

RECEIVED  
SEP 20 2005  
KCC WICHITA

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Form ACO-1  
September 1999  
Form Must Be Typed

ORIGINAL

Operator: License # 31900  
Name: Nor-West Kansas Oil, L.L.C.  
Address: RR 2, Box 14  
City/State/Zip: WaKeeney, Kansas 67672  
Purchaser: Dry  
Operator Contact Person: Patrick G. Wanker, Sec.-Treas.,  
Phone: (785) 743-2769  
Contractor: Name: Anderson Drilling Company  
License: 33237  
Wellsite Geologist: Kitt Noah

Designate Type of Completion:  
 New Well     Re-Entry     Workover  
 Oil     SWD     SLOW     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. \_\_\_\_\_

5/02/05    5/10/05    5-10-05  
Spud Date or    Date Reached TD    Completion Date or  
Recompletion Date       Recompletion Date

API No. 15 - 179-21127-00-00  
County: Sheridan  
E/2 W/2 NE Sec. 29 Twp. 9 S. R. 29  East  West  
1,360 feet from S / N (circle one) Line of Section  
1,760 feet from E W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE SE NW SW  
Lease Name: R.K.D. Well #: 1  
Field Name: Wild Cat

Producing Formation: Dry  
Elevation: Ground: 2,871 Kelly Bushing: 2,876  
Total Depth: 4,390 Plug Back Total Depth: Dry  
Amount of Surface Pipe Set and Cemented at 306 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set \_\_\_\_\_ Feet  
If Alternate II completion, cement circulated from Dry  
feet depth to \_\_\_\_\_ w/ \_\_\_\_\_ sx cmt.

Drilling Fluid Management Plan PLA KGR 12/11/07  
(Data must be collected from the Reserve Pit)

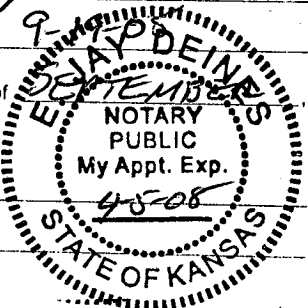
Chloride content 1,170 ppm Fluid volume 550 bbls  
Dewatering method used Air Dry

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

**INSTRUCTIONS:** An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: [Signature]  
Title: \_\_\_\_\_ Date: \_\_\_\_\_  
Subscribed and sworn to before me this 19 day of SEPTEMBER  
20 05  
Notary Public: [Signature]  
Date Commission Expires: 4-5-08



**KCC Office Use ONLY**  
N/D Letter of Confidentiality Received  
If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
 UIC Distribution

Operator Name: Nor-West Kansas Oil, L.L.C. Lease Name: R.K.D. Well #: 1  
 Sec. 29 Twp. 9 S. R. 29  East  West County: Sheridan

**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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i>  Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input 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:  Micro Log, Sonic Log, Compensated Density/Neutron Log, Dual Induction Log, Geologist's Report	<input checked="" type="checkbox"/> Log    Formation (Top), Depth and Datum <input type="checkbox"/> Sample  <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;">Name</td> <td style="width:30%;"></td> <td style="width:20%;"></td> <td style="width:20%;"></td> </tr> <tr> <td>Anhydrite</td> <td>2,488'</td> <td></td> <td>Datum 388</td> </tr> <tr> <td>B/Anhydrite</td> <td>2,521</td> <td></td> <td>+ 355</td> </tr> <tr> <td>Howard</td> <td>3,636</td> <td></td> <td>- 760</td> </tr> <tr> <td>Topeka</td> <td>3,717</td> <td></td> <td>- 841</td> </tr> <tr> <td>Heebner</td> <td>3,937</td> <td></td> <td>- 1,061</td> </tr> <tr> <td>Toronto</td> <td>3,962</td> <td></td> <td>- 1,086</td> </tr> <tr> <td>Mun/Crk.</td> <td>4,093</td> <td></td> <td>- 1,217</td> </tr> <tr> <td>Stark</td> <td>4,180</td> <td></td> <td>- 1,304</td> </tr> <tr> <td>Hush-P</td> <td>4,200</td> <td></td> <td>- 1,324</td> </tr> <tr> <td>B/KC</td> <td>4,226</td> <td></td> <td>- 1,350</td> </tr> <tr> <td>Pawnee</td> <td>4,344</td> <td></td> <td>- 1,468</td> </tr> </table>	Name				Anhydrite	2,488'		Datum 388	B/Anhydrite	2,521		+ 355	Howard	3,636		- 760	Topeka	3,717		- 841	Heebner	3,937		- 1,061	Toronto	3,962		- 1,086	Mun/Crk.	4,093		- 1,217	Stark	4,180		- 1,304	Hush-P	4,200		- 1,324	B/KC	4,226		- 1,350	Pawnee	4,344		- 1,468
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CASING RECORD <input 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
Dry							
Surface	?	8.625		302		200	

