

RECEIVED

JAN 04 2002

KCC WICHITA

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form ACO-1  
September 1999  
Form Must Be Typed

WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

Operator: License # 6039  
Name: L. D. Drilling, Inc.  
Address: R. R. 1, Box 183 B  
City/State/Zip: Great Bend, KS 67530  
Purchaser: EOTT Operating  
Operator Contact Person: L. D. Davis  
Phone: (620) 793-3051  
Contractor: Name: L. D. Drilling, Inc.  
License: 6039  
Wellsite Geologist: Kim Shoemaker

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>10/22/01</u>	<u>10/28/01</u>	<u>11/3/01</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 009-24721-0000

County: Barton

S/2 - NWSE Sec. 2 Twp. 19 S. R. 15  East  West

1650 feet from (S) / N (circle one) Line of Section

1980 feet from (E) / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

(circle one) NE (SE) NW SW

Lease Name: Blankenship Well #: 1

Field Name: Otis/Albert

Producing Formation: Arbuckle

Elevation: Ground: 1963 Kelly Bushing: 1968

Total Depth: 3577 Plug Back Total Depth: \_\_\_\_\_

Amount of Surface Pipe Set and Cemented at 950 Feet

Multiple Stage Cementing Collar Used?  Yes  No

If yes, show depth set \_\_\_\_\_ Feet

If Alternate II completion, cement circulated from \_\_\_\_\_

feet depth to ALT I WITHIN 10-13-06 w/ \_\_\_\_\_ sx cmt.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content \_\_\_\_\_ ppm Fluid volume \_\_\_\_\_ bbls

Dewatering method used \_\_\_\_\_

Location of fluid disposal if hauled offsite: \_\_\_\_\_

Operator Name: \_\_\_\_\_

Lease Name: \_\_\_\_\_ License 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: Bessie Newhoff

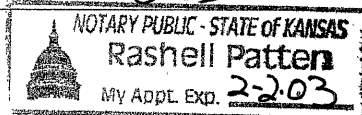
Title: Sec/Treas Date: 12-28-01

Subscribed and sworn to before me this 28<sup>th</sup> day of December

19 2001

Notary Public: Rashell Patten

Date Commission Expires: 2-2-03



KCC Office Use ONLY

Letter of Confidentiality Attached

If Denied, Yes  Date: \_\_\_\_\_

Wireline Log Received

Geologist Report Received

UIC Distribution

Operator Name: L. D. Drilling, Inc. Lease Name: Blankenship Well #: 1  
 Sec. 2 Twp. 19 S. R. 15  East  West County: Barton

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

Drill Stem Tests Taken  Yes  No  
 (Attach Additional Sheets)  
 Samples Sent to Geological Survey  Yes  No  
 Cores Taken  Yes  No  
 Electric Log Run  Yes  No  
 (Submit Copy)  
 List All E. Logs Run:

Log Formation (Top), Depth and Datum  Sample  
 Name Top Datum

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(See Attached)

CASING RECORD <input type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Surface	12 1/4"	8 5/8" New	24#	950'	60/40 Poz	425	2% Gel, 3% CC
Production	7 7/8"	5 1/2" Used	10.5#	3565'	ER 2	125	5% Calseal
					EA 2	200	5% Cal Seal

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 (Amount and Kind of Material Used)	Depth
4 spf	3566-3574	1000 gal 28% NE FE Acid	

TUBING RECORD		Size	Set At	Packer At	Liner Run
		2 3/8"	3565'-12'off bott		<input type="checkbox"/> Yes <input type="checkbox"/> No
Date of First, Resumed Production, SWD or Enhr.		Producing Method			
11/22/01		<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.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
	15		240		

Disposition of Gas  Vented  Sold  Used on Lease (If vented, Sumit ACO-18.)

METHOD OF COMPLETION  Open Hole  Perf.  Dually Comp.  Commingled

Production Interval  Other (Specify) \_\_\_\_\_

ORIGINAL

DAILY DRILLING REPORT

OPERATOR: L. D. DRILLING, INC.

LEASE: BLANKENSHIP #1  
S/2 NW SE Sec. 2-19-15 W  
Barton County, KS.

WELLSITE GEOLOGIST: KIM SHOEMAKER

ELEVATION: 1963' Ground 1968' KTB

CONTRACTOR: L. D. DRILLING, INC.

RECEIVED

SPUD: 10-22-01 @ 6:00 P.M.

JAN 04 2002

PTD: 3650'

NCC WICHITA

SURFACE: Ran 22 Jt. New 8 5/8" 24#  
Set @ 950' w/425 sx. 60/40 Pozmix, 2% Gel, 3% cc  
Did Circ. Allied Plug Down 2:15 P.M.

