KOLAR Document ID: 1356952

Confidentiality Requested:

Yes No

### Kansas Corporation Commission Oil & Gas Conservation Division

Form ACO-1
January 2018
Form must be Typed
Form must be Signed
All blanks must be Filled

# WELL COMPLETION FORM WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License #	API No.:
Name:	Spot Description:
Address 1:	SecTwpS. R East _ West
Address 2:	Feet from  North / South Line of Section
City: State: Zip:+	Feet from
Contact Person:	Footages Calculated from Nearest Outside Section Corner:
Phone: ()	□NE □NW □SE □SW
CONTRACTOR: License #	GPS Location: Lat:, Long:
Name:	Datum: NAD27 NAD83 WGS84
Wellsite Geologist:	County:
Purchaser:	·
Designate Type of Completion:	Lease Name: Well #:
☐ New Well ☐ Re-Entry ☐ Workover	Field Name:
☐ Oil ☐ WSW ☐ SWD ☐ Gas ☐ DH ☐ EOR	Producing Formation: Kelly Bushing:   Elevation: Ground: Kelly Bushing:   Total Vertical Depth: Plug Back Total Depth:
☐ OG ☐ GSW	Amount of Surface Pipe Set and Cemented at: Feet
CM (Coal Bed Methane)	Multiple Stage Cementing Collar Used? Yes No
Cathodic Other (Core, Expl., etc.):	If yes, show depth set: Feet
If Workover/Re-entry: Old Well Info as follows:	If Alternate II completion, cement circulated from:
Operator:	•
Well Name:	feet depth to:w/sx cmt.
Original Comp. Date: Original Total Depth: Deepening Re-perf. Conv. to EOR Conv. to SWD Plug Back Liner Conv. to GSW Conv. to Producer	Drilling Fluid Management Plan (Data must be collected from the Reserve Pit)
Commingled Permit #:	Chloride content: ppm Fluid volume: bbls
Dual Completion Permit #:	Dewatering method used:
SWD Permit #:	Location of fluid disposal if hauled offsite:
EOR Permit #:	Operator Name:
GSW Permit #:	Lease Name: License #:
	Quarter Sec TwpS. R East West
Spud Date or Date Reached TD Completion Date or Recompletion Date	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
Confidentiality Requested
Date:
Confidential Release Date:
☐ Wireline Log Received ☐ Drill Stem Tests Received
Geologist Report / Mud Logs Received
UIC Distribution
ALT I II Approved by: Date:

KOLAR Document ID: 1356952

### Page Two

Operator Name: _				Lease Name:			Well #:	
Sec Twp.	S. R.	E	ast West	County:				
	flowing and shu	ut-in pressures, v	vhether shut-in pre	ssure reached st	atic level, hydrosta	tic pressures, bot		val tested, time tool erature, fluid recovery,
Final Radioactivity files must be subm						iled to kcc-well-lo	gs@kcc.ks.gov	v. Digital electronic log
Drill Stem Tests Ta			Yes No			on (Top), Depth ar		Sample
Samples Sent to 0	Geological Surv	/ey	Yes No	Na	me		Тор	Datum
Cores Taken Electric Log Run Geologist Report / List All E. Logs Ru	_		Yes No Yes No Yes No					
		B	CASING eport all strings set-c		New Used	ion, etc.		
Purpose of Strir		Hole illed	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
			ADDITIONAL	CEMENTING / SO	UEEZE RECORD			
Purpose:		epth T Bottom	ype of Cement	# Sacks Used		Type and F	Percent Additives	
Perforate Protect Casi Plug Back T								
Plug Off Zor								
Did you perform a     Does the volume     Was the hydraulic	of the total base f	fluid of the hydrauli		_	=	No (If No, sk	ip questions 2 an ip question 3) out Page Three	,
Date of first Product Injection:	tion/Injection or R	esumed Production	Producing Meth	nod:	Gas Lift 0	Other (Explain)		
Estimated Production Per 24 Hours	on	Oil Bbls.					Gas-Oil Ratio	Gravity
DISPOS	SITION OF GAS:		N	METHOD OF COMP	LETION:			DN INTERVAL: Bottom
	Sold Used	I on Lease	Open Hole			mmingled mit ACO-4)	Тор	BOROTT
,	,			B.11 B1				
Shots Per Foot	Perforation Top	Perforation Bottom	Bridge Plug Type	Bridge Plug Set At	Acid,	Fracture, Shot, Cer (Amount and Kind	menting Squeeze I of Material Used)	Record
TUBING RECORD:	: Size:	Set	Δ+-	Packer At:				
TODING RECORD:	. 3126.	Set	n.	i donei Al.				

Form	ACO1 - Well Completion
Operator	Merit Energy Company, LLC
Well Name	BOCK A 2
Doc ID	1356952

## All Electric Logs Run

ANNULAR HOLE VOLUME LOG
ARRAY COMPENSATED TRUE RESISTIVITY LOG 1
ARRAY COMPENSATED TRUE RESISTIVITY LOG 2
ARRAY COMPENSATED TRUE RESISTIVITY LOG 5
BOREHOLE COMPENSATED SONIC ARRAY LOG
DUAL SPACED NEUTRON SPECTRAL DENSITY LOG
QUIAD COMBO LOG
MICROLOG
REPEAT SECTION

Form	ACO1 - Well Completion
Operator	Merit Energy Company, LLC
Well Name	BOCK A 2
Doc ID	1356952

## Tops

Name	Тор	Datum
HEEBNER	4066	
TORONTO	4084	
LANSING	4173	
MARMATON	4729	
CHEROKEE	4886	
ATOKA	5061	
MORROW	5235	
ST GENEVIEVE	5536	
ST LOUIS	5536	

Form	ACO1 - Well Completion
Operator	Merit Energy Company, LLC
Well Name	BOCK A 2
Doc ID	1356952

## Perforations

Shots Per Foot	Perforation Record	Material Record	Depth
1	5503-5510, 5512- 5516 CHESTER		5503-5516

Form	ACO1 - Well Completion
Operator	Merit Energy Company, LLC
Well Name	BOCK A 2
Doc ID	1356952

## Casing

Purpose Of String	Size Hole Drilled	Size Casing Set	Weight		Type Of Cement		Type and Percent Additives
Surface	12.25	8.625	24	1625	Class A	570	See Attached
Production	7.875	5.5	17	5709	Class A		See Attached



TAX ID 81-1373543

Field Ticket Number: Lib1703151753

Field Ticket Date:

Wednesday, March 15, 2017

Bill To:

MERIT ENERGY COMPANY

Liberal, KS 67901

P O Box 1293 / 1900 W 2nd St

Job Name: Well Location: Well Name: Well Number: Well Type: Rig Number: Shipping Point:

Sales Office:

01 Surface Set@1625 Haskell, KS

Bock A-2

New Well Duke Drilling # 9

Liberal, KS Mid Con

PERS	ONEL				EQ	UIPMENT	
Hector Esqueda	Alex Ayala	a		531-4-541-5			993-4-842-5
				1039-2			868-4-642-5
	5	SERVICES - S	ERVICES -	- SERVICE.	S		
Description	QTY	SERVICES - S	SERVICES -	- SERVICE.	S Unit Net	Discount	Net Amount

