

CONFIDENTIAL

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1  
September 1999  
Form Must Be Typed

WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

7/22/09

Operator: License # 5474  
Name: NORTHERN LIGHTS OIL CO., LC  
Address: P.O. BOX 164  
City/State/Zip: ANDOVER, KS 67002  
Purchaser: NCRA  
Operator Contact Person: KURT SMITH  
Phone: (316) 733-1515  
Contractor: Name: Murfin Drilling Co., Inc.  
License: 30606  
Wellsite Geologist: JEFF CHRISTIAN

API No. 15 - 15-137-20483-0000  
County: NORTON  
SW SW NW Sec. 34 Twp. 5 S. R. 22  East  West  
2250 feet from S  (circle one) Line of Section  
330 feet from E  (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE SE  NW SW  
Lease Name: GRIFFEY Well #: 1  
Field Name: WC  
Producing Formation: LKC  
Elevation: Ground: 2355 Kelly Bushing: 2360  
Total Depth: 3778 Plug Back Total Depth: 3778  
Amount of Surface Pipe Set and Cemented at 207 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set 1984 Feet  
If Alternate II completion, cement circulated from 1984  
feet depth to SURFACE w/ 225 sx cmt.

Designate Type of Completion:  
 New Well  Re-Entry  Workover  
 Oil  SWD  SIOW  Temp. Abd.  
 Gas  ENHR  SIGW  
 Dry  Other (Core, WSW, Expl., Cathodic, etc.)  
If Workover/Re-entry: Old Well Info as follows:

Operator: JUL 22 2008  
Well Name: KCC  
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. \_\_\_\_\_

5-14-08 5-19-08 5-19-08  
Spud Date or Date Reached TD Completion Date or  
Recompletion Date Recompletion Date

Drilling Fluid Management Plan AH JINH 10-2408  
(Data must be collected from the Reserve Pit)  
Chloride content 2000 ppm Fluid volume 2500 bbls  
Dewatering method used EVAPORATION  
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: [Signature]  
Title: MANAGING PARTNER Date: 7-22-08  
Subscribed and sworn to before me this 22<sup>nd</sup> day of JULY,  
2008.

Notary Public: [Signature]  
Date Commission Expires: \_\_\_\_\_  
KURT L. SMITH  
MY COMMISSION EXPIRES  
July 14, 2009

**KCC Office Use ONLY**  
 Letter of Confidentiality Attached  
If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
RECEIVED  
KANSAS CORPORATION COMMISSION  
JUL 31 2008  
UIC Distribution

Operator Name: NORTHERN LIGHTS OIL CO., LC Lease Name: GRIFFEY Well #: 1  
 Sec. 34 Twp. 5 S. R. 22 East  West County: NORTON

**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 No <i>(Attach Additional Sheets)</i>  Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes No Cores Taken Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes No <i>(Submit Copy)</i>  List All E. Logs Run:  RAG	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td><input checked="" type="checkbox"/> Log</td> <td>Formation (Top), Depth and Datum</td> <td>Sample</td> </tr> <tr> <td>Name</td> <td>Top</td> <td>Datum</td> </tr> <tr> <td>Anhydrite</td> <td>1988</td> <td>+372</td> </tr> <tr> <td>LKC</td> <td>3574</td> <td>-1214</td> </tr> <tr> <td>BKC</td> <td>3757</td> <td>-1397</td> </tr> </table> <p style="text-align: center; font-weight: bold; font-size: 1.2em;">RECEIVED                  JUL 31 2008                  KANSAS CORPORATION COMMISSION                  CONSERVATION DIVISION                  WICHITA, KS</p>	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	Sample	Name	Top	Datum	Anhydrite	1988	+372	LKC	3574	-1214	BKC	3757	-1397
<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	Sample														
Name	Top	Datum														
Anhydrite	1988	+372														
LKC	3574	-1214														
BKC	3757	-1397														

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CASING RECORD <input checked="" type="checkbox"/> New 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	24#	207	common	150SX	3%gel2%cc
Production	7 7/8	5 1/2	14#	3689	EA2	150sx	flocele
Production	7 7/8	4 1/2	10.5#	3778	common	50sx	----

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
4	3600-04	400 GAL MCA, 1000 GAL NE	3600
4	3716-20	400 GAL MCA/1000 GAL NE	3716

TUBING RECORD	Size	Set At	Packer At	Liner Run	Yes	<input checked="" type="checkbox"/> No
	2 7/8	3775				
Date of First, Resumed Production, SWD or Enhr.		Producing Method				
7-15-08		Flowing		<input checked="" type="checkbox"/> Pumping		Gas Lift Other (Explain)
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity	
	45	--	--		35	

