

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 # _____

Name: _____

Address 1: _____

Address 2: _____

City: _____ State: _____ Zip: _____ + _____

Contact Person: _____

Phone: (_____) _____

CONTRACTOR: License # _____

Name: _____

Wellsite Geologist: _____

Purchaser: _____

Designate Type of Completion:

New Well Re-Entry Workover

Oil WSW SWD

Gas DH EOR

OG GSW

CM (Coal Bed Methane)

Cathodic Other (Core, Expl., etc.): _____

If Workover/Re-entry: Old Well Info as follows:

Operator: _____

Well Name: _____

Original Comp. Date: _____ Original Total Depth: _____

Deepening Re-perf. Conv. to EOR Conv. to SWD

Plug Back Liner Conv. to GSW Conv. to Producer

Commingled Permit #: _____

Dual Completion Permit #: _____

SWD Permit #: _____

EOR Permit #: _____

GSW Permit #: _____

Spud Date or Date Reached TD Completion Date or Recompletion Date

API No.: _____

Spot Description: _____

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

_____ Feet from North / South Line of Section

_____ Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:

NE NW SE SW

GPS Location: Lat: _____, Long: _____
(e.g. xx.xxxxx) (e.g. -xxx.xxxxx)

Datum: NAD27 NAD83 WGS84

County: _____

Lease Name: _____ Well #: _____

Field Name: _____

Producing Formation: _____

Elevation: Ground: _____ Kelly Bushing: _____

Total Vertical Depth: _____ Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at: _____ Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set: _____ Feet

If Alternate II completion, cement circulated from: _____

feet depth to: _____ w/ _____ sx cmt.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content: _____ ppm Fluid volume: _____ bbls

Dewatering method used: _____

Location of fluid disposal if hauled offsite:

Operator Name: _____

Lease Name: _____ License #: _____

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

County: _____ Permit #: _____

AFFIDAVIT

I am the affiant and I hereby certify that all requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Submitted Electronically

KCC Office Use ONLY

Confidentiality Requested

Date: _____

Confidential Release Date: _____

Wireline Log Received Drill Stem Tests Received

Geologist Report / Mud Logs Received

UIC Distribution

ALT I II III Approved by: _____ Date: _____

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

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

INSTRUCTIONS: Show important tops of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed.

Final Radioactivity Log, Final Logs run to obtain Geophysical Data and Final Electric Logs must be emailed to kcc-well-logs@kcc.ks.gov. Digital electronic log files must be submitted in LAS version 2.0 or newer AND an image file (TIFF or PDF).

Drill Stem Tests Taken <input type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input type="checkbox"/> No Electric Log Run <input type="checkbox"/> Yes <input type="checkbox"/> No Geologist Report / Mud Logs <input type="checkbox"/> Yes <input type="checkbox"/> No List All E. Logs Run:	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum
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CASING RECORD <input type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone				

1. Did you perform a hydraulic fracturing treatment on this well? Yes No *(If No, skip questions 2 and 3)*
2. Does the volume of the total base fluid of the hydraulic fracturing treatment exceed 350,000 gallons? Yes No *(If No, skip question 3)*
3. Was the hydraulic fracturing treatment information submitted to the chemical disclosure registry? Yes No *(If No, fill out Page Three of the ACO-1)*

Date of first Production/Injection or Resumed Production/Injection:	Producing Method: <input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other <i>(Explain)</i> _____				
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5) (Submit ACO-4)</i>	PRODUCTION INTERVAL: Top _____ Bottom _____
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Shots Per Foot	Perforation Top	Perforation Bottom	Bridge Plug Type	Bridge Plug Set At	Acid, Fracture, Shot, Cementing Squeeze Record <i>(Amount and Kind of Material Used)</i>

TUBING RECORD:	Size:	Set At:	Packer At:	
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OPERATOR

Company: RJM Oil Company
 Address: PO Box 256
 Claflin, KS 6725

Contact Geologist: Chris Hoffman
 Contact Phone Nbr: 620-786-8744
 Well Name: Wells-Hofmeister #4
 Location: 23-16s-12w N2-SW-NE-SE
 API: 15-00+26370-00-00
 Pool:
 State: Kansas

