

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 # 3553
 Name: Citation Oil & Gas Corp.
 Address: P.O. Box 690688
 City/State/Zip: Houston, Texas 77269-0688
 Purchaser: Citation Crude Marketing Inc.
 Operator Contact Person: Debra Harris
 Phone: (281) 517-7194
 Contractor: Name: Vonfeldt Drilling, Inc.
 License: 9431
 Wellsite Geologist: Jerry Greer
 Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SIOW 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. E-10416

| | | |
|-----------------------------------|------------------|---|
| <u>10/1/2004</u> | <u>10/6/2004</u> | <u>1/21/2005</u> |
| Spud Date or Recompletion Date | Date Reached TD | Completion Date or Recompletion Date |

API No. 15 - 051-25328-00-00
 County: Ellis
NE NE SE Sec. 36 Twp. 12 S. R. 16 East West
2500 2604 feet from S N (circle one) Line of Section
125 248 feet from E W (circle one) Line of Section
KCC GPS
 Footages Calculated from Nearest Outside Section Corner:
 (circle one) NE (SE) NW SW
 Lease Name: Wieland Unit Well #: 1-22
 Field Name: Fairport
 Producing Formation: LKC
 Elevation: Ground: 1900' Kelly Bushing: 1905'
 Total Depth: 3380' Plug Back Total Depth: 3335' KB
 Amount of Surface Pipe Set and Cemented at 954' 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.

Drilling Fluid Management Plan
 (Data must be collected from the Reserve Pit) ALTIWHW
6-21-07
 Chloride content _____ ppm Fluid volume _____ bbls
 Dewatering method used Allow to dry 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: Debra Harris
 Title: Prod/Reg Coordinator Date: 1/27/2005
 Subscribed and sworn to before me this 27th day of January,
 2005.
 Notary Public: Loree Harrell
 Date Commission Expires: 3-2-07

KCC Office Use ONLY

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

RECEIVED
 JAN 31 2005
KCC WICHITA

RENEE HARRELL
 NOTARY PUBLIC
 STATE OF TEXAS
 EXPIRES 3-2-2007

Operator Name: Citation Oil & Gas Corp. Lease Name: Wieland Unit Well #: 1-22
 Sec. 36 Twp. 12 S. R. 16 East West County: Ellis

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 type="checkbox"/> Yes <input checked="" 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: | <input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:70%;">Name</td> <td style="width:15%;">Top</td> <td style="width:15%;">Datum</td> </tr> <tr> <td>TOPEKA</td> <td>2742'</td> <td>-837 SS</td> </tr> <tr> <td>HEEBNER</td> <td>2966'</td> <td>-1061 SS</td> </tr> <tr> <td>TORONTO</td> <td>2986'</td> <td>-1081 SS</td> </tr> <tr> <td>LKC</td> <td>3016'</td> <td>-1111 SS</td> </tr> <tr> <td>MARMATON</td> <td>3287'</td> <td>-1382' SS</td> </tr> <tr> <td>ARBUCKLE</td> <td>3320'</td> <td>-1415' SS</td> </tr> </table> | Name | Top | Datum | TOPEKA | 2742' | -837 SS | HEEBNER | 2966' | -1061 SS | TORONTO | 2986' | -1081 SS | LKC | 3016' | -1111 SS | MARMATON | 3287' | -1382' SS | ARBUCKLE | 3320' | -1415' SS |
| Name | Top | Datum | | | | | | | | | | | | | | | | | | | | |
| TOPEKA | 2742' | -837 SS | | | | | | | | | | | | | | | | | | | | |
| HEEBNER | 2966' | -1061 SS | | | | | | | | | | | | | | | | | | | | |
| TORONTO | 2986' | -1081 SS | | | | | | | | | | | | | | | | | | | | |
| LKC | 3016' | -1111 SS | | | | | | | | | | | | | | | | | | | | |
| MARMATON | 3287' | -1382' SS | | | | | | | | | | | | | | | | | | | | |
| ARBUCKLE | 3320' | -1415' SS | | | | | | | | | | | | | | | | | | | | |

