

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  
OCT 29 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. \_\_\_\_\_

<u>8/23/2004</u>	<u>8/28/2004</u>	<u>9/29/2004</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 051-25322 0000  
County: Ellis  
    W     NW     NE Sec. 1 Twp. 13 S. R. 16  East  West  
655 feet from S / (N) (circle one) Line of Section  
2160 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 #: 5-11  
Field Name: Fairport  
Producing Formation: Arbuckle  
Elevation: Ground: 1886' Kelly Bushing: \_\_\_\_\_  
Total Depth: 3365' Plug Back Total Depth: 3317'  
Amount of Surface Pipe Set and Cemented at 939 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.

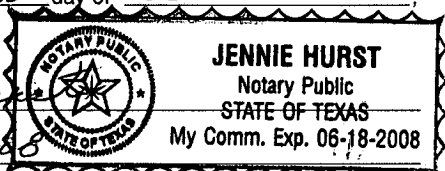
**Drilling Fluid Management Plan** *ALT I WITHIN 12-27-07*  
(Data must be collected from the Reserve Pit)  
Chloride content \_\_\_\_\_ ppm Fluid volume \_\_\_\_\_ bbls  
Dewatering method used Allow to dry and backfill  
Location of fluid disposal if hauled offsite: \_\_\_\_\_  
Operator Name: \_\_\_\_\_  
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: 10/26/2004

Subscribed and sworn to before me this 26<sup>th</sup> day of October  
20 04.  
Notary Public: Jennie Hurst  
Date Commission Expires: 6-18-2008



**KCC Office Use ONLY**

No Letter of Confidentiality Received  
If Denied, Yes  Date: \_\_\_\_\_

Wireline Log Received  
 Geologist Report Received  
 UIC Distribution



**DRILLERS WELL LOG**

Date Commenced: August 23, 2004  
Date Completed: August 29, 2004

Citation Oil & Gas Corp.  
Wieland Unit #5-11  
5'N & 150'E W/2 NW NE  
Sec. 1-13S-16W  
Ellis County, Kansas

Elevation: 1886' G.L.  
1891' K.B.

0 - 940' Sand & Shale  
940 - 970' Anhydrite  
970 - 2054' Sand & Shale  
2054 - 3365' Lime & Shale  
3365' R.T.D.

**FORMATION DATA**

Anhydrite 940'  
Base Anhydrite 970'

RECEIVED  
OCT 29 2004  
KCC WICHITA

Surface Pipe: Set 24#, new, 8 5/8"  
casing @ 939' with 500 sacks  
Common, 2% Gel., 3% CC.

Production Pipe: Set 15.5#, used,  
5 1/2" casing @ 3365' with 200 sacks  
ASC, 500 gallon mud flush.

**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 6th day of September, 2004.

My Commission Expires:  
August 30, 2007

Cheryl M. Payne  
Cheryl M. Payne, Notary Public



# ALLIED CEMENTING CO., INC.

16983

Federal Tax I.D.#

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

SERVICE POINT:

R

DATE <u>8-24-09</u>	SEC.	TWP.	RANGE	CALLED OUT	ON LOCATION	JOB START	JOB FINISH
LEASE <u>Midland</u>	WELL # <u>5-11</u>	LOCATION <u>Bozham 1W 5 1/2 N 2W</u>			COUNTY <u>Ellis</u>	STATE <u>K</u>	
OLD OR NEW (Circle one)							

CONTRACTOR Vanfeldt Drly  
 TYPE OF JOB Long Surface  
 HOLE SIZE 12 1/4" T.D. 942  
 CASING SIZE 8 1/2" DEPTH 939  
 TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_  
 DRILL PIPE \_\_\_\_\_ DEPTH \_\_\_\_\_  
 TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_  
 PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_  
 MEAS. LINE \_\_\_\_\_ SHOE JOINT \_\_\_\_\_  
 CEMENT LEFT IN CSG 240  
 PERFS. \_\_\_\_\_  
 DISPLACEMENT 20 24H 58 1/2 BBL

OWNER \_\_\_\_\_  
 CEMENT AMOUNT ORDERED 500 com 3% cc  
2% gel

EQUIPMENT  
 # 343 PUMP TRUCK CEMENTER Dave  
 # \_\_\_\_\_ HELPER Steve  
 # 282 BULK TRUCK DRIVER Craig  
 # 213 BULK TRUCK DRIVER Gary

COMMON	<u>500</u>	@ <u>7.85</u>	<u>3925.00</u>
POZMIX		@ <u>11.00</u>	<u>110.00</u>
GEL	<u>10</u>	@ <u>3.30</u>	<u>33.00</u>
CHLORIDE	<u>15</u>	@ <u>3.30</u>	<u>49.50</u>
ASC		@ <u>33.00</u>	<u>495.00</u>
HANDLING	<u>5.25</u>	@ <u>133</u>	<u>708.75</u>
MILEAGE	<u>54 per slu per mile</u>		<u>420.00</u>
TOTAL			<u>5658.75</u>

RECEIVED  
 OCT 29 2009  
 KCC WICHITA

REMARKS:

Cement CIP  
app 26 BBL

SERVICE

DEPTH OF JOB			
PUMP TRUCK CHARGE			<u>570.00</u>
EXTRA FOOTAGE	<u>639</u>	@ <u>.50</u>	<u>319.50</u>
MILEAGE	<u>16</u>	@ <u>4.00</u>	<u>64.00</u>
<u>8 1/2 solid Rubber plug</u>		@	<u>100.00</u>
TOTAL			<u>1053.50</u>

CHARGE TO: Citation Oil & Gas Corp  
 STREET \_\_\_\_\_  
 CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

PLUG & FLOAT EQUIPMENT

MANIFOLD	@		
<u>1 AGU Insert</u>	@		<u>325.00</u>
<u>1 plug shoe</u>	@		
<u>4 baskets</u>	@ <u>150.00</u>		<u>600.00</u>
<u>2 Centrifuges</u>	@ <u>55.00</u>		<u>110.00</u>
TOTAL			<u>1035.00</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.