Field: Kraft Prusa
 Country: USA



Scale 1:240 Imperial

Well Name: Wells-Hofmeister #4
 Surface Location: 23-16s-12w N2-SW-NE-SE
 Bottom Location:
 API: 15-00+26370-00-00
 License Number: 30458
 Spud Date: 10/7/2022 Time: 12:00 AM
 Region: Barton
 Drilling Completed: 10/12/2022 Time: 12:00 AM
 Surface Coordinates: 1900' FSL & 990' FEL
 Bottom Hole Coordinates:
 Ground Elevation: 1916.00ft
 K.B. Elevation: 1926.00ft
 Logged Interval: 2700.00ft To: 0.00ft
 Total Depth: 3335.00ft
 Formation: Arbuckle
 Drilling Fluid Type: Chemical/Fresh Water Gel

CASING SUMMARY

	Surface	Intermediate	Main		
Bit Size					
Hole Size					
	Size	Set At	Type	# of Joints	Drilled Out At
Surf Casing	8 5/8" in	395' ft			
Int Casing					
Prod Casing	None in	None ft			

CASING SEQUENCE

Type	Hole Size	Casing Size	At
	0.00 in	0.00	0.00 ft

SURFACE CO-ORDINATES

Well Type: Vertical
 Longitude:
 Latitude:
 N/S Co-ord: 1900' FSL
 E/W Co-ord: 990' FEL

LOGGED BY



Company: James C Musgrove Petroleum LLC
 Address: 212 Main Street/PO Box 215
 Claflin, KS 67525

Phone Nbr: 620-588-4250 620-786-08
 Logged By: KLG #307

Name: James C Musgrove

CONTRACTOR

Contractor: Southwind Drilling Company
 Rig #: 1
 Rig Type: mud rotary
 Spud Date: 10/7/2022
 TD Date: 10/12/2022
 Rig Release:

Time: 12:00 AM
 Time: 12:00 AM
 Time:

ELEVATIONS

K.B. Elevation: 1926.00ft
 K.B. to Ground: 10.00ft
 Ground Elevation: 1916.00ft

NOTES

Remarks:

The RJM Oil Company, Wells-Hofmesiter #1; was plugged and abandoned at Rotary Total Depth 3335 (-1409)

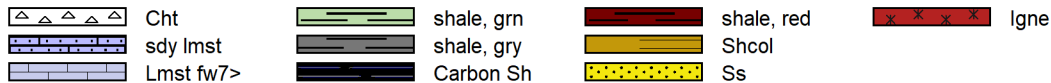
Respectfully Submitted,

James C Musgrove
 Petroleum Geologist

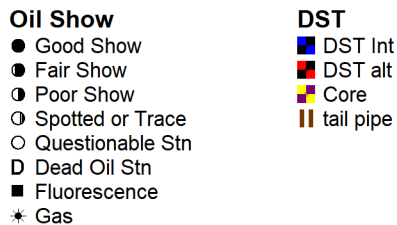
well comparison sheet

Formation	WELL-HOFMEISTER RJM COMPANY N/2-SW-NE-SE 23-16s-12w				WELLS-HOFMEISTER #1 GULF OIL COMPANY CW/2-NE-SE 23-16s-12w				HOFMEISTER #1 HARMS & KNIGHT NE-NW-SE 23-16s-12w			
	1926 KB		Sample	Sub-Sea	1919 KB		Relationship		1925 KB		Structural Relationship	
Log	Sub-Sea	Log			Sub-Sea	Sample	Log	Log	Sub-Sea	Sample	Log	
Anhydrite			789	1137	780	1139		-2				
Base Anhydrite			803	1123								
Topeka			2729	-803	2725	-806		3	2683	-758		-45
Heebner			2970	-1044					2980	-1055		11
Toronto			2987	-1061								
Douglas			2999	-1073								
Brown Lime			3062	-1136								
Lansing			3079	-1153	3083	-1164		11	3091	-1166		13
Base Kansas City			3323	-1397								
PreCambrian Granite			3327	-1401								
Rotary Total Depth			3335	-1409								
Total Depth					3341	-1422		1422	3343	-1418		1418

