Confidentiality Requested:

Yes No

Kansas Corporation Commission Oil & Gas Conservation Division

1367280

Form ACO-1
November 2016
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
Address 2:	Feet from North / South Line of Section
City:	Feet from _ East / _ West Line of Section
Contact Person:	Footages Calculated from Nearest Outside Section Corner:
Phone: ()	□NE □NW □SE □SW
CONTRACTOR: License #	GPS Location: Lat:, Long:
Name:	(e.g. xx.xxxxx) (e.gxxx.xxxxxx)
Wellsite Geologist:	Datum: NAD27 NAD83 WGS84
Purchaser:	County:
Designate Type of Completion:	Lease Name: Well #:
New Well Re-Entry Workover	Field Name:
□ Oil □ WSW □ SWD	Producing Formation:
Gas DH EOR	Elevation: Ground: Kelly Bushing:
	Total Vertical Depth: Plug Back Total Depth:
CM (Coal Bed Methane)	Amount of Surface Pipe Set and Cemented at: Feet
Cathodic Other (Core, Expl., etc.):	Multiple Stage Cementing Collar Used? ☐ Yes ☐ No
If Workover/Re-entry: Old Well Info as follows:	If yes, show depth set: Feet
Operator:	If Alternate II completion, cement circulated from:
Well Name:	feet depth to:w/sx cmt.
Original Comp. Date: Original Total Depth:	
☐ Deepening ☐ Re-perf. ☐ Conv. to EOR ☐ Conv. to SWD	Drilling Fluid Management Plan
☐ Plug Back ☐ Liner ☐ Conv. to GSW ☐ Conv. to Producer	(Data must be collected from the Reserve Pit)
	Chloride content: ppm Fluid volume: bbls
Commingled Permit #:	Dewatering method used:
☐ Dual Completion Permit #:	Location of fluid diapocal if hould affaita:
EOR Permit #:	Location of fluid disposal if hauled offsite:
GSW Permit #:	Operator Name:
	Lease Name: License #:
Spud Date or Date Reached TD Completion Date or	QuarterSecTwpS. R East West
Recompletion Date 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 III Approved by: Date:					

Page Two



Operator Name:				Lease Name	e:			_ Well #:	
Sec Twp	S. R.	Eas	t West	County:					
and flow rates if gas	wing and shu to surface te	t-in pressures, wh st, along with final	ether shut-in pre chart(s). Attach	essure reached s extra sheet if m	static I nore sp	evel, hydrosta bace is needed	tic pressures, bot d.	tom hole tempe	val tested, time tool rature, fluid recovery, Digital electronic log
files must be submit								0	0 0
Drill Stem Tests Take			Yes No		_ Log	g Formatic	on (Top), Depth a		Sample
Samples Sent to Ge	ological Surv	ey	Yes No	N	Name			Тор	Datum
Cores Taken Electric Log Run Geolgist Report / Mu List All E. Logs Run:	_		Yes No Yes No Yes No						
		Rep	CASING port all strings set-c	RECORD	New , intern	Used	on, etc.		
Purpose of String			ize Casing et (In O.D.)	Weight Lbs. / Ft.		Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
	5.1		ot (III 0.5.)	200.711.		Борит	Comont	0000	/ Iddilivos
			ADDITIONAL	CEMENTING /	SQUE	EZE RECORD			
Purpose: Perforate		epth Typ Bottom	e of Cement	# Sacks Used	S Used Type and Percent Additives				
Protect Casing	9								
Plug Off Zone									
. 5:1									(0)
 Did you perform a h Does the volume of 	-	_		t exceed 350,000	gallons	Yes Yes		ip questions 2 an ip question 3)	d 3)
3. Was the hydraulic fra		-	_		_	Yes	= '	out Page Three	of the ACO-1)
Date of first Production	n/Injection or Re	esumed Production/	Producing Meth	nod:					
Injection:			Flowing	Pumping	Ga	as Lift C	other (Explain)		
Estimated Production Per 24 Hours	1	Oil Bbls.	Gas	Mcf	Water	BI	bls. (Gas-Oil Ratio	Gravity
DISPOSIT	TION OF GAS:		N	METHOD OF COM	//PLETI	ON:			N INTERVAL: Bottom
Vented So		on Lease	Open Hole		ually C		nmingled mit ACO-4)	Тор	Bottom
(If vented, S	Submit ACO-18.)			(00		(Cubi	7111.7100 1)		
Shots Per Foot	Perforation Top	Perforation Bottom	Bridge Plug Type	Bridge Plug Set At		Acid,	Fracture, Shot, Cei (Amount and Kind	menting Squeeze of Material Used)	Record
TUBING RECORD:	Size:	Set At		Packer At:					
	J.20.	OU! A!	-	. 20.0171					

