

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM

Form ACO-1
September 1999
Form Must Be Typed

WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

Operator: License # 8279
Name: HERTEL OIL COMPANY, LLC
Address: 704 East 12th Street
City/State/Zip: Hays, KS 67601
Purchaser:
Operator Contact Person: David Hertel
Phone: (785) 628-2445
Contractor: Name: Discovery Drilling Co., Inc.
License: 31548
Wellsite Geologist: Randall Kilian

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.
3/1/05 3/5/05 3/6/05
Spud Date or Date Reached TD Completion Date or Recompletion Date

API No. 15 - 051-25,397-00-00
County: Ellis
35 N & 45 E of
C S/2 NE Sec. 3 Twp. 15 S. R. 18 W. East West
2275 feet from N (circle one) Line of Section
1275 feet from E (circle one) Line of Section

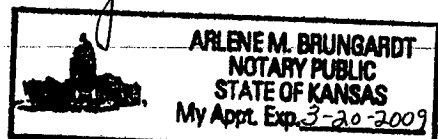
Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: M-L Well #: 4
Field Name: Dinges East
Producing Formation: Arbuckle
Elevation: Ground: 2009 Kelly Bushing: 2017
Total Depth: 3700 Plug Back Total Depth:
Amount of Surface Pipe Set and Cemented at 212.53 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set 1192 Feet
If Alternate II completion, cement circulated from
feet depth to _____ w/ _____ sx cmt.
(15sks In Rat Hole)

Drilling Fluid Management Plan AH II NCR 7-24-08
(Data must be collected from the Reserve Pit)
Chloride content 11,000 ppm Fluid volume 300 bbls
Dewatering method used Evaporation
Location of fluid disposal if hauled offsite:
Operator Name:
Lease Name: License No.:
Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West
County: _____ Docket No.:

RECEIVED
MAY 11 2005
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: [Signature]
Title: CO-OWNER Date:
Subscribed and sworn to before me this 6th day of May
2005.
Notary Public Arlene M. Brungardt
Date Commission Expires: 3-20-2009



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

Operator Name: HERTEL OIL COMPANY, LLC Lease Name: M-L Well #: 4
 Sec. 3 Twp. 15 S. R. 18W 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 checked="" type="checkbox"/> Sample Name Top Datum included-----see attached sheet
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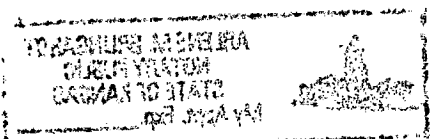
CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs./ Ft.	Setting Depth	Type of Cement	# Sacs Used	Type and Percent Additives
Surface Pipe	12 1/4	8 5/8	23	212.53	Common	150	2%Gel&3%CC
Production St.	7 7/8	5 1/2	14	3695	ASC	150	2%Gel/10%Salt

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input checked="" type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone	surface/	60/40 poz	250/75(325total)	6%gel/common with one inch tubi
	1188'	port collar	(note: has cathodic protection also)	

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 per. ft.	arbuckle 3628'-3632'	used 250 gallons acid	
	lansing/KC 3310-12/3352-56'		
	3366-68'/3466-72'/3486-90'	used a total of 2000	
	3564-68'	gallons acid for all KC zones	

TUBING RECORD		Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input type="checkbox"/> No
		2 3/8"	tubing API 3640'		
Date of First, Resumerd Production, SWD or Enhr.			Producing Method		
April 9, 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
	x 28	---	X 120		37

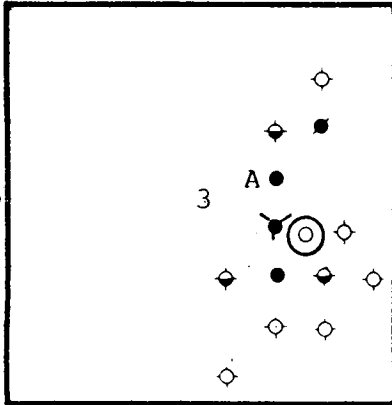
Disposition of Gas Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled arb./Lansing KC
(If vented, Submit ACO-18.) Other (Specify)



