# KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

September 1999 Form Must Be Typed

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

ORIGINAL

| Operator: License # 32278   | API No. 15 - 051-25432-00-00   |
|---|--|
| Name: Tengasco, Inc.  | County, Ellis  |
| Address: PO Box 458   | SE_SW_NE_Sec. 28 Twp. 15-14 S. R. 11-18 East West  |
| City/State/Zip: Hays, Ks 67601  | 2970 feet from Ø/ N (circle one) Line of Section   |
| Purchaser: Coffeyville Resources  | 1450 feet from (E)/ W (circle one) Line of Section   |
| Operator Contact Person: Gary Wagner  | Footages Calculated from Nearest Outside Section Corner:   |
| Phone: (_785) 625-6374  | (circle one) SE NW SW  |
| Contractor: Name: Big Three Drilling (J) 5836 J 6/30/40   | Lease Name: Kraus AA Well #: 3   |
| License: 9292 SHECK OIL OPERATION A 12/30/ch  | Field Name: Leonhardt  |
| Wellsite Geologist: Ron Nelson  | Producing Formation: Arbuckle  |
| Designate Type of Completion:   | Elevation: Ground: 2059' Kelly Bushing: 2068'  |
| ✓ New Well Re-Entry Workover  | Total Depth: 3738' Plug Back Total Depth: 3716'  |
| ✓ Oil SWD SIOW Temp. Abd.   | Amount of Surface Pipe Set and Cemented at 465 Feet  |
| Gas ENHR SIGW   | Multiple Stage Cementing Collar Used?  |
| Dry Other (Core, WSW, Expl., Cathodic, etc)   | If yes, show depth set   |
| If Workover/Re-entry: Old Well Info as follows:   | If Alternate II completion, cement circulated from 1276'   |
| Operator:   | feet depth to surface w/ 260 sx cmt.   |
| Well Name:  |  |
| Original Comp. Date: Original Total Depth:  | Drilling Fluid Management Plan Att 2 SK per Dist 4   |
| Deepening Re-perf Conv. to Enhr./SWD  | (Data must be collected from the Reserve Pit) Doll 3-13-06   |
| Plug Back Plug Back Total Depth   | Chloride content 12000 ppm Fluid volume 300 bbls   |
| * W ~ L   | Dewatering method used Evaporation   |
| Dual Completion Deglect No.   | Location of fluid disposal if hauled offsite:  |
| Other (SWD or Enhr.?) Docket No   | Operator Name:   |
| 0.7.05  | Operator Name:  Lease Name:  License No  Cuarter  Sec. Two AND |
| 9-7-05         9-15-05         10-13-05           Spud Date or         Date Reached TD         Completion Date or   | Quarter Sec. Twp. JAN R. 7.2 East West   |
| Recompletion Date Recompletion Date   | County: Packet No. 200   |
|   | AN DIVISION  |
|   | Metadamis, 18  |
| Information of side two of this form will be held confidential for a period of 107 for confidentiality in excess of 12 months). One copy of all wireline logs TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells |  |
| All requirements of the statutes, rules and regulations promulgated to regul herein are complete and correct to the best of my knowledge.   | late the oil and gas industry have been fully complied with and the statements                     |
| Signature: Paus Wagner  | KCC Office Use ONLY  |
| Title: Frod Manager Date: 1-12-06   | Letter of Confidentiality Received   |
| Subscribed and sworn to before me this /2 day of _ Q.a.n.   | / If Denied, Yes Date:   |
|   | Wireline Log Received  |
| 20_64.  | Geologist Report Received  |
| Notary Public: Junda K Lannala  | UIC Distribution   |
| Date Commission Expires:  |  |
| LINDA   | A K. PFANNENSTIE:  MOTARY PUBLIC  ATE OF KANSAS  M. Exp. 2406                                      |

