STATE CORPORATION CONMISSION OF KANSAS OIL & GAS CONSERVATION DIVISION O	API NO. 15- 179-21,050-00-00
ACO-1 WELL HISTORY DESCRIPTION OF WELL AND LEASE	75' N ofE CNE_SE_SE_Sec. 30 Twp. 105 Rge. 30 X W
Operator: License # 7076	1065 Feet from Syn (circle one) Line of Section
	1
Name: Black Diamond Oil, Inc.	330 Feet from (P/W (circle one) Line of Section
Address 1105 E. 30th St., Suite A	Footages Calculated from Mearest Outside Section Corner: NE, SE, NW or SW (circle one)
Ciay (Canada / Tip House VC 67601	Lease Name Hays Well # 1
city/State/Zip Hays, KS 67601	Field Name _Wildcat
Purchaser:	Producing Formation
Operator Contact Person: Kenneth Vehige	Elevation: Ground 2938' KB 2943'
Phone (913) -625-5891	Total Depth 4600' PBTD
Contractor: Name: Emphasis Oil Operations	
License: 8241	Amount of Surface Pipe Set and Cemented at Feet
Wellsite Geologist: Kenneth Vehige	Multiple Stage Cementing Collar Used? Yes No
	If yes, show depth setFeet
	If Alternate II completion, cement circulated from
GAS ENHR SIGN	feet depth tosx cmt.
X Dry Other (Core, WSW, Expl., Cathodic, etc)	Drilling Fluid Management Plan OTA (Data must be collected from the Reserve Pit)
If Workover/Re-Entry: old well info as follows:	(paralmust be cottected from the Reserve Pit)
Operator:	Chloride content 2800 ppm Fluid volume 150 bbls
	Dewatering method used Air dry and backfill
Well Name:	
Comp. DateOld Total Depth	Location of fluid disposal if hauled offsite:
Deepening Re-perf Conv. to Inj/SWD Plug Back PBTD	Operator Name
Commingled Docket No.	Lease NameLicense No
Other (SWD or Inj?) Docket No.	
9/10/92 9/18/92 9/18/92	
Spud Date	County Docket No
Derby Building, Wichita, Kansas 67202, within 120 days of Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information or 12 months if requested in writing and submitted with the months). One copy of all wireline logs and geologist well MUST BE ATTACHED. Submit CP-4 form with all plugged we All requirements of the statutes, rules and regulations promuwith and the statements herein are complete and correct to 1	<i>Dr</i> -a
Signature Kenneth Title President Date	12/31/92 C Vireline Log Received J-(-2-
Subscribed and sworn to before me this 31 sday of Dec	ember Geologist Report Receipted 6 1993
19 <u>92</u> .	Pintaihutian
	M. Vehige KGS SWD/Rep. CON USPAN Plug Specify)
Date Commission Expires $7-18-95$	
A	
VERDA M. VEHIGE Notary Public - State of Kansas April. Expires 7-1/2 (April 2014)	Form ACO-1 (7-91)

Operator Name Blac	ck Diamond	Oil, Inc.	Lease Name	Hays		Well #	4
ec. <u>30</u> Twp. <u>10</u> 9	S Rge. 30	East W West	County	S herid			
nterval tested, tim	me tool open a s, bottom hole	and base of format nd closed, flowing temperature, fluid r opy of log.	and shut-in pre	ssures, whet	her shut-in pre	ssure rea	ched static leve
ill Stem Tests Take (Attach Additional		☑ Yes ☐ No	☐ Log	Formatio	n (Top), Depth	and Datjus	Sample
mples Sent to Geold	•	□ Yes X No	Name		Тор		Datum
ores Taken		☐ Yes ☑ No	Topek		3740		
ectric Log Run (Submit Copy.) st All E.Logs Run:	ctric Log Run		Lansii Pawnee Fort	Heebner 396 Lansing-K.C. 400 Pawnee 440 Fort Scott 447 Mississippi 457 TD In			4278 ippi
		CASING RECORD	' 🗆 " 🗵 "	and and			
	Report a	ll strings set-condu	ctor, surface, i	ntermediate,	production, etc	:.	
urpose 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
Surface	12 1/4	8 5/8"	20#	250'	60/40 poz	160	2% gel, 3%
		ADDITIONA	L CEMENTING/SQUE	EZE RECORD			
urpose: Perforate Protect Casing Plug Back TD Plug Off Zone	Depth Top Bottom	Type of Cement	#Sacks Used	 	ype and Percent	Additive	
Shots Per Foot	PERFORATION Specify Footag	RECORD - Bridge Plue of Each Interval !	ugs Set/Type Perforated	Acid, F (Amount and	racture, Shot, Kind of Materi	Cement Sq al Used)	ueeze Record Depth
•			·				
UBING RECORD	Size	Set At	Packer At	Liner Run	☐ _{Yes} ☐	No	
ite of First, Resume	od Production,	SWD or Inj. Produ	icing Hethod — Lift	owing Pum	ping Gas Li	ft 🗆 oth	mer (Explain)
rimsted Production Per 24 Hours	۱ ۱۵۱۱	Sbis. Gas	Hcf Water		Gas-Oil i		Gravity
sposition of Gas:			THOO OF COMPLETION			P	roduction Interval
Vented Sold (If vented, subs	Used on Le		Hole Perf.	Dually (Comp. Commir	ngled	