Form	ACO1 - Well Completion
Operator	Merit Energy Company, LLC
Well Name	LCSLU 106W
Doc ID	1367280

All Electric Logs Run

ANNULAR HOLE VOLUME
ARRAY COMPENSATED TRUE RESISTIVITY LOG
ARRAY COMPENSATED RESISTIVITY LOG 1
ARRAY COMPENSATED TRUE RESISTIVITY LOG 2
BOREHOLE COMPENSATED SONIC ARRAY LOG
DUAL SPACED NEUTRON SPECTRAL DENSITY LOG
MICROLOG
QUAD COMBO

Form	ACO1 - Well Completion
Operator	Merit Energy Company, LLC
Well Name	LCSLU 106W
Doc ID	1367280

Tops

Name	Тор	Datum
HUTCHINSON SALT	2164	
CHASE GROUP	2381	
HEEBNER	3828	
TORONTO	3855	
LANSING	3921	
IOLA	4127	
SWOPE	4391	
MARMATON	4535	
ALTAMONT	4576	
CHEROKEE	4742	
ATOKA	4979	
MORROW	5217	
ST GENEVIEVE	5622	
ST LOUIS	5657	
SPERGEN	5915	
WARSAW	6063	
OSAGE	6310	
VIOLA	6568	

Form	ACO1 - Well Completion
Operator	Merit Energy Company, LLC
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Casing

Purpose Of String	Size Hole Drilled	Size Casing Set	Weight	Setting Depth	Type Of Cement		Type and Percent Additives
Surface	12.25	8.625	24	1456	Class A		See Attached
Production	7.875	5.5	17	5890	Class A	300	See Attached



Cementing Services Field Ticket

TAX ID 81-1373543

Field Ticket Number: Lib1705161547

Field Ticket Date:

Tuesday, May 16, 2017

Bill To:	
MERIT ENERGY COMPANY	
Liberal, KS 67901	
P O Box 1293 / 1900 W 2nd St	
Remit To:	
BJ Services, LLC	
P.O. Box 733585	
Dallas, TX 75373-3585	

Job Name: Well Location: 01 Surface Grant, KS Well Name: Longbow Well Number: 6-10 Well Type: Rig Number: New Well Duke #9 Shipping Point: Liberal, KS Sales Office: Mid Con

PER	SONEL	EQUI	PMENT	
Hector Esqueda	Gabriel Mendoza	1080-469	994-4-467-5	
Victor Garcia	Saul Lopez	705-4-554-5	1039-2	

		SERVICES - S	SERVICES -	SERVICES			
Description	QTY	MON	Unit Amt	Gross Amt	Unit Net	Discount	Net Amount
PUMP, CASING CEMENT 1001-2000 FT	1.00	min. 4 hr	2,213.75	2213.75	885.50	60,0%	885.50
CMLP	1.00	per day	275.00	275.00	110.00	60.0%	110.00
PHDL	635.00	per cu. Ft.	2.48	1574.80	0.99	60.0%	629.92
DRYG	1375.00	ton-mile	2.75	3781.25	1.10	60.0%	1,512.50
MILV	50.00	per mile	4.40	220.00	1.76	60.0%	88.00
MIHV	50.00	per mile	7.70	385.00	3.08	60.0%	154.00
FLOA	T EQUIPME	NT FLOA	T EQUIPM	ENT FLO	AT EQUI	PMENT	
GS-8.625	1.00	each	460.00	460.00	253.00	45.0%	253.00
SSFC-8.625	1.00	each	1,214.00	1,214.00	667.70	45.0%	667.70
CEN-8.625	15.00	each	75.00	1,125.00	41.25	45.0%	618.75
TRP - 8.625	1.00	each	131.00	131.00	72.05	45.0%	72.05
	MA	TERIALS - N	IATERIALS	- MATERIA	ALS		
	10.00	bbl	0.00	0.00	0.00	60.0%	0.00
CB-AMDAL	355.00	sack	26.57	9,432.35	10.63	60.0%	3,772.94
CA-100	1002.00	pound	1.10	1,102.20	0.44	60.0%	440.88
CLC-CPF	178.00	pound	2.97	528.66	1.19	60.0%	211.46
CCAC	175.00	sack	17.90	3,132.50	7.16	60.0%	1,253.00
CA-100	329.00	pound	1.10	361.90	0.44	60.0%	144.76
CLC-CPF	88.00	pound	2.97	261.36	1.19	60.0%	104.54
ADD	ITIONAL ITE	MS - ADDI	TIONAL ITE	MS - ADD	ITIONAL	ITEMS	
Additional hours, in excess of set hours		per hour	440.00	0.00	220.00	50.0%	0.00
-					Gross	Discount	Final
					8,449.80	5,069.88	3,379.92
					2,930.00 14,818.97	1,318.50	1,611.50
				litional Items	0.00	8,891.38 0.00	5,927.59 0.00
Customer Agent:			.100		26,198.77	15,279.76	10,919.01

\$10,919.01

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.

