

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form ACO-1  
September 1999  
Form Must Be Typed

WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

RECEIVED  
DEC 17 2004  
KCC WICHITA

Operator: License # 3553  
Name: Citation Oil & Gas Corp.  
Address: P.O. Box 690688  
City/State/Zip: Houston, Texas 77269-0688  
Purchaser: Citation Crude Marketing Inc.  
Operator Contact Person: Debra Harris  
Phone: (281) 517-7194  
Contractor: Name: Vonfeldt Drilling, Inc.  
License: 9431  
Wellsite Geologist: Jerry Greer

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. \_\_\_\_\_

9/23/2004 9/30/2004 10/15/2004 \*  
Spud Date or Date Reached TD Completion Date or  
Recompletion Date Recompletion Date

\* Delay in filing due to reception location for oil well

API No. 15 - 167-23261 - 00 - 00  
County: Russell  
N2 NW SW SW Sec. 31 Twp. 12 S. R. 15  East  West  
1290 feet from (S) N (circle one) Line of Section  
200 feet from E / (W) (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE SE NW (SW)  
Lease Name: Wieland Unit Well #: 2-16  
Field Name: Fairport

Producing Formation: Arbuckle  
Elevation: Ground: 1846' Kelly Bushing: 1851'  
Total Depth: 3350' Plug Back Total Depth: 3306'  
Amount of Surface Pipe Set and Cemented at 906' Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set \_\_\_\_\_ Feet  
If Alternate II completion, cement circulated from \_\_\_\_\_  
feet depth to \_\_\_\_\_ w/ \_\_\_\_\_ sx cmt.

Drilling Fluid Management Plan *ALT I with 12-7-07*  
(Data must be collected from the Reserve Pit)  
Chloride content \_\_\_\_\_ ppm Fluid volume \_\_\_\_\_ bbls  
Dewatering method used Allow to dry and backfill  
Location of fluid disposal if hauled offsite: \_\_\_\_\_  
Operator Name: \_\_\_\_\_  
Lease Name: \_\_\_\_\_ License No.: \_\_\_\_\_  
Quarter \_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  East  West  
County: \_\_\_\_\_ Docket No.: \_\_\_\_\_

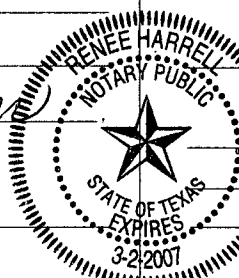
**INSTRUCTIONS:** An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information 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: Debra Harris  
Title: Prod/Reg Coordinator Date: 12/13/2004

Subscribed and sworn to before me this 13th day of December  
2004

Notary Public: Renee Harrell  
Date Commission Expires: 3-2-07



KCC Office Use ONLY

Letter of Confidentiality Received  
Denied, Yes  Date: \_\_\_\_\_  
Wireline Log Received  
Geologist Report Received  
CIC Distribution



**DRILLERS WELL LOG**

**Date Commenced: September 23, 2004**  
**Date Completed: October 1, 2004**

**Citation Oil & Gas Corp.**  
**Wieland Unit #2-16**  
**130'W & 45'N N/2 NW SW SW**  
**Section 31-12S-15W**  
**Russell County, Kansas**

**Elevation: 1846' G.L.**  
**1851' K.B.**

0 – 656' Limestone  
656 – 906' Lime & Sand  
906 – 940' Anhydrite  
940 – 1028' Shale & Lime  
1028 – 1680' Lime & Sand  
1680 – 2666' Sand & Shale  
2666 – 2765' Shale & Lime  
2765 – 2949' Sand & Shale  
2949 – 3050' Lime  
3050 – 3350' Shale & Lime  
3350' R.T.D.

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**FORMATION DATA**

Anhydrite 906'  
Anhydrite 940'

**Surface Pipe:** Set 24#, new, 8 5/8"  
casing @ 905' with 500 sacks  
Common, 2% Gel., 3% CC.

**Production Pipe:** Set 15.5#, new,  
5 1/2" casing @ 3350' with 200 sacks  
ASC, 2% Gel., 1/4# flocele per sack,  
500 gallon WFR/2.

**AFFIDAVIT**

STATE OF KANSAS        )  
  ) ss:  
COUNTY OF RUSSELL    )

Alan Vonfeldt of lawful age, does swear and state that the facts and statements herein are true and correct to the best of his knowledge.

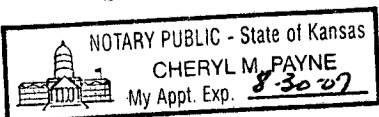
Alan Vonfeldt  
Alan Vonfeldt

Subscribed and sworn to before me this 5th day of October, 2004.

