

**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

Operator: License # 33570
Name: Cadence Resources Corporation
Address: 5646 Milton, Suite 130
City/State/Zip: Dallas, TX 75206
Purchaser: Plains Marketing, L.P.
Operator Contact Person: Lucius Geer
Phone: (713) 655-8800
Contractor: Name: Ace Drilling
License: 33006

API No. 15 - 101-21877-00-00
County: Lane
SW SW NE Sec. 35 Twp. 18 S. R. 28 East West
2310 feet from S / (N) (circle one) Line of Section
2310 feet from (E) / W (circle one) Line of Section
Footages Calculated from Nearest Outside Section Corner:
(circle one) (NE) SE NW SW
Lease Name: Shapland Living Trusts Well #: 1
Field Name: Seifried

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

Producing Formation: Kansas City "K"
Elevation: Ground: 2734 Kelly Bushing: 2737
Total Depth: 4612 Plug Back Total Depth: 4250
Amount of Surface Pipe Set and Cemented at 315 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set 311 Feet
If Alternate II completion, cement circulated from 1806
feet depth to SURFACE w/ 170 sx cmt.

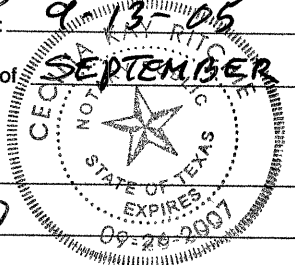
If Workover/Re-entry: Old Well Info as follows:
Operator: _____
Well Name: _____
Original Comp. Date: _____ Original Total Depth: _____
 Deepening Re-perf. Conv. to Enhr./SWD
 Plug Back Plug Back Total Depth
 Commingled Docket No. _____
 Dual Completion Docket No. _____
 Other (SWD or Enhr.?) Docket No. _____
04/27/05 05/12/05 9-1-05
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

Drilling Fluid Management Plan *ACT II WITHIN*
(Data must be collected from the Reserve Pit) *4-10-07*
Chloride content _____ ppm Fluid volume 8000 bbls
Dewatering method used EVAPORATION
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: Agent for Cadence Resources Corporation Date: 9-13-05
Subscribed and sworn to before me this 13 day of SEPTEMBER,
2005.
Notary Public: [Signature]
Date Commission Expires: 09-26-2007



KCC Office Use ONLY

Letter of Confidentiality Received
If Denied, Yes Date: 9-21-2005
 Wireline Log Received
 Geologist Report Received
 UIC Distribution

Operator Name: Cadence Resources Corporation Lease Name: Shapland Living Trusts Well #: 1
 Sec. 35 Twp. 18 S. R. 28 East West County: Lane

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: Comp. Neutron/Density Micro Log Dual Ind. Log	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum
--	---

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
Protect FW	12 1/4	9 5/8	24	315	common	210	gel 4sks cc 6sks
Prod. String	7 7/8	5 1/2	15 1/2	4130	asc	165	kalseal 800#
							asf 500 Gal

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate				
<input type="checkbox"/> Protect Casing	0 - 1806	Litewate	170 sks	65/35 6% Gel 1/4 Floseal
<input type="checkbox"/> Plug Back TD				
<input checked="" type="checkbox"/> Plug Off Zone	4130-4133	Common	50 sks	

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type		Acid, Fracture, Shot, Cement Squeeze Record		
	Specify Footage of Each Interval Perforated		(Amount and Kind of Material Used)		
				Depth	
4 spf	4130-4133		Squeezed 50 sks common		4130
4 spf	4250-4258		250 Gals 15% MA		4250

TUBING RECORD		Size	Set At	Packer At	Liner Run	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
		2 3/8	4260'			
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	none	30		36	

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) _____

ALLIED CEMENTING CO., INC.

17210

Federal Tax I.D.# 48-0727860

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

SERVICE POINT:

Ness City

DATE <u>4-27-05</u>	SEC. <u>35</u>	TWP. <u>18</u>	RANGE <u>2</u>	CALLED OUT <u>12:00AM</u>	ON LOCATION <u>2:00AM</u>	JOB START <u>2:30am</u>	JOB FINISH <u>3:45AM</u>
LEASE <u>Shipland</u> WELL # <u>1</u>			LOCATION <u>Righton 2E 2S 3E</u>		COUNTY <u>Lane</u>	STATE <u>KS</u>	
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR ACE Drilling

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D. 326

CASING SIZE 8 7/8 DEPTH 315

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. 15

PERFS. _____

DISPLACEMENT 19 BBL.

