

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 5399
Name: American Energies Corporation
Address: 155 North Market, Suite 710
Wichita, Kansas 67202
City/State/Zip:
Purchaser: ONEOK GAS MARKETING
Operator Contact Person: Alan L. DeGood, President
Phone: (316) 263-5785
Contractor: Name: Pickrell Drilling Company
License: 5123
Wellsite Geologist: Douglas Davis

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.

3/08/01 3/18/01 4/05/01
Spud Date or Recompletion Date Date Reached TD Completion Date or Recompletion Date

API No. 15 - 095-21782-0000
County: Kingman
W/2 NW SW Sec. 23 Twp. 29S S. R. 7W East West
1980 feet from S N (circle one) Line of Section
330 feet from E W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

(circle one) NE SE NW SW

Lease Name: Voran Well #: A-1

Field Name: Spivey Grabs

Producing Formation: Mississippian

Elevation: Ground: 1560 Kelly Bushing: 1565

Total Depth: 4285 Plug Back Total Depth: 4290

Amount of Surface Pipe Set and Cemented at 23# 8 5/8" 258' 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 KJR 1-11-00
(Data must be collected from the Reserve Pit)

Chloride content 35,000 ppm Fluid volume 900 bbls

Dewatering method used Evaporation

Location of fluid disposal if hauled offsite:

Operator Name: American Energies Corporation

Lease Name: Greenleaf Ranch SWD License No.: 5399

Quarter NW Sec. 7 Twp. 28S S. R. 7W East West

County: Kingman Docket No.: D17,219

CONSERVATION DIVISION

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: Alan L. DeGood
Title: President Date: _____

Subscribed and sworn to before me this 22nd day of May, 2001

Notary Public: Melinda S. Wooten



Date Commission Expires: 3-12-04

KCC Office Use ONLY

- Letter of Confidentiality Attached
- If Denied, Yes Date: _____
- Wireline Log Received
- Geologist Report Received
- UIC Distribution

Operator Name: American Energies Corporation Lease Name: Voran Well #: D-1
 Sec. 23 Twp. 29S S. R. 7W East West County: Kingman

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems 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 test, along with final chart(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
 (Attach Additional Sheets)
See Attachment
 Samples Sent to Geological Survey Yes No
 Cores Taken Yes No
 Electric Log Run Yes No
 (Submit Copy)

Log Formation (Top), Depth and Datum Sample
 Name Top Datum
See Attachment

List All E. Logs Run:

**Compensated Neutron/Density
 Dual Induction
 Dual Receiver - Cement Bond Log**

CASING RECORD <input checked="" type="checkbox"/> New <input checked="" 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	# Sacs Used	Type and Percent Additives
Surface	12 1/4"	8 5/8" New	23#	258'	60/40 poz	175	2% gel, 3% CaCl
Production	7 7/8"	5 1/2" Used	14#	4278'	ASC	125	5# Coseal/sx

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
2 SPF	4178' - 4184	Treated with 750 gallons 15% MCA	
2 SPF	4142' - 4152	Treated with 1000 gallons 10% MCA with 30 perf balls	
		All perms fraced with 40,000# sand and 984 bbls gelled water.	

TUBING RECORD	Size	Set At	Packer At	Liner Run
	2 3/8"	4215'	4073'	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Date of First, Resumerd Production, SWD or Enhr. 5/4/01 Producing Method Flowing Pumping Gas Lift Other (Explain)

Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
	5 BOPD	125 MCFPD	25 BOPD		

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

AMERICAN ENERGIES CORPORATION DRILLING REPORT

Voran "D" #1

LOCATION: C W/2 NW SW **SURFACE CASING:** 23# 8 5/8" set @ 258'
Section 23-T29S-R7W