| Operator Name: 16                                       | ngasco, Inc.                                    |  | Lease Na                         | ame:                      | raus AA             |   | Well #:3   |             |                       |
|---|---|--|----------------------------------|---------------------------|---------------------|---|--|-------------|-----------------------|
| Sec33 Twp1  | 5. S. R. 11                                     | ☐ East   | County: _                        | Ellis                     |                     |   | our appropriate the second sec |             | <del> </del>          |
| tested, time tool oper<br>temperature, fluid red        | n and closed, flowing<br>covery, and flow rate  | and base of formations pog<br>g and shut-in pressures,<br>s if gas to surface test, a<br>inal geological well site i | whether shut-<br>along with fina | -in press                 | ure reached         | d static level, hydi                        | rostatic pressur   | es, bottom  | hole                  |
| Drill Stem Tests Take                                   |   | ✓ Yes No   | i                                | <b>√</b> Log              | Forma               | tion (Top), Depth                           | and Datum  | S           | ample                 |
| Samples Sent to Geo                                     | ·   | Yes V No   |                                  | Name                      |                     |   | Тор  |             | atum                  |
| Cores Taken   | · ·   | Yes No   |                                  | Anhyd                     | rite                |   | 1262'  | +{          | 306                   |
| Electric Log Run  | -   | · 🗸 Yes 🗌 No   |                                  | Topek                     |                     | •   | 3032'  | -9          | 64 \                  |
| (Submit Copy)   |   |  |                                  | Toront                    | o                   |   | 3325'  | -1          | 257                   |
| List All E. Logs Run:                                   | st All E. Logs Run:                             |  |                                  | LKC                       |                     |   | 3352' -1284  |             | 284                   |
| <b>Dual Induction</b>                                   | I Induction, Neutron Density, Micro, Sonic BLKC |  |                                  |                           | 3594'               | '   | 526  |             |                       |
|   |   |  |                                  | Arbuci                    | kle                 |   | 3654'  | -1:         | 596                   |
|   |   | CASING Report all strings set-c  | _                                | ✓ New                     |                     | ction, etc.                                 |  |             |                       |
| Purpose of String                                       | Size Hole<br>Drilled                            | Size Casing<br>Set (In O.D.)   | Weight<br>Lbs. / Ft.             |                           | Setting<br>Depth    | Type of<br>Cement                           | # Sacks<br>Used  |             | nd Percent<br>ditives |
| Surface csg   |   | 8-5/8"   | 23#                              |                           | 465'                | Com   | 225  | 1           | c, 2% gel             |
| Production csg  | j <u>7-7/8"</u>                                 | 5-1/2"   | 14#                              |                           | 3737'               | ASC   | 150  | 2% gel      |                       |
| ;   |   |  |                                  |                           |                     |   |  |             |                       |
| -   |   | ADDITIONAL   | CEMENTING.                       | / SQUE                    | ZE RECOR            | D   |  | <u> </u>    |                       |
| Purpose: Perforate                                      | Depth Top Bottom                                | epth Type of Cement #  |                                  | #Sacks Used Type and Perd |                     |   | Percent Additives  |             |                       |
| ✓ Protect Casing       Plug Back TD       Plug Off Zone | 0-1276'   | 60/40 Poz  | 260                              |                           | 6% gel              |   |  |             |                       |
|   |   |  | 1                                |                           | 1.00                |   |  |             |                       |
| Shots Per Foot  | PERFORATION Specify I                           | ON RECORD - Bridge Plug<br>Footage of Each Interval Perf   | s Set/Type<br>forated            |                           |                     | acture, Shot, Cemen<br>Imount and Kind of M |  | d           | Depth                 |
| 6   | 30  | 679-82'  |                                  | ,                         | 200 gal 1           | 5% NeFe                                     |  |             |                       |
|   |   |  |                                  | /·                        | į                   |   |  |             |                       |
|   |   |  |                                  | "                         |                     | 1   |  |             |                       |
|   | • .   | -  | •                                | ,,                        | t <sub>i</sub>      | t   |  |             |                       |
|   | L , ,   |  | r                                |                           |                     |   | · · · · · · · · · · · · · · · · · · ·  |             |                       |
| TUBING RECORD   | Size<br>2-7/8"                                  | Set At<br>3690'  | Packer At                        | L                         | iner Run            | , Yes ✓ No                                  | •  |             |                       |
| Date of First, Resumerd                                 |   |  | -                                | lowina                    | <b>√</b> Pump       | :   | []   | r (Explain) |                       |
| Estimated Production<br>Per 24 Hours                    | Oil 1   | Bbls. Gas M  | Vicf                             | Water                     | E                   | -   | Gas-Oil Ratio  |             | Gravity               |
| Disposition of Gas                                      | METHOD OF C                                     | OMPLETION  |                                  | Pı                        | 20<br>oduction Inte | rval  |  |             |                       |
| Vented Sold   | . Used on Lease                                 | ☐ Open Hole<br>☐ Other <i>(Specif</i> )  | ✓ Perf.                          |                           | y Comp.             | Commingled                                  |  |             |                       |

