safety Joint	T-Open <u>1715</u>
(D) Initial Shut-In <u>1134</u>	<input type="checkbox"/> Circ Sub	T-Pulled <u>1845</u>
(E) Second Initial Flow <u>32</u>	<input type="checkbox"/> Hourly Standby	T-Out <u>2017</u>
(F) Second Final Flow <u>41</u>	<input checked="" type="checkbox"/> Mileage <u>254.20</u>	Comments
(G) Final Shut-In <u>1116</u>	<input type="checkbox"/> Sampler	
(H) Final Hydrostatic <u>1492</u>	<input type="checkbox"/> Straddle	

Initial Open 15
 Initial Shut-In 30
 Final Flow 15
 Final Shut-In 30

Ruined Shale Packer
 Ruined Packer
 Extra Copies
 Sub Total 0
 Total 1404.20
 MP/DST Disc't

Approved By _____ Our Representative RAY Schwager *Thank you*

Trilobite Testing Inc. shall not be liable for damaged of any kind of the property or personnel of the one for whom a test is made, or for any loss suffered or sustained, directly or indirectly, through the use of its equipment, or its statements or opinion concerning the results of any test, tools lost or damaged in the hole shall be paid for at cost by the party for whom the test is made.

GEOLOGICAL REPORT

DRILLING TIME
AND
SAMPLE LOG

COMPANY Dreiling Oil, Inc.

LEASE Thompson Tr. Well No 1-1

FIELD Wildcat

LOCATION SE NE NW

SEC. 1 TWP. 9 S. RGE. 12 W.

COUNTY Osborne STATE Kansas

CONTRACTOR WW Drig. RIG NO. 12

COMMENCED DRILLING 6/28/12

COMPLETED DRILLING 7/4/12

ROD 3325 FEET LTD. 3324 FEET

MUD UP AT 2400 FEET MUD TYPE Chemical

ELEVATIONS

KB 1876 FEET

DF _____ FEET

GL 1868 FEET

MEASUREMENTS ARE ALL FROM KB

CASING

8 5/8 @ 221'

W/150 SX

5 1/2 @ 3325

W/185 SX

ELECTRICAL SURVEYS

SAMPLES SAVED FROM	<u>2500</u>	FEET	TO	<u>RTD 3325</u>	FEET
DRILLING TIME KEPT FROM	<u>2500</u>	FEET	TO	<u>"</u>	FEET
SAMPLES EXAMINED FROM	<u>2500</u>	FEET	TO	<u>"</u>	FEET
GEOLOGICAL SUPERVISION FROM	<u>2500</u>	FEET	TO	<u>"</u>	FEET
GEOLOGIST	<u>Bill Ree</u>				

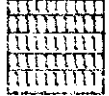
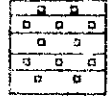
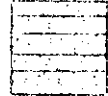
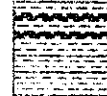


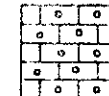
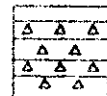
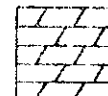
DRILL STEM TESTING BY Trilobite Testing

GAS DETECTOR MBC - Hotwire & Chromatograph

REMARKS: It was recommended 5 1/2" production esp. be run on this well after drillstem testing free oil from the Lansing "A" zone with building shut in pressures of 834 to 795 (low permeability). The "B" zone was perforated from 3108-13 and treated with negative results. There were no other zones of interest.

Bill Ree

LEGEND

								
Anhydrite	Salt	Sandstone	Shale	Carb. sh.	Limestone	Ool. Lime	Chert	Dolomite

DRILLING TIME IN MINUTES PER FOOT
Rate of Penetration Decreases

5" 10" 15" 20" 25"

