

KANSAS CORPORATION COMMISSION
OIL & GAS DIVISION

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

Operator: License # 5399
Name: American Energies Corporation
Address: 155 North Market, Suite 710
City/State/Zip: Wichita, KS 67202
Purchaser:
Operator Contact Person: Alan L. DeGood
Phone: (316) (316) 263-5785
Contractor: Name: Pickrell Drilling
License: 5123
Wellsite Geologist: Tim Pierce
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.
9/20/2005 9/27/05 10/5/2005
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API NO. 15 - 095-21989-00-00
County: Kingman
SE NW - NW - Sec. 27 S. R. 28-6 East West
990' feet from S / (N) (circle one) Line of Section
990' feet from E / (W) (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE (NW) SW
Lease Name: Voth Well #: A #2

Field Name: Greensburg
Producing Formation: Mississippian
Elevation: Ground: 1451 Kelly Bushing: 1456

Total Depth: 4015' Plug Back Total Depth:
Amount of Surface Pipe Set and Cemented at 8 jts used 8 5/8" @ 269kE 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/ Alt I - Dlg - 10-16-08 sx crnt.

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)
Chloride content 28,000 ppm Fluid volume 1,000 bbls
Dewatering method used Water was hauled

Location of fluid disposal if hauled offsite:
Operator Name: American Energies Corporation
Lease Name: Voth A OWWO License No.: 5399
Quarter SW Sec 27 Twp S. R. 28-6 East West
County: Kingman Docket No.: None

INSTRUCTIONS: An original and two copies of this form shall be filed with 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: Alan L. DeGood
Title: Alan L. DeGood, President Date: 2/2/2006
Subscribed and sworn to before me this 2nd day of February,
2006
Notary Public: Melinda S. Wooten
Date Commission Expires: Melinda S. Wooten, Notary Exp. 3/12/08

KCC Office Use ONLY
No Letter of Confidentiality Attached
If Denied, Yes No Date: _____
 Wireline Log Received
 UIC Distribution

MELINDA S. WOOTEN
Notary Public • State of Kansas
My Appt. Expires 3-12-08

Operator Name: American Energies Corporation Lease Name: Voith Well: A #2
 Sec. 27 Twp. 28S S. R. 6W West County: Kingman

INSTRUCTIONS: Show important tops and bas of formations penetrated. Detail all cores. Report all final copies of drill stem tests giving interval test, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final charts(s). Attach extra sheet if more space is needed. Attach copy of all Electric Wireline logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken Yes No Yes No
 (Attach Additional Sheets)
 Samples Sent to Geological Survey Yes No
 Cores Taken Yes No
 Electric Log Run Yes No Yes No
 (Submit Copy)
 List All E. Logs Run:
 Dual Induction, Sonic Cement Bond
 Compensated Density

Log Formation (Top), Depth and Datum Sample Datum
 Name Top Datum
 See attached Drilling Report

RECEIVED ORIGINAL
 FEB 03 2006
 KCC WICHITA

CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Surface	12 1/4"	8 5/8	20#	269KB	60/40 poz	200	2% gel, 3% CC
Production	7 7/8"	4 1/2"	10.5#	4012'	Quick Set	125	10 sx Kol-Seal

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
4 SPF	3892-3900'	25,000# sand, 500 bbls water	3971'

TUBING RECORD Size 2 3/8" Set At 3811' Packer At _____ Liner Run Yes No

Date of First, Resumed Production, SWD or Enhr. 10/25/2005 Producing Method Flowing Pumping Gas Lift Other (Explain) _____

Estimated Production Per 24 Hours Oil Bbls _____ Gas Mcf 40 Water Bbls 100 Gas-Oil Ratio _____ Gravity _____

Disposition of Gas Vented _____ _____
 (If vented, Sumit ACO-18.)
 METHOD OF COMPLETION Open Hole _____ Other Specify _____
 Production Interval Dually Comp. Commingled _____

**AMERICAN ENERGIES CORPORATION
DRILLING AND COMPLETION REPORT
Voth A #2**

**RECEIVED
FEB 03 2006
KCC WICHITA**

LOCATION: SE NW NW
990' FNL & 990' FWL
Section 27-T28S-R6W
COUNTY: Kingman
API: 15-095-21989-00-00
GEOLOGIST: Tim Pierce - Cell #316-772-6189
Home # - 316- 721-5160
CONTRACTOR: Pickrell Drilling Co.

