

ORIGINAL

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

Operator: License # 32566
Name: Cleary Petroleum Corporation
Address: 2601 NW Expressway - Suite 801W
City/State/Zip: Oklahoma City, OK 73112-7221
Purchaser: Western Gas Resources/Plains Marketing
Operator Contact Person: Judy Bellamy
Phone: (405) 848-5019
Contractor: Name: Duke Drilling Co., Inc.
License: 5929
Wellsite Geologist: Dale Whybark

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. _____

10/12/05 10/22/05 01/19/06
Spud Date or Recompletion Date Date Reached TD Completion Date or Recompletion Date

API No. 15 - 007-22931-0000
County: Barber County, Kansas
C E2 NW Sec. 31 Twp. 34 S. R. 15 East West
1320 N feet from S (circle one) Line of Section
1980 W feet from E (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Martha Well #: 1-31
Field Name: South Aetna

Producing Formation: Pawnee Lime
Elevation: Ground: 1625' Kelly Bushing: 1638'
Total Depth: 5112' Plug Back Total Depth: 4883'
Amount of Surface Pipe Set and Cemented at 257 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 ALTI WITH
(Data must be collected from the Reserve Pit) 8-10-07
Chloride content _____ ppm Fluid volume _____ bbls
Dewatering method used evaporate then backfill

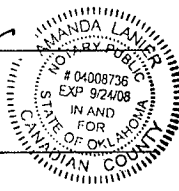
Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____
Quarter _____ Sec. _____ Twp. _____ R. _____ East West
County: _____ Docket No.: _____

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KCC WICHITA

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: Judy Bellamy
Title: Engineering Technician Date: 04/27/06
Subscribed and sworn to before me this 3rd day of May
20 06
Notary Public: Amanda Lania
Date Commission Expires: 9-24-08



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

ORIGINAL

Side Two

Operator Name: Cleary Petroleum Corporation Lease Name: Martha Well #: 1-31
 Sec. 31 Twp. 34 S. R. 15 East West County: Barber County, Kansas

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 <i>(Attach Additional Sheets)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Name	Top	Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Lansing	4262'	(-2624)
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Swope	4641'	(-3003)
List All E. Logs Run:		Hertha	4680'	(-3042)
		Pawnee Lime	4834'	(-3196)
		Cherokee	4854'	(-3216)
		Unconformity/Detrital	4945'	(-3307)
		Mississippi Solid	4933'	(-3295)
		TD	5112'	(-3474)

Dual Induction, Litho-Density, Compensated Neutron, Caliper & Microlog

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
Conductor	See attachment						
Surface	See attachment						
Production	See attachment						

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
	1 (82 holes)	Mississippi	4908' - 4990' (82')	Acidize: 4000 gal 15% NE FE HCl & (135) ball sealers	
			Frac'd: 8000 gal 15% NEFE slickacid, 252,000 gal treated	4908' - 90'	
			slickwater, 45,000 20/40 sand, 8000# rock salt, (40) 7/8" BS		
	CIBP @ 4900' w/2 sx cement - PBD @ 4883.5				
4 (33 holes)	Pawnee Lime	4834' - 4842' (8')	Acidize: 1000 gals 15% NE FE HCl & (50) 7/8" BS	4834' - 42'	
TUBING RECORD		Size Set At	Packer At	Liner Run	
		2-3/8" 4805.55'	4812'	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Date of First, Resumerd Production, SWD or Enhr.		Producing Method			
11/27/2005		<input checked="" 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
	10 (02/27/06)	406	18		

Disposition of Gas Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled
(If vented, Submit ACO-18.) Other (Specify) _____

Cleary Petroleum Corporation
 Martha #1-31
 Section 31-34S-15W
 Barber County, KS
 Attachment to Form ACO-1
 Casing Record

CASING RECORD (XX New)							
Purpose	Size Hole	Size Csg	Weight	Set	Type of Cmt	# Sx Used	Type & % Additives
Conductor	30"	20"		59.5'	grout	5-1/2 yds, 8 sx	
Surface	17-1/2"	13-3/8"	54.5#	257'	65/35/6 POZ	175 sx	3% cc
					Class A	175 sx	3% cc, 2% gel
Intermediate	12-1/4"	8-5/8"	24#	1023'	65/35/6 POZ	350 sx	3% cc
					Class A	150 sx	3% cc
Production	7-7/8"	5-1/2"	15.5#	5111'	Class H	200 sx	10% salt, 10% gyp 6#/sk Floseal, 0.8% L-160

RECEIVED
 MAY 08 2006
 JG
 KCC WICHITA

ALLIED CEMENTING CO., INC.

