

Operator: License # 33094

KANSAS CORPORATION COMMISSION ORIGINAL OIL & GAS CONSERVATION DIVISION

September 1999 Form Must Be Typed

WELL COMPLETION FORM WELL HISTORY - DESCRIPTION OF WELL & LEASE

API No. 15 - 081-21658-00-00

Name: Cimarex Energy Co.	County: Haskell
Address: 15 E. 5th Street, Ste 1000	SE_NW Sec. 15 Twp. 27 S. R. 34 ☐ East West
City/State/Zip: Tulsa, OK 74103	feet from (S) (A) (circle one) Line of Section
CESI CESI	2166 3 6 feet from (E) (Circle one) Line of Section
Operator Contact Person: Amy Warren AUG 2 9 2006	Foolages Calculated from Nearest Outside Section Corner:
Phone: (918) 585-1100 Ext 1630 CONFIDENTIAL	(circle one) NE SE NW SW
Contractor: Name: Cheyenne Drilling	Lease Name: KC Feedlot Well #: 4
License: 33375	Field Name: Pleasant Prairie
Wellsite Geologist: none	Producing Formation: Chester
Designate Type of Completion:	Elevation: Ground: 2952.5 Kelly Bushing: 2963.5
New Well Re-Entry Workover	Total Depth: 5350' Plug Back Total Depth:
Oil SWD SIOWTemp. Abd.	Amount of Surface Pipe Set and Cemented at 1985 Feet
Gas ✓ ENHR SIGW	Multiple Stage Cementing Collar Used?
Dry Other (Core, WSW, Expl., Cathodic, etc)	If yes, show depth setFeet
If Workover/Re-entry: Old Well Info as follows:	If Alternate II completion, cement circulated from
Operator:	feet depth tow/sx cmt.
Well Name:	
Original Comp. Date: Original Total Depth:	Drilling Fluid Management Plan (Data must be collected from the Reserve Pit)
Deepening Re-perf Conv. to Enhr./SWD	Chloride content est 2000 ppm Fluid volume est 1000 bbls
Plug BackPlug Back Total Depth	Downtoring method used evaporation
Commingled Docket No	ALT TWHIM
Dual Completion Docket No	Location of fluid disposal if hauled offsite: 8 27 07
Other (SWD or Enhr.?) Docket No	Operator Name:
7-14-06 7-24-06 8-10-06	Lease Name: License No.:
7-14-06	Quarter SecTwpS. R East West
Recompletion Date Recompletion Date	County: Docket No.:
Kansas 67202, within 120 days of the spud date, recompletion, workown Information of side two of this form will be held confidential for a period of 1 107 for confidentiality in excess of 12 months). One copy of all wireline logs TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells All requirements of the statutes, rules and regulations promulgated to regulations.	the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, er or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. It is months if requested in writing and submitted with the form (see rule 82-3-12 and geologist well report shall be attached with this form. ALL CEMENTING Submit CP-111 form with all temporarily abandoned wells.
nerein are complete and correct to the best of my knowledge.	
Signature: Shaven La Valley	KCC Office Use ONLY
Drilling Loobnician " 9/29/06	1
	Letter of Confidentiality Received
Subscribed and sworn to before me this 28 day of August	If Denied, Yes Date:
20 06 7	Geologist Report Received RECEIVED
Notary Public: Umy Waven	UIC Distribution SEP 0 1 2006
Date Commission Expires: Notary Public Oklaho OFFICIAL SEA	
AMY WARREN TULSA COUNTY COMMISSION #0100 Comm. Exp. 06/09/2) 5960

