

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

**CONFIDENTIAL**

**ORIGINAL**

Operator: License # 5474  
Name: NORTHERN LIGHTS OIL CO., LC  
Address: P.O. BOX 164  
City/State/Zip: ANDOVER, KS 67002  
Purchaser: \_\_\_\_\_  
Operator Contact Person: KURT SMITH  
Phone: (316) 733-1515  
Contractor: Name: MALLARD JV  
License: 4958  
Wellsite Geologist: KURT SMITH

API No. 15 - 135-24329 - 00 - 00  
County: Ness  
e/2\_nw. Sec. 11 Twp. 17 S. R. 23  East  West  
1510 feet from S (N) (circle one) Line of Section  
1950 feet from E (W) (circle one) Line of Section

Designate Type of Completion:  
 New Well  Re-Entry  Workover  
 Oil  SWD  SIOW  Temp. Abd.  
 Gas  ENHR  SIGW  
 Dry  Other (Core, WSW, Expl., Cathodic, etc)

Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE SE (NW) SW  
Lease Name: Sargent Well #: #1  
Field Name: WC  
Producing Formation: \_\_\_\_\_

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. \_\_\_\_\_

Elevation: Ground: 2413 Kelly Bushing: 2418  
Total Depth: 4453 Plug Back Total Depth: \_\_\_\_\_  
Amount of Surface Pipe Set and Cemented at 256 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set \_\_\_\_\_ Feet  
If Alternate II completion, cement circulated from \_\_\_\_\_  
feet depth to \_\_\_\_\_ w/ \_\_\_\_\_ sx cmt.

2-12-05 2-18-05 2-18-05  
Spud Date or Recompletion Date Date Reached TD Completion Date or Recompletion Date

**Drilling Fluid Management Plan** *ACT II P&A WITH*  
(Data must be collected from the Reserve Pit) *4-6-07*  
Chloride content 3000 ppm Fluid volume 2000 bbls  
Dewatering method used Evaporate and 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: *[Signature]*  
Title: MANAGING PARTNER Date: 3-28-5  
Subscribed and sworn to before me this 28<sup>th</sup> day of MARCH, 2005.  
Notary Public: *[Signature]*  
Date Commission Expires: \_\_\_\_\_



**KCC Office Use ONLY**

YES Letter of Confidentiality Attached  
If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
 UIC Distribution

CONFIDENTIAL

Side Two

ORIGINAL

Operator Name: NORTHERN LIGHTS OIL CO., LC Lease Name: Sargent Well #: #1
Sec. 11 Twp. 17 S. R. 23 East West County: Ness

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 [X] Yes No
Samples Sent to Geological Survey [ ] Yes [X] No
Cores Taken Yes [X] No
Electric Log Run [X] Yes No
List All E. Logs Run: RAG

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Table with 3 columns: Name, Formation (Top), Depth and Datum, Sample Datum. Rows include ANHY, LKC, CHER SH., and Mississippian.

CASING RECORD table with columns: Purpose of String, Size Hole Drilled, Size Casing Set, Weight Lbs./ Ft., Setting Depth, Type of Cement, # Sacks Used, Type and Percent Additives.

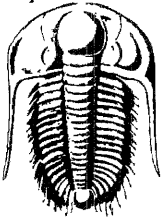
ADDITIONAL CEMENTING / SQUEEZE RECORD table with columns: Purpose, Depth Top Bottom, Type of Cement, #Sacks Used, Type and Percent Additives.

PERFORATION RECORD table with columns: Shots Per Foot, Bridge Plugs Set/Type, Acid, Fracture, Shot, Cement Squeeze Record, Depth.

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TUBING RECORD table with columns: Size, Set At, Packer At, Liner Run, Date of First, Resumed Production, SWD or Enhr., Producing Method, Estimated Production Per 24 Hours.

Disposition of Gas, METHOD OF COMPLETION, Production Interval. Includes checkboxes for Vented, Used on Lease, Open Hole, Perf., Dually Comp., Commingled, and Other.



