RECEIVED AUG 0 3 2006 KCC WICHITA

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1 September 1999 Form Must Be Typed

WELL COMPLETION FORM WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 31900	API No. 15 - 065-23190-00-00
Name: Nor-West Kansas Oil, L.L.C.	County: Graham
Address: RR 2, Box 14	NW_SW_NE_Sec. 2 Twp. 7 S. R. 22 East V West
City/State/Zip: WaKeeney, Kansas 67672	1,495 feet from S / (circle one) Line of Section
Purchaser: N/A	2,290 feet from E / W (circle one) Line of Section
Operator Contact Person:	Footages Calculated from Nearest Outside Section Corner:
Phone: ()	(circle one) (NE) SE NW SW
Contractor: Name:	Lease Name: C. & A. Davis Well #: 1
License:	Field Name: Unknown
Wellsite Geologist:	Producing Formation: N/A
Designate Type of Completion:	Elevation: Ground: 2,262' Kelly Bushing: 2,267'
New Well Re-Entry Workover	Total Depth: 3,850' Plug Back Total Depth: N/A
Oil SWD SIOW Temp. Abd.	Amount of Surface Pipe Set and Cemented at 218 Feet
Gas ENHR SIGW	Multiple Stage Cementing Collar Used?
Ory Other (Core, WSW, Expl., Cathodic, etc)	If yes, show depth set N/A Fee
If Workover/Re-entry: Old Well Info as follows:	If Alternate II completion, cement circulated from N/A
Operator:	feet depth to N/A w/ N/A sx cmt.
Well Name:	ACTIPEA WHM 8-3-06
Original Comp. Date: Original Total Depth:	Drilling Fluid Management Plan
	(Data must be collected from the Reserve Pit)
Deepening Re-perf Conv. to Enhr./SWD	Chloride content ppm Fluid volume bbis
Plug Back Total Depth	Dewatering method used Chemical Mud
Commingled Docket No.	Location of fluid disposal if hauled offsite:
Dual Completion Docket No	Operator Name: N/A
Other (SWD or Enhr.?) Docket No.	Lease Name: License No.:
6/19/06 6/25/06 6/25/06	Quarter Sec TwpS. R East West
Spud Date or Date Reached TD Completion Date or Recompletion Date	County: Docket No.:
	County Bocket No
Kansas 67202, within 120 days of the spud date, recompletion, workov Information of side two of this form will be held confidential for a period of	In the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, the result of the result o
All requirements of the statutes, rules and regulations promulgated to regul herein are complete and correct to the best of my knowledge.	ate the oil and gas industry have been fully complied with and the statements
Signature: Value Land	KCC Office Use ONLY
Title: Sec Treas., Date: August 1, 2006	Letter of Confidentiality Received
Subscribed and sworn to before me this 1st day of August	If Denied, Yes Date:
20 06	Wireline Log Received
2000.	Geologist Report Received
Notary Public: July Weber	UIC Distribution
Date Commission Expires: LISA WEBER NOTARY PUBLIC	