Disposition of Gas      METHOD OF COMPLETION      Production Interval

Vented    Sold     Used on Lease    Open Hole     Perf.    Dually Comp.     Commingled  
*(If vented, Sumit ACO-18.)*       Other (Specify) \_\_\_\_\_



CHARGE TO: Northern Lights  
 ADDRESS: \_\_\_\_\_  
 CITY, STATE, ZIP CODE: \_\_\_\_\_

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JUL 31 2008

CONSERVATION DIVISION  
 WICHITA, KS

TICKET

No. 13776

PAGE 1 OF 2

1. SERVICE LOCATIONS <u>Hays, Ks.</u>	WELL/PROJECT NO. <u>#1</u>	LEASE <u>Grippy</u>	COUNTY/PARISH <u>Norton</u>	STATE <u>Ks</u>	CITY	DATE <u>5-19-08</u>	OWNER <u>Same</u>
2. TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <u>MURKIN Rig #16</u>		RIG NAME/NO.	SHIPPED VIA <u>CIT</u>	DELIVERED TO <u>Loc.</u>	ORDER NO.	
3. WELL TYPE <u>Oil</u>	WELL CATEGORY <u>Development</u>	JOB PURPOSE <u>Cr. 5 1/2" Prod. Csg.</u>	WELL PERMIT NO.		WELL LOCATION <u>Sec 34-5-22</u>		
4. REFERRAL LOCATION	INVOICE INSTRUCTIONS						

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.	U/M	QTY.	U/M	UNIT PRICE		AMOUNT		
		LOC	ACCT	DF										
575		1			MILEAGE #105	80	mi			6	18	480	00	
579		1			Pump Service	1	ea			1900	18	1900	00	
407		1			Insert Float Shoe	1	ea	5 1/2	in	310	18	310	00	
417		1			Latch Down Baffle D.U.	1	ea			200	18	200	00	
402		1			Centralizers	8	ea			100	18	800	00	
403		1			Bas Rets	2	ea			300	18	600	00	
408		1			D.U. Tool	1	ea			3,200	18	3,200	00	
281		1			D.U. Latchdown Plug Mud Flush	500	gal			1	18	500	00	
221		1			RCL	4	gal			26	18	104	00	
290		1			D-Air	1	ea			35	18	35	00	
419		1			Rotating head	1	ea			250	18	250	00	
See Continuation														
											page 2	9,580	00	
											page 1	8,379	00	
											sub	17,959	00	

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**LEGAL TERMS:** Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

X  
 DATE SIGNED \_\_\_\_\_ TIME SIGNED \_\_\_\_\_  A.M.  P.M.

REMIT PAYMENT TO:

SWIFT SERVICES, INC.  
 P.O. BOX 466  
 NESS CITY, KS 67560  
 785-798-2300

SURVEY	AGREE	UN-DECIDED	DIS-AGREE	
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				
WE UNDERSTOOD AND MET YOUR NEEDS?				
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				
ARE YOU SATISFIED WITH OUR SERVICE?	<input type="checkbox"/> YES	<input type="checkbox"/> NO		
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND				
Norton TAX 6.05%				738 49
TOTAL				18,697 49

CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES The customer hereby acknowledges receipt of the materials and services listed on this ticket.

SWIFT OPERATOR Roger B. Lybata APPROVAL \_\_\_\_\_

Thank You!



PO Box 466  
Ness City, KS 67560  
Off: 785-798-2300

TICKET CONTINUATION

TICKET No. 13776

CUSTOMER Northern Lights WELL Griffey #1 DATE 5-19-08 PAGE 2 OF 2

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			TIME	DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT	
		LOC	ACCT	DF									
325		1				Standard Cement	150	sk			12 75	1912	50
330		1				S.M.D.C.	225	sk			15 50	3487	50
284		1				Calseal	7	sk			30 18	210	18
283		1				Salt	700	#			18 18	140	18
285		1				CFR-1	70	#			4 18 91	315	18
276		1				Flocele	95	#			1 15 91	142	150
581		1				SERVICE CHARGE					1 90	712	50
583		1				MILEAGE CHARGE					1 75	2,660	100

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CONTINUATION TOTAL 9,580

JOB LOG

SWIFT Services, Inc.

