

CANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

Form ACO-1 October 2008 Form Must Be Typed

CONSERVATION DIVISION WICHITA, KS

WELL COMPLETION FORM WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 34038	API No. 15 - 065-23496 - 0000
Name: Flatirons Resources LLC	Spot Description:
Address 1: 303 E. 17th Ave Suite 940	sw_NW_SE_Sec. 36 Twp. 7 S. R. 24 East / West
Address 2:	1,500 Feet from North / South Line of Section
City: Denver State: CO Zip: 80203 +	2300 2350 Feet from 🔽 East / 🗌 West Line of Section
Contact Person: Jeffery Jones	Footages Calculated from Nearest Outside Section Corner:
Phone: (303) 292-3902 ext 224	□NE □NW □SE □SW
CONTRACTOR: License # 33493	County: Graham
Name: American Eagle Drilling, LLC	Lease Name: Mahoney-Chenoweth Unit Well #: 33-36
Wellsite Geologist: Clayton Erickson	Field Name: Wildcat
Purchaser:	Producing Formation:
Designate Type of Completion:	Elevation: Ground: 2372 Kelly Bushing: 2377
New Well Re-Entry Workover	Total Depth: 3920 Plug Back Total Depth:
Oil SWD SIOW	Amount of Surface Pipe Set and Cemented at: 6 joints Set 262' Feet
Gas ENHR SIGW	Multiple Stage Cementing Collar Used? ☐ Yes ☑ No
CM (Coal Bed Methane) Temp. Abd.	If yes, show depth set: Feet
→ Dry Other(Core, WSW, Expl., Cathodic, etc.)	If Alternate II completion, cement circulated from:
If Workover/Re-entry: Old Well Info as follows:	feet depth to:w/sx cmt.
Operator:	Drilling Fluid Management Plan P+A AI+ I NOR
Well Name:	(Data must be collected from the Reserve Pit) 3-9-09
Original Comp. Date: Original Total Depth:	Chloride content: 2,800 ppm Fluid volume: bbls
Deepening Re-perf Conv. to Enhr Conv. to SWD	Dewatering method used: evaporation
Plug Back:Plug Back Total Depth	
Commingled Docket No.:	Location of fluid disposal if hauled offsite:
Dual Completion	Operator Name: H & C Oil Operating, Inc.
Other (SWD or Enhr.?)	Lease Name: Waller License No.: 8914
1/2/2009 1/1/2/009 1/1/2/09	Quarter NW Sec. 3 Twp. 7 S. R. 20 ☐ East West
Spud Date or Date Reached TD Completion Date Completion Date	County: Rooks Docket No.: D-24,512
of side two of this form will be held confidential for a period of 12 months if rec	onversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information quested in writing and submitted with the form (see rule 82-3-107 for confidential report shall be attached with this form. ALL CEMENTING TICKETS MUST
All requirements of the statutes, rules and regulations promulgated to regulate are complete and correct to the best of my knowledge.	the oil and gas industry have been fully complied with and the statements herein
Signature:	KCC Office Use ONLY
Title: Manager Divector Date: 1 3 09	Letter of Confidentiality Received
Subscribed and sworn to before me this 3 day of Fig. 1	If Denied, Yes Date:
20 09.	TARY Wireline Log Received RECEIVED
	Geologist Report Receive ANSAS CORPORATION COMMISSI
Notary Public:	UIC Distribution
Date Commission Expires: 3-28-10	FEB 0 5 2009

