

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

**ORIGINAL**

Form ACO-1  
September 1999  
Form Must Be Typed

*court  
Stalov  
file*

Operator: License # 32204  
Name: REDLAND RESOURCES, INC.  
Address: 6001 NW 23RD STREET  
City/State/Zip: OKLAHOMA CITY, OK 73127  
Purchaser: ATLAS PIPELINE  
Operator Contact Person: ALAN THROWER  
Phone: ( 405 ) 789-7104  
Contractor: Name: DUKE DRILLING  
License: 5929  
Wellsite Geologist: MIKE POLLOK

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. \_\_\_\_\_

<u>01/09/08</u>	<u>01/20/08</u>	<u>02/14/08</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 033-21510-0000  
County: COMANCHE  
C E/2 NW NE Sec. 14 Twp. 35 S. R. 16  East  West  
660 feet from S (N) (circle one) Line of Section  
1650 feet from (E) W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE SE NW SW  
Lease Name: PETER Well #: 14-2

Field Name: AETNA GAS AREA  
Producing Formation: MISSISSIPPIAN  
Elevation: Ground: 1837 Kelly Bushing: 1850'  
Total Depth: 5521' Plug Back Total Depth: 5486'  
Amount of Surface Pipe Set and Cemented at 237 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set \_\_\_\_\_ Feet  
If Alternate II completion, cement circulated from \_\_\_\_\_  
feet depth to Alt I - Dlg - 7/22/08 sx cmt.

**Drilling Fluid Management Plan**  
(Data must be collected from the Reserve Pit)  
Chloride content 3000 ppm Fluid volume 440 bbls  
Dewatering method used TRUCKING TO DISPOSAL  
Location of fluid disposal if hauled offsite:  
Operator Name: OIL PRODUCERS  
Lease Name: LEON MAY #1-13 SWD License No.: 8061  
Quarter NE Sec. 13 Twp. 35S S. R. 16  East  West  
County: COMANCHE Docket No.: D-28472

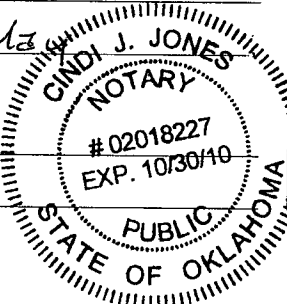
**INSTRUCTIONS:** An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information 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 Thrower  
Title: PRESIDENT Date: 05/01/08

Subscribed and sworn to before me this 1st day of May,  
2008.

Notary Public: [Signature]  
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 05 2008**

CONSERVATION DIVISION  
WICHITA, KS

Operator Name: REDLAND RESOURCES, INC. Lease Name: PETER Well #: 14-2  
 Sec. 14 Twp. 35 S. R. 16  East  West County: COMANCHE

**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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i>  Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i>  List All E. Logs Run:  <b>DUAL INDUCTION, NEUTRON DENSITY,                  MICROLOG</b>	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample  <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:70%;">Name</td> <td style="width:15%;">Top</td> <td style="width:15%;">Datum</td> </tr> <tr> <td>CHASE</td> <td>2450</td> <td>-600</td> </tr> <tr> <td>TOP PENN</td> <td>3380</td> <td>-1526</td> </tr> <tr> <td>BS HEEBNER</td> <td>4360</td> <td>-2510</td> </tr> <tr> <td>LANSING</td> <td>4562</td> <td>-2712</td> </tr> <tr> <td>STARK SH</td> <td>4966</td> <td>-3116</td> </tr> <tr> <td>OSWEGO</td> <td>5173</td> <td>-3323</td> </tr> <tr> <td>CHEROKEE SH</td> <td>5216</td> <td>-3366</td> </tr> <tr> <td>MISS. UNCONFORMITY</td> <td>5276</td> <td>-3426</td> </tr> </table>	Name	Top	Datum	CHASE	2450	-600	TOP PENN	3380	-1526	BS HEEBNER	4360	-2510	LANSING	4562	-2712	STARK SH	4966	-3116	OSWEGO	5173	-3323	CHEROKEE SH	5216	-3366	MISS. UNCONFORMITY	5276	-3426
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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
CONDUCTOR	30"	20"		50'	GROUT		
SURFACE	17.875"	13.375"	48#	237'	CLASS A	400	3%CC, 2% GEL
PRODUCTION	7.875"	4.5"	10.50#	5519'	CLASS H	250	5# KOLSEAL, .5% FL100, .25# FLO3

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
1 SPF	5345-5414	5000 GAL 15% NEFE ACID	ALL
2 SPF	5294-5334 & 5278-5285	6513 BBLS SLICK WATER FRAC W/53,500# SAND	ALL