**DIL; DUAL COMP POROSITY;
MICRORESISTIVITY AND CBL**

| 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 | 12-1/4" | 8-5/8" | 24# | 954' | "C" | 500 | 3% CC; 2% gel |
| Production | 7-7/8" | 5-1/2" | 15.5# | 3380' | ASC | 150 sx | 2% gel; gilsonite; fiocele; FL10; CD 31 |

| 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 |
|----------------|---|---|---------------|
| 4 spf | 3087' - 3273' | 1500 gals 15% NEFe with 65 bio balls | 3232' - 3273' |
| | | 2000 gals 15% NEFe with 90 bio balls | 3182' - 3215' |
| | | 500 gals 15% NEFe with 20 bio balls | 3165' - 3172' |
| | | 2000 gals 15% NEFe with 110 bio balls | 3087' - 3140' |

| | | | | |
|--|-----------|---|----------------|---|
| TUBING RECORD | Size | Set At | Packer At | Liner Run |
| | 2-3/8" | 3067' | Lockset @3067' | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Date of First, Resumerd Production, SWD or Enhr. | | Producing Method | | |
| Injection - 1/21/2005 | | <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 |
| | N/A - WIW | | | |

| | | |
|--|--|---------------------|
| Disposition of Gas | METHOD OF COMPLETION | Production Interval |
| <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If Vented, Submit ACO-18.)</i> | <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) <u>Injection interval</u> | |

ALLIED CEMENTING CO., INC. 18808

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

SERVICE POINT:
Russell

| | | | | | | | |
|-------------------------|--------------------|-------------------------------|-----------------|---------------------------|----------------------------|-----------|----------------------------|
| DATE <i>10/2/04</i> | SEC. <i>36</i> | TWP. <i>12</i> | RANGE <i>16</i> | CALLED OUT <i>7:00 AM</i> | ON LOCATION <i>8:00 AM</i> | JOB START | JOB FINISH <i>11:00 AM</i> |
| LEASE <i>Weiland</i> | WELL # <i>1-72</i> | LOCATION <i>Gorham 1W 6 N</i> | | COUNTY <i>Ellis</i> | STATE <i>Ks</i> | | |
| OLD OR NEW (Circle one) | | | | | | | |

CONTRACTOR *Vonfeldt Dns*
 TYPE OF JOB *SURFACE*
 HOLE SIZE *12 1/2* T.D. *954*
 CASING SIZE *8 5/8* DEPTH *954*
 TUBING SIZE DEPTH
 DRILL PIPE DEPTH
 TOOL DEPTH
 PRES. MAX MINIMUM
 MEAS. LINE SHOE JOINT
 CEMENT LEFT IN CSG. *35'*
 PERFS.
 DISPLACEMENT *58.5 bbls*

OWNER

CEMENT
 AMOUNT ORDERED
500 lb Cem 37.00 29.00

EQUIPMENT
 PUMP TRUCK CEMENTER *Bill*
 # *345* HELPER *DAVE*
 BULK TRUCK
 # DRIVER *PAUL*
 BULK TRUCK
 # DRIVER *CRIG*

| | | | | |
|----------|------------|---|--------------|----------------|
| COMMON | <i>500</i> | @ | <i>7.85</i> | <i>3925.00</i> |
| POZMIX | | @ | | |
| GEL | <i>9</i> | @ | <i>11.00</i> | <i>99.00</i> |
| CHLORIDE | <i>17</i> | @ | <i>33.00</i> | <i>561.00</i> |
| ASC | | @ | | |

RECEIVED
 JAN 31 2005
 KCC WICHITA
 HANDLING *526* @ *1.35* *710.10*
 MILEAGE *.05/54mi* *420.80*
 TOTAL *5715.90*

REMARKS:

*Pipe set @ 954
 Shoe at 35
 Insert @ 919
 Cem w/ 500 lb 3-2
 Pump plug w/ 500 lbs of water
 Cem did cure.*

