

**KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE**

Form ACO-1  
September 1999  
Form Must Be Typed

**ORIGINAL**

Operator: License # 32566  
 Name: Cleary Petroleum Corporation  
 Address: 2601 NW Expressway - Suite 801W  
 City/State/Zip: Oklahoma City, OK 73112-7221  
 Purchaser: Western Gas Resources/Plains Marketing  
 Operator Contact Person: William I. Churchill  
 Phone: ( 405 ) 848-5019  
 Contractor: Name: Duke Drilling Co., Inc.  
 License: 5929  
 Wellsite Geologist: David Hickman  
 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. \_\_\_\_\_  

<u>12-29-05</u>	<u>01-13-06</u>	<u>05-17-06</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

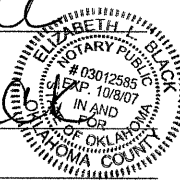
API No. 15-033-21455-00-00  
 County: Comanche County, KS  
    
 Sec. 24 Twp. 34 S. R. 16  East  West  
1650 N feet from S / N (circle one) Line of Section  
990 E feet from E / W (circle one) Line of Section  
 Footages Calculated from Nearest Outside Section Corner:  
 (circle one) NE SE NW SW  
 Lease Name: Merrill Trust Well #: 1-24  
 Field Name: Aetna Gas Area  
 Producing Formation: Mississippi  
 Elevation: Ground: 1606' Kelly Bushing: 1619'  
 Total Depth: 5030' Plug Back Total Depth: 4993'  
 Amount of Surface Pipe Set and Cemented at 261' Feet  
 Multiple Stage Cementing Collar Used?  Yes  No  
 If yes, show depth set \_\_\_\_\_ Feet  
 If Alternate II completion, cement circulated from \_\_\_\_\_  
 feet depth to API WHM 7-6-06 \_\_\_\_\_ sx cmt.

**Drilling Fluid Management Plan**  
 (Data must be collected from the Reserve Pit)  
 Chloride content \_\_\_\_\_ ppm Fluid volume \_\_\_\_\_ bbls  
 Dewatering method used evaporate then backfill  
 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: William I. Churchill  
 Title: Manager Special Projects & Operations Date: 06/30/2006  
 Subscribed and sworn to before me this 30 day of June  
2006  
 Notary Public: Elizabeth A. Black  
 Date Commission Expires: 10/0/07



**KCC Office Use ONLY**

NO Letter of Confidentiality Received  
 If Denied, Yes  Date: \_\_\_\_\_  
YES Wireline Log Received  
NO Geologist Report Received  
NO UIC Distribution

**RECEIVED**  
**JUL 06 2006**

**KCC WICHITA**

Operator Name: Clear Petroleum Corporation Lease Name: Merrill Trust Well #: 1-24  
 Sec. 24 Twp. 34 S. R. 16  East  West County: Comanche County, KS

**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 <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i>  Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i>  List All E. Logs Run:  Dual Induction, Litho-Density, Compensated Neutron Caliper, Microlog	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample  <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:70%;">Name</th> <th style="width:15%;">Top</th> <th style="width:15%;">Datum</th> </tr> </thead> <tbody> <tr> <td>KB1619</td> <td></td> <td></td> </tr> <tr> <td>Lansing</td> <td>4,185</td> <td>(-2,566)</td> </tr> <tr> <td>Swope</td> <td>4,561</td> <td>(-2,942)</td> </tr> <tr> <td>Hertha</td> <td>4,612</td> <td>(-2,993)</td> </tr> <tr> <td>Pawnee</td> <td>4,761</td> <td>(-3,142)</td> </tr> <tr> <td>Mississippi</td> <td>4,832</td> <td>(-3,313)</td> </tr> <tr> <td>TD</td> <td>5,028</td> <td>(-3,409)</td> </tr> </tbody> </table>	Name	Top	Datum	KB1619			Lansing	4,185	(-2,566)	Swope	4,561	(-2,942)	Hertha	4,612	(-2,993)	Pawnee	4,761	(-3,142)	Mississippi	4,832	(-3,313)	TD	5,028	(-3,409)
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CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs./ Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
See Attachment							
See Attachment							
See Attachment							