COUNTY: Kingman County **PRODUCTION CASING:**
G.L.: 1560 **K.B.:** 1565

GEOLOGIST: Doug Davis **SPUD DATE:** 03/08/01

CONTRACTOR: Pickrell Drilling Co. **COMPLETION DATE:**

NOTIFY: Donald Graber, Jim Graber, **REFERENCE WELLS:**

Messenger Petroleum, W. Mike Adams, #1 Voran D #3: NE SW NW Sec. 23-29S-7W

Frank E. Novy Trust, Novy Oil and Gas, #2 Voran D #4: NE SW Sec. 23-29S-7W

Steve Voran, Thomas C. Hyde, #3 Voran D #2: NW SW SW Sec. 23-29S-7W

Earl Rakestraw, Kurt Rakestraw, #4 Voran F #1: SW NE SE Sec. 22-29S-7W

D & D Investment

APL 15-095-2182-00-00

FORMATION: **SAMPLE LOG:** **COMPARISON:** **ELECTRIC LOG TOPS:**

		#1	#2	#3	#4		
Indian Cave	2138	-563	-8	-10	+7	+2	2134 -569
Topeka	2708	-1143	+2	-23	+17	-1	2709 -1144
Heebner Shale	3091	-1526	-12	-19	-5	+11	3093 -1528
Lansing	3325	-1760	-10	-2	+1	+7	3376 -1761
Stark Shale	3748	-2183	-19	-9	+3	+2	3749 -2184
Swope	3752	-2187	-20	-10	+3	+3	3754 -2189
Hertha	3799	-2234	-22	-8	+3	0	3794 -2299
Base/KC	3832	-2267	-12	-6	+11	+14	3825 -2260
Marmaton	3894	-2328	-16	-15	+4	+5	3894 -2329
Cherokee	3996	-2431	-21	-12	+4	+2	3999 -2434
Miss Chert	4139	-2574	-31	-21	-3	-12	4140 -2575
Mississippian	4162	-2597	-41	-5	+20	+12	4164 -2599
RTD:	4285,						
LTD:	4286						

03/08/01 Moving in Rotary Tools.

03/09/01 WOC, Spudded @ 8:45 PM 3/8/01, Drld 12 1/4" hole to 263', ran 6 jts. New 23# 8 5/8" csg. Set @ 258' Allied Cemented with 175 skx 60/40 Pox 2% gel 3% CC PD @ 7:45 AM. Cmt circ..

03/10/01 Drilling ahead @ 1129'

03/11/01 Drilling ahead @ 1847'

03/12/01 Drilling ahead @ 2472'

03/13/01 Drilling ahead @ 3080', Mud Weight: 8.9, Vis.: 44, Water Loss: 6.4, Chlorides: 9,000

03/14/01 Drilling ahead @ 3587'

03/15/01 Drilling ahead @ 4003' - attempting to make a bit trip.

03/16/01 Tripping out hole with DST #14142 -61 (Miss Chert) 30-60-45-90 GTS during final SI TSTM, Rec 65' GCM(2%G 98%M) IFP 18-29 ISIP 345 FFP 28-45 FSIP 386, IH 1997 FH 2001 Shutin pressure brokeover. Will cut to the base of the chert and test again if we have improved shows.

03/17/01 Circulating to trip out for logging. RTD: 4285. Results DST #2: 4172-4185 (Miss/Warsaw). Times: 30-60-45-90. Recovered 188' GIP, 62' SIGCM w/scum of oil (3% G, 97% M). IFP: 21-29, ISIP: 281, FFP: 28-38, FSIP: 317, IHP: 2020, FHP: 2001, BHT 121. Final shutin was breaking over almost flat. We will log and review porosity zone, excellent sample show in the Warsaw with 16' of porosity in cherty Dolomite. 4' of 1/2", 5' of 1", 5' of 11/2" drilling.

03/18/01 RTD: 4285'. Ran OH logs. LTD: 4286'. Ran 122 jts used 14# production casing. Casing set @ 4278', cemented w/125 sx ASC w/5# coseal/sx, 15 sx in rathole. Job complete @ 5:40 a.m. 3/18/01.

COMPLETION REPORTS TO FOLLOW

ALLIED CEMENTING CO., INC.

