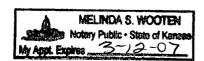
KANSAS CORPORATION COMMISSION ORIGINAL

September 1999 Form Must Be Typed

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

Operator: License #	5399		API NO. 15 -	15-095-22087-0000	
Name:	American Energi	es Corporation	County:	Kingman	
Address:	155 North Marke	t, Suite 710	CNE NE - NW	Sec. <u>20</u> S. R. <u>30-10</u> w	v East x West
City/State/Zip:	Wichita, KS 672	02	630 660 fnl	feet from S / N circle one) Lin	e of Section
Purchaser:	None		2496 1980' fwl	feet from E / (W)circle one) Lin	e of Section
Operator Contact Person:	Alan L. DeGood		Footages Calculated f	rom Nearest Outside Section Corn	ier:
Phone: (316)	(316) 263-5785		(circle one)	NE SE (NW)	SW
Contractor: Name:	Pickrell Drilling		Lease Name: <u>Helln</u>	man	Well #: 1-20
License:	_5123	RECEIVED	Field Name:	Wildcat	
Wellsite Geologist:	David Goldak	APR 1 2 2007	Producing Formation:	Viola/Simpson (Targe	t Formation)
Designate Type of Completion:		MIN 13 2001	Elevation: Ground:	Kelly Bushing	: <u>1781'</u>
X New Well	Re-Entry	_KCC WICHIT	Total Depth: 4480	Plug Back Total De	:pth: <u>4480'</u>
Oil	_SWD	SIOW Temp. Abd	Amount of Surface Pip	pe Set and Cemented at 8 5/8"	23# set @ 249' Feet
Gas	ENHR	SIGW	Multiple Stage Cemen	nting Collar Used?	Yes X No
X Dry	Other (Core, WSV	V, Expl., Cathodic, etc)	If yes, show depth set	· 	Feet
If Workover/Re-entry: Old Well	Info as follows:		If Alternate II completi	ion, cement circulated from	
Operator:			feet depth to	w/	sx cmt.
Well Name:					
Original Comp. Date:		otal Depth: Conv. To Enhr/SWD	Drilling Fluid Manag (Data must be collected	ement Plan P_ f Kyf ed from the Reserve Pit)	2 6 k0/07
Plug Back		Plug Back Total Depth	Chloride content	28,000 ppm Fluid volume_	900 , bbls
Commingled	Docket No)	Dewatering method us	sed Fluids were hauled to S	W disposal well
Dual Completion	Docket No). 	Location of fluid dispo	sal if hauled offsite:	
Other (SWD or E	Enhr.?) Docket No) .	Operator Name:	American Energies Corporation	1
	3/15/07	Plugging date 3/16/07	Lease Name: Gree	nleaf Ranch #1 License No.:	5399
3/5/2007 Spud Date or Date Recompletion Date	e Reached TD	Completion Date or Recompletion Date		7 Twp28 S. R6 Docket No.:	East X West
			County: Kingman	Docket No	D17,279
Kansas 67202, within 120 days of Information of side two of this for 107 for confidentiality in excess TICKETS MUST BE ATTACHED	of the spud date, recorm will be held confide of 12 months). One conduction of 50 Submit CP-4 form we have and regulations	mpletion, workover or conversi ntial for a period of 12 months opy of all wireline logs and geo ith all plugged wells. Submit C promulgated to regulate the oil	on of a well. Rule 82-3-13 if requested in writing and logist well report shall be P-111 form with all tempo	130 S. Market - Room 2078, Wichita, 30, 82-3-106 and 82-3-107 apply. d submitted with the form (see rule 82-autached with this form. ALL CEMEN rarily abandoned wells.	TING
Signature: Um Livel	mf)			KCC Office Use ONLY	
Title: Alan L. DeGoo	d, President	Date: 4/12/07	<i>t</i>	Letter of Confidentiality Attac	hed
Subscribed and sworn to before	e me this	12th day of April	,	If Denied, Yes θ Date:	
2007		<u> </u>	_ _	Wireline Log Received	
Notary Public:	obinela	8/00t	ter -	UIC Distribution	
Date Commission Expires:	Melinda S. Woote	n, Notary Exp. 3/12/08			