#### ALTERNATE I & II Work Sheet

KCC District #4

| Time Month   | Day                 | Year   | API        | # 15-05  | 1-254320000                          |
|--|---------------------|--|------------|----------|--------------------------------------|
| Mr: Gary W   | agner               | S  | oud Date:  | K        | RECEIVED<br>ANSAS CORPORATION COMMIS |
|  |                     |  |            |          | MAR 1 4 2006                         |
| Operator: Tens   | 19500               | K  | CC #       |          | CONSERVATION DIVISION WICHTA, KS     |
| ddress:  |                     |  | none# (    | )        |                                      |
|  | Lease Name          | : Krau   | SAAH       | Well #   | 3                                    |
|  | Location :          | SE SW  | NE         | County:_ | EIIIS                                |
|  | Sec: 28             | Twp:   | 14         | Rge:/    | f*                                   |
| 0 34" 8  | 5/8" 465            | S.P. cwc w/  |            | sx       | . Cmt.                               |
| ½" - 5½" - 6"  | csg. Set @ <u>3</u> | 716  | w/         |          | sx cmt.                              |
| .D   | Elev                | Ar   | ıhy:       | Dakota b | ase:                                 |
| .V. Tool @   | Port Colla          | r @ <u>/276</u>  | Perf @     | Oth      | er                                   |
| otal Amount of C   |                     |  |            |          |                                      |
|  |                     |  |            | • .      |                                      |
| nt circ ? Ves  | Date 9/29/0         | 6 Cement   | Company:   | Ired     | Ticket#                              |
| lternate II Comp   | letion: Rotary      | y Rig  | Pulling Ur | nit 🏹    | Backside                             |
|  |                     |  |            |          |                                      |
|  |                     | M. B. olive Assessment of the Control of the Contro |            |          |                                      |
|  |                     |  |            |          |                                      |
| 111.107  |                     |  |            |          |                                      |
|  |                     |  |            |          |                                      |
| S: Lat:  | Long:               | W  |            | W        |                                      |
| The state of the s |                     |  |            |          |                                      |
| Con mon  |                     |  |            |          |                                      |