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

TUBING RECORD	Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input type="checkbox"/> No
---------------	------	--------	-----------	-----------------------------------------------------------------------

Date of First, Resumerd Production, SWD or Enhr.	Producing Method <input 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
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Disposition of Gas	METHOD OF COMPLETION	Production Interval
<input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	<input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	_____

DRILLER'S WELL LOG

RECEIVED  
ORIGINAL SEP 20 2005  
KCC WICHITA

NOR-WEST KANSAS OIL LLC  
R. K. D. #1  
NE/4 29-9-29  
Sheridan Co., KS

Spud Date: May 2, 2005  
Completion Date: May 10, 2005

Elevation: 2871' G.L.

DEPTH

0 - 306 Sand & Shale  
306 - 584 Shale & Sand  
584 - 1232 Shale & Sand  
1232 - 1980 Shale & Sand  
1980 - 2405 Shale & Sand  
2504 - 2485 Shale & Sand  
2485 - 2525 Anhydrite  
2525 - 2645 Shale  
2645 - 3009 Shale  
3009 - 3230 Shale  
3230 - 3463 Shale  
3463 - 3614 Shale  
3614 - 3750 Shale & Lime  
3750 - 3971 Lime  
3971 - 4013 Lime  
4013 - 4058 Lime  
4058 - 4176 Lime  
4176 - 4330 Lime  
4330 - 4390 Lime  
4390- R.T.D..

Surface Pipe: Set 292 feet of 8 5/8" casing @ 302 feet  
With 200 sacks of COM, 3% CC, 2% Gel

STATE OF KANSAS    )  
                                  )ss:  
COUNTY OF GRAHAM)

Andy Anderson of lawful age, does swear and states that the facts and statements herein are true and correct to the best of his knowledge.



*Andy Anderson*  
\_\_\_\_\_  
Andy Anderson

Subscribed and sworn to before me this 13<sup>th</sup> day of May, 2005.

My commission expires:  
January 21, 2008

*Rita A. Anderson*  
\_\_\_\_\_  
Rita A. Anderson

**ALLIED CEMENTING CO., INC.**

PO. BOX 31  
RUSSELL, KS 67665  
PH (785) 483-3887  
FAX (785) 483-5566

PAID MAY 18 2005  
ORIGINAL  
\* INVOICE \*  
\*\*\*\*\*

RECEIVED  
SEP 20 2005  
KCC WICHITA

Invoice Number: 096825

#1975

Invoice Date: 05/13/05

Sold Nor West Kansas Oil LLC  
To: R. R. #2, Box 14  
WaKeeney, KS  
67672

Cust I.D.: NorWKS  
P.O. Number: R.K.D. #1  
P.O. Date: 05/13/05

Due Date.: 06/12/05  
Terms: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	114.00	SKS	10.0000	1140.00	T
Pozmix	76.00	SKS	4.7000	357.20	T
Gel	10.00	SKS	14.0000	140.00	T
FloSeal	48.00	LBS	1.7000	81.60	T
Handling	202.00	SKS	1.6000	323.20	T
Mileage	22.00	MILE	12.1200	266.64	T
202 sks @.06 per sk per mi					
Plug	1.00	JOB	750.0000	750.00	T
Mileage pmp trk	22.00	MILE	5.0000	110.00	T
Dryhole Plug	1.00	EACH	35.0000	35.00	T

All Prices Are Net, Payable 30 Days Following Date of Invoice. 1 1/2% Charged Thereafter. If Account CURRENT take Discount of \$ 320.36 ONLY if paid within 30 days from Invoice Date