(Attach Additional Sheets) Samples Sent to Geological Survey X Yes No Cores Taken Yes X No Electric Log Run Yes No (Submit Copy) List All E. Logs Run: Dual Induction, Compensated Density/Neutron CASING RECORD X New Used Report all strings set-conductor, surface, intermediate, production, etc. Purpose of String Size Hole Size Casing Weight Setting Type of #Sacks Typ	Sample Datum				
test, 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 charts(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 Yes No	Sample				
(Attach Additional Sheets) Samples Sent to Geological Survey Cores Taken Yes X No Electric Log Run Yes No (Submit Copy) List All E. Logs Run: Dual Induction, Compensated Density/Neutron CASING RECORD Report all strings set-conductor, surface, intermediate, production, etc. Purpose of String See attached Drilling Report					
Report all strings set-conductor, surface, intermediate, production, etc. Purpose of String Size Hole Size Casing Weight Setting Type of #Sacks Type					
Report all strings set-conductor, surface, intermediate, production, etc. Purpose of String Size Hole Size Casing Weight Setting Type of # Sacks Type					
if dipode of daming distributed distribu	oe and Percent				
	Additives				
Surface 12 1/4" 8 5/8" 23# 249'KB 60/40 poz 2% gr	el, 3% CC				
Production None					
Purpose: Depth Top Bottom Type of Cement #Sacks Used Type and Percent Additives Protect Casing Plug Back TD Plug Off Zone					
Shots Per Foot PERFORATION RECORD - Bridge Plugs Set/Type Acid, Fracture, Shot, Cement Squeeze Re	ecord				
Shots Per Foot PERFORATION RECORD - Bridge Plugs Set/Type Acid, Fracture, Shot, Cement Squeeze Re Specify Footage of Each Interval Perforated (Amount and Kind of Material Used)					
None					
·					
TUBING RECORD Size Set At Packer At Liner Run Yes No					
Date of First, Resumed Production, SWD or Enhr.					
Estimated Production Oil Bbls Gas Mcf Water Bbls Gas-Oil Ratio Per 24 Hours	Other (Explain)				
Disposition of Gas METHOD OF COMPLETION Production Interval Vented Sold Used on Lease Open Hole Petr Dually Comp. Commingled (If vented Sumit ACO-18.) Other Specify	Other (Explain) Gravity				



155 N. Market, Suite 710, Wichita, KS 67202

DRILLING REPORT Hellman #1-20

LOCATION:

630' FNL & 2490' FWL

Section 20-T30S-R10W

COUNTY: API:

Kingman 15-095-22,087

CONTRACTOR: GEOLOGIST:

Pickrell Drilling Rig #1

Dave Goldak

NOTIFY:

American Energies Corp.

Dianne Y. DeGood Family Trust

Hyde Resources, Inc. Debbie Schmitt, LLC

L. D. Davis Stange Properties Falcon Exploration **SURFACE CASING:** 8 5/8" 23# set @ 249' KB

PRODUCTION CASING: PROJECTED RTD: 4750'

G.L.: 1776' K.B.: 1781'

SPUD DATE: 3/5/07 COMPLETION DATE: REFERENCE WELLS:

#1: R & B - #1-17 Dicke C NW SE 17-30-10W

#2: Mack Oil - #1 Holle C NE NW 19-30-10W

RECEIVED
APR 13 2007
KCC WICHITA

FORMATION:	SAMPLE LOG:		ELECTRIC LOG TOPS:					
			COMPARISON:				COMPAR	COMPARISON:
		,	#1	#2			#1	#2
Onaga Shale	2647	- 866'	- 4	+16	2646	-865	-3	+17
Indian Cave Sand	2658'	- 877'	- 1	+17	2667	-886	-10	+8
Tarkio	2841'	-1060'	- 3	+14	2838	-1057	Flat	+17
Howard	3106'	-1325'	-10	+1	3106	-1325	-10	+1
Kanawaka Sh	3459'	-1678	-8	+10	3456	-1675	-5	+13
Heebner Sh	3629	·-1848	-8	+2	3626	-1845	-5	+5
Toronto	3670	-1889	-9	+7	3667	-1886	-6	+11
Lansing	3835	-2054	-4	+1	3833	-2052	-2	+3
Stark Shale	4179	-2398	-2	-4	4179	-2398	-2	-4
Miss. Chert	4402	-2621	+7	-24	4401	-2620	+8	-23
Kinderhook	4462	-2681	+5	-27	4462	-2681	+5	-27
TD	4480	-2699			4480	-2699		

3/2/07 MIRT & RURT. Will wait until Monday to spud.

3/5/07 · Spud @ 9:15 a.m. Drilled 12 ¼" surface hole to 257'. SHT @ 257' = ¼ degree. Ran 7 jts of new 8 5/8" 23# surface casing –set @ 249' KB. Cemented with 200 sx 60/40 poz with 2% gel, 3% CaCl, with 1% ammonia chloride. PD @ 4:00 p.m. Cement did circulate. Allied Ticket #24941.

3/6/07 Drilling ahead @ 550'.