KCC

Operator Name: Cin	narex Energy Co.		Lease	Name:	C Feedlot		Well #: 4	AUG 2 9 200
Sec. 15 Twp. 2	27SR34	☐ East	t County	. Hask	ell			CONEIDENT
INSTRUCTIONS: S tested, time tool ope temperature, fluid re- Electric Wireline Log	n and closed, flowing covery, and flow rate	g and shut-in pressu s if gas to surface te	ns penetrated. res, whether sh est, along with fi	Detail a ut-in pre	ll cores. Repor essure reached	static level, hyd	lrostatic pressur	
Drill Stem Tests Take		☐ Yes 🗸 N	0		og Format	ion (Top), Depth	and Datum	Sample
Samples Sent to Ge	,	☐ Yes ☑ N	0	Nam Hee			Тор 3880	Datum
Cores Taken		Yes VN		Lans			3919	
Electric Log Run (Submit Copy)		✓ Yes N			naton		4525	
List All E. Logs Run:					rokee		4672	
Elot All E. Logo Hall.				Atok			4904	
ARCT, Microl	og, SDL-IQ			Morrow Chester			4995 5097	
				St. L	ouis		5172	
	•		SING RECORD set-conductor, su	No		tion ato		
Purpose of String	Size Hole	Size Casing	Weig		Setting	Type of	# Sacks	Type and Percent
surface	Drilled 12 1/2"	Set (In O.D.) 8 5/8"	24#	Ft.	Depth 1985'	Poz C	950	Additives 3% CaCl
production	7 7/8"	4 1/2"	10.5#		5324'	Poz H	190	2% gel
production	7 770	7 1/2	10.5#			1 0211	130	1270 gei
		ADDITIO	DNAL CEMENTIN	 IG / SQI	JEEZE RECÓRI)		4
Purpose: Perforate Protect Casing Plug Back TD Plug Off Zone	Depth Top Bottom	Type of Cement					d Percent Additives	S
Shots Per Foot		ON RECORD - Bridge		<u> </u>		cture, Shot, Ceme		rd Depth
4	5098' - 5141', 51		ai renorateu			1/2% NE Acid		Берит
TUBING RECORD 2	Size 3/8"	Set At 5042'	Packer A	t	Liner Run	☐ Yes ✓ N	No	
	rd Production, SWD or E		g Method	Flowin	g Pump	ing Gas	Lift 🔲 Oth	er (Explain)
Estimated Production Per 24 Hours	Oil	Bbls. Gas	Mcf	Wat	er E	Bbls.	Gas-Oil Ratio	Gravity
Disposition of Gas	METHOD OF C	COMPLETION			Production Inte	rval		
Vented Sold	Used on Lease	Open H	Hole Perf.		Dually Comp.	Commingled		RECEIVED

SEP 0 1 2006 KCC WICHITA 15-181-21568.0000

Schlumberger

Tementing Service Report



Customer Job Number **CIMAREX ENERGY CO** 2205551317 Well Location (legal) Schlumberger Location Job Start FEEDLOT KC 4 SEC 15-T27S-R34W Perryton, TX 2006-Jul-24 Field Formation Name/Type Deviation Bit Size Well MD Well TVD PLEASANT PRAIRE 5,350 ft 7.88 in 5,350 ft County State/Province BHP BHST **BHCT** Pore Press. Gradient HASKELL KANSAS psi 133 °F 109°F psi/ft Well Master: API / UWI: 0630831170 -150812158800000 Casing/Liner Rig Name