

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM **ORIGINAL**
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 30535
 Name: Hartman Oil Co., Inc.
 Address: 12950 E 13th St. N.
 City/State/Zip: Wichita, Ks. 67230-1457
 Purchaser: NCRA
 Operator Contact Person: Stan Mitchell
 Phone: (620) 277-2511
 Contractor: Name: Abercombie RTD, Inc.
 License: 30684
 Wellsite Geologist: Wes Hansen
 Designate Type of Completion:
 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. _____

7-27-04	8-5-04	8-18-04
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

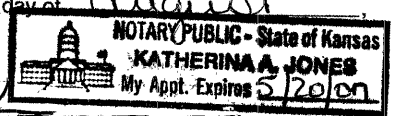
API No. 15 - 055-21834-0000
 County: Finney
 C SW NE Sec. 17 Twp. 22 S. R. 33 East West
2020 feet from S (N) (circle one) Line of Section
2090 feet from (E) W (circle one) Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) (NE) SE NW SW
 Lease Name: Finnup B Well #: 1-12
 Field Name: Damme
 Producing Formation: Morrow - 4762-72'
 Elevation: Ground: 2892' Kelly Bushing: 2897'
 Total Depth: 4950' Plug Back Total Depth: 4919'
 Amount of Surface Pipe Set and Cemented at 354' - w/ 275 sxs Feet
 Multiple Stage Cementing Collar Used? Yes No
 If yes, show depth set 2858' Feet
 If Alternate II completion, cement circulated from 4950
 feet depth to surface w/ 975 sxs cmt.

Drilling Fluid Management Plan ALT#2 R/R 6/17/04
 (Data must be collected from the Reserve Pit)
 Chloride content 2000 ppm Fluid volume 8000 bbls
 Dewatering method used Evaporation
 Location of fluid disposal if hauled offsite: **RECEIVED**
SEP - 1 2004
 Operator Name: _____
 Lease Name: _____ License: **KCC WICHITA**
 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: S.T. Mitchell
 Title: Production supervisor Date: 8-31-04
 Subscribed and sworn to before me this 31st day of August
20 04
 Notary Public: Katherina A. Jones
 Date Commission Expires: May 20, 2007



KCC Office Use ONLY

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

Operator Name: Hartman Oil Co., Inc. Lease Name: Finnup B Well #: # B-12
 Sec. 17 Twp. 22 S. R. 33 East West County: Finney

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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: Dual Compensated Porosity Log - Daul Induction Log - Microresistivity Log - Sonic Cement Log	<input type="checkbox"/> Log Formation (Top), Depth and Datum <input checked="" type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>Heebner</td> <td>3806'</td> <td>-909'</td> </tr> <tr> <td>Lansing</td> <td>3854'</td> <td>-957'</td> </tr> <tr> <td>Pawnee</td> <td>4426'</td> <td>-1529'</td> </tr> <tr> <td>Fort Scott</td> <td>4452'</td> <td>-1555'</td> </tr> <tr> <td>Cherokee</td> <td>4466'</td> <td>-1569'</td> </tr> <tr> <td>Morrow Shale</td> <td>4656'</td> <td>-1759'</td> </tr> <tr> <td>Morrow Sand</td> <td>4710'</td> <td>-1813'</td> </tr> <tr> <td>Missippian</td> <td>4780'</td> <td>-1883'</td> </tr> </table>	Name	Top	Datum	Heebner	3806'	-909'	Lansing	3854'	-957'	Pawnee	4426'	-1529'	Fort Scott	4452'	-1555'	Cherokee	4466'	-1569'	Morrow Shale	4656'	-1759'	Morrow Sand	4710'	-1813'	Missippian	4780'	-1883'
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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
Surface	12-3/4"	8-5/8"	23#	354'	common	275	3 % CC - 2 % gel
Production	7-7/8"	5-1/2"	14#	4950'	Lite & ASC	625 & 350	w/1/4 # Floseal