My Commission Expires:

August 30, 2007

Cheryl M. Payne  
Cheryl M. Payne, Notary Public



# ALLIED CEMENTING CO., INC. 18805

Federal Tax I.D.# [REDACTED]

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

SERVICE POINT:  
Russell  
10-1-04

DATE <u>9/30/04</u>	SEC.	TWP.	RANGE	CALLED OUT <u>8:30 pm</u>	ON LOCATION <u>10:30 pm</u>	JOB START	JOB FINISH <u>1:30 am</u>
Wieland LEASE <u>unit</u>	WELL # <u>2-16</u>	LOCATION <u>GORHAM 1W 7 N</u>		COUNTY <u>RS</u>	STATE <u>KW</u>		
OLD OR <input checked="" type="radio"/> NEW (Circle one)							

CONTRACTOR Vonfeldt Drlg  
 TYPE OF JOB Prod strings  
 HOLE SIZE 7 7/8 T.D.  
 CASING SIZE 5 1/2 DEPTH  
 TUBING SIZE DEPTH  
 DRILL PIPE DEPTH  
 TOOL DEPTH  
 PRES. MAX MINIMUM  
 MEAS. LINE SHOE JOINT  
 CEMENT LEFT IN CSG.  
 PERFS.  
 DISPLACEMENT

OWNER  
 CEMENT  
 AMOUNT ORDERED  
200 lbs ASC 29.6el 3 1/2 CD 31 Deformex  
8" Gilsonite 1/2" # Flo Seal 1/2 SLK  
500 gal WFR2  
 COMMON @  
 POZMIX @  
 GEL 4 @ 11.00 44.00  
 CHLORIDE @  
 ASC 200 lbs @ 9.50 1960.00  
Flo Seal 100 lbs @ 1.40 140.00  
Gilsonite 1600 lbs @ 5.00 800.00  
CD 31 141 lbs @ 5.50 775.50  
Deformex 50 lbs @ 5.25 262.50  
WFR2 500 gal @ 1.00 500.00  
 HANDLING 200 @ 1.35 270.00  
 MILEAGE 10.5 / SLK / mi 168.00  
 TOTAL 4912.00

EQUIPMENT  
 PUMP TRUCK CEMENTER Bill  
 # 366 HELPER Glen  
 BULK TRUCK  
 # DRIVER Craig  
 BULK TRUCK  
 # DRIVER

RECEIVED  
DEC 17 2004  
KCC WICHITA

REMARKS:

pipe set 3350  
short 40  
Insert 3310  
pump 500 gal WFR2 Cemt. w/ 175 lbs  
Cemt pump plug w/ bbs of water  
Lead plug e Float did hold  
15 lb RH partial RETURNS  
10 lb m/h.

SERVICE

DEPTH OF JOB  
 PUMP TRUCK CHARGE 1,180.00  
 EXTRA FOOTAGE @  
 MILEAGE 16 @ 4.00 64.00  
 MANIFOLD @  
 @  
 @

TOTAL 1244.00

CHARGE TO: Citation  
 STREET  
 CITY STATE ZIP

PLUG & FLOAT EQUIPMENT

Centralizers @ 50.00 50.00  
Latch down plug @ 350.00 350.00  
Guide Shoe @ 150.00 150.00  
BAKE Lock @ 30.00 30.00  
 @

TOTAL 580.00

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

SIGNATURE [Signature]

TAX  
 TOTAL CHARGE  
 DISCOUNT IF PAID IN 30 DAYS  
T.O. TAYLOR  
 PRINTED NAME

Fused:  
10/1/04



## 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.

18903

Federal Tax I.D.#

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

SERVICE POINT:  
Russell

DATE <u>9-27-04</u>	SEC. <u>31</u>	TWP. <u>12</u>	RANGE <u>15</u>	CALLED OUT <u>8:00AM</u>	ON LOCATION <u>9:30AM</u>	JOB START <u>10:00AM</u>	JOB FINISH <u>2:00PM</u>
LEASE <u>Weiland</u> UNIT		WELL # <u>2-16</u>	LOCATION <u>GORHAM 1W 6 1/4N 1/4E</u>	COUNTY <u>Russell</u>	STATE <u>KANSAS</u>		
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR VONFELDT DRLg Rig #1

TYPE OF JOB Loss Circ. - Plug BACK

HOLE SIZE 7 7/8 T.D. 2666' TD

CASING SIZE 8 5/8 SURFACE DEPTH 906'

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

DRILL PIPE 4 1/2 X-H DEPTH @ 2200

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

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

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

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

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

DISPLACEMENT \_\_\_\_\_

OWNER \_\_\_\_\_

CEMENT

AMOUNT ORDERED 300 SK ASC, 2% GEL

5% GILSONITE 1/2# FLO SEAL & 1/4# OF

1% FL-10 18 SALT ON Side FOR

TOP - To MAKE 10% SALT

COMMON	@		
POZMIX	@		
GEL	@	<u>11.00</u>	<u>66.00</u>
CHLORIDE	@		
ASC <u>300</u>	@	<u>9.00</u>	<u>2940.00</u>
<u>GILSONITE 1410</u>	@	<u>.50</u>	<u>705.00</u>
<u>FLO-SEAL 150.00</u>	@	<u>1.40</u>	<u>210.00</u>
<u>FL-10 75.00</u>	@	<u>8.00</u>	<u>600.00</u>
<u>SALT 18</u>	@	<u>15.00</u>	<u>270.00</u>
	@		
	@		
	@		
	@		
HANDLING	@	<u>1.35</u>	<u>413.10</u>
MILEAGE	@	<u>59/SK/MI</u>	<u>229.50</u>
TOTAL			<u>5433.60</u>

