

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 # 31900  
 Name: Nor-West Kansas Oil, L.L.C.  
 Address: RR 2, Box 14  
 City/State/Zip: WaKeeney, Kansas 67672  
 Purchaser: Dry  
 Operator Contact Person: Patrick G. Wanker, Sec.-Treas.,  
 Phone: ( 785 ) 743-2769  
 Contractor: Name: Murfin Drilling Inc.,  
 License: 30606  
 Wellsite Geologist: Kitt Noah  
 Designate Type of Completion: KCC WICHITA  
 New Well     Re-Entry     Workover  
 Oil     SWD     SLOW     Temp. Abd.  
 Gas     ENHR     SIGW  
 Dry     Other (Core, WSW, Expl., Cathodic, etc)  
 If Workover/Re-entry: Old Well Info as follows:  
 Operator: \_\_\_\_\_  
 Well Name: \_\_\_\_\_  
 Original Comp. Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_  
 Deepening     Re-perf.     Conv. to Enhr./SWD  
 Plug Back     Plug Back Total Depth  
 Commingled    Docket No. \_\_\_\_\_  
 Dual Completion    Docket No. \_\_\_\_\_  
 Other (SWD or Enhr.?)    Docket No. \_\_\_\_\_  

<u>12/29/04</u>	<u>1/7/05</u>	<u>N/a</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

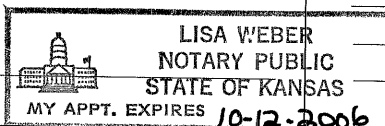
API No. 15 - 179-21122-00-00  
 County: Sheridan  
20' S N/2 N/2 Sec. 9 Twp. 10 S. R. 29  East  West  
680' feet from S / N (circle one) Line of Section  
2640 feet from E / W (circle one) Line of Section  
 Footages Calculated from Nearest Outside Section Corner:  
 (circle one) NE SE NW SW  
 Lease Name: Kathleen Well #: 1  
 Field Name: WCC South  
 Producing Formation: N/A  
 Elevation: Ground: 2,838 Kelly Bushing: 2,849  
 Total Depth: 4,360 Plug Back Total Depth: N/A  
 Amount of Surface Pipe Set and Cemented at 289 Feet  
 Multiple Stage Cementing Collar Used?  Yes  No  
 If yes, show depth set N/A Feet  
 If Alternate II completion, cement circulated from Dry  
 feet depth to \_\_\_\_\_ w/ \_\_\_\_\_ sx cmt.

**Drilling Fluid Management Plan**  
 (Data must be collected from the Reserve Pit) *ALT I PEA with R-12-07*  
 Chloride content 1200 ppm Fluid volume 600 bbls  
 Dewatering method used Air Dry  
 Location of fluid disposal if hauled offsite:  
 Operator Name: N/A  
 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: Sec-Treas., Date: September 15, 2005  
 Subscribed and sworn to before me this 16<sup>th</sup> day of September,  
 20 05.  
 Notary Public: Lisa Weber  
 Date Commission Expires: 10-12-2006