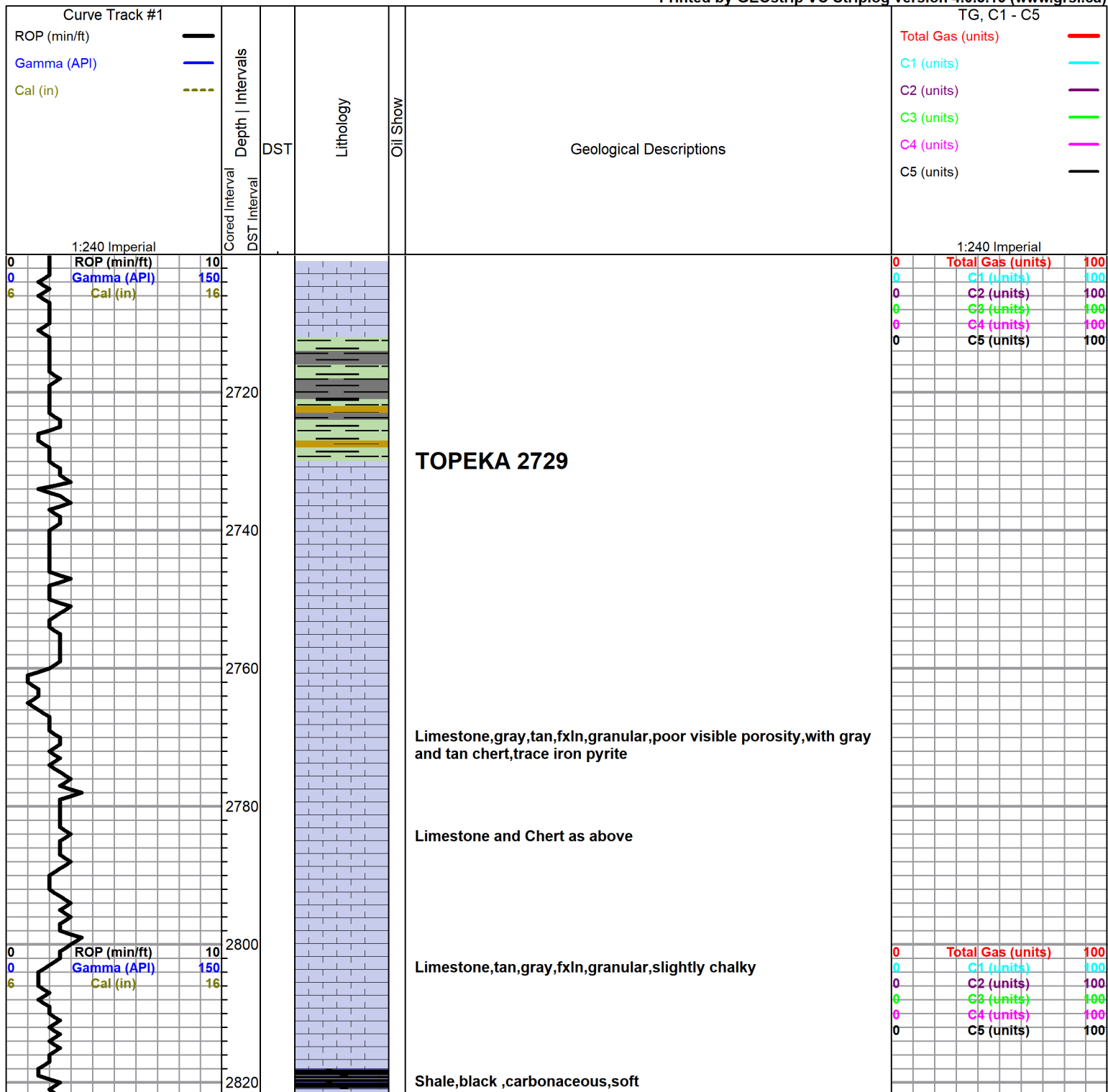
ROCK TYPES

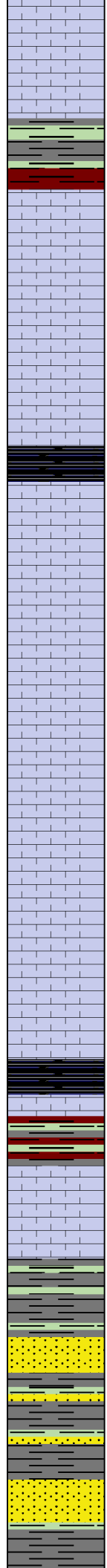
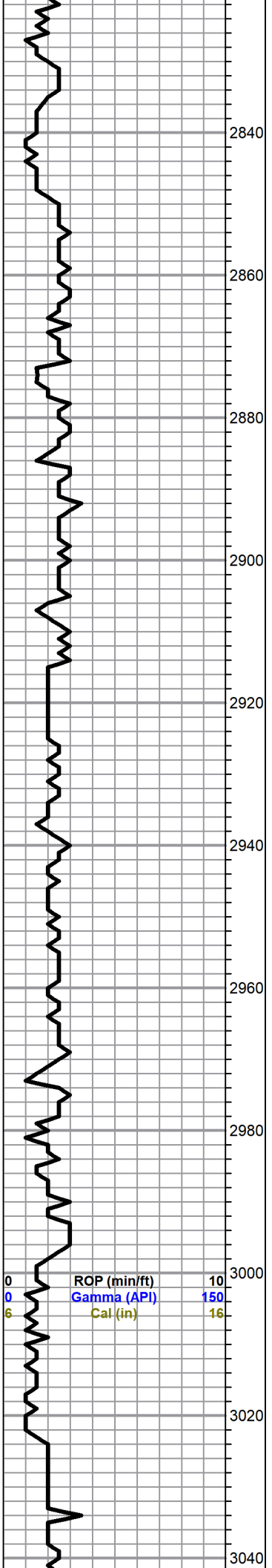


OTHER SYMBOLS



Printed by GEOstrip VC Striplog version 4.0.8.15 (www.grsi.ca)





Limestone,gray,chalky

Shale,gray,red,green soft

Limestone,gray,fxln,chalky,poor visible porosity,trace light brown stain,trace of free oil and no odor

Limestone,tan,fossiliferous,slightly chalky,poor visible, no shows

as above

QUEEN HILL 2884

Shale,black ,carbonaceous,soft

Limestone,as above with gray, Chert

Limestone,gray,oomoldic,chalky,trace light brown stain,no free oil and no odor

as above,with Chert,gray,white,fossiliferous,boney

Limestone,tan,fxln,chalky no show

Limestone,white,gray,chalky,with Chert as above

HEEBNER 2970(-1044)

Shale,black ,carbonaceous,soft

TORONTO 2987(-1061)