OWNER _____

CEMENT AMOUNT ORDERED _____

210sx Com 3%cc 2 1/2gal

COMMON <u>210net</u>	@	<u>8.70</u>	<u>1827.00</u>
POZMIX _____	@		
GEL <u>4net</u>	@	<u>14.00</u>	<u>56.00</u>
CHLORIDE <u>604</u>	@	<u>38.00</u>	<u>228.00</u>
ASC _____	@		

EQUIPMENT

PUMP TRUCK CEMENTER J. Weighouse

224 HELPER _____

BULK TRUCK

260 DRIVER D. Dugan

BULK TRUCK

_____ DRIVER Steve

RECEIVED

SEP 19 2005

KCC WICHITA

HANDLING <u>220net</u>	@	<u>1.60</u>	<u>352.00</u>
MILEAGE <u>32. 220</u>	<u>OP</u>		<u>432.40</u>
TOTAL			<u>2885.40</u>

REMARKS:

new 24#

cure 8 7/8 w/ reg pump

mix cemt, deep plug

w/ 19' BBL cemented cure

Thanks

SERVICE

DEPTH OF JOB <u>315</u>			
PUMP TRUCK CHARGE			<u>670.00</u>
EXTRA FOOTAGE <u>15</u>	@	<u>55</u>	<u>825</u>
MILEAGE <u>32</u>	@	<u>5.00</u>	<u>160.00</u>
TOTAL			<u>838.25</u>

CHARGE TO: Sedona Oil & Gas Corp.

STREET _____

CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

MANIFOLD _____	@		
<u>1-8 7/8 TopWood</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 ACE

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.

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.

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(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. 18397

Federal Tax I.D.# 48-0727860

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

SERVICE POINT:

New City

DATE <u>6-27-05</u>	SEC. <u>35</u>	TWP. <u>18</u>	RANGE	CALLED OUT <u>8:30 AM</u>	ON LOCATION <u>12:45 PM</u>	JOB START <u>4:30 PM</u>	JOB FINISH <u>6:45 PM</u>
Shadland Living Trust	WELL # <u>1</u>	LOCATION <u>Newton 2E, 2S, 3E,</u>		COUNTY <u>Lawrence</u>	STATE <u>Ks</u>		

OLD OR NEW (Circle one)

CONTRACTOR Cheyenne Well Service
 TYPE OF JOB Plug Squeeze
 HOLE SIZE _____ T.D. _____
 CASING SIZE 5 1/2" DEPTH _____
 TUBING SIZE 2" DEPTH 4166'
 DRILL PIPE _____ DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX 3000# MINIMUM _____
 MEAS. LINE _____ SHOE JOINT _____
 CEMENT LEFT IN CSG. _____
 PERFS. 4130'-4133'
 DISPLACEMENT _____

OWNER Same

CEMENT
 AMOUNT ORDERED 100 lbs Common
(used 50 lbs)

COMMON	<u>50 lbs</u>	@	<u>8.70</u>	<u>435.00</u>
POZMIX		@		
GEL		@		
CHLORIDE		@		
ASC		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>100 lbs</u>	@	<u>1.60</u>	<u>160.00</u>
MILEAGE	<u>100 lbs 06</u>		<u>32</u>	<u>192.00</u>
TOTAL				<u>787.00</u>

EQUIPMENT

PUMP TRUCK CEMENTER Tom D
 # 224 HELPER Tom W
 BULK TRUCK
 # 2100 DRIVER Rick H
 BULK TRUCK
 # _____ DRIVER _____

REMARKS:

Bridge Plug Set @ 4224'. Customer spotted 2 lbs sand, set packer at 4166'. Pressured Bridge Plug to 2000# & held. Pulled 3 in. Set packer at 4066'. Pressured Annular to 500#. Took strip rate of 1 bbl/min @ 2000#. Ran 3 in. tubing at 4166'. Spotted 50 lbs common. Pulled 1 1/2 in. tubing at 3241'. Warded tubing out. Pulled 1 in. Set packer at 3208'. Pressured Annular to 500#. Pressured tubing to 3000#. Got 1/4 bbl out.

