

ORIGINAL

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form ACO-1  
September 1999  
Form Must Be Typed

WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 32278  
 Name: Tengasco, Inc.  
 Address: PO Box 458  
 City/State/Zip: Hays, KS 67601  
 Purchaser: N/A  
 Operator Contact Person: Gary Wagner  
 Phone: (785) 625-6374  
 Contractor: Name: American Eagle Rig #2  
 License: 33493  
 Wellsite Geologist: Mike Bair  
 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: \_\_\_\_\_  
 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. \_\_\_\_\_

| 8-14-08                           | 8-20-08         | 8-20-08                                 |
|-----------------------------------|-----------------|---|
| Spud Date or<br>Recompletion Date | Date Reached TD | Completion Date or<br>Recompletion Date |

API No. 15 - 163-23747-00-00  
 County: Rooks  
NW NE SW Sec. 34 Twp. 8 S. R. 18  East  West  
2310' feet from S / N (circle one) Line of Section  
1530' feet from E / W (circle one) Line of Section  
 Footages Calculated from Nearest Outside Section Corner:  
 (circle one) NE ' SE NW SW  
 Lease Name: McClure Well #: 1  
 Field Name: Unnamed  
 Producing Formation: \_\_\_\_\_  
 Elevation: Ground: 1964' Kelly Bushing: 1971'  
 Total Depth: 3525' Plug Back Total Depth: Surface  
 Amount of Surface Pipe Set and Cemented at 263' 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** *P+A AIT I NW*  
 (Data must be collected from the Reserve Pit) *10-14-08*  
 Chloride content 15000 ppm Fluid volume 100 bbls  
 Dewatering method used Hauled to disposal  
 Location of fluid disposal if hauled offsite: \_\_\_\_\_  
 Operator Name: Tengasco, Inc  
 Lease Name: Mosher #2 SWD License No.: 32278  
 Quarter SW Sec. 33 Twp. 8 S. R. 18  East  West  
 County: Rooks Docket No.: D-20839

**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: Gary Wagner  
 Title: Production Manager Date: 9-5-08  
 Subscribed and sworn to before me this 5th day of Sept.  
 20 08.  
 Notary Public: Linda K. Pfannenstiel  
 Date Commission Expires: 2/15/2012

**KCC Office Use ONLY**  
 Letter of Confidentiality Received  
 If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
 Distribution

**NOTARY PUBLIC**  
 Linda K. Pfannenstiel  
 NOTARY PUBLIC  
 STATE OF KANSAS  
 My App. Exp. 2/15/2012

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SEP 08 2008

CONSERVATION DIVISION  
 WICHITA, KS

Operator Name: Tengasco, Inc. Lease Name: McClure Well #: 1  
 Sec. 34 Twp. 8 S. R. 18  East  West County: Rooks

**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>(Attach Additional Sheets)<br><br>Samples Sent to Geological Survey <input type="checkbox"/> Yes <input type="checkbox"/> No<br><br>Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br><br>Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br>(Submit Copy)<br><br>List All E. Logs Run:<br><br><b>Dual Induction, Neutron Density, Micro</b> | <input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample<br><br><table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>Anhydrite</td> <td>1337'</td> <td>+634'</td> </tr> <tr> <td>Topeka</td> <td>2898'</td> <td>-927'</td> </tr> <tr> <td>Heebner</td> <td>3108'</td> <td>-1137'</td> </tr> <tr> <td>Toronto</td> <td>3142'</td> <td>-1161'</td> </tr> <tr> <td>LKC</td> <td>3150'</td> <td>-1179'</td> </tr> <tr> <td>BLKC</td> <td>3364'</td> <td>-1393'</td> </tr> <tr> <td>Arbuckle</td> <td>3520'</td> <td>-1549'</td> </tr> </table> | Name   | Top | Datum | Anhydrite | 1337' | +634' | Topeka | 2898' | -927' | Heebner | 3108' | -1137' | Toronto | 3142' | -1161' | LKC | 3150' | -1179' | BLKC | 3364' | -1393' | Arbuckle | 3520' | -1549' |
| Name   | Top   | Datum  |     |       |           |       |       |        |       |       |         |       |        |         |       |        |     |       |        |      |       |        |          |       |        |
| Anhydrite  | 1337'   | +634'  |     |       |           |       |       |        |       |       |         |       |        |         |       |        |     |       |        |      |       |        |          |       |        |
| Topeka   | 2898'   | -927'  |     |       |           |       |       |        |       |       |         |       |        |         |       |        |     |       |        |      |       |        |          |       |        |
| Heebner  | 3108'   | -1137' |     |       |           |       |       |        |       |       |         |       |        |         |       |        |     |       |        |      |       |        |          |       |        |
| Toronto  | 3142'   | -1161' |     |       |           |       |       |        |       |       |         |       |        |         |       |        |     |       |        |      |       |        |          |       |        |
| LKC  | 3150'   | -1179' |     |       |           |       |       |        |       |       |         |       |        |         |       |        |     |       |        |      |       |        |          |       |        |
| BLKC   | 3364'   | -1393' |     |       |           |       |       |        |       |       |         |       |        |         |       |        |     |       |        |      |       |        |          |       |        |
| Arbuckle   | 3520'   | -1549' |     |       |           |       |       |        |       |       |         |       |        |         |       |        |     |       |        |      |       |        |          |       |        |