PUMP, CASING CEMENT 1001-2000 FT	1.00	min. 4 hr	2,213.75	2213.75	774.81	65.0%		774.81
CMLP	1.00	per day	275.00	275.00	96.25	65.0%		96.25
PHDL	686.00	per cu. Ft.	2.48	1701.28	0.87	65.0%		595.45
DRYG	1482.00	ton-mile	2.75	4075.50	0.96	65.0%		1,426.43
MILV	50.00	per mile	4.40	220.00	1.54	65.0%		77.00
MIHV	50.00	per mile	7.70	385.00	2.70	65.0%	0	134.75
FLOAT	EQUIPML	NT FLOAT	EQUIPM	ENT FL	OAT EQU	IPMENT		
GS-8.625	1.00	each	460.00	460.00	207.00	55.0%		207.00
SSFC-8.625	1.00	each	1,214.00	1,214.00	546.30	55.0%		546.30
CEN-8.625	15.00	each	75.00	1,125.00	33.75	55.0%		506.25
TRP - 8.625	1.00	each	131.00	131.00	58.95	55.0%		58.95
	MA	TERIALS - M	ATERIALS	- MATER	IALS			
-	10.00	bbl	0.00	0.00	0.00	65.0%		0.00
CB-AMDAL	395.00	sack	26.57	10,495.15	9.30	65.0%		3,673.30
CA-100	1114.00	pound	1.10	1,225.40	0.39	65.0%		428.89
CLC-CPF	198.00	pound	2.97	588.06	1.04	65.0%		205.82
CCAC	175.00	sack	17.90	3,132.50	6.27	65.0%		1,096.38
CA-100	329.00	pound	1.10	361.90	0.39	65.0%		126.67
CLC-CPF	88.00	pound	2.97	261.36	1.04	65.0%		91.48
ADDI	TIONAL ITE	MS - ADDIT	IONAL IT	EMS - AD	DITIONAL	ITEMS		

88.00	pound	2.97	261.36	1.04	65.0%		91.48
TIONAL IT	EMS - ADDIT	TONAL IT	EMS - AD	DITIONAL	. ITEMS		
	per hour	440.00	0.00	154.00	65.0%		0.00
	TIONAL IT	 TIONAL ITEMS - ADDIT	 TIONAL ITEMS - ADDITIONAL IT	TIONAL ITEMS - ADDITIONAL ITEMS - AD	TIONAL ITEMS - ADDITIONAL ITEMS - ADDITIONAL	TIONAL ITEMS - ADDITIONAL ITEMS - ADDITIONAL ITEMS	TIONAL ITEMS - ADDITIONAL ITEMS - ADDITIONAL ITEMS

	Gross	Discount	Final
Services Total	8,870.53	5,765.84	3,104.69
Equipment Total		1,611.50	1,318.50
Materials Total	16,064.37	10,441.84	5,622.53
Additional Items	0.00	0.00	0.00
Final Total	27,864.90	17,819.19	10,045.72

This output does NOT include taxes. Applicaple 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.

Customer Signature

Field Ticket Total (USD):

\$10,045.72

Well Bock A-2

AFE SUPPOS SY118

GL 83001075

Office Sublette

Date 3-15-17





### BJ SERVICES, LLC NORTH AMERICAN TERMS AND CONDITIONS

All work orders for services ("Services" or "Work") and purchase orders for the supply of products or chemicals ("Products") (collectively, "Work Orders") to be provided by BI Services LLC or its affiliates ("BI") to its customers (each a "Customer") are subject to acceptance by BI, and any Work Orders so accepted will be governed by the pricing proposal, the Work Order, and these Terms and Conditions, unless the Oustomer and BJ Services, LLC (collectively the "Parties") have executed a Master Service Agreement, which terms shall control.

### PAYMENT TERMS

Unless alternate payment terms are specified or approved by the BJ Credit Department, all charges billed by BJ must be paid within thirty (30) days of the date of invoice. For invoices, unpaid after thirty (30) days, discounts from list price may be revoked, interest may be charged at the rate of ten percent (10%) per annum or the maximum legal rate, liens may be filed, and Customer shall pay BJ all costs of collection, including reasonable attorneys' fees and court costs, in addition to other amounts due. Operating, production or well conditions that prevent satisfactory operation of Services or Products do not relieve Customer of its payment responsibility.

### CANCELLATION AND RETURNS

- Products: Product Orders may only be cancelled with written authorization from BJ. Customer may be charged a restocking charge of twenty-five percent (25%), plus any packing and transportation costs incurred. Products specially manufactured to Customer specifications, or orders for substantial quantities may not be cancelled. Delivered Products may only be returned for credit (less the restocking fee and transport costs) in unused, reusable condition, in original unopened containers.
- Services: In the event Customer cancels an order for Services without cause, Customer В. liable for all reasonable costs incurred by mobilization/demobilization.

### THIRD-PARTY CHARGES, TAXES

Customer shall pay all third-party charges, in compliance with Bi's current price list, and any sales, use, rental or other taxes that may be applicable. Customer shall pay all applicable customs, excise, import and other duties unless otherwise agreed in writing. Customer shall provide necessary import licenses and extensions.

### INDEPENDENT CONTRACTOR

It is expressly understood that BJ is an independent contractor, and that neither BJ nor its principals, partners, employees or subcontractors are servants, agents or employees of

Where BJ provides Services in Louisiana, the Services provided by BJ and its subcontractors are an integral part of, and are essential to the ability of Customer to generate Customer's goods, products, and services, and therefore BJ and Customer agree that Customer is the statutory employer of BJ's employees and its subcontractor's employees under La. R.S. 23:1061 (A) (3).

- <u>LIABILITIES, RELEASES AND INDEMNIFICATION:</u>
  In these Terms and Conditions (i) "BJ Group" means BJ, its parent, subsidiary, joint venturers, and affiliated or related companies; its subcontractors at any tier; and the officers, directors, employees, consultants, and agents of all of the foregoing; (ii) "Claims" means all claims, demands, causes of action, liabilities, damages, judgments, fines, penalties, awards, losses, costs, expenses (including, without limitation, attorneys fees and costs of litigation) of any kind or character arising out of, or related to, the performance of the Services or Products provided; (iii) "Consequential Damages" means any indirect, special, punitive, exemplary or consequential damages or losses (even unforeseeable), and damages for lost production, lost revenue, loss of hole, control of well, lost profit, lost business, lost business opportunities, or charges for rig time, regardless of whether the same would be considered direct, indirect, special, punitive, exemplary or consequential damages or losses under applicable law; (iv) "Customer Group" means Customer, its parent, subsidiary and affiliated or related companies; its colessees, co-owners, partners, joint operators and joint venturers; its client or customer if it is not the end user of the Services or Products; its other contractors at any tier; and the officers, directors, employees, consultants, and agents of all of the foregoing; (y)
  "Pollution Claims" means all Claims relating to pollution or contamination of water, land, or air, including without limitation, adverse effects on the environment or any form of property, or any violation or alleged violation of environmental statutes, ordinances, laws, orders, rules and regulations; (vi) "Tools" means any of BJ Group's instruments, equipment, or tools, and (vii) "Waste" means any cuttings, muds, waste, water, or aterials from the well that where Services are performed by BJ.
- BJ SHALL RELEASE, INDEMNIFY, DEFEND AND HOLD CUSTOMER GROUP HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS ARISING OUT OF OR RELATED TO (I) PERSONAL OR BODILY INJURY, ILLNESS, SICKNESS, DISEASE OR DEATH OF ANY MEMBER OF BJ GROUP, AND (II) LOSS, DAMAGE OR DESTRUCTION OF REAL OR PERSONAL PROPERTY, WHETHER OWNED, LEASED, OR CHARTERED, OF ANY MEMBER OF BI GROUP.
- CUSTOMER SHALL RELEASE, INDEMNIFY, DEFEND AND HOLD BI GROUP HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS ARISING OUT OF OR RELATED TO (I) PERSONAL OR

BODILY INJURY, ILLNESS, SICKNESS, DISEASE OR DEATH OF ANY MEMBER OF CUSTOMER GROUP, AND (II) LOSS, DAMAGE OR DESTRUCTION OF REAL OR PERSONAL PROPERTY, WHETHER OWNED, LEASED, OR CHARTERED, OF ANY MEMBER OF CUSTOMER GROUP.