23217

Federal Tax I.D. [REDACTED]

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

SERVICE POINT:
MEDICINE LODGE

DATE <u>10-12-05</u>	SEC <u>31</u>	TWP <u>34S</u>	RANGE <u>15W</u>	CALLED OUT <u>11:15 AM</u>	ON LOCATION <u>1:30 PM</u>	JOB START <u>3:45 PM</u>	JOB FINISH <u>4:15 PM</u>
LEASE <u>MARTHA</u>		WELL # <u>1-31</u>	LOCATION <u>HARDNER, West 70</u>		COUNTY <u>BARBER</u>	STATE <u>KANSAS</u>	
OLD OR NEW (Circle one) <u>NEW</u>			<u>AETNA RO, 1 1/2 W, 2 1/2 N</u>				

CONTRACTOR DUKE #5

TYPE OF JOB CONDUCTOR

HOLE SIZE 17 1/2" T.D. 263'

CASING SIZE 13 3/8" 54.5# DEPTH 258'

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX 400# MINIMUM _____

MEAS. LINE _____ SHOE JOINT 37.5'

CEMENT LEFT IN CSG. _____

PERFS. _____

DISPLACEMENT 39 BBLs. WATER

EQUIPMENT _____

OWNER CLEARLY PETROLEUM

CEMENT AMOUNT ORDERED

175# 6S:3S:6 + 3% CC + 1/4# FLO-SEAL

175# CLASS A + 3% CC + 2% GEL

COMMON A	175	@	8.70	1522.50
POZMIX		@		
GEL	3	@	14.00	42.00
CHLORIDE	12	@	38.00	456.00
ASC		@		
ALW	175	@	8.15	1426.25
FLO-SEAL	44#	@	1.70	74.8
		@		

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HANDLING	376	@	1.60	601.60
MILEAGE	376 X 50	@	.06	1128.00
				TOTAL <u>5251.15</u>

REMARKS:

RUN 13 3/8" Csg + Break Circulation
PUMP 5 BBLs. FRESH WATER
MIX 175# 6S:3S:6 + 3% CC + 1/4# F/S
MIX 175# CLASS A + 3% CC + 2% GEL
DISPLACE PLUG TO 221' / 39 BBLs
CEMENT DID CIRCULATE

SERVICE

DEPTH OF JOB	<u>258'</u>		
PUMP TRUCK CHARGE	<u>0-300'</u>		<u>670.00</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>50</u>	@	<u>5.00 250.00</u>
MANIFOLD		@	
HEAD RENTAL		@	<u>75.00 75.00</u>
		@	

TOTAL 995.00

CHARGE TO: CLEARLY PETROLEUM

STREET _____

CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

<u>13 3/8"</u>			
1-SANDWICH SHOE	@	400.00	400.00
1-Baffle Plate	@	85.00	85.00
1-BASKET	@	250.00	250.00
3-CENTRALIZERS	@	88.00	264.00
1-TWP	@	70.00	70.00

TOTAL 1069.00

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.

ANY APPLICABLE TAX WILL BE CHARGED UPON INVOICING

TAX _____

TOTAL CHARGE [REDACTED]

DISCOUNT [REDACTED] IF PAID IN 30 DAYS

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 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.

ALLIED CEMENTING CO., INC.

23218

Federal Tax I.D. _____

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

SERVICE POINT:

MEDICINE LODGE

DATE <i>10-13-05</i>	SEC. <i>31</i>	TWP. <i>34s</i>	RANGE <i>15W</i>	CALLED OUT <i>2:30PM</i>	ON LOCATION <i>5:30PM</i>	JOB START <i>12:00 PM</i>	JOB FINISH <i>12:45 PM</i>	
LEASE <i>MARTHA</i>		WELL # <i>1-31</i>	LOCATION <i>HARDNER RD + AETNA</i>		COUNTY <i>BARBER</i>	STATE <i>KANSAS</i>		
OLD OR <u>NEW</u> (Circle one)			RD., 1 1/2 W, 2 1/2 N TO LOC.					