DEPTH

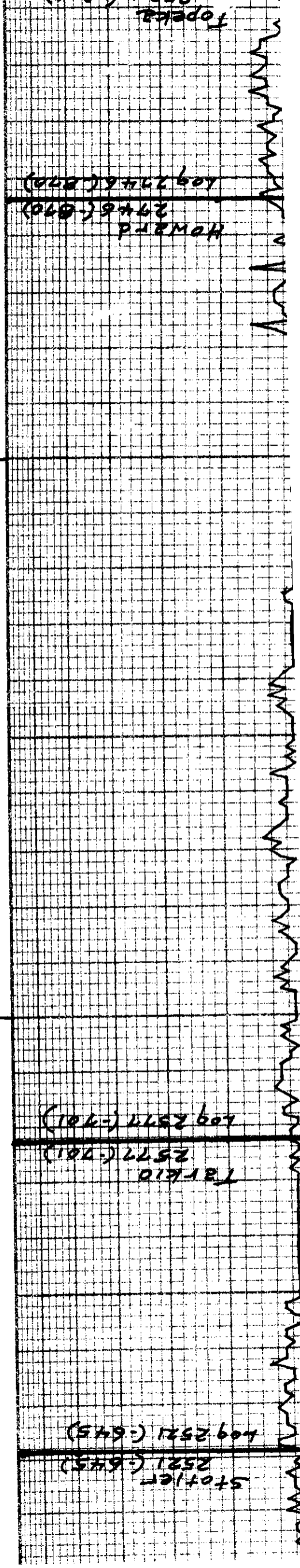
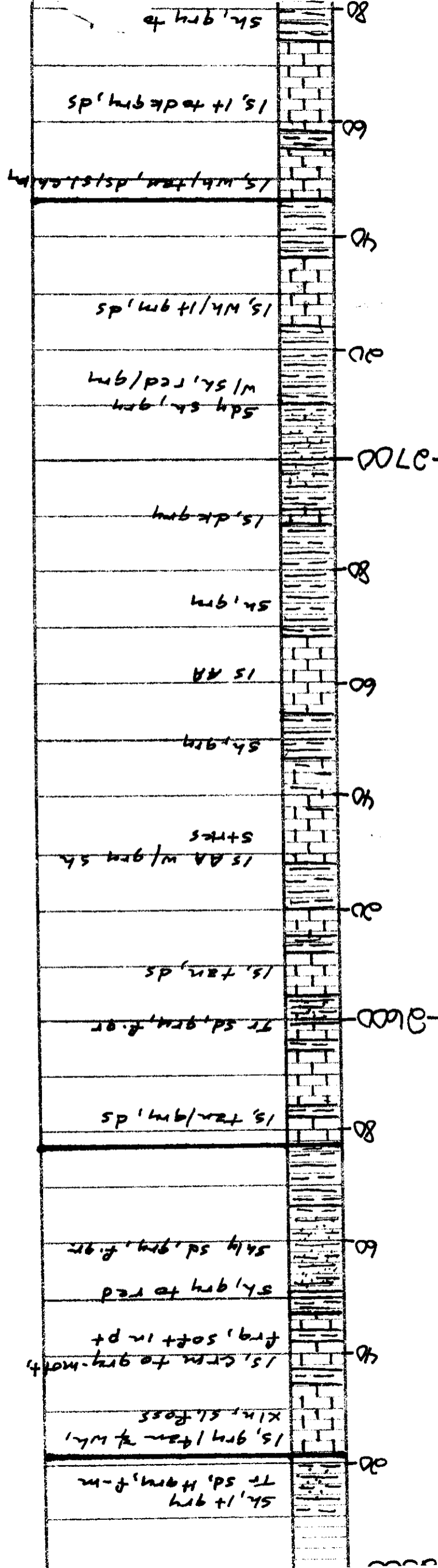
LITHOLOGY

SAMPLE DESCRIPTIONS

OIL SHOWS

REMARKS

Ark 272 (450) 27209



Howard
log 2746 (870)
log 2746 (870)

Tarkio
log 2746 (870)
log 2746 (870)

Stotler
log 2521 (645)
log 2521 (645)

Topoka

Log 2984 (-908)

CFS

2800

ls, wh/tan, p. xln to
s/chiky in pt.
2-3 pcs w/lt. brn
edge str. No gas
No odor

20

ls, wh/grn, ds to
sl. foss.

40

ls, tan/lt grn, ds to
R. frq & s/chiky

60

bec frq & foss

80

ls, lt grn/tan, ds,
foss, frq
s/chiky

2900

inc wh, chiky

20

ls, wh/grn, ds to frq
& foss.