SURFACE CASING: 8 jts used 8 5/8" 20# @ 269 KB
PRODUCTION CASING: 95 jts new 4 1/2" 10.5# @ 4012'

G.L.: 1451 **K.B.:** 1456

SPUD DATE: 9/20/05
COMPLETION DATE:
Projected RTD: 4100'

ORIGINAL

NOTIFY:
American Energies Corporation, Gar Oil Corp.,
Fredrick W. Stump Rev. Trust, Hyde-Marrs, Inc.,
R & B Oil and Gas, Randy Newberry,
W. Mike Adams, Graves Leases, Lario Oil and Gas

REFERENCE WELLS:
#1 AEC -Voth A #1 OWWO - 200' N & 200' W of C NW SW 27-28S-6W
#2 Southwind Petroleum - #1 Fairchild - NE SE SW of 22-28S-6W

FORMATION:	SAMPLE LOG:		ELECTRIC LOG TOPS:		COMPARISON:	
					#1 Voth A1	#2 Fairchild 1
Onaga Shale	1902	-446	1889	-433	+4	-8
Indian Cave Sd	1923	-467	1908	-452	+5	-5
Wabaunsee	1942	-486	1930	-474	+3	-12
Heebner	2848	-1392	2846	-1390	+2	-3
Lansing	3105	-1649	3107	-1651	+16	-8
Stark	3490	-2034	3488	-2033	+18	-5
Cherokee	3738	-2282	3740	-2284	+17	-4
L. Cherokee	3783	-2327	3782	-2326	+15	-6
Mississippi	3886	-2430	3892	-2436	+1	-15
RTD	4015'					
LTD	4016'					

- 9/15/05 Building location - Pickrell Drilling Rig #2 moving in September 16th, will spud September 19th.
 9/19/05 MIRT & RURT
 9/20/05 Finish RURT and will spud today.
 9/21/05 Drilling ahead @ 350'. Spud 12:45 p.m. on 9/20/05. Drilled 12 1/4" hole to 274'. SHT @ 274' = 1 degree. Ran 8 jts used 8 5/8" 20# surface casing set @ 269' KB. Cemented with 200 sx 60-40 poz, 2% gel, 3% CC. Cement circulated. PD @ 8:40 P.M. on 9/20/05. Allied Ticket #23179. WOC approx. 8 hours.
 9/22/05 Drilling ahead @ 1702'. SHT @ 1244' = 1 degree.
 9/23/05 Drilling ahead @ 2560'. Wellsite geologist on location to look at Indian Cave, which had no shows. SHT @ 1244' @ 1°, SHT @ 2560' @ 1-1/4°.
 9/24/05 Drilling ahead @ 3226'
 9/25/05 Drilling ahead @ 3678'
 9/26/05 Testing @ 3885'. DST @1: 3865-3885'. Found extra joint of casing in the hole. I have corrected tops down to actual information. Results DST #3896-3916, Times: 30-60-60-60. 1st opening: Strong blow off bottom of bucket in 10 seconds, NGTS, 2nd opening: GTS immediately - 6 MCF to 10 MCF. Recovered: 190' MW (70% Water, 30% Mud), Chlorides: 52,000 PPM. IFP: 34-48, ISIP: 1231, FFP: 50-108, FSIP: 1174.
 9/27/05 RTD 4015', LTD: 4016'. Running DST #2, testing second bench of Mississippian Chert. 1st opening: Strong blow off bottom of bucket - NGTS.
 9/28/05 Ran 95 jts new 4 1/2", 10.5# production casing set @ 4012'. Cemented with 125 sx Quick Set. PD @ 1:00 a.m. on 9/28/05. 15 sx in Rathole. Consolidated Oil Well Services Ticket #07602. Circulation throughout, 3 centralizers, guide shoe. 1 centralizer @ 3971, 2nd @ 3900', 3rd @ 3750'. Plug held. Results DST #2: 3913-3934 (Tailpipe Straddle). Times: 30-60-30-60. 1st Opening: Strong blow off bottom of bucket in 30 seconds, 2nd opening, strong blow off bottom of bucket in 10 seconds. No GTS. Recovered: 3800' GIP, 130' Sli OCWM (4% Oil, 46% Water, 50% mud). IFP: 21-45, ISIP: 1255, FFP: 42-73, FSIP: 1258.