STATE OF KANSAS
MY APPT. EXPIRES 10-13-2006





Operator Name: Nor-V	Vest Kansas Oil, L	.L.C.			Name:	C. & A. Davis		Well #:1	
Sec Twp7			✓ West	County	: Grahan	1	1944		
INSTRUCTIONS: Shot tested, time tool open temperature, fluid reco	and closed, flowing very, and flow rate	g and shut- s if gas to	in pressures, v surface test, al	whether sh long with fi	ut-in pre	ssure reached	static level, hydro	ostatic pressur	es, bottom hole
Drill Stem Tests Taken (Attach Additional S	heats)	Ye	es 🗸 No		√ Lo	og Formatio	on (Top), Depth a	and Datum	Sample
Samples Sent to Geol	•	□Y€	es ✓ No	ą	Name Anhye			Top 1,918'	Datum + 349'
Cores Taken	- g ,	Ye	es 🗸 No	`	Topel			3,285'	-1,020'
Electric Log Run		✓ Ye	s No		Hebn			3,483'	-1,217'
(Submit Copy)					Toron	to		3,507'	-1,240'
List All E. Logs Run:					Lansi	ng-Kansas Cit	у	3,525'	-1,258'
Dual Induction	, Dual Comp	ensated	l Porosity		Base	Kansas City		3,715'	-1,448'
		Reno	CASING		✓ Ne	w Used	tion etc		
Purpose of String	Size Hole	Siz	e Casing	Weig	ght	Setting	Type of	# Sacks	Type and Percent
	Drilled	1	(In O.D.)	Lbs./	/ Ft.	Depth	COM	Used 160	Additives 3%CC; 2%GEL
Surface	12 1/4"	8 5/8"				218'	COIVI	100	3%CC, 2%GEL
			ADDITIONAL	OEMENÎT!	NO / 00!	JEEZE RECORD			
Purpose:	Depth	Time	of Cement	#Sacks		JEEZE HECORL		Percent Additive	
Perforate Protect Casing Plug Back TD Plug Off Zone	Top Bottom	Туре	or cement	#Odeks	oseu		Type and	Toroni Addino	
	PERFORAT	ION BECOE	ID - Bridge Plug	ns Set/Type		Acid, Fra	cture, Shot, Cemer	nt Squeeze Reco	rd
Shots Per Foot			Each Interval Per				mount and Kind of N		Depth
TUBING RECORD	Size	Set At		Packer A	At	Liner Run	Yes N	o	
Date of First, Resumerd	Production, SWD or	Enhr.	Producing Met	hod \	Flowing	g Pumpi	ng Gas L	ift Oth	ner (Explain)
Estimated Production Per 24 Hours	Oil	Bbls.	Gas	Mcf	Wate	er E	bls.	Gas-Oil Ratio	Gravity
Disposition of Gas	METHOD OF	COMPLETIC	DN	1	•	Production Inter	val		
Vented Sold (If vented, Sub	Used on Lease		Open Hole Other (Speci	Perf	. 🔲 🛚	Oually Comp.	Commingled		

Kansas Corporation Commission Oil & Gas Conservation Division

ORIGINAL Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 31900	API No. 15 - 065-23190-0000
Name: Nor-West Kansas Oil, L.L.C.	County: Graham
Address: RR 2, Box 14	NE_NW_SW_NE_Sec. 2Twp. 7S. ☐ 22 East West
City/State/Zip: WaKeeney, Kansas 67672	1,495feet from S / N (circle one) Line of Section
Purchaser: N/A	2,290 feet from (E) W (circle one) Line of Section
Operator Contact Person: N/A	Footages Calculated from Nearest Outside Section Corner:
Phone: ()N/A	(circle one) NE (SE) NW SW
Contractor: Name: Anderson Drilling	Lease Name: C. & A. Davis Well #: 1
License: 33237	Field Name: Unknown
Wellsite Geologist: Richard Bell	Producing Formation: N/A
Designate Type of Completion:	Elevation: Ground: 2,262' Kelly Bushing: 2,267'
New Well Re-Entry Workover	Total Depth: 3,850' Plug Back Total Depth: N/A
Oil SWD SIOWTemp. Abd.	Amount of Surface Pipe Set and Cemented at 218 Feet
Gas ENHR SIGW	Multiple Stage Cementing Collar Used?
Dry Other (Core, WSW, Expl., Cathodic, etc)	If yes, show depth set N/A Feet
If Workover/Re-entry: Old Well Info as follows:	If Alternate II completion, cement circulated from N'/
Operator:	feet depth to N/A - w/ N/A sx cmt.
Well Name:	Dulling Fluid Management Plan
Original Comp. Date: Original Total Depth:	Drilling Fluid Management Plan (Data must be collected from the Reserve Pit)
Deepening Re-perfConv. to Enhr./SWD	Chloride content 1,700 ppm Fluid volum 400 bbls
Plug Back Plug Back Total Depth	Dewatering method used Chemical Mud
Commingled Docket No	Location of fluid disposal if hauled offsite:
Dual Completion Docket No	
Other (SWD or Enhr.?) Docket No	Operator Name:
6/19/06 6/25/06 6/25/06	Lease Name: License No.:
Spud Date or Date Reached TD Completion Date or	Quarter Sec TwpS. R
Recompletion Date Recompletion Date	County: Docket No.:
	,
Kansas 67202, within 120 days of the spud date, recompletion, workove Information of side two of this form will be held confidential for a period of 1 107 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.	2 months if requested in writing and submitted with the form (see rule 82-3- and geologist well report shall be attached with this form. ALL CEMENTING Submit CP-111 form with all temporarily abandoned wells.
All requirements of the statutes, rules and regulations promulgated to regular herein are complete and correct to the best of my knowledge.	
Signature:	KCC Office Use ONLY
Title: SecTreas., Date: July 26, 2006	Letter of Confidentiality Received
Subscribed and sworn to before me thisday of	If Denied, Yes Date:
20	Wireline Log Received
	KANSAS CORPORATION COMMISSION
•	JUL 2 5 2006
Date Commission Expires:	2000

