

RECEIVED

NOV 26 2001

KCC WICHITA

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form ACO-1  
September 1999  
Form Must Be Typed

WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

Operator: License # 31900  
 Name: Nor-West Kansas Oil, LLC  
 Address: Route 2, Box 14  
 City/State/Zip: WaKeeney, Kansas 67672  
 Purchaser: \_\_\_\_\_  
 Operator Contact Person: Patrick Wanker  
 Phone: (785) 743-2769  
 Contractor: Name: Shields Drilling  
 License: 5184  
 Wellsite Geologist: Mark Torr  
 Designate Type of Completion:  
 New Well  Re-Entry  Workover  
 Oil  SWD  SIOW  Temp. Abd.  
 Gas  ENHR  SIGW  
 Dry  Other (Core, WSW, Expl., Cathodic, etc)  
 If Workover/Re-entry: Old Well Info as follows:  
 Operator: \_\_\_\_\_  
 Well Name: \_\_\_\_\_  
 Original Comp. Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_  
 Deepening  Re-perf.  Conv. to Enhr./SWD  
 Plug Back  Plug Back Total Depth  
 Commingled  Docket No. \_\_\_\_\_  
 Dual Completion  Docket No. \_\_\_\_\_  
 Other (SWD or Enhr.?)  Docket No. \_\_\_\_\_  
10-03-01 10-14-01 10-14-01  
 Spud Date or Date Reached TD Completion Date or  
 Recompletion Date Recompletion Date

API No. 15 - 135-24160-0000  
 County: Ness  
Ap NW SW Sec. 16 Twp. 20 S. R. 25  East  West  
2011 feet from  N (circle one) Line of Section  
550 feet from E /  W (circle one) Line of Section  
 Footages Calculated from Nearest Outside Section Corner:  
 (circle one) NE SE NW  SW  
 Lease Name: Rowe Well #: 1  
 Field Name: Nonchalanta  
 Producing Formation: \_\_\_\_\_  
 Elevation: Ground: 2431 Kelly Bushing: 2436  
 Total Depth: 4487 Plug Back Total Depth: \_\_\_\_\_  
 Amount of Surface Pipe Set and Cemented at 208' Feet  
 Multiple Stage Cementing Collar Used?  Yes  No  
 If yes, show depth set \_\_\_\_\_ Feet  
 If Alternate II completion, cement circulated from 208  
 feet depth to surface w/ 150 sx cmt.

**Drilling Fluid Management Plan** ACT II P<sub>5</sub>A  
 (Data must be collected from the Reserve Pit) DPW 10-21-01  
 Chloride content 4700 ppm Fluid volume \_\_\_\_\_ bbls  
 Dewatering method used \_\_\_\_\_  
 Location of fluid disposal if hauled offsite: \_\_\_\_\_  
 Operator Name: \_\_\_\_\_  
 Lease Name: \_\_\_\_\_ License No.: \_\_\_\_\_  
 Quarter \_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  East  West  
 County: \_\_\_\_\_ Docket No.: \_\_\_\_\_

**INSTRUCTIONS:** An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

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.

Signature: Patrick Wanker  
 Title: Sec. Treasurer Date: 11-21-01  
 Subscribed and sworn to before me this 21<sup>st</sup> day of November,  
2001  
 Notary Public: Mary Ann Schneider  
 Date Commission Expires: 9/9/2004

My App. Expires 9/9/04

**KCC Office Use ONLY**  
 Letter of Confidentiality Attached  
 If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
 UIC Distribution

X

Operator Name: Nor-West Kansas Oil, LLC Lease Name: Rowe Well #: 1  
 Sec. 16 Twp. 20 S. R. 25  East  West County: Ness

**INSTRUCTIONS:** Show important tops and base 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. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken  Yes  No  
 (Attach Additional Sheets)

Samples Sent to Geological Survey  Yes  No

Cores Taken  Yes  No

Electric Log Run  Yes  No  
 (Submit Copy)

List All E. Logs Run: RA Guard, Sonic

<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Name	Top	Datum
Anhydrite	1679	+757
Heebner	3799	-1363
L-KC	3844	-1408
Base KC	4203	-1767
Fort Scott	4387	-1931
Miss	4462	-2026

**CASING RECORD**  New  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	# Sacjs Used	Type and Percent Additives
Surface	12 1/4	8 5/8"	20	208'	common	150	3gel, 5chl

**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 checked="" type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone	4487	common	105	70 sx poz, 9 sx gel, 44lb flo-seal

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated		Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)		Depth