Limestone,white,gray,cream,fxln,chalky,trace brown stain,no free oil and no odor

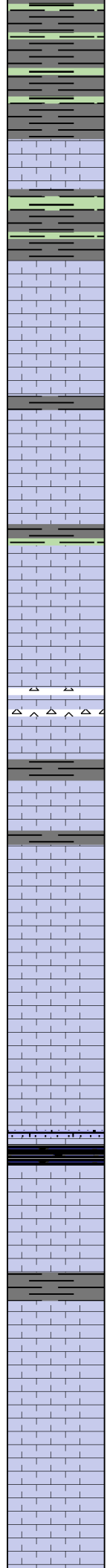
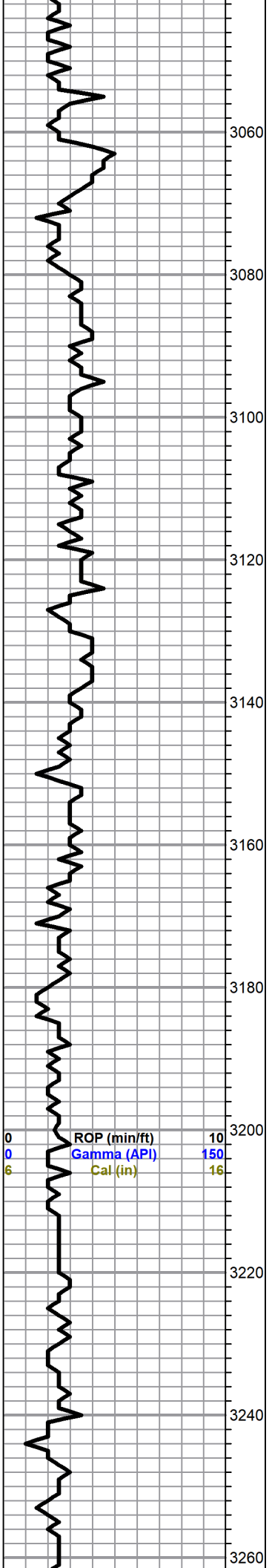
DOUGLAS 2998(-1072)

Shale,gray,maroon,green,grayish green,silty

Sand,gray,grayish green,very fine grained,sub rounded,micaeous,friable, trace brown stain, show of free oil and no odor

Shale,and sand as above no shows

0	Total Gas (units)	100
0	C1 (units)	100
0	C2 (units)	100
0	C3 (units)	100
0	C4 (units)	100
0	C5 (units)	100



Shale,gray,grayish green,silty

BROWN LIME 3062(-1136)
 Limestone,tan,fxln, slightly cherty,dense

Shale,gray,grayish green,silty,soft

LANSING 3079(-1153)
 Limestone,tan,suboomoldic,chalky,poor visible porosity,poor brown stain, trace of free oil and no odor

Limestone,white,oolitic,poor porosity,brown spotted stain,no free oil and no odor

Limestone,gray,tan,oolitic,few suboomoldic,cherty in part,brown stain,weak show of free oil and questionable odor

Shale,gray,greenish gray

Limestone,gray,oolitic,slightly cherty,dense

Limestone,as above,with Chert,gray,white,orange, oolitic

Limestone,tan,gray,oolitic,dense, poor porosity.. no shows

Limestone,white,gray ,fossiliferous,chalky,poor porosity..no show

Limestone,as above.,with gray,tan,oomoldic..no shows

Limestone,gray,tan,dense,trace gray chert

Shale,black ,carbonaceous,soft

Limestone,gray,fossiliferous,chakly,dense

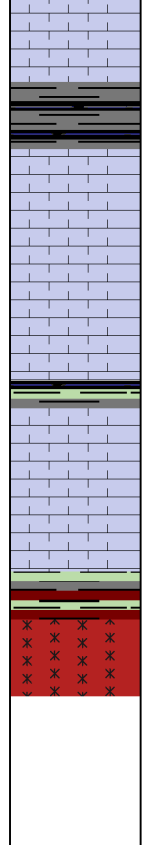
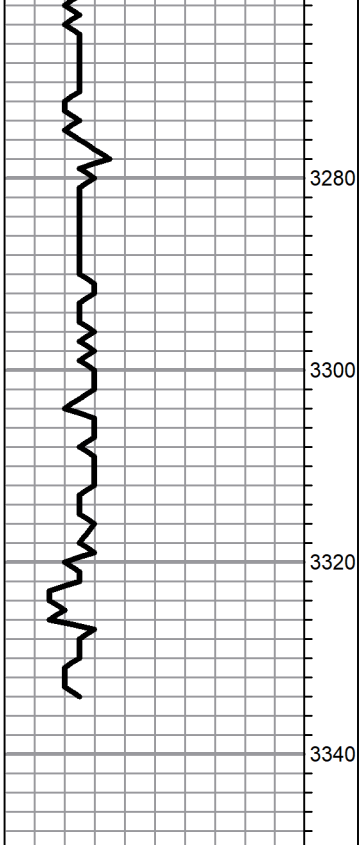
Limestone,white,gray,oolitic,chalky,no shows