Drilled For Service Via Depth, ft Size, In Weight, lb/ft Thread **MURFIN 21** Oil & Gas Land 5312.72 4.5 10.5 Offshore Zone Well Class Well Type 12 4.5 10.5 LJ New Development Tubing/Drill Pipe **Drilling Fluid Type** Max. Density Plastic VI: CD Depth, Weight, Ibfft Size, In Grade Thread 9.4 lb/gal Service Line Job Type Cementing Cem Prod Casing **Perforations/Open Hole** Max. Allowed Tubing Pressure Max. Allowed Ann. Pressure WellHead Connection Bottom, ft No. of Shots Top, ft spf Total Interval 1500 psi psi 4 1/2" H & M Service instructions Diameter Cement 5,350 ft of 4 1/2 Casing with: in Treat Down Displacement Packer Type Packer Depth 20 bbl CW7 Casing 84 bbl ft 190 sks 50/50 Poz H+10%D44+2%D20+0.2%D46 Fresh Water displacement Tubing Vol. Casing Vol. Annular Vol. OpenHole Vol 84.68 bbl 164.34 bbl bbl Casing/Tubing Secured 1 Hole Volume Circulated prior to Cementing **Casing Tools** Squeeze Job Lift Pressure: Shoe Type 370 **psi** Auto-Fill Squeeze Type Pipe Rotated [Pipe Reciprocated Shoe Depth: 5313 ft Tool Type Top Plugs: No. Centralizers **Bottom Pluas** Stage Too! Type: Tool Depth: ft Cement Head Type: Stage Tool Depth: Single Tail Pipe Size: ft in Job Scheduled For: Arrived on Location: Leave Location: Collar Type: Other Tail Pipe Depth: ft 7/24/2006 9:30 2006-Jul-24 9:30 Collar Depth: 2006-Jul-24 5273 ft Sgz Total Vol: ldd Date Time Treating Density Rate Volume 0 Message Pressure 24 hr þsl lb/gal bbl/min bbl 0 0 0 2006-Jul-24 11:20 -5 8.30 0.0 0.0 0 0 0 2006-Jul-24 11:20 -5 8.30 0.0 0.0 0 0 0 2006-Jul-24 11:20 Pressure Test Lines 2006-Jul-24 11:21 -5 8.30 0.0 0.0 0 0 0 AUG 2 9 2006 2006-Jul-24 11:21 -5 0.0 8.30 0.0 0 0 0 2006-Jul-24 11:22 -5 8.30 0.0 0.0 0 0 0 CONFIDENTIAL 2006-Jul-24 11:22 0 8.30 0.4 0.9 0 0 0 2006-Jul-24 11:23 2559 8.30 0.0 0.9 0 0 0 2006-Jul-24 0 11:23 8.29 0.0 0.9 0 0 0 2006-Jul-24 11:24 Start Pumping Wash 2006-Jul-24 11:24 -5 8.29 0.0 0.0 0 0 0 2006-Jul-24 11:24 69 8.30 1.9 0.0 0 0 0 2006-Jul-24 11:24 156 8.29 4.9 1.3 0 0 0 2006-Jul-24 11:25 165 8.30 5.2 3.9 O 0 O 2006-Jul-24 11:25 179 8.31 5.2 6.5 0 0 0 2006-Jul-24 11:26 183 8.31 5.2 9.1 0 0 0 2006-Jul-24 11:26 174 8.31 5.3 11.7 0 0 0 2006-Jul-24 183 11:27 8.31 5.3 0 0 143 0 2006-Jul-24 11:27 179 8.31 5.3 17.0 0 0 0 2006-Jul-24 11:28 188 8.31 5.4 19.7 0 0 0 2006-Jul-24 11:28 206 8.32 5.5 22.4 0 0 0 2006-Jul-24 11:29 Reset Total, Vol = 24.05 bb Jul 24,2006 WRS3 v3.413-SR

