

ORIGINAL

Operator Name: Nor-West Kansas Oil, L.L.C. Lease Name: Alice Well #: _____
 Sec. 28 Twp. 9 S. R. 29 East West County: Sheridan

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 <i>(Attach Additional Sheets)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Name	Top	Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Anhydrite	2469	+398
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Topeka	3711	-840
List All E. Logs Run:		Toronoto	3952	-1088
		Lansing	3968	-1103
		Stark Shale	4164	-1299
		Marmaton	4251	-1393
		T.D.	4380	-1516

Compensated density, dual induction, sonic, micro and cement bond log.

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"		287	COM	170	3% CC 2% GEL

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input checked="" type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone	2473 to surface	Lite	550 lite 1/4 lb flo-seal	Flo seal 138 lbs.

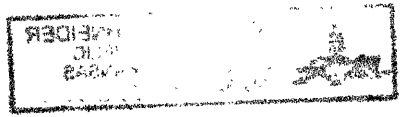
Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record <i>(Amount and Kind of Material Used)</i>	
			Depth
4	4006-4010	250 gallon of mud acid	4006-10

TUBING RECORD		Size	Set At	Packer At	Liner Run
		2 7/8	4205	4240	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.			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.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
	50		50		27

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

METHOD OF COMPLETION: Open Hole Perf. Dually Comp. Commingled

Production Interval: Other (Specify) _____



ALLIED CEMENTING CO., INC.

P.O. BOX 34
RUSSELL, KS 67665
PH (785) 483-3887
FAX (785) 483-5566
FEDERAL TAX ID#

KCC

OCT 26 2004
CONFIDENTIAL

* I N V O I C E *

Invoice Number: 094432

Invoice Date: 09/15/04

RECEIVED
OCT 28 2004
KCC WICHITA

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

Cust I.D.....: NorWKS
P.O. Number...: Alice #1
P.O. Date.....: 09/15/04

Due Date.: 10/15/04
Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Lite	550.00	SKS	7.9500	4372.50	T
FloSeal	138.00	LBS	1.4000	193.20	T
Handling	588.00	SKS	1.3500	793.80	E
Mileage (27)	27.00	MILE	29.4000	793.80	E
588 sks @\$.05 per sk per mi					
Top Stage	1.00	JOB	700.0000	700.00	E

RELEASED
FROM
CONFIDENTIAL

All Prices Are Net, Payable 30 Days Following
Date of Invoice. 1 1/2% Charged Thereafter.
If Account CURRENT take Discount of \$685.33
ONLY if paid within 30 days from Invoice Date

Subtotal: 6853.30
Tax.....: 287.64
Payments: 0.00
Total....: 7140.94

- 685.33
6455.61

PAID SEP 17 2004

ALLIED CEMENTING CO., INC. 12095

Federal Tax I.D.#

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

SERVICE POINT:
OAKLEY

DATE 9-13-04	SEC. 28	TWP. 9S	RANGE 29W	CALLED OUT	ON LOCATION 10:00 AM	JOB START 7:30 AM	JOB FINISH 9:00 P.
LEASE ALICE	WELL # 1	LOCATION GRINNELL 8N-5E-N1E1			COUNTY SHERIDAN	STATE KS	
OLD OR <input checked="" type="radio"/> (Circle one)							

CONTRACTOR A+A DRLG.	OWNER JAME
TYPE OF JOB Production string "Top Stage"	
HOLE SIZE 7 7/8"	T.D. 4380
CASING SIZE 5 1/2"	DEPTH 4375'
TUBING SIZE	DEPTH
DRILL PIPE	DEPTH
TOOL D-U	DEPTH 2473'
PRES. MAX 1800 PSI	MINIMUM 150 PSI
MEAS. LINE	SHOE JOINT 42.46'
CEMENT LEFT IN CSG. 42.46'	
PERFS.	
DISPLACEMENT 60 1/2 BBL.	