P.O. BOX 41
 RUSSELL, KS 67665
 PH (785) 483-3887
 FAX (785) 483-5566

A

 * I N V O I C E *

Invoice Number: 083691

Invoice Date: 03/17/01

Sold American Energies Corp.
 To: 155 N. Market #710
 Wichita, KS
 67202

APC 15-095-21782-00-00

Cust I.D.: Am Eng
 P.O. Number.: Voran 'D' #1
 P.O. Date: 03/17/01

Due Date.: 04/16/01
 Terms: Net 30

Item I.D. / Desc.	Qty. Used	Unit	Price	Net	TS
ASC	140.00	SKS	8.2000	1148.00	E
WFR-2	500.00	GAL	1.0000	500.00	E
FolSeal	700.00	LBS	0.3800	266.00	E
Handling	154.00	SKS	1.0500	161.70	E
Mileage (40)	40.00	MILE	6.1600	246.40	E
154 sks @\$.04 per sk per mi					
Long String	1.00	JOB	1145.0000	1145.00	E
Mileage, pmp trk	40.00	MILE	3.0000	120.00	E
Rubber plug	1.00	EACH	50.0000	50.00	E
Insert	1.00	EACH	235.0000	235.00	E
Guide Shoe	1.00	EACH	150.0000	150.00	E
Centralizers	5.00	EACH	50.0000	250.00	E

All Prices Are Net, Payable 30 Days Following
 Date of Invoice. 1 1/2% Charged Thereafter.
 If Account CURRENT take Discount of \$427.21
 ONLY if paid within 30 days from Invoice Date

Subtotal: 4272.10
 Tax: 0.00
 Payments: 0.00
 Total: 4272.10

4272.10
 3844.89

30-01

ALLIED CEMENTING CO., INC.

8148

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

SERVICE POINT:

Great Bend

DATE <u>3-17-01</u>	SEC. <u>23</u>	TWP. <u>29</u>	RANGE <u>7</u>	CALLED OUT <u>5:30 PM</u>	ON LOCATION <u>9:30 PM</u>	JOB START <u>1:15 AM</u>	JOB FINISH <u>5:40 PM</u>
LEASE <u>Veron "D"</u> WELL # <u>1</u>				LOCATION <u>K-42 + Rago Oct 3N 1E 1/2S</u>		COUNTY <u>Kingman</u>	STATE <u>Kansas</u>
OLD OR <u>(NEW)</u> (Circle one)							

CONTRACTOR Pickrell
 TYPE OF JOB Longstring
 HOLE SIZE 7 1/8 T.D. 4285'
 CASING SIZE 5 1/2 DEPTH 4276'
 TUBING SIZE DEPTH
 DRILL PIPE DEPTH
 TOOL DEPTH
 PRES. MAX 1300 # MINIMUM
 MEAS. LINE SHOE JOINT 12.24'
 CEMENT LEFT IN CSG. 12.24'
 PERFS.
 DISPLACEMENT 104 BBLs

OWNER American Energies Corp.

CEMENT
 AMOUNT ORDERED 140 AX ASC, 5* KOL
Seal per sx, 500 GALLON WFR-II.

EQUIPMENT
H.B.
 PUMP TRUCK CEMENTER Paul D. Dooling
 # 120 HELPER Steve T.
 BULK TRUCK
 # 342 DRIVER Lonnie M.
 BULK TRUCK
 # DRIVER

COMMON	<u>140 ASC</u>	@	<u>8.20</u>	<u>1148.00</u>
POZMIX		@		
GEL		@		
CHLORIDE		@		
WFR-II	<u>500 GALLON</u>	@	<u>1.00</u>	<u>500.00</u>
Kol Seal	<u>700 #</u>	@	<u>.38</u>	<u>266.00</u>
		@		
		@		
HANDLING	<u>154</u>	@	<u>1.05</u>	<u>161.70</u>
MILEAGE	<u>40</u>			<u>246.40</u>
TOTAL				<u>\$ 2322.10</u>

REMARKS:

Safety meeting,
Ran 5 1/2 casing to bottom, drop ball,
circulate w/ rig pump. Hook up to pump
trip & pumped 500 GAL WFR II. Shut down
clean pump & lines. Plugged Rathole w/ 1 1/2" ax.
hook up to 5 1/2 head & mixed 125 AX ASC. Shut
down wash up & duplicate release 5 1/2 rubber plug
& displace w/ 104 bbls fresh h²⁰. Landed plug at 1300 #
 FLOAT DID HOLD!

SERVICE

DEPTH OF JOB	<u>4285'</u>			
PUMP TRUCK CHARGE				<u>1145.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>40</u>	@	<u>3.00</u>	<u>120.00</u>
PLUG	<u>1- 5 1/2 Rubber</u>	@	<u>50.00</u>	<u>50.00</u>
		@		
		@		
TOTAL				<u>\$ 1315.00</u>

CHARGE TO: American Energies Corp.
 STREET 155 N. Market # 710
 CITY Wichita STATE Ks ZIP 67202

FLOAT EQUIPMENT

<u>1- 5 1/2 - Direct</u>	@	<u>235.00</u>	<u>235.00</u>	
<u>1- 5 1/2 - Guide shoe</u>	@	<u>150.00</u>	<u>150.00</u>	
<u>5- 5 1/2 - Centralizers</u>	@	<u>50.00</u>	<u>250.00</u>	
	@			
	@			
TOTAL				<u>\$ 635.00</u>

THANK YOU!

