

STATE CORPORATION COMMISSION OF KANSAS
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
ACO-1 WELL HISTORY
DESCRIPTION OF WELL AND LEASE

API NO. 15- 179-21105-0000

County Sheridan

App - SW - SE - NW Sec. 3 Twp. 10S Rge. 29W 4

3100 Feet from S (circle one) Line of Section

1570 FWL Feet from S (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
NE SE SW (circle one)

Lease Name Krannawitter Well # A-2

Field Name W C C South

Producing Formation L K C

Elevation: Ground' 2830 KB 2835

Total Depth 4309 PBDT 4307

Amount of Surface Pipe Set and Cemented at 219 Feet

Multiple Stage Cementing Collar Used? Yes x No

If yes, show depth set _____ Feet

If Alternate II completion, cement circulated from _____

feet depth to _____ w/ _____ sx cmt.

Drilling Fluid Management Plan P+A RGR 7/11/07
(Data must be collected from the Reserve Pit)

Chloride content: 12000 ppm Fluid volume _____ bbls

Dewatering method used air dry

Location of fluid disposal RECEIVED hauled offsite:

KANSAS CORPORATION COMMISSION

Operator Name _____

Lease Name JUL 6 2001 License No. _____

Quarter Sec. _____ Twp. _____ S Rng. _____ E/W

County CONSERVATION DIVISION

Operator: License # 31900

Name: Pat Nor-West Oil, L.L.C.

Address R R 2, Box 14

City/State/Zip WaKeeney, KS 67672

Purchaser: _____

Operator Contact Person: Patrick Wanker

Phone (785) 743-2769

Contractor: Name: Ron Nelson

License: 30606

Wellsite Geologist: Ron Nelson

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:

Operator: _____

Well Name: _____

Comp. Date _____ Old Total Depth _____

Deepening Re-perf. Conv. to Inj/SWD

Plug Back PBDT

Commingled Docket No. _____

Dual Completion Docket No. _____

Other (SWD or Inj?) Docket No. _____

2/19/01 2/26/01 2/26/01
Spud Date Date Reached TD Completion Date

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 on 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 Patrick Wanker

Title Operator Date 7/5/01

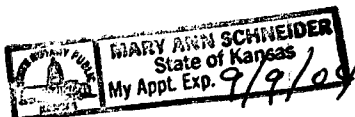
Subscribed and sworn to before me this 5th day of July

19## 2001

Notary Public Mary Ann Schneider

Date Commission Expires 9/9/04

K.C.C. OFFICE USE ONLY		
F	<input type="checkbox"/>	Letter of Confidentiality Attached
C	<input type="checkbox"/>	Wireline Log Received
C	<input type="checkbox"/>	Geologist Report Received
Distribution		
<input type="checkbox"/>	KCC	<input type="checkbox"/> SVD/Rep
<input type="checkbox"/>	KGS	<input type="checkbox"/> Plug
<input type="checkbox"/>		<input type="checkbox"/> NGPA
		<input type="checkbox"/> Other
		(Specify)



Operator Name Nor-West Kansas Oil, L.L.C. Lease Name Krannawitter Well # A-2

Sec. 3 Twp. 10S Rge. 29W East West
 County Sheridan

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all drill stem 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 during test. Attach extra sheet if more space is needed. Attach copy of log.

Drill Stem Tests Taken Yes No
 (Attach Additional Sheets.)
 Samples Sent to Geological Survey Yes No
 Cores Taken Yes No
 Electric Log Run Yes No
 (Submit Copy.)
 List All E.Logs Run: R A Guard
 DST #1: 4135 - 4165 45-45-45-45
 DST #2: 4210-4265 30-30-30-30

Name	Top	Datum	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datums	<input type="checkbox"/> Sample
			Top anhydrite	2432	+403
Base anhydrite	2465	+370			
Howard	3619	-784			
Topeka	3703	-868			
Heebner	3921	-1086			
Toronto	3946	-1111			
LKC	3962	-1127			
BKS	4211	-1376			
Penn Sand	4220	-1385			
Total Depth	4307	-1477			

CASING RECORD New 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
Surface	12 1/4	8 5/8	20#	219	common	150	Get 3 sacks Cloride 5 sacks

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 (Amount and Kind of Material Used) Depth	

TUBING RECORD

Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input type="checkbox"/> No
Date of First, Resumed Production, SWD or Inj.		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

Disposition of Gas: Vented Sold Used on Lease (If vented, submit ACO-18.)