- SUBJECT TO THE PERSONAL INJURY PROVISIONS OF ARTICLE 5(B) ABOVE, BJ SHALL PROTECT, DEFEND AND INDEMNIFY CUSTOMER GROUP FROM AND AGAINSTALL CLAIMS, DEMANDS AND CAUSES OF ACTION, INCLUDING POLLUTION CLAIMS, ARISING FROM POLLUTION OR CONTAMINATION WHICH ORIGINATES ABOVE THE SURFACE OF THE LAND OR WATER AND IS DIRECTLY ASSOCIATED WITH BU GROUP'S EQUIPMENT OR OTHER EQUIPMENT IN ITS CONTROL, AND SHALL ASSUME ALL RESPONSIBILITY FOR CONTROL
- SUBJECT TO THE PERSONAL INJURY PROVISIONS OF 5(C) ABOVE, CUSTOMER SHALL PROTECT, DEFEND AND INDEMNIFY BJ GROUP FROM AND AGAINST ALL CLAIMS, EMANDS, AND CAUSES OF ACTION ARISINS DIRECTLY OR INDIRECTLY FROM ANY EXISTING POLLUTION AT THE SITE AND FROM ALL OTHER POLLUTION OR CONTAMINATION, INCLUDING BUT NOT UMITED TO POLLUTION RESULTING FROM FIRE, BLOWOUT, CRATERING, SEEPAGE OR OTHER UNCONTROLLED FLOW OF OIL, GAS, OR OTHER SUBSTANCE; OR RELATED TO THE TRANSPORTATION, STORAGE, TREATMENT, DISPOSAL OR HANDLING OF WASTE, AND SHALL ASSUME ALL RESPONSIBILITY FOR CONTROL AND REMOVAL OF SAME.
- CUSTOMER SHALL RELEASE, DEFEND, INDEMNIFY AND HOLD BJ GROUP HARMLESS FROM AND AGAINST ANY CLAIMS FOR CONSEQUENTIAL DAMAGES ASSERTED BY OR IN FAVOR OF ANY MEMBER OF CUSTOMER GROUP. BJ SHALL RELEASE, DEFEND, INDEMNIFY AND HOLD CUSTOMER GROUP HARMLESS FROM AND AGAINST ANY CLAIMS FOR CONSEQUENTIAL DAMAGES ASSERTED BY OR IN FAVOR OF ANY MEMBER OF BJ GROUP.
- THE EXCLUSIONS OF LIABILITY, RELEASES AND INDEMNITIES SET FORTH IN THIS ARTICLE 5 APPLY TO ANY CLAIM(S) WITHOUT REGARD TO THE CAUSE(S) THEREOF, INCLUDING BUT NOT LIMITED TO PRE-EXISTING CONDITIONS, WHETHER SUCH CONDITIONS BE PATENT OR LATENT, THE UNSEAWORTHINESS OF ANY VESSEL OR VESSELS, IMPERFECTION OF MATERIAL, DEFECT OR FAILURE OF PRODUCTS OR EQUIPMENT, BREACH OF REPRESENTATION OR WARRANTY (EXPRESS OR IMPLIED), ULTRAHAZARDOUS ACTIVITY, STRICT LIABILITY, TORT, BREACH OF CONTRACT, BREACH OF DUTY (STATUTORY OR OTHERWISE), BREACH OF ANY SAFETY REQUIREMENT OR REGULATION, OR THE NEGLIGENCE, GROSS NEGLIGENCE, OR OTHER LEGAL FAULT OR RESPONSIBILITY OF ANY PERSON, PARTY, OR ENTITY (INCLUDING THE INDEMNIFIED OR RELEASED PARTY), WHETHER SUCH FORM OF NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, ACTIVE OR PASSIVE. THE INDEMNITY PROVISIONS SET FORTH IN THIS ARTICLE 5 SHALL BE THE EXCLUSIVE REMEDIES AVAILABLE TO THE PARTIES FOR THE CLAIMS COVERED.

6. <u>INSURANCE</u>
Each Party agrees to support the indemnity obligations contained in Article 5 by carrying insurance (or qualified self-insurance) with reputable insurance companies in the following minimum amounts:

- Workers' Compensation Insurance complying with applicable state laws, and Employers' Liability Insurance in the amount of \$1,000,000 each accident for bodily injury by
- accident/\$1,000,000 each employee for bodily injury by disease/\$1,000,000 policy limit.

  Commercial General Liability Insurance, including Products and Completed operations aggregate, sudden and accidental pollution (which may be provided for in a separate policy), in the amount of \$1,000,000 combined single limit per occurrence/\$2,000,000 in the
- Automobile Liability Insurance in the amount of \$1,000,000 combined single limit for Bodily Injury and Property Damage, including coverage for all owned, hired, and non-owned
- Excess Liability Insurance over that required in A (for Employer's Liability only), Band C in the minimum amount of \$5,000,000 each occurrence and in the aggregate, specifically including contractual liability coverage.

Upon written request, each party shall furnish to the other party certificates of insurance evidencing that adequate insurance to support each party's obligations has been secured. To the extent of each party's release and indemnity obligations, each party agrees that all such insurance policies shall (i) be primary to the other party's insurance, (ii) include the other party, its parent, subsidiary and affiliated or related companies, its subcontractors and other contractors, and its and their respective officers, directors, employees, consultants and agents as additional insured, and (iii) be endorsed to waive subrogation against the other party, its parent, subsidiary and affiliated or related companies, its subcontractors and other contracto and its and their respective officers, directors, employees, consultants and agents.

### CONFIDENTIALITY

Each party shall maintain all data and information obtained from the other party in strict confidence, subject only to disclosure required by law or legal process. The design, construction, application and operation of BJ's Services and Products embody proprietary and confidential information. Customer shall maintain this information in strict confidence and shall not disclose it to others, subject only to disclosure required by law or legal process.





### ACCESS TO WELL AND WELL SITE STORAGE

Customer shall provide at its expense adequate access to and from the well site, and shall obtain all permits, licenses or other authorization required for BI to enter upon work areas for the purposes contemplated. Customer shall provide proper storage space at the well site, meeting all applicable safety and security requirements and consistent with good industry practices, for the Tools and Products, including, without limitation, all radioactive materials. BJ reserves the right not to perform Work if the job or conditions of the location render such performance inadvisable.

### RADIOACTIVE SOURCES

omer agrees to comply with all applicable governmental regulations governing the use and handling of radioactive sources. In the event a radioactive source becomes stuck in a well, Customer, at Customer's sole risk and expense will make a reasonable attempt to recover such radioactive source in accordance with 10 C.F.R § 39.15(a)(1)-(4) or other applicable regulations and use special precautions to prevent damaging the source during recovery operations. If the source cannot be recovered, Customer, at Customer's sole risk and expense, will isolate the radioactive material by cementing it in place or by other means consistent with 10 C.F.R § 39.15 or other applicable statutes or regulations.