Subtotal: 3203.64  
Tax: 201.83  
Payments: 0.00  
Total: 3405.47

3,405.47  
320.36

3,085.11\*

# ALLIED CEMENTING CO., INC. ORIGINAL 18224

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

SERVICE POINT: Oakley

DATE <u>5-10-05</u>	SEC. <u>29</u>	TWP. <u>9S</u>	RANGE <u>29W</u>	CALLED OUT	ON LOCATION <u>2:45 PM</u>	JOB START <u>4:30 PM</u>	JOB FINISH <u>7:15</u>
LEASE <u>R.K.D.</u>		WELL # <u>1</u>	LOCATION <u>Grinnell 10N-2E-1N-1/4E</u>		COUNTY <u>Sheridan</u>	STATE <u>Kan</u>	
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR A+A Digs Co.

TYPE OF JOB PTA

HOLE SIZE 7 7/8 T.D. 4390'

CASING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_

TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_

DRILL PIPE 4 1/2 x 4 DEPTH 2500'

TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_

PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_

MEAS. LINE \_\_\_\_\_ SHOE JOINT \_\_\_\_\_

CEMENT LEFT IN CSG. \_\_\_\_\_

PERFS. \_\_\_\_\_

DISPLACEMENT \_\_\_\_\_

OWNER Same

CEMENT AMOUNT ORDERED 190 SKS 60/40 POZ  
6% Gel, 1/4" Flo-Seal

COMMON	<u>114</u>	SKS @	<u>10.00</u>	<u>1,140.00</u>
POZMIX	<u>76</u>	SKS @	<u>4.70</u>	<u>357.20</u>
GEL	<u>10</u>	SKS @	<u>14.00</u>	<u>140.00</u>
CHLORIDE		@		
ASC		@		
<u>Flo-Seal 48#</u>		@	<u>1.70</u>	<u>81.60</u>
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>202</u>	SKS @	<u>1.60</u>	<u>323.20</u>
MILEAGE	<u>64.00</u>	sk/mile		<u>266.00</u>
TOTAL				<u>2,308.00</u>

**EQUIPMENT**

PUMP TRUCK CEMENTER Walt

# 102 HELPER "

BULK TRUCK DRIVER Lonnie

# 315

BULK TRUCK DRIVER \_\_\_\_\_

# \_\_\_\_\_

**REMARKS:**

<u>25</u>	SKS @	<u>2.500'</u>
<u>100</u>	SKS @	<u>16.25'</u>
<u>40</u>	SKS @	<u>3.50'</u>
<u>10</u>	SKS @	<u>40'</u>
<u>15</u>	SKS in B.H.	

**SERVICE**

DEPTH OF JOB		
PUMP TRUCK CHARGE		<u>750.00</u>
EXTRA FOOTAGE	@	
MILEAGE	<u>22-miles</u> @	<u>5.00</u> <u>110.00</u>
MANIFOLD	@	
	@	
	@	
TOTAL		<u>860.00</u>

CHARGE TO: Nor-West Kansas Oil

STREET \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

**PLUG & FLOAT EQUIPMENT**

	<u>8 5/8</u>	
<u>D-H Plug</u>	@	<u>35.00</u>
	@	
	@	
	@	
	@	
TOTAL		<u>35.00</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]

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 CUSTOMER.

KCC WICHITA

SEP 20 2005

RECEIVED

**ALLIED CEMENTING CO., INC.**

PO. BOX 31  
 RUSSELL, KS 67665  
 PH (785) 483-3887  
 FAX (785) 483-5566

PAYD MAY 10 2005

\*\*\*\*\*  
 \* ORIGINAL \*  
 \*\*\*\*\*

Invoice Number: 096775

#1973

Invoice Date: 05/11/05

Sold Nor West Kansas Oil LLC  
 To: R. R. #2, Box 14  
 WaKeeney, KS  
 67672

**RECEIVED**  
**SEP 20 2005**  
**KCC WICHITA**

Cust I.D.....: NorWKS  
 P.O. Number...: RKD #1  
 P.O. Date.....: 05/11/05

Due Date.: 06/10/05  
 Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	200.00	SKS	10.0000	2000.00	T
Gel	4.00	SKS	14.0000	56.00	T
Chloride	7.00	SKS	38.0000	266.00	T
Handling	211.00	SKS	1.6000	337.60	E
Mileage	22.00	MILE	12.6600	278.52	E
211 sks @.06 per sk per mi					
Surface	1.00	JOB	670.0000	670.00	E
Mileage pmp trk	22.00	MILE	5.0000	110.00	E
Plug	1.00	EACH	55.0000	55.00	T