**KCC Office Use ONLY**

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

Operator Name: Nor-West Kansas Oil, L.L.C. Lease Name: Kathleen Well #: 1  
 Sec. 9 Twp. 10 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 <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i>  Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input 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:  Micro Log, Sonic Log, Compensated Density/Neutron Log, Dual Induction Log, Geologist's Report	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample  <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Name</th> <th style="text-align: right;">Top</th> <th style="text-align: right;">Datum</th> </tr> </thead> <tbody> <tr> <td>Anhydrite</td> <td style="text-align: right;">2,430'</td> <td style="text-align: right;">+ 419</td> </tr> <tr> <td>B/Anhydrite</td> <td style="text-align: right;">2,463</td> <td style="text-align: right;">+ 386</td> </tr> <tr> <td>Howard</td> <td style="text-align: right;">3,605</td> <td style="text-align: right;">- 756</td> </tr> <tr> <td>Topeka</td> <td style="text-align: right;">3,690</td> <td style="text-align: right;">- 841</td> </tr> <tr> <td>Heebner</td> <td style="text-align: right;">3,910</td> <td style="text-align: right;">- 1,061</td> </tr> <tr> <td>Toronto</td> <td style="text-align: right;">3,934</td> <td style="text-align: right;">- 1,085</td> </tr> <tr> <td>Lansing</td> <td style="text-align: right;">3,948</td> <td style="text-align: right;">- 1,099</td> </tr> <tr> <td>Mun/Crk.</td> <td style="text-align: right;">4,068</td> <td style="text-align: right;">- 1,219</td> </tr> <tr> <td>Stark</td> <td style="text-align: right;">4,149</td> <td style="text-align: right;">- 1,300</td> </tr> <tr> <td>Hugh-P</td> <td style="text-align: right;">4,176</td> <td style="text-align: right;">- 1,327</td> </tr> <tr> <td>B/KC</td> <td style="text-align: right;">4,310</td> <td style="text-align: right;">- 1,461</td> </tr> </tbody> </table>	Name	Top	Datum	Anhydrite	2,430'	+ 419	B/Anhydrite	2,463	+ 386	Howard	3,605	- 756	Topeka	3,690	- 841	Heebner	3,910	- 1,061	Toronto	3,934	- 1,085	Lansing	3,948	- 1,099	Mun/Crk.	4,068	- 1,219	Stark	4,149	- 1,300	Hugh-P	4,176	- 1,327	B/KC	4,310	- 1,461
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CASING RECORD <input type="checkbox"/> New <input checked="" 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
Dry							

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 <input type="checkbox"/> Plug Back TD <input type="checkbox"/> 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

TUBING RECORD		Size	Set At	Packer At	Liner Run	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Date of First, Resumerd Production, SWD or Enhr.			Producing Method				
			<input type="checkbox"/> Flowing <input 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		

Disposition of Gas <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION <input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____
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**ALLIED CEMENTING CO., INC.**

P.O. BOX 31  
 RUSSELL, KS 67665  
 PH (785) 483-3887  
 FAX (785) 483-5566  
 FEDERAL TAX ID# 48-0727860

\*\*\*\*\*  
 \* I N V O I C E \*  
 \*\*\*\*\*

Invoice Number: 095597

Invoice Date: 01/12/05

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

*Dr. Kath*

**RECEIVED**  
**SEP 19 2005**

Cust I.D.....: NorWKS  
 P.O. Number...: Kathleen #1  
 P.O. Date.....: 01/12/05

Due Date.: 02/11/05  
 Terms.....: Net 30

**KCC WICHITA**

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	120.00	SKS	9.1000	1092.00	T
Pozmix	80.00	SKS	4.1000	328.00	T
Gel	10.00	SKS	11.0000	110.00	T
FloSeal	50.00	LBS	1.4000	70.00	T
Handling	212.00	SKS	1.3500	286.20	T
Mileage (25)	25.00	MILE	10.6000	265.00	T
212 sks @\$ .05 per sk per mi					
Plug	1.00	JOB	700.0000	700.00	T
Mileage pmp trk	25.00	MILE	4.0000	100.00	T

All Prices Are Net, Payable 30 Days Following  
 Date of Invoice. 1 1/2% Charged Thereafter.  
 If Account CURRENT take Discount of \$295.12  
 ONLY if paid within 30 days from Invoice Date

Subtotal: 2951.20  
 Tax.....: 185.92  
 Payments: 0.00  
 Total....: 3137.12

**PAID JAN 13 2005**  
*\$2842.00*

# ALLIED CEMENTING CO., INC.

1340

Federal Tax I.D.# ~~19-0000000~~ 60

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

SERVICE POINT: Daisy

DATE <u>1-7-05</u>	SEC. <u>9</u>	TWP. <u>10<sup>s</sup></u>	RANGE <u>29<sup>w</sup></u>	CALLED OUT	ON LOCATION <u>7:30 AM</u>	JOB START <u>10:30 AM</u>	JOB FINISH <u>12:45 PM</u>
LEASE <u>Katahola</u>	WELL# <u>1</u>	LOCATION <u>Grippell 4N-4E-1N-2W</u>		COUNTY <u>Shannon</u>	STATE <u>Kan</u>		
OLD OR NEW (Circle one)							