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
___ Perforate				
___ Protect Casing				
___ Plug Back TD				
___ Plug Off Zone				

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record <i>(Amount and Kind of Material Used)</i>	Depth
1 JSPF	Mississippi 4836' - 4950' (114')	10,000 gal 15% NEFE HCl, corr inh, non-emul, iron seq agent, surfactant, 170 - 7/8" ball sealers	4836'-4950'
1 JSPF	Mississippi 4832' - 4862' (30')		4832'-4862'

TUBING RECORD	Size <b>2-3/8"</b>	Set At <b>4,871</b>	Packer At <b>N/A</b>	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr. <b>05-17-06</b>		Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)		
Estimated Production Per 24 Hours	Oil Bbls. <b>6 (05-31-06)</b>	Gas Mcf <b>28</b>	Water Bbls. <b>34</b>	Gas-Oil Ratio <b></b>

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

Vented  Sold  Used on Lease  Open Hole  Perf.  Dually Comp.  Commingled  
*(If vented, Submit ACO-18.)*  Other (Specify) Well SI pending evaluation.

Cleary Petroleum Corporation  
 Merrill Trust #1-24  
 Section 24-34S-16W  
 Comanche County, KS  
 Attachment to Form ACO-1  
 Casing Record

**ORIGINAL**

CASING RECORD (XX New)							
Purpose	Size Hole	Size Csg	Weight	Set	Type of Cmt	# Sx Used	Type & % Additives
Conductor	30"	20"		44'	grout	4 yds, 8 sx	
Surface	17-1/2"	13-3/8"	54.5#	261'	65/35	175 sx	3% cc
					Class A	150 sx	3% cc, 2% gel
Intermediate	12-1/4"	8-5/8"	24#	1029'	65/35	350 sx	3% cc
					Class A	150 sx	3% cc, 2% gel
					Class A	100 sx	3% cc
Production	7-7/8"	5-1/2"	15.5#	5030'	Class H	250 sx	10% salt

RECEIVED  
 JUL 06 2006  
 KCC WICHITA

# ALLIED CEMENTING CO., INC.

23049

Federal Tax I.D.# XXXXXXXXXX

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

SERVICE POINT:  
*Medicine Lodge, KS*

DATE <i>13 Jun 06</i>	SEC. <i>24</i>	TWP. <i>34S</i>	RANGE <i>16W</i>	CALLED OUT <i>12:00 AM</i>	ON LOCATION <i>2:30 AM</i>	JOB START <i>7:30 AM</i>	JOB FINISH <i>10:00 AM</i>
LEASE <i>Merrill Trust</i>	WELL # <i>1-24</i>		LOCATION <i>Hartman Rd &amp; Acton Rd, 1 1/2 W, 5 miles N and E into.</i>		COUNTY <i>Comanche</i>	STATE <i>KS</i>	
OLD OR NEW (Circle one)							

CONTRACTOR *Duke #9* OWNER *Clary Petro.*

TYPE OF JOB *Production Casing*  
 HOLE SIZE *7 7/8* T.D. *5030*  
 CASING SIZE *5 1/2* DEPTH *5033*  
 TUBING SIZE DEPTH  
 DRILL PIPE DEPTH  
 TOOL DEPTH  
 PRES. MAX *1500* MINIMUM *—*  
 MEAS. LINE SHOE JOINT *20.79*  
 CEMENT LEFT IN CSG. *20'*

CEMENT

AMOUNT ORDERED *250 sx "H" + 10% gyp + 10% salt + 6 # Kol seal + .6% FL160 + 1/4 # Flo seal and 12 gal Clapro + 3 gal Biocid 207 and 500 gal mud Clean*