SIGNATURE [Signature]

TAX \_\_\_\_\_  
 TOTAL CHARGE \_\_\_\_\_  
 DISCOUNT 10% IF PAID IN 30 DAYS  
 TOM TAYLOR  
 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.

58919

# ALLIED CEMENTING CO., INC. 18890

Federal Tax I.D. # XXXXXXXXXX

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

SERVICE POINT:  
Russell

DATE <b>8-29-04</b>	SEC. <b>1</b>	TWP. <b>13</b>	RANGE <b>16</b>	CALLED OUT <b>9:30 AM</b>	ON LOCATION <b>1:00 PM</b>	JOB START <b>7:20</b>	JOB FINISH <b>7:50 PM</b>
LEASE <b>WIELAND UNIT</b>		WELL # <b>5-11</b>	LOCATION <b>GORNAM 1w 5 1/2 N 14W</b>			COUNTY <b>ELLIS</b>	STATE <b>KANSAS</b>
OLD OR NEW (Circle one)							

CONTRACTOR **VONFELDT Dalg Rig #1**  
 TYPE OF JOB **hony STRing**  
 HOLE SIZE **7 7/8** T.D. **3365'**  
 CASING SIZE **5 1/2** DEPTH **3364'**  
 TUBING SIZE DEPTH  
 DRILL PIPE DEPTH  
 TOOL **AFU INSERT** DEPTH **3325'**  
 PRES. MAX **1250#** MINIMUM  
 MEAS. LINE SHOE JOINT **39'**  
 CEMENT LEFT IN CSG. **39'**

OWNER **Same**

PERFS.  
DISPLACEMENT **79 1/4 / BBL**

**EQUIPMENT**

PUMP TRUCK CEMENTER **GLENN**  
 # **366** HELPER **PAUL**  
 BULK TRUCK  
 # **282** DRIVER **GARY**  
 BULK TRUCK  
 # DRIVER

CEMENT  
 AMOUNT ORDERED **205 SK ASC, 29 gal 3/4 OF 1% CD-31 - 1SK BUBBLE DISPASANT 500 GAL WFR-2**

COMMON	@		
POZMIX	@		
GEL <b>4 SR</b>	@	<b>11.00</b>	<b>44.00</b>
CHLORIDE	@		
ASC <b>205 SK @</b>	@	<b>9.80</b>	<b>2,009.00</b>
<b>CD-31 1411#</b>	@	<b>5.50</b>	<b>7.92.00</b>
<b>DEFOAMER A 50#</b>	@	<b>5.25</b>	<b>262.50</b>
<b>WFR-2 500 GAL</b>	@	<b>1.00</b>	<b>500.00</b>
	@		
	@		
	@		
	@		
	@		
<b>221</b>	@		<b>298.35</b>
HANDLING <b>205 SK @</b>	@	<b>1.35</b>	<b>276.75</b>
MILEAGE <b>16 mile TON</b>	@	<b>.05</b>	<b>164.00</b>
			<b>176.00</b>
			<b>4082.00</b>

**REMARKS:**

**Cent 1,3,5,7,8,9,10, RAN 85 JTS. 15.50# CSG.**

**FLOAT HELD**

**10 SR @ mouse Hole**  
**15 SR @ RAT Hole** **THANKS**

CHARGE TO **CITATION OIL & GAS CORP.**  
 STREET \_\_\_\_\_  
 CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

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

SIGNATURE \_\_\_\_\_



**SERVICE**

DEPTH OF JOB			
PUMP TRUCK CHARGE			<b>1180.00</b>
EXTRA FOOTAGE	@		
MILEAGE <b>16 mile</b>	@	<b>4.00</b>	<b>64.00</b>
MANIFOLD	@		
	@		
	@		
	@		
			<b>TOTAL 1244.00</b>

**WEATHER FORD  
PLUG & FLOAT EQUIPMENT**

<b>1-Box Tube Lock (Thread)</b>		<b>30.00</b>	
<b>Guide Shoe</b>	@		<b>150.00</b>
<b>AFU INSERT</b>	@		<b>235.00</b>
<b>7 1/2 CENTRALIZERS</b>	@	<b>50.00</b>	<b>350.00</b>
<b>1- 5/2 RUBBER PLUG</b>	@	<b>60.00</b>	<b>60.00</b>
	@		

**TOTAL 875.00**

TAX \_\_\_\_\_  
 TOTAL CHARGE \_\_\_\_\_  
 DISCOUNT \_\_\_\_\_ IF PAID IN 30 DAYS

**TOM TAYLOR**

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.

58917