Have read and understand the "GENERAL TERMS AND CONDITIONS" listed on the following page.

X

Field Ticket Total (USD):

Customer Signature



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 BJ Services LLC or its affiliates ("Ell") to its customers (each a "Customer") are subject to acceptance by BJ, and any Work Orders as oaccepted will be governed by the pricing proposal, the Work Order, and these Terms and Conditions, unless the Customer 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 BI Gredit Department, all charges billed by BI 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 BI 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 shall be liable for all reasonable costs incurred by BI including

THIRD-PARTY CHARGES, TAXES

Customer shall pay all third-party charges, in compliance with BJ'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.

4. 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 Gustomer to generate Customer's goods, products, and services, and therefore BI and Customer agree that Customer is the statutory employer of BI's employees and its subcontractor's employees under La. R.S. 23:1061 (A) (3).

LIABILITIES, RELEASES AND INDEMNIFICATION:

- 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 Dan gees" means will, lost profit, lost business, lost business opportunities, or charges in ger means will, lost profit, lost business, lost business opportunities, or charges in gittine regardless of whether the same would be considered direct, indirect, special, punitive, exemplary or consequential damages for lost production, lost revenue, loss of hote, courted or well, lost profit, lost business, lost business opportunities, or charges in gittine regardless of whether the same would be considered direct, indirect, special, punitive, exemplary or consequential damages or losses under architectule, tax; (iv) "Gustomer Group" means Customer, its parent, subsidiary and highest or related companies its colesses, co-cowners, partners, joint operators and joint ventures; its client or customer if it is not the end user of the Services or Products; its others of my stors at any tier; and the officers, directors, employees, consultants, and agains of all of the foregoing; (v) "Pollution Claims" means all Claims relating to pollution or contamination of water, land, or air, including without limitation, adverse effects on the any companies or any form of property, or any viclation or alleged victation of environments statutes, ordinances, laws, orders, rules and regulations; (vi) "Tools" means any of Bl. Group's instraments, equipment, or tools, and (vii) "Waste" means any of Bl. Group's instraments, equipment, or tools, and (vii) "Waste" means any of Bl. Group's instraments, equipment, or tools, and (vii) "Waste" means any of Bl. Group's vaste, water, or materials from the well that where Services are performed by Bl.

 BI SHALL RELEASE, INDEMNIFY, DEFEND AND HOLD CLEASE.
- BI SHALL RELEASE, INDEMNIFY, DEFEND AND HOLD CUSTOMER STOUP HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS ARISINS OUT OF OR RELATED TO (I) PERSONAL OR BODILY INJURY, ILLNESS, SICKNESS, DISEASE OR DEATH OF ANY MEMBER OF BI 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 BY GROUP HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS ARISING OUT OF OR RELATED TO (1) 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 AGAINST ALL 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 BI GROUP'S EQUIPMENT OR OTHER EQUIPMENT IN ITS CONTROL, AND SHALL ASSUME ALL RESPONSIBILITY FOR CONTROL AND REMOVAL OF SAME.
- SUBJECT TO THE PERSONAL INJURY PROVISIONS OF 5(C) ABOVE, CUSTOMER SHALL PROTECT, DEFEND AND INDEMNIFY BU GROUP FROM AND AGAINST ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION ARISING DIRECTLY OR INDIRECTLY FROM ANY EXISTING POLLUTION AT THE SITE AND FROM ALL OTHER POLLUTION OR CONTAMINATION, INCLUDING BUT NOT LIMITED 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 BI GROUP HARMLESS FROM AND AGAINST ANY CLAIMS FOR CONSEQUENTIAL DAMAGES ASSERTED BY OR IN FAVOR OF ANY MEMBER OF CUSTOMER GROUP. BI 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 BISROUP.
- 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.

