

ORIGINAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

RECEIVED

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

MAY 09 2006

KCC WICHITA

Operator: License # 6039
Name: L. D. DRILLING, INC.
Address: 7 SW 26 AVE
City/State/Zip: GREAT BEND, KS 67530
Purchaser: _____
Operator Contact Person: L. D. DAVIS
Phone: (620) 793-3051
Contractor: Name: L. D. DRILLING, INC.
License: 6039
Wellsite Geologist: KIM SHOEMAKER

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. _____
4/17/06 4/27/06
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 171-20621-00-00
County: SCOTT
SW NW SW Sec. 11 Twp. 19 S. R. 31 East West
1650 feet from (S) N (circle one) Line of Section
330 feet from E / (W) (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW (SW)
Lease Name: DEBES Well #: 1
Field Name: _____

Producing Formation: _____
Elevation: Ground: 2935.8' Kelly Bushing: 2940.8'
Total Depth: 4642' Plug Back Total Depth: _____
Amount of Surface Pipe Set and Cemented at 435 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.

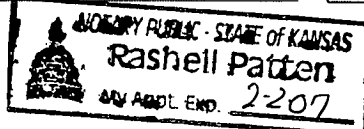
Drilling Fluid Management Plan P+A A1+I NR
(Data must be collected from the Reserve Pit) 11-3-08
Chloride content _____ ppm Fluid volume _____ bbls
Dewatering method used _____
Location of fluid disposal if hauled offsite: _____
Operator Name: _____
Lease Name: _____ License No.: _____
Quarter _____ 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: CLERK Date: 05/08/06
Subscribed and sworn to before me this 8 day of May,
20 06.
Notary Public: [Signature] Rashell Patten
Date Commission Expires: 2-02-07

KCC Office Use ONLY
 Letter of Confidentiality Received
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution



Operator Name: L. D. DRILLING, INC. Lease Name: DEBES Well #: 1
 Sec. 11 Twp. 19 S. R. 31 East West County: SCOTT

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:

Log Formation (Top), Depth and Datum Sample
 Name Top Datum

SEE ATTACHED

RECEIVED
MAY 09 2006
KCC WICHITA

RADIATION GUARD LOG

| 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" | 24# | 435' | COMMON | 275 | 3%CC, 2%GEL |
| | | | | | | | |
| | | | | | | | |

| 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 |
|----------------|---|---|--|-------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

| 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 METHOD OF COMPLETION Production Interval

Vented Sold Used on Lease Open Hole Perf. Dually Comp. Commingled _____
 (If vented, Submit ACO-18.) Other (Specify) _____

DAILY DRILLING REPORT

RECEIVED
MAY 09 2006
KCC WICHITA

OPERATOR: L.D. DRILLING, INC. LEASE: DEBES #1
 SW Sec 11-19-31
 WELLSITE GEOLOGIST: KIM SHOEMAKER Scott Co., KS

CONTRACTOR: L.D. DRILLING, INC. ELEVATION: GR: 2935.8'
 KB: 2940.8'

SPUD: 4/17/06 4:00 P.M. PTD: 4600'

SURFACE: Ran 10 jts New 24# 8 5/8" Tally 427.89' Set @ 435', w/ 275 sx Common 3% CC,
 2% Gel, Did Circulate, by Allied Cementing, Plug Down 12:00 A.M. 4/18/06

4/17/06 Move in, Rig up & Spud
 4/18/06 438' Waiting on Cement
 4/19/06 1695' Drilling
 4/20/06 2860' CTCH after Stort Trip, Lost Circulation,
 Mixing Mud
 4/21/06 3134' Drilling
 4/22/06 3517 dISPLACE @ 3262'
 4/23/06 4210' Rig Check
 4/24/06 4453' CFS
 4/25/06 4565' Lost Circ, Try to get Circ back, mix mud
 4/26/06 4618' Circulate - prepare to drill
 4/27/06 4642' RTD
 State Plugger: Jim Holland
 1st Plug: 2300' w/ 50 sx.; 2nd Plug: 1550' w/ 80 sx.;
 3rd Plug: 450' w/ 80 sx.; 4th Plug: 60' w/ 20 sx.;
 5th Plug: @ Rathole w/ 15 sx.
 Total 245 sx. of 60/40 Pozmix 6% Gel, 1/4# FloSeal /sx
 Plug Down 5:15 a.m. 4/27/06 by Allied Cementing