EQUIPMENT

PUMP TRUCK CEMENTER Glenn

# 366 HELPER Shane

BULK TRUCK

# 362 DRIVER GARY

BULK TRUCK

# \_\_\_\_\_ DRIVER \_\_\_\_\_

RECEIVED  
DEC 17 2004  
KCC WICHITA

REMARKS:

4 1/2 x-H @ 2000' - SPOT 100SK CEMENT 10:00PM-10:30

Tag Cement @ 12:30 - 1:00 AM (None)

Spot 100SK @ 2200' @ 1:30 AM

Tag Cement @ 4:00 AM (None)

(Wait for orders) Spot 100SK ASC w/

10% SALT @ 1690. @ 10:30 AM,

Tag cement @ 1:00 PM. @ APPROX 1500'

To 1250', Pump Through Kelly. HAD GOOD CIRC.

THANKS

SERVICE

DEPTH OF JOB			
PUMP TRUCK CHARGE			<u>700.00</u>
EXTRA FOOTAGE	@		
MILEAGE	@	<u>4.00</u>	<u>60.00</u>
MANIFOLD	@		
<u>STANDBY 12</u>	@	<u>125.00</u>	<u>1500.00</u>
	@		
TOTAL			<u>2260.00</u>

CHARGE TO: CITATION OIL & GAS CORP.

STREET \_\_\_\_\_

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

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 done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

417 849 8150

TAX \_\_\_\_\_

TOTAL CHARGE \_\_\_\_\_

DISCOUNT \_\_\_\_\_ IF PAID IN 30 DAYS

SIGNATURE

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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2. More specifically:

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(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. 18754

Federal Tax I.D.# ~~XXXXXXXXXX~~

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

SERVICE POINT: R

DATE <u>9-24-04</u>	SEC.	TWP.	RANGE	CALLED OUT	ON LOCATION	JOB START	JOB FINISH
LEASE <u>Wickland unit</u>	WELL # <u>2-16</u>	LOCATION <u>Gorham 1W 5 1/2 N E3</u>	COUNTY <u>Russell</u>	STATE <u>K</u>			<u>8:00 AM</u>
OLD OR NEW (Circle one) <u>NEW</u>							

CONTRACTOR Vanfeldt Dily

TYPE OF JOB Long Surface

HOLE SIZE 12 1/4 T.D. 906

CASING SIZE 8 3/8 DEPTH 905

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

DRILL PIPE \_\_\_\_\_ DEPTH \_\_\_\_\_

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

PRES. MAX 900 MINIMUM \_\_\_\_\_

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

CEMENT LEFT IN CSG. 23'

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

DISPLACEMENT 24 1/2 56 1/2 BBL

OWNER \_\_\_\_\_

CEMENT AMOUNT ORDERED 500 COM 3% CC

2% gel

EQUIPMENT

345 Dave

PUMP TRUCK CEMENTER Steve

# \_\_\_\_\_ HELPER \_\_\_\_\_

BULK TRUCK # 213 DRIVER Craig

BULK TRUCK # 282 DRIVER Gary

COMMON	<u>500</u>	@	<u>7.95</u>	<u>3925.00</u>
POZMIX		@		
GEL	<u>10</u>	@	<u>11.00</u>	<u>110.00</u>
CHLORIDE	<u>15</u>	@	<u>33.00</u>	<u>495.00</u>
ASC		@		
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>525</u>	@	<u>1.35</u>	<u>708.75</u>
MILEAGE	<u>57.5</u>	@	<u>6.65</u>	<u>382.875</u>
TOTAL				<u>5632.50</u>

RECEIVED  
DEC 17 2004  
KCC WICHITA

REMARKS:  
Landed @ 900psi  
@  
circ app 24 BBL  
CEMENT  
Thank

CHARGE TO: Citation Oil & Gas Corp.

STREET \_\_\_\_\_

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

SERVICE

DEPTH OF JOB				
PUMP TRUCK CHARGE				<u>570.00</u>
EXTRA FOOTAGE	<u>605'</u>	@	<u>50¢</u>	<u>302.50</u>
MILEAGE	<u>15</u>	@	<u>4.00</u>	<u>60.00</u>
MANIFOLD		@		
<u>8 3/8 solid Rubber</u>		@		<u>100.00</u>
		@		
TOTAL				<u>1032.50</u>

PLUG & FLOAT EQUIPMENT

<u>1 8 3/8 Insert</u>				<u>325.00</u>
<u>centrifizers</u>	@	<u>55.00</u>		<u>226.00</u>
	@			
	@			
	@			
	@			
	@			<u>545.00</u>
TOTAL				<u>1032.50</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.

SIGNATURE [Signature]

TAX \_\_\_\_\_

TOTAL CHARGE \_\_\_\_\_

DISCOUNT \_\_\_\_\_ IF PAID IN 30 DAYS

T.D. T. Khan

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.