### STANDARD OF PERFORMANCE

- Services: BJ warrants (i) that all Services shall be performed in compliance with all applicable laws, rules and regulations (including all safety codes, statutes, regulations, precautions, and procedures) and utilizing all necessary Protective equipment and devices, (ii) that all Services shall be done with the utmost skill, care and diligence, in a good and workmanlike manner, in accordance with the terms hereof, the specifications set forth in the applicable Order, and good industry standards of performance and in a timely manner; and (iii) that BJ, its subcontractors and their employees are sufficiently experienced and suitably trained to perform the Services. In the event that the Services fail to conform to such specifications, BJ shall re-perform that part of the non-conforming Services, provided BJ is notified in writing by Customer prior to demobilization.
- Products: BJ warrants that the Products shall conform to BJ's published specifications or the specifications agreed to in writing. If any of the Products fail to conform, BJ shall repair or replace the non-conforming Products, or issue credit to the Customer. In the event BI is requested to develop, manufacture, test or use Products that are intended to satisfy a unique need identified by Customer and are not "standard" Products of BI ("Specialty Products"), Customer recognizes and agrees that Specialty Products may not have or contain the same or similar characteristics as BJ's standard Products, including historical performance against which future performance can be measured. In developing, manufacturing, testing and using any Specialty Product, BI will be relying upon information and specifications provided by Customer regarding its unique needs, and will have no responsibility for the design, manufacture or engineering of any such Specialty Product. Upon inspection, if the Specialty Product fails to meet the specifications agreed to inwriting by Customer, then BJ shall, at its option, repair or replace the non-conforming specialty Products with the type originally furnished to Customer or substitute with standard Products. Bi's warranty obligations are non-transferrable and void if the non-conformity were caused by (i) Customer's failure to properly store or maintain the Products, (ii) abnormal well conditions, abrasive materials, corrosion due to aggressive fluids or incorrect specifications provided by Customer, (iii) unauthorized alteration of the Products, (iv) loss or damage while on Customer's site due to any negligence, vandalism or force majeure, or (v) use or handling by Customer in a manner inconsistent with Bi's recommendations. Further, Bi's warranty obligations shall terminate if Customer fails to perform its obligations under these Terms and Conditions. All transportation charges and removal and reinstallation charges related to the repair or replacement of non-conforming Products shall be borne by Customer, including shipment to BI's facility.
- Goods: BJ shall assign any vendor or supplier's warranty to Customer for any Products or oods purchased, to the extent such warranties are assignable.
- <u>Recommendations.</u> Interpretations, research, analysis, recommendations, advice or interpretational data (specifically including, without limitation, any engineering designs, geological studies or analyses, well programs, reservoir models, production optimization or management programs) ("Recommendations") furnished by BJ are opinions based upon inferences from measurements, empirical relationships and assumptions, and industry practice. The inferences, assumptions and practices are not infallible, and with respect to which professional geologists, engineers, drilling consultants, and analysts may differ. Accordingly, BI does not warrant the accuracy, correctness, or completeness of any interpretations or Recommendations, or that reliance on its interpretations and/or Recommendations will accomplish any particular results. CUSTOMER ASSUMES FULL RESPONSIBILITY FOR THE USE OF SUCH RECOMMENDATIONS AND FOR ITS DECISIONS.

OTHER THAN THE PROVISIONS IN THIS ARTICLE 10, BI MAKES NO WARRANTY OR GUARANTEE OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING NO IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE REGARDING ANY SERVICES, EQUIPMENT OR PRODUCTS. IN NO EVENT SHALL BI BE LIABLE FOR CONSEQUENTIAL DAMAGES INCURRED BY CUSTOMER GROUP AS A RESULT OF DEFECTIVE OR NON-CONFORMING SERVICES, EQUIPMENT OR PRODUCTS

### INTELLECTUAL PROPERTY

BJ intends to protect its intellectual property. Customer shall not resell the Products (or drawings related thereto) to others or reverse engineer or permit others to reverse engineer for the purpose of manufacturing similar Products. BI owns and has legal rights to practice certain copyrights, marks, patents or pending applications on certain technology and items related to the Services or Products furnished. In the event that BJ makes any improvements on such technology, then BJ shall own all such improvements, including drawings, specifications, calculations and other documents.

BI warrants that the use or sale of Products will not infringe valid patents of others by reason of BUMBITIANS that the use of sale of Products and hereby agrees to RELEASE, DEFEND, INDEMNITY AND HOLD CUSTOMER GROUP HARMLESS FROM AND AGAINST ALL CLAIMS for infringement of any such patent, provided that Customer shall promptly notify BJ in writing upon receipt of any claim for infringement, or upon the filling of any such suit for infringement, whichever first occurs, and shall afford BJ full opportunity, at BJ's option and expense, to answer such claim or threat of suit, assume the control of the defense of such suit, and settle or compromise same in any way Bl sees fit. Bl does not warrant that such Products: (i) will not infringe any such patent when not of BJ's manufacture, or specially made, in whole or in part, to the Customer's design specifications; or (ii) if used or sold in combination with other materials or apparatus or used in the practice of processes, will not, as a result of such combination or use, infringe any such patent, and BJ shall not be liable; AND CUSTOMER SHALL RELEASE, DEFEND, INDEMNIFY AND HOLD BI HARMLESS FOR DAMAGES OR LOSSES OF ANY NATURE WHATSOEVER RESULTING FROM ALLEGED PATENT INFRINGEMENT ARISING PURSUANT TO (I) AND (II) ABOVE.

### FORCE MAJEURE

If either party is unable because of Force Majeure to carry out any of its obligations under these Terms and Conditions, other than obligations to pay money, then on such party giving notice and particulars in writing to the other party within a reasonable time after the occurrence of the cause relied upon, such obligations shall be suspended. "Force Majeure" shall include any event that is beyond the reasonable control of the party so affected including, without limitation, acts of God, laws and regulations, government action, war, civil disturbances, hijack, piracy, criminal action by a third party, threats or acts of terrorism, strikes and labor problems, delays of vendors or carriers, lightening, fire, flood, washout, storm, breakage or accident to equipment or machinery, and shortage of raw materials. If any suspension due to Force Majeure exceeds ten (10) consecutive days, either party may terminate these Terms and Conditions by written notice to the other party and Customer shall be liable for demobilization and any other reasonable costs incurred by BJ incidental to such termination.

LAWS, RULES, REGULATIONS, AND EXPORT CONTROL d Customer agree to comply with all laws, rules, regulations and decrees of any governmental or regulatory body having jurisdiction over the Services or Products to be provided by BJ or the work site or that may otherwise be applicable to BJ's or Customer's performance under these Terms and Conditions.

Services and Products and/or related technical data covered by these Terms and Conditions may be subject to U.S. and/or foreign trade controls. Customer agrees that it will not sell, re-export or transfer Products and/or related technical data except in full compliance with all governmental requirements including but not limited to economic sanctions and export controls administered by the U.S. Department of Treasury, U.S. Department of Commerce and U.S. Department of State. Customer agrees to comply with all BJ requests for trade compliance information, statements, and other assurances including, without limitation, requests for End-User and Routed Transaction certifications. BJ reserves the right to refuse to fulfill any Work Order or otherwise perform under these Terms and Conditions if BJ in its sole discretion determines that such action may violate any law or regulation.