COMMON	<i>250 H</i>	@	<i>10.50</i>	<i>2625.00</i>
POZMIX		@		
GEL		@		
CHLORIDE		@		
	<i>Mud Clean 500 gal</i>	@	<i>1.00</i>	<i>500.00</i>
	<i>Salt 27</i>	@	<i>7.90</i>	<i>213.30</i>
	<i>Flo Seal 63 #</i>	@	<i>1.70</i>	<i>107.10</i>
	<i>Kol Seal 1500 #</i>	@	<i>.60</i>	<i>900.00</i>
	<i>Gyp Seal 24</i>	@	<i>19.15</i>	<i>459.60</i>
	<i>Fl-160 141 #</i>	@	<i>8.70</i>	<i>1226.70</i>
	<i>Clapro 12 gal.</i>	@	<i>24.10</i>	<i>289.20</i>
	<i>Biocide-120 3 gal</i>	@	<i>36.50</i>	<i>109.50</i>
		@		
HANDLING	<i>337</i>	@	<i>1.60</i>	<i>539.20</i>
MILEAGE	<i>40 x 337 x .06</i>			<i>808.80</i>
				TOTAL <i>7778.40</i>

DISPLACEMENT *118 Bbls 2% KCL water + Bio 120*

EQUIPMENT

PUMP TRUCK CEMENTER *D. Felio*  
 # *314* HELPER *D. Cushenberg*  
 BULK TRUCK DRIVER *S. Kramer*  
 # *381*  
 BULK TRUCK DRIVER

REMARKS:

*Pipe on Bttm., Break Circ., Pump Pre Flush of 500 gal mud Clean, with 3 Bbls Fresh Ahead & Behind, Pump 250 sx cement, Stop Pumps, Wash Pump & lines, Release Plug, Start Disp., See lift PST steadily increase, Slow Rate, Pump Plug at 118 Bbls total 2% KCL & Bio 120 water, Release PST, Float did hold*

SERVICE

DEPTH OF JOB	<i>5033'</i>		
PUMP TRUCK CHARGE			<i>1510.00</i>
EXTRA FOOTAGE		@	
MILEAGE	<i>40</i>	@	<i>5.00 200.00</i>
MANIFOLD	<i>1 and rental</i>	@	<i>75.00 75.00</i>
		@	

RECEIVED

JUL 06 2006

TOTAL *1785.00*

KCC WICHITA

PLUG & FLOAT EQUIPMENT

<i>1-Guide Shoe</i>	@	<i>160.00</i>	<i>160.00</i>
<i>1-AFU Float Collar</i>	@	<i>265.00</i>	<i>265.00</i>
<i>20-Stop Rings</i>	@	<i>20.00</i>	<i>400.00</i>
<i>20-tubelizers</i>	@	<i>60.00</i>	<i>1200.00</i>
<i>7-centralizers</i>	@	<i>50.00</i>	<i>350.00</i>
<i>1-TRP</i>	@	<i>60.00</i>	<i>60.00</i>
			TOTAL <i>2435.00</i>

CHARGE TO: *Clary Petroleum*  
 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 CONDITIONS" listed on the reverse side.

**ANY APPLICABLE TAX WILL BE CHARGED UPON INVOICING**

TAX \_\_\_\_\_  
 TOTAL CHARGE \_\_\_\_\_  
 DISCOUNT \_\_\_\_\_ IF PAID IN 30 DAYS

SIGNATURE *p Charlie Hudson*

*X Charlie Hudson*  
 PRINTED NAME

*5 1/2"*

## 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.

22928

Federal Tax I.D.# [REDACTED]

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

SERVICE POINT:  
MEDICINE LODGE

DATE <u>12-31-05</u>	SEC. <u>24</u>	TWP. <u>34S</u>	RANGE <u>16 W</u>	CALLED OUT <u>2:00 pm</u>	ON LOCATION <u>5:00 pm</u>	JOB START <u>10:50 am</u>	JOB FINISH <u>2:30 am</u>
LEASE <u>METALL TRUST</u>		WELL # <u>1-24</u>	LOCATION <u>HARDWEX, KS, W TO ASTRA RD,</u>		COUNTY <u>BARBER</u>	STATE <u>KS</u>	
OLD OR <u>NEW</u> (Circle one)			THEN <u>1 1/2 W, 5 N INTO</u>				

CONTRACTOR DUKE-#9

TYPE OF JOB SURFACE CASING

HOLE SIZE 12 1/4" T.D. 1,030'

CASING SIZE 8 3/8" DEPTH 1,027'

TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_

DRILL PIPE 4 1/2" DEPTH \_\_\_\_\_

TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_

PRES. MAX 400 MINIMUM 100

MEAS. LINE \_\_\_\_\_ SHOE JOINT 42'

CEMENT LEFT IN CSG. 42'

