

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

ORIGINAL

Operator: License # 32204  
Name: REDLAND RESOURCES, INC.  
Address: 6001 NW 23RD STREET  
City/State/Zip: OKLAHOMA CITY, OK 73127  
Purchaser: N/A

Operator Contact Person: ALAN THROWER  
Phone: ( 405 ) 789-7104  
Contractor: Name: DUKE DRILLING CO., INC.

License: 5929  
Wellsite Geologist: MIKE POLLOK

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. \_\_\_\_\_

<u>6-16-05</u>	<u>6-23-05</u>	<u>11-18-05</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 155-21489 - 00 - 00

County: RENO

SW - SW - NE Sec. 17 Twp. 25 S. R. 9  East  West

2310 feet from S / N (circle one) Line of Section  
2310 feet from E / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE SE NW SW  
Lease Name: ROARK Well #: 17-7

Field Name: \_\_\_\_\_  
Producing Formation: MISSISSIPPIAN

Elevation: Ground: 1699 Kelly Bushing: 1707

Total Depth: 3978 Plug Back Total Depth: 3958

Amount of Surface Pipe Set and Cemented at 330 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 PA AH I NR  
(Data must be collected from the Reserve Pit) 9-8-08

Chloride content 12,000 ppm Fluid volume 20 bbls

Dewatering method used TRUCK HAULING

Location of fluid disposal if hauled offsite: \_\_\_\_\_

Operator Name: DeWayne's Tank Service

Lease Name: GOBIN SWD License No.: 31787

Quarter \_\_\_\_\_ Sec. 28 Twp. 25S S. R. 13  East  West

County: STAFFORD Docket No.: D19531

**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: VICE PRESIDENT Date: 12/05/05

Subscribed and sworn to before me this 5<sup>th</sup> day of December,  
2005.

Notary Public: Cindi J. Jones  
Date Commission Expires: \_\_\_\_\_  
CINDI J. JONES  
Oklahoma County  
Notary Public in and for  
State of Oklahoma  
Commission # 02018227 Expires 10/30/06

**KCC Office Use ONLY**  
NO Letter of Confidentiality Received  
If Denied, Yes  Date: \_\_\_\_\_  
Wireline Log Received \_\_\_\_\_  
Geologist Report Received \_\_\_\_\_  
UIC Distribution \_\_\_\_\_

Operator Name: **REDLAND RESOURCES, INC.** Lease Name: **ROARK** Well #: **17-7**  
 Sec. **17** Twp. **25** S. R. **9**  East  West County: **RENO**

**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  Yes  No  
 (Attach Additional Sheets)  
 Samples Sent to Geological Survey  Yes  No  
 Cores Taken  Yes  No  
 Electric Log Run  Yes  No  
 (Submit Copy)

List All E. Logs Run:

**DUAL INDUCTION, NEUTRON DENSITY, MICROLOG**

Log Formation (Top), Depth and Datum  Sample

Name	Top	Datum
BS HEEBNER	3189	-1482
LANSING	3394	-1687
STARK SHALE	3656	-1949
HERTHA	3718	-2011
CHEROKEE SH	3842	-2135
MISS UNCONFORM	3866	-2159
KINDERHOOK SH	3942	-2236

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	12.25"	8.625"	23#	330'	CLASS A	250	2%GEL, 3% cc
PRODUCTION	7.875"	5.50"	15.5#	3998'	CLASS H	125	10% SALT, 10% GYP SEAL, 2% KOL

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
2 SPF	3890-3926	ACIDIZE W/1500 GAL 15%	SAME
2 SPF	3866-3880	FRAC BOTH INTERVALS	SAME
		W/4318 BTW & 25,000# SAND	

TUBING RECORD		Size	Set At	Packer At	Liner Run
		2.875"	3867	N/A	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.		Producing Method			
09/25/05		<input type="checkbox"/> Flowing <input checked="" 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
	2	10	125		