INSURANCE

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

In the concerned in the insurance in the amount of \$1,000,000 combined single limit for Bodily in the insurance in the amount of \$1,000,000 combined single limit for Bodily in the insurance in the amount of \$1,000,000 combined single limit for Bodily in the insurance in the amount of \$1,000,000 combined single limit for Bodily in the insurance in the amount of \$1,000,000 combined single limit for Bodily in the insurance in the amount of \$1,000,000 combined single limit for Bodily in the insurance in the amount of \$1,000,000 combined single limit for Bodily in the insurance in the amount of \$1,000,000 combined single limit for Bodily in the insurance in the amount of \$1,000,000 combined single limit for Bodily in the insurance in the amount of \$1,000,000 combined single limit for Bodily in the insurance in the amount of \$1,000,000 combined single limit for Bodily in the insurance in the amount of \$1,000,000 combined single limit for Bodily in the insurance in th

of the second process al-liability overage.

then requist, such party shall furnish to the other party certificates of insurance in the party shall furnish to the other party schigations has been secured. To the your prints make adjudgement and co support each party so colligations has been secured, to the extent of type has to's release and indemnity obligations, each party agrees that all such Respance decicles shall (i) be primary to the other party's insurance, (ii) include the other party, it's 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 contractors, 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. Gustomer 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. BI reserves the right not to perform Work if the job or conditions of the location render such performance inadvisable.

RADIOACTIVE SOURCES

Customer 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

- Senices: Bl 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, BI shall re-perform that part of the non-conforming Services, provided BJ is notified in writing by Customer prior to demobilization.
- <u>Products</u>: 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 which number performances in be measured. In developing, menure, using a new speciality Product, Bit 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 falls to meet the specifications agreed to inwriting by Customer, then BI 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) Oustomer'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 unaumoraze a terataon of the Products (IV) loss or damage while on Customer's size 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 ement 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 goods purchased, to the extent such warranties are assignable
- 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 IMPUED, INCLUDING NO IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE REGARDING ANY SERVICES, EQUIPMENT OR PRODUCTS. IN NO EVENT SHALL BLIBE 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. BJ 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 the use or sale of such Products, and hereby agrees to RELEASE, DEFEND, INDEMNIFY 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 filing of any such suit for infringement, whichever first occurs, and shall afford Bi full opportunity, at Bi'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 Bi sees fit. BI does not warrant that such Products: (i) will not infringe any such patent when not of BI'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 BI 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

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

BI and 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 BI requests for trade compliance information, statements, and other assurances including, without limitation, requests for End-User and Routed Transaction certifications. BI reserves the right to refuse to Infill any Work Order or otherwise perform under these Terms and Conditions if BI in its sole discretion determines that such action may violate any law or regulation.

15. 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
 B) shall have the right to assign these Terms and Conditions to any of its affiliated companies
 without the consent of Customer,

17. <u>GENERAL</u>
Failure of either party to enforce any of these Terms and Conditions shall not be a waiver of the right to enforce. These Terms and Conditions contain all representations of the Parties and 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 Customer'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

Job Number:	Lib1705161547 Job Purpose	01 Surface				
Customer:	MERIT ENERGY COMPANY				Date:	5/16/2017
Well Name:	Longbow		Number:	6-10	API/UWI:	
County:	Grant	City:	Ulysses		State:	KS
Cust. Rep:		Phone:		Rig Phone:		
Legal Desc:				Rig Name:		Duke#9
Distance	50 miles (one wa	y)	Supervisor:	Hector Esqueda		

Employees:	Emp. ID:	Employees:	Emp. ID:		
Hector Esqueda		Gabriel Mendoza			
Victor Garcia		Saul Lopez			
Equipment:					
1080-469		994-4-467-5			
705-4-554-5	1039-2				

		Well Info	ormation			
		Open Ho	le Section			
Description:	Size (in):	Excess	Top MD (ft)	Btm MD (ft)		
OPEN HOLE	12 1/4	0%	966	1,466	TAIL C	EMENT
OPEN HOLE	12 1/4	130%	0	966	LEAD C	EMENT
OPEN HOLE	12 1/4			0		
OPEN HOLE	12 1/4					
		Tubi	ulars			
Description:	Size (in):	Wgt. (lb/ft)	ID (in)	Grade:	Top MD (ft)	Btm MD (ft)
TOTAL CASING	8 5/8	24	8.097	J-55	0	1,456
SHOE	8 5/8	24	8.097	J-55	1,414	1,456

