

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.

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. 3047

Date	12-13-16	Sec.	6	Twp.	19	Range	13	County	Barton	State	Ks	On Location		Finish	11:30 AM
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Location 281 + 4 Jct S on Boyd Rd to 50 Rd

Lease Donovan Well No. 1 Owner 1 1/2 E S 1/4

Contractor ~~██████████~~ Southwind 3 To Quality Oilwell Cementing, Inc.
Type Job Production 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. 3480' Charge To ROM Company

Csg. 5 1/2" 15.50# Depth 3468.98 Street _____

Tbg. Size _____ Depth _____ City _____ State _____

Tool _____ Depth _____ The above was done to satisfaction and supervision of owner agent or contractor.

Cement Left in Csg. 10.65' Shoe Joint 10.65' Cement Amount Ordered 180 Com 10% Salt 5 1/2 Gals/mile

Meas Line _____ Displace 8 2/4 BLS 500 gal mud Clear 48

EQUIPMENT Common 180

Pumptrk 18 No. 1 Cementer ~~██████████~~ Dave Poz. Mix _____

Bulktrk 3 No. 1 Driver Stan Gel. _____

Bulktrk P.W. No. 1 Driver Rick Calcium _____

JOB SERVICES & REMARKS Hulls _____

Remarks: Salt 15

Rat Hole Flowseal 800#

Mouse Hole Kol-Seal _____

Centralizers 1-9 Mud CLR 48 500 gal

Baskets 2-7 CFL-117 or CD110 CAF 38

D/V or Port Collar pipe on bottom break Sand _____

Circulation pump 500 gal mud Handling 203

Clear 48 plug Kothole w/ 30 SX Mileage _____

Hook to casing + mix 150 SX Cement **FLOAT EQUIPMENT**

Shut down wash pump + lines Guide Shoe _____

Released + displaced plug w/ 8 2/4 BLS Centralizer 9

Released + held. Baskets 2

Lift pressure 600 # AFU Inserts _____

Land plug to 1000 # Float Shoe 1

Rotating head Latch Down 1

Pumptrk Charge Prod 5000

Mileage 5 mile min

Signature Jay King Tax _____

Discount _____ Total Charge _____