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

METHOD OF COMPLETION:  Open Hole  Perf.  Dually Comp.  Commingled

Production Interval:  Other (Specify) \_\_\_\_\_

# ALLIED CEMENTING CO., INC. 20858

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

SERVICE POINT:  
ML

DATE <u>6-23-05</u>	SEC <u>17</u>	TWP. <u>25S</u>	RANGE <u>19W</u>	CALLED OUT <u>8:00 pm</u>	ON LOCATION	JOB START <u>1:55 Am</u>	JOB FINISH <u>2:30 Am</u>
LEASE <u>Roark</u>	WELL # <u>17-7</u>	LOCATION <u>Langdon, Ks. North</u>	COUNTY <u>Reno</u>	STATE <u>Ks.</u>			
OLD OR <u>NEW</u> (Circle one)		<u>Past high school 1/2w, 5/5</u>					

CONTRACTOR Duke # 8

TYPE OF JOB Production

HOLE SIZE <u>7 7/8</u>	T.D. <u>4000'</u>
CASING SIZE <u>5 1/2" x 15.5</u>	DEPTH <u>4008'</u>
TUBING SIZE	DEPTH
DRILL PIPE	DEPTH
TOOL	DEPTH
PRES. MAX <u>1200</u>	MINIMUM
MEAS. LINE	SHOE JOINT <u>8'</u>
CEMENT LEFT IN CSG.	
PERFS.	
DISPLACEMENT <u>94 Bbls 2 1/2 KCL</u>	

OWNER Redlands Resources

CEMENT 10 Gal Cla pro

AMOUNT ORDERED 500 Gal Mud-clean  
25 sx 60:40:4 125 sx H + 10% Gyr-seal  
10% salt 6" Kol-seal .8% FI-160

COMMON <u>15</u>	@ <u>8.70</u>	<u>130.50</u>
POZMIX <u>10</u>	@ <u>4.70</u>	<u>47.00</u>
GEL <u>1</u>	@ <u>14.00</u>	<u>14.00</u>
CHLORIDE	@	
ASC	@	
Mud Clean <u>500 gal.</u>	@ <u>1.00</u>	<u>500.00</u>
<u>125 "H"</u>	@ <u>10.50</u>	<u>1312.50</u>
<u>Gyp Seal 12</u>	@ <u>19.15</u>	<u>229.80</u>
<u>Salt 14</u>	@ <u>7.90</u>	<u>110.60</u>
<u>Kol Seal 750 #</u>	@ <u>.60</u>	<u>450.00</u>
<u>FI-160 94 #</u>	@ <u>8.70</u>	<u>817.80</u>
<u>Cl Pro 10 gal.</u>	@ <u>22.90</u>	<u>229.00</u>
	@	
HANDLING <u>194</u>	@ <u>1.60</u>	<u>310.40</u>
MILEAGE <u>32 x 194 x .06</u>		<u>372.48</u>
		TOTAL <u>4524.08</u>

EQUIPMENT

PUMP TRUCK # <u>352</u>	CEMENTER <u>Caric Balding</u>
	HELPER <u>Travy Cushmanbery</u>
BULK TRUCK # <u>364</u>	DRIVER <u>Micheal Cox</u>
BULK TRUCK #	DRIVER

**REMARKS:**

Run 4008' 5 1/2 casing drop ball +  
circ on bottom for 1 hour pump 500 Gal  
mud-clean. plug Rtm w/ 25 sx 60:40:4  
Mix + pump 125 sx class H additives.  
Wash out pump + lines + Release plug  
Displace with Bbls 2 1/2 KCL water.  
plug did hand + float did hold

**SERVICE**

DEPTH OF JOB <u>4000'</u>	
PUMP TRUCK CHARGE	<u>1320.00</u>
EXTRA FOOTAGE	@
MILEAGE <u>32</u>	@ <u>5.00</u> <u>160.00</u>
MANIFOLD	@
<u>Head Rental</u>	@ <u>25.00</u> <u>75.00</u>
	@

TOTAL 1555.00

CHARGE TO: Redlands Resources

STREET \_\_\_\_\_

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

RECEIVED  
 DEC 08 2005  
 KCC WICHITA  
 5 1/2

**PLUG & FLOAT EQUIPMENT**

<u>1- AFU Float shoe</u>	@ <u>263.00</u>	<u>263.00</u>
<u>1- Latch Down plug</u>	@ <u>350.00</u>	<u>350.00</u>
<u>5- Turbo Centralizers</u>	@ <u>60.00</u>	<u>300.00</u>
	@	
<u>1- 8' 5 1/2 land joint</u>	@ <u>16.50</u>	<u>132.00</u>
	Per foot	
		TOTAL <u>1045.00</u>

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.