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 <i>(Amount and Kind of Material Used)</i>	Depth
(2 / SPF)	4762-72'	1250 GAL 7-1/2 % ACID	

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TUBING RECORD	Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	2-2/8"	4900'	N/A	
Date of First, Resumerd Production, SWD or Enhr.		Producing Method		
8-27-04		<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
	75		-0-	

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

METHOD OF COMPLETION

Production Interval Open Hole Pert. Dually Comp. Commingled Other (Specify) _____

Finnup B-12

8/13/04 – MIRU – Plains – Plumb CSG/head to surface, fill cellar – TIH w/ 4 7/8" bit on 2 7/8" (HOC) TBG work string – Tag DV-Tool @ 2854' – shut down

8/14/04 – Rig up mud pump & power swivel – broke circulation – drilled out DV-Tool – circulated clean – RIH w/ bit to PBTD 4925' – circulated 45 min. – POOH w/ bit – filled CSG w/ water – LOG-Tech ran CBL – (good bond) perforated morrow SD @ 4762-72' (10') 2/SPF swab well down to 2600' – shut DN

8/16/04 – CSG @ VAC – RIH w/ CSG swab – FL @ 2600' FS – swab CSG down to perforations (good show of oil & gas) swab test 2/hrs swabbing @ 10 BBL/hr – all oil – RIH w/ PKR (AD-1) set @ 4700' on 2 7/8" (HOC) TBG acidized w/ 1250 GAL 7 ½ % acid + 30 1.3 S.G. ball sealers – 1920# to break DN treated @ 900# @ 4 BPF – (good ball action) ISIP @ 600# - 140# after 10 MIN – (balled off) RIH w/ swab FL @ surface – swab DN to 3200' (good show of oil & gas)

8/17/04 – TBG PSI @ 30# - RIH w/ swab FL @ 3100' FS – 1st pull – 1000' all oil – swab DN to SN @ 4700' – swab test 3/hrs @ 10 BBL/hr – all oil – released PKR & POOH w/ TBG RIH w/ MA, SN 8 JTS 2 3/8 " TBG, AC, +154 JTS 2 3/8 " TBG – SN @ 4900' – set AC @ 20,000# over TBG WT – pack off well – shut down

8/18/04 – CSG PSI @ 12# - RIH w/ new 2"X1 ½ "X 14" RWTC on ¾ " rods (60 – ¾ " SCP & 135 PI) load TBG & PSI to 100# - RDMF

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HARTMAN OIL CO., INC.

HARTMAN OIL CO., INC.

DRILLED
7/12/2004

LEASE- FINNUP

WELL NO. B-12

FIELD NAME DAMME
2020' FNL & 2090' FEL

LOCATION NE-1/4
SEC. 17-22S-32W
FINNEY CO., KS.

8-5/8" @ 354'
W/ 275 SX CEMENT
REGULAR CLASS A
W/ 3 % C. C.
NOTE: - CEMENT IN CELLAR

= 2853' - STAGE COLLAR - 475 SX LITE - W/ 1/4 # FLOSEAL + 150 SX CLASS C
NOTE: - CEMENT CIRCULATED TO SURFACE

X{ }X

4658' 2-3/8" - TBG ANCHOR CATCHER

8/14/2004

= 4762-72' MORROW SAND

4900' SEATING NIPPLE

PBTD

XXXXXXXX

4919'

XXXXXXXX

CSG TD

XXXXXXXX

5-1/2" - 14# @ 4950" W/ 150 SXS LITE W/ 1/4 # FOLSEAL - 200 SXS ASC
W/ 10 % SALT + 5 % GILSONITE

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KCC WICHITA

STAN MITCHELL

ALLIED CEMENTING CO., INC.

14930

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

SERVICE POINT:

OAKLEY

DATE 7-28-04	SEC. 17	TWP. 22S	RANGE 33W	CALLED OUT	ON LOCATION 10:00AM	JOB START 1:45PM	JOB FINISH 2:15PM
LEASE FINNUP	WELL # B-12	LOCATION 83+ BARLOW RD 1/2W-1/2N-EIN		COUNTY FENNEY	STATE KS		
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR ABERCROMBIE REG # 8

TYPE OF JOB SURFACE

HOLE SIZE 12 1/4" T.D. 357'

CASING SIZE 8 3/4" DEPTH 354'

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT 43.45'

CEMENT LEFT IN CSG. 43.45'

PERFS.