CONTRACTOR Mike E. D. Co #22

TYPE OF JOB PTA

HOLE SIZE 7 7/8 T.D. 4360'

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

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

DRILL PIPE 4 1/2 XH DEPTH 2430'

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

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

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

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

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

DISPLACEMENT \_\_\_\_\_

OWNER Same

CEMENT AMOUNT ORDERED 200 SK 50# 50/40 ppc

COMMON	<u>120 SK</u>	@	<u>7.00</u>
POZMIX	<u>50 SK</u>	@	<u>4.00</u>
GEL	<u>10 SK</u>	@	<u>11.00</u>
CHLORIDE		@	
ASC		@	
<u>Geo Seal</u>	<u>50 #</u>	@	<u>140</u>
		@	
		@	
		@	
		@	
		@	
		@	
		@	
HANDLING	<u>212 SK</u>	@	<u>1.35</u>
MILEAGE	<u>59 per 50#</u>		

**EQUIPMENT**

PUMP TRUCK	CEMENTER	<u>Walt</u>
# <u>141</u>	HELPER	<u>Wayne</u>
BULK TRUCK		
# <u>218</u>	DRIVER	<u>Jarrod</u>
BULK TRUCK		
#	DRIVER	

**REMARKS:**

25 SK @ 2430'  
100 SK @ 1540'  
40 SK @ 330'  
10 SK @ 40'  
15 SK in R.H.  
10 SK in 10.4

Thank You

TOTAL \_\_\_\_\_

**SERVICE**

DEPTH OF JOB	_____
PUMP TRUCK CHARGE	_____
EXTRA FOOTAGE	@ _____
MILEAGE	<u>miles</u> @ <u>4.00</u>
MANIFOLD	@ _____
	@ _____
	@ _____

TOTAL \_\_\_\_\_

**PLUG & FLOAT EQUIPMENT**

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

TOTAL \_\_\_\_\_

TAX \_\_\_\_\_

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

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

CHARGE TO: Same as above

STREET \_\_\_\_\_

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

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

SIGNATURE [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 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.**

PO. BOX 31  
 RUSSELL, KS 67665  
 PH (785) 483-3887  
 FAX (785) 483-5566  
 FEDERAL TAX ID# 48-0727860

\*\*\*\*\*  
 \* I N V O I C E \*  
 \*\*\*\*\*

Invoice Number: 095546

Invoice Date: 12/30/04

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

WaKeeney, KS  
 67672

RECEIVED  
 SEP 19 2005  
 KCC WICHITA

*Dr.*

Cust I.D.....: NorWKS  
 P.O. Number...: Kathleen #1  
 P.O. Date.....: ~~12/30/04~~

Due Date.: 01/29/05  
 Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	175.00	SKS	9.1000	1592.50	T
Gel	3.00	SKS	11.0000	33.00	T
Chloride	6.00	SKS	33.0000	198.00	T
Handling	184.00	SKS	1.3500	248.40	E
Mileage (25)	25.00	MILE	9.2000	230.00	E
184 sks @\$ .05 per sk per mi					
Surface	1.00	JOB	570.0000	570.00	E
Mileage pmp trk	25.00	MILE	4.0000	100.00	E
Surface 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 \$ 302.69  
 ONLY if paid within 30 days from Invoice Date

Subtotal: 3026.90  
 Tax.....: 118.35  
 Payments: 0.00  
 Total....: 3145.25

*2842.56*

PAID JAN - 7 2005

To Allied Cementing Co., Inc.  
 You are hereby requested to rent cementing equipment

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_



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—**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.

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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.

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.