# ALLIED CEMENTING CO., INC. 21025

| REMIT TO P.O. BOX 31<br>RUSSELL, KANSAS 67665   | SER  | VICE POINT:                 | //   |
|---|--|-----------------------------|--|
| DATE 9 29/03 - SEC. TWP. RANGE C  | ALLED OUT ON LOCATION 10/30am  | JOB START                   | JOB FINISH   |
| 1/ 2 //   | + Hay 40 35  | COUNTY                      | STATE  |
| ELEASE // (40)   WEELIN 3   DOCUMENT // (40)  | 7,000  | LIIIS                       | <u>/</u> (υ,   |
| OLDOR NEW (Circle one) /2 W 5   | into   |                             |  |
| CONTRACTOR Exspress Well  | OWNER  |                             |  |
| TYPE OF JOB Cir culate Coment (Port Collar  | CEMENT (Used &   | 2(0)                        |  |
| HOLE SIZE T.D.  | CENTENT  | 60/                         | ? 6-11   |
| CASING SIZE 5/2 DEPTH   | AMOUNT ORDERED 350   | 180 61                      | . 0-7  |
| TUBING SIZE DEPTH   |  |                             |  |
| DRILL PIPE DEPTH TOOL Port Coller DEPTH 1276  |  |                             |  |
| PRES. MAX 1000 ps; MINIMUM  | COMMON 156   | @ 8.70                      | 1,357.2  |
| MEAS. LINE SHOE JOINT   | POZMIX / 0 4   | @ <del>4.70</del>           | 488.80   |
| CEMENT LEFT IN CSG.   | GEL /6   | @ 14.00                     | 224.00   |
| PERFS.  | CHLORIDE   | _ @                         | <u> </u>   |
| DISPLACEMENT  | ASC  | @                           | Market Market Control of the Control |
| EQUIPMENT   |  |                             |  |
| EQUI MEM  | 22. Mary and San and S |                             |  |
| PUMP TRUCK CEMENTER Shan <  | MANUAS COURS OF THE CONTRACTOR   | SA GNL                      |  |
| # 365 HELPER Glen   | 163117200  | @                           |  |
| BULK TRUCK  |  | @                           |  |
| # 396 DRIVER Gary   | CONSTRUCTION   | _ @                         |  |
| BULK TRUCK  | Again, The was made a  | _@                          |  |
| # DRIVER  | HANDLING 276   | _@                          |  |
|   | HANDLING 276 MILEAGE 64/SIMILEAGE  | _@ <u>1.60</u>              | 441.60   |
| REMARKS:  | WILLAGE 6 4 / 31-/1-WIL  |                             | 3,008.40   |
|   |  | TOTAL                       | 3,008.41   |
| Testal fool & @ 1000ps; Held  |  | CIE.                        |  |
|   | CEDY   | (CH)                        |  |
| Open tool got Conculation   | SERVI  |                             |  |
| Open tool got Conculation<br>Mixed 260 sks Displaced Closel   |  |                             |  |
| Mixed 260 sts Displaced Closed<br>tool tested to loops Held   |  |                             | 785 00   |
| Open tool got Conculation Mixed 260 sks Displaced Closed tool Festel to loop pol Held weshed Clean Came out of  | DEPTH OF JOBPUMP TRUCK CHARGE  |                             | 785.00   |
| Mixed 260 sts Displaced Closed<br>tool tested to loops Held   | DEPTH OF JOB PUMP TRUCK CHARGE EXTRA FOOTAGE   | <i>@</i>                    |  |
| Open tool got Conculation Mixed 260 sks Displaced Closed tool Festel to loop pol Held weshed Clean Came out of  | DEPTH OF JOB PUMP TRUCK CHARGE EXTRA FOOTAGE MILEAGE 30  | @<br>                       | 150.00   |
| Open tool got Conculation Mixed 260 sks Displaced Closed tool 'Acstel to loop psi Held weshed Clean Came out of Hole  | DEPTH OF JOB PUMP TRUCK CHARGE EXTRA FOOTAGE   | @                           | 150.00   |