### GOVERNING LAW, JURY WAIVER, AND VENUE

The laws of the State of Texas shall apply and govern the validity, interpretation, and performance of these Terms and Conditions, any applicable Work Orders without regard to where work is provided. Any suit or proceeding regarding these Terms and Conditions or the Services or Products provided shall be brought exclusively in the state or federal courts located in the City of Houston and County of Harris, Texas. Each Party consents to the personal jurisdiction of the state and federal courts of Harris County, Texas, and waives any objection that such courts are an inconvenient forum or venue. References in these Terms and Conditions to any act, law, statute, rule, or regulation shall be deemed to include references to such as the same may be amended, replaced, or reenacted from time to time. EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THESE TERMS AND CONDITIONS.

### ASSIGNMENT

BJ shall have the right to assign these Terms and Conditions to any of its affiliated companies without the consent of Customer.

17. GENERAL
Failure of either party to enforce any of these Terms and Conditions shall not be a waiver of the supersedes all prior oral or written agreements or representations and may only be amended by an agreement executed by both Parties. In the event of conflict between the provisions of these Terms and Conditions and any other terms in Oustomer's purchase orders, field work orders, work tickets, invoices, statements, or any other type of memoranda or other documents used by Customer, whether oral or written, the provisions of these Terms and Conditions shall govern.

Cement Job Summary

TIME	PRESSU	RE - (PSI)	FLUID PUI	WPED DATA	COMMENTALE
AM/PM	CASING	ANNULUS	VOLUME	RATE (BPM)	COMMENTS
14:30					arrived to location
15:30					rig up head and manifold
16:00					rig up iron
16:15					prime up pump
16:39	2000				pressure test the line to 2000PSI
16:41	40		10	5	start the 10bbls spacer of fresh water
16:45	80		179	6	start pumping the lead cement @ 12.10#
16:50	180		35	7.8	increased rate
17:12	120		39	7	start the tail cement @ 15.20#
17:20					shut down (drop the plug) wash up
17:24	20		100	3	start the 100bbl displacement
					of fresh water
17:31	60		20	7.7	20bbls gone
17:34	180		40	7.7	40bbls gone
17:37	320		60	7.3	60bbls gone
17:48	410		80	3.2	80bbls gone
17:51	520		90	3	90bbls gone slow down to 3bpm to land
					the plug
17:53	1200		100		landed plug @ 1200PSI hold the pressure
					for a few minutes to make sure the
					floats are holding
	= 11 -				released the pressure and the float held
					got 1/2bbl back to the tank
					50bbls of cement circulated to surface
					rig down released from location @ 19:00



### Cementing Services Field Ticket

TAX-ID 81-1373543

Field Ticket Number: LIB1703190550

Field Ticket Date:

Sunday, March 19, 2017

Bill To:

MERIT ENERGY COMPANY

Liberal, KS 67901 P O Box 1293 / 1900 W 2nd St Job Name: Well Location: Well Name: Well Number: Well Type: Rig Number:

Sales Office:

02 Production/Long String Set@5709 Haskell, KS

50sx RH

Shipping Point:

Duke Drilling #9 Liberal, KS

Bock

Mid Con

A-2 New Well

PERSONEL	EQUIPMENT	
ALDO ESPINOZA	984-2	
JOSE CALDERON	1071-4 545-5	
GERARDO BURCIAGA	870-4 553-5	

		SERVICES	SERVICES -	SERVICES	S		
Description	QIY	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	468.00	per cu. Ft.	2.48	1160.64	0.82	67.0%	383,01
DRYG	980.00	ton-mile	2.75	2695.00	0.91	67.0%	889.35
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
FLOA	AT EQUIPME	NT FLOA	T EQUIPM	ENT FLC	DAT EQU	IPMENT	
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
CEN - 5.5	20.00	each	57.00	1,140.00	25.65	55.0%	513.00
TLK - 5.5	6.00	each	85.00	510.00	38.25	55.0%	229.50
	MA	TERIALS - IV	IATERIALS	- MATERI	IALS		
CW-HVS	12.00	bbl	58.70	704.40	19.37	67.0%	232,45
CB-ASA	340.00	sack	23.50	7,990.00	7.76	67.0%	2,636.70
CFL-210	160.00	pound	18.90	3,024.00	6.24	67.0%	997.92
CLC-KOL	1700.00	pound	0.98	1,666.00	0.32	67.0%	549.78
CLC-CPF	85.00	pound	2.97	252.45	0.98	67.0%	83.31
ADD	OITIONAL ITE	MS - ADDI	TIONAL ITE	EMS - ADL	DITIONAL	. ITEMS	
Additional hours, in excess of set hours		per hour	440.00	0.00	145.20	67.0%	0.00
Security of the Control of the Contr	<del> </del>				Gross	Discount	Final
				ervices Total	7,834.89	5,249.38	2,585.51
				uipment Total	2,741.00	1,507.55	1,233.45
				laterials Total	13,636.85	9,136.69	4,500.16
ALDO ESPINOZA			Add	ditional Items	0.00	0.00	0.00
Customer Agent:	# 1			Final Total	24,212.74	15,893.62	8,319.12

This output does NOT include taxes. Applicaple 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.

Customer Signature

Field Ticket Total (USD):

\$8,319.12

Well\_Bock\_A-2

AFE\_ Syll 8

GL\_ 8800 1075

Office\_ Sablede

Date\_ 3-19-17





### BJ SERVICES, LLC NORTH AMERICAN TERMS AND CONDITIONS

All work orders for services ("Services" or "Work") and purchase orders for the supply of products or chemicals ("Products") (collectively, "Work Orders") to be provided by BI Services LLC or its affiliates ("BI") to its customers (each a "Customer") are subject to acceptance by BI, and any Work Orders so accepted will be governed by the pricing proposal, the Work Order, and these Terms and Conditions, unless the Oustomer and BJ Services, LLC (collectively the "Parties") have executed a Master Service Agreement, which terms shall control.

### PAYMENT TERMS

Unless alternate payment terms are specified or approved by the BJ Credit Department, all charges billed by BJ must be paid within thirty (30) days of the date of invoice. For invoices, unpaid after thirty (30) days, discounts from list price may be revoked, interest may be charged at the rate of ten percent (10%) per annum or the maximum legal rate, liens may be filed, and Customer shall pay BJ all costs of collection, including reasonable attorneys' fees and court costs, in addition to other amounts due. Operating, production or well conditions that prevent satisfactory operation of Services or Products do not relieve Customer of its payment responsibility.

### CANCELLATION AND RETURNS

- Products: Product Orders may only be cancelled with written authorization from BJ. Customer may be charged a restocking charge of twenty-five percent (25%), plus any packing and transportation costs incurred. Products specially manufactured to Customer specifications, or orders for substantial quantities may not be cancelled. Delivered Products may only be returned for credit (less the restocking fee and transport costs) in unused, reusable condition, in original unopened containers.
- Services: In the event Customer cancels an order for Services without cause, Customer В. liable for all reasonable costs incurred by mobilization/demobilization.

### THIRD-PARTY CHARGES, TAXES

Customer shall pay all third-party charges, in compliance with Bi's current price list, and any sales, use, rental or other taxes that may be applicable. Customer shall pay all applicable customs, excise, import and other duties unless otherwise agreed in writing. Customer shall provide necessary import licenses and extensions.