---- .--

UNIUINAL

15-179-21050-00-00



DIAMOND TESTING

P. O. Box 157 HOISINGTON, KANSAS 67544 (316) 653-7550

Page 1 of 2 Pages

Company Black Diamond Oil, Inc.	Lease & Well	No. Hays	No. 1		•	
Elevation N/A Formation Lansing/Kansa	s City ("H"	Zone)		_ Tio	ket No. 8	77
Date 9-15-92 Sec. 30 Twp. 10S Range 30	W County St	neridan	St	ate <u>Kan</u>	sas	
Test Approved By Kenneth Vehige	Diamond Rep	resentative	Roger D	Friedl	у	
Formation Test No. 1 Interval Tested from 4,1	<u>30</u> ft. to	4,192 ft.	Total De	pth	4,192	ft.
Packer Depth 4,125ft. Size 6 3/4 in.	Packer Depti	1	ft. S	ize	_ in.	
Packer Depth 4, 130 ft. Size 6 3/4 in.	Packer Deptl	1	ft. S	ize	_ in. '	•
Depth of Selective Zone Set						
Top Recorder Depth (Inside) 4,118ft.	Recorder Nur	mber <u>13386</u>	Cap.	3,875 p	<u>si</u>	
Bottom Recorder Depth (Outside) 4, 189ft.	Recorder Nur	nber <u>13556</u>	<u>.</u> Cap.	4,425 p	si	
Below Straddle Recorder Depthft.		nber	-			
Drilling Contractor Emphasis Oil Oper Rig 7	Drill Collar Leng	şth	30 ft.	I.D	2	7/8 in.
Mud Type Chemical Viscosity 53	Weight Pipe Len	gth		I.D		in.
Weight 9.2 Water Loss 7.8 cc.	Drill Pipe Lengtl	14,(075 ft.	I.D		$3\frac{1}{4}$ in.
Chlorides 1,200 P.P.M.	Test Tool Lengtl	1	<u>25</u> ft.	Tool Size_	3	$\frac{1}{2}$ -IF in.
Jars: Make <u>Sterling</u> Serial Number <u>Not Run</u>	Anchor Length	10' perf. v	v/32' dr	llpipe	Size 4	$\frac{1}{2}$ -FH in.
Did Well Flow? NoReversed Out No	Surface Choke S	ize	1_in.	Bottom C	hoke Size_	<u>5/8</u> in.
	Main Hole Size		7 <u>7/8</u> in.	Tool Joint	Size 4	$\frac{1}{2}$ - XH in.
Blow: 1st Open: Weak, ½ in., blow increasing 2nd Open: Weak, surface blow increasing	to $2\frac{1}{4}$ ins.					
Recovered! ft. of clean oil on top = .008 bbl	s.					
Recovered 20 ft. of oil cut muddy water = .16 b	bls. (Grind o	out: 5%-oi]	L; 60%-mi	ıd; 15%-	water)	
Recovered 61 ft. of water = .60552 bbls. (Grind	out: 2%-oil:	18%-mud;	80%-wate	er)		
Recovered 61 ft. of water with a scum of oil =	.62586 bbls.					
Recovered 143 ft. of TOTAL FLUID = 1.39938 bbls.	· · · · · · · · · · · · · · · · · · ·					
Remarks	·			· · · · · · · · · · · · · · · · · · ·		
		• • • • • • • • • • • • • • • • • • 				
		A:Mt.			<u>:</u>	· · · · · · · · · · · · · · · · · · ·
Time Set Packer(s) 6:20 P.M. Time Started O	ff Bottom 9:20		Maximum	Temperatu	re <u>116</u>	o *
Initial Hydrostatic Pressure	(A) 2012	P.S.I.				.4
Initial Flow Period Minutes 30	(B)60	P.S.1.	to (C)	67	P.S.I.	
Initial Closed In Period Minutes 45	(D) 1365	P.S.I.		8	TATE RI	500
Final Flow Period Minutes 45	(E)89	P.S.I.	to (F)	103		ECEIVED RATION COMM
Final Closed In Period Minutes 60	(G)1361	P.S.I.	r 41gs		IARP	COMM
Final Hydrostatic Pressure	(H) 2012	P.S.I.		ı.	*## <i>}</i>	6 1997
					Willihir.	4 University
					withing. Ke	Insag