| Open tool got Chreulation Bixed 260 sks Displaced Closel tool Festel to loop por dell weshed Clean Came out of Hole   | DEPTH OF JOB PUMP TRUCK CHARGE EXTRA FOOTAGE MILEAGE 30  | @<br>                       | 150.00   |
| Open tool got Chreulation Bixed 260 sks Displaced Closel tool Festel to loop por dell weshed Clean Came out of Hole   | DEPTH OF JOB PUMP TRUCK CHARGE EXTRA FOOTAGE MILEAGE 30  | @                           | 150.00   |
| Open tool got Chreulation Bixel 260 sks Displaced Closel tool Festel to loop psi dell weshed Clean Came out of Hole  CHARGE TO: Tengasco Inc.   | DEPTH OF JOB PUMP TRUCK CHARGE EXTRA FOOTAGE MILEAGE 30  | @<br>@                      | 150.00   |
| Open tool got Chreulation Bixed 260 sks Displaced Closel tool Festel to loop por dell weshed Clean Came out of Hole   | DEPTH OF JOB PUMP TRUCK CHARGE EXTRA FOOTAGE MILEAGE 30  | @<br>@                      | 150.00   |
| Open tool got Chreulation Bixel 260 sks Displaced Closel tool Festel to loop psi dell weshed Clean Came out of Hole  CHARGE TO: Tengasco Inc.   | DEPTH OF JOB PUMP TRUCK CHARGE EXTRA FOOTAGE MILEAGE 30 MANIFOLD   | @                           | 935.00   |
| Open tool got Checulation  Mixed 260 sts Displaced Closed  tool tested to loop por Held  Washed Clean Came out of  Hole  CHARGE TO: Tengasco Inc.  STREET   | DEPTH OF JOB PUMP TRUCK CHARGE EXTRA FOOTAGE MILEAGE 30  | @                           | 935.00   |
| Open tool got Checulation  Mixed 260 sts Displaced Closed  tool tested to loop por Held  Washed Clean Came out of  Hole  CHARGE TO: Tengasco Inc.  STREET   | DEPTH OF JOB PUMP TRUCK CHARGE EXTRA FOOTAGE MILEAGE 30 MANIFOLD   | @                           | 150.00<br>935.00   |
| Open tool got Checulation  Mixed 260 sts Displaced Closed  tool tested to loop por Held  Washed Clean Came out of  Hole  CHARGE TO: Tengasco Inc.  STREET   | DEPTH OF JOB PUMP TRUCK CHARGE EXTRA FOOTAGE MILEAGE 30 MANIFOLD   | @                           | 935. 00  |
| Open tool got Checulation  Mixed 260 sts Displaced Closed  tool tested to loop por Held  Washed Clean Came out of  Hole  CHARGE TO: Tengasco Inc.  STREET   | DEPTH OF JOB   | — @                         | 935. 00  |
| Charge To: Tragasco Tra.  CHARGE TO: Tragasco Tra.  STREET  CITY STATE ZIP  To Allied Cementing Co., Inc.   | DEPTH OF JOB   | @                           | 150.00<br>935.00   |
| Charge To: Tragasco Inc.  CITY STATE ZIP  | DEPTH OF JOB   | @                           | 935. 00  |
| Charge To: Tengasco Inc.  CHARGE TO: Tengasco Inc.  STREET  CITY STATE ZIP  To Allied Cementing Co., Inc.  You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or  | DEPTH OF JOB   | @                           | 150.00<br>935.00   |
| CHARGE TO: Tragasco Tra.  STREET  CITY STATE ZIP  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   | DEPTH OF JOB   | ### TOTAL  TOTAL  TEQUIPMEN | 935. 00  |
| CHARGE TO: Tragasco Trac.  STREET  CITY  STATE  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  | DEPTH OF JOB   | ### TOTAL  TOTAL  TEQUIPMEN | 935. 00  |
| CHARGE TO: Tagasco Tac.  STREET  CITY STATE ZIP  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" | DEPTH OF JOB   | ### TOTAL    TOTAL          | 935. 00  |
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PRINTED NAME