DISPLACEMENT 20 BAL.

OWNER SAME

CEMENT

AMOUNT ORDERED 275 SKS COM 3800 2700

COMMON	<u>275</u>	@	<u>8.85</u>	<u>2433.75</u>
POZMIX		@		
GEL	<u>5 SKS</u>	@	<u>10.00</u>	<u>50.00</u>
CHLORIDE	<u>9 SKS</u>	@	<u>30.00</u>	<u>270.00</u>
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>289 SKS</u>	@	<u>1.22</u>	<u>361.58</u>
MILEAGE	<u>0.54 PER SK / MILE</u>			<u>722.52</u>
TOTAL				<u>3837.85</u>

RECEIVED
SEP - 1 2004
KCC WICHITA

EQUIPMENT

PUMP TRUCK CEMENTER TERRY

191 HELPER WAYNE

BULK TRUCK

361 DRIVER LARRY

BULK TRUCK

DRIVER

REMARKS:

FINNUP FINNUP

T.H.A.N.K Y.O.U

SERVICE

DEPTH OF JOB 354'

PUMP TRUCK CHARGE 570.00

EXTRA FOOTAGE @

MILEAGE 50 mi @ 4.00 200.00

PLUG @

TOTAL 770.00

CHARGE TO: HARTMAN OIL CO.

STREET

CITY STATE ZIP

FLOAT EQUIPMENT

8 7/8"

1- T. P. Guide Shoe @ 265.00

1- BAFFLE PLATE @ 45.00

1- SURFACE PLUG @ 45.00

TOTAL 355.00

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

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.

11342

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

SERVICE POINT:

OAKLEY

DATE 8-6-04	SEC. 17	TWP. 22S	RANGE 39W	CALLED OUT	ON LOCATION 7:30 AM	JOB START 5:00 PM	JOB FINISH 6:00 PM
LEASE FIELD # "B"		WELL # 12	LOCATION 83 + TENNIS RD 25-3 1/2 W - 1/2 N - E 0	COUNTY KENNEY		STATE KS	
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR BERCKOMBER RIG # 8 OWNER SAM

TYPE OF JOB Production string "Bottom Stage"

HOLE SIZE 7 7/8" T.D. 4950' CEMENT

CASING SIZE 5 1/2" DEPTH 4952' AMOUNT ORDERED 150 SKS LETE 1/4" FLO-SEAL

TUBING SIZE DEPTH 200 SKS HSC 10% SALT 5" GILSONITE

DRILL PIPE DEPTH

TOOL D-U DEPTH 2871.11'

PRES. MAX MINIMUM ASC COMMON 200 SKS @ 70 3/4 2070.00

MEAS. LINE SHOE JOINT 23.62' POZMIX @

CEMENT LEFT IN CSG. 23.62' GEL @

PERFS. CHLORIDE @

DISPLACEMENT 50 WATER 68 MUD LETE 150 SKS @ 8 1/2 1222.50

EQUIPMENT TOTAL 118 BBL FLO-SEAL 38" @ 1 1/2 53.25

GILSONITE 1000" @ 1.50 500.00

SAIT 26 SKS @ 7 1/2 195.00

PUMP TRUCK CEMENTER TERRY HANDLING 405 SKS @ 1 1/2 506.25

191 HELPER FUZZY MILEAGE 054 PER SK 1.25 1012.50

BULK TRUCK # 361 DRIVER LONNIE

BULK TRUCK # 347 DRIVER LARRY TOTAL 5559.25

218 DRIVER MAX

REMARKS:

SERVICE

MAX 150 SKS 1/4" FLO-SEAL
200 SKS ASC 10% SALT 5" GILSONITE
+ DISPLACE 50 BBL WATER 68 BBL
MUD.