FORMATION TOPS & STRUCTURAL GEOLOGY

R 18 W

T
15
S



REFERRED TO:

- A: Pet Inc.
Phannonstiel E-3 SE SW NE 3
- B: _____
- C: _____
- D: _____
- E: _____

STRATIGRAPHIC MARKERS	SUBJECT WELL			STRUCTURAL POSITION				
	SAMPLE	E. LOG	DATUM	A	B	C	D	E
Anhydrite	1201'	1200'	+ 818	+ 809				
Base	1241'	1240'	+ 778	+ 770				
Topoka	2998'	2997'	- 979	- 988				
Heb. Sh.	3264'	3263'	-1245	-1251				
Toronto	3286'	3284'	-1266	-1272				
Lansing	3311'	3310'	-1292	-1298				
Base Kc.	3540'	3542'	-1524	-1527				
Arbuckle	3624'	3624'	-1606	-1597				
T.D.	3700'	3700'	-1682	-1603				

RECEIVED

MAY 11 2005

KCC WICHITA

ALLIED CEMENTING CO., INC. 18636

Federal Tax I.D.# XXXXXXXXXX

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

SERVICE POINT: R

DATE <u>3/1/05</u>	SEC.	TWP.	RANGE	CALLED OUT	ON LOCATION <u>8:30 a.m.</u>	JOB START	JOB FINISH <u>11:30 p.m.</u>
LEASE <u>M-L</u>	WELL # <u>4</u>	LOCATION <u>Antonino Rd 1 E 1/2 S</u>			COUNTY <u>ELLIS</u>	STATE <u>KS</u>	
OLD OR <input checked="" type="radio"/> NEW (Circle one)				<u>W I W</u>			

CONTRACTOR <u>Discovery #2</u>	OWNER
TYPE OF JOB <u>Surface</u>	
HOLE SIZE <u>12 1/4"</u>	T.D. <u>213'</u>
CASING SIZE <u>8 5/8"</u>	DEPTH <u>212'</u>
TUBING SIZE	DEPTH
DRILL PIPE	DEPTH
TOOL	DEPTH
PRES. MAX	MINIMUM
MEAS. LINE	SHOE JOINT
CEMENT LEFT IN CSG. <u>10'</u>	
PERFS.	
DISPLACEMENT <u>12 3/4 Bbl</u>	
EQUIPMENT	
PUMP TRUCK # <u>345</u>	CEMENTER <u>Paul</u>
	HELPER <u>Dave</u>
BULK TRUCK # <u>328</u>	DRIVER <u>Keith</u>
BULK TRUCK #	DRIVER
REMARKS:	

RECEIVED
MAY 11 2005

AMOUNT ORDERED <u>160 Com 3-2</u>					
KCC WICHITA COMMON	<u>160</u>	@	<u>8³⁰</u>	<u>1328⁰⁰</u>	
POZMIX		@			
GEL	<u>3</u>	@	<u>13⁰⁰</u>	<u>39⁰⁰</u>	
CHLORIDE	<u>5</u>	@	<u>36⁰⁰</u>	<u>180⁰⁰</u>	
ASC		@			
		@			
		@			
		@			
		@			
		@			
HANDLING	<u>168</u>	@	<u>1⁵⁰</u>	<u>252⁰⁰</u>	
MILEAGE	<u>5.58/SK/MILE</u>			<u>314.16</u>	
TOTAL				<u>2113.16</u>	

SERVICE

DEPTH OF JOB					
PUMP TRUCK CHARGE				<u>625⁰⁰</u>	
EXTRA FOOTAGE		@			
MILEAGE	<u>31</u>	@	<u>4⁵⁰</u>	<u>153⁰⁰</u>	
MANIFOLD		@			
		@			
		@			
TOTAL				<u>778⁰⁰</u>	

PLUG & FLOAT EQUIPMENT

8 5/8 WARD					
		@		<u>55⁰⁰</u>	
		@			
		@			
		@			
		@			
TOTAL				<u>55⁰⁰</u>	

CHARGE TO: Hertel Oil

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 Thomas Al

TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

PRINTED NAME Thomas Al M.