METHOD OF COMPLETION

Open Hole Perf. Dually Comp. Commingled

Other (Specify) _____

Production Interval _____

ALLIED CEMENTING CO., INC.

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

***** ORIGINAL *****
 * INVOICE *

Invoice Number: 083522

Invoice Date: 02/19/01

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

Cust I.D.....: NorWKS
 P.O. Number...: Krannawitt A-2
 P.O. Date.....: 02/19/01

Due Date.: 03/21/01
 Terms.....: Net. 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	150.00	SKS	7.5500	1132.50	E
Gel	3.00	SKS	9.5000	28.50	E
Choride	5.00	SKS	28.0000	140.00	E
Handling	158.00	SKS	1.0500	165.90	E
Mileage (25) 158 sks @\$.04 per sk per mi	25.00	MILE	6.3200	158.00	E
Surface	1.00	JOB	470.0000	470.00	E
Mileage pmp trk	25.00	MILE	3.0000	75.00	E
Surface plug	1.00	EACH	45.0000	45.00	E

All Prices Are Net, Payable 30 Days Following
 Date of Invoice. 1 1/2% Charged Thereafter.
 If Account CURRENT take Discount of \$221.49
 ONLY if paid within 30 days from Invoice Date

RECEIVED
 Subtotal: 2214.90
 Tax.....: 0.00
 Payments: 0.00
 Total....: **JUL 6 2001** 2214.90

CONSERVATION DIVISION

1993.41

ALLIED CEMENTING CO., INC.

5425 ORIGINAL

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

SERVICE POINT:
Oakley

DATE <u>2-19-01</u>	SEC. <u>3</u>	TWP. <u>10s</u>	RANGE <u>29W</u>	CALLED OUT	ON LOCATION <u>8:30 PM</u>	JOB START <u>1:30 AM</u>	JOB FINISH <u>2:00 AM</u>
LEASE <u>Kraninger</u>	WELL# <u>A-2</u>	LOCATION <u>Hoxie + I 70 EXT 7N 6W 1/2M</u>		COUNTY <u>Sheridan</u>	STATE <u>KS</u>		

OLD OR NEW (Circle one)

CONTRACTOR Murphy Drlg Rig 16

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D. 220'

CASING SIZE 8 7/8 DEPTH 224'

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG. 15'

PERFS.

DISPLACEMENT 13 Bbls

OWNER Same

CEMENT AMOUNT ORDERED 150 sk Com 3% CC 2% Gel

COMMON	<u>150 sks</u>	@	<u>7.55</u>	<u>1132.50</u>
POZMIX		@		
GEL	<u>3 sks</u>	@	<u>9.50</u>	<u>28.50</u>
CHLORIDE	<u>5 sks</u>	@	<u>28.00</u>	<u>140.00</u>
		@		
		@		
		@		
		@		
HANDLING	<u>158 sks</u>	@	<u>1.05</u>	<u>165.90</u>
MILEAGE	<u>48 per sk/per mile</u>			<u>158.00</u>

EQUIPMENT

PUMP TRUCK CEMENTER Dean

191 HELPER Andrew

BULK TRUCK DRIVER Dave

218

BULK TRUCK DRIVER

REMARKS:

Cement did circulate

circulated 4 Bbls cement

to pits

Thank you

RECEIVED 1624.9
KANSAS CORPORATION COMMISSION
SERVICE

DEPTH OF JOB	<u>224'</u>	
PUMP TRUCK CHARGE		<u>470.00</u>
EXTRA FOOTAGE	@	
MILEAGE <u>70 25 miles</u>	@ <u>3.00</u>	<u>75.00</u>
PLUG <u>8 7/8 surface</u>	@	<u>45.00</u>
	@	
	@	
TOTAL		<u>590.00</u>

CHARGE TO: Northwest Kansas Oil, LLC

STREET _____

CITY _____ STATE _____ ZIP _____

FLOAT EQUIPMENT

_____	@	_____
_____	@	_____
_____	@	_____
_____	@	_____
_____	@	_____

TOTAL _____

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 Bill Wynn

Thanks

Bill Wynn
PRINTED NAME

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "Allied" shall mean [REDACTED] 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.