40

ls, tan & grn, ds, foss

60

grn/red sh strks

80

ls, grn, ds, sl chiky

3000

ls, chiky

Heebner
3018 (-1142)

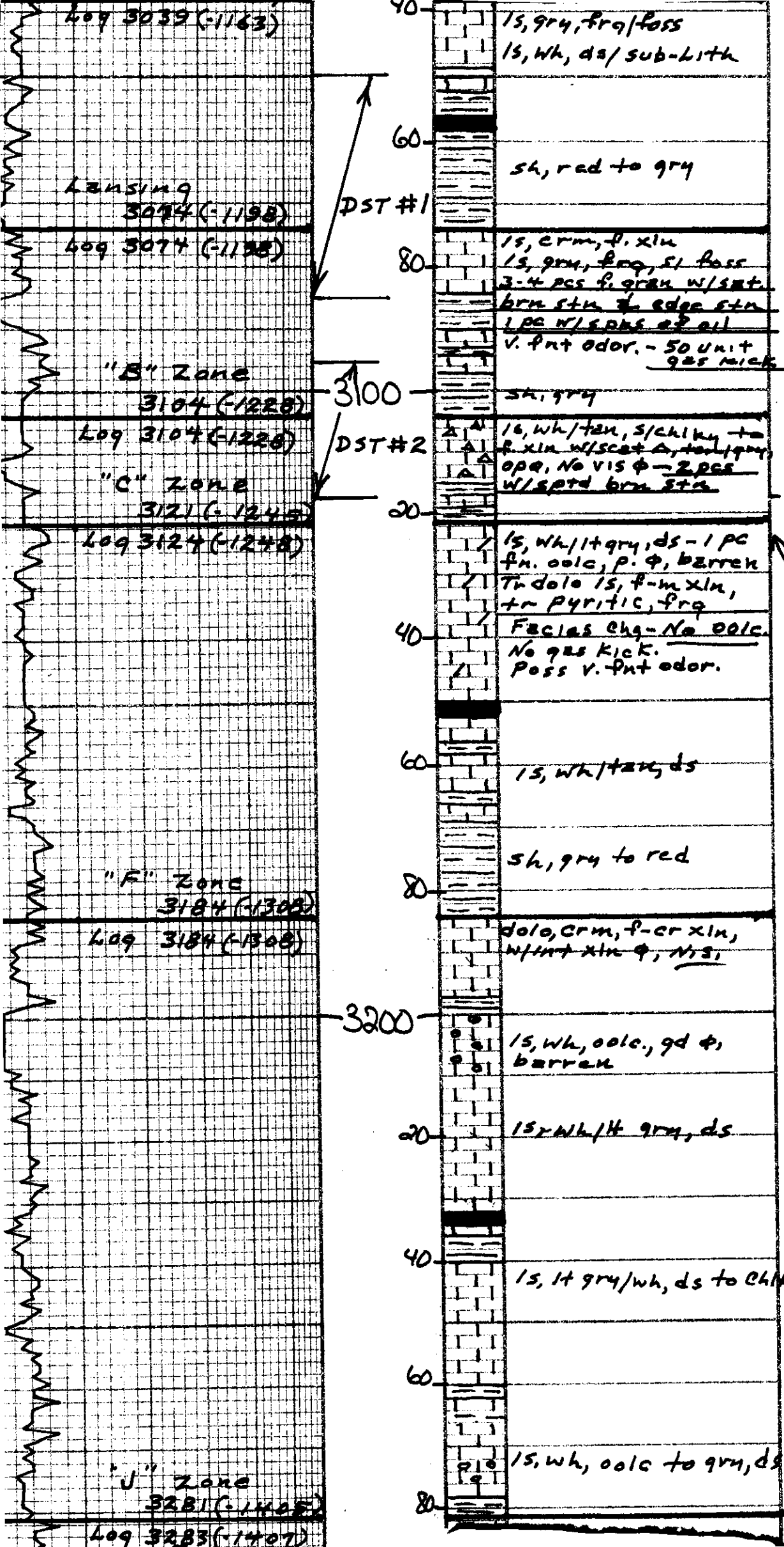
Log 3018 (-1142)