DATE 5-19-08 PAGE NO. 7

CUSTOMER *Northern Lights* WELL NO. *1* LEASE *Griffey* JOB TYPE *2-Stage Long String* TICKET NO. *13776*

CHART NO.	TIME	RATE (BPM)	VOLUME (GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1415							on loc.
	14:30							Start in hole 5 1/2" 14" Csg. Insert Float Shoe Latch down Baffle Cats #1, #3, #5, #7, #9, #11, #13, #45 Basket #14, #46 D.V. #46 @ 1984.34'
	1550							Drop Ball
	1600							Csg @ 3779' Circulate + Rotate Csg.
	1630		12 20					Pump 500gal Mud Flush 20 <sup>ss</sup> 2% KCL Flush Mix 150sk EA-2 Cement
	1650		36					Finish mixing wash out pump + line Displace shot off plug 43.3 <sup>ss</sup> H <sub>2</sub> O, 48.4 <sup>ss</sup> MUD
	1710		91.7				1500	Plug down 1500psi holding
	1715							Release Press. Dried up Drop Bomb Plug mouse hole + Rat hole
	1728						1200	Open D.V. tool 1200psi Pump 20 <sup>ss</sup> KCL Flush Mix 225sk SMD 1/4" Fluocel
	1750		124					Finish mixing Release Plug Displace closing plug
	1800		48.5				1500	Plug down 1500psi holding Release Press. D.V. closed Circulated 10 <sup>ss</sup> cement to pit wash and rack up trucks
	1830							Jobs Complete

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JUL 31 2008  
CONSERVATION DIVISION  
WICHITA, KS

Thank You

Ryan, Dave, Josh, Don



CHARGE TO: NORTHERN LIGHTS

ADDRESS

CITY, STATE, ZIP CODE

**TICKET** No: 14082

PAGE 1 OF 1

SERVICE LOCATIONS 1. <u>HAYS</u>	WELL/PROJECT NO. <u>1</u>	LEASE <u>GRIFFEY</u>	COUNTY/PARISH <u>NORTON</u>	STATE <u>Ks</u>	CITY	DATE <u>06-24-08</u>	OWNER
2. <u>NESS</u>	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR	RIG NAME/NO. <u>QUALITY PLUS</u>	SHIPPED VIA <u>C.T.</u>	DELIVERED TO <u>HILL CITY, MO. COLING. 27E.</u>	ORDER NO. <u>342</u>	
3.	WELL TYPE <u>OIL</u>	WELL CATEGORY <u>Develop</u>	JOB PURPOSE <u>CMT : SHORT LINER</u>	WELL PERMIT NO.	WELL LOCATION		
4.	REFERRAL LOCATION	INVOICE INSTRUCTIONS					

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		UNIT PRICE		AMOUNT
		LOC	ACCT	DF		QTY.	U/M	QTY.	U/M	
<u>575</u>		<u>1</u>			<u>MILEAGE #RS</u>	<u>70</u>	<u>mi</u>	<u>6.00</u>		<u>420.00</u>
<u>578</u>		<u>1</u>			<u>Pump SERVICE</u>	<u>1</u>	<u>EA</u>	<u>1400.00</u>		<u>1400.00</u>
<u>325</u>		<u>2</u>			<u>STD CMT</u>	<u>50</u>	<u>SH</u>	<u>12.75</u>		<u>637.50</u>
<u>581</u>		<u>2</u>			<u>SERVICE CHG CMT</u>	<u>50</u>	<u>SH</u>	<u>1.90</u>		<u>95.00</u>
<u>583</u>		<u>2</u>			<u>DRAVAGE</u>	<u>164.5</u>	<u>7M</u>	<u>1.75</u>		<u>287.88</u>

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**LEGAL TERMS:** Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

X [Signature]  
 DATE SIGNED 06-24-08 TIME SIGNED 1600  A.M.  P.M.

**REMIT PAYMENT TO:**

**SWIFT SERVICES, INC.**  
 P.O. BOX 466  
 NESS CITY, KS 67560  
 785-798-2300

<b>SURVEY</b>	AGREE	UN-DECIDED	DIS-AGREE	<b>PAGE TOTAL</b>	<u>2240</u>	<u>138</u>
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?						
WE UNDERSTOOD AND MET YOUR NEEDS?						
OUR SERVICE WAS PERFORMED WITHOUT DELAY?						
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				<u>Norton TAX 6.05%</u>	<u>38</u>	<u>57</u>
ARE YOU SATISFIED WITH OUR SERVICE? <input type="checkbox"/> YES <input type="checkbox"/> NO				<b>TOTAL</b>	<u>2878</u>	<u>195</u>
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND						

**CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES** The customer hereby acknowledges receipt of the materials and services listed on this ticket.