Limestone,white,gray,sub oomoldic, chalky,questionable stain,no free oil and no odor

Limestone,tan,gray,chalky,poor porosity

samples from 3190-3260 very poor"sample mush"

0	Total Gas (units)	100
0	C1 (units)	100
0	C2 (units)	100
0	C3 (units)	100
0	C4 (units)	100
0	C5 (units)	100



Shale,gray,black,soft

Limestone,white,gray,chalky,few fossiliferous,dense

as above

Shale,gray,green,soft

Limestone,white,fossiliferous,chalky,poor visible porosity,trace brown and golden brown spotted stain,no free oil and no odor

BASE KANSAS CITY 3323(-1397)

Shale,red,green,gray,soft

PRECAMBRIAN GRANITE 3327(-1401)

Feldspar,salmon,orange,coarse grain ,with accessory biotite.. no shows

ROTARY TOTAL DEPTH 3335(-1409)

QUALITY OILWELL CEMENTING, INC.

Federal Tax I.D.# 20-2886107

Phone 785-483-1071
Cell 785-324-1041

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

No. **3061**

Date	10/8/22	Sec.	27	Twp.	16	Range	12	County	Barton	State	Kansas	On Location		Finish	5:00am
Location								Beaver 3E 1/2 N Winto							

Lease	Wells-Hofmeister	Well No.	4	Owner	To Quality Oilwell Cementing, Inc.
Contractor	Southwind Rig 1	You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.			
Type Job	Surface	Charge To	RJM		
Hole Size	12 1/4	T.D.	397	Street	
Csg.	8 5/8	Depth	396	City	State
Tbg. Size		Depth		The above was done to satisfaction and supervision of owner agent or contractor.	
Tool		Depth		Cement Amount Ordered	180% 40% 4% cc 2% gel
Cement Left in Csg.	15	Shoe Joint	15		
Meas Line		Displace	24-25		

EQUIPMENT

Pumptrk	16	No.	Cementer	Jordan	Common	110
			Helper		Poz. Mix	70
Bulktrk	15	No.	Driver	Bryant	Gel.	3
			Driver		Calcium	8
Bulktrk	14	No.	Driver	David		
			Driver			

JOB SERVICES & REMARKS

Remarks:		Hulls	
Rat Hole		Salt	
Mouse Hole		Flowseal	
Centralizers		Kol-Seal	
Baskets		Mud CLR 48	
D/V or Port Collar		CFL-117 or CD110 CAF 38	
		Sand	
	Ran 8 5/8 and est. Circulation	Handling	191
	Cemented with 180SKS and	Mileage	
	displaced		

FLOAT EQUIPMENT

	Guide Shoe	
	Centralizer	
	Baskets	
	AFU Inserts	
	Float Shoe	
	Latch Down	

Cement did Circulate

Pumptrk Charge Surface
Mileage 30

Frank J. Rose
Signature

Thanks
Tax
Discount
Total Charge

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "Quality" shall mean Quality Oilwell Cementing, Inc., and "Customer" shall refer to the party identified by that term on the front of this contract. As applicable, "Job" relates to the services described on the front side of this contract, "merchandise" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

– **TERMS:** Unless satisfactory credit has been established, "CUSTOMER" must tender full cash payment to "QUALITY" before the job is undertaken or merchandise is delivered. If satisfactory credit has been established, the terms of payment for the job and/or merchandise, including bulk cement, are net cash, payable in 30 days from the completion of the job and/or delivery of the merchandise. For all past due invoices, "CUSTOMER" agrees to pay interest on amounts invoiced at a rate of 18 percent per annum until paid. Notwithstanding the foregoing in no event shall this Contract provide for interest exceeding the maximum rate of interest that "CUSTOMER" may agree to pay under applicable law. If any such interest should be provided for, it shall be and hereby is deemed to be a mistake, and this contract shall be automatically reformed to lower the rate of interest to the maximum legal contract rate, any amounts previously paid as excess interest shall be deducted from the amounts owing from the "CUSTOMER" or at the option of "QUALITY," refunded directly to "CUSTOMER." For purposes of this paragraph, QUALITY and CUSTOMER agree that KANSAS law shall apply. Any discounts granted with this contract are null and void if the charges are not paid when due.