CEMENT	
AMOUNT ORDERED	550 SKS LITE 1/4" FLO-SEAL
COMMON	@
POZMIX	@
GEL	@
CHLORIDE	@
LITE 550 SKS	@ 7.98 4372.50
FLO-SEAL 138#	@ 1.40 193.20
RELEASED	@
FROM	@
HANDLING	@ 588 SKS 1.95 793.80
MILEAGE	@ 0.50 PER SK/MILE 793.80
RECEIVED	
OCT 28 2004	
KCC WICHITA SERVICE	
TOTAL	6153.30

EQUIPMENT

PUMP TRUCK	CEMENTER	TERRY
# 177	HELPER	WAYNE
BULK TRUCK		
# 386	DRIVER	JARROD
BULK TRUCK		
# 377	DRIVER	FUZZY
218		MIKE

REMARKS:
MIX 15 SKS RAT HOLE
MIX 535 SKS + DES PLACE
60 1/2 BBL. WATER
LOST CIRCULATION WITH 475 SKS
CEMENT MIXED.
PLUG LANDED TOOL HELD.

THANK YOU

CHARGE TO: **NOR-WEST KANSAS OIL LLC**
 STREET _____
 CITY _____ STATE _____ ZIP _____

DEPTH OF JOB	2473'
PUMP TRUCK CHARGE	700.00
EXTRA FOOTAGE	@
MILEAGE	@ 27 MI N/C
PLUG	@
	@
	@
TOTAL	700.00

FLOAT EQUIPMENT

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

TOTAL _____

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

TAX _____
 TOTAL CHARGE _____
 DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE *[Handwritten Signature]*

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 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 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 recommendation 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.

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

KCC
OCT 26 2004
CONFIDENTIAL

 * INVOICE *

Invoice Number: 094431
 Invoice Date: 09/15/04

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

RECEIVED
OCT 28 2004
KCC WICHITA

RELEASED
FROM
 Cust. I.D. NorWKS
CONFIDENTIAL: Number... Alice #1
 P.O. Date....: 09/15/04

Due Date.: 10/15/04
 Terms....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Gel	4.00	SKS	11.0000	44.00	T
ASC	200.00	SKS	10.6500	2130.00	T
WFR-2	500.00	GAL	1.0000	500.00	T
Handling	215.00	SKS	1.3500	290.25	E
Mileage (27)	27.00	MILE	10.7500	290.25	E
215 sks @\$.05 per sk per mi					
Bottom Stage	1.00	JOB	1180.0000	1180.00	E
Mileage pmp trk	27.00	MILE	4.0000	108.00	E
Guide Shoe	1.00	EACH	150.0000	150.00	T
Latch Down Plug	1.00	EACH	350.0000	350.00	T
Centralizers	11.00	EACH	50.0000	550.00	T
Baskets	2.00	EACH	128.0000	256.00	T
DV-Tool	1.00	EACH	3300.0000	3300.00	T

All Drises Are Net, Payable 30 Days Following
 Date of Invoice. 1 1/2% Charged Thereafter.
 If Account CURRENT take Discount of \$ 914.85
 ONLY if paid within 30 days from Invoice Date

Subtotal. 9148.50
 Tax..... 458.64
 Payments: 0.00
 Total.... 9607.14
- 914.85
8692.29

PAID SEP 17 2004

ALLIED CEMENTING CO., INC. 12094

Federal Tax I.D.#

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

SERVICE POINT:
OAKLEY

DATE <u>9-13-04</u>	SEC. <u>28</u>	TWP. <u>9S</u>	RANGE <u>29W</u>	CALLED OUT	ON LOCATION <u>10:00 AM</u>	JOB START <u>2:30 PM</u>	JOB FINISH <u>3:15 PM</u>
LEASE <u>ALICE</u>	WELL # <u>1</u>	LOCATION <u>GRENNELL 8N-5E-N EN</u>			COUNTY <u>SHERIDAN</u>	STATE <u>KS</u>	
OLD OR <input checked="" type="radio"/> NEW (Circle one)							

CONTRACTOR <u>A+A DRILLING</u>	OWNER <u>SAME</u>
TYPE OF JOB <u>Production string "Bottom Stage"</u>	
HOLE SIZE <u>7 7/8"</u>	T.D. <u>4390'</u>
CASING SIZE <u>5 1/2"</u>	DEPTH <u>4375'</u>
TUBING SIZE	DEPTH
DRILL PIPE	DEPTH
TOOL <u>D-U</u>	DEPTH <u>2473'</u>
PRES. MAX <u>1200 PSI</u>	MINIMUM <u>300 PSI</u>
MEAS. LINE	SHOE JOINT <u>42.46'</u>
CEMENT LEFT IN CSG. <u>42.46'</u>	
PERFS.	
DISPLACEMENT <u>45 BBL WATER 60 1/2 BBL Mud</u>	
EQUIPMENT <u>Total 105 1/2 BBL</u>	