TUBING RECORD	Size	Set At	Packer At	Liner Run
				<input type="checkbox"/> Yes <input type="checkbox"/> No

Date of First, Resumerd Production, SWD or Enhr.	Producing Method
	<input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)

Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity

Disposition of Gas **METHOD OF COMPLETION** Production Interval

Vented  Sold  Used on Lease  Open Hole  Perf.  Dually Comp.  Commingled  
 (If vented, Sumit ACO-18.)  Other (Specify)

**ALLIED CEMENTING CO., INC.**

P.O. BOX 31  
 RUSSELL, KS 67665  
 PH (785) 483-3887  
 FAX (785) 483-5566  
 FEDERAL TAX ID# [REDACTED]

**ORIGINAL**

**INVOICE**

**RECEIVED**

**NOV 26 2001**  
**KCC WICHITA**

Invoice Number: 085606

Invoice Date: 10/11/01

Sold Nor West Kansas Oil LLC  
 To: E. D. #2, Box 14  
 Wakeeney, KS  
 67677

Cust. I. D. : NorWKS  
 P.O. Number : Rowe #1  
 P.O. Date : 10/11/01  
 Due Date : 11/10/01  
 Terms : Net 30

Item	Qty	Unit	Price	Total	
Common	150.00	SKS	6.6500	997.50	E
Gel	3.00	SKS	10.0000	30.00	E
Chloride	5.00	SKS	30.0000	150.00	E
Handling	158.00	SKS	1.1000	173.80	E
Mileage (19)	19.00	MILE	6.3200	120.08	E
158 sks @ \$.04 per sk per mi					
Surface	1.00	JOB	520.0000	520.00	E
Mileage pmp trk	19.00	MILE	3.0000	57.00	E
Plug	1.00	EACH	45.0000	45.00	E

All Prices Are Net, Payable 30 Days Following  
 Date of Invoice. 1 1/2% Charged Thereafter.  
 If Account CURRENT take Discount of \$ 209.34  
 ONLY if paid within 30 days from Invoice Date

Subtotal: 2093.38  
 Tax: 0.00  
 Payments: 0.00  
 Total: 2093.38

*Rmd*  
 10-15-01

2093.38  
 209.34  
 -----  
 1884.04

**ALLIED CEMENTING CO., INC.**

P.O. BOX 31  
 RUSSELL, KS 67665  
 PH (785) 483-3887  
 FAX (785) 483-5566  
 FEDERAL TAX ID# [REDACTED]

\*\*\*\*\* ORIGINAL \*\*\*\*\*

INVOICE

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NOV 26 2001

KCC WICHITA

Invoice Number: 085679

Invoice Date: 10/17/01

Sold Nor West Kansas Oil LLC  
 To: R. R. #2, Box 14  
 Winnechee, KS  
 67573

Cust. I.D. : NorWKS  
 P.O. Number : Rows #1  
 P.O. Date : 10/17/01  
 Due Date : 11/16/01  
 Terms : Net 30

Item I.D./Desc	Qty Used	Unit	Price	Net	
Common	105.00	SKS	6.6500	698.25	E
Pozmix	70.00	SKS	3.5500	248.50	E
Gel	9.00	SKS	10.0000	90.00	E
FloSeal	44.00	LBS	1.4000	61.60	E
Handling	186.00	SKS	1.1000	204.60	E
Mileage (19)	19.00	MILE	7.4400	141.36	E
186 sks @\$ .04 per sk per mi					
Rotary-Plug	1.00	JOB	520.0000	520.00	E
Mileage pmp trk	19.00	MILE	3.0000	57.00	E
Wooden plug	1.00	EACH	23.0000	23.00	E

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Subtotal: 2044.31  
 Tax: 0.00  
 Payments: 0.00  
 Total: 2044.31

2044.31  
 204.44  


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 1839.87  


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 2044.31  
 204.44  


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 1839.87

HT Oil, LLC  
P.O. Box 158  
Woodston, Kansas 67675  
(785) 425-6763

ORIGINAL

COPY

October 16, 2001

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NOV 26 2001

KCC WICHITA

Nor-West Kansas Oil  
Rowe # 1  
2011' FSL & 550' FWL Section 16-20S-25W  
Ness County, Kansas

15 135 241600000

COMMENCED: 10-03-01.  
COMPLETED: 10-14-01.  
DRILLED BY: Shields Drilling.

PIPE RECORD: 8 5/8" @ 208'.  
LOGS: RA Guard, Sonic.  
TESTS: 3, by Diamond Testing.