3/7/07 Drilling ahead @ 1648'.

3/8/07 Drilling ahead @ 2285'.

3/9/07 Drilling ahead at 2819' 8:00 a.m.. SHT @ 2312' = 3/4°. No shows in Indian Cave. 9:00 a.m. Bit trip.

3/10/07 Drilling ahead @ 3277'.

3/11/07 Drilling ahead @ 3660' 10 am circ. In Toronto circ, prepare for DST 1 sample shows were poor, had two 4 ft. drlg breaks pr pinpoint porosity, gas bubbles breaking out no gas kick. No sand development or show in the Elgin or Snyderville. DST #1: 3672-3694 (Toronto). Times: 30-60-60-90. Initial flow – strong blow BOB in 7 minutes. Final flow – strong blow GTS in 52 minutes – TSTM.

Recovered: 200' TF – consisting of 80' GCM – 30% gas, 70% M, 120' GMCW – 10% G, 60% W, 30% M. Recovery chlorides – 68,000 PPM, system chlorides – 3,000 PPM. ISIP: 1321, FSIP: 1276, IFP: 20-53, FFP: 32-82, IHP: 1704, FHP: 1637. BHT: 117 degrees.

3/12/07 Drilling ahead @ 3745'.

Drilling Report – Hellman #1-20 Page - Two

3/13/07 Drilling ahead @ 4090'.

3/14/07 Drilling ahead @ 4345'

3/15/07 RTD 4480. Ran E-Logs. LTD 4480'. . Preparing to P & A.

After reviewing the logs and the absence of shows or log calculation on the following zones, the decision was made to plug the Hellman #1-20:

Indian Cave - No development - no shows

Elgin – No development – no shows

Snyderville Sand - No development - no shows

Toronto – DST #1 – Negative – tight on log

Lansing/Kansas City - No shows on log or samples

Mississippian Chert -1-4' zone with X-plot porosity of 21%. This zone was too tight to produce. It did have some sample shows in 1% of the samples with 20 Unit gas kick

3/16/07 Plugging information as follows: 35 sx @ 1550', 35 sx @ 1050', 35 sx @ 300', 25 sx @ 60', 10 sx in Rathole, 10 sx in Mousehole of 60/40 poz, 4% gel. PD @ 2:30 p.m. on 3/15/07. Allied Ticket #24950. Plugging permission from Steve Van Gieseon on 3/16/07 at 10:45 a.m. Released rig. Final Report.



ALLIED CEMENTING CO., INC. 24950

REMIT TO P.O. BOX 31 SERVICE POINT: **RUSSELL, KANSAS 67665** MEDICINE LODGE TWP. SEC. RANGE CALLED OUT 9,30 am ON LOCATION DATE 3-15-07 305 20 100 HELLMAN LOCATION NASHVILLE, IS, S TO CEMETARY, WELL# LEASE OLDOR NEW (Circle one) CONTRACTOR PICKLETL 410 OWNER AMERICAN ENGLOS TYPE OF JOB ROTARY PLUG **HOLE SIZE** T.D. 1, 550 **CEMENT** CASING SIZE & Sh DEPTH 249 AMOUNT ORDERED 1555x 60:46:4 **TUBING SIZE DEPTH** DRILL PIPE 4多~ DEPTH 1,550 TOOL----DEPTH-PRES. MAX MINIMUM 50 93 A COMMON @10.65 MEAS. LINE **SHOE JOINT** POZMIX 62 @ 5.80 CEMENT LEFT IN CSG. GEL @ 16.65 PERFS. **CHLORIDE** DISPLACEMENT MUD / FRESH WATER ASC (a) **EQUIPMENT** (a) RECEIVED APR 1 3 2007 PUMP TRUCK CEMENTER SILL M. # *3*60 HELPER THOMAS D. KCC WICHITA BULK TRUCK # 364 DRIVER LAMY F BULK TRUCK (a) **DRIVER** HANDLING 160 MILEAGE _ 35 X/60 X. 504.00 **REMARKS:** TOTAL 2241. 30 PLUL 1,550', LOAD HOLE, PUMP 35 SX 60'40; 4, DISTLACE WITH MUD /FASS H WATER, **SERVICE** 2nd PLUG, 1,050', LOAD HOLE, PUMP 35 SX 60:40:4, DISPLACE WITH FRESH WATEN, DEPTH OF JOB 1, 556 3 nd PWL, 300', LOAD HOLE, PUMP 35 SX PUMP TRUCK CHARGE 60: 40: 4, DISPLACE WITH FRUSH WATER EXTRA FOOTAGE 4 th peuc 60', LOAD HOLE, PURP 25 5x 60: 40; \$ MILEAGE @ 6.00 210.00 CIRCULATE COMONT TO SULFACE, PLL & MOUSE NOLES WITH 25 SX 60: 40; 4. MANIFOLD_ CHARGE TO: AMEXICAN ENERGIES TOTAL 1025,00 REET ____ _____STATE____ZIP PLUG & FLOAT EQUIPMENT To Allied Cementing Co., Inc. You are hereby requested to rent cementing equipment ANY APPLICABLE TA®X and furnish cementer and helper to assist owner or WILL BE CHARGED contractor to do work as is listed. The above work was **UPON INVOICING** one to satisfaction and supervision of owner agent or TOTAL . ontractor. I have read & understand the "TERMS AND TAX_ CONDITIONS" listed on the reverse side. (15) DOS 950 TOTAL CHARGE _ IF PAID IN 30 DAYS