SWIFT OPERATOR DAVE BIK APPROVAL

**Thank You!**

**JOB LOG**

**SWIFT Services, Inc.**

DATE 06-24-08 PAGE NO. 15

CUSTOMER NORTHERN LIGHTS WELL NO. 1 LEASE GRIFFEY JOB TYPE LINER TICKET NO. 14082

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL/GAL)	PUMPS		PRESSURE (PSI)		DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING	
	1600							ON LOCATION, SET UP, DISCUSS JOB CMT: SDSUS STD
								5 1/2" I.D. @ 3689, 4 1/2" 10.5" I.D. LINER <sup>TOP</sup> 3653, <sup>BOTTOM</sup> 3778 128 FT @ 2 3/8" T.B.G., 3650 @ 2 7/8" T.B.G.
	1645							START IN WITH LINER @ T.B.G.
	1825							CIRC DOWN LINER 2 JOINTS
	1900							CIRC LINER
	1905	2.0	0	✓		700		START H <sub>2</sub> O SPACER
			5					
		2.0	0	✓		700		START CMT SDSUS
			10.4					END
	1914	3.0	0	✓		300		START DISP w/ H <sub>2</sub> O
		2.9	11.5	✓		300		CMT ON BOTTOM
		2.0	15.4	✓		600		
		1.7	16.0	✓		700		
		1.7	18.0	✓				<b>CONFIDENTIAL</b>
		1.5	20.0	✓		1000		2 2 2008
	1922	1.5	20.5	✓		1000		END DISP HOLDING 300 PSI, CLOSE IN COME OFF LINER
	1930	3.0	0	✓		600		CIRC HOLE
			57	✓		5		CIRC CMT
			63	✓				START TO CLEANUP 6 BBL CMT
	1955	3.0	75	✓		400		ALL CLEAN 4 BEHIND LINER 20 SDSUS
								WASHUP - Pull T.B.G.
								RECEIVED KANSAS CORPORATION COMMISSION JUL 31 2008 CONSERVATION DIVISION WICHITA, KS
	2030							JOB COMPLETE
								THANK YOU! DAE, JOSH, DON @

# ALLIED CEMENTING CO., LLC.

30221

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

SERVICE POINT:

*Russell*

DATE <b>5-14-08</b>	SEC <b>34</b>	TWP. <b>5</b>	RANGE <b>22</b>	CALLED OUT	ON LOCATION	JOB START <b>6:00 AM</b>	JOB FINISH <b>6:30 AM</b>
LEASE <b>GRIFFEX</b>	WELL # <b>1</b>	LOCATION <b>Hill City N. To. Corline</b>			COUNTY <b>NORTON</b>	STATE <b>Kansas</b>	
OLD OR <u>NEW</u> (Circle one)				<b>2 1/2 E 1/2 N</b>			

CONTRACTOR **MURFIN DRUG Rig #16**

TYPE OF JOB **Cement SURFACE**

HOLE SIZE **12 1/4** T.D. **208'**

CASING SIZE **8 5/8** DEPTH **208'**

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG. **15'**

PERFS.

DISPLACEMENT **12 1/4 / PBL**

OWNER

CEMENT

AMOUNT ORDERED **1570 SK Com.**

**290 GEL**

**390 CC**

COMMON	<b>150</b>	@	<b>12.15</b>	<b>1822.50</b>
POZMIX		@		
GEL	<b>3</b>	@	<b>18.25</b>	<b>54.75</b>
CHLORIDE	<b>5</b>	@	<b>51.00</b>	<b>255.00</b>
ASC		@		

EQUIPMENT

PUMP TRUCK CEMENTER **Glen - Bob**

# **398** HELPER **Bob - Neale**

BULK TRUCK

# **410** DRIVER **TRANS**

BULK TRUCK DRIVER

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**JUL 31 2008**

CONSERVATION DIVISION

WICHITA, KS

HANDLING	<b>158</b>	@	<b>2.05</b>	<b>323.90</b>
MILEAGE	<b>109/sk/mile</b>	@		<b>1,066.50</b>
TOTAL				<b>3,522.65</b>

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JUL 22 2008

REMARKS:

**Cement Circulated**  
**THANK'S**  
**NORTHERN LIGHTS OIL.**

CHARGE TO: ~~XXXXXXXXXXXXXXXXXXXX~~

STREET \_\_\_\_\_

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

SERVICE

DEPTH OF JOB				
PUMP TRUCK CHARGE				<b>893.00</b>
EXTRA FOOTAGE		@		
MILEAGE	<b>75</b>	@	<b>7.00</b>	<b>525.00</b>
MANIFOLD		@		
TOTAL				<b>1,418.00</b>

PLUG & FLOAT EQUIPMENT

<b>8 5/8 Wood plug</b>		@		<b>66.00</b>
TOTAL				<b>66.00</b>

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 **AFO**

SIGNATURE **Ang Oil**

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

TOTAL CHARGES \_\_\_\_\_

DISCOUNT \_\_\_\_\_ IF PAID 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.