ELEVATION

2436:KB  
2431:GL

Log tops from KB:

ANHYDRITE	1679 Top	+757
	1717 Bottom	+719
HEEBNER	3799	-1363
KANSAS CITY	3844	-1408
BASE KANSAS CITY	4203	-1767
FORT SCOTT	4367	-1931
CHEROKEE SHALE	4389	-1953
MISSISSIPPIAN	4462	-2026
RTD	4487	-2051
LTD	4488	-2052

Gentlemen;

The above captioned well was under my supervision from a rotary depth of 3600' to a rotary total depth of 4487'. Ten foot samples, washed and dried, were examined from 3600' to RTD. Due to negative drill stem test results it was recommended to plug and abandon this well.

Respectfully submitted,  
Mark Torr  
Petroleum Geologist

ORIGINAL

Significant Zones and Drill Stem Tests:

4436-4450: Dolomitic limestone and chert. Fair to good show of free oil, dark stain, faint odor. This zone was covered in DST # 1.

4468-4476: Gray to tan dolomite. Fine to medium crystalline, with scattered fossils and vugs. Good show of free oil, dark stain, and strong odor. This zone was covered in DST # 2.

4478-4486: Tan dolomite. Sucrosic, with scattered fossils and vugs. Good show of free oil, medium to dark stain, and good odor. This zone was covered in DST # 3.

DST # 1:

Interval tested: 4433-4458

Times: 30-30-5-8

Blow: Weak, dead in 15 minutes on first open. No blow second open. Flushed, no help.

Recovery: 3' of oil cut mud.

SIP: 19-19.

FP: 11-14 & 14-17.

DST # 2:

Interval tested: 4433-4475

Times: 45-45-45-45

Blow: Weak, building to 2½" on first open, 1' on second open.

Recovery: 20' of clean oil, 60' of oil cut mud, 20% oil & 80% mud.

SIP: 521-369.

FP: 18-38 & 40-50.

DST # 3:

Interval tested: 4478-4487

Times: 15-15-10-0

Blow: ½" on first open, surface on second open.

Recovery: 20' of oil and water cut mud, 10% oil, 20% water, 70% mud.

SIP: 1226

FP: 7-18 & 20-40

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 RUSSELL, KS 67665  
 PH (785) 483-3887  
 FAX (785) 483-5566  
 FEDERAL TAX ID# [REDACTED]

**COPY**

\* INVOICE \*

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KCC WICHITA

Invoice Number: 085606

Invoice Date: 10/11/01

Sold Nor West Kansas Oil LLC  
 To: R. R. #2, Box 14  
 WaKeeney, KS  
 67672

**COPY**

Cust I.D.....: NorWKS  
 P.O. Number...: Rowe #1  
 P.O. Date.....: 10/11/01

Due Date.: 11/10/01  
 Terms....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	Tax
Common	150.00	SKS	6.6500	997.50	I
Gel	3.00	SKS	10.0000	30.00	I
Chloride	5.00	SKS	30.0000	150.00	I
Handling	158.00	SKS	1.1000	173.80	F
Mileage (19)	19.00	MILE	6.3200	120.08	I
158 sks @\$ .04 per sk per mi					
Surface	1.00	JOB	520.0000	520.00	F
Mileage pmp trk	19.00	MILE	3.0000	57.00	F
Plug	1.00	EACH	45.0000	45.00	F

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 Payments: 0.00  
 Total....: 2093.38

*[Handwritten Signature]*  
 10-15-01

2093.38  
 209.34  
 -----  
 1884.04

**ALLIED CEMENTING CO., INC.**

P.O. BOX 31  
 RUSSELL KS 67665  
 PH (785) 483-3887  
 FAX (785) 483-5566  
 FEDERAL TAX ID# [REDACTED]

\*\*\* COPY

\* INVOICE \*  
 \*\*\*\*\*

COPY

Invoice Number: 085679

Invoice Date: 10/17/01

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KCC WICHITA

Sold Nor West Kansas Oil LLC  
 To: R. R. #2, Box 14  
 WaKeeney, KS  
 67672

Cust I.D.....: NorWKS  
 P.O. Number..: Rowe #1  
 P.O. Date.....: 10/17/01

Due Date.: 11/16/01  
 Terms....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	105.00	SKS	6.6500	698.25	F
Pozmix	70.00	SKS	3.5500	248.50	F
Gel	9.00	SKS	10.0000	90.00	F
FloSeal	44.00	LBS	1.4000	61.60	F
Handling	186.00	SKS	1.1000	204.60	F
Mileage (19)	19.00	MILE	7.4400	141.36	F
186 sks @\$ .04 per sk per mi					
Rotary Plug	1.00	JOB	520.0000	520.00	F
Mileage pmp trk	19.00	MILE	3.0000	57.00	F
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Total....:	2044.31

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NCC WICHITA

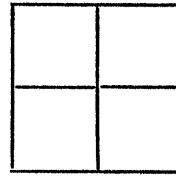
Shields

WELL LOG

ORIGINAL  
Russell, Kansas

Operator: Nor-West Kansas Oil, LLC  
 Well: Rowe #1  
 Commenced: October 3, 2001  
 Completed: October 14, 2-01  
 Contractor: Shields Drilling Co.