PERFS. \_\_\_\_\_

DISPLACEMENT 61 1/2 bbl. FRESH WATER

OWNER CLEARV PETROLEUM

CEMENT

AMOUNT ORDERED 350 SK 65.35:6+3% CC +  
1/4" FLO-SEAL, 150 SK CLASS A+3% CC+2%  
GEL, TOP OUT - 100 SK CLASS A+3% CC

COMMON	<u>250 A</u>	@	<u>8.70</u>	<u>2175.00</u>
POZMIX		@		
GEL	<u>3</u>	@	<u>14.00</u>	<u>42.00</u>
CHLORIDE	<u>20</u>	@	<u>38.00</u>	<u>760.00</u>
ASC		@		
	<u>ALW 350</u>	@	<u>8.15</u>	<u>2852.50</u>
	<u>Flo Seal 88"</u>	@	<u>1.70</u>	<u>149.60</u>
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>645</u>	@	<u>1.60</u>	<u>1032.00</u>
MILEAGE	<u>40 x 645 x .06</u>			<u>1548.00</u>
TOTAL				<u>8559.10</u>

**EQUIPMENT**

PUMP TRUCK CEMENTER BILL M.

# 414 HELPER CHRIS R. / DENNIS C.

BULK TRUCK

# 381 DRIVER THOMAS D.

BULK TRUCK

# 397 DRIVER GREG K.

**REMARKS:**

PIPE ON BOTTOM, BREAK CIRCULATION,  
PUMP 350 SK 65.35:6+3% CC + 1/4" FLO-SEAL,  
150 SK CLASS A+3% CC+2% GEL, STOP PUMP,  
RELEASE PLUG, START DISPLACEMENT, SEE  
LIFT, SLOW RATE, BUMP PLUG, SHUT-IN,  
DID NOT CIRCULATE CEMENT, TOP OUT WITH  
100 SK CLASS A+3% CC, CIRCULATED CEMENT.

**SERVICE**

DEPTH OF JOB	<u>1,027'</u>		
PUMP TRUCK CHARGE	<u>0-300'</u>		<u>670.00</u>
EXTRA FOOTAGE	<u>727'</u>	@	<u>.55</u> <u>399.85</u>
MILEAGE	<u>40</u>	@	<u>5.00</u> <u>N/C</u>
MANIFOLD HEND REPT		@	<u>75.00</u> <u>75.00</u>
WAIT TIME	<u>10 hrs.</u>	@	<u>140.00</u> <u>1400.00</u>
		@	

CHARGE TO: CLEARV PETROLEUM

STREET \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

**RECEIVED**

JUL 06 2006

TOTAL 2544.85

**KCC WICHITA**

**PLUG & 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.

<u>8 3/8" RUBBER PLUG</u>	<u>1</u>	@	<u>100.00</u>	<u>100.00</u>
<u>8 3/8" DAFFLE PLATE</u>	<u>1</u>	@	<u>45.00</u>	<u>45.00</u>
<u>8 3/8" BASKET</u>	<u>2</u>	@	<u>180.00</u>	<u>360.00</u>
<u>8 3/8" CENTRALIZER</u>	<u>7</u>	@	<u>55.00</u>	<u>385.00</u>
<u>1" PIPE</u>	<u>200'</u>	@	<u>2.50</u>	<u>500.00</u>
TOTAL				<u>1390.00</u>

**ANY APPLICABLE TAX WILL BE CHARGED UPON INVOICING**

SIGNATURE [Signature]

TAX \_\_\_\_\_

TOTAL CHARGE \_\_\_\_\_

DISCOUNT \_\_\_\_\_ IF PAID IN 30 DAYS

DENNY GREEN

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.