ALLIED CEMENTING CO., INC.

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

ORIGINAL

 * INVOICE *

Invoice Number: 083523

Invoice Date: 02/26/01

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

Cust I.D.....: NorWKS
 P.O. Number...: Krannawitt A-2
 P.O. Date.....: 02/26/01

Due Date.: 03/28/01

Terms.....: Net 30

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	120.00	SKS	7.5500	906.00	E
Pozmix	80.00	SKS	3.2500	260.00	E
Gel	10.00	SKS	9.5000	95.00	E
FloSeal	50.00	LBS	1.1500	57.50	E
Handling	212.00	SKS	1.0500	222.60	E
Mileage (25)	25.00	MILE	8.4800	212.00	E
212 sks @\$.04 per sk per mi					
Plug	1.00	JOB	580.0000	580.00	E
Mileage pmp trk	25.00	MILE	3.0000	75.00	E
Dryhole plug	1.00	EACH	23.0000	23.00	E

All Prices Are Net, Payable 30 Days Following
 Date of Invoice. 1 1/2% Charged Thereafter.
 If Account CURRENT take Discount of \$ 243.11
 ONLY if paid within 30 days from Invoice Date

Subtotal: 2431.10
 Tax.....: 0.00
 Payments: 0.00
 Total....: 2431.10

ALLIED CEMENTING CO., INC. 6826 ORIGINAL

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

SERVICE POINT:
Oakley

DATE <u>2-26-01</u>	SEC. <u>3</u>	TWP. <u>10^s</u>	RANGE <u>29^w</u>	CALLED OUT	ON LOCATION <u>11:00^{PM}</u>	JOB START <u>12:30^{AM}</u>	JOB FINISH <u>3:30^{AM}</u>
LEASE <u>Kranawitter</u>		WELL # <u>A-2</u>	LOCATION <u>6th in Field 7N-6W-2N-ES</u>	COUNTY <u>Shelburne</u>		STATE <u>Kan</u>	
OLD OR <input checked="" type="radio"/> NEW (Circle one)							

CONTRACTOR MurFin Drlg Co #16

TYPE OF JOB PTA

HOLE SIZE 7 7/8 T.D. 4309'

CASING SIZE _____ DEPTH _____

TUBING SIZE _____ DEPTH _____

DRILL PIPE 4 1/2 xH DEPTH 2470'

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. _____

PERFS. _____

DISPLACEMENT _____

OWNER Same

CEMENT

AMOUNT ORDERED 200 sks 60/40 por

6% Gel, 1/4" Flo-Seal

COMMON	<u>120</u>	SKS	@	<u>7.55</u>	<u>906.00</u>
POZMIX	<u>80</u>	SKS	@	<u>3.25</u>	<u>260.00</u>
GEL	<u>10</u>	SKS	@	<u>9.50</u>	<u>95.00</u>
CHLORIDE			@		
<u>Flo-Seal</u>	<u>50</u>	#	@	<u>1.15</u>	<u>57.50</u>
			@		
			@		
			@		
			@		
HANDLING	<u>212</u>	SKS	@	<u>1.05</u>	<u>222.60</u>
MILEAGE	<u>44</u>	per sk/mile			<u>212.00</u>
TOTAL					<u>1,753.10</u>

EQUIPMENT

PUMP TRUCK CEMENTER Walt

191 HELPER Wayne

BULK TRUCK

218 DRIVER Ron M.

BULK TRUCK

_____ DRIVER _____

REMARKS:

25 sks @ 2470'

100 sks @ 1550'

40 sks @ 225'

10 sks @ 40'

15 sks in R.H.

10 sks in M.H.

SERVICE

DEPTH OF JOB _____

PUMP TRUCK CHARGE 580.00

EXTRA FOOTAGE _____ @ _____

MILEAGE 25-miles @ 3.00 75.00

PLUG 8 5/8 D.H. @ 23.00

_____ @ _____

_____ @ _____

TOTAL 678.00

CHARGE TO: Nor-West Kansas Oil, LLC

STREET RR 2 Box 14

CITY WAKEENEY STATE Ks ZIP 67672

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.

TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE Bill Wynn (Thanks) Bill Wynn

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 cement 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 recommendation 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.