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. 18671

Federal Tax I.D.# XXXXXXXXXX

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

SERVICE POINT:
Russell

DATE <u>3-6-05</u>	SEC.	TWP.	RANGE	CALLED OUT	ON LOCATION	JOB START	JOB FINISH <u>10:45 AM</u>
LEASE <u>ML</u>	WELL # <u>4</u>	LOCATION <u>114y or 252W 25 1/2 W</u>			COUNTY <u>Ellis</u>	STATE <u>Ks</u>	
OLD OR NEW (Circle one)							

CONTRACTOR Discovery D.19
 TYPE OF JOB Prod string
 HOLE SIZE 7 7/8 T.D. 3700
 CASING SIZE 5 1/2 DEPTH 3695
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL #60 port c DEPTH 1192
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ SHOE JOINT _____

OWNER _____
 CEMENT AMOUNT ORDERED 150 ASC 2% gel
10% salt
500 G WFR²

CEMENT LEFT IN CSG. 16
 PERFS. _____
 DISPLACEMENT 14 1/2 90 1/4 BBL

COMMON	_____	@	_____	_____
POZMIX	_____	@	_____	_____
GEL	<u>3</u>	@	<u>13.00</u>	<u>39.00</u>
CHLORIDE	_____	@	_____	_____
ASC	<u>150</u>	@	<u>10.25</u>	<u>1537.50</u>
<u>Salt</u>	<u>15</u>	@	<u>15.00</u>	<u>225.00</u>
<u>WFR-2</u>	<u>500 gals</u>	@	<u>1.00</u>	<u>500.00</u>
HANDLING	<u>168</u>	@	<u>1.50</u>	<u>252.00</u>
MILEAGE	<u>5.5/Sk/mile</u>			<u>277.50</u>
TOTAL				<u>2830.70</u>

EQUIPMENT
345
 PUMP TRUCK CEMENTER Drive
 # _____ HELPER Steve
 BULK TRUCK DRIVER _____
 # _____ DRIVER Rich

REMARKS:
Plug Rat hole 15 sk
Cell on 135710 59
Basket #60 port collar
Float Held

SERVICE

DEPTH OF JOB	_____		_____
PUMP TRUCK CHARGE	_____		<u>1260.00</u>
EXTRA FOOTAGE	_____	@	_____
MILEAGE	<u>30</u>	@	<u>4.50</u> <u>135.00</u>
MANIFOLD	_____	@	_____
TOTAL <u>1395.00</u>			

CHARGE TO: Nervel Oil Co
 STREET _____
 CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

<u>5 1/2 Rubber</u>	_____		<u>60.00</u>
<u>1 Guide Shoe</u>	@		<u>160.00</u>
<u>1 AFU Insert</u>	@		<u>235.00</u>
<u>1 port collar</u>	@		<u>175.00</u>
<u>6 #0 centalizer</u>	@	<u>50.00</u>	<u>300.00</u>
<u>1 Basket</u>	@		<u>140.00</u>
TOTAL <u>2645.00</u>			

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]

Dave Hester
 PRINTED NAME

Flated 3-7-05

GENERAL TERMS AND CONDITIONS

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(A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with ALLIED'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of ALLIED or its employees.

2. With respect to any of ALLIED'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to ALLIED at the landing, CUSTOMER shall either recover the lost item without cost to ALLIED or reimburse ALLIED the current replacement cost of the item unless the loss or damage results from the sole negligence of ALLIED or its employees.

3. ALLIED does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

WARRANTIES: 1. ALLIED warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. ALLIED'S obligation under this warranty is expressly limited to repair, replacement, or allowance for credit, at its option, for any merchandise which is determined by ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and ALLIED shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.

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

ALLIED CEMENTING CO., INC.