CONSERVATION DIVISION WICHITA, KS

Side Two

Operator Name: Nor-	West Kansas Oil,	L.C.		Lease	Name:	C. & A. Davis		Well #:1	
Sec Twp7	S. R 22	Eas	t 🗹 West	County	y:	am			
INSTRUCTIONS: Sh tested, time tool open temperature, fluid reco Electric Wireline Logs	and closed, flowir overy, and flow rate	g and shu s if gas to	t-in pressures, surface test, a	whether shalong with f	hut-in pi	essure reached	d static level, hyd	rostatic pressu	res, bottom hole
Drill Stem Tests Taker (Attach Additional S		! [*]] Y	es 🗸 No		V	Log Forma	tion (Top), Depth	and Datum	Sample
Samples Sent to Geol	ogical Survey	□ Y	es ☑ No		Nar	ne ydrite		Top 1,918'	Datum + 349'
Cores Taken		П	es ✓ No		Tope	•		3,285'	-1,020'
Electric Log Run (Submit Copy)		✓ Y			Heb			3,484'	-1,020 -1,217'
List All E. Logs Run:					Torc	nto		3,507'	-1,240'
List All L. Logs Hull.					Lans	sing Kansas C	ity	3,525'	-1,258'
Dual Induction	; Dual Comp	ensated	d Porosity	est of the second secon	Bas	e Kansas City		3,715'	-1,448'
		Repo		RECORD conductor, su	✓ N ırface, int	ew Used ermediate, produ	ction, etc.	· · · · · · · · · · · · · · · · · · ·	
Purpose of String	Size Hole Drilled		e Casing t (In O.D.)	Weig		Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Surface	12 1/4"	8 5/8"				218'	СОМ	160	3%CC; 2% GEL
Purpose: —— Perforate —— Protect Casing —— Plug Back TD	Depth Top Bottom	Туре	ADDITIONAL of Cement	CEMENTIN #Sacks		UEEZE RECOR		Percent Additives	3
Plug Off Zone				4					
Shots Per Foot			D - Bridge Plug Each Interval Per				acture, Shot, Cemer mount and Kind of M		rd Depth
								1950	

TUBING RECORD	Size	Cot At		David At					
. CONTAINEOUND	OIZG	Set At		Packer At	Ţ	Liner Run	Yes No	•	
Date of First, Resumerd F	Production, SWD or E	nhr.	Producing Meth	nod	Flowing	g Pumpi	ng Gas Li	ft \ \ \ \ Othe	er (Explain)
Estimated Production Per 24 Hours	Oil	Bbls.	Gas I	Mcf	Wate	er E		Gas-Oil Ratio	Gravity
Disposition of Gas	METHOD OF C	OMPLETIO	N			Production Inte	rval		
☐ Vented ☐ Sold (If vented, Subn	Used on Lease		Open Hole Other (Specif	Perf.		oually Comp.	Commingled _	7. S.	