– **ATTORNEY FEES:** In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the term of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limit to, a reasonable sum as and attorney's fees.

– **PRICES AND TAXES:** All merchandise listed in "QUALITY'S" current price schedule are F.O.B. QUALITY'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by QUALITY shall be added to the quoted prices charged to CUSTOMER.

– **TOWING CHARGES:** QUALITY will make a reasonable attempt to get to and from each job site using its own equipment. Should QUALITY be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ a tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMER or, if furnished by QUALITY, will be charged to and paid by CUSTOMER.

– **PREPARATION CHARGES:** If a job and/or merchandise is ordered and CUSTOMER cancels the order after preparation of a chemical solution or other material, CUSTOMER will pay QUALITY for the expenses incurred by QUALITY as a result of the cancellation.

– **DEADHAUL CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charges as set forth in QUALITY'S current price book will be charged each way for each service unit which is ordered by CUSTOMER but not used.

– **SERVICE CONDITIONS AND LIABILITIES:** 1. QUALITY carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond QUALITY'S control, QUALITY shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. Customer shall be responsible for and indemnify, defend, and hold harmless QUALITY, its officers, agents and employees, from and against any and all claims or suits for:

(A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with QUALITY'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of QUALITY or its employees.

2. With respect to any of QUALITY'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to QUALITY at the landing, CUSTOMER shall either recover the lost item without cost to QUALITY or reimburse QUALITY the current replacement cost of the item unless the loss or damage results from the sole negligence of QUALITY or its employees.

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

WARRANTIES: 1. QUALITY warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. QUALITY'S obligation under this warranty is expressly limited to repair replacement, or allowance for credit, at its option, for any merchandise which is determined by QUALITY to be defective. THIS IS THE SOLE WARRANTY OF QUALITY AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided; and QUALITY shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.

2. More specifically:

(A) Nothing in this contract shall be construed as a warranty by QUALITY of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.

(B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by QUALITY or any interpretation of test, meter readings, chart information, analysis or research, or recommendations made by QUALITY, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of QUALITY or its employees in the preparation or furnishing of such facts, information or data. (C) Work done by QUALITY shall be under the direct supervision and control of the CUSTOMER or his agent and QUALITY will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.

QUALITY OILWELL CEMENTING, INC.

Federal Tax I.D.# 20-2886107

Phone 785-483-1071
Cell 785-324-1041

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

No. **3064**

Date	10/12/22	Sec.	23	Twp.	16	Range	12	County	Barton	State	Kansas	On Location		Finish	12:30pm
								Location	Beaver 3E 1/2 N Winto						

Lease	Wells - Hofmeister	Well No.	4	Owner	To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.										
Contractor	Southwind Rig 1			Charge To	RJM										
Type Job	Plug			Street											
Hole Size	7 7/8			City	State										
Csg.				Depth											
Tbg. Size	Drill pipe			Depth	800'										
Tool				The above was done to satisfaction and supervision of owner agent or contractor.											
Cement Left in Csg.				Shoe Joint	Cement Amount Ordered 205 60/40 4% gel										

Meas Line	Displace														
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EQUIPMENT

Pumptrk	18	No.	Cementer	Dave											
			Helper												
Bulktrk	13	No.	Driver	Bryan											
			Driver												
Bulktrk	PU	No.	Driver	David											
			Driver												

JOB SERVICES & REMARKS

Remarks:	Common 123														
Rat Hole	Salt														
Mouse Hole	Flowseal 50 #														
Centralizers	Kol-Seal														
Baskets	Mud CLR 48														
D/V or Port Collar	CFL-117 or CD110 CAF 38														
	Sand														
	Handling 2/2														
	Mileage														