# TRILOBITE TESTING INC.

KCC  
MAR 2 8 2005

# ORIGINAL

P.O. Box 362 • Hays, Kansas 67601

CONFIDENTIAL

NR 20553

05/03

## CONFIDENTIAL

## Test Ticket

Well Name & No. Sargent - 1 Test No. \_\_\_\_\_ Date 2-17-05  
 Company Northen Lights Oil Co. Zone Tested Chel Sand  
 Address P.O. Box 164 Andover, KS 67002 Elevation 2455 KB 2450 GL \_\_\_\_\_  
 Co. Rep / Geo. Kurt Cont. \_\_\_\_\_ Est. Ft. of Pay \_\_\_\_\_ Por. \_\_\_\_\_ %  
 Location: Sec. 11 Twp. 17 Rge. 23 Co. Ness State KS  
 No. of Copies \_\_\_\_\_ Distribution Sheet (Y, N) \_\_\_\_\_ Turnkey (Y, N) \_\_\_\_\_ Evaluation (Y, N) \_\_\_\_\_

Interval Tested 4340 - 4423 Initial Str Wt./Lbs. 57K Unseated Str Wt./Lbs. 57K  
 Anchor Length 83' Wt. Set Lbs. 20K Wt. Pulled Loose/Lbs. 80K  
 Top Packer Depth 4335 Tool Weight 2000  
 Bottom Packer Depth 4340 Hole Size 7 7/8" Rubber Size 6 3/4"  
 Total Depth 4423 Wt. Pipe Run N/A Drill Collar Run 246  
 Mud Wt. 9.3 LCM 8#2 Vis. 52 WL 11 Drill Pipe Size 4 1/2 XH Ft. Run 4078  
 Blow Description FF - Weak Blow. Built 90 inch, Steadily Dying,  
ISI - No Blowback  
FF - Weak surface blow. Died in 10 min.  
FSI - No Blowback.

Recovery - Total Feet 30 GIP \_\_\_\_\_ Ft. in DC 30 Ft. in DP \_\_\_\_\_  
 Rec. 30 Feet of Mud %gas \_\_\_\_\_ %oil \_\_\_\_\_ %water 100 %mud \_\_\_\_\_  
 Rec. \_\_\_\_\_ Feet of \_\_\_\_\_ %gas \_\_\_\_\_ %oil \_\_\_\_\_ %water \_\_\_\_\_ %mud \_\_\_\_\_  
 Rec. \_\_\_\_\_ Feet of \_\_\_\_\_ %gas \_\_\_\_\_ %oil \_\_\_\_\_ %water \_\_\_\_\_ %mud \_\_\_\_\_  
 Rec. \_\_\_\_\_ Feet of \_\_\_\_\_ %gas \_\_\_\_\_ %oil \_\_\_\_\_ %water \_\_\_\_\_ %mud \_\_\_\_\_  
 Rec. \_\_\_\_\_ Feet of \_\_\_\_\_ %gas \_\_\_\_\_ %oil \_\_\_\_\_ %water \_\_\_\_\_ %mud \_\_\_\_\_  
 BHT 115 °F Gravity \_\_\_\_\_ °API D @ \_\_\_\_\_ °F Corrected Gravity \_\_\_\_\_ °API  
 RW 1.472 @ 79 °F Chlorides 3700 ppm Recovery \_\_\_\_\_ Chlorides 5000 ppm System

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**KCC WICHITA**

	AK-1	Alpine	Recorder No.	Test
(A) Initial Hydrostatic Mud		<u>2110</u> PSI	<u>6752 (5:30)</u>	<u>Conventional</u>
(B) First Initial Flow Pressure		<u>52</u> PSI	<u>4407</u>	Elec. Rec. <input checked="" type="checkbox"/>
(C) First Final Flow Pressure		<u>61</u> PSI	<u>13630</u>	Jars <input checked="" type="checkbox"/>
(D) Initial Shut-In Pressure		<u>413</u> PSI	<u>4420</u>	Safety Jt. <input checked="" type="checkbox"/>
(E) Second Initial Flow Pressure		<u>59</u> PSI		Circ Sub _____
(F) Second Final Flow Pressure		<u>62</u> PSI		Sampler _____
(G) Final Shut-In Pressure		<u>155</u> PSI	<u>30</u>	Straddle _____
(Q) Final Hydrostatic Mud		<u>2091</u> PSI	<u>60</u>	Ext. Packer _____
			<u>45</u>	Shale Packer _____
			<u>60</u>	Mileage <input checked="" type="checkbox"/> <u>X140</u>