RECEIVED JUN 22/20180006

.... ·)., Inc

RECEIVED JUN 2 9 2006 せみらんの

INVOICE

0.00 *

5,123.92 + 499 • 65 -

Invoice Number: 102916

002 4,624.27 *

Invoice Date: 06/25/06

Sold Nor West Kansas Oil LLC

To:

R. R. #2, Box 14

ONLY if paid within 30 days from Invoice Date

Wakeeney, KS

67672

Cust I.D....: NorWKS

Total...:

P.O. Number..: C & A Davis #1

P.O. Date...: 06/25/06

Due Date.: 07/25/06 Terms....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	160.00	SKS	12.2000	1952.00	т
Gel	3.00	SKS	16.6500	49.95	Т
Chloride	5.00	SKS	46.6000	233.00	Т
Handling	168.00	SKS	1.9000	319.20	E
Mileage	85.00	MILE	13.4400	1142.40	E
168 sks @>08 per	r sk per mi				
Surface	1.00	JOB	815.0000	815.00	E
Mileage pmp trk	85.00	MILE	5.0000	425.00	E
Surface Plug	1.00	EACH	60.0000	60.00	T
All Prices Are Net	c, Payable 30 Days F	ollowing Subt	cotal:	400C EE	
Date of Invoice.	:	4996.55 127.37			
If Account CURRENT	take Discount of \$	49965 Pay	ments:	0.00	

RECEIVED KANSAS CORPORATION COMMISSION JUL 2 5 2006

5123.92

CONSERVATION DIVISION WICHITA, KS

ALLIED CEMENTING CU., INC. 23839 Federal Tax I.D.#

REMIT TO P.O. BOX 31 RUSSELL, KANSAS 67665	SERVICE POINT:				
DATE 6-19-06 2 TWP. 5 RANGE 22 U	CALLED OUT ON LOCATION JOB START JOB FINISH 10:30				
LEASE DOVIS WELL# LOCATION HILL OLD OR NEW (Circle one)	City 8N-5E-145 Graham Kan				
CONTRACTOR A+A Dols Co. TYPE OF JOB Suc Faces	OWNER Same				
TYPE OF JOB Sur Face HOLE SIZE 12/4 T.D. 223	CEMENT .				
CASING SIZE 85/8 DEPTH 2221	AMOUNT ORDERED 160 sks com				
TUBING SIZE DEPTH DRILL PIPE DEPTH	3%cc-2% Cel				
TOOL DEPTH					
PRES. MAX MINIMUM	COMMON 160 Sts @ 1220 1,9525				
MEAS. LINE SHOE JOINT	POZMIX@				
CEMENT LEFT IN CSG. /5	GEL 3 5Ks @ 16 65 49 95				
DISPLACEMENT 13/4 Bi3/	CHLORIDE <u>5 sks</u> @ <u>46 60</u> <u>233.00</u> ASC @				
EQUIPMENT	ASC				
EQUII MENI	FÆCEIVED (KANSAS CORPORATION COMMISSION				
PUMP TRUCK CEMENTER Walt					
# 102 HELPER Jarroel	JUL 2 5 2006				
BULK TRÚCK	CONSERVATION DIVISION WISHIPA KS				
# 218 DRIVER Walt					
BULK TRUCK # DRIVER	@				
	HANDLING 168 SKs @ 190 319 20				
REMARKS:	MILEAGE 84 pr sk/mile 1, 1424				
REWARKS:	TOTAL 3,876				
Coment Did Circ	SERVICE				
	DEPTH OF JOB				
	PUMP TRUCK CHARGE@				
	MILEAGE 85- Miles @ 300				
- Ihank You	MANIFOLD @ 42500				
	@				
avename M					
CHARGE TO: Nor-West Kansas Oil	mamus / 01100				
STREET	TOTAL 1,240				
CITYSTATEZIP					
,	PLUG & FLOAT EQUIPMENT				
	83/8				
	1- Surface Plus @ 6000				
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	1200				
done to satisfaction and supervision of owner agent or	TOTAL 60—				
contractor. I have read & understand the "TERMS AND	TAX				
CONDITIONS" listed on the reverse side.					
•	TOTAL CHARGE				
Λ	DISCOUNT IF PAID IN 30 DAYS				
1- man and					
SIGNATURE // Memmo					
<i>(</i> /	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, of 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 th merchandise. For all past due invoices, "CUSTOMER" agrees to pay interest on amounts invoiced at a rate of 18 percent pc 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 an 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 "CUS TOMER" 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 no 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 tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMEI 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/o 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 cement 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 merchandish which is determined by ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED AND NO OTHER WAR RANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WAR RANTY 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 dat furnished by ALLIED or any interpretation of tests, meter readings, chart information, analysis of research, or recommendation made by ALLIED, unless the inaccuracy or incorrectness is caused by the wilful misconduct or gross negligence of ALLIED or it 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 wil accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.