### INDEPENDENT CONTRACTOR

It is expressly understood that BJ is an independent contractor, and that neither BJ nor its principals, partners, employees or subcontractors are servants, agents or employees of

Where BJ provides Services in Louisiana, the Services provided by BJ and its subcontractors are an integral part of, and are essential to the ability of Customer to generate Customer's goods, products, and services, and therefore BJ and Customer agree that Customer is the statutory employer of BJ's employees and its subcontractor's employees under La. R.S. 23:1061 (A) (3).

- <u>LIABILITIES, RELEASES AND INDEMNIFICATION:</u>
  In these Terms and Conditions (i) "BJ Group" means BJ, its parent, subsidiary, joint venturers, and affiliated or related companies; its subcontractors at any tier; and the officers, directors, employees, consultants, and agents of all of the foregoing; (ii) "Claims" means all claims, demands, causes of action, liabilities, damages, judgments, fines, penalties, awards, losses, costs, expenses (including, without limitation, attorneys fees and costs of litigation) of any kind or character arising out of, or related to, the performance of the Services or Products provided; (iii) "Consequential Damages" means any indirect, special, punitive, exemplary or consequential damages or losses (even unforeseeable), and damages for lost production, lost revenue, loss of hole, control of well, lost profit, lost business, lost business opportunities, or charges for rig time, regardless of whether the same would be considered direct, indirect, special, punitive, exemplary or consequential damages or losses under applicable law; (iv) "Customer Group" means Customer, its parent, subsidiary and affiliated or related companies; its colessees, co-owners, partners, joint operators and joint venturers; its client or customer if it is not the end user of the Services or Products; its other contractors at any tier; and the officers, directors, employees, consultants, and agents of all of the foregoing; (y)
  "Pollution Claims" means all Claims relating to pollution or contamination of water, land, or air, including without limitation, adverse effects on the environment or any form of property, or any violation or alleged violation of environmental statutes, ordinances, laws, orders, rules and regulations; (vi) "Tools" means any of BJ Group's instruments, equipment, or tools, and (vii) "Waste" means any cuttings, muds, waste, water, or aterials from the well that where Services are performed by BJ.
- BJ SHALL RELEASE, INDEMNIFY, DEFEND AND HOLD CUSTOMER GROUP HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS ARISING OUT OF OR RELATED TO (I) PERSONAL OR BODILY INJURY, ILLNESS, SICKNESS, DISEASE OR DEATH OF ANY MEMBER OF BJ GROUP, AND (II) LOSS, DAMAGE OR DESTRUCTION OF REAL OR PERSONAL PROPERTY, WHETHER OWNED, LEASED, OR CHARTERED, OF ANY MEMBER OF BI GROUP.
- CUSTOMER SHALL RELEASE, INDEMNIFY, DEFEND AND HOLD BI GROUP HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS ARISING OUT OF OR RELATED TO (I) PERSONAL OR

BODILY INJURY, ILLNESS, SICKNESS, DISEASE OR DEATH OF ANY MEMBER OF CUSTOMER GROUP, AND (II) LOSS, DAMAGE OR DESTRUCTION OF REAL OR PERSONAL PROPERTY, WHETHER OWNED, LEASED, OR CHARTERED, OF ANY MEMBER OF CUSTOMER GROUP.

- SUBJECT TO THE PERSONAL INJURY PROVISIONS OF ARTICLE 5(B) ABOVE, BJ SHALL PROTECT, DEFEND AND INDEMNIFY CUSTOMER GROUP FROM AND AGAINSTALL CLAIMS, DEMANDS AND CAUSES OF ACTION, INCLUDING POLLUTION CLAIMS, ARISING FROM POLLUTION OR CONTAMINATION WHICH ORIGINATES ABOVE THE SURFACE OF THE LAND OR WATER AND IS DIRECTLY ASSOCIATED WITH BU GROUP'S EQUIPMENT OR OTHER EQUIPMENT IN ITS CONTROL, AND SHALL ASSUME ALL RESPONSIBILITY FOR CONTROL
- SUBJECT TO THE PERSONAL INJURY PROVISIONS OF 5(C) ABOVE, CUSTOMER SHALL PROTECT, DEFEND AND INDEMNIFY BJ GROUP FROM AND AGAINST ALL CLAIMS, EMANDS, AND CAUSES OF ACTION ARISINS DIRECTLY OR INDIRECTLY FROM ANY EXISTING POLLUTION AT THE SITE AND FROM ALL OTHER POLLUTION OR CONTAMINATION, INCLUDING BUT NOT UMITED TO POLLUTION RESULTING FROM FIRE, BLOWOUT, CRATERING, SEEPAGE OR OTHER UNCONTROLLED FLOW OF OIL, GAS, OR OTHER SUBSTANCE; OR RELATED TO THE TRANSPORTATION, STORAGE, TREATMENT, DISPOSAL OR HANDLING OF WASTE, AND SHALL ASSUME ALL RESPONSIBILITY FOR CONTROL AND REMOVAL OF SAME.
- CUSTOMER SHALL RELEASE, DEFEND, INDEMNIFY AND HOLD BJ GROUP HARMLESS FROM AND AGAINST ANY CLAIMS FOR CONSEQUENTIAL DAMAGES ASSERTED BY OR IN FAVOR OF ANY MEMBER OF CUSTOMER GROUP. BJ SHALL RELEASE, DEFEND, INDEMNIFY AND HOLD CUSTOMER GROUP HARMLESS FROM AND AGAINST ANY CLAIMS FOR CONSEQUENTIAL DAMAGES ASSERTED BY OR IN FAVOR OF ANY MEMBER OF BJ GROUP.
- THE EXCLUSIONS OF LIABILITY, RELEASES AND INDEMNITIES SET FORTH IN THIS ARTICLE 5 APPLY TO ANY CLAIM(S) WITHOUT REGARD TO THE CAUSE(S) THEREOF, INCLUDING BUT NOT LIMITED TO PRE-EXISTING CONDITIONS, WHETHER SUCH CONDITIONS BE PATENT OR LATENT, THE UNSEAWORTHINESS OF ANY VESSEL OR VESSELS, IMPERFECTION OF MATERIAL, DEFECT OR FAILURE OF PRODUCTS OR EQUIPMENT, BREACH OF REPRESENTATION OR WARRANTY (EXPRESS OR IMPLIED), ULTRAHAZARDOUS ACTIVITY, STRICT LIABILITY, TORT, BREACH OF CONTRACT, BREACH OF DUTY (STATUTORY OR OTHERWISE), BREACH OF ANY SAFETY REQUIREMENT OR REGULATION, OR THE NEGLIGENCE, GROSS NEGLIGENCE, OR OTHER LEGAL FAULT OR RESPONSIBILITY OF ANY PERSON, PARTY, OR ENTITY (INCLUDING THE INDEMNIFIED OR RELEASED PARTY), WHETHER SUCH FORM OF NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, ACTIVE OR PASSIVE. THE INDEMNITY PROVISIONS SET FORTH IN THIS ARTICLE 5 SHALL BE THE EXCLUSIVE REMEDIES AVAILABLE TO THE PARTIES FOR THE CLAIMS COVERED.