FLOAT EQUIPMENT

	800' - mixed 50 sks														
	450' - mixed 100 sks														
	40' - 10 sks														
	Rathole - 30 sks														
	Mouse hole - 15 sks														
	Guide Shoe														
	Centralizer														
	Baskets														
	AFU Inserts														
	Float Shoe														
	Latch Down														

Cement Did Circulate

	Pumptrk Charge plug														
	Mileage 30														
	Thanks														
X Signature	[Signature]												Tax		
													Discount		
													Total Charge		

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– **TERMS:** Unless satisfactory credit has been established, "CUSTOMER" must tender full cash payment to "QUALITY" before the job is undertaken or merchandise is delivered. If satisfactory credit has been established, the terms of payment for the job and/or merchandise, including bulk cement, are net cash, payable in 30 days from the completion of the job and/or delivery of the merchandise. For all past due invoices, "CUSTOMER" agrees to pay interest on amounts invoiced at a rate of 18 percent per annum until paid. Notwithstanding the foregoing in no event shall this Contract provide for interest exceeding the maximum rate of interest that "CUSTOMER" may agree to pay under applicable law. If any such interest should be provided for, it shall be and hereby is deemed to be a mistake, and this contract shall be automatically reformed to lower the rate of interest to the maximum legal contract rate, any amounts previously paid as excess interest shall be deducted from the amounts owing from the "CUSTOMER" or at the option of "QUALITY," refunded directly to "CUSTOMER." For purposes of this paragraph, QUALITY and CUSTOMER agree that KANSAS law shall apply. Any discounts granted with this contract are null and void if the charges are not paid when due.

– **ATTORNEY FEES:** In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the term of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limit to, a reasonable sum as and attorney's fees.

– **PRICES AND TAXES:** All merchandise listed in "QUALITY'S" current price shall schedule are F.O.B. QUALITY'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by QUALITY shall be added to the quoted prices charged to CUSTOMER.

– **TOWING CHARGES:** QUALITY will make a reasonable attempt to get to and from each job site using its own equipment. Should QUALITY be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ a tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMER or, if furnished by QUALITY, will be charged to and paid by CUSTOMER.

– **PREPARATION CHARGES:** If a job and/or merchandise is ordered and CUSTOMER cancels the order after preparation of a chemical solution or other material, CUSTOMER will pay QUALITY for the expenses incurred by QUALITY as a result of the cancellation.

– **DEADHAUL CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charges as set forth in QUALITY'S current price book will be charged each way for each service unit which is ordered by CUSTOMER but not used.

– **SERVICE CONDITIONS AND LIABILITIES:** 1. QUALITY carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond QUALITY'S control, QUALITY shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. Customer shall be responsible for and indemnify, defend, and hold harmless QUALITY, its officers, agents and employees, from and against any and all claims or suits for:

(A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with QUALITY'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of QUALITY or its employees.

2. With respect to any of QUALITY'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to QUALITY at the landing, CUSTOMER shall either recover the lost item without cost to QUALITY or reimburse QUALITY the current replacement cost of the item unless the loss or damage results from the sole negligence of QUALITY or its employees.

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

WARRANTIES: 1. QUALITY warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. QUALITY'S obligation under this warranty is expressly limited to repair replacement, or allowance for credit, at its option, for any merchandise which is determined by QUALITY to be defective. THIS IS THE SOLE WARRANTY OF QUALITY AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and QUALITY shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.

2. More specifically:

(A) Nothing in this contract shall be construed as a warranty by QUALITY of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.

(B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by QUALITY or any interpretation of test, meter readings, chart information, analysis or research, or recommendations made by QUALITY, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of QUALITY or its employees in the preparation or furnishing of such facts, information or data. (C) Work done by QUALITY shall be under the direct supervision and control of the CUSTOMER or his agent and QUALITY will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.