Allied Cementing Co., Inc P.O. Box 31

Russell, KS 67665

INVOICE

5 2006

Invoice Number: 103141

Invoice Date: 06/29/06

RECEIVED JUL

225-4

Sold Nor West Kansas Oil LLC

To: R. R. #2, Box 14 WaKeeney, KS 67672

Cust I.D.... NorWKS

P.O. Number..: C & A Davis #1

P.O. Date...: 06/29/06

Due Date.: 07/29/06 Terms...: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	114.00	SKS	10.6500	1214.10	Т
Pozmix	76.00	SKS	5.8000	440.80	${f T}$
Gel	11.00	SKS	16,6500	183.15	${f T}$
FloSeal	50.00	LBS	2.0000	100.00	${f T}$
Handling	201.00	SKS	1.9000	381.90	T
Mileage	83.00	MILE	16.0800	1334.64	${f T}$
201 sks @.08 per	sk per mi				
Plug	1.00	JOB	815.0000	815.00	\mathbf{T}
Mileage pmp trk	83.00	MILE	5,0000	415.00	\mathbf{T}
Dryhole Plug	1.00	EACH	35.0000	35.00	\mathbf{T}

All Prices Are Net, Payable 30 Days Following Subtotal: 4919.59
Date of Invoice. 1 1/2% Charged Thereafter. Tax...: 273.04
If Account CURRENT take Discount of \$ 491.96
ONLY if paid within 30 days from Invoice Date Total...: 5192.63

C.CO * C.CO * 5,192.63 + 491.96 - 49700.67 *

RECEIVED KANSAS CORPORATION COMMISSION

JUL 2 5 2006

CONSERVATION DIVISION WICHITA, KS

ALLIED CEMENTING CO., INC. 24415

Federal Tax I.D. SERVICE POINT: .. TO P.O. BOX 31 RUSSELL, KANSAS 67665 SEC RANGE 22 CALLED OUT ON LOCATION JOB START JOB FINISH 800 PM 5:30 Pm 8:00 PA LEASE DAWIS LOCATION #1//City 8N SE OLD OR NEW (Circle one) CONTRACTOR ATA DRIS **OWNER** TYPE OF JOB **HOLE SIZE CEMENT CASING SIZE** AMOUNT ORDERED **DEPTH TUBING SIZE** DEPTH DRILL PIPE DEPTH TOOL **DEPTH** PRES. MAX <u>MINIMUM</u> COMMON MEAS. LINE SHOE JOINT POZMIX CEMENT LEFT IN CSG. **GEL** PERFS. **CHLORIDE** DISPLACEMENT ASC @ **EQUIPMENT** +20-5EAC PUMP TRUCK CEMENTER B: 1/ 409 HELPER CRAIG BULK TRUCK 410 **DRIVER** BULK TRUCK DRIVER @ **REMARKS: SERVICE** 100 AG DEPTH OF JOB 40 PUMP TRUCK CHARGE 8/5° EXTRA FOOTAGE MILEAGE @ MANIFOLD_ @ RECEIVED KANSAS CORPORATION COMMISSION CHARGE TO: NOK WEST OIL JUL 2 5 2006 TOTAL _/230°C CONSERVATION DIVISION WICHITIA, KS PLUG & FLOAT EQUIPMENT (a) To Allied Cementing Co., Inc. (a) You are hereby requested to rent cementing equipment (a) and furnish cementer and helper to assist owner or (a) contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or TOTAL <u>35</u>00 contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side. TOTAL CHARGE ___ — IF PAID IN 30 DAYS

PRINTED NAME

C NERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "Affect" 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.