20

ls, lt grn, ds

sh. grn lens

Vis 49
wt 9.2
WL 8.0

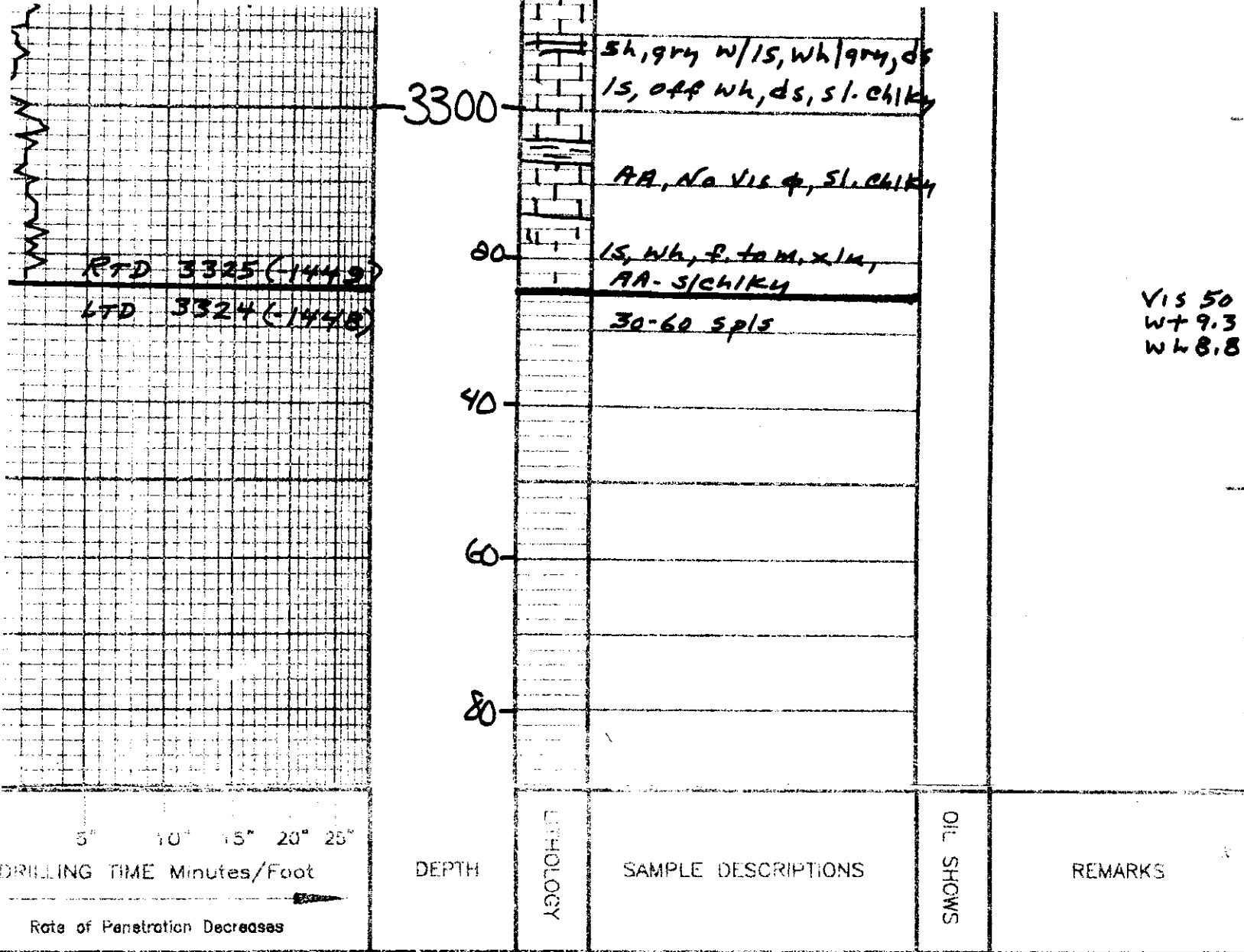


DST #1 3050-86
30/60/30/60
1st op-WB to 3"
2d op-WB to 1/2"
Rec 40' GIP +
20' HOCM 30
60' MGD 50
80' Total 0
SIP 834-795
IFP 21-34 CF
FFP 44-53
HP 1481-1475