TAX \_\_\_\_\_

TOTAL CHARGE ~~1555.00~~

DISCOUNT  IF PAID IN 30 DAYS

ANY APPLICABLE TAX  
 WILL BE CHARGED  
 UPON INVOICING

SIGNATURE [Signature]

Alm Kisti  
PRINTED NAME

## 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 CEMENTING CO., INC. 18396

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

SERVICE POINT: At Bend ✓

DATE <u>6-16-05</u>	SEC. <u>17</u>	TWP. <u>25</u>	RANGE <u>9</u>	CALLED OUT <u>12:00 AM</u>	ON LOCATION <u>3:30 AM</u>	JOB START <u>6:15 AM</u>	JOB FINISH <u>7:00 AM</u>
LEASE <u>Roark</u>		WELL # <u>17-7</u>	LOCATION <u>50 + Langdon Rd 75, 3/4 W,</u>		COUNTY <u>Remo</u>	STATE <u>Ka</u>	
OLD OR <u>NEW</u> (Circle one)			<u>5/into</u>				

CONTRACTOR Duke #8

TYPE OF JOB Surface

HOLE SIZE <u>12 1/4"</u>	T.D. <u>330'</u>
CASING SIZE <u>8 5/8"</u>	DEPTH <u>330'</u>
TUBING SIZE	DEPTH
DRILL PIPE	DEPTH
TOOL	DEPTH
PRES. MAX	MINIMUM
MEAS. LINE	SHOE JOINT

CEMENT LEFT IN CSG. 15'

PERFS.

DISPLACEMENT 20 bbls

OWNER Same

CEMENT

AMOUNT ORDERED 250 lb Common

39cc, 290 lb

COMMON	<u>250 lb</u>	@	<u>8.70</u>	<u>2175.00</u>
POZMIX		@		
GEL	<u>5 lb</u>	@	<u>14.00</u>	<u>70.00</u>
CHLORIDE	<u>8 lb</u>	@	<u>38.00</u>	<u>304.00</u>
ASC		@		
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>263 lb</u>	@	<u>1.60</u>	<u>420.80</u>
MILEAGE	<u>263</u>	@	<u>1.96</u>	<u>504.96</u>
			TOTAL	<u>3474.76</u>

**EQUIPMENT**

PUMP TRUCK	CEMENTER <u>Tam O</u>
# <u>120</u>	HELPER <u>Bob B</u>
BULK TRUCK	
# <u>341</u>	DRIVER <u>Terry L</u>
BULK TRUCK	
#	DRIVER

**REMARKS:**

Run 330' of 8 5/8" csg. Broke circulation.  
Mixed 250 lb Common, 39cc, 290 lb.  
Released Plug & Disposed with fresh #30.  
Cement did circulate.

**SERVICE**

DEPTH OF JOB	<u>330'</u>		
PUMP TRUCK CHARGE			<u>670.00</u>
EXTRA FOOTAGE	<u>30</u>	@	<u>55</u> <u>16.50</u>
MILEAGE	<u>32</u>	@	<u>5.00</u> <u>160.00</u>
		@	
		@	
		@	

CHARGE TO: Redland Resources

STREET \_\_\_\_\_

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

RECEIVED  
 DEC 08 2005  
 KCC WICHITA

TOTAL 846.50

MANIFOLD	@		
<u>1-10 8 5/8" Wb</u>	@	<u>55.00</u>	<u>55.00</u>
	@		
	@		

TOTAL 55.00

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.

TAX \_\_\_\_\_

TOTAL CHARGE \_\_\_\_\_

DISCOUNT \_\_\_\_\_ IF PAID IN 30 DAYS

SIGNATURE X [Signature]

SIGNATURE X [Signature]

PRINTED NAME

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—**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.

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**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 willful 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.