Pa9EPor 0 1 2006

Well	EEDLOT	KC #4	Fleid	EASANT PRAIR		ice Date	Customer	NIMADEY ENED	CY CO	Job Number	
Date	Time	Treating	Density	Rate	Volume	0	0	IMAREX ENER	GYCO	2205551317 Message	
	24 hr	Pressure									
2006 141 24	clock	þsl	Ib/gai	bbl/min	bbl	0	0	0			
2006-Jul-24 2006-Jul-24	11:29 11:29	206	9.21	5.7	24.6	0	0	0	04-445	· - T-" 01	
2006-Jul-24	11:29	220	9.66	5.6	0.5				Start Mb	ing Tail Slurry	
2006-Jul-24 2006-Jul-24	11:29	224	9.75	5.6	0.5	0	0	0			
2006-Jul-24	11:29	229	11.71	5.4	3.3	0	0		-		
2006-Jul-24	11:30	229	12.82	5.5	6.0	0	0	0		- VC	
2006-Jul-24	11:30	201	13.84	5.5	8.8	0	0	0		TO,	J
2006-Jul-24	11:31	183	14.60	5.5	11.5	0	0	0		AUG 2 9	200
2006-Jul-24	11:31	160	14.97	5.4	14.2	0	0	0		A00 =	
2006-Jul-24	11:32	151	14.82	5.5	17.0	0	0	0		CONFIDE	NI.
2006-Jul-24	11:32	146	14.88	5.1	19.7	0	0	0	1	00111	
2006-Jul-24	11:33	133	14.59	5.4	22.4	0	0	0	+		
2006-Jul-24	11:33	146	14.67	5.5	25.1	0	0	0	 		
2006-Jul-24	11:34	151	14.71	5.5	27.9	0	0	0	1		
2006-Jul-24	11:34	146	14.70	5.6	30.6	0	0	0	 	-	
2006-Jul-24	11:35	119	14.69	5.1	33.3	0	0	0			
2006-Jul-24	11:35	124	14.72	5.0	35.8	0	0	0			
2006-Jul-24	11:36	124	14.69	5.1	38.3	0	0	0			
2006-Jul-24	11:36	124	14.73	5.1	40.9	0	0	0			
2006-Jul-24	11:37	78	15.10	3.9	43.1	0	0	0			
2006-Jul-24	11:37	110	14.91	4.7	45.2	0	0	0	1		
2006-Jul-24	11:38								Reset To	tal, Vol = 44.05 bbl	
2006-Jul-24	11:38	-14	14.19	1.1	46.6	0	0	0		,	
2006-Jul-24	11:38								Wash Pu	ımp & Lines	
2006-Jul-24	11:38	-14	14.17	0.4	0.0	0	0	0			
2006-Jul-24	11:38	-9	14.19	0.0	0.0	0	0	0			
2006-Jul-24	11:38	-9	11.58	0.0	0.1	0	0	0			
2006-Jul-24	11:39	73	9.18	2.1	0.2	0	0	0			
2006-Jul-24	11:39	137	8.98	4.5	2.2	0	0	0			
2006-Jul-24	11:40	160	8.92	5.0	4.5	0	0	0			
2006-Jul-24	11:40	160	8.71	5.2	7.0	0	0	0			
2006-Jul-24	11:41	124	8.44	4.5	9.6	0	0	0			
2006-Jul-24	11:41	69	8.32	3.8	11.9	0	0	0			
2006-Jul-24	11:42	69	8.29	3.9	13.8	0	0	0	1		
2006-Jul-24	11:42	-9	8.31	0.2	15.3	0	0	0			
2006-Jul-24 2006-Jul-24	11:43	0	8.31	0.0	15.3	0	0	0			
2006-Jul-24 2006-Jul-24	11:43	0	8.31	0.0	0.0	0	0	0	<u> </u>		
2006-Jul-24 2006-Jul-24	11:43 11:43					 		ļ <u>-</u>	Drop Top		
2006-Jul-24	11:43	0	8.31	0.0	0.0	0	 	-	Start Disp	placement	
2006-Jul-24	11:44	69	8.31	5.4	0.0 1.1	0	0	0	-		
2006-Jul-24	11:44	69	8.31	5.4	3.7	0	0	0	 -		
2006-Jul-24	11:45	69	8.31	5.5	6.5	0	0	0	 		
2006-Jul-24	11:45	69	8.31	5.7	9.3	0	0	0	 		
2006-Jul-24	11:46	69	8.75	5.7	12.2	0	0	0			
2006-Jul-24	11:46	69	8.74	5.7	15.0	0	0	0	 		
2006-Jui-24	11:47	69	8.77	5.7	17.8	0	0	0	 		
2006-Jul-24	11:47	69	8.85	5.7	20.6	0	0	0	<u> </u>		
2006-Jul-24	11:48	73	8.86	5.7	23.6	0	0	0		D==-	
2006-Jul-24	11:48	69	8.87	5.7	26.4	0	0	0	 	RECEIVE	:D
2006-Jul-24	11:49	69	8.87	5.6	29.2	0	0	0	1	CFD A	-
2006-Jul-24	11:49	69	8.89	5.6	32.1	0	0	0	T	ったドリ1 2 00	16
2006-Jul-24	11:50	69	8.89	5.6	34.9	0	0	0		SEP 0 1 200 KCC WICH	1 **** -
2006-Jul-24	11:50	69	8.89	5.7	37.7	0	0	0		AUC WICH	ITA
1 24 2006 WBC2											