| 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#               | 258'<br>268'  | Com            | 175          | 3%CC, 2%Gel                |
|   |                   |                           |                   |               |                |              |                            |
|   |                   |                           |                   |               |                |              |                            |

for CP 23  
 als. in  
 exp.  
 full  
 (2/12/08)

| 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) Dry Hole

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

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 WICHITA, KS

Schippers Oilfield Services LLC  
RR 1 · Box 90D  
Hoxie, KS 67740



# Invoice

Date 8/20/2008  
Invoice # 238

**Bill To**

Tengasco, Inc.  
P.O. Box 458  
Hays, KS 67601-0458

**Ship To**

*NEW DRILLING*

*#1*  
P.O. # McClure Rotary...  
Terms Net 30

Ship Date 8/20/2008  
Due Date 9/19/2008  
Other

| Item              | Description         | Qty | Price    | Amount    |
|-------------------|---------------------|-----|----------|-----------|
| cement            | common              | 135 | 13.75    | 1,856.25T |
| Pozmix            |                     | 90  | 7.00     | 630.00T   |
| Gel               | Bentonite           | 11  | 17.50    | 192.50T   |
| Flo Seal          |                     | 50  | 2.25     | 112.50T   |
| handling of m...  | per sack            | 236 | 1.95     | 460.20    |
| .09 per sx per... |                     | 71  | 21.24    | 1,508.04  |
| pump truck ch...  | pumping job         | 1   | 1,075.00 | 1,075.00  |
| pumptruck mil...  | one way to location | 71  | 6.50     | 461.50    |
| Plug 8 5/8 wo...  |                     | 1   | 69.00    | 69.00T    |

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TAKE 10% DISCOUNT IF PAID WITHIN 20 DAYS. DEDUCT FROM TOTAL.

Subtotal \$6,364.99  
Sales Tax (5.3%) \$151.59  
Total \$6,516.58  
Payments/Credits \$0.00  
Balance Due \$6,516.58

**Schippers Oilfield Services LLC**  
sosilc@ruraltel.net  
FAX: 785.675.9938

Cell: 785.675.8974  
Office: 785.675.9991

RR 1 BOX 90 D  
HOXIE KS 67740

SCHIPPERS OIL FIELD SERVICE L.L.C.

|       |     |           |            |             |           |
|-------|-----|-----------|------------|-------------|-----------|
| DATE  | SEC | RANGE/TWP | CALLED OUT | ON LOCATION | JOB START |
| LEASE |     |           | WELL #     |             |           |

|                     |            |                |            |
|---------------------|------------|----------------|------------|
| CONTRACTOR          | OWNER      |                |            |
| TYPE OF JOB         |            |                |            |
| HOLE SIZE           | I.D.       | CEMENT         |            |
| CASING SIZE         | DEPTH      | AMOUNT ORDERED | 225        |
| TUBING SIZE         | DEPTH      |                |            |
| DRILL PIPE          | DEPTH      |                |            |
| TOOL                | DEPTH      |                |            |
| PRES. MAX           | MINIMUM    | COMMON         | 135 @ 1.2  |
| DISPLACEMENT        | SHOE JOINT | POZMIX         | 9 @ 7      |
| CEMENT LEFT IN CSG. |            | GEL            | 11 @ 17    |
| PERFS               |            | CHLORIDE       | @          |
|                     |            | ASC            | @          |
| EQUIPMENT           |            |                | @          |
| PUMP TRUCK          |            |                | @          |
| #                   |            |                | @          |
| BULK TRUCK          |            |                | @          |
| #                   |            |                | @          |
| BULK TRUCK          |            |                | @          |
| #                   |            |                | @          |
|                     |            | HANDLING       | 2.36 @ 1.2 |
|                     |            | MILEAGE        | 71 @ 2.15  |
|                     |            | TOTAL          |            |

|                |                   |   |
|----------------|-------------------|---|
| REMARKS        | SERVICE           |   |
| 1st 2.5' 3.92  | DEPT OF JOB       | @ |
| 2.2 7.5' 1.50  | PUMP TRUCK CHARGE | @ |
| 3.1 10.7' 26.5 | EXTRA FOOTAGE     | @ |
| 4.1 4.2' 2.0   | MILEAGE           | @ |
| 5.1 10.2' 4.0  | MANIFOLD          | @ |
| 6.2 2.5' 2.0   |                   | @ |
|                | TOTAL             |   |

|            |       |
|------------|-------|
| CHARGE TO: |       |
| STREET     | STATE |
| CITY       | ZIP   |

To: Schippers Oil Field Service LLC  
 You are hereby requested to rent cementing equipment and furnish staff 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.