6. <u>INSURANCE</u>
Each Party agrees to support the indemnity obligations contained in Article 5 by carrying insurance (or qualified self-insurance) with reputable insurance companies in the following minimum amounts:

- Workers' Compensation Insurance complying with applicable state laws, and Employers' Liability Insurance in the amount of \$1,000,000 each accident for bodily injury by
- accident/\$1,000,000 each employee for bodily injury by disease/\$1,000,000 policy limit.

  Commercial General Liability Insurance, including Products and Completed operations aggregate, sudden and accidental pollution (which may be provided for in a separate policy), in the amount of \$1,000,000 combined single limit per occurrence/\$2,000,000 in the
- Automobile Liability Insurance in the amount of \$1,000,000 combined single limit for Bodily Injury and Property Damage, including coverage for all owned, hired, and non-owned
- Excess Liability Insurance over that required in A (for Employer's Liability only), Band C in the minimum amount of \$5,000,000 each occurrence and in the aggregate, specifically including contractual liability coverage.

Upon written request, each party shall furnish to the other party certificates of insurance evidencing that adequate insurance to support each party's obligations has been secured. To the extent of each party's release and indemnity obligations, each party agrees that all such insurance policies shall (i) be primary to the other party's insurance, (ii) include the other party, its parent, subsidiary and affiliated or related companies, its subcontractors and other contractors, and its and their respective officers, directors, employees, consultants and agents as additional insured, and (iii) be endorsed to waive subrogation against the other party, its parent, subsidiary and affiliated or related companies, its subcontractors and other contracto and its and their respective officers, directors, employees, consultants and agents.

### CONFIDENTIALITY

Each party shall maintain all data and information obtained from the other party in strict confidence, subject only to disclosure required by law or legal process. The design, construction, application and operation of BJ's Services and Products embody proprietary and confidential information. Customer shall maintain this information in strict confidence and shall not disclose it to others, subject only to disclosure required by law or legal process.





### ACCESS TO WELL AND WELL SITE STORAGE

Customer shall provide at its expense adequate access to and from the well site, and shall obtain all permits, licenses or other authorization required for BI to enter upon work areas for the purposes contemplated. Customer shall provide proper storage space at the well site, meeting all applicable safety and security requirements and consistent with good industry practices, for the Tools and Products, including, without limitation, all radioactive materials. BJ reserves the right not to perform Work if the job or conditions of the location render such performance inadvisable.

### RADIOACTIVE SOURCES

omer agrees to comply with all applicable governmental regulations governing the use and handling of radioactive sources. In the event a radioactive source becomes stuck in a well, Customer, at Customer's sole risk and expense will make a reasonable attempt to recover such radioactive source in accordance with 10 C.F.R § 39.15(a)(1)-(4) or other applicable regulations and use special precautions to prevent damaging the source during recovery operations. If the source cannot be recovered, Customer, at Customer's sole risk and expense, will isolate the radioactive material by cementing it in place or by other means consistent with 10 C.F.R § 39.15 or other applicable statutes or regulations.

### STANDARD OF PERFORMANCE

- Services: BJ warrants (i) that all Services shall be performed in compliance with all applicable laws, rules and regulations (including all safety codes, statutes, regulations, precautions, and procedures) and utilizing all necessary Protective equipment and devices, (ii) that all Services shall be done with the utmost skill, care and diligence, in a good and workmanlike manner, in accordance with the terms hereof, the specifications set forth in the applicable Order, and good industry standards of performance and in a timely manner; and (iii) that BJ, its subcontractors and their employees are sufficiently experienced and suitably trained to perform the Services. In the event that the Services fail to conform to such specifications, BJ shall re-perform that part of the non-conforming Services, provided BJ is notified in writing by Customer prior to demobilization.
- Products: BJ warrants that the Products shall conform to BJ's published specifications or the specifications agreed to in writing. If any of the Products fail to conform, BJ shall repair or replace the non-conforming Products, or issue credit to the Customer. In the event BI is requested to develop, manufacture, test or use Products that are intended to satisfy a unique need identified by Customer and are not "standard" Products of BI ("Specialty Products"), Customer recognizes and agrees that Specialty Products may not have or contain the same or similar characteristics as BJ's standard Products, including historical performance against which future performance can be measured. In developing, manufacturing, testing and using any Specialty Product, BI will be relying upon information and specifications provided by Customer regarding its unique needs, and will have no responsibility for the design, manufacture or engineering of any such Specialty Product. Upon inspection, if the Specialty Product fails to meet the specifications agreed to inwriting by Customer, then BJ shall, at its option, repair or replace the non-conforming specialty Products with the type originally furnished to Customer or substitute with standard Products. Bi's warranty obligations are non-transferrable and void if the non-conformity were caused by (i) Customer's failure to properly store or maintain the Products, (ii) abnormal well conditions, abrasive materials, corrosion due to aggressive fluids or incorrect specifications provided by Customer, (iii) unauthorized alteration of the Products, (iv) loss or damage while on Customer's site due to any negligence, vandalism or force majeure, or (v) use or handling by Customer in a manner inconsistent with Bi's recommendations. Further, Bi's warranty obligations shall terminate if Customer fails to perform its obligations under these Terms and Conditions. All transportation charges and removal and reinstallation charges related to the repair or replacement of non-conforming Products shall be borne by Customer, including shipment to BI's facility.
- Goods: BJ shall assign any vendor or supplier's warranty to Customer for any Products or oods purchased, to the extent such warranties are assignable.
- <u>Recommendations.</u> Interpretations, research, analysis, recommendations, advice or interpretational data (specifically including, without limitation, any engineering designs, geological studies or analyses, well programs, reservoir models, production optimization or management programs) ("Recommendations") furnished by BJ are opinions based upon inferences from measurements, empirical relationships and assumptions, and industry practice. The inferences, assumptions and practices are not infallible, and with respect to which professional geologists, engineers, drilling consultants, and analysts may differ. Accordingly, BI does not warrant the accuracy, correctness, or completeness of any interpretations or Recommendations, or that reliance on its interpretations and/or Recommendations will accomplish any particular results. CUSTOMER ASSUMES FULL RESPONSIBILITY FOR THE USE OF SUCH RECOMMENDATIONS AND FOR ITS DECISIONS.

OTHER THAN THE PROVISIONS IN THIS ARTICLE 10, BI MAKES NO WARRANTY OR GUARANTEE OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING NO IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE REGARDING ANY SERVICES, EQUIPMENT OR PRODUCTS. IN NO EVENT SHALL BI BE LIABLE FOR CONSEQUENTIAL DAMAGES INCURRED BY CUSTOMER GROUP AS A RESULT OF DEFECTIVE OR NON-CONFORMING SERVICES, EQUIPMENT OR PRODUCTS

### INTELLECTUAL PROPERTY

BJ intends to protect its intellectual property. Customer shall not resell the Products (or drawings related thereto) to others or reverse engineer or permit others to reverse engineer for the purpose of manufacturing similar Products. BI owns and has legal rights to practice certain copyrights, marks, patents or pending applications on certain technology and items related to the Services or Products furnished. In the event that BJ makes any improvements on such technology, then BJ shall own all such improvements, including drawings, specifications, calculations and other documents.

