## CONFIDENTIAL

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

ORIGINAL 2/28/09

Form ACO-1 September 1999 Form Must Be Typed

WICHITA, KS

#### **WELL COMPLETION FORM**

**WELL HISTORY - DESCRIPTION OF WELL & LEASE** 

Name: Flatirons Resources LLC	API No. 15 - 065-23377-0000
Name:	County: Graham
Operator: License # 34038  Name: Flatirons Resources LLC  Address: 1999 Broadway, Suite 1415	C_W/2_SE_SE_Sec10_Twp8 S. R22
City/State/Zip: Denver Colorado 80202	2002 feet from S/ N (circle one) Line of Section
Purchaser: Coffeyville Resources	900 feet from E) / W (circle one) Line of Section
Operator Contact Person: Jeffery Jones	
Phone: ( 303 ) 292-3902	(circle one) NE SE NW SW  Lease Name: Rush Trust Well #: 44-10
Contractor Name American Eagle Drilling LLC	Lease Name: Rush Trust Well #: 44-10
icense: 33493	Lease Name:
Velisite Geologist: Marc Downing	Bloducing Formation: Lansing KC
Designate Type of Completion:	## IProducing Formation: Carising No.   Figure   Producing Formation:   Carising No.   Producing Formation:
Alou Wall Po Sotor Western	Gotal Depth: 3990 Plug Back Total Depth: 3961
New Yveii Ne-Entry vvorkover	Gotal Depth: 3990 Plug Back Total Depth: 3961
Velisite Geologist: Marc Downing  Designate Type of Completion:  Velisite Geologist: Marc Downing  Designate Type of Completion:  Velisite Geologist: Marc Downing  Workover  Velisite Geologist: Marc Downing  Designate Type of Completion:  Velisite Geologist: Marc Downing	Argount of Surface Pipe Set and Cemented at 266 Feet
· Gas Sign	Muniple Stage Cementing Collar Used?
Dry Other (Core, WSW, Expl., Cathodic, etc)	If yes, show depth set 2009 Feet
Workover/Re-entry: Old Well Info as follows:	If Alternate II completion, cement circulated from 2009
perator:	11.7 10 7/0
ell Name:	Drilling Fluid Management Plan
riginal Comp. Date: Original Total Depth:	(Data must be collected from the Reserve Pit)
Deepening Re-perf Conv. to Enhr./S	Chloride content ppm Fluid volume 100 hbls
Plug BackPlug Back Total Depti	Dewatering method used evaporation
Commingled Docket No	
Dual Completion Docket No	·
Other (SWD or Enhr.?) Docket No	
2/5/2007 12/12/2007 2/12/2008	Lease Name: Waller License No.: 8914
oud Date or Date Reached TD Completion Date	e or Quarter NW Sec. 3 Twp. 7 S. R. 20 East 🗸 West
ecompletion Date Recompletion D	ate County: Rooks Docket No.: D-24,512
Kansas 67202, within 120 days of the spud date, recompletion Information of side two of this form will be held confidential for a page of the confidential	e filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, n., workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. period of 12 months if requested in writing and submitted with the form (see rule 82-3-reline logs and geologist well report shall be attached with this form. ALL CEMENTING
107 for confidentiality in excess of 12 months). One copy of all will TICKETS MUST BE ATTACHED. Submit CP-4 form with all plug	ged wells. Submit CP-111 form with all temporarily abandoned wells.
IO7 for confidentiality in excess of 12 months). One copy of all win FICKETS MUST BE ATTACHED. Submit CP-4 form with all plug requirements of the statutes, rules and regulations promulgated	ged wells. Submit CP-111 form with all temporarily abandoned wells.  It to regulate the oil and gas industry have been fully complied with and the statements
requirements of the statutes, rules and regulations promulgated rein are complete and correct to the best of my knowledge.	ged wells. Submit CP-111 form with all temporarily abandoned wells.  It to regulate the oil and gas industry have been fully complied with and the statements
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requirements of the statutes, rules and regulations promulgated rein are complete and correct to the best of my knowledge.  Inature:  Described and sworn to before me this 15 day of 5	signed wells. Submit CP-111 form with all temporarily abandoned wells.  It to regulate the oil and gas industry have been fully complied with and the statements    KCC Office Use ONLY
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CONFIDENTIAL