SERVICE

| | | | | |
|-----------------------|------------|---|---------------|--------------------------|
| DEPTH OF JOB | <i>954</i> | | | 1000.00 |
| PUMP TRUCK CHARGE | | | | <i>570.00</i> |
| EXTRA FOOTAGE | <i>654</i> | @ | <i>.50</i> | <i>327.00</i> |
| MILEAGE | <i>16</i> | @ | <i>4.00</i> | <i>64.00</i> |
| MANIFOLD | | @ | | |
| <i>1-8 5/8 Rubber</i> | | @ | <i>100.00</i> | <i>100.00</i> |
| | | @ | | |
| | | | | <i>1061.00</i> |
| | | | | TOTAL 1000.00 |

CHARGE TO: *Citation*
 STREET _____
 CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

| | | | |
|-----------------------|---|---------------|---------------|
| <i>1-Insert AFO</i> | @ | <i>325.00</i> | <i>325.00</i> |
| <i>3-Centralizers</i> | @ | <i>55.00</i> | <i>165.00</i> |
| | @ | | |
| | @ | | |
| | @ | | |

TOTAL *490.00*

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

[Signature]

T.D. TAYLOR

PRINTED NAME

*PAID:
10/14/04*

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.

COPY

DRILLERS WELL LOG

Date Commenced: October 1, 2004
Date Completed: October 7, 2004

Citation Oil & Gas Corp.
Wieland Unit #1-22
115'N & 40'E NE NE NE SE
Section 36-12S-16W
Ellis County, Kansas

Elevation: 1900' G.L.
1905' K.B.

0 - 538' Sand & Shale
538 - 1897' Lime & Sand
1897 - 2238' Shale
2238 - 2581' Shale & Sand
2581 - 2785' Lime & Shale
2785 - 2985' Shale & Lime
2985 - 3113' Shale
3113 - 3324' Shale & Lime
3324 - 3380' Lime & Shale
3380' R.T.D.

FORMATION DATA

RECEIVED

JAN 31 2005

KCC WICHITA

Surface Pipe: Set 24#, new, 8 5/8"
casing @ 954' with 500 sacks 60/40
Poz., 3% Gel., 2% CC.

Production Pipe: Set 15.5#, new
5 1/2" casing @ 3380' with 200 sacks
ASC.

AFFIDAVIT

STATE OF KANSAS)
) ss:
COUNTY OF RUSSELL)

~~Alan Vonfeldt of lawful age, does swear and state that the facts and statements~~
herein are true and correct to the best of his knowledge.

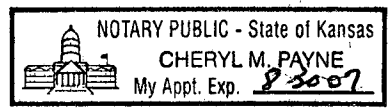
Alan Vonfeldt
Alan Vonfeldt

Subscribed and sworn to before me this 13th day of October, 2004.

My Commission Expires:

August 30, 2007

Cheryl M. Payne
Cheryl M. Payne, Notary Public



ALLIED CEMENTING CO., INC. 18909

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

SERVICE POINT:
Russell

| | | | | | | | |
|--------------------------------|----------------|--------------------|------------------------------|---------------------------|----------------------------|--------------------------|---------------------------|
| DATE <u>10-7-04</u> | SEC. <u>36</u> | TWP. <u>12</u> | RANGE <u>16</u> | CALLED OUT <u>2:15 AM</u> | ON LOCATION <u>3:30 AM</u> | JOB START <u>7:15 AM</u> | JOB FINISH <u>9:45 AM</u> |
| LEASE <u>Weiland</u> | | WELL # <u>1-22</u> | LOCATION <u>GORHAM 1W 6N</u> | COUNTY <u>ELLIS</u> | STATE <u>KANSAS</u> | | |
| OLD OR <u>NEW</u> (Circle one) | | | <u>Y8 w into</u> | | | | |