10-22-01 Move in, Rig Up, & Spud 6:00 P.M.  
10-23-01 885' Drilling  
10-24-01 1285' Drilling (Drilled Plug 12:15 AM)  
10-25-01 1890' Drilling  
10-26-01 2835' Drilling  
10-27-01 3510' CFS  
10-28-01 3577' Trip Out w/Tool after DST #3

DV Tool @ 2020'

Ran 90 Jts used 5 1/2" csg  
Set @ 3565' - 12' off bottom. Bottom stage  
flush hole w/ 6 bbl mud flush, 20 bbl salt  
flush. Cem w/125 sx ER 2 - Top stage flush  
hole w/20 bbl salt flush, Cement w/200 sx EA 2  
w/5% Cal Seal, 10% Salt, 5% CFR 2.

Plug Down 7:00 P.M. 10-28-01 - Swift Cementers  
W.O.C.T.

SAMPLE TOPS:

Anhy.	939	+1029 Flat to ABD Prod to N. +5 to Wiedemann
Chase	1824	+ 144 -2' to #3 Wiedeman
Winfield	1873	+ 95
Heebner	3199	-1231
Brown Lime	3278	-1310
Lans. K/C	3286	-1318
Base K/C	3496	-1528
Arbuckle	3562	-1594 +10' to well to NW
RTD	3577	-1609

DST #1 1796 - 1882' Chase  
TIMES: 30-45-45-60  
BLOW: 1st Open blt to bb 18 min.  
2nd open blt to 4"  
RECOVERY: 100' gc wm, 5% gas 8% w.  
180' gc mw, 5% gas, 25% m, 70% w  
IFP: 68-109 FFP: ISIP: FSIP:  
150-160 450 423

DST #2 3490 - 3570 arb  
TIMES: 30-45-45-60  
BLOW: 1st open bb 4 min  
2nd open bb 1 min GTS 10 min  
RECOVERY: into SI  
40' gcm 20% gas, 24' vho & gcm 25% gas  
35% oil, 124 mgo 10% gas 70% oil, 62' co  
IFP: 36-102 FFP: ISIP: FSIP:  
Temp 111° 125-156 458 428

DST #3 3567 - 3577 arb  
TIMES: 30-45-45-60  
BLOW: 1st open bb 1 min  
2nd open bb 1 min GTS 35 min  
into SI  
RECOVERY: 250' cgo  
gravity 37°  
IFP: FFP: ISIP: FSIP:  
19-49 56-95 668 574  
Temp 113°



CHARGE TO: *L. B. Kelly*

ADDRESS

CITY, STATE, ZIP CODE

TICKET  
No 3936

PAGE 1 OF

1. SERVICE LOCATIONS	WELL/PROJECT NO.	LEASE	COUNTY/PARISH	STATE	CITY	DATE	OWNER
2. TICKET TYPE <input type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR		RIG NAME/NO.	SHIPPED VIA	DELIVERED TO	ORDER NO.	
3. WELL TYPE	WELL CATEGORY	JOB PURPOSE		WELL PERMIT NO.	WELL LOCATION		
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.	U/M	QTY.	U/M	UNIT PRICE		AMOUNT	
		LOC	ACCT	DF									
575					MILEAGE 105	50	mi			2.50		125.00	
579					fuel charges	100		2	days			1200.00	
281					mud fluid	500	lb			15		2000.00	
221					Liquid KCC	46	gal			17.00		770.00	
325					S-1000	325	gal			6.75		2186.25	
284					Coal	15	ton			25.00		375.00	
283					Salt	160	lbs			15		2400.00	
290					G-AIR	150	lbs			2.75		412.50	
285					CFR-2	120	lbs			2.75		412.50	
276					Fluore	8	lbs			90		720.00	
531					Bulk Service	325						225.00	
523					Diary	850	73		T.M.	72		630.00	

**LEGAL TERMS:** Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

X *Mike Haddad*  
DATE SIGNED *11-2-01* TIME SIGNED *1600*  A.M.  P.M.

REMIT PAYMENT TO:

SWIFT SERVICES, INC.  
P.O. BOX 466  
NESS CITY, KS 67560  
785-798-2300

SURVEY	AGREE	UN-DECIDED	DIS-AGREE	PAGE TOTAL	<b>ORIGINAL</b>
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				663.75	
WE UNDERSTOOD AND MET YOUR NEEDS?					
OUR SERVICE WAS PERFORMED WITHOUT DELAY?					
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?					
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES <input type="checkbox"/> NO			TAX	
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				TOTAL	

CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES The customer hereby acknowledges receipt of the materials and services listed on this ticket.

SWIFT OPERATOR *L. Kelly* APPROVAL

Thank You!

**JOB LOG**

**SWIFT Services, Inc. ORIGINAL**

DATE 10-28-01 PAGE NO.