TUBING RECORD	Size <u>2.375"</u>	Set At <u>5256'</u>	Packer At <u>N/A</u>	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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Date of First, Resumerd Production, SWD or Enhr. <u>03/14/08</u>	Producing Method <input checked="" type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)
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Estimated Production Per 24 Hours	Oil Bbls. <u>25</u>	Gas Mcf <u>265</u>	Water Bbls. <u>75</u>	Gas-Oil Ratio <u>10600:1</u>	Gravity <u>28</u>
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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 \_\_\_\_\_

# ALLIED CEMENTING CO., LLC. 31393

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

SERVICE POINT:  
*Medicine Lodge KS*

DATE <i>10 Jun 08</i>	SEC <i>14</i>	TWP <i>35s</i>	RANGE <i>16w</i>	CALLED OUT <i>2:00AM</i>	ON LOCATION <i>4:00AM</i>	JOB START <i>10:30AM</i>	JOB FINISH <i>7:30PM</i>
LEASE <i>Peter</i>		WELL # <i>14-2</i>	LOCATION <i>Hardner, Ks, 23 1/2 w, n/140</i>		COUNTY <i>Comanche</i>	STATE <i>KS</i>	
OLD OR <input checked="" type="radio"/> NEW (Circle one)							

CONTRACTOR *Duke #9* OWNER *Redland Res.*

TYPE OF JOB *Surface*

HOLE SIZE <i>1 7/8</i>	T.D. <i>252</i>
CASING SIZE <i>1 3/8</i>	DEPTH <i>252</i>
TUBING SIZE	DEPTH
DRILL PIPE	DEPTH
TOOL	DEPTH
PRES. MAX <i>600</i>	MINIMUM <i>—</i>
MEAS. LINE	SHOE JOINT <i>40.22</i>
CEMENT LEFT IN CSG. <i>40</i>	
PERFS.	
DISPLACEMENT <i>3 1/2 Bbls Fresh H<sub>2</sub>O</i>	

CEMENT			
AMOUNT ORDERED	<i>350</i>	<i>5 1/2" A + 3% cc + 2% ad</i>	
	<i>175 = 1% Am Chloride</i>	<i>(Plus 50s x A + 3% cc)</i>	<i>etc</i>
COMMON	<i>400</i>	<i>A</i>	@ <i>14.20</i> <i>5680.00</i>
POZMIX			@
GEL	<i>7</i>		@ <i>18.75</i> <i>131.25</i>
CHLORIDE	<i>14</i>		@ <i>52.45</i> <i>734.30</i>
ASC			@
<i>Ammonium Chloride</i>	<i>3</i>		@ <i>45.35</i> <i>136.05</i>
			@
			@
			@
			@
			@
			@
HANDLING	<i>424</i>		@ <i>2.15</i> <i>911.60</i>
MILEAGE	<i>50</i>	<i>x 424</i>	<i>x .09</i> <i>1908.00</i>
			TOTAL <i>9501.20</i>

RECEIVED  
KANSAS CORPORATION COMMISSION  
MAY 05 2008  
CONSERVATION DIVISION  
WICHITA, KS

EQUIPMENT

PUMP TRUCK	CEMENTER <i>D. Felio</i>
# <i>352</i>	HELPER <i>M. Becker</i>
BULK TRUCK	
# <i>363</i>	DRIVER <i>L. Freeman Jr.</i>
BULK TRUCK	
#	DRIVER

**REMARKS:**

*Pipe on Bttm, Break Circ, Pump Spacer, M. x 175 s x A + 3 & 2 Cement, Stop Pump, Release Plug Start Disp, w/ Fresh H<sub>2</sub>O, Wash up on Plug, See increase in P.I.F. Slowly, Bring Plug at 3 1/2 Bbls total Disp., Release it, Float Dis, Not Hold, Cement Did NOT cure, Pump 100s x through 2", Did Not Pop off, Pump 75s x out 2", Did Not Pop off, Pump 50s x A + 3% cc, topped out, Rigged down.*

**SERVICE**

DEPTH OF JOB	<i>252</i>	
PUMP TRUCK CHARGE		<i>917.00</i>
EXTRA FOOTAGE	@	
MILEAGE	<i>50</i>	@ <i>7.00</i> <i>350.00</i>
MANIFOLD <i>hand rental</i>	@ <i>113.00</i>	<i>113.00</i>
	@	
	@	
	@	
		TOTAL <i>1380.00</i>

CHARGE TO: *Redland Resources*

STREET \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

**PLUG & FLOAT EQUIPMENT**

<i>1 - Basket</i>	@ <i>310.00</i>	<i>310.00</i>
<i>1 - TWP</i>	@ <i>79.00</i>	<i>79.00</i>
<i>1 - AFV cement</i>	@ <i>552.00</i>	<i>552.00</i>
	@	

APPLICABLE TAX  
WILL BE CHARGED  
UPON INVOICING

SALES TAX (If Any)		
TOTAL CHARGES	<del>1380.00</del>	
DISCOUNT	<del>441.00</del>	IF PAID IN 30 DAYS