DST #2 3095-311
15/30/15/30
1st op - Surf Bl-Dien
12M
2d op - No Blow
Rec 20' socm 2%
SIP 1134-1116 Oil
HP 1515-1492
IFP 15-29 CF
FFP 32-41 CF

Vis 43
Wt 9.4
Wh 9.6

CF5



CONTRACTOR WW Dr19 - Rig 12
 LEASE Thompson Trust
 ELEVATION 1876 KB RTD 3325

LOCATION SE NE NW
 SEC 1 TWP 9 S. RNG 12 W.
 COUNTY Osborne STATE Kansas

QUALITY OILWELL CEMENTING, INC.

Federal Tax I.D.# 20-2886107

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

No. 4613

Phone 785-483-2025

Cell 785-324-1041

Date	6-28-12	Sec.	1	Twp.	9	Range	12	County	Osborne	State	KS	On Location		Finish	12:30 AM
Lease	Drilling			Well No.	1-1		Location								
Contractor							Owner								
Type Job							To Quality Oilwell Cementing, Inc.								
Hole Size							You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.								
Csg.							Charge To								
Tbg. Size							Street								
Tool							City								
Cement Left in Csg.							The above was done to satisfaction and supervision of owner agent or contractor.								
Meas Line							Cement Amount Ordered								
EQUIPMENT															
Pumptrk #	9	No.		Cementer	Hours		Common								
Bulktrk #	8	No.		Driver	Jason		Poz. Mix								
Bulktrk #	pu	No.		Driver	Matt		Gal.								
JOB SERVICES & REMARKS															
Remarks:															
Rat Hole															
Mouse Hole															
Centralizers															
Baskets															
DV or Port Collar															
Cementing did circulate															
QUALITY OILWELL CEMENTING															
Float Equipment															
Guide Shoe															
Centralizer															
Baskets															
AFU Inserts															
Float Shoe															
Latch Down															
Pumptrk Charge															
Mileage															
Tax															
Discount															
Total Charge															

X Signature

[Handwritten Signature]

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.

Federal Tax I.D.# 20-2886107

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

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

No. 918

Date	7-20-12	Sec.		Twp.		Range		County	Osborne	State	Ks	On Location		Finish	2:15 PM
Lease	Thompson		Well No.	1-1		Location Lucas, Ks - 202nd Street Blacktop to 671 N to									
Contractor	Express Well Service					Owner W 190 Rl, 4W, 1/2 N, Northwest the gate									
Type Job	Port Collar					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	T.D.					Charge To									
Csg.	5 1/2"					Depth					Deiling Oil				
Tbg. Size	2"					Depth					Street				
Tool	Port Collar					Depth 972'					City State				
Cement Left in Csg.	Shoe Joint					The above was done to satisfaction and supervision of owner agent or contractor.									
Meas Line	Displace 3 BLS					Cement Amount Ordered 200 SX QMDC 1/4# Flo-seal									
EQUIPMENT															
Pumptrk	16	No.	Cementer	Travis		Common 100#									
			Helper												
Bulktrk	4	No.	Driver	Darryl		Poz. Mix									
			Driver												
Bulktrk	pu	No.	Driver	Rick		Gel.									
			Driver												
JOB SERVICES & REMARKS															
Remarks:	Hulls														
Rat Hole	Salt														
Mouse Hole	Flowseal 50#														
Centralizers	Kol-Seal														
Baskets	Mud CLR 48														
D/V or Port Collar	Load hole CFL-117 or CD110 CAF 38														
	Sand														
	Handling 200														
	Mileage														
FLOAT EQUIPMENT															
	Guide Shoe														
	Centralizer														
	Baskets														
	AFU Inserts														
	Float Shoe														
	Latch Down														
	Pumptrk Charge port Collar														
	Mileage 45														
Tax															
Discount															
Total Charge															
Signature <i>[Handwritten Signature]</i>															

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.