CUSTOMER *L.S. Oily* WELL NO. *1* LEASE *Blankenship* JOB TYPE *2 Stage 4/5* TICKET NO. *3736*

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	15:30							00000
	16:00							056 no bottom w/ customer furnished F.E. T.O. 3577 D.V. at 2020'
								RECEIVED JAN 04 KCC WICHITA
	16:00							Set Pipe 12' off Bottom
	16:00							ST CMC w/ Rig
	16:30							<del>Rig shot the rig is stuck</del>
	17:00		32 BBL					ST 500 gal mud fluid + 20 BBL KCC water
								ST mix 12.5 SKS STD w/ 1% Rainald,
								10% Salt, .5% CFR-2, .5% D-AIR, 1/4" #
								per SK Floxide
			30 BBL					finish mix cmt work out P+L
								Release Bottom stage plug + ST DLP
			37 BBL					Pump 36 BBL water + 5' BBL mud
	17:00						1500'	Plug Down
								Release float lid
	17:05							Drop D.V. open Bomb
	17:30							open D.V. + circ w/ mud
			30 BBL					ST 30 BBL mix + P+L h + mix 200
								SKS EA-2 w/ 5% Cal Sol, 10% Salt, .5%
								CFR-2, .5% D-AIR
			43 BBL					finish mix cmt
								Release D.V. Closing Plug
			47.2 BBL					ST disp w/ 47.2 BBL water
								Plug Down Landjet + Well closed w/ 36.5 BBL DLP
								Release D.V. hold
	18:45							Job Complete

36.5 BBL DLP  
36.5 BBL DLP  
36.5 BBL DLP

# ALLIED CEMENTING CO., INC.

Federal Tax I.D.#

08559  
ORIGINAL

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

SERVICE POINT:

*Great Bend*

DATE	SEC.	TWP.	RANGE	CALLED OUT	ON LOCATION	JOB START	JOB FINISH
10-23-01	2	19	15	10:45 AM	11:45 AM	1:15 PM	2:15 PM
LEASE <i>Leasehold</i>		WELL # 1		LOCATION <i>Hinger, 3 west, 2 south,</i>		COUNTY <i>Barton</i>	STATE <i>Kansas</i>
OLD OR <b>NEW</b> (Circle one)				<i>west side</i>			

CONTRACTOR *L.D. Drilling*  
 TYPE OF JOB *Surface*  
 HOLE SIZE *12 1/4"* T.D. *953'*  
 CASING SIZE *8 5/8" NEW 24"* DEPTH *950'*  
 TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_  
 DRILL PIPE \_\_\_\_\_ DEPTH \_\_\_\_\_  
 TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_  
 PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_  
 MEAS. LINE \_\_\_\_\_ SHOE JOINT *43'*  
 CEMENT LEFT IN CSG. *43'*  
 PERFS. \_\_\_\_\_  
 DISPLACEMENT *57 1/2 bbls*

OWNER *L.D. Drilling Inc.*  
 CEMENT  
 AMOUNT ORDERED *425 M 60/40 POZ*  
*2% GEL 3% CC*

**EQUIPMENT**  
*H.B.*  
 PUMP TRUCK CEMENTER *L.D. Drilling*  
 #120 HELPER *Steve Turvey*  
 BULK TRUCK  
 #344 DRIVER *Larry Holdberry*  
 BULK TRUCK  
 # DRIVER

COMMON \_\_\_\_\_ @ \_\_\_\_\_  
 POZMIX \_\_\_\_\_ @ \_\_\_\_\_  
 GEL \_\_\_\_\_ @ \_\_\_\_\_  
 CHLORIDE \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 HANDLING \_\_\_\_\_ @ \_\_\_\_\_  
 MILEAGE \_\_\_\_\_ @ \_\_\_\_\_

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 WICHITA SERVICE

**REMARKS:**

*Ran 22 gals mud 24" 8 5/8 casing  
 to bottom. Circulate with rig mud.  
 shut down hook up to pump tank & mixed  
 425 M 60/40 2% gel 3% CC, shut down  
 change valves over, release 8 5/8 rubber plug  
 & displaced down casing with 57 1/2 bbls  
 fresh h<sup>2</sup>o. Cement did circulate.  
 shut in at manifold.*

DEPTH OF JOB *950'*  
 PUMP TRUCK CHARGE \_\_\_\_\_  
 EXTRA FOOTAGE \_\_\_\_\_ @ \_\_\_\_\_  
 MILEAGE \_\_\_\_\_ @ \_\_\_\_\_  
 PLUG 1-8 5/8 Rubber \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 TOTAL \_\_\_\_\_

CHARGE TO: *L.D. Drilling Inc.*  
 STREET *R.R. Box 183 B*  
 CITY *Great Bend* STATE *Kansas* ZIP *67530*

**FLOAT EQUIPMENT**

*1- 8 5/8 Baffle* \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 TOTAL \_\_\_\_\_

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

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

SIGNATURE *Don J. Magheim*

*X DORAN J. MAGHEIM*  
 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.