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	<u>- 0 -</u>
TOTAL CHARGE	<u>\$ 4272.10</u>
DISCOUNT	<u>\$ 427.21</u> IF PAID IN 30 DAYS

SIGNATURE X [Signature]

X L. W. JACKSON
 PRINTED NAME

Net \$ 3844.89

Thanks.

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "Allied" shall mean Allied Cementing Co., Inc., and "Customer" shall refer to the party identified by that term on the front of this contract. As applicable, "Job" relates to the services described on the front side of this contract, "merchandise" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

—**TERMS:** Unless satisfactory credit has been established, "CUSTOMER" must tender full cash payment to "ALLIED" before the job is undertaken or merchandise is delivered. If satisfactory credit has been established, the terms of payment for the job and/or merchandise, including bulk cement, are net cash, payable in 30 days from the completion of the job and/or delivery of the merchandise. For all past due invoices, "CUSTOMER" agrees to pay interest on amounts invoiced at a rate of 18 percent per annum until paid. Notwithstanding the foregoing, in no event shall this Contract provide for interest exceeding the maximum rate of interest that "CUSTOMER" may agree to pay under applicable law. If any such interest should be provided for, it shall be and hereby is deemed to be a mistake, and this contract shall be automatically reformed to lower the rate of interest to the maximum legal contract rate, any amounts previously paid as excess interest shall be deducted from the amounts owing from the "CUSTOMER" or at the option of "ALLIED," refunded directly to "CUSTOMER." For purposes of this paragraph, ALLIED and CUSTOMER agree that KANSAS law shall apply. Any discounts granted with this contract are null and void if the charges are not paid when due.

—**ATTORNEY FEES:** In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the terms of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limited to, a reasonable sum as and for attorney's fees.

—**PRICES AND TAXES:** All merchandise listed in "ALLIED'S" current price schedule are F.O.B. ALLIED'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by ALLIED shall be added to the quoted prices charged to CUSTOMER.

—**TOWING CHARGES:** ALLIED will make a reasonable attempt to get to and from each job site using its own equipment. Should ALLIED be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ a tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMER or, if furnished by ALLIED, will be charged to and paid by CUSTOMER.

—**PREPARATION CHARGES:** If a job and/or merchandise is ordered and CUSTOMER cancels the order after preparation of a chemical solution or other material, CUSTOMER will pay ALLIED for the expenses incurred by ALLIED as a result of the cancellation.

—**DEADHAUL, CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charge as set forth in ALLIED'S current price book will be charged each way for each service unit which is ordered by CUSTOMER but not used.

—**SERVICE CONDITIONS AND LIABILITIES:** 1. ALLIED carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond ALLIED'S control, ALLIED shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. Customer shall be responsible for and indemnify, defend, and hold harmless ALLIED, its officers, agents and employees, from and against any and all claims or suits for:

(A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with ALLIED'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of ALLIED or its employees.

2. With respect to any of ALLIED'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to ALLIED at the landing, CUSTOMER shall either recover the lost item without cost to ALLIED or reimburse ALLIED the current replacement cost of the item unless the loss or damage results from the sole negligence of ALLIED or its employees.

3. ALLIED does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

WARRANTIES: 1. ALLIED warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. ALLIED'S obligation under this warranty is expressly limited to repair, replacement, or allowance for credit, at its option, for any merchandise which is determined by ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and ALLIED shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.

2. More specifically:

(A) Nothing in this contract shall be construed as a warranty by ALLIED of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.

(B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by ALLIED or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by ALLIED, unless the inaccuracy or incorrectness is caused by the wilful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.

(C) Work done by ALLIED shall be under the direct supervision and control of the CUSTOMER or his agent and ALLIED will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.

ALLIED CEMENTING CO., INC.