Well Description: Approx. NW SW  
 Sec. 16-20S-25W  
 Ness County, KS



CASING RECORD

Size	Run	Pulled
8 5/8"	208'	Cmtd. w/150 sax

Elevation: 2,436' KB

Treatment:

Production: D & A

Tops:

..... Figures Indicate Bottom of Formations .....

Shale	211'	
Shale & sand	1,679'	
Anhydrite	1,715'	
Shale	3,712'	
Shale & lime	4,178'	
Lime	4,487'	RTD

Notes

# ALLIED CEMENTING CO., INC.

08744

Federal Tax I.D. #

ORIGINAL  
SERVICE POINT:

*Wess City*

REMIT TO P.O. BOX 31  
RUSSELL, KANSAS 67665

DATE <i>10-3-01</i>	SEC. <i>16</i>	TWP. <i>20</i>	RANGE <i>25</i>	CALLED OUT <i>6:00 pm</i>	ON LOCATION <i>9:00 pm</i>	JOB START <i>1:30 AM</i>	JOB FINISH <i>2:00 AM</i>
LEASE <i>Rowe</i>	WELL# <i>1</i>	LOCATION <i>Leaked - 10 south - 2 west</i>			COUNTY <i>Wess</i>	STATE <i>KS.</i>	
OLD OR NEW (Circle one)			<i>North into</i>				

CONTRACTOR *Shields Drilling*  
 TYPE OF JOB *Surface*  
 HOLE SIZE *12 1/4* T.D. *211'*  
 CASING SIZE *8 5/8* DEPTH *208'*  
 TUBING SIZE DEPTH  
 DRILL PIPE DEPTH  
 TOOL DEPTH  
 PRES. MAX MINIMUM  
 MEAS. LINE SHOE JOINT  
 CEMENT LEFT IN CSG.  
 PERFS.  
 DISPLACEMENT *12.7 13315*

OWNER *Nor-West Kansas Oil*

CEMENT  
 AMOUNT ORDERED *150 sx Common*  
*34 2 3/8 gel*  
*30 cc*

COMMON	<i>150</i>	@	<i>6.65</i>	<i>997.5</i>
POZMIX		@		
GEL	<i>3</i>	@	<i>10.00</i>	<i>30.00</i>
CHLORIDE	<i>5</i>	@	<i>30.00</i>	<i>150.00</i>
		@		
		@		
		@		
		@		
		@		
HANDLING	<i>158</i>	@	<i>1.10</i>	<i>173.80</i>
MILEAGE	<i>19</i>			<i>120.00</i>

EQUIPMENT  
 PUMP TRUCK CEMENTER *Jack*  
 # HELPER *Jim*  
 BULK TRUCK  
 # DRIVER *Berhanu*  
 BULK TRUCK  
 # DRIVER

RECEIVED TOTAL *\$1471.3*

NOV 26 2001  
 KCC WICHITA SERVICE

REMARKS:

*Run 5 joints of 8 5/8 - Cement  
 With 150 sx cement - Displace with  
 12.7 13315 of Fresh Water  
 Cement did Circ.*

DEPTH OF JOB *208'*  
 PUMP TRUCK CHARGE *520.00*  
 EXTRA FOOTAGE @  
 MILEAGE *19* @ *3.00* *57.00*  
 PLUG *8 5/8 w. Plug* @ *45.00* *45.00*  
 @  
 @  
 TOTAL *\$622.00*

*Thanks*

CHARGE TO: *Nor-West Kansas Oil*  
 STREET *R.R. 2 - Box 14*  
 CITY *Wamego* STATE *KS* ZIP *67672*

FLOAT EQUIPMENT

~~\_\_\_\_\_~~  
 @  
 @  
 @  
 @  
 @

To Allied Cementing Co., Inc.  
 You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

TOTAL \_\_\_\_\_  
 TAX *-0-*  
 TOTAL CHARGE *\$2093.38*  
 DISCOUNT *\$209.31* IF PAID IN 30 DAYS

SIGNATURE *Burton Beery*

*Burton Beery*  
 PRINTED NAME

*Net \$1884.07*

## GENERAL TERMS AND CONDITIONS

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

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

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

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

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

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

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

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

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

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

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

2. More specifically:

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

(B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by ALLIED or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by ALLIED, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.