DST #1 2780 - 2860' Chase
 TIMES: 30-45-45-60
 BLOW: 1st Open: fair 1" increasing to btm bkt 9 min
 2nd Open: fair 1" increasing to btm bkt 16 1/2 min
 RECOVERY: 253' mw 30% m 70% w, 247' mw
 20% m 80% w, 500' total fluid
 IFP: 35-188 ISIP: 577
 FFP: 164-234 FSIP: 549
 TEMP: 101 degrees

DST #2 4468 - 4565' Pawnee - Ft. Scott
 TIMES: 30-30-30-30
 BLOW: 1st Open: blt to 1 1/2"
 2nd Open: sa thur out
 RECOVERY: 25' mud Few oil Specks
 IFP: 8-14 ISIP: 1163
 FFP: 13-19 FSIP: 1097
 TEMP: 127 degrees

DST #3 4607 - 4618' Mississippi
 TIMES: 30-30-30-30
 BLOW: 1st Open: blt to 3/4"
 2nd Open: sb thru out
 RECOVERY: 1" dm
 IFP: 5-5 ISIP: 6
 FFP: 6-6 FSIP: 8
 TEMP: 122 degrees

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SW Sec 11-19-31
WELLSITE GEOLOGIST: KIM SHOEMAKER Scott Co., KS
CONTRACTOR: L.D. DRILLING, INC. ELEVATION: GR: 2935.8'
KB: 2940.8'
SPUD: 4/17/06 4:00 P.M. PTD: 4600'

DST #4 4611 - 4642' Mississippi

TIMES: 30-45-45-60 IFP: 10-157 ISIP: 1174
BLOW: 1st Open: bb 12 min FFP: 153-339 FSIP: 1175
2nd Open: bb 14 min TEMP: 148 Degrees
RECOVERY: 241' mw 58% Water
496' smw 97% Water
737' Total Chl: 20,000

SAMPLE TOPS:

Anhy 2298 (+643) +9 to Ref hole
Anhy Base 2315 (+626)
Chase 2800 (+141) +8 to Ref Well
Stattler 3561 (-620)
Heebner 3945 (-1005)
Lansing 3986 (-1045)
Muncie Creek 4174 (-1233)
Stark 4279 (-1338)
Base Kansas City 4358 (-1417)
Marmaton 4396 (-1455)
Pawnee 4483 (-1542)
Ft. Scott 4521 (-1580)
Ero. Mississippi 4601 (-1660)
Mississippi

LOG TOPS:

2297 +644
2314 +627
2801 +142
3561 (-622)
3950 (-1009)
3992 (-1051)
4174 (-1233)
4279 (-1338)
4363 (-1422)
4404 (-1463)
4493 (-1552)
4533 (-1592)
4612 (-1671)
4618 (-1677)

By Log Tech

LTD 4645

ALLIED CEMENTING CO., INC. 23964

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

SERVICE POINT:

OAKLEY

| | | | | | | | |
|--|-----------------|--------------------------------------|------------------|------------|-------------------------------|-----------------------------|------------------------------|
| DATE <u>4-27-06</u> | SEC. <u>11</u> | TWP. <u>19S</u> | RANGE <u>31W</u> | CALLED OUT | ON LOCATION <u>1:30 AM</u> | JOB START <u>2:15 AM</u> | JOB FINISH <u>5:15 AM</u> |
| LEASE <u>DEBES</u> | WELL # <u>1</u> | LOCATION <u>GRAVESTONE 55 - E IN</u> | | | COUNTY <u>SCOTT</u> | STATE <u>KS</u> | |
| OLD OR <input checked="" type="radio"/> NEW (Circle one) | | | | | | | |

| | |
|---|---|
| CONTRACTOR <u>L.D. DRLLG.</u> | OWNER <u>SAME</u> |
| TYPE OF JOB <u>PTA</u> | |
| HOLE SIZE <u>7 7/8"</u> T.D. <u>4642'</u> | CEMENT |
| CASING SIZE | AMOUNT ORDERED |
| TUBING SIZE | <u>245 SKS 60/40 POZ 6' GEL 1/4" FLO-SEAL</u> |
| DRILL PIPE <u>4 1/2"</u> DEPTH <u>2300'</u> | |
| TOOL | |
| PRES. MAX | |
| MEAS. LINE | |
| CEMENT LEFT IN CSG. | |
| PERFS. | |
| DISPLACEMENT | |

| | |
|---------------------------------------|----------------|
| COMMON <u>147 SKS</u> @ <u>11.00</u> | <u>1617.00</u> |
| POZMIX <u>98 SKS</u> @ <u>5.20</u> | <u>509.60</u> |
| GEL <u>13 SKS</u> @ <u>15.00</u> | <u>195.00</u> |
| CHLORIDE @ | |
| ASC @ | |
| | |
| | |
| | |
| <u>Flo-Seal 61'</u> @ <u>1.80</u> | <u>109.80</u> |
| RECEIVED | |
| MAY 09 2006 | |
| KCC WICHITA | |
| | |
| HANDLING <u>258 SKS</u> @ <u>1.70</u> | <u>438.60</u> |
| MILEAGE <u>74 PER SK 1 MILE</u> | <u>1101.60</u> |
| TOTAL | <u>3971.60</u> |