ORIGINAL

COMPLETION INFORMATION

- 10/5/05 Rigged up Log Tech with mask trailer. Ran CBL and collar locator. Good bond - top of cement @ 3182'. Perforated with 4 sh/ft 3892-3900'. Rig down Log Tech and released. SI
- 10/7/05 Rigged up Shawnee Well Service. Hooked up to casing swab. Found fluid 500' down from surface. Swabbed down to 2500'. Rigged over to run tubing. Ran 2 3/8" tubing and SN to 2891'. Swabbed hole, having trouble getting down (swab tank 3'10" - 42 bbls). Fluid @ 3000'. SI
- 10/10/05 Opening pressures: 740# tubing, 450# casing. Blow tubing down - casing still @ 400#. Went in and found fluid at 1500' down. Swabbed 3 times - fluid 2300' down. Recovered 14 bbls - casing @ 350#. Hooked up acid service. Circulated acid to bottom. Took pressure to 500#, 600#, then 750#, started feeding there. Started at 1/4 BPM @ 750#, pumped 1 bbl - took rate to 1/2 BPM @ 750#, 1 1/2 BPM @ 725#, 2 BPM @ 950#, 2 1/2 BPM @ 1050#. Flushed with 1 bbl, 450# ISIP in 5 minutes, 30# in 6 minutes vacuum. Let set for 20 minutes - load 81 bbls. Started swabbing - fluid 200' down.
1st hour - 18 bbls
2nd hour - 18 bbls - fluid 2800' down
3rd hour - 12 bbls - fluid 3400' down - swabbing down - no kick
4th hour - 9 bbls
5th hour - 4 bbls - fluid staying @ 3700' down - casing has 60#
Total back - 61 bbls - SION
- 10/11/05 Opening pressures: 550# tubing, 500# casing. Hooked up choke and set it on 16/64, opened tubing and blow down in 20 minutes - no fluid - casing pressure still 500#. Went in with swab - found fluid 1900' down (2000' fill-up overnight) 5' oil on top. Swabbed 4 times - well kicked off (swabbed 19 bbls) flowed 2 1/2 bbls and died. Total recovered - 82 bbls. Pulled tubing to frac tomorrow.
- 10/12/05 SICP: 600#, Rigged up Acid Services to frac with 25,000# sand, 500 bbls water. BDP: 1200#, ATP: 900#, ATR: 18.5 BPM, ISIP: 1150#, in 5 minutes - 875#, in 10 minutes - 600#, in 15 minutes - 340#. Total load: 479 bbls.
- 10/13/05 Moved on Service Rig. Started sand pumping - fluid @ 600'. Found sand @ 3920', will continue pumping sand. Rigged out & ran tubing. Tagged sand 3970'. Pull tubing up to 3811', one joint above perfs. Swabbed for 1 hour, recovered 18 Bbls. SION.
- 10/14/05 Went in & hit fluid 1000'. T.P. 150#, C.P. 0#. Started swabbing.