CONTRACTOR *DUKE #9* OWNER *CLEARLY PETROLEUM*

TYPE OF JOB *SURFACE CASING*
 HOLE SIZE *12 1/4"* T.D. *1034'* CEMENT AMOUNT ORDERED
 CASING SIZE *8 5/8" 24#* DEPTH *1029'* *350# 6S:3S:b + 3% CC + 1/4# FLO-SEAL*
 TUBING SIZE _____ DEPTH _____ *150# CLASS A + 2% CC + 2% BEL + 1/4# F/S*
 DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____
 PRES. MAX *1700#* MINIMUM _____
 MEAS. LINE _____ SHOE JOINT *47.18'*
 CEMENT LEFT IN CSG. _____
 PERFS. _____
 DISPLACEMENT *64 BBL. WATER*

EQUIPMENT
 PUMP TRUCK CEMENTER *KEVIN DRUMBARDI*
 # *372* HELPER *MIKE BECKER*
 BULK TRUCK
 # *353-250* DRIVER *MARK COLEY*
 BULK TRUCK
 # *321-290* DRIVER *STEVE KRAMER*

COMMON A	150	@	8.70	1305.00
POZMIX		@		
GEL	3	@	14.00	42.00
CHLORIDE	15	@	38.00	570.00
ASC		@		
ALW	350	@	8.15	2852.50
FLO-SEAL	125#	@	1.70	212.50
		@		
		@		
		@		
HANDLING	541	@	1.60	865.60
MILEAGE	541 X 50		.06	1623.00
TOTAL				7470.60

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REMARKS:

RUN 8 5/8" CSO. + BREAK CIRCULATION
PUMP 5 BBL. WATER
MIX 350# ALW + 3% CC + 1/4# FLO-SEAL
MIX 150# A + 2% CC + 2% BEL + 1/4# F/S
DISPLACE PLUG TO 987' / 64 BBL.
FLOAT DID HOLD
CEMENT DID CIRCULATE

SERVICE

DEPTH OF JOB	1029'		
PUMP TRUCK CHARGE	0-300'		670.00
EXTRA FOOTAGE	129'	@	.55 400.95
MILEAGE	50	@	5.00 N/C
MANIFOLD		@	
HEAD RENTAL		@	75.00 75.00
		@	
TOTAL 1145.95			

CHARGE TO: *CLEARLY PETROLEUM*
 STREET _____
 CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

<i>8 5/8"</i>			
1- TRP	@	100.00	100.00
1- AFU INSERT	@	325.00	325.00
1- BASKET	@	180.00	180.00
5- CENTRALIZERS	@	55.00	275.00
	@		
TOTAL 880.00			

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.

ANY APPLICABLE TAX
 WILL BE CHARGED
 ON INVOICING

SIGNATURE *X Wall Brothers*

TAX _____
 TOTAL CHARGE _____
 DISCOUNT _____ IF PAID IN 30 DAYS

PRINTED NAME

GENERAL TERMS AND CONDITIONS

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—**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.

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—**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.

ALLIED CEMENTING CO., INC.

22951

Federal Tax I.D.

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

SERVICE POINT:
MEDICINE LODGE

DATE <u>10-22-05</u>	SEC. <u>31</u>	TWP. <u>34S</u>	RANGE <u>15W</u>	CALLED OUT <u>9:00 pm</u>	ON LOCATION <u>12:00 am</u>	JOB START <u>4:50 am</u>	JOB FINISH <u>7:00 am</u>
LEASE <u>MARTHA</u>		WELL # <u>1-31</u>	LOCATION <u>HARDTACK RD. & AETNA RD, 1 1/2 W,</u>		COUNTY <u>BARBER</u>	STATE <u>KS</u>	
OLD OR <u>NEW</u> (Circle one)			<u>2 1/2 N TO LOC.</u>				

CONTRACTOR DUKE 159

TYPE OF JOB PRODUCTION CASING

HOLE SIZE 7 7/8" T.D. 5,112'

CASING SIZE 5 1/2" DEPTH 5,115'

TUBING SIZE _____ DEPTH _____

DRILL PIPE 4 1/2" DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX 1100 MINIMUM 100