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

# ALLIED CEMENTING CO., INC.

Federal Tax I.D.#

08552  
ORIGINAL

REMIT TO P.O. BOX 31  
RUSSELL, KANSAS 67665

SERVICE POINT: *Ness +*

*Great Bend*

DATE <i>10-14-01</i>	SEC. <i>16</i>	TWP. <i>20</i>	RANGE <i>25</i>	CALLED OUT <i>9:00 AM</i>	ON LOCATION <i>11:15 AM</i>	JOB START <i>1:00 PM</i>	JOB FINISH <i>4:30 PM</i>
LEASE <i>Rowe</i>	WELL # <i>1</i>	LOCATION <i>Lind 10 south, 2 west, 1/2 N</i>		COUNTY <i>Ness</i>	STATE <i>Kansas</i>		
<input checked="" type="checkbox"/> NEW (Circle one)							

CONTRACTOR *Shielda Drilling Co.*  
 TYPE OF JOB *Rotary Plug*  
 HOLE SIZE *7 7/8* T.D. *4487'*  
 CASING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_  
 TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_  
 DRILL PIPE *4 1/2 xH* DEPTH *1700'*  
 TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_  
 PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_  
 MEAS. LINE \_\_\_\_\_ SHOE JOINT \_\_\_\_\_  
 CEMENT LEFT IN CSG. \_\_\_\_\_  
 PERFS. \_\_\_\_\_  
 DISPLACEMENT \_\_\_\_\_

OWNER *Nor-West Kan Oil*

CEMENT  
 AMOUNT ORDERED *175 AX 60/40 POZ*  
*6% GEL, 1/4# Flo seal*

COMMON	<i>105</i>	@	<i>6.65</i>	<i>698.25</i>
POZMIX	<i>70</i>	@	<i>3.55</i>	<i>248.50</i>
GEL	<i>9</i>	@	<i>10.00</i>	<i>90.00</i>
CHLORIDE		@		
	<i>Flo seal 44#</i>	@	<i>1.40</i>	<i>61.60</i>
		@		
		@		
		@		
		@		
HANDLING	<i>186</i>	@	<i>1.10</i>	<i>204.60</i>
MILEAGE	<i>19</i>			<i>141.36</i>

**EQUIPMENT**

*U.B.*  
 PUMP TRUCK CEMENTER *J.D. Drilling*  
 #*120* HELPER *Steve Turley*  
 BULK TRUCK  
 #*260* <sup>*NESS*</sup> DRIVER *Jim Weighour*  
 BULK TRUCK  
 # \_\_\_\_\_ DRIVER \_\_\_\_\_

RECEIVED TOTAL \$ *1444.3*

NOV 26 2001

NCC WICHITA SERVICE

**REMARKS:**

*1<sup>st</sup> Plug @ 1700' - 50 AX*  
*2<sup>nd</sup> Plug @ 800' - 50 AX*  
*3<sup>rd</sup> Plug @ 230' - 40 AX*  
*4<sup>th</sup> 10 AX @ 40' + plug*  
*15 AX in rat hole*  
*10 AX in mouse hole.*

DEPTH OF JOB *1700'*  
 PUMP TRUCK CHARGE *520.00*  
 EXTRA FOOTAGE @ \_\_\_\_\_  
 MILEAGE *19* @ *3.00* *57.00*  
 PLUG *1-8 5/8 wooden* @ *23.00* *23.00*

TOTAL \$ *600.00*

CHARGE TO: *Nor-West Kan Oil*  
 STREET *R.R. # 2 Box 14*  
 CITY *Wakeeney* STATE *Kansas* ZIP *67672*

**FLOAT EQUIPMENT**

_____	@	_____
_____	@	_____
_____	@	_____
_____	@	_____
_____	@	_____

TOTAL \_\_\_\_\_

To Allied Cementing Co., Inc.  
 You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

TAX \$ *0.00*  
 TOTAL CHARGE \$ *2040.31*  
 DISCOUNT \$ *204.13* IF PAID IN 30 DAYS

SIGNATURE *X Dana Gramly*

*X Dana Gramly*  
 PRINTED NAME

*I Thank you.*  
*Net \$ 1837.18*

## GENERAL TERMS AND CONDITIONS

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

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

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

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

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

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

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

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

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

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

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

2. More specifically:

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

(B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by ALLIED or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by ALLIED, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.

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