Hour	Recovered	C.P.	Note:
1 st	17 Bbls		
2 nd	23 Bbls		
3 rd	17 Bbls	60#	Blow after swab
4 th	11 Bbls	80#	
5 th	21 Bbls	110#	
6 th	9 Bbls	150#	
7 th	36 Bbls		Kick & flow for 20 minutes
8 th	11 bbls	250#	

Recovered 145 Bbls for day. TLTR 334 Bbls

RECEIVED
FEB 03 2006

KCC WICHITA

SIOW.

10/15/05 SI

10/16/06 SI

10/17/05 Opening pressures: 1020# TP, 900# CP. Started flowing.

Hour	Recovered	Choke	T.P.	C.P.	MCF
1 st	22 bbls	20/64	120#	900#	327 w/water
2 nd	11 bbls	16/64	130#	975#	213 w/water
3 rd	5 bbls	12/64	110#	1000#	100 w/water
After 3 hours	28 bbls	16/64	180#	1100#	287 w/water
After 7.5 hours	16.5 bbls	16/64	260#	1100#	405 w/water

Total recovered: **82 bbls for day. TLR: 227 bbls, TLTR: 252 bbls**
Shut-In well to move swab tank

10/24/05 Started laying water and gas lines.

10/25/05 Started selling gas. Will sell on 12/64 choke - should sell about 250 MCFPD.

12/02/05 Rigged up Basye Well Service to run in. Ran 1 joint tubing to 3894'. Ran 2 X 1 1/2 X 14' pump, RWB, 2' sub and 155 3/4" rods. Will set unit on Monday.

15-095-21989-0000

CONSOLIDATED OIL WELL SERVICES, INC.
 P.O. BOX 884, CHANUTE, KS 66720
 D-431-9210 OR 800-467-8676

ORIGINAL *cmf p. 059*

TICKET NUMBER 07602
 LOCATION Eureka
 FOREMAN Troy Strickler

TREATMENT REPORT & FIELD TICKET
 CEMENT

DATE	CUSTOMER #	WELL NAME & NUMBER	SECTION	TOWNSHIP	RANGE	COUNTY
-27-05	1040	VOTHA #2	27	28	6	Kingman
CUSTOMER <u>American Eneries Corp.</u>			TRUCK #	DRIVER	TRUCK #	DRIVER
BILLING ADDRESS <u>ISS North Market Ste. 710</u>			<u>463</u>	<u>Alan</u>		
CITY <u>Wichita</u>			<u>442</u>	<u>Calin</u>		
STATE <u>Ks</u>			<u>L</u>			
ZIP CODE <u>67202</u>						

HOLE TYPE <u>Longstring</u>	HOLE SIZE <u>7 7/8</u>	HOLE DEPTH <u>4016'</u>	CASING SIZE & WEIGHT <u>4 1/2</u>
CASING DEPTH <u>4024'</u>	DRILL PIPE	TUBING	OTHER
CASING WEIGHT <u>13.2#</u>	SLURRY VOL <u>37.6 Bbl</u>	WATER gal/sk <u>8"</u>	CEMENT LEFT in CASING <u>0'</u>
CEMENT PLACEMENT <u>63.8 Bbl</u>	DISPLACEMENT PSI <u>800</u>	1300 <u>Bump Plug to 1300 PSI</u>	RATE

REMARKS: Safety Meeting. Rig up to 4 1/2" casing. Break Circulation. Pump 12 Bbl. Pre-Flush, 5 Bbl water spacer. Mixed 125sks Thickset Cement w/ 4" Kol-Seal 4" Per/sk @ 13.2# Per/gal. Wash out Pump and lines. Shut down. Release Plug. Displace w/ 63.8 Bbl Fresh Water. Final Pump Pressure 800 PSI. Bump Plug to 1300 PSI. Wait 2 min. Release Pressure. Float Held. Shut Casing in @ 0 PSI. Good Circulation at all times while Cementing. Job Complete. Rig down.