Well		· · · · · · · · · · · · · · · · · · ·	Field		Serv	Ice Date	Customer		Job Number	\neg
F	FEEDLOT KC #4 PLEASANT PRAIRE		0	06205-Jul-24 CIMAREX ENER			GY CO 2205551317			
Date	Time	Treating Pressure	Density	Rate	Volume	0	. 0	0	Message	
•	24 hr clock	psi	lb/gal	bb!/min	bbl	0	0	0		
2006-Jul-24	11:51	69	8.89	5.7	40.5	0	0	0	_	
2006-Jul-24	11:51	69	8.90	5.7	43.4	0	0	0	KC	
2006-Jul-24	11:52	69	8.90	5.6	46.2	0	0	0		1
2006-Jul-24	11:52	69	8.90	5.7	49.0	0	0	0	AUG 2 S	3 7
2006-Jul-24	11:53	69	8.90	5.7	51.9	0	0	0		
2006-Jul-24	11:53	69	8.90	5.7	54.7	0	0	0	CONFIDI	-/
2006-Jul-24	11:54	69	8.90	5.6	57.5	0	0	0		\exists
2006-Jul-24	11:54	69	8.90	5.7	60.3	0	0	0		\dashv
2006-Jul-24	11:55	69	8.90	5.6	63.2	0	0	0		+
2006-Jul-24	11:55	69	8.90	5.6	66.0	0	0	0		\dashv
2006-Jul-24	11:56	69	8.90	5.7	68.8	0	0	0		\dashv
2006-Jul-24	11:56	133	8.90	4.8	71.3	0	0	0		\dashv
2006-Jul-24	11:57	188	8.90	4.7	73.7	0	0	0	1	\dashv
2006-Jul-24	11:57	233	8.90	4.7	76.1	0	0	0		\dashv
2006-Jul-24	11:58	188	8.90	2.4	78.0	0	0	0		\dashv
2006-Jul-24	11:58	220	8.90	2.3	79.1	0	0	0		\dashv
2006-Jul-24	11:59	229	8.90	2.3	80.3	0	0	0		\dashv
006-Jul-24	11:59	261	8.90	2.3	81.4	0	0	0		\dashv
006-Jul-24	12:00	293	8.90	2.3	82.5	0	0	0		-
:006-Jul-24	12:00	311	8.90	2.2	83.7	0	0	0		\dashv
2006-Jul-24	12:01	352	8.90	2.2	84.8	0	0	0		-
006-Jul-24	12:01	1419	8.91	0.0	85.5	0	0	0		\dashv
006-Jul-24	12:02	1451	8.91	0.0	85.5	0	0	0		\dashv
006-Jul-24	12:02	1460	8.90	0.0	85.5	0	0	0		+
006-Jul-24	12:03	1186	8.91	0.0	85.5	0	0	0		\dashv
006-Jul-24	12:03								Reset Total, Vol = 83.5 bbl	\dashv
006-Jul-24	12:03	1062	8.91	0.0	0.0	0	0	0	1	\dashv
006-Jul-24	12:03						 		Bump Top Plug	\dashv
006-Jul-24	12:03	471	8.91	0.0	0.0	0	0	0		\dashv
006-Jul-24	12:03	-14	8.91	0.0	0.0	0	0	0		\dashv
006-Jul-24	12:03								Float Holding	\exists
006-Jul-24	12:03	-14	8.91	0.0	0.0	0	0	0		\dashv
				, , F		Summary				┪
	Ave	erage Pump	Rates,	bpm	<u> </u>		Volu	ume of Fluid	Injected, bbl	-
ішту	N	2	Mud	Maximum	Rate T	otal Slurry	Mud		Spacer N2	
4.9			1	5	.8	44			20	ı
	7	reating Pres	ssure Summ	ary, psi			В	reakdown Fl	_l	\dashv
faximum	Final	Average	Bump P	lug to Breakd	own		Vo	olume	Density	
370		100	14	50					bbl 8.34 lb/gal	
vg. N2 Percent	D	esigned Slurry	Volume	Displacement	Mix W	ater Temp	Cement C		rface? Volume bbl	1
	%	4	4 bbl	84 bb	1	°F	Washed T	hru Perfs T		
ustomer or Aut	horized Re	presentative		Schlumberger Su	pervisor	 '				7
		Vorbous	h, Bernie			Ousle		CirculationL	ost Job Completed	1

RECEIVED
SEP 0 1 2003
KCC WICHITA

ALLIED EMENTING CO., INC. 24545

Federal Tax I.Da AUG 2 9 2006 REMIT TO P.O. BOX 31 SERVICE POINT: **RUSSELL, KANSAS 67665** CONFIDENTIAL ON LOCATION Hitch Feeders Rd +8340 OLD OR/NEW (Circle one) **CONTRACTOR** MUSE OWNER TYPE OF JOB **HOLE SIZE CEMENT** AMOUNT ORDERED 150 SKs Comp 800 SKs Lite, 3% CC, 14# **CASING SIZE DEPTH TUBING SIZE** DEPTH **DRILL PIPE DEPTH TOOL** DEPTH PRES. MAX 900# 300 MINIMUM COMMON 150 5/6 @ 12 20 MEAS. LINE SHOE JOINT 42,96 POZMIX . CEMENT LEFT IN CSG 42,96 **GEL** PERFS. **CHLORIDE** DISPLACEMENT 123 314 **EQUIPMENT** @ @ **PUMP TRUCK** CEMENTER @ HELPER @ **BULK TRUCK** @ 218 DRIVER BULK TRUCK **DRIVER** 513@ **REMARKS:** SEP 0 1 2006 Hook up to Casing, Circ mud For **SERVICE** KCC WICHITA 800 st. r.t. Tail man / 150 sks DEPTH OF JOB PUMP TRUCK CHARGE EXTRA FOOTAGE MILEAGE 40- miles @ MANIFOLD ____ CHARGE TO: CIMOTEX TOTAL 2,140 STREET PLUG & FLOAT EQUIPMENT 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 TOTAL <u>590</u> done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND TAX_ CONDITIONS" listed on the reverse side. TOTAL CHARGE -IF PAID IN 30 DAYS SIGNATURE Sonie Kirl On

PRINTED NAME



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.