	Materials - Pu	ımping Schedule			
Fluid Name	Description	Rqstd Qty	Density	Yield	Water (gal/sk)
Spacer 1	Fresh Water	10	8.33	n/a	n/a
Fluid Name	Description	Rqstd Qty	Density	Yield	Water (gal/sk)
Lead 1	ALLIED MULTI-DENSITY CEMENT - CLASS A	355	12.10	2.55	14.86
Addl. Additive	Description	Conc. (lb/sk)	Determined by	Load Volume	UOM
CA-100	CALCIUM CHLORIDE, PELLETS OR FLAKE	2.82	% BWOC	1001.1	lbm
CLC-CPF	CELLOPHANE FLAKES	0.5	lb/sk	177.5	lbm
Fluid Name	Description	Rqstd Qty	Density	Yield	Water (gal/sk)
Tail 1	CLASS A COMMON	175	15.20	1.27	5.74
Addl. Additive	Description	Conc. (lb/sk)	Determined by	Load Volume	UOM
CA-100	CALCIUM CHLORIDE, PELLETS OR FLAKE	1.88	% BWOC	329.0	lbm
CLC-CPF	CELLOPHANE FLAKES	0.5	lb/sk	87.5	lbm
Fluid Name	Description	Rqstd Qty	Density	Yield	Water (gal/sk)
Disp. 1	Displacement	90.02944847	8.33	n/a	n/a

Distance	50 miles (one w	ay)	_	Supervisor	Hect	tor Esqueda
Cust. Rep:		Phone:		Rig Phone:		
County:	Grant	City:	Ulysses		State:	KS
Well Name:	Longbow		Number:	6-10	API/UWI:	
Customer:	MERIT ENERGY COMPANY				Date:	5/16/201
Job Number:	Lib1705161547 Job Purpose	01 Surface				

BJ

Cement Job Summary

	FLUID PUMPED DATA			PRESSUI	TIME
COMMENTS	RATE (BPM)	VOLUME	ANNULUS	CASING	AM/PM
arrived to location	10112 (0111)			C. D.II.C	13:15
rig up iron					13:30
prime up the pump					14:05
pressure test the line to 2600PSI				2600	14:33
released the pressure and change out a					
leaking single					
re-pressure test to 2800PSI				2800	14:35
start the 10bbl spacer of fresh water	5	10		100	14:39
start the Lead cement @ 12.10#	5.2	161		120	14:41
42bbls of lead cement gone	7.8	42		210	14:52
start the Tail cement @ 15.20#	7.2	39		160	15:11
shut down (close in the bottom valve on t					15:21
manifold and open the top valve and dro					
the plug) wash up on top of the plug					
start the 90bbl displacement of fresh wat	3.6	90		50	15:27
20bbls gone	5.6	20		100	15:32
40bbls gone	6.3	40		220	15:35
60bbls gone	5.8	60		250	15:38
80bbls gone slow down to 3bpm to land t	3	80		300	15:42
plug					
plug landed @ 900PSI		90		900	15:47
hold the pressure for 5 minutes to make					
sure that the floats are holding					
released the pressure and the floats are					
holding good					
got 1/2bbl back to tank					
50bbl of cement were circulated back to					
surface					
rig down released from location at					
17:30					



TAX ID 81-1373543

Field Ticket Number: Lib170527028	
BIII To:	
MERIT ENERGY COMPANY	
Liberal, KS 67901	
P O Box 1293 / 1900 W 2nd St	
Remit To:	
BJ Services, LLC	
P.O. Box 733585	
Dallas, TX 75373-3585	

Field Ticket Date:

Friday, May 26, 2017

02 Production/Long String Job Name: Well Location: Grant, KS Well Name: Longbow Well Number: Well Number: Well Type: Rig Number: Shipping Point: Sales Office: 6-10 New Well

Liberal, KS Mid Con

50 SX RH

PERSONEL		EQUI	PMENT
Hector Esqueda	Gabriel Mendoza	1071-4-545-5	868-4-642-5
Victor Garcia		1039-2	