22927

Federal Tax I.D.# [REDACTED]

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

SERVICE POINT:  
MEDICINE LODGE

DATE <u>12-29-05</u>	SEC. <u>24</u>	TWP. <u>34S</u>	RANGE <u>16W</u>	CALLED OUT <u>10:00 pm</u>	ON LOCATION <u>12:30 am</u>	JOB START <u>7:40 am</u>	JOB FINISH <u>8:35 am</u>
LEASE <u>MERRILL TRUST</u>	WELL # <u>1-24</u>	LOCATION <u>HARDNER, KS, W TO AETNA RD,</u>			COUNTY <u>BARBER</u>	STATE <u>KS</u>	
OLD OR NEW (Circle one) <u>NEW</u>			THEN <u>1 1/2 W, S N 110 E</u>				

CONTRACTOR DUKE #9  
 TYPE OF JOB CONDUCTOR  
 HOLE SIZE 17 1/2" T.D. 265'  
 CASING SIZE 13 5/8" DEPTH 265'  
 TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_  
 DRILL PIPE 4 1/2" DEPTH \_\_\_\_\_  
 TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_  
 PRES. MAX 300 MINIMUM 50  
 MEAS. LINE \_\_\_\_\_ SHOE JOINT 31.83'  
 CEMENT LEFT IN CSG. 31.83'  
 PERFS. \_\_\_\_\_  
 DISPLACEMENT 36 bbl. FRESH WATER

OWNER CLEARV PETROLEUM  
 CEMENT  
 AMOUNT ORDERED 175 sx 65' 35' 6" + 3% cc + 1/4" FLO-SEAL, 150 sx CLASS A + 3% cc + 2% GEL

EQUIPMENT  
 PUMP TRUCK CEMENTER BILL M.  
 # 414 HELPER CHAS R.  
 BULK TRUCK  
 # 363 DRIVER THOMAS D.  
 BULK TRUCK  
 # \_\_\_\_\_ DRIVER \_\_\_\_\_

COMMON	<u>150</u>	<u>A</u>	@	<u>8.70</u>	<u>1305.00</u>
POZMIX			@		
GEL	<u>3</u>		@	<u>14.00</u>	<u>42.00</u>
CHLORIDE	<u>11</u>		@	<u>38.00</u>	<u>418.00</u>
ASC			@		
	<u>ALW 175</u>		@	<u>8.15</u>	<u>1426.25</u>
	<u>Flo seal 44 #</u>		@	<u>1.70</u>	<u>74.80</u>
			@		
			@		
			@		
			@		
			@		
HANDLING	<u>349</u>		@	<u>1.60</u>	<u>558.40</u>
MILEAGE	<u>40 x 349 x .06</u>				<u>837.60</u>
					TOTAL <u>4662.05</u>

REMARKS:

PIPE ON BOTTOM, BREAK CIRCULATION, PUMP PRE-FLUSH, PUMP 175 sx 65' 35' 6" + 3% cc + 1/4" FLO-SEAL, 150 sx CLASS A + 3% cc + 2% GEL, STOP PUMPS, RELEASE PLUG, START DISPLACEMENT, SEE LIST, SLOW RATE, BUMP PLUG, SHUT-IN, CIRCULATED CEMENT.

SERVICE

DEPTH OF JOB	<u>265'</u>			
PUMP TRUCK CHARGE				<u>670.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>40</u>	@	<u>5.00</u>	<u>200.00</u>
MANIFOLD	<u>HEAD RENT</u>	@	<u>75.00</u>	<u>75.00</u>
		@		

RECEIVED

JUL 06 2006

TOTAL 945.00

KCC WICHITA

PLUG & FLOAT EQUIPMENT

<u>13 7/8" WOODEN PLUG</u>	<u>1</u>	@	<u>70.00</u>	<u>70.00</u>
<u>13 3/8" BAFFLE PLATE</u>	<u>1</u>	@	<u>85.00</u>	<u>85.00</u>
<u>13 3/8" BASKET</u>	<u>1</u>	@	<u>250.00</u>	<u>250.00</u>
<u>13 3/8" CENTRALIZER</u>	<u>2</u>	@	<u>88.00</u>	<u>176.00</u>
		@		

TOTAL 581.00

CHARGE TO: CLEARV PETROLEUM  
 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 CONDITIONS" listed on the reverse side.

**ANY APPLICABLE TAX WILL BE CHARGED UPON INVOICING**

TAX \_\_\_\_\_  
 TOTAL CHARGE \_\_\_\_\_  
 DISCOUNT \_\_\_\_\_ IF PAID IN 30 DAYS

SIGNATURE DENNY GREEN

[Signature]  
 PRINTED NAME \_\_\_\_\_



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