

5/7/09

Form ACO-1  
September 1999  
Form Must Be Typed

ORIGINAL

CONFIDENTIAL

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

Operator: License # 5135 KCC  
Name: John O. Farmer, Inc. MAY 07 2007  
Address: PO Box 352  
City/State/Zip: Russell, Kansas 67665 CONFIDENTIAL  
Purchaser: None  
Operator Contact Person: Marge Schulte  
Phone: ( 785 ) 483-3144  
Contractor: Name: WW Drilling, LLC  
License: 33575  
Wellsite Geologist: Tony Richardson

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. \_\_\_\_\_

3/09/07 3/13/07  
Spud Date or Date Reached TD Completion Date or  
Recompletion Date Recompletion Date

API No. 15 - 065-23282-00-00  
County: Graham  
App. SW SE NW Sec. 6 Twp. 9 S. R. 21  East  West  
2240 feet from S /  (circle one) Line of Section  
1520 feet from E /  (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE SE  NW SW  
Lease Name: Ryan Well #: 1  
Field Name: Wildcat

Producing Formation: none  
Elevation: Ground: 2205' Kelly Bushing: 2210'  
Total Depth: 3840' Plug Back Total Depth: \_\_\_\_\_  
Amount of Surface Pipe Set and Cemented at 208 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 BA NH10-29-08  
(Data must be collected from the Reserve Pit)  
Chloride content 21,000 ppm Fluid volume 500 bbls  
Dewatering method used Air Dry - Backfill  
Location of fluid disposal if hauled offsite: \_\_\_\_\_  
Operator Name: \_\_\_\_\_  
Lease Name: \_\_\_\_\_ License No.: \_\_\_\_\_  
Quarter \_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  East  West  
County: \_\_\_\_\_ Docket No.: \_\_\_\_\_

**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: John O. Farmer III  
Title: President Date: 5-7-07

Subscribed and sworn to before me this 7th day of May,  
20 07.

Notary Public: Margaret A. Schulte  
Margaret A. Schulte

Date Commission Expires: \_\_\_\_\_



KCC Office Use ONLY  
 Letter of Confidentiality Received  
If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
\_\_\_\_\_ UIC Distribution  
**RECEIVED**  
KANSAS CORPORATION COMMISSION  
**MAY 08 2007**  
CONSERVATION DIVISION  
WICHITA, KS

Operator Name: John O. Farmer, Inc. Lease Name: Ryan Well #: 1  
 Sec. 6 Twp. 9 S. R. 21  East  West County: Graham

**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 <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br><i>(Attach Additional Sheets)</i><br><br>Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br><br>Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br>Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br><i>(Submit Copy)</i><br><br>List All E. Logs Run:<br>Dual Induction Log, Dual Compensated<br>Porosity Log, Microresistivity Log | <input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample<br>Name Top Datum<br><br>(SEE INFORMATION LISTED ON ACCOMPANYING<br>GEOLOGICAL REPORT) |
|--|--|

| 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 "                   | 23#               | 208'          | Common         | 160          | 3%cc, 2% gel               |
|   |                   |                           |                   |               |                |              |                            |
|   |                   |                           |                   |               |                |              |                            |

| ADDITIONAL CEMENTING / SQUEEZE RECORD  |                  |                |             |                            |
|--|------------------|----------------|-------------|----------------------------|
| Purpose:   | Depth Top Bottom | Type of Cement | #Sacks Used | Type and Percent Additives |
| <input type="checkbox"/> Perforate<br><input type="checkbox"/> Protect Casing<br><input type="checkbox"/> Plug Back TD<br><input type="checkbox"/> Plug Off Zone |                  |                |             |                            |
|  |                  |                |             |                            |

| Shots Per Foot | PERFORATION RECORD - Bridge Plugs Set/Type<br>Specify Footage of Each Interval Perforated | Acid, Fracture, Shot, Cement Squeeze Record<br>(Amount and Kind of Material Used) | Depth |
|----------------|---|---|-------|
|                |   |   |       |
|                |   |   |       |
|                |   |   |       |
|                |   |   |       |

|  |           |         |  |               |           |  |
|--|-----------|---------|--|---------------|-----------|--|
| TUBING RECORD                                    |           | Size    | Set At   | Packer At     | Liner Run | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Date of First, Resumerd Production, SWD or Enhr. |           |         | Producing Method   |               |           |  |
|  |           |         | <input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) |               |           |  |
| Estimated Production Per 24 Hours                | Oil Bbls. | Gas Mcf | Water Bbls.  | Gas-Oil Ratio | Gravity   |  |

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

METHOD OF COMPLETION  Open Hole  Perf.  Dually Comp.  Commingled  Other (Specify) \_\_\_\_\_