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 WICHITA, KS

SIGNATURE *[Signature]*

|                               |       |
|-------------------------------|-------|
| PLUG & FLOAT EQUIPMENT        |       |
|                               | @ 1.2 |
|                               | @     |
|                               | @     |
|                               | @     |
|                               | @     |
| TOTAL                         |       |
| TAX                           |       |
| TOTAL CHARGE                  |       |
| DISCOUNT (IF PAID IN 20 DAYS) |       |

PRINTED NAME

# ALLIED CEMENTING CO., LLC. 32143

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

SERVICE POINT: Russell

|                         |               |                 |                                      |            |                     |                           |                            |
|-------------------------|---------------|-----------------|--------------------------------------|------------|---------------------|---------------------------|----------------------------|
| DATE <u>8-13-08</u>     | SEC <u>34</u> | TWP. <u>8 5</u> | RANGE <u>18 W</u>                    | CALLED OUT | ON LOCATION         | JOB START <u>11:45 am</u> | JOB FINISH <u>12:15 am</u> |
| LEASE <u>McClure</u>    |               | WELL # <u>1</u> | LOCATION <u>Plainville 4N t. Sid</u> |            | COUNTY <u>Hooks</u> | STATE <u>KI.</u>          |                            |
| OLD OR NEW (Circle one) |               |                 | <u>1 W Units</u>                     |            |                     |                           |                            |

|  |                     |
|--|---------------------|
| CONTRACTOR <u>American Eagle Drilling Rig #2</u> | OWNER _____         |
| TYPE OF JOB <u>Surface Sub</u>                   |                     |
| HOLE SIZE <u>12 1/4</u>                          | T.D. <u>263</u>     |
| CASING SIZE <u>8 3/8</u>                         | DEPTH <u>269.00</u> |
| TUBING SIZE _____                                | DEPTH _____         |
| DRILL PIPE _____                                 | DEPTH _____         |
| TOOL _____                                       | DEPTH _____         |
| PRES. MAX _____                                  | MINIMUM _____       |
| MEAS. LINE _____                                 | SHOE JOINT _____    |
| CEMENT LEFT IN CSG. <u>15'</u>                   |                     |
| PERFS. _____                                     |                     |
| DISPLACEMENT <u>16 bbl</u>                       |                     |

**EQUIPMENT**

|                         |                       |
|-------------------------|-----------------------|
| PUMP TRUCK # <u>417</u> | CEMENTER <u>Shane</u> |
|                         | HELPER <u>Matt</u>    |
| BULK TRUCK # <u>410</u> | DRIVER <u>Rocky</u>   |
| BULK TRUCK # _____      | DRIVER _____          |

**REMARKS:**

Cement Cure

CHARGE TO: Tengasco Inc.

STREET \_\_\_\_\_

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

Thanks!

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 Steve Wagner

|                |                                     |
|----------------|-------------------------------------|
| CEMENT         | AMOUNT ORDERED <u>175 Com 32.00</u> |
|                | <u>28 Gal</u>                       |
| COMMON _____   | @ _____                             |
| POZMIX _____   | @ _____                             |
| GEL _____      | @ _____                             |
| CHLORIDE _____ | @ _____                             |
| ASC _____      | @ _____                             |
| HANDLING _____ | @ _____                             |
| MILEAGE _____  | @ _____                             |

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 WICHITA, KS

TOTAL \_\_\_\_\_

**SERVICE**

|                         |         |
|-------------------------|---------|
| DEPTH OF JOB _____      |         |
| PUMP TRUCK CHARGE _____ |         |
| EXTRA FOOTAGE _____     | @ _____ |
| MILEAGE _____           | @ _____ |
| MANIFOLD _____          | @ _____ |
|                         | @ _____ |
|                         | @ _____ |

TOTAL \_\_\_\_\_

**PLUG & FLOAT EQUIPMENT**

|                        |         |
|------------------------|---------|
| _____                  | @ _____ |
| _____                  | @ _____ |
| <u>5 1/8 Wood Plug</u> | @ _____ |
| _____                  | @ _____ |
| _____                  | @ _____ |

TOTAL \_\_\_\_\_

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.