Side Two

Operator Name: Flati	rons Resources L	rc		Lease	Name: _	Mahoney-Che	noweth Un	itwell #: _33-	36	
Sec. 36 Twp. 7	S. R. <u>24</u>	☐ East	✓ West		y: <u>Grah</u>				·	
instructions: Sho time tool open and clo recovery, and flow rate surveyed. Attach final	sed, flowing and shu s if gas to surface te	it-in press est, along	ures, whether s	hut-in pre	ssure rea	ched static level	, hydrostatic	pressures, bottom	hole temperature, fluid	
Drill Stem Tests Taken (Attach Additional S	theory)	✓ Y	es No		 ✓L	og Formatio	on (Top), Dep	th and Datum	☐ Sample	
Samples Sent to Geole		·	es 🗌 No		Nam Anhy	e drite- top		Top 2131	Datum 370	
Cores Taken ☐ Yes ☑ No				Heebner			3572	-1071		
Electric Log Run (Submit Copy)		`	es No		Lansi	Lansing		3607	-1106	
					Base	Kansas City		3803	-1302	
List All E. Logs Run:	UCA 3 10,	43 W	ACOI:		TD			3880	-1379	
MICRO PES,	157. 606%	Di	: DUAZ							
List All E. Logs Run: MICRO PESS COMPSTD.	POROSITY	10	6							
		Rep	CASING ort all strings set-c	RECORD onductor, s	✓ Ne surface, inte		tion, etc.			
Purpose of String	Size Hole Drilled		ze Casing et (In O.D.)		ight . / Ft.	Setting Depth	Type of Cemen		Type and Percent Additives	
Surface	12.25	8.625		23#		262'	common	175	2% gel 3%CaCl	
		***	, 							
			ADDITIONAL	CEMENT	ING / SQL	JEEZE RECORD				
Purpose: —— Perforate	Ton Rottom			of Cement #Sacks Used			Type and Percent Additives			
Protect Casing Plug Back TD										
Plug Off Zone										
Chata Bas Fast	PERFORATION	ON RECOI	RD - Bridge Plugs	s Set/Type		Acid, Fra	cture, Shot, Ce	ement Squeeze Reco	rd	
Shots Per Foot			Each Interval Perf					of Material Used)	Depth	
								RE	CEIVED ORATION COMMISSION	
	,									
					· · · · · · · · · · · · · · · · · · ·				0 5 2009	
TUBING RECORD:	Size:	Set At:		Packer A	At:	Liner Run:	Yes [ivation division Ichita, ks	
Date of First, Resumed F	Production, SWD or Enl	hr.	Producing Meth	od:	Flowing	g Pumpi	ng 🗌 G	as Lift Oth	er (Explain)	
Estimated Production Per 24 Hours	Oil	Bbls.	Gas 1	Mcf	Wate	er B	bls.	Gas-Oil Ratio	Gravity	
	<u> </u>		L							
DISPOSITIO				ETHOD O		_		PRODUCTI	ON INTERVAL:	
Vented Sold (If vented, Subr	Used on Lease		Open Hole [Other <i>(Specify)</i>	Perf.	Dually	Comp. Co	mmingled			

ALLIEU CEMENTING CO., LLC. 034993

REMIT PO. BOX 31 RUSSELL, KANSAS 67665					RVICE POINT: Russell KS			
DATE 1-6- 09	SEC. 36	TWP.	RANGE	CALLED OUT	ON LOCATION	JOB START	JOB FINISH	
Mahoneu-	WELL #	22_21	LOCATION H. W. e. 4	913 41	200-17	COUNTY	STATE	
LEASE Chenoweth	WELL#-	33 - 36	LOCATION H. H.C.;	y Swest +	o ayura a	Graham	د باز	
OLD OR NEW Ci	rcie one)		North to SR	1 SWest No	rth into.		•	
CONTRACTOR A	Americ	an Eagl	e Drilling #3	OWNER		·		
TYPE OF JOB 5		TD	. 262'	CEMENT			-	
CASING SIZE 8		DE	PTH 262 '	AMOUNT O	RDERED 175	com 3%.00	27-Gel	
TUBING SIZE			PTH					
DRILL PIPE		DE	PTH			· · · · · · · · · · · · · · · · · · ·		
TOOL		DE	PTH _	• •				
PRES. MAX		MI	NIMUM	_ COMMON_	175		2362.5	
MEAS. LINE			OE JOINT	_ POZMIX _		@		
CEMENT LEFT IN	VCSG.	15'		_ GEL _	<u>3</u>	@ 20,25		
PERFS.		10-20	Ω	_ CHLORIDE		_ @ <u>5/,50</u>	309,00	
DISPLACEMENT		15.73		_ ASC		@ @		
	EQU	JIPMENT	•	<u> 4</u>				
						_ @	Agricultura de la constitución d	
			n Roberts	_		_ @		
	HELPER	Travis	<u> </u>	- .			•	
BULK TRUCK		4.	• •		•	@	-	
	DRIVER	Neale				@	<u> </u>	
BULK TRUCK	DRIVER					_ @		
<u>*</u>	DRIVER		*	HANDLING		_ @ <i>2.25</i>	393,75	
			·	MILEAGE _	10/stefpile		787,50	
	RE	MARKS:			·	TOTAL	3913,50	
				-	SERV.	ICE		
Mix 1	15 sh	Cem	ent					
Displace	w	15.7	3 Bbl Hall	PUMP TRUC EXTRA FOC	CK_CHARGE DTAGE		991.00	
-			,	MILEAGE	45		3/5,00	
Cement	- die	1 cir	culate:	_)	@		
					*			
•					P	@		
CHARGE TO: <u>F</u>	latiror	s Reso	urces LLC	RECEIV KANSAS CORPORATIO	NCOMMISSION	af .		
	,					TOTAL	1306,00	
STREET				- FEB 05	2009		.	
CITY	S T	TATE	ZIP	CONSERVATION	NDWBOOG & FLOA I,KS	T EQUIPMEN	NT	

						@		
				888 Woo	1 72/40	@_ <u>··</u>	66.00	
To Allied Cemen	_				a may	@ @		
			menting equipment		marine and a second	- @		
			to assist owner or			•		
			he above work was			ТОТАТ	66.00	
		-	of owner agent or and the "GENERAL	•	* *	TOTAL	- <u> </u>	
			d on the reverse side	CALECTAV	(If Any)			
TEMINIS MIND C	אווועוייט	7113 11816	a on the reverse side	5 .	ARGES		•	
			•				· · · · · · · · · · · · · · · · · · ·	
PRINTED NAME	-A			_ DISCOUNT		IF PAI	D IN 30 DAYS	
	// C	711 0						
SIGNATURE	More	/ Worm)	 .				