Operator Name: F	latirons Resources L	LC	Leas	e Name	Rush Trust		Weil #: 44	1-10 FEB 28 2	<i>2008</i>
Sec Twp.	8 S. R. 22	East	Count	ty: Grah	ham			KCC	<u>-</u>
temperature, fluid r	recovery, and flow rate	s and base of formations ing and shut-in pressures ites if gas to surface test, h final geological well site	es, whether si t. along with f	:hut-in p	pressure reached	d static level, hydro	rostatic process	urae hottom hala	
Drill Stem Tests Tal (Attach Additions	<del>-</del>	✓ Yes		Ø	Log Format	tion (Top), Depth a	and Datum	Sample	-
Samples Sent to G	ieological Survey	✓ Yes    No		Nar Anh	me nydrite		Тор 2008	Datum	
Cores Taken		Yes 🗸 No		1	nydrite Base	•	2008	+328 +296	
lectric Log Run (Submit Copy)		✓ Yes No		Торе			3364	-1028	
	ē.			1	ebner		3537	-1201	
ist All E. Logs Run				Torc	onto	•	3562	-1226	
Microresistivit	y,dual compens:	ated porosity, dual	ıl	Lan	sing Kansas Ci	ity	3582	-1246	
induction, bore bond, geologic	shole compensa	ated sonic, sonic co	ement	Bas	se LKC		3772	-1436	
Juliu, geologic	; report log		- <del></del>	Arbı	uckle		3938	-1602	
		CASING Report all strings set-	G RECORD	✓ N		·			
Purpose of String	Size Hole Orilled	Size Casing Set (In O.D.)	Weig	ght	Setting	Type of	# Sacks	Type and Percent	1
Surface	12 1/4"	8 5/8"	23#	rt.	Depth 266'	Common	Used 175	Additives  3% CaCl + 2% gel	
Production	7 7/8*	5 1/2"	15.50#		3987	Multi-Density	175	None	1
			1						1
		ADDITIONA	L CEMENTIN	IG / SQ!	UEEZE RECORD	<u> </u>		L	EIVED
Purpose:	Depth Top Bettom	Type of Cement	#Sacks U		KANGAG CODDOBAT				
Protect Casing Plug Back TD Plug Off Zone	2009 - Surface	Multi-Density	260		None FEB 0				9 2009
Fing On Zong							CONSERVA		TIONDIVIS
Shots Per Foot	PERFORATION Specify F	ON RECORD - Bridge Plug Footage of Each Interval Per	gs Set/Type inforated		Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)  Depth				
spf	3837 '- 3843'				500 Gal 15% N			3843'	
spf	3737' - 3743'				500 Gal 15% N	vica ·	· .	3743'	
spf	3723' - 3728'				500 Gal 15% MCA & 1500 Gal NE FE 3728'				
ВР	3780'							3780'	
								•	
JBING RECORD 2 7/	Size 7/8* 3	Set At 3774'	Packer At		Liner Run	Yes 🗸 No			
ate of First, Resumerd 2/12/2008	d Production, SWD or En	nhr. Producing Meth	_	Flowing			Othe	r (Explain)	
timated Production Per 24 Hours	Oil 81	Bbls. Gas I	McI	Water	· · · · · · · · · · · · · · · · · · ·		is-Oil Ratio	Gravity	
sposition of Gas	METHOD OF CO		<del>!</del>		Production Interva	al		38	
Vented Sold (If vented, Sub	Used on Lease	Open Hole Other (Specify	✓ Perf.		ually Comp.	Comminglikk	RECEI <sup>N</sup> AS CORPORATION	VED ION COMMISSION	
		Udler (Specin)	<i>y</i>			<del></del>	MAR 0 3	2000	
							MAK U.1	ZIRIX	