PUMP TRUCK # <u>177</u>	CEMENTER <u>TERRY</u>
	HELPER <u>WAYNE</u>
BULK TRUCK # <u>218</u>	DRIVER <u>MIKE</u>
BULK TRUCK # <u>386</u>	DRIVER <u>JARROD</u>
<u>377</u>	<u>FUZZY</u>

CEMENT		
AMOUNT ORDERED <u>200 SKS ASC</u>	<u>2906.1</u>	
<u>500 GAL WFR-2</u>		
COMMON	@	
POZMIX	@	
GEL <u>45 SKS</u>	@ <u>11.00</u>	<u>495.00</u>
CHLORIDE	@	
ASC <u>200 SKS</u>	@ <u>10.65</u>	<u>2130.00</u>
WFR-2 <u>500 GAL</u>	@ <u>1.00</u>	<u>500.00</u>
HANDLING <u>215 SKS</u>	@ <u>1.35</u>	<u>290.25</u>
MILEAGE <u>0.54 PER SK / MILE</u>		<u>290.25</u>

RECEIVED
OCT 28 2004
TOTAL 3254.50

KCC WICHITA SERVICE

REMARKS:

MIX 500 GAL WFR-2 200 SKS ASC
2906.1, WASH TRUCK + LINES, DISPLACEMENT
45 BBL WATER 60 1/2 BBL MUD
PLUG LANDED
LATCH DOWN ASSY HEAD
DROP BOMB WAIT 20 MIN, OPEN D-U
TOOK CIRC 4 HRS.

THANK YOU

CHARGE TO: NDR-WEST KANSAS OIL LLC
STREET _____
CITY _____ STATE _____ ZIP _____

DEPTH OF JOB <u>4375'</u>	
PUMP TRUCK CHARGE <u>1180</u>	
EXTRA FOOTAGE @	
MILEAGE <u>27 MI</u> @ <u>4.00</u>	<u>108.00</u>
PLUG @	
RELEASED @	
FROM @	
CONFIDENTIAL	
TOTAL	<u>1288.00</u>

FLOAT EQUIPMENT

<u>5 1/2"</u>	
1-GUIDE SHOE @	<u>150.00</u>
1-LATCH DOWN PLUG ASSY @	<u>350.00</u>
11-CENTRALIZERS @ <u>50.00</u>	<u>550.00</u>
2-BASKETS @ <u>128.00</u>	<u>256.00</u>
1-D-U TOOL @	<u>330.00</u>
TOTAL	<u>4606.00</u>

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TAX _____
TOTAL CHARGE _____
DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE [Signature]

PRINTED NAME _____

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(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.

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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 recommendation made by ALLIED, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.

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

ALLIED CEMENTING CO., INC.

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

AD
 AD

 * INVOICE *

KCC

OCT 26 2004
CONFIDENTIAL

Invoice Number: 094351

Invoice Date: 09/09/04

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

RECEIVED
OCT 28 2004
KCC WICHITA

Cust I.D.....: NorWKS
 P.O. Number...: Alice #1
 P.O. Date.....: 09/09/04

Due Date.: 10/09/04
 Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	185.00	SKS	9.1000	1683.50	T
Gel	3.00	SKS	11.0000	33.00	T
Chloride	6.00	SKS	33.0000	198.00	T
Handling	194.00	SKS	1.3500	261.90	E
Mileage (27)	27.00	MILE	9.7000	261.90	E
194 sks @\$.05 per sk per mi					
Surface	1.00	JOB	570.0000	570.00	E
Mileage pmp trk	27.00	MILE	4.0000	108.00	E
Plug	1.00	EACH	55.0000	55.00	T

All Prices Are Net, Payable 30 Days Following
 Date of Invoice. 1 1/2% Charged Thereafter.
 If Account CURRENT take Discount of \$ 317.13
 ONLY if paid within 30 days from Invoice Date

Subtotal: 3171.30
 Tax.....: 124.08
 Payments: 0.00
 Total....: 3295.38

RELEASED
FROM
CONFIDENTIAL
 pd.

- 317.13

 2978.25

Alice NOT
Surface

PAID SEP 14 2004
ENTERED SEP 14 2004

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 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 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 recommendation made by ALLIED, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.

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