16234

Federal Tax I.D.# [REDACTED]

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

SERVICE POINT: R

DATE <u>3/29/05</u>	SEC.	TWP.	RANGE	CALLED OUT	ON LOCATION	JOB START	JOB FINISH
LEASE # <u>part Header</u>	WELL # <u>4</u>	LOCATION <u>Major 252W 1/2 Sec</u>		COUNTY <u>Ellis</u>	STATE <u>KY</u>		
OLD OR NEW (Circle one)							

CONTRACTOR Express Well Service
 TYPE OF JOB part collar
 HOLE SIZE _____ T.D. _____
 CASING SIZE _____ DEPTH _____
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL _____ DEPTH 1190
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ SHOE JOINT _____
 CEMENT LEFT IN CSG. _____
 PERFS. _____
 DISPLACEMENT _____

EQUIPMENT

343 Dave
 PUMP TRUCK CEMENTER _____
 # _____ HELPER _____
 BULK TRUCK _____
 # _____ DRIVER _____
 BULK TRUCK _____
 # 213 DRIVER Booy

REMARKS:

OWNER

CEMENT
 AMOUNT ORDERED 250⁶⁹ 40 6% gel
1/4 6 floreal

COMMON	<u>150</u>	@	<u>8.30</u>	<u>1,245.00</u>
POZMIX	<u>100</u>	@	<u>4.50</u>	<u>450.00</u>
GEL	<u>13</u>	@	<u>13.00</u>	<u>169.00</u>
CHLORIDE		@		
ASC		@		
FLOREAL	<u>63</u>	@	<u>1.60</u>	<u>100.80</u>
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>263</u>	@	<u>1.50</u>	<u>394.50</u>
MILEAGE	<u>1,055/514/mi.</u>			<u>448.57</u>
TOTAL				<u>2,807.87</u>

SERVICE

DEPTH OF JOB _____
 PUMP TRUCK CHARGE _____ 750.00
 EXTRA FOOTAGE _____ @ _____
 MILEAGE 31 mi. @ 4.50 139.50
 _____ @ _____
 _____ @ _____
 _____ @ _____
 TOTAL 889.50

PLUG & FLOAT EQUIPMENT

MANIFOLD _____ @ _____
 _____ @ _____
 _____ @ _____
 _____ @ _____
 _____ @ _____
 TOTAL _____

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

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

SIGNATURE [Signature]

PRINTED NAME

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "ALLIED" shall mean Allied Cementing Co., Inc., and "Customer" shall refer to the party identified by that term on the front of this contract. As applicable, "Job" relates to the services described on the front side of this contract, "merchandise" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

TERMS: Unless satisfactory credit has been established, "CUSTOMER" must tender full cash payment to "ALLIED" before the job is undertaken or merchandise is delivered. If satisfactory credit has been established, the terms of payment for the job and/or merchandise, including bulk cement, are net cash, payable in 30 days from the completion of the job and/or delivery of the merchandise. For all past due invoices, "CUSTOMER" agrees to pay interest on amounts invoiced at a rate of 18 percent per annum until paid. Notwithstanding the foregoing, in no event shall this Contract provide for interest exceeding the maximum rate of interest that "CUSTOMER" may agree to pay under applicable law. If any such interest should be provided for, it shall be and hereby is deemed to be a mistake, and this contract shall be automatically reformed to lower the rate of interest to the maximum legal contract rate, any amounts previously paid as excess interest shall be deducted from the amounts owing from the "CUSTOMER" or at the option of "ALLIED," refunded directly to "CUSTOMER." For purposes of this paragraph, ALLIED and CUSTOMER agree that KANSAS law shall apply. Any discounts granted with this contract are null and void if the charges are not paid when due.

ATTORNEY FEES: In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the terms of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limited to, a reasonable sum as and for attorney's fees.

PRICES AND TAXES: All merchandise listed in "ALLIED'S" current price schedule are F.O.B. ALLIED'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by ALLIED shall be added to the quoted prices charged to CUSTOMER.