		SERVICES - S					
Description	QTY	UOM	Unit Amt	Gross Amt	Unit Net	Discount	Net Amount
PUMP, CASING CEMENT 4001-5000 FT	1.00	min. 4 hr	2,765.75	2765.75	1,106.30	60.0%	1,106.30
CMLP	1.00	per day	275.00	275.00	110.00	60.0%	110.00
PHDL	483.00	per cu. Ft.	2.48	1197.84	0.99	60.0%	479.14
DRYG	1010.00	ton-mile	2.75	2777.50	1.10	60.0%	1,111.00
MILV	50.00	per mile	4.40	220.00	1.76	60.0%	88.00
MIHV	50.00	per mile	7.70	385.00	3.08	60.0%	154.00
FLOA	T FOLUDIAE	NT FLOA	T FOLLIDIAL	ENT - ELO	AT FOLL	IDNAENT	
GS-5.5	1.00	each	281.00	281.00	154.55	45.0%	154.55
3.5	1.00	Cucii	201.00	201.00	104.00	40.070	104.55
SSFC-5.5	1.00	each	725.00	725.00	398.75	45.0%	398.75
CEN-5.5	20.00	each	57.00	1,140.00	31.35	45.0%	627.00
TRP - 5.5	1.00	each	85.00	85.00	46.75	45.0%	46.75
TLK - 5.5	6.00	each	85.00	510.00	46.75	45.0%	280.50
	MA	TERIALS - M	ATERIALS	- MATERI	ALS		
CW-HVS	12.00	bbl	58.70	704.40	23.48	60.0%	281.76
CB-ASA	300.00	sack	23.50	7,050.00	9.40	60.0%	2,820,00
CFL-210	141.00	pound	18.90	2,664.90	7.56	60.0%	1,065.96
CLC-KOL	1500.00	pound	0.98	1,470.00	0.39	60.0%	588.00
CLC-CPF	75.00	pound	2.97	222,75	1.19	60.0%	89.10
CDF-100P	60.00	pound	3.50	210.00	1.40	60.0%	84.00
CB-ASA	50.00	sack	23.50	1,175.00	9.40	60.0%	470.00
CFL-210	24.00	pound	18.90	453.60	7.56	60.0%	181.44
CLC-KOL	250.00	pound	0.98	245.00	0.39	60.0%	98.00
CLC-CPF	13.00	pound	2.97	38.61	1.19	60.0%	15.44
CDF-100P	10.00	pound	3.50	35.00	1.40	60.0%	14.00
ADDI	TIONAL ITE	MS - ADDIT	IONAL ITE	MS - ADD	DITIONAL	ITFMS	
Additional hours, in excess of set hours		per hour	440.00	0.00	220.00	50.0%	0.00
		\			Gross	Discount	Final
				ervices Total	7,621.09	4,572.65	3,048.44
				ipment Total	2,741.00	1,233.45	1,507.55
					14,269.26	8,561.56	5,707.70
P			Ada	litional Items	0.00	0.00	0.00
Customer Agent:				Final Total	24,631.35	14,367.66	10,263.69

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 Inderstand the "GENERAL TERMS AND CONDITIONS" listed on the following page.

X
Customer Signature

Field Ticket Total (USD): \$10,263.69

Rodney Gonzales

Well Long bow 6-10

AFE S4160

GL 83001075

Office Uy Sees

Date 5-27-17





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 ("Br") to its customers (each a "Gustomer") 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 Gustomer and BI Services, LLC (collectively the "Parties") have executed a Master Service Agreement, which terms shall control.

PAYMENT TERMS

1. <u>PAYMENT TERMS</u>
Unless alternate payment terms are specified or approved by the BI Gredit Department, all charges billed by BI 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, litens may be filed, and Customer shall pay BI 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 reasonability.

- CANCELIATION AND RETURNS
 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 packing and a maps all of cost internet, reported by the 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 shall be liable for all reasonable costs incurred by BJ including mobilization/demobilization.

THIRD-PARTY CHARGES, TAXES

Customer shall pay all third-party charges, in compliance with BJ'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 BI and Customer agree that Customer is the statutory employer of BI's employees and its subcontractor's employees under La. R.S. 23:1061 (A) (3).

- LIABILITIES, RELEASES AND INDEMNIFICATION:
 In these Terms and Conditions (i) "BI Group" means BJ, its parent, subsidiary, joint venturers, and affiliated or related companies; its subcontracters at any tier; and the officers, directors, employees, consultants, and agents of all of the foregoing; (ii) "Calims" means all claims, demands, causes of action, liabilities, damages, judgments, lines, 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 for losse (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 coexemplary or consequential damages or losses under applicable law; (it) "Customer Group" means Customer, Itsparent, 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; (v) "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 materials from the well that where Services are performed by BJ.
- BI 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 BUGROUP.
- CUSTOMER SHALL RELEASE, INDEMNIFY, DEFEND AND HOLD BY 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 GROU