TRILOBITE TESTING INC. SHALL NOT BE LIABLE FOR DAMAGED OF ANY KIND OF THE PROPERTY OR PERSONNEL OF THE ONE FOR WHOM A TEST IS MADE, OR FOR ANY LOSS SUFFERED OR SUSTAINED, DIRECTLY OR INDIRECTLY, THROUGH THE USE OF ITS EQUIPMENT, OR ITS STATEMENTS OR OPINION CONCERNING THE RESULTS OF ANY TEST. TOOLS LOST OR DAMAGED IN THE HOLE SHALL BE PAID FOR AT COST BY THE PARTY FOR WHOM THE TEST IS MADE.

Approved By \_\_\_\_\_  
Our Representative DUSTIN LASH

T-On Location	T-Started	T-Open	T-Pulled	T-Out
<u>1600</u>	<u>1730</u>	<u>1945</u>	<u>2300</u>	<u>0100</u>

Sub Total: 1390.00%  
Std. By x1.0  
Total: 1420

# ALLIED CEMENTING CO., INC.

17459 ✓

**CONFIDENTIAL**

KCC

**ORIGINAL**

REMIT TO P.O. BOX 51  
RUSSELL, KANSAS 67665

MAR 28 2005

SERVICE POINT:

Ness city

**CONFIDENTIAL**

DATE <u>2-11-05</u>	SEC. <u>11</u>	TWP. <u>17</u>	RANGE <u>23</u>	CALLED OUT <u>8:00AM</u>	ON LOCATION <u>11:00AM</u>	JOB START <u>5:15pm</u>	JOB FINISH <u>5:45pm</u>
LEASE <u>Sargent</u> WELL # <u>1</u>		LOCATION <u>Ness city 9N 3 1/2 E 1/4 S</u>		COUNTY <u>Ness</u>	STATE <u>KS</u>		
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR Mallard Dreg

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D. 256

CASING SIZE 8 7/8 DEPTH 257

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

DRILL PIPE \_\_\_\_\_ DEPTH \_\_\_\_\_

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

PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_

MEAS. LINE \_\_\_\_\_ SHOE JOINT \_\_\_\_\_

CEMENT LEFT IN CSG. 15

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

DISPLACEMENT 15 1/4

OWNER \_\_\_\_\_

CEMENT AMOUNT ORDERED 170 Com 3%cc 2%ad.

EQUIPMENT

PUMP TRUCK CEMENTER J. Weighaus

# 224 HELPER \_\_\_\_\_

BULK TRUCK DRIVER D. Dugan

# 260 DRIVER Marlyn

BULK TRUCK DRIVER \_\_\_\_\_

# \_\_\_\_\_ DRIVER \_\_\_\_\_

COMMON <u>170M</u>	@ <u>8.30</u>	<u>1411.00</u>
POZMIX _____	@ _____	_____
GEL <u>3 qt</u>	@ <u>13.00</u>	<u>39.00</u>
CHLORIDE <u>Salt</u>	@ <u>36.00</u>	<u>180.00</u>
ASC _____	@ _____	_____
<b>RECEIVED</b>		
<b>MAR 29 2005</b>		
<b>KCC WICHITA</b>		
HANDLING <u>17 Bbl</u>	@ <u>15.00</u>	<u>267.00</u>
MILEAGE <u>13 x 178 x S.S. MIN</u>	@ _____	<u>165.00</u>
TOTAL		<u>2062.00</u>

**REMARKS:**

New 24"  
case 8 7/8 cas w/ reg pump  
mix cement, deep plug  
w/ 15 1/4 BBL. Cemented Case