#### **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 wilful 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. 21564

SERVICE POINT: REMIT TO P.O. BOX 31 **RUSSELL, KANSAS 67665** ON LOCATION 3:00am JOB FINJSH J. G. P. P. M. TWP. JOB START SEC. RANGE CALLED OUT 1:15Am COUNTY STATE HAVS 45 ELLIS WELL# 3 LOCATION OLD OR NEW (Circle one) CONTRACTOR RTG 3 **OWNER** PRODUCTION STRING TYPE OF JOB **CEMENT HOLE SIZE** T.D. 3738 AMOUNT ORDERED <u>150 ASC Z% CEL</u> DEPTH 3736 **CASING SIZE** 500 CAL WIR-Z TUBING SIZE **DEPTH** DRILL PIPE **DEPTH** TOOL **DEPTH MINIMUM** PRES. MAX COMMON SHOE JOINT 16 53 MEAS. LINE POZMIX CEMENT LEFT IN CSG. GEL **CHLORIDE** PERFS. @ @ 1075 DISPLACEMENT ASC 150 500 941 WFR-2 @ 1.00 **EQUIPMENT** MANSAS DOLLO CEMENTER \_MARK PUMP TRUCK (a) 345 STEVE HELPER BULK TRUCK 213 DRIVER **BULK TRUCK DRIVER** HANDLING MILEAGE \_\_ 64/SK/mile TOTAL 2, 483.88 **REMARKS:** 6276) PLOUAR ON 15 SK C 24 **SERVICE** PLAC LANDES FLOAT HELD DEPTH OF JOB PUMP TRUCK CHARGE EXTRA FOOTAGE @ MILEAGE @ 5.00 MANIFOLD \_\_ CHARGE TO: TENGASCO TOTAL 1, 475.00 STREET \_\_\_\_\_ STATE ZIP PLUG & FLOAT EQUIPMENT 60.00 160.00 SHOE @ 235.00 NSERT **@** @ 50.00 - CENT To Allied Cementing Co., Inc. (a) 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 TOTAL 2,595,00 done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND TAX \_\_\_ CONDITIONS" listed on the reverse side. TOTAL CHARGE \_ —— IF PAID IN 30 DAYS Hay Wague

PRINTED NAME

#### **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 wilful 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.

21408

SERVICE POINT: REMIT TO P.O. BOX 31 RUSSELL, KANSAS 67665 Luxell JOB START JOB FINISH TWP. CALLED OUT ON LOCATION SEC. RANGE DATE 9-8-05 5:10 Am 5:30PM COUNTY LOCATION Hours 5 to Minior Rod LEASE/Kraus AA WELL# 3 Ellis OLD OR NEW (Circle one) CONTRACTOR BY **OWNER** TYPE OF JOB Sur lace **CEMENT** HOLE SIZE 4701 AMOUNT ORDERED 22534 Com 38Cc 29. Cel **CASING SIZE** DEPTH 465 **TUBING SIZE DEPTH** DRILL PIPE **DEPTH** TOOL **DEPTH** 225 @ 8.70 1,957 50 COMMON\_\_\_\_ PRES. MAX **MINIMUM** POZMIX MEAS. LINE **SHOE JOINT** 70.00 CEMENT LEFT IN CSG. 151 @ 14.00 @ 38.00 266.00 CHLORIDE DISPLACEMENT 284361 **EQUIPMENT @** PUMP TRUCK CEMENTER Steve # 345 BULK TRUCK HELPER (a) 783 **DRIVER BULK TRUCK DRIVER** 237 HANDLING MILEAGE 6 4/5k/mile 440.82 TOTAL 3, 1/3 52 **REMARKS: SERVICE** DEPTH OF JOB PUMP TRUCK CHARGE 670.00 EXTRA FOOTAGE MILEAGE \_\_ MANIFOLD \_ CHARGE TO: Luces Ce TOTAL 825 00 STREET STATE \_ PLUG & FLOAT EQUIPMENT 858 Rubber Plus 100.00 To Allied Cementing Co., Inc. (a) You are hereby requested to rent cementing equipment (a) and furnish cementer and helper to assist owner or contractor to do work as is listed. The above work was TOTAL 100.00 done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND TAX \_\_ CONDITIONS" listed on the reverse side. TOTAL CHARGE \_\_\_\_\_ IF PAID IN 30 DAYS SIGNATURE Clary Wagner PRINTED NAME

#### 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 wilful 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.