SERVICE

DEPTH OF JOB	<u>41166'</u>			
PUMP TRUCK CHARGE				<u>1370.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>32</u>	@	<u>5.00</u>	<u>160.00</u>
		@		
		@		
TOTAL				<u>1530.00</u>

CHARGE TO: Condence Resources
 STREET _____
 CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

MANIFOLD	<input checked="" type="checkbox"/>	@	<u>75.00</u>	<u>75.00</u>
		@		
		@		
		@		
		@		
TOTAL				<u>75.00</u>

To Allied Cementing Co., Inc.
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TAX _____
 TOTAL CHARGE _____
 DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE _____

BARRY SPRUIELL
 PRINTED NAME

(Signed By Barry Spruiell)

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—**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. 18398

Federal Tax I.D.# 48-0727860

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

SERVICE POINT: New City ✓

DATE <u>6-28-05</u>	SEC.	TWP.	RANGE	CALLED OUT <u>7:00AM</u>	ON LOCATION <u>1D:30AM</u>	JOB START <u>11:00AM</u>	JOB FINISH <u>12:00PM</u>
<u>Shepland Living Trust</u>	WELL # <u>1</u>	LOCATION <u>Newton 2E, 2S, 3E,</u>			COUNTY <u>hove</u>	STATE <u>Ka</u>	
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR Cheyenne Well Service

TYPE OF JOB Port Collar

HOLE SIZE _____ T.D. _____

CASING SIZE 5 1/2" DEPTH _____

TUBING SIZE 2" DEPTH 1806'

DRILL PIPE _____ DEPTH _____

TOOL Port Collar DEPTH 1806'

PRES. MAX _____ MINIMUM _____

MEAS. LINE 1500' SHOE JOINT _____

CEMENT LEFT IN CSG. _____

PERFS. _____

DISPLACEMENT 6 1/2 bbls - Tubing

EQUIPMENT _____

PUMP TRUCK CEMENTER Jim D

224 HELPER Jim W

BULK TRUCK _____

344 DRIVER Don Dugan

BULK TRUCK _____

_____ DRIVER _____

OWNER Same

CEMENT

AMOUNT ORDERED 400 lbs 65/35 620 mel

1/4" flored/wh

3 lbs mel, (used 170 lbs)

COMMON	@		
POZMIX	@		
GEL	<u>3 lbs</u>	@	<u>14.00</u> <u>42.00</u>
CHLORIDE	@		
ASC	@		
<u>ALLIED LITEWATE 1704</u>	@	<u>8.15</u>	<u>1385.50</u>
	@		
	@		
	@		
	@		
	@		
	@		
HANDLING	<u>427 lbs.</u>	@	<u>1.60</u> <u>683.20</u>
MILEAGE	<u>4274.06</u>	@	<u>32</u> <u>819.84</u>
TOTAL			<u>2930.04</u>

REMARKS:

Port Collar @ 1806', Mixed 3 lb Mel Spacer.
Pressured to 1200' Released Pressure. Opened
Port Collar. Bore Circulation. Mixed
170 lbs 65/35 620 mel 1/4" flored/wh and cement
circulated to surface. Displaced tubing
with 6 1/2 bbls. Closed Port Collar. Pressured to
1500' Hold. Ran 4 hrs tubing & washed out
(Ode to Pit)

CHARGE TO Candace Resources

STREET _____

CITY _____ STATE _____ ZIP _____

Don Dugan
5

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.

SIGNATURE [Signature]

SERVICE

DEPTH OF JOB 1806'

PUMP TRUCK CHARGE _____ 785.00

EXTRA FOOTAGE @ _____

MILEAGE 32 @ 5.00 160.00

TOTAL 945.00

PLUG & FLOAT EQUIPMENT

MANIFOLD 1 @ 75.00 75.00

TOTAL 75.00

TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

X BARRY SPRUIELL
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.

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