P.O. BOX 311
 RUSSELL, KS 67665
 PH. (785) 483-3887
 FAX (785) 483-5566

 * INVOICE *

Invoice Number: 083615

Invoice Date: 03/08/01

Sold American Energies Corp.
 To: 155 N. Market #710
 Wichita, KS
 67202

APL 15-095-21782-00-00

Due Date.: 04/07/01
 Terms....: Net 30

Cust I.D.....: Am Eng
 P.O. Number...: Voran D-1
 P.O. Date.....: 03/08/01

Item I.D./Desc.	Qty. Used	Unit	Price	Net	TX
Common	105.00	SKS	6.3500	666.75	E
Pozmix	70.00	SKS	3.2500	227.50	E
Gel	3.00	SKS	9.5000	28.50	E
Chloride	6.00	SKS	28.0000	168.00	E
Handling	184.00	SKS	1.0500	193.20	E
Mileage (40)	40.00	MILE	7.3600	294.40	E
184 sks @\$.04 per sk per mi					
Surface	1.00	JOB	470.0000	470.00	E
Mileage pmp trk	40.00	MILE	3.0000	120.00	E
Wooden 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 \$ 221.34
 ONLY if paid within 30 days from Invoice Date

Subtotal: 2213.35
 Tax.....: 0.00
 Payments: 0.00
 Total....: 2213.35

221.34
 1992.01

20-26

ALLIED CEMENTING CO., INC.

7705

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

SERVICE POINT:

Medicine Lodge

DATE <i>3-08-01</i>	SEC <i>23</i>	TWP <i>29S</i>	RANGE <i>7W</i>	CALLED OUT <i>11:00 pm</i>	ON LOCATION <i>1:00 AM</i>	JOB START <i>7:20 AM</i>	JOB FINISH <i>7:45 AM</i>
LEASE <i>Von</i>	WELL # <i>D-1</i>	LOCATION <i>Rayo Ks. 3N, 1E, 1/2 N,</i>			COUNTY <i>Kingman</i>	STATE <i>KS.</i>	
OLD OR NEW (Circle one)				<i>≠/into</i>			

CONTRACTOR *Pickrell*

TYPE OF JOB *Surface*

HOLE SIZE *12 1/4* T.D. *260'*

CASING SIZE *8 7/8 x 23"* DEPTH *258"*

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX *150* MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. *15*

PERFS. _____

DISPLACEMENT *15 1/2 Bbls Fresh H2O*

OWNER *American Energies*

CEMENT

AMOUNT ORDERED

175 sks 60:40:2+3 1/2 cc

COMMON	<i>105</i>	@	<i>6.35</i>	<i>666.75</i>
POZMIX	<i>70</i>	@	<i>3.25</i>	<i>227.50</i>
GEL	<i>3</i>	@	<i>9.50</i>	<i>28.50</i>
CHLORIDE	<i>6</i>	@	<i>28.00</i>	<i>168.00</i>
		@		
		@		
		@		
		@		
HANDLING	<i>184</i>	@	<i>1.05</i>	<i>193.20</i>
MILEAGE	<i>184 x 40</i>		<i>.04</i>	<i>74.40</i>
TOTAL				<i>1578.35</i>

EQUIPMENT

PUMP TRUCK CEMENTER *Carl B*

#*343* HELPER *Mark B & Kevin B*

BULK TRUCK DRIVER *Jason T*

#*242*

BULK TRUCK DRIVER _____

REMARKS:

*Pipe on bottom, Break circulation,
Pump 3 Bbls Freshwater,
175 sks, 60:40:2+3 1/2 cc
Release plug.
Displace with 15 1/2 Bbls Fresh H2O
Shut in
Remant to surface*

SERVICE

DEPTH OF JOB	<i>258'</i>		
PUMP TRUCK CHARGE			<i>470.00</i>
EXTRA FOOTAGE		@	
MILEAGE	<i>40</i>	@	<i>3.00 120.00</i>
PLUG	<i>wooden</i>	@	<i>45.00 45.00</i>
		@	
		@	
TOTAL			<i>635.00</i>

CHARGE TO: *American Energies*

STREET _____

CITY _____ STATE _____ ZIP _____

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 *2213.35*

DISCOUNT *221.34* IF PAID IN 30 DAYS

1992.01

SIGNATURE *Mike Kern*

PRINTED NAME *Mike Kern*

SIGNATURE _____

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.