- SUBJECT TO THE PERSONAL INJURY PROVISIONS OF ARTICLE 5(B) ABOVE, BJ SHALL PROTECT, DEFEND AND INDEMNIFY CUSTOMERGROUP FROM AND AGAINST ALL CLAIMS, DEMANDS AND CAUSES OF ACTION, INCLUDING POLLUTION CLAIMS, ARISING FROM POLLUTION OF CONTAMINATION WHICH ORIGINATES ABOVE THE SURFACEOF 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 AND REMOVAL OF SAME
- SUBJECT TO THE PERSONAL INJURY PROVISIONS OF 5(C) ABOVE, CUSTOMER SHALL SUBJECT TO THE PERSONAL INJURY PROVISIONS OF 5(C) ABOVE, CUSTOMER SHALL PROTECT, DEFEND AND INDEMNIFY BU GROUP FROM AND AGAINST ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION ARISINS DIRECTLY OR INDIRECTLY FROM ANY EXISTING POLLUTION AT THE SITE AND FROM ALL OTHER POLLUTION OR CONTAMINATION, INCLUDINS BUT NOT UMITED TO POLLUTION RESULTING FROM FIRE, BLOWOUT, CRATERINS, 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 CONTROLAND REMOVAL OF SAME.
- CUSTOMER SHALL RELEASE, DEFEND, INDEMNIFY AND HOLD BI GROUP HARMLESS FROM AND AGAINST ANY CLAIMS FOR CONSEQUENTIAL DAMAGES ASSERTED BY OR IN FAVOR OF ANY MEMBER OF CUSTOMER GROUP. BI 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 THE EXCLUSIONS OF LIABILITY, RELEASES AND INDEMNITIES SET FORTH IN THIS ARTICLE S APPLY TO ANY CLAIMS, 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 IMPULED), ULTRAHAZARCOUS ACTIVITY, STRICT LIABILITY, TORT, BREACH OF CONTRACT, BREACH OF DUTY (STATUTORY OR OTHERWISE), BREACH OF ANY SAFETY REQUIREMENT OR REGULATION, OR THE NEGUIGENCE, GROSS NEGUIGENCE, OR OTHER LEGAL FAULT OR RESPONSIBILITY OF ANY PERSON DEATLY ON RETITY (INCLUDING THE INDEMNIFED OR RELEASED PARTY). 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.

INSURANCE Each Perty agrees to support the indemnity obligations contained in Article 5 by carrying insurance (or qualified self-insurance) with reputable insurance companies in the following

- 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 aggregate.
- 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 vehicles.
- 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 evidencing that adequate insurance to support each party's colligations 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 subregation against 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.

7. 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 confidentia 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

Oustomer 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. Blireserves the right not to perform Work if the job or conditions of the location render such performance inadvisable.

 RADIOACTIVE SOURCES

Customer 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
 Sendces: BI 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 procedures) and utilizing all necessary Protective equipment and devices, (ii) that all Services shall be done with the utmost still, 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 BI is notified in writing by Customer prior to demobilization.

 <u>Products</u>: BI warrants that the Products shall conform to BI's published specifications or the
- specifications agreed to in writing. If any of the Products fail to conform, BI 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 BI'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 falls 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 Bt's recommendations. Further, Bt'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 ment of non-conforming Products shall be borne by Customer, including shipment to
- <u>Goods</u>: BI shall assign any vendor or supplier's warranty to Customer for any Products or goods purchased, to the extent such warranties are assignable. G.
- Recommendations. 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 BI are opinions based upon inferences from measurements, empirical relationships and assumptions, and industry interences 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

BU 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. Bl 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 Bl makes any improvements on such technology, then Bl shall own all such improvements, including drawings, specifications, calculations and other documents.

B) warrants that the use or sale of Products will not infringe valid patents of others by reason of the use or sale of such 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 BI in writing upon receipt of any claim for infringement, or upon the filing of any such suit for infringement, whichever first occurs, and shall afford BI full opportunity, at BI'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 lit. Bl does not warrant that such Products; (i) will not infringe any such patent when not of BI'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 BI 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.

12. FORCE MAJEURE
If either party is unable because of Force Majeure to carry cut any of its obligations under these Terms and Conditions, other than obligations to paymoney, 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.

13. <u>LAWS, RULES, REGULATIONS, AND EXPORT CONTROL</u>

B) and 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 BI or the work site or that may otherwise be applicable to Bi'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 BI requests for trade compliance information, statements, and other assurances including, without limitation, requests for End-User and Routed Transaction certifications. BI reserves the right to refuse to fulfill any Work Order or otherwise perform under these Terms and Conditions if BI in its sole discretion determines that such action may violate any law or regulation.

15. 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
 But shall have the right to assign these Terms and Conditions to any of its affiliated companies without the consent of Customer.

