

Field Ticket Number: **LIB1701161725** Field Ticket Date: **Monday, January 16, 2017**

Bill To:
MERIT ENERGY COMPANY
Liberal, KS 67901
P O Box 1293 / 1900 W 2nd St

Job Name: 02 Production/Long String
Well Location: Haskell, KS
Well Name: Jones
Well Number: C-6
Well Type: New Well
Rig Number: Duke Drilling # 9
Shipping Point: Liberal, KS
Sales Office: Mid Con

Set@5678 265sx
50sx RH

PERSONEL		EQUIPMENT	
ALDO ESPINOZA		984-	
CRISTIAN CAMACHO		1071-545	
GERARDO BURCIAGA		868-642	

SERVICES - SERVICES - SERVICES							
Description	QTY	UOM	Unit Amt	Gross Amt	Unit Net	Discount	Net Amount
PUMP, CASING CEMENT 5001-6000 FT	1.00	min. 4 hr	3,099.25	3099.25	1,022.75	67.0%	1,022.75
CMLP	1.00	per day	275.00	275.00	90.75	67.0%	90.75
PHDL	434.00	per cu. Ft.	2.48	1076.32	0.82	67.0%	355.19
DRYG	908.00	ton-mile	2.75	2497.00	0.91	67.0%	824.01
MILV	50.00	per mile	4.40	220.00	1.45	67.0%	72.60
MIHV	50.00	per mile	7.70	385.00	2.54	67.0%	127.05

FLOAT EQUIPMENT -- FLOAT EQUIPMENT -- FLOAT EQUIPMENT							
GS-5.5	1.00	each	281.00	281.00	126.45	55.0%	126.45
SSFC-5.5	1.00	each	725.00	725.00	326.25	55.0%	326.25
TRP - 5.5	1.00	each	85.00	85.00	38.25	55.0%	38.25

MATERIALS - MATERIALS - MATERIALS							
CW-HVS	12.00	bbl	58.70	704.40	19.37	67.0%	232.45
CB-ASA	315.00	sack	23.50	7,402.50	7.76	67.0%	2,442.83
CFL-210	149.00	pound	18.90	2,816.10	6.24	67.0%	929.31
CLC-KOL	1575.00	pound	0.98	1,543.50	0.32	67.0%	509.36
CLC-CPF	79.00	pound	2.97	234.63	0.98	67.0%	77.43
CFL-210	149.00	pound	18.90	2,816.10	6.24	67.0%	929.31

ADDITIONAL ITEMS - ADDITIONAL ITEMS - ADDITIONAL ITEMS							
Additional hours, in excess of set hours	4.00	per hour	440.00	1,760.00	145.20	67.0%	580.80

	Gross	Discount	Final
Services Total	7,552.57	5,060.22	2,492.35
Equipment Total	1,091.00	600.05	490.95
Materials Total	15,517.23	10,396.54	5,120.69
Additional Items	1,760.00	1,179.20	580.80
Final Total	25,920.80	17,236.02	8,684.78

Allied Rep: ALDO ESPINOZA
Customer Agent:

This output does NOT include taxes. Applicable sales tax will be billed on the final invoice.
Customer hereby acknowledges receipt of the materials and services described above and on the attached documents.
I have read and understand the "GENERAL TERMS AND CONDITIONS" listed on the following page.

X 
Customer Signature

Field Ticket Total (USD):

\$8,684.78

DEFINITIONS: In these terms and conditions, "ALLIED" shall mean Allied Oil & Gas Services, LLC, 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 ALLIED 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 ALLIED, refunded directly to CUSTOMER. For purposes of this paragraph, ALLIED 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 terms of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limited to, a reasonable sum as and for attorney's fees.

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

-TOWING CHARGES: ALLIED will make a reasonable attempt to get to and from each job site using its own equipment. Should ALLIED be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ 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 ALLIED, will be charged to and paid by the 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 ALLIED for the expenses incurred by ALLIED as a result of the cancellation.