Production Interval \_\_\_\_\_

# QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025  
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. **1384**

|                     |         |            |     |          |   |       |    |   |        |             |       |           |         |        |         |
|---------------------|---------|------------|-----|----------|---|-------|----|---|--------|-------------|-------|-----------|---------|--------|---------|
| Date                | 3-9-07  | Sec.       | 6   | Twp.     | 4 | Range | 21 | Called Out  |        | On Location |       | Job Start | 9:30 am | Finish | 9:45 am |
| Lease               | R       | Well No.   | 1   | Location |   |       |    | R 14 B 21 4 1/2   | County | Franklin    | State | KS        |         |        |         |
| Contractor          | DWD     |            |     |          |   |       |    | Owner   |        |             |       |           |         |        |         |
| Type Job            | Surface |            |     |          |   |       |    | To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed. |        |             |       |           |         |        |         |
| Hole Size           | 1 1/2   | T.D.       | 209 |          |   |       |    |   |        |             |       |           |         |        |         |
| Csg.                | 23 1/2  | Depth      | 208 |          |   |       |    |   |        |             |       |           |         |        |         |
| Tbg. Size           |         | Depth      |     |          |   |       |    |   |        |             |       |           |         |        |         |
| Drill Pipe          |         | Depth      |     |          |   |       |    |   |        |             |       |           |         |        |         |
| Tool                |         | Depth      |     |          |   |       |    |   |        |             |       |           |         |        |         |
| Cement Left in Csg. | 10      | Shoe Joint |     |          |   |       |    |   |        |             |       |           |         |        |         |
| Press Max.          |         | Minimum    |     |          |   |       |    |   |        |             |       |           |         |        |         |
| Meas Line           |         | Displace   | 125 |          |   |       |    |   |        |             |       |           |         |        |         |
| Perf.               |         |            |     |          |   |       |    | CEMENT  |        |             |       |           |         |        |         |

**EQUIPMENT**

|         |    |     |          |       |                |                        |          |
|---------|----|-----|----------|-------|----------------|------------------------|----------|
| Pumptrk | 1  | No. | Cementor | Dave  | Amount Ordered | 160 @ 10 <sup>00</sup> | 1,728.00 |
|         |    |     | Helper   |       | Consisting of  |                        |          |
| Bulktrk | 7  | No. | Driver   | Dan   | Common         | 160 @ 10 <sup>00</sup> | 1,728.00 |
|         |    |     | Driver   |       | Poz. Mix       |                        |          |
| Bulktrk | PU | No. | Driver   | Steve | Gel.           | 3 @ 17.00              | 51.00    |
|         |    |     | Driver   |       | Chloride       | 5 @ 47.00              | 235.00   |
|         |    |     |          |       | Hulls          |                        |          |

**JOB SERVICES & REMARKS**

|                |                      |                   |
|----------------|----------------------|-------------------|
| Pumptrk Charge | Surface              | 750 <sup>00</sup> |
| Mileage        | 50 @ 5 <sup>00</sup> | 250.00            |
| Footage        |                      |                   |
| Total          |                      | 1,000.00          |

|          |                 |                           |                           |
|----------|-----------------|---------------------------|---------------------------|
| Remarks: | Cement old Cite | Sales Tax                 |                           |
|          |                 | Handling                  | 168 @ 1.90                |
|          |                 | Mileage                   | 73 @ 9.00 per hr per mile |
|          |                 | (Flays) Pump TRUCK CHARGE |                           |
|          |                 | Sub Total                 | 1,000.00                  |
|          |                 | Total                     |                           |

|   |                       |
|---|-----------------------|
| Floating Equipment & Plugs  |                       |
| Squeeze Manifold  |                       |
| Rotating Head   |                       |
| <b>RECEIVED</b><br><b>KANSAS CORPORATION COMMISSION</b><br><br><b>MAY 08 2007</b> |                       |
| <b>CONSERVATION DIVISION</b><br><b>WICHITA, KS</b>                                |                       |
|   | Tax 111.78            |
|   | Discount (401.00)     |
| X Signature   | Total Charge 3,715.98 |

## GENERAL TERMS AND CONDITIONS

**DEFINITIONS:** In these terms and conditions, "Quality" shall mean Quality Oilwell Cementing, 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 "QUALITY" 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 "QUALITY," refunded directly to "CUSTOMER." For purposes of this paragraph, QUALITY 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 term of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limit to, a reasonable sum as and attorney's fees.

**-PRICES AND TAXES:** All merchandise listed in "QUALITY'S" current price schedule are F.O.B. QUALITY'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 QUALITY shall be added to the quoted prices charged to CUSTOMER.

**-TOWING CHARGES:** QUALITY will make a reasonable attempt to get to and from each job site using its own equipment. Should QUALITY 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 QUALITY, 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 QUALITY for the expenses incurred by QUALITY as a result of the cancellation.

**-DEADHAUL, CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charges as set forth in QUALITY'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. QUALITY carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond QUALITY'S control, QUALITY 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 QUALITY, 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 QUALITY'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 QUALITY or its employees.

2. With respect to any of QUALITY'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 QUALITY at the landing, CUSTOMER shall either recover the lost item without cost to QUALITY or reimburse QUALITY the current replacement cost of the item unless the loss or damage results from the sole negligence of QUALITY or its employees.

3. QUALITY 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. QUALITY 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. QUALITY'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 QUALITY to be defective. THIS IS THE SOLE WARRANTY OF QUALITY 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 QUALITY 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 constructed as a warranty by QUALITY 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 QUALITY or any interpretation of test, meter readings, chart information, analysis or research, or recommendations made by QUALITY, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of QUALITY or its employees in the preparation or furnishing of such facts, information or data.