PLUG LAND FLOAT HELD
DROP BOMB WAIT 20 MIN
OPEN D-U TOOL.

THANK YOU

DEPTH OF JOB 4952'

PUMP TRUCK CHARGE 1130.00

EXTRA FOOTAGE @

MILEAGE 50 MI @ 4 1/2 200.00

PLUG @

@

@

TOTAL 1330.00

CHARGE TO: HARTMAN OIL, CO.

STREET _____

CITY _____ STATE _____ ZIP _____

FLOAT EQUIPMENT

5 1/2"

1- Guide SHOE @ 150.00

1- AFU INSERT @ 235.00

12- CENTRALIZERS @ 50 600.00

3- BASKETS @ 128 384.00

1- D-U Tool @ 350.00

TOTAL 4669.00

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 1155.00

DISCOUNT 115.50 IF PAID IN 30 DAYS

AFTER DISC 1040.25

SIGNATURE A.T. Mitchell

S.T. Mitchell

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.

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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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—**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.

14842

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

SERVICE POINT: OAKLEY

DATE <u>8-6-04</u>	SEC. <u>17</u>	TWP. <u>22S</u>	RANGE <u>33W</u>	CALLED OUT	ON LOCATION <u>7:30 AM</u>	JOB START	JOB FINISH
LEASE <u>FINNUP'S</u>	WELL # <u>12</u>	LOCATION <u>HWY 887 TENNIS RD. 2S-3 1/2 W-1/2 S-6A</u>				COUNTY <u>FINNEY</u>	STATE <u>Ks</u>
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR ROBERCROMBIE REL #8

TYPE OF JOB Production STRONG Top stage

HOLE SIZE 7 7/8" T.D. 4950'

CASING SIZE 5 1/2" DEPTH 4952'

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL D-U DEPTH 2871'

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT 23.62'

CEMENT LEFT IN CSG. 23.62'

PERFS.

DISPLACEMENT 68'480L.

OWNER SAME

CEMENT

AMOUNT ORDERED 150 SKS CLASS 'C'

475 SKS LATE 1/4" FLO-SEAL

<u>CLASS 'C'</u>	<u>150 SKS</u>	@	<u>10 65</u>	<u>1597 50</u>
COMMON		@		
POZMIX		@		
GEL		@		
CHLORIDE		@		
<u>LATE</u>	<u>475 SKS</u>	@	<u>9 15</u>	<u>3871 50</u>
		@		
<u>FLO-SEAL</u>	<u>138"</u>	@	<u>1 42</u>	<u>193 50</u>
		@		
		@		
HANDLING	<u>735 SKS</u>	@	<u>1 42</u>	<u>918 50</u>
MILEAGE	<u>250 PER SK / MILE</u>			<u>1575 50</u>
TOTAL				<u>7952 50</u>

EQUIPMENT

PUMP TRUCK CEMENTER TERRY

191 HELPER FUZZY

BULK TRUCK DRIVER LONNIE

361

BULK TRUCK DRIVER LARRY

347

218 MAX

REMARKS:

MAX 150 SKS HOUSE HOLE

MAX 155 SKS RNT HOLE

MAX 450 SKS LATE 1/4" FLO-SEAL

150 SKS CLASS 'C' + DISPLACE 68'480L.

PLUG LADDER

TOOL HELD

CEMENT 250 CIRC.

THANK YOU

SERVICE

DEPTH OF JOB 2871'

PUMP TRUCK CHARGE 650 50

EXTRA FOOTAGE @

MILEAGE 50 MI @ N/C

PLUG @

TOTAL 650 50

CHARGE TO: HARTMAN OIL CO

STREET _____

CITY _____ STATE _____ ZIP _____

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.

SIGNATURE [Signature]

TAX _____

TOTAL CHARGE 8602 50

DISCOUNT 860 25 IF PAID IN 30 DAYS

AFTER DISC 7742 50

S. Mitchell

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.

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