MEAS. LINE _____ SHOE JOINT 20'

CEMENT LEFT IN CSG. 20"

PERFS. _____

DISPLACEMENT 121 1/4 bbl. 2% KCL WATER

OWNER CLEAR PETROLEUM

CEMENT

AMOUNT ORDERED 15 SK 60' 40' 6 (RATHOLE)

200 SK H+10% GYP-SEAL+10% SALT+6#

KOL-SEAL/SACK+18% FL-160; 9 GAL CLAPRO,

500 GAL MUD CLEAN

COMMON	<u>9</u>	<u>A</u>	@	<u>8.70</u>	<u>78.30</u>
POZMIX	<u>6</u>		@	<u>4.70</u>	<u>28.20</u>
GEL	<u>1</u>		@	<u>14.00</u>	<u>14.00</u>
CHLORIDE			@		
ASC			@		
<u>200 "H"</u>			@	<u>10.50</u>	<u>2100.00</u>
<u>Mud Clean 500 gal</u>			@	<u>1.00</u>	<u>500.00</u>
<u>Clap Pro 9 gal</u>			@	<u>22.90</u>	<u>206.10</u>
<u>Gyp Seal 19</u>			@	<u>19.15</u>	<u>363.85</u>
<u>Kol Seal 1200 #</u>			@	<u>.60</u>	<u>720.00</u>
<u>Salt 22</u>			@	<u>7.90</u>	<u>173.80</u>
<u>FL-160 150 #</u>			@	<u>8.70</u>	<u>1305.00</u>
			@		
HANDLING	<u>284</u>		@	<u>1.60</u>	<u>454.40</u>
MILEAGE	<u>50 x 284 x .06</u>		@		<u>852.00</u>
					TOTAL <u>6795.65</u>

EQUIPMENT

PUMP TRUCK CEMENTER BILL M.

368 HELPER CHRIS R.

BULK TRUCK

363 DRIVER THOMAS D.

BULK TRUCK

_____ DRIVER _____

REMARKS:

PIPE ON BOTTOM, BREAK CIRCULATION, PUMP

PRE-FLUSH, PLUG RATHOLE WITH 15 SK 60' 40' 6,

PUMP 200 SK CLASS H+10% GYP-SEAL+10%

SALT+6# KOL-SEAL/SACK+18% FL-160, STOP

PUMPS, WASH PUMP & LINES, RELEASE PLUG,

START DISPLACEMENT, SEE LIFT, SLOW

RATE, PUMP PLUG, FLOAT HERD, DISPLACED

WITH 121 1/4 bbl. 2% KCL WATER.

SERVICE

DEPTH OF JOB	<u>5,115'</u>		
PUMP TRUCK CHARGE			<u>1510.00</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>50</u>	@	<u>5.00</u> <u>250.00</u>
MANIFOLD HEAD RENT		@	<u>75.00</u> <u>75.00</u>
		@	
		@	

RECEIVED

MAY 08 2006

TOTAL 1835.00

KCC WICHITA

PLUG & FLOAT EQUIPMENT

<u>5 1/2" RUBBER PLUG</u>	<u>1</u>	@	<u>60.00</u>	<u>60.00</u>
<u>5 1/2" GUIDE SHOE</u>	<u>1</u>	@	<u>160.00</u>	<u>160.00</u>
<u>5 1/2" ARJ FLOAT COLLAR</u>	<u>1</u>	@	<u>265.00</u>	<u>265.00</u>
<u>5 1/2" CENTRALIZERS</u>	<u>10</u>	@	<u>50.00</u>	<u>500.00</u>
<u>5 1/2" TURBOLIZERS</u>	<u>11</u>	@	<u>60.00</u>	<u>660.00</u>
<u>5 1/2" STOP RINGS</u>	<u>1-1</u>	@	<u>20.00</u>	<u>20.00</u>
TOTAL <u>1865.00</u>				

CHARGE TO: CLEAR PETROLEUM

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.

ANY APPLICABLE TAX WILL BE CHARGED UPON INVOICING

SIGNATURE Walt Prather

WALT PRATHER
PRINTED NAME

TAX _____

TOTAL CHARGE ~~1865.00~~

DISCOUNT ~~_____~~ IF PAID IN 30 DAYS

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.