KANSAS CORPORATION COMMISSION DIVISION

Form ACO-1 September 1999

OIL & GAS CONSE	RVATION DIVISION September 1999 Form Must Be Typed				
WELL COMPL WELL HISTORY - DESCRI					
33625	API No. 15 - 051-25,540-00-00				
Operator: License # 33625 Name: HERTEL OIL COMPANY, LLC	County: Ellis				
Name: HERTEL OIL COMPANI, ELC Address: 704 East 12th Street	NE NW NW SW Sec. 27 Twp. 14 S. R. 19W East West				
	2580 feet from (S)/ (circle one) Line of Section				
OnyotatorEp.	360 feet from (W) (circle one) Line of Section				
Purchaser:	Footages Calculated from Nearest Outside Section Corner:				
	(circle one) NE SE NW (SW)				
Phone: (785) 628-2449 Digovery Prilling Co. Inc.	Lease Name: HERTEL-KRAUS UNIT Well #: 1				
Contractor: Name: Disovery Drilling Co., Inc.	Field Name: Wildcat				
License: 31548 Pandall Kilian	None				
Wellsite Geologist: Randall Kilian	Producing Formation: NOTE Elevation: Ground: 2177 Kelly Bushing: 2185				
Designate Type of Completion:					
X New Well Re-Entry Workover	Total Depth: 3875 Plug Back Total Depth: 238.64 Feet				
OilSWDSIOWTemp. Abd.	Allocate of Gallace 1 po Oct and October 2				
Gas ENHR SIGW	Multiple Stage Cementing Collar Used?				
X Dry Other (Core, WSW, Expl., Cathodic, etc)	If yes, show depth setFeet				
If Workover/Re-entry: Old Well Info as follows:	If Alternate II completion, cement circulated from				
Operator:	feet depth tow/sx cmt. (15sks In Rat Hole)(10sks In Mouse Hole)				
Well Name:	Drilling Fluid Management Plan				
Original Comp. Date:Original Total Depth:	(Data must be collected from the Reserve Pit)				
Deepening Re-perf Conv. to Enhr./SWD	Chloride content 16,000 ppm Fluid volume 300 bbls				
Plug Back Plug Back Total Depth	Dewatering method used Evaporation				
Commingled Docket No.	Location of fluid disposal if hauled offsite:				
Dual Completion Docket No					
Other (SWD or Enhr.?) Docket No	Operator Name:				
5/30/06 6/5/06 6/6/06	Lease Name: License No.:				
Spud Date or Date Reached TD Completion Date or	Quarter Sec Twp S. R East West				
Recompletion Date Recompletion Date	County: Docket No,:				
Kansas 67202, within 120 days of the spud date, recompletion, workov Information of side two of this form will be held confidential for a period of 107 for confidentiality in excess of 12 months). One copy of all wireline logs TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells All requirements of the statutes, rules and regulations promulgated to regulation are complete and correct to the best of my knowledge. Signature: Date: D	ate the oil and gas industry have been fully complied with and the statements KCC Office Use ONLY				
Notary Public: Cillene M. Brungardt	UIC Distribution JUL 0 6 2006				
Date Commission Expires: 3-20-2009	ARLENE M. BRUNGARDT KCC VALICLUTA				
J	NOTARY PUBLIC STATE OF KANSAS My Appt. Exp. 3-20-2009				

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A December

ALLIED CEMENTING CO., INC. 24399

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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 CEMEN

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

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SEC. TWP. RANGE CALLED OUT ON LO 1000m LOCATION ANTONINO WELL#UNIT (Circle one) Rig# 3 CONTRACTOR DISCOULRY **OWNER** TYPE OF JOB HOLE SIZE 13 **CEMENT** CASING SIZE AMOUNT ORDEREI **TUBING SIZE** DRILL PIPE DEPTH TOOL DEPTH PRES. MAX COMMON_ MINIMUM POZMIX MEAS. LINE CEMENT LEFT IN CSG. **GEL** PERFS. CHLORIDE **DISPLACEMENT** ASC_{-} **EQUIPMENT** RECEIVE CEMENTER **PUMP TRUCK** 398 **HELPER** KCC WICH **BULK TRUCK** DRIVER HANDLING, MILEAGE 4 **REMARKS:** DEPTH OF JOB PUMP TRUCK CHA EXTRA FOOTAGE MILEAGE 40 STREET ZIP. CITY **PLUG** 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. TOTAL CHARGE. IF PAID IN 30 DAYS

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.

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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 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.

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- (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.