CONSERVATION DIVISION WICHITA, KS

# ALLIEDCEMENTING CD., LLC. 034940

RUSS	SELL, KAN	NSAS 676	65		Russell KS					
	· · · · · · · · · · · · · · · · · · ·	T			<del></del>					
DATE //-6-08	SEC.	TWP.	RANGE 22	CALLED OUT	ON LOCATION	JOB START 12:15am	JOB FINISH			
Rush Trust LEASE	WELL#	3/-15	LOCATION #	City KS 131	1 to DDP	COUNTY	STATE KS			
OLD OR VEW (C		2/	S T 1 1	320 Rd South	1 / UP KC	Granam				
			J S CAST 70	SAUKO DOWN	1470_					
CONTRACTOR A	4meric	an Eag	le Rig #3	OWNER						
TYPE OF JOB 5	urface			<u> </u>						
HOLE SIZE 127	· · · · · · · · · · · · · · · · · · ·		. 264	CEMENT						
CASING SIZE 8	<del>%</del> 23		РТН <b>264</b>	AMOUNT O	RDERED <u>175</u>	Com 37.0	2/-Ge/			
TUBING SIZE			PTH			·				
DRILL PIPE TOOL			PTH PTH							
PRES. MAX			NIMUM	COMMON	12-	a 1250	27/25			
MEAS. LINE			OE JOINT	COMMON POZMIX	. / / 3	@_ <del>/2,                                    </del>	2,362,50			
CEMENT LEFT II	N CSG.	151	OLJOINI	GEL	7		60,75			
PERFS.				CHLORIDE	6		309,00			
DISPLACEMENT	1.	5.85 B	Ы	ASC		@				
		IPMENT	-			_				
	240					@				
PUMP TRUCK	CEMENTI	EP Tol	n Roberts			@				
# <i>40</i> 9	HELPER 7		N ROBET 13			@				
BULK TRUCK	TILLI DIC I	IWIS				@				
# <b>47</b> 3	DRIVER (	Chad				@				
BULK TRUCK						@				
#	DRIVER		.*	— HANDLING	184	@ <i></i>	414.00			
				-	,10/5/c/m/1		828.00			
	REN	MARKS:		MEDICOL _	1 1 1 1 1 1 1					
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Displace	w/ 15	85 b	b/ H20.	DEPTH OF J	OB	· · · · · · · · · · · · · · · · · · ·	•			
				PUMP TRUC	K CHARGE	:	991,00			
Cement	Did		culate.	EXTRA FOO	TAGE	@				
	k cem	ent t	ack to pit	MILEAGE _	45	@ 7,00	315,00			
				MANIFOLD	ŧ	@				
			•			@				
		_	. LZANIG	RECEIVED	ON:	@				
CHARGE TO: _F	latirons	Resou	irces LLC. KANS	AS CORPORATION COMMISSION						
STREET				FEB 0 9 2009		TOTAL	1306 00			
CITY	c.m.	A 757.57		CONSERVATION DIVISION			•			
CITY	STA	ATE	ZIP	WICHITA, KS	PLUG & FLOA	Т ЕОШРМЕМ	JT			
						2011 1121				
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To Allied Comon	tina Ca. I	1.0		85/06/200	len Plug	@ @	66.40			
To Allied Cemen	_		mantina aquinma		ening					
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			he above work w							
			of owner agent o		•	TOTAL	66.00			
	_		and the "GENERA			TOTAL	·			
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LEMMO AND C		אוו טר.	a on the levelse si	ide.						
	1.01	11.		- IUIALCHA	RGES					
PRINTED NAME	Deloy	neeve	er	DISCOUNT _		IF PAI	D IN 30 DAYS			

### 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.
- —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., LLC. 34854