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "ALLIED" shall mean Allied Cementing Co., LLC, 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. 2, Val. 67.
- -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: لأرباعا ووالمراه والمتكاري للكورا الألافيد

1 15

- (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. DECEMBER 12 1991
 - 2. More specifically:
- (A) Nothing in this contract shall be construed as a warranty by ALLIED of the succession 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.

ALLIEU CEMENTING CO., LLC. 034997

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

SERVICE POINT:

Russell KS

RUSSELL, KAINSA		CALLEDOUT	ON LOCATION	JOB START	JOB FINISH
DATE 1-12-08 36	WP. RANGE 24	CALLED OUT .	UN LUCATION	7:15 COUNTY	8:00 pm
choney - LEASEChenoweth WELL#33	-36 LOCATION HI	Il City KS 3 West	2 North	Graham	STATE
OR NEW (Circle one)		Vorth into.			
		•	•		
CONTRACTOR American C TYPE OF JOB Rotary	Plus	OWNER			
OLE SIZE 778	T.D. 3920'	CEMENT	•		
CASING SIZE	DEPTH	AMOUNT C	RDERED 205	6940 47.6	d 44 Fla
UBING SIZE	DEPTH				
PRILL PIPE 4/2 X H	DEPTH 2070'				
OOL	DEPTH	<u></u>	والمسأوا يسيروا المرا	en de la composición	
RES. MAX	MINIMUM	COMMON_	123	,	1660,50
MEAS. LINE	SHOE JOINT	POZMIX _	82		_619-10
EMENT LEFT IN CSG.		GEL _			141, 75
PERFS.		CHLORIDE		@	
DISPLACEMENT		ASC	cal 51 th	@	1209
EQUIP	MENT	Flo S	cal 31	_ @ <u>~. 43</u> _ @	124.95
				@ @	
PUMP TRUCK CEMENTER	John Roberts			_	
409 HELPER 7	ravis		•		-
BULK TRUCK	<i>A</i> • 1			- @ 	-
396 DRIVER N	like			_	
BULK TRUCK				@	
. DRIVER		HANDLING	3_205	@ 2,25	461.25
	·	MILEAGE .	110/sk faile		922,50
REMA	ARKS:		, ,	TOTAL	3930,03
258K@ 2070'	•	•	,		e e e e e e e e e e e e e e e e e e e
100 8k@ 1225'		·	SERV	ICE	
40 sk @ 310'				- · · · · · · · · · · · · · · · · · · ·	
10 sk @ 40'		DEPTH OF	JOB		
			CK CHARGE		990,00
Rathole 30sk		EXTRA FO	OTAGE	@ ::	
		MILEAGE	45	@ <i>7.0</i> 0	315.00
		MANIFOLD)	@	
• • • • • • • • • • • • • • • • • • •	+	*		@	·
•		- PECEIVE	on micelOh	@	
CHARGE TO: Flaticons	s Resources LL	C KANSAS CORPORATION	COMMISSION		_
STREET		·		TOTAL	1305,00
STREET					
CITYSTAT	`EZIP	CONSERVATION	DIVISION KSPLUG & FLOA	T FAHIDME!	NTT 1
		MICHIA,	W21 FOR & LFON	T EQUI ME	11
				@	
₹ 6	•.		1 70	@	
To Allied Cementing Co., LL	•	-	le Plug		39.00
You are hereby requested to r		the second secon			· · · · · · · · · · · · · · · · · · ·
and furnish cementer and hel	-			≝	
	sted. The above work		•		7 a .
	rvision of owner age			TOTAL	27.00
done to satisfaction and super		PΔI			
done to satisfaction and super contractor. I have read and u	nderstand the "GENI	CALECTAS	7 (1f A)		
done to satisfaction and super contractor. I have read and u	nderstand the "GENI	e side. SALES TAX	K (If Any)	-	-
done to satisfaction and super contractor. I have read and u	nderstand the "GENI	e side. SALES TAX	(If Any) ARGES	-	-
done to satisfaction and super contractor. I have read and u TERMS AND CONDITIONS	nderstand the "GENI	e side. SALES TAX TOTAL CH	ARGES	- <u> </u>	
done to satisfaction and super contractor. I have read and u	nderstand the "GENI	e side. SALES TAX TOTAL CH	,	- <u> </u>	
done to satisfaction and super contractor. I have read and u TERMS AND CONDITIONS	nderstand the "GENI	e side. SALES TAX TOTAL CH	ARGES	- <u> </u>	

DEFINITIONS: In these terms and conditions, "ALLIED" shall mean Allied Cementing Co., LLC, 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, its 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:

- 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 succession 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.