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

# QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025  
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. **1387**

|  |            |                                |  |  |             |           |         |
|--|------------|--------------------------------|--|--|-------------|-----------|---------|
| Date   | Sec.       | Twp.                           | Range  | Called Out   | On Location | Job Start | Finish  |
| 3-11-07  | 6          | 9                              | 21   | 3:15 AM  | 8:00 AM     | 8:15 AM   | 2:00 PM |
| Lease  | Well No.   | Location                       |  | County   |             | State     |         |
| Rpm  | 1          | P. 12 W. 34 N. R. 21 E. Sec. 6 |  | Pottawatomie   |             | KS        |         |
| Contractor   |            |                                |  | Owner  |             |           |         |
| W. J. ...  |            |                                |  | To Quality Oilwell Cementing, Inc.<br>You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed. |             |           |         |
| Type Job   | Hole Size  |                                | T.D.   | Charge To  |             |           |         |
| Day H. Plug  | 7 1/2      |                                | 3840   | J.C. ...   |             |           |         |
| Csg.   | Tbg. Size  |                                | Depth  | Street   |             |           |         |
|  |            |                                |  |  |             |           |         |
| Drill Pipe   | Tool       |                                | Depth  | City   |             |           |         |
|  |            |                                |  | State  |             |           |         |
| The above was done to satisfaction and supervision of owner agent or contractor. |            |                                |  |  |             |           |         |
| Cement Left in Csg.  | Shoe Joint |                                | <b>KCC</b><br><b>MAY 07 2007</b><br><b>CONFIDENTIAL</b><br><b>CEMENT</b> |  |             |           |         |
| Press Max.   | Minimum    |                                |  |  |             |           |         |
| Meas Line  | Displace   |                                |  |  |             |           |         |
| Perf.  |            |                                |  |  |             |           |         |

**EQUIPMENT**

|                |     |          |  |                                      |             |          |  |
|----------------|-----|----------|--|--------------------------------------|-------------|----------|--|
| Amount Ordered |     |          |  | 215 @ 60/100 10/2/01 10/2/01 10/2/01 |             |          |  |
| Consisting of  |     |          |  |                                      |             |          |  |
| Pumptrk        | No. | Cementer |  | Common                               | 129 @ 10.80 | 1,393.20 |  |
|                |     | Helper   |  | Poz. Mix                             | 86 @ 6.00   | 516.00   |  |
| Bulktrk        | No. | Driver   |  | Gel.                                 | 11 @ 17.00  | 187.00   |  |
|                |     | Driver   |  |                                      |             |          |  |
| Bulktrk        | No. | Driver   |  |                                      |             |          |  |
|                |     | Driver   |  |                                      |             |          |  |

**JOB SERVICES & REMARKS**

|                |           |        |                      |        |
|----------------|-----------|--------|----------------------|--------|
| Pumptrk Charge | 3733 plug | 850.00 | Flouweal 53 # @ 2.00 | 106.00 |
| Mileage        | 50 @ 5.00 | 250.00 |                      |        |
| Footage        |           |        |                      |        |
|                |           | Total  | 1100.00              |        |

|          |                             |      |  |                   |                                |
|----------|-----------------------------|------|--|-------------------|--------------------------------|
| Remarks: | 1 <sup>st</sup> Plug @ 3733 | 25%  |  | Sales Tax         |                                |
|          | 2 <sup>nd</sup> " " 1710    | 25%  |  | Handling          | 226 @ 1.90 = 429.40            |
|          | 3 <sup>rd</sup> " " 900     | 100% |  | Mileage           | .08 Per Sack Per Mile = 904.00 |
|          | 4 <sup>th</sup> " " 250     | 40%  |  | Pump Truck Charge |                                |
|          | 5 <sup>th</sup> " " 40      | 10%  |  | Sub Total         | 1,100.00                       |
|          | Per H.                      | 15%  |  | Total             | 45.00                          |

**RECEIVED**  
KANSAS CORPORATION COMMISSION

**MAY 08 2007**

CONSERVATION DIVISION  
WICHITA, KS

Signature: *[Handwritten Signature]*

Tax: 259.77  
Discount: (468.00)  
Total Charge: 4,472.57

## GENERAL TERMS AND CONDITIONS

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(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 QUALITY'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 QUALITY or its employees.

2. With respect to any of QUALITY'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 QUALITY at the landing, CUSTOMER shall either recover the lost item without cost to QUALITY or reimburse QUALITY the current replacement cost of the item unless the loss or damage results from the sole negligence of QUALITY or its employees.

3. QUALITY 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. QUALITY 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. QUALITY'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 QUALITY to be defective. THIS IS THE SOLE WARRANTY OF QUALITY 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, CUSTOMERS'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 QUALITY 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 QUALITY 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 QUALITY or any interpretation of test, meter readings, chart information, analysis or research, or recommendations made by QUALITY, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of QUALITY or its employees in the preparation or furnishing of such facts, information or data.

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