REMIT TO P.O. BOX 31 SERVICE POINT:
\_\_\_\_\_\_\_\_\_\_ **RUSSELL, KANSAS 67665** RANGE CALLED OUT ON LOCATION TUST WELL # 31-LS LOCATION HILL COTY #130 DD RD OLD OR NEW (Circle one) 5£ 320 Rd Sinto **OWNER** TYPE OF JOB 🕻 T.D. 3843 HOLE SIZE **CEMENT** AMOUNT ORDERED 4256940696666 CASING SIZES 12 155 DEPTH 3838 **TUBING SIZE** DEPTH DRILL PIPE DEPTH TOOL DUTOIL #46 DEPTH 1959 255 @ 1350 344250 PRES. MAX MINIMUM 170 @ 7.55 1283.50 MEAS. LINE SHOE JOINT POZMIX CEMENT LEFT IN CSG. 26 @ 20.25 526.50 GEL PERFS. CHLORIDE DISPLACEMENT 46.6 BL Floseal 106165 4bys @ 2.4516 259.70 **EQUIPMENT** RECEIVED PUMP TRUCK CEMENTER \_\_\_\_\_\_\_ KANSAS CORPORATION COMMISSION 417 HELPER Matt FEB 0 9 2009 BULK TRUCK # 482 DRIVER CONSERVATION DIVISION BULK TRUCK @ DRIVER @ 2,25 1023.25 HANDLING 4555K MILEAGE <u>010/5K/mile 45m:</u> 20417.5 **REMARKS:** TOTAL 8583.45 **SERVICE** DEPTH OF JOB PUMP TRUCK CHARGE EXTRA FOOTAGE MILEAGE **@** @ TOTAL 1159,00 \_\_\_\_ ZIP\_ PLUG & FLOAT EQUIPMENT To Allied Cementing Co., LLC. @ You are hereby requested to rent cementing equipment @ and furnish cementer and helper(s) to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or TOTAL \_\_ contractor. I have read and understand the "GENERAL SALES TAX (If Any) TERMS AND CONDITIONS" listed on the reverse side. TOTAL CHARGES \_\_\_\_\_ DISCOUNT \_\_\_\_\_ IF PAID IN 30 DAYS SIGNATURE WWW TOKUMAY

#### GENERAL PERMS 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.
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  - —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., LLC. 34853

SERVICE POINT: REMIT TO P.O. BOX 31 **RUSSELL, KANSAS 67665** RANGE 22 JOB START CALLED OUT ON LOCATION JOB FINISH 7:00 pm LEASE KUSH Trut WELL # 31-15 LOCATION HILL: 4 130 DS RD OLD OK NEW (Circle one) 5E 320 PD Sinto CONTRACTOR American Eggle **OWNER** HOLE SIZE 77/8 T.D. 3843
CASING SIZE 51/2 15.50# DEPTH 3838 **CEMENT** AMOUNT ORDERED <u>180 Com 10% Salt</u> 500ga) WFR.Z **TUBING SIZE** DEPTH DRILL PIPE DEPTH 1959 TOOL <u>\v Tool</u> COMMON\_\_\_\_\_\_180 @13.50 2430.2 PRES. MAX MINIMUM MEAS. LINE SHOE JOINT 19.95 POZMIX \_\_\_\_ . @ CEMENT LEFT IN CSG. 19.75 PERFS. CHLORIDE 90.8 BL **DISPLACEMENT** 300gal WER-2 500gal @ 1,10gal 550.00 **EQUIPMENT** Salt 57 @ 21.25 198.75 CEMENTER \_\_\_\_\_\_\_\_ **PUMP TRUCK** RECEIVED KANSAS CORPORATION COMMISSION 417 @ BULK TRUCK FEB 0.9 2009 @ 396 DRIVER 1/Cale @ BULK TRUCK CONSERVATION DIVISION \_\_\_\_@ \_\_\_\_ | WICHITA KS 18/7 5/1 @ 2. 25 | 430. 7/5 | MILEAGE | 10/5 K/m; | 2 | 8/1.50 **DRIVER REMARKS:** TOTAL 4391,00 **SERVICE** MSON OP ONED @ \$000 DEPTH OF JOB RUMP TRUCK CHARGE EXTRA FOOTAGE MILEAGE 45 @ 7,00 MANIFOLD \_\_\_\_\_\_ @ \_\_\_\_\_ \_\_\_\_\_@\_\_ CHARGE TO: Flat IRON TOTAL 2272. 22 STREET CITY\_\_\_\_\_STATE\_\_\_ZIP\_ PLUG & FLOAT EQUIPMENT 4380,00 440,00 \_\_ @ <u>\$\$</u>, •• @ 181.00 362.00 1 Arv Float Shor Blue @ 362.00 362.00 To Allied Cementing Co., LLC. / Latch down Assembly AD @ 449,00 You are hereby requested to rent cementing equipment and furnish cementer and helper(s) to assist owner or contractor to do work as is listed. The above work was TOTAL <u>5993.20</u> done to satisfaction and supervision of owner agent or contractor. I have read and understand the "GENERAL SALES TAX (If Any) TERMS AND CONDITIONS" listed on the reverse side. TOTAL CHARGES \_\_\_\_\_ DISCOUNT \_\_\_\_\_ IF PAID IN 30 DAYS PRINTED NAME SIGNATURE MALKAMSI

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.
- —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:

88.200

- 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.