All Prices Are Net, Payable 30 Days Following  
 Date of Invoice. 1 1/2% Charged Thereafter.  
 If Account CURRENT take Discount of \$ 377.31  
 ONLY if paid within 30 days from Invoice Date

Subtotal: 3773.12  
 Tax.....: 149.75  
 Payments: 0.00  
 Total....: 3922.87

3,922.87 +  
 377.31 -  
3,545.56

# ALLIED CEMENTING CO., INC. 19232 ORIGINAL

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

SERVICE POINT: OnKleuks

DATE <u>5-2-05</u>	SEC. <u>29</u>	TWP. <u>9S</u>	RANGE <u>29W</u>	CALLED OUT <u>4:00pm</u>	ON LOCATION <u>6:45pm</u>	JOB START <u>7:00pm</u>	JOB FINISH <u>7:30pm</u>
LEASE <u>RKD</u>	WELL # <u>#1</u>		LOCATION <u>Grinnell N-Redline</u>			COUNTY <u>Sheldahl</u>	STATE <u>KS</u>
OLD OR NEW (Circle one) <u>NEW</u>			<u>26-1 1/2 N - 1/2 E - S 1/4 W</u>				

CONTRACTOR A+A Drilling  
 TYPE OF JOB Surface  
 HOLE SIZE 12 1/4 T.D. 307'  
 CASING SIZE 8 3/8 23# DEPTH 306'  
 TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_  
 DRILL PIPE \_\_\_\_\_ DEPTH \_\_\_\_\_  
 TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_  
 PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_  
 MEAS. LINE \_\_\_\_\_ SHOE JOINT \_\_\_\_\_  
 CEMENT LEFT IN CSG. 15'  
 PERFS. \_\_\_\_\_  
 DISPLACEMENT 18 1/2

OWNER same  
 CEMENT AMOUNT ORDERED 200 Com 3% cc  
230 gal

**EQUIPMENT**

PUMP TRUCK CEMENTER Fuzzy  
 # 102 HELPER Walt  
 BULK TRUCK # 218 DRIVER Mike  
 BULK TRUCK # \_\_\_\_\_ DRIVER \_\_\_\_\_

COMMON	<u>200</u>	@	<del>10.00</del> <u>2000.00</u>
POZMIX		@	<u>14.00</u>
GEL	<u>4</u>	@	<u>14.00</u> <u>56.00</u>
CHLORIDE	<u>7</u>	@	<u>38.00</u>
ASC		@	<u>266.00</u>

**RECEIVED**  
**SEP 20 2005**  
**KCC WICHITA**

HANDLING	<u>211</u>	@	<u>1.60</u> <u>337.60</u>
MILEAGE	<u>278</u> <u>sky mile</u>		<u>278.50</u>
	<u>.06</u>		
TOTAL			<u>2938.12</u>

**REMARKS:**  
Cement did circulate  
Plug down @ 7:15pm  
THANKS  
Fuzzy

**SERVICE**

DEPTH OF JOB	<u>306'</u>		
PUMP TRUCK CHARGE			<u>670.00</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>22</u>	@	<u>5.00</u> <u>110.00</u>
MANIFOLD		@	
		@	
		@	
TOTAL			<u>780.00</u>

CHARGE TO: Nor. West Kansas O.I  
 STREET \_\_\_\_\_  
 CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

**PLUG & FLOAT EQUIPMENT**

<u>1-85kg plug</u>	@	<u>55.00</u>
	@	
	@	
	@	
	@	
TOTAL		<u>55.00</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.

As per bid:  
(ordered more cement)  
 TAX \_\_\_\_\_  
 TOTAL CHARGE \_\_\_\_\_  
 DISCOUNT \_\_\_\_\_ IF PAID IN 30 DAY:

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.