ORIGINAL

15-179-21050-000

P. O. Box 157 HOISINGTON, KANSAS 67544 (316) 653-7550

DIAMOND TESTING

Page 1 of 2 Pages

Company Black Diamond Oil, Inc.	Lease & Well No. H	lavs No. 1		
Elevation N/A Formation Lansing/Kansas				878
Date 9-16-92 Sec. 30 Twp. 10S Range 30V				
Test Approved By Kenneth Vehige				
Formation Test No. 2 Interval Tested from 4, 186				
Packer Depth 4, 181 ft. Size 6 3/4 in.	Packer Depth			
· · · · · · · · · · · · · · · · · · ·	Packer Depth			`
• ———	racker Depth			
Depth of Selective Zone Set Top Recorder Depth (Inside) 4,174ft.	Recorder Number 1	3386 Can	3.875 psi	
Top Recorder Depth (Inside) 4,1/4ft. Bottom Recorder Depth (Outside) 4,247ft.	Recorder Number 1	•		
	Recorder Number			
Below Straddle Recorder Depthft. Drilling Contractor Emphasis Oil Oper Rig 7	Drill Collar Length			2 7/8 in.
	Weight Pipe Length			
•	Drill Pipe Length			_
	Test Tool Length			
•	Anchor Length 32' per			
	Surface Choke Size			
	Main Hole Size			_
Blow: 1st Open: N/A 2nd Open: N/A				
Recovered 340 ft. of drilling mud = 3.4206 bbls.				
Recovered ft. of			·	
Recovered ft. of				
Recovered ft. of				
Recovered ft. of				
Remarks MISRUN!				
	A.M		<u> </u>	
Time Set Packer(s) A.M. Time Set Packer(s) P.M. Time Started Off			Temperature	 .
Initial Hydrostatic Pressure	(A)	P.S.I.		
Initial Flow Period Minutes	_(B)	P.S.I. to (C)	P.S	S.I.
Initial Closed In Period Minutes	_(D)	P.S.I.	STATE CORRECT	EIVED
Final Flow Period Minutes	_(E)	P.S.I. to (F)	STATE CORPOR	MUN COMMISS
Final Closed In Period Minutes	_(G)	P.S.I.	IARI	6 1993
Final Hydrostatic Pressure	(H)	P.S.I.	U	calle trittleton
•			Vuicnita.	. Kansas