DISCOUNT _

PRINTED NAME

0867

DEFINITIONS: In these terms and conditions, "Allied" shall mean Allied Cementing Co., Inc., and "Customer" shall refe 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 "CUS-TOMER" 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 etical prima

-TOWING CHARGES: ALLIED will make a reasonable attempt to get to and from each job site using its own equipme Should ALLIED be unable to do so because of poor or inadequate road conditions, and should it become necessary to emplo 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.

rurnished by ALLIED, will be charged to and paid by CUSTOWIEK.

-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 1 miles 1,000 , 2 miles 1 porter 55 28

(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 negligen 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 WAR RANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WAR-RANTY 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. 24941

REMIT TO P.O. BOX 31 SERVICE POINT: RUSSELL, KANSAS 67665 MEDICINE LODGE TWP. RANGE ON LOCATION TE 3-5-07 JOB FINISH 1:30 pm LOCATION NASHUILLET KS, S TO CEMETAR LEASE HEZLMAN OLD OR NEW (Circle one) 2w, SINTO CONTRACTOR PICKAGLL OWNERAMEXICAN ENERGIES TYPE OF JOB SULFACE CASING HOLE SIZE 12 14 T.D. 257 **CEMENT** CASING SIZE 848 DEPTH 249 AMOUNT ORDERED 200 5x 60! 46:2+ 3% ec TUBING SIZE **DEPTH** + 190 AM CHLOKIDE DRILL PIPE **DEPTH** TOOL **DEPTH** PRES. MAX 200 GOMMON___/_20__A__@_/D.65___/278.00 MINIMUM_100 MEAS. LINE SHOE JOINT 15 80 POZMIX CEMENT LEFT IN CSG. GEL @ 16.65 PERFS. CHLORIDE @ 46.60 326.20 DISPLACEMENT 1434 bbl. FRESH WATER ASC_ Ammonium Chloride 4@ 40.30 161.20 **EQUIPMENT PUMP TRUCK** CEMENTER SILL M. # 360 HELPER THOMS D. **BULK TRUCK** 389 DRIVER MIKE S. ULK TRUCK DRIVER HANDLING 214 @ 1.90 406.60 MILEAGE 35 X 214 X, 09 674,10 **REMARKS:** TOTAL 3360.05 PIPE ON BOTTOM, BREAK CINCULATIONS PUMP PRE- FIUSH, PUMP 200 SX 60:46:2 SERVICE +3% cc+1% AM CHLORIDG, STOP PUMS, RELEASE PLUE, STAKT DISPLACEMENT, DISPLACE WITH 1434 661. FRESH WATER, DEPTH OF JOB 249 PUMP TRUCK CHARGE STOP PUMS, SHUT-IN, CIRCULATE EXTRA FOOTAGE **@** CEMENT. MILEAGE @ 6.00 210.00 35 MANIFOLD HEAD KENT @ 100,00 100,00 @ CHARGE TO: AMERICAN ENERGIES TOTAL 1125,00 STREET _____ STATE __ _ZIP_ PLUG & FLOAT EQUIPMENT 8 5/8" WOODEN PLUE 1@ 60,00 60.00 To Allied Cementing Co., Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or ANY APPLICABLE TAX contractor to do work as is listed. The above work was WILL BE CHARGED done to satisfaction and supervision of owner agent or TOTAL 60.00 UPON INVOICING contractor. I have read & understand the "TERMS AND TAX_ CONDITIONS" listed on the reverse side. TOTAL CHARGE DISCOUNT _

MIKE KERN

PRINTED NAME

17575

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

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. to CUSTOMER.

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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: indivisions with 1214 to 1854

(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 CALLIED 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 merchandi which is determined by ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED AND NO OTHER WAR RANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WAR-RANTY 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.

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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 w

accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.