CONTRACTOR VONFELDT DR LG, RIG #1

TYPE OF JOB PRODUCTION STRING

HOLE SIZE 7 7/8 T.D. 3379

CASING SIZE 5 1/2 15.5 # DEPTH 3377

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL LATCH Down Plug DEPTH 3337

PRES. MAX 1650' MINIMUM _____

MEAS. LINE _____ SHOE JOINT 39, 80

CEMENT LEFT IN CSG 39, 80

PERFS. _____

DISPLACEMENT 79, 40

EQUIPMENT

PUMP TRUCK # 36P CEMENTER Glenn

HELPER Shane

BULK TRUCK # 2B DRIVER GARY

BULK TRUCK # _____ DRIVER _____

REMARKS:

LATCH-Plug (HELD) LAND @ 1650 #

10-SK @ mouse Hole

15 SK @ RAT Hole THANKS

CHARGE TO CITATION OIL & GAS

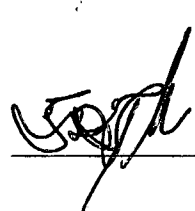
STREET _____

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 _____



OWNER _____

CEMENT

AMOUNT ORDERED 175 SK ASC, 29 GEL

8% GILSONITE 1/2 # FLO-SEAL

PERSK .2% FL-10 3/4 OF 1% CD-31

| | | |
|--------------------------|----------------|----------------|
| COMMON _____ | @ _____ | _____ |
| POZMIX _____ | @ _____ | _____ |
| GEL <u>4 SK</u> | @ <u>11.00</u> | <u>44.00</u> |
| CHLORIDE _____ | @ _____ | _____ |
| ASC <u>175</u> | @ <u>9.80</u> | <u>1715.00</u> |
| <u>GILSONITE 1316 #</u> | @ <u>.50</u> | <u>658.00</u> |
| <u>FL-10 50 #</u> | @ <u>8.00</u> | <u>400.00</u> |
| <u>CD-31 124 #</u> | @ <u>5.50</u> | <u>682.00</u> |
| <u>DeFoamer 50 #</u> | @ <u>5.25</u> | <u>262.50</u> |
| <u>FLO-SEAL 100 #</u> | @ <u>1.40</u> | <u>140.00</u> |
| <u>WFR-2 500 GAL</u> | @ <u>1.00</u> | <u>500.00</u> |
| _____ | @ _____ | _____ |
| _____ | @ _____ | _____ |
| HANDLING <u>179 SK @</u> | @ <u>1.35</u> | <u>241.65</u> |
| MILEAGE <u>SK-mile</u> | @ <u>.05</u> | <u>143.20</u> |
| RECEIVED _____ | TOTAL | <u>4878.85</u> |

RECEIVED

JAN 31 2005

SERVICE

KCC WICHITA

DEPTH OF JOB _____

PUMP TRUCK CHARGE _____ 1180.00

EXTRA FOOTAGE _____ @ _____

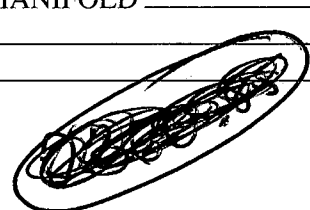
MILEAGE 16 @ 4.00 64.00

MANIFOLD _____ @ _____

_____ @ _____

_____ @ _____

TOTAL 1244.00



PLUG & FLOAT EQUIPMENT

| | | |
|--------------------------|-----------------|----------------|
| <u>Guide Shoe</u> | | <u>150.00</u> |
| <u>10 CENTRALIZERS</u> | @ <u>50.00</u> | <u>500.00</u> |
| <u>1 BASKET</u> | @ <u>128.00</u> | <u>128.00</u> |
| <u>1 LIMIT CLAMP</u> | @ <u>20.00</u> | <u>20.00</u> |
| <u>1 BAKER LOCK</u> | @ <u>30.00</u> | <u>30.00</u> |
| <u>1 LATCH DOWN PLUG</u> | @ <u>350.00</u> | <u>350.00</u> |
| TOTAL | | <u>1178.00</u> |

TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

T.D. TAYLOR

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 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.