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

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

3). ALLIED 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). ALLIED warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and services when installed, and used, and/or serviced in the manner provided and intended. ALLIED'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 ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED 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 ALLIED 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 ALLIED 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 ALLIED or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by ALLIED, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross

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

Well Jones C-6
AFE 53482
GL 83001075
Office Sublette
Date 1-16-17



Cement Job Summary

Job Number: LIB1701161725		Job Purpose: 02 Production/Long String	
Customer:	MERIT ENERGY COMPANY		Date: 1/16/2017
Well Name: Jones	Number: C-6		API/UWI:
County: Haskell	City: Sublette, KS		State: KS
Cust. Rep:	Phone:	Rig Phone:	
Legal Desc:		Rig Name:	Duke Drilling#9
Distance: 50 miles (one way)		Supervisor:	Aldo Espinosa

Employees:	Emp. ID:	Employees:	Emp. ID:
ALDO ESPINOZA			
CRISTIAN CAMACHO			
GERARDO BURCIAGA			
Equipment:			
984-			
1071-545			
868-642			

Well Information						
Open Hole Section						
Description:	Size (in):	Excess	Top MD (ft)	Btm MD (ft)		
OPEN HOLE	7 7/8	30%	3700	5,700	TAIL CEMENT	
OPEN HOLE	7 7/8			3,700	LEAD CEMENT	
OPEN HOLE	7 7/8					
OPEN HOLE	7 7/8					
Tubulars						
Description:	Size (in):	Wgt. (lb/ft)	ID (in)	Grade:	Top MD (ft)	Btm MD (ft)
PREVIOUS CASING	8 5/8	24	8.097	J55	0	1,480
TOTAL CASING	5 1/2	17	4.892	J55	0	5,678
SHOE	5 1/2	17	4.892	J55	5,636	5,678

Materials - Pumping Schedule						
Fluid Name	Description	Rqstd Qty	Density	Yield	Water (gal/sk)	
Spacer 1	HIVIS SWEEP	12	8.40	n/a	n/a	
Fluid Name	Description	Rqstd Qty	Density	Yield	Water (gal/sk)	
Tail 1	ALLIED SPECIAL BLEND CEMENT - CLASS A	315	13.60	1.92	9.56	
Addl. Additive	Description	Conc. (lb/sk)	Determined by	Load Volume	UOM	
CFL-210	FLUID LOSS ADDITIVE - LOW TEMP	0.47	% BWOC	148.1	lbm	
CLC-KOL	KOL-SEAL	5	lb/sk	1575.0	lbm	
CLC-CPF	CELLOPHANE FLAKES	0.25	lb/sk	78.8	lbm	
CFL-210	FLUID LOSS ADDITIVE - LOW TEMP	0	% BWOC		lbm	
CLC-KOL	KOL-SEAL	5	lb/sk	0.0	lbm	
CLC-CPF	CELLOPHANE FLAKES	0.25	lb/sk	0.0	lbm	
Fluid Name	Description	Rqstd Qty	Density	Yield	Water (gal/sk)	
Disp. 1	Displacement	131.5262961	8.33	n/a	n/a	

Job Number: LIB1701161725		Job Purpose: 02 Production/Long String	
Customer:	MERIT ENERGY COMPANY		Date: 1/16/2017
Well Name: Jones	Number: C-6		API/UWI:
County: Haskell	City: Sublette, KS		State: KS
Cust. Rep:	Phone:	Rig Phone: 0	
Distance: 50 miles (one way)		Supervisor:	Aldo Espinosa

Cement Job Summary

TIME	PRESSURE - (PSI)		FLUID PUMPED DATA		COMMENTS
	AM/PM	CASING	ANNULUS	VOLUME	
1000am					on location
1100am					spot equipment on location w/
230pm					casing on bottom
245pm					rig head, brake circulation
					wait on KCL water truck
340pm	100		12	3	12 bbl hivis sweep
343pm	2000			.2	pressure test lines 2000 psi
345pm			17	1	cement rat & mouse holes 50 sk
350pm				2	start cementing casing
	70		91	4	265sk/91 bbl cement
444pm				3	wash pumping lines to pit
450pm	80			3	start displacement
457pm	100		20	4	20 bbl gone
501pm	110		20	5	40 bbl gone
505pm	120		20	5	60 bbl gone
509pm	450		20	5	80 bbl gone
512pm	810		20	5	100 bbl gone
516pm	1000		20	2.5	120 bbl slow down to 2.5 bpm
525pm	1100-1700		11	2	131 bbl bump plug
530pm	0				check floats
					floats holding
620pm					rig down
					leave location
					F.E. for next job on location
					thanks