Thanks

**SERVICE**

DEPTH OF JOB <u>256</u>	_____	_____
PUMP TRUCK CHARGE _____	_____	<u>625.00</u>
EXTRA FOOTAGE _____	@ _____	_____
MILEAGE <u>13</u>	@ <u>4.50</u>	<u>58.50</u>
TOTAL		<u>683.50</u>

CHARGE TO: Northern Lights Oil Co. Inc.  
STREET P.O. Box 164  
CITY Andover STATE KS ZIP 67002

**PLUG & FLOAT EQUIPMENT**

MANIFOLD _____	@ _____	_____
<u>1-8 7/8 Top Wood</u>	@ <u>55.00</u>	<u>55.00</u>
TOTAL		<u>55.00</u>

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 Laverne R. Urban

LAVORN R. URBAN  
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. 20709

**CONFIDENTIAL**

**KCC**

**ORIGINAL**

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

MAR 28 2005

SERVICE POINT: At hand

**CONFIDENTIAL**

DATE <u>2-18-05</u>	SEC. <u>11</u>	TWP. <u>17</u>	RANGE <u>23</u>	CALLED OUT <u>11:00 AM</u>	ON LOCATION <u>2:30 PM</u>	JOB START <u>4:10 PM</u>	JOB FINISH <u>6:15 PM</u>
LEASE <u>Sargeant</u> WELL # <u>1</u>			LOCATION <u>New city 9W, 3 1/2 E, 5 into</u>		COUNTY <u>New</u>	STATE <u>Ka</u>	
OLD OR NEW (Circle one)							

CONTRACTOR Mallard

TYPE OF JOB Rotary Plug

HOLE SIZE 7 7/8" T.D. 4453'

CASING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_

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

DRILL PIPE 4 1/2" DEPTH 1780'

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

PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_

MEAS. LINE \_\_\_\_\_ SHOE JOINT \_\_\_\_\_

CEMENT LEFT IN CSG. \_\_\_\_\_

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

DISPLACEMENT \_\_\_\_\_

OWNER Same

CEMENT AMOUNT ORDERED 205 sh 6 3/4 6 3/8 4 sh

4 1/2" Drill pipe

**EQUIPMENT**

PUMP TRUCK # 181 CEMENTER Tom D

HELPER Don Dimitt

BULK TRUCK # 260 DRIVER Rich H

BULK TRUCK # \_\_\_\_\_ DRIVER \_\_\_\_\_

COMMON	<u>123 sh</u>	@	<u>8.30</u>	<u>1020.90</u>
POZMIX	<u>82 sh</u>	@	<u>4.50</u>	<u>369.00</u>
GEL	<u>11 sh</u>	@	<u>13.00</u>	<u>143.00</u>
CHLORIDE		@		
ASC		@		
<u>NO SEAL 51 #</u>		@	<u>160</u>	<u>81.60</u>
		@		
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>218 sh</u>	@	<u>1.50</u>	<u>327.00</u>
MILEAGE	<u>218 EXSS</u>	@	<u>13 sh</u>	<u>165.00</u>
TOTAL				<u>2106.50</u>

**REMARKS:**

Mixed - 50 sh @ 1780'

80 sh @ 850'

40 sh @ 260'

10 sh @ 40'

15 sh - Rathole

10 sh - Mousehole

T. Shamba  
5

**SERVICE**

DEPTH OF JOB	<u>1780'</u>			
PUMP TRUCK CHARGE			<u>620.00</u>	
EXTRA FOOTAGE		@		
MILEAGE	<u>13</u>	@	<u>4.50</u>	
MANIFOLD		@		
		@		
		@		
TOTAL				<u>678.50</u>

CHARGE TO: Northern Lights

STREET \_\_\_\_\_

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

**PLUG & FLOAT EQUIPMENT**

<u>1- 8 5/8" DH Plug</u>	@	<u>35.00</u>	<u>35.00</u>	
	@			
	@			
	@			
	@			
TOTAL				<u>35.00</u>

To Allied Cementing Co., Inc.  
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TAX \_\_\_\_\_

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

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

SIGNATURE X Hyle Juergensen

X Hyle Juergensen  
PRINTED NAME

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—**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 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.