 GENERAL
 Failure of either party to enforce any of these Terms and Conditions shall not be a waiver of the right to enforce. These Terms and Conditions contain all representations of the Parties and supersedes all price 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 Customer'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

Job Number:	Lib170527028	Job Purpose	02 Production	n/Long String			
Customer:	MERIT ENERG	Y COMPANY				Date:	5/26/2017
Well Name:	Longbow			Number:	6-10	API/UWI:	
County:	Grant		City:			State:	KS
Cust. Rep:			Phone:		Rig Pho	ne:	
Legal Desc:					Rig Nam	e:	
Distance	5	0 miles (one wa	ay)	Supervisor:	Hector Esqu	ıeda	

Employees:	Emp. ID:	Employees:	Emp. ID:	
Hector Esqueda		Gabriel Mendoza		
Victor Garcia				
Equipment:				
1071-4-545-5		868-4-642-5		
1039-2				

		Well Info	ormation			
		Open Ho	le Section			
Description:	Size (in):	Excess	Top MD (ft)	Btm MD (ft)		
OPEN HOLE	7 7/8	30%	3400	5,890	TAIL C	EMENT
OPEN HOLE	7 7/8			3,400	LEAD C	EMENT
OPEN HOLE	7 7/8					
OPEN HOLE	7 7/8					
		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	1,450
TOTAL CASING	5 1/2	17	4.892	J55	0	5,890
SHOE	5 1/2	17	4.892	J55	5,848	5,890

	Materials - Pu	ımping 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	300	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	141.0	lbm	
CLC-KOL	KOL-SEAL	5	lb/sk	1500.0	lbm	
CLC-CPF	CELLOPHANE FLAKES	0.25	lb/sk	75.0	lbm	
CDF-100P	DEFOAMER - POWDER	0.2	lb/sk	60.0	lbm	
Fluid Name	Description	Rqstd Qty	Density	Yield	Water (gal/sk)	
Tail 2	ALLIED SPECIAL BLEND CEMENT - CLASS A	50	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	23.5	lbm	
CLC-KOL	KOL-SEAL	5	lb/sk	250.0	lbm	
CLC-CPF	CELLOPHANE FLAKES	0.25	lb/sk	12.5	lbm	
CDF-100P	DEFOAMER - POWDER	0.2	lb/sk	10.0	lbm	
Fluid Name	Description	Rqstd Qty	Density	Yield	Water (gal/sk)	
Disp. 1	Displacement	135.9412142	8.33	n/a	n/a	

Job Number: Lib170527028 Job Purpose 02 Production/Long String

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Cement Job Summary

0.1	INTERIT ENTERON CONT		emeni Jo	v summar	V	D	
Customer:	MERIT ENERGY COM	PANY		1 27 1	2.40	Date: 5/26/2017	
Well Name: Longbow				Number:	6-10	API/UWI:	
County: Grant			City:			State: KS	
Cust. Rep:			Phone:		Rig Phone:	(
Distance	50 miles (one wa		The second secon		Supervisor	Hector Esqueda	
TIME AM/PM	PRESSURE - (P	SI) INULUS	FLUID PUI VOLUME	MPED DATA RATE (BPM)	COMMENTS		
20:30	CASING AN	INOLO3	VOLOIVIE	MATE (BPIVI)	arrived to location		
21:45		-			arrived to location		
22:20					rig up iron		
22:35					prime up the pump		
22:45	2200	-			mix the 12bbl of HIVIS SWEEP		
	3300	-			pressure test the line to 3300PSI		
22:54					plug mouse hole		
22:57	500		12	-	plug rat hole		
22:58	500		12	5	start the HIVIS SWEEP		
23:01	610		102	4.3	start the tail cement @ 13.60#		
23:34					shut down final lift pressure was 200PSI		
					close the bottom valve on the manifold and		
					open up the 1" valve going to the pit to was		
					up to the pit		
23:44					done washing up close the 1" valve		
					and open up the top valve on the manifold		
					and pull the Pin out to drop the plug		
23:47	50		135	5	start the 135bbls displacement of KCL water		
23:51	70		20	5.8	20bbls gone		
23:54	100		40	5.8	40bbls gone		
23:58	110		60	5.8	60bbls gone		
0:01	410		80	5.1	80bbl gone caught cement		
0:05	740		100	4.6	100bbls gone		
0:09	1160		120	4.2	120bbls gone		
0:11	1170		128	3	128bbls gone slow rate down to 3bpm to		
					land the plug		
0:16	2000		135		landed plug @ 2000PSI final lift pressure		
					was 1500PSI		
					when we went to release the pressure		
			11		we got 1bbl back to the tank but the		
					water was still coming out slowly for		
					another 1/4bbl did not fell comfortable		
0:28					taking of head so I pressured back on the		
					plug and shut in the well with 600PSI in it		
					rig down from the manifold back to the		
					pump rele	ased from location @ 2:00	