ACCOUNT CODE	QUANTITY or UNITS	DESCRIPTION of SERVICES or PRODUCT	UNIT PRICE	TOTAL
401	1	PUMP CHARGE	765.00	765.00
406	100 miles	MILEAGE	3.00	300.00
26 A	125sks	Thickset Cement	13.00	1625.00
10 A	10 SKS	Kol-Seal 4" Per/sk	16.90	169.00
107 A	6.9 Tons	Ton-Mileage - Bulk Truck	1.00	690.00
238	2 gal	Foamer Pre flush	32.15	64.30
404	1	4 1/2" Top Rubber Plug	38.00	38.00
"Thank You!"				
<i>Troy Strickler</i>				
			Sub Total	3651.30
			5.3% SALES TAX	97.10
			ESTIMATED TOTAL	3748.40

ALLIED CEMENTING CO., INC.

23179

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

SERVICE POINT:

ML

DATE <u>9-20-05</u>	SEC <u>27</u>	TWP <u>28S</u>	RANGE <u>6W</u>	CALLED OUT <u>2:30 PM</u>	ON LOCATION <u>3:30 PM</u>	JOB START <u>8:20 PM</u>	JOB FINISH <u>8:40 PM</u>
LEASE <u>16th A</u>	WELL # <u>2</u>	LOCATION <u>Kingman South Edge</u>			COUNTY <u>Kingman</u>	STATE <u>KS.</u>	
OLD OR NEW (Circle one) <u>NEW</u>				<u>8E, 3S, 9/5</u>			

CONTRACTOR Pickrell = 10 OWNER American Energies

TYPE OF JOB surface
 HOLE SIZE 12 1/4 T.D. 271'
 CASING SIZE 8 7/8 x 20" DEPTH 270'
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX 200 MINIMUM _____
 MEAS. LINE _____ SHOE JOINT _____
 CEMENT LEFT IN CSG. 15'
 PERFS. _____
 DISPLACEMENT 16 3/4 bbls water

CEMENT
 AMOUNT ORDERED
250 SX 60:40:2+3/4cc
(used 200 SX)

EQUIPMENT
 PUMP TRUCK CEMENTER Carl Baldwin
 # 352 HELPER Tracy Cushman
 BULK TRUCK
 # 356 DRIVER Taron Kerlan
 BULK TRUCK
 # _____ DRIVER _____

COMMON	<u>120 A</u>	@	<u>8.70</u>	<u>1044.00</u>		
POZMIX	<u>80</u>	@	<u>4.70</u>	<u>376.00</u>		
GEL	<u>4</u>	@	<u>14.00</u>	<u>56.00</u>		
CHLORIDE	<u>7</u>	@	<u>38.00</u>	<u>266.00</u>		
ASC		@				
		@				
		@				
		@				
		@				
		@				
HANDLING	<u>262</u>	@	<u>1.60</u>	<u>419.20</u>		
MILEAGE	<u>45</u>	X	<u>262</u>	X	<u>0.06</u>	<u>707.40</u>
				TOTAL <u>2868.60</u>		

REMARKS:

Run 270' 8 7/8 CSY Break circulation
Mix 250 sx cement Release plug
+ Displace w/ 16 3/4 bbls water.
Leave 15' cement in CSY + shut in.
Cement did circulate 20sx

SERVICE

DEPTH OF JOB	<u>270'</u>			
PUMP TRUCK CHARGE				<u>670.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>45</u>	@	<u>5.00</u>	<u>225.00</u>
MANIFOLD		@		
<u>Head Rental</u>		@	<u>75.00</u>	<u>75.00</u>
		@		

RECEIVED

FEB 03 2006

TOTAL 970.00

KCC WICHITA

8 5/8" PLUG & FLOAT EQUIPMENT

1- TWP @ 55.00 55.00

TOTAL 55.00

CHARGE TO: American Energies
 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.

ANY APPLICABLE TAX WILL BE CHARGED UPON INVOICING

TAX _____
 TOTAL CHARGE ~~2868.60~~
 DISCOUNT ~~2868.60~~ IF PAID IN 30 DAYS

SIGNATURE

Mike Kern

Mike Kern

PRINTED NAME

15-095-21989-00.00

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.