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 contractor. I have read and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

PRINTED NAME \_\_\_\_\_

SIGNATURE *Alan Watson*

*13 3/8*

TOTAL *941.00*

## 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. 31019

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

SERVICE POINT:  
Medicine Lake, KS

DATE <u>1-21-08</u>	SEC. <u>14</u>	TWP. <u>35S</u>	RANGE <u>16W</u>	CALLED OUT <u>8:00 PM</u>	ON LOCATION <u>9:00 PM</u>	JOB START <u>5:45 AM</u>	JOB FINISH <u>6:30 AM</u>
LEASE <u>Peter</u>		WELL # <u>14-2</u>		LOCATION <u>Hardtrock, 2 3/4 W, N 1/2</u>		COUNTY <u>Comanche</u>	STATE <u>KS</u>
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR Duke #9

TYPE OF JOB Production casing

HOLE SIZE 7 7/8 T.D. 5,521'

CASING SIZE 4 1/2" 10.5# DEPTH 5,521'

TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_

DRILL PIPE \_\_\_\_\_ DEPTH \_\_\_\_\_

TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_

PRES-MAX 1,800 MINIMUM 100

MEAS. LINE \_\_\_\_\_ SHOE JOINT 19.77

CEMENT LEFT IN CSG. 19.77

PERFS. \_\_\_\_\_

DISPLACEMENT 88 Bbl Fresh water

OWNER Red Land Resources

CEMENT

AMOUNT ORDERED 250 sk "H" ASC + 5# Kol-seal/sk + .5% FL-160 + 1/4# Flo-seal/sk.

**EQUIPMENT**

PUMP TRUCK CEMENTER Thomas Demarow

# 414 HELPER Greg G.

BULK TRUCK

# 356 DRIVER Newton D.

BULK TRUCK

# \_\_\_\_\_ DRIVER \_\_\_\_\_

COMMON _____	@ _____	
POZMIX _____	@ _____	
GEL _____	@ _____	
CHLORIDE _____	@ _____	
ASC <u>250 H</u>	@ <u>19.00</u>	<u>4750.00</u>
<u>Kol Seal 1250#</u>	@ <u>.80</u>	<u>1000.00</u>
<u>FL-160 118#</u>	@ <u>12.00</u>	<u>1416.00</u>
<u>Flo Seal 63#</u>	@ <u>2.25</u>	<u>141.75</u>
_____	@ _____	
_____	@ _____	
_____	@ _____	
_____	@ _____	
_____	@ _____	
HANDLING <u>323</u>	@ <u>2.15</u>	<u>694.45</u>
MILEAGE <u>50 x 323 x .09</u>		<u>1453.50</u>
<b>TOTAL</b>		<b><u>9455.70</u></b>

**REMARKS:**

Pipe on bottom, Break circulation, Plug Rat & mouse holes w/ 25-sk "H" asc + 5# Kol seal + .5% FL-160 + 1/4# Flo seal, Run 25 sk "H" asc + 5# Kol seal + .5% FL-160 + 1/4# Flo seal, stop pumps, wash pump & lines, Release Plug, Start Displacement See Lift, slow Rate, Pump Plug, Float held, Displacement w/ 88 Bbl Fresh water

**SERVICE**

DEPTH OF JOB <u>5,521'</u>		
PUMP TRUCK CHARGE _____		<u>2211.00</u>
EXTRA FOOTAGE _____	@ _____	
MILEAGE <u>50</u>	@ <u>7.00</u>	<u>350.00</u>
MANIFOLD _____	@ _____	
<u>Head Rental 1</u>	@ <u>113.00</u>	<u>113.00</u>
_____	@ _____	
<b>TOTAL</b>		<b><u>2674.00</u></b>

CHARGE TO: Red Land Resources

STREET \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

RECEIVED  
KANSAS CORPORATION COMMISSION

MAY 05 2008

CONSERVATION DIVISION  
WICHITA, KS

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 contractor. I have read and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

4 1/2"  
**PLUG & FLOAT EQUIPMENT**

<u>Sure Seal Slax 1</u>	@ <u>434.00</u>	<u>434.00</u>
<u>Latch Down Plug + Baffle 1</u>	@ <u>405.00</u>	<u>405.00</u>
<u>Turbolizers 6</u>	@ <u>68.00</u>	<u>408.00</u>
_____	@ _____	

ANY APPLICABLE TAX  
WILL BE CHARGED  
UPON INVOICING

TOTAL 1247.00

SALES TAX (If Any) \_\_\_\_\_

TOTAL CHARGES ~~1247.00~~

DISCOUNT ~~337.00~~ IF PAID IN 30 DAYS

PRINTED NAME \_\_\_\_\_

SIGNATURE Alan Watson

## 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.