ORIGINAL

15-179-21050-00-00

DIAMOND TESTING

P. O. Box 157 HOISINGTON, KANSAS 67544 (316) 653-7550

Page 1 of 2 Pages

Company Black Diamond Oil, Inc.	Lease & Well N	No. <u>Hays</u>	No. 1			
Elevation N/A Formation Lansing/Kansas	City ("J"&	"K" Zones)	Tick	et No. <u>-8</u>	79
Date 9-16-92 Sec. 30 Twp. 10S Range 30W	CountyShe	ridan	S	tate <u>Kan</u>	sas	
Test Approved By Kenneth Vehige	Diamond Repre	esentative	Roger D	. Friedly		
Formation Test No. 3 Interval Tested from 4,18	86ft. to	<u>, 250</u> ft.	Total De	pth	4,250	_ft.
Packer Depth 4,181ft. Size 6 3/4 in.	Packer Depth_		ft. S	ize	in.	
Packer Depth 4, 186 ft. Size 6 3/4 in.	Packer Depth_		ft. S	ize	in.	
Depth of Selective Zone Set						
Top Recorder Depth (Inside)	Recorder Numb	ber <u>13386</u>	Cap	.3,875 ps	<u>i</u>	
Bottom Recorder Depth (Outside) 4,247ft.	Recorder Numb	per <u>13556</u>	Сар	.4,425 ps	<u>i_</u>	
Below Straddle Recorder Depthft.	Recorder Numb	oer	Cap	·		
Drilling Contractor <u>Emphasis Oil Oper Rig 7</u>	Drill Collar Lengt	h	30 ft.	I.D	2	7/8_in.
Mud Type Chemical Viscosity 50	Weight Pipe Leng	th		I.D		in.
Weight 9.3 Water Loss 7.2 cc.	Drill Pipe Length	4,1	11 ft.	I.D		$3\frac{1}{4}$ in.
Chlorides 2,800 P.P.M.	Test Tool Length		25_ft.	Tool Size	3	$\frac{1}{2}$ – IF in.
Jars: Make Sterling Serial Number Not Run	Anchor Length 52	<u>!' perf. w</u>	/32' dr	illpipe	Size 4	$\frac{1}{2}$ -FH in.
Did Well Flow?NoReversed OutNo	Surface Choke Siz	.e	<u>l</u> in.	Bottom Cho	oke Size ₋	_5/8_in.
	Main Hole Size _	7	7/8_in.	Tool Joint	Size <u>4</u>	$\frac{1}{3}$ -XH_in.
Blow: 1st Open: Weak, 1/8 in., blow increasing 2nd Open: Weak, surface blow increasing		S				
Recovered 67 ft. of gas in pipe						
Recovered 25 ft. of oil cut mud = .2 bbls. (Grin	d out: 5%-gas	; 20%-oil	; 75%-m	ud)		
Recovered 62 ft. of frothy oil cut mud = .62482	bbls. (Grind	out: 10%-	gas: 20	%-oil; 70	<u>%-mud)</u>	
Recovered 87 ft. of TOTAL FLUID = .82482 bbls.						
Recovered ft. of						 -
Remarks No water in grind out but when water l	oss was check	ed by pre	ss wate	r was not	ed	· · · · · · · · · · · · · · · · · · ·
	· · · · · · · · · · · · · · · · · · ·	AXM.				
Fime Set Packer(s) 1:25 P.M. Time Started Of	f Bottom 4:55		Maximum	Temperature		2°
initial Hydrostatic Pressure	. (A) 2045	P.S.I.				
Initial Flow Period Minutes 45	(B)78	P.S.I.	to (C)	89	P.S.I.	
Initial Closed In Period Minutes 45	_(D)1352	P.S.I.		TATE	CORPORA	EIVED TION COMMIS
Final Flow Period Minutes 60	(E)103	P.S.I.	to (F)	107		. TO COMMIS
Final Closed In Period Minutes 60	(G)1298	P.S.I.			FARP	6 1993
Final Hydrostatic Pressure	. (H) 2034	P.S.I.				MOISION
					humana, k	ansas

Phone 913-483-2627, Russell, Kansas Phone 316-793-5861, Great Bend, Kansas

15-78 179-21050-00-00

Phone Plainville 913-434-2812

-nita, Kansas

Ĉ,

Phone Ness City 913-798-3843

CEMENTING CO., INC.

3332 Russell, Kansas 67665 Home Office P. O. Box 31 Finish On Location Job Start Called Out Range [wp. Sec. 8100 AM 3120 AW 30 10 County Location Well No. Owner Contractor 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 listed. Type Job T.D Hole Size Charge Depth Csg. To Depth Tbg. Size Street Depth Drill Pipe City State The above was done to satisfaction and supervision of owner agent or Depth -Tool contractor. Shoe Joint Cement Left in Csg. Purchase Order No. Minimum Press Max X Displace. Meas Line EMENT Perf. Amount Ordered EQUIPMENT Consisting of Common No. Cementer Poz. Mix Helper Gel 202 Cementer-Chloride Helper Quickset Pumptrk Driver Bulktrk Bulktrk Handling Mileage DEPTH of Job Reference: Sub#Total 1 Total Sub Total Floating Equipment Tax Total Remarks: COMMISSION

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 accom-

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

15-179-21050 Phone Plainville 913-434-2812 Phone 913-483-2627, Russell, Kansas Phone Ness City 913-798-3843 Phone 316-793-5861, Great Bend, Kansas New

CO., INC. CEMER

2123

JN DIVISION

W iita. Kansas

Russell, Kansas 67665 Home Office P. O. Box 31 9-11-92 Job Start Finish On Location Called Out Range [wp. Sec. 1:45 A.M. 05 30 W 6:00 30 9-10-92 Date Well No. Lease Owner Contractor 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 listed. Type Job T.D. Hole Size Charge Diamond Depth Csg. To Depth Tbg. Size Street Depth Drill Pipe City The above was done to satisfaction and supervision of owner agent or Depth Tool Shoe Joint Cement Left in Csg. Purchase Order No. Minimum Press Max Displace V CEMENT Meas Line Amount Perf. Ordered **EQUIPMENT** Consisting of Common Cementer No. Poz. Mix 91 Helper Gel. Pumptrk Cementer Chloride Ouickset Helper Pumptrk Driver Sales Tax Driver Bulktrk 21. 00 lsk Handling DEPTH of Job Reference: Tumptruck-surface Sub Total Total Floating Equipment Honks Tax Remarks: F CORPORATION COMMISSION

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

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout well owner; and: 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 accom-

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