TOWING CHARGES: ALLIED will make a reasonable attempt to get to and from each job site using its own equipment. Should ALLIED be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ a tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMER or, if furnished by ALLIED, will be charged to and paid by CUSTOMER.

PREPARATION CHARGES: If a job and/or merchandise is ordered and CUSTOMER cancels the order after preparation of a chemical solution or other material, CUSTOMER will pay ALLIED for the expenses incurred by ALLIED as a result of the cancellation.

DEADHAUL, CHARGES: Unless otherwise specified on the front of this Contract, a deadhaul charge as set forth in ALLIED'S current price book will be charged each way for each service unit which is ordered by CUSTOMER but not used.

SERVICE CONDITIONS AND LIABILITIES: 1. ALLIED carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond ALLIED'S control, ALLIED shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. Customer shall be responsible for and indemnify, defend, and hold harmless ALLIED, its officers, agents and employees, from and against any and all claims or suits for:

(A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with ALLIED'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of ALLIED or its employees.

2. With respect to any of ALLIED'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to ALLIED at the landing, CUSTOMER shall either recover the lost item without cost to ALLIED or reimburse ALLIED the current replacement cost of the item unless the loss or damage results from the sole negligence of ALLIED or its employees.

3. ALLIED does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

WARRANTIES: 1. ALLIED warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. ALLIED'S obligation under this warranty is expressly limited to repair, replacement, or allowance for credit, at its option, for any merchandise which is determined by ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and ALLIED shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.

2. More specifically:

(A) Nothing in this contract shall be construed as a warranty by ALLIED of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.

(B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by ALLIED or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by ALLIED, unless the inaccuracy or incorrectness is caused by the wilful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.

(C) Work done by ALLIED shall be under the direct supervision and control of the CUSTOMER or his agent and ALLIED will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.

ALLIED CEMENTING CO., INC.

16237 ✓

Federal Tax I.D.# XXXXXXXXXX

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67065

SERVICE POINT: R

DATE <u>3/31/05</u>	SEC.	TWP.	RANGE	CALLED OUT	ON LOCATION	JOB START	JOB FINISH <u>9:00 AM</u>
LEASE <u>M-L</u>	WELL# <u>4</u>	LOCATION <u>Mayor 25 2W 8S 18W</u>		COUNTY <u>Ellis</u>	STATE <u>Ks</u>		
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR Express well

TYPE OF JOB Cir Cement 1"

HOLE SIZE _____ T.D. _____

CASING SIZE 52 DEPTH _____

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. _____

PERFS. _____

DISPLACEMENT _____

OWNER _____

CEMENT 125

AMOUNT ORDERED 130 com

used 40 sk

75

COMMON <u>75</u>	@	<u>8.30</u>	<u>622.50</u>
POZMIX _____	@		
GEL _____	@		
CHLORIDE _____	@		
ASC _____	@		
	@		
	@		
	@		
	@		
	@		
	@		
	@		
HANDLING <u>125</u>	@	<u>1.50</u>	<u>187.50</u>
MILEAGE <u>.055/sk/mi</u>			<u>213.28</u>
TOTAL			<u>1,023.28</u>

EQUIPMENT

345 Dave Stove

PUMP TRUCK CEMENTER _____

_____ HELPER _____

BULK TRUCK _____

_____ DRIVER _____

BULK TRUCK _____

282 DRIVER Keith

REMARKS:

Ran 1" tub to 422
Cir to surface w/ 45 sk

SERVICE

DEPTH OF JOB _____

PUMP TRUCK CHARGE _____ 750.00

EXTRA FOOTAGE _____ @ _____

MILEAGE 31 mi @ 4.50 139.50

_____ @ _____

_____ @ _____

_____ @ _____

TOTAL 889.50

CHARGE TO: Herold Oil Co

STREET _____

CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

MANIFOLD _____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

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 _____

TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

PRINTED NAME _____

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(A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with ALLIED'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of ALLIED or its employees.

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