BI warrants that the use or sale of Products will not infringe valid patents of others by reason of BUMBITIANS that the use of sale of Products and hereby agrees to RELEASE, DEFEND, INDEMNITY AND HOLD CUSTOMER GROUP HARMLESS FROM AND AGAINST ALL CLAIMS for infringement of any such patent, provided that Customer shall promptly notify BJ in writing upon receipt of any claim for infringement, or upon the filling of any such suit for infringement, whichever first occurs, and shall afford BJ full opportunity, at BJ's option and expense, to answer such claim or threat of suit, assume the control of the defense of such suit, and settle or compromise same in any way Bl sees fit. Bl does not warrant that such Products: (i) will not infringe any such patent when not of BJ's manufacture, or specially made, in whole or in part, to the Customer's design specifications; or (ii) if used or sold in combination with other materials or apparatus or used in the practice of processes, will not, as a result of such combination or use, infringe any such patent, and BJ shall not be liable; AND CUSTOMER SHALL RELEASE, DEFEND, INDEMNIFY AND HOLD BI HARMLESS FOR DAMAGES OR LOSSES OF ANY NATURE WHATSOEVER RESULTING FROM ALLEGED PATENT INFRINGEMENT ARISING PURSUANT TO (I) AND (II) ABOVE.

### FORCE MAJEURE

If either party is unable because of Force Majeure to carry out any of its obligations under these Terms and Conditions, other than obligations to pay money, then on such party giving notice and particulars in writing to the other party within a reasonable time after the occurrence of the cause relied upon, such obligations shall be suspended. "Force Majeure" shall include any event that is beyond the reasonable control of the party so affected including, without limitation, acts of God, laws and regulations, government action, war, civil disturbances, hijack, piracy, criminal action by a third party, threats or acts of terrorism, strikes and labor problems, delays of vendors or carriers, lightening, fire, flood, washout, storm, breakage or accident to equipment or machinery, and shortage of raw materials. If any suspension due to Force Majeure exceeds ten (10) consecutive days, either party may terminate these Terms and Conditions by written notice to the other party and Customer shall be liable for demobilization and any other reasonable costs incurred by BJ incidental to such termination.

LAWS, RULES, REGULATIONS, AND EXPORT CONTROL d Customer agree to comply with all laws, rules, regulations and decrees of any governmental or regulatory body having jurisdiction over the Services or Products to be provided by BJ or the work site or that may otherwise be applicable to BJ's or Customer's performance under these Terms and Conditions.

Services and Products and/or related technical data covered by these Terms and Conditions may be subject to U.S. and/or foreign trade controls. Customer agrees that it will not sell, re-export or transfer Products and/or related technical data except in full compliance with all governmental requirements including but not limited to economic sanctions and export controls administered by the U.S. Department of Treasury, U.S. Department of Commerce and U.S. Department of State. Customer agrees to comply with all BJ requests for trade compliance information, statements, and other assurances including, without limitation, requests for End-User and Routed Transaction certifications. BJ reserves the right to refuse to fulfill any Work Order or otherwise perform under these Terms and Conditions if BJ in its sole discretion determines that such action may violate any law or regulation.

### GOVERNING LAW, JURY WAIVER, AND VENUE

The laws of the State of Texas shall apply and govern the validity, interpretation, and performance of these Terms and Conditions, any applicable Work Orders without regard to where work is provided. Any suit or proceeding regarding these Terms and Conditions or the Services or Products provided shall be brought exclusively in the state or federal courts located in the City of Houston and County of Harris, Texas. Each Party consents to the personal jurisdiction of the state and federal courts of Harris County, Texas, and waives any objection that such courts are an inconvenient forum or venue. References in these Terms and Conditions to any act, law, statute, rule, or regulation shall be deemed to include references to such as the same may be amended, replaced, or reenacted from time to time. EACH PARTY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THESE TERMS AND CONDITIONS.

### ASSIGNMENT

BJ shall have the right to assign these Terms and Conditions to any of its affiliated companies without the consent of Customer.

17. GENERAL
Failure of either party to enforce any of these Terms and Conditions shall not be a waiver of the supersedes all prior oral or written agreements or representations and may only be amended by an agreement executed by both Parties. In the event of conflict between the provisions of these Terms and Conditions and any other terms in Oustomer's purchase orders, field work orders, work tickets, invoices, statements, or any other type of memoranda or other documents used by Customer, whether oral or written, the provisions of these Terms and Conditions shall govern.



Job Number:	LIB1703190550 Job Purpose	02 Producti	ion/Long String			
Customer:	MERIT ENERGY COMPANY				Date:	3/19/2017
Well Name:	Bock		Number:	A-2	API/UWI:	
County:	Haskell	City:	Sublette, Kansa	s	State:	KS
Cust. Rep:		Phone:		Rig Phone:		
Legal Desc:			WATER TO STATE OF THE STATE OF	Rig Name:	Di	ıke Drilling#9
Distance	50 miles (one wa	ay)		Supervisor	A	ldo Espinosa

Employees:	Emp. ID:	Employees:	Emp. ID:
ALDO ESPINOZA			
JOSE CALDERON			
GERARDO BURCIAGA			
Equipment:			
984-2			
1071-4 545-5			
870-4 553-5			

		Well Info	ormation			
		Open Ho	le Section			
Description:	Size (in):	Excess	Top MD (ft)	Btm MD (ft)		
OPEN HOLE	7 7/8	30%	3700	5,700	TAIL C	EMENT
OPEN HOLE	7 7/8			3,700	LEAD C	EMENT
		Tubi	ulars			
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	5,709
SHOE	5 1/2	17	4.892	J55	5,667	5,709

	Materials - Pu	mping Schedule			1.10
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	340	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	159.8	lbm
CLC-KOL	KOL-SEAL	5	lb/sk	1700.0	lbm
CLC-CPF	CELLOPHANE FLAKES	0.25	lb/sk	85.0	lbm
Fluid Name	Description	Rqstd Qty	Density	Yield	Water (gal/sk)
Disp. 1	Displacement	131.6425271	8.33	n/a	n/a

Job Number:	LIB1703190550	Job Purpose	02 Production	/Long String			
Customer:	MERIT ENERGY	COMPANY			1	Date:	3/19/2017
Well Name:	e: Bock		Number:	A-2	API/UWI:		
County:	Haskell		City:	Sublette, Kansa	s	State:	KS
Cust. Rep:			Phone:		Rig Phone:	0	0
Distance	50	miles (one wa	у)		Supervisor	Ald	o Espinosa
TIME	PRESSU	RE - (PSI)	FLUID PU	MPED DATA		CONANAENI	re.
AM/PM	CASING	ANNULUS	VOLUME	RATE (BPM)		COMMENT	3
3/19/2017						DATE	
230am						on locatio	n
300am						rig up	

Cement Job Summary

		Cement Job Suntil	
350am			casing on bottom
400am			rig head, brake circulation
410am			safety meeting
420am	2500	.1	pressure test pumping lines
422am	170	12 2	12 bbl hivis sweep
432am	30	17 2	50sk/17 bbl for rat & mouse holes
443am	80	99 4	290sk/99.2 bbl slurry
516am			wash pumping lines to pit
519am			release plug
520am	50	3	start displacement
527am	50	20 5	20 bbl gone
530am	80	20 5	40 bbl gone
534am	300	20 5	60 bbl gone
538am	460	20 5	80 bbl gone
543am	870	20 5	100 bbl gone
547am	1160	20 3	120 bbl slow down to 3 bpm to land plug
550am	1300-1800	11 3	131 bbl bump plug
552am	0		check floats
553am	2500		pressure test casing 2500 psi for 15 min
608am	0		check floats again
630am			rig down
700am			leave location
			good circulation during entire job
			thanks