EQUIPMENT

| | | |
|-------------------------|-----------------------|----------------------|
| PUMP TRUCK # <u>191</u> | CEMENTER <u>TERRY</u> | HELPER <u>JARROD</u> |
| BULK TRUCK # <u>377</u> | DRIVER <u>LONNIE</u> | |
| BULK TRUCK # | DRIVER | |

REMARKS:

| |
|------------------------|
| <u>50 SKS AT 2300'</u> |
| <u>80 SKS AT 1550'</u> |
| <u>80 SKS AT 450'</u> |
| <u>20 SKS AT 60'</u> |
| <u>15 SKS RAT HOLE</u> |

THANK YOU

CHARGE TO: L.D. DRLLG.

STREET _____

CITY _____ STATE _____ ZIP _____

SERVICE

| | |
|------------------------------------|----------------|
| DEPTH OF JOB <u>2300'</u> | |
| PUMP TRUCK CHARGE | <u>825.00</u> |
| EXTRA FOOTAGE @ | |
| MILEAGE <u>61 MI</u> @ <u>5.00</u> | <u>305.00</u> |
| MANIFOLD @ | |
| | |
| TOTAL | <u>1130.00</u> |

PLUG & FLOAT EQUIPMENT

| | |
|-------|--|
| @ | |
| @ | |
| @ | |
| @ | |
| @ | |
| TOTAL | |

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 Bill Owen

Bill Owen
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 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.

ALLIED CEMENTING CO., INC. 23796

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

SERVICE POINT:
OAKHILLS KS

| | | | | | | | |
|--------------------------------|-----------|-----------------------------|-----------|--------------|---------------------|--------------------|---------------------|
| 4-17-06 | SEC. 11 | TWP. 19S | RANGE 31W | CALLED OUT | ON LOCATION 8:45 am | JOB START 11:15 pm | JOB FINISH 12:00 am |
| DATE | | | | | | | |
| Debes | WELL # 41 | LOCATION Grington S.S. E in | | COUNTY Scott | STATE KS | | |
| LEASE | | | | | | | |
| OLD OR <u>NEW</u> (Circle one) | | | | | | | |

CONTRACTOR L.D. Doh

TYPE OF JOB Surface

HOLE SIZE 12"4 T.D. 438'

CASING SIZE 8 5/8 2 1/2 DEPTH 435'

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. 15'

PERFS. _____

DISPLACEMENT 26.75 BALS

OWNER same

CEMENT AMOUNT ORDERED 275 com 390 cc

290 cc

EQUIPMENT

PUMP TRUCK CEMENTER Fuzzz

191 HELPER Wayne

BULK TRUCK

218 DRIVER Larry

BULK TRUCK

_____ DRIVER _____

| | | | |
|----------|------------------------|----------------|----------------|
| COMMON | <u>275</u> | @ <u>11.20</u> | <u>3025.00</u> |
| POZMIX | | @ | |
| GEL | <u>5</u> | @ <u>15.00</u> | <u>75.00</u> |
| CHLORIDE | <u>9</u> | @ <u>42.00</u> | <u>378.00</u> |
| ASC | | @ | |
| | | @ | |
| | | @ | |
| | | @ | |
| | | @ | |
| | | @ | |
| | | @ | |
| | | @ | |
| HANDLING | <u>289</u> | @ <u>1.70</u> | <u>491.30</u> |
| MILEAGE | <u>.07 x 54 = 3.78</u> | @ <u>33.00</u> | <u>123.48</u> |
| TOTAL | | | <u>5203.31</u> |

REMARKS:

cement did circulate

Plug down @ 12:00 am

THANKS Fuzzz + crew

SERVICE

DEPTH OF JOB 435

PUMP TRUCK CHARGE 735.00

EXTRA FOOTAGE 135 @ .60 81.00

MILEAGE 61 @ 5.00 305.00

MANIFOLD @ _____

RECEIVED @ _____

MAY 09 2006 @ _____

KCC WICHITA @ _____

TOTAL 1121.00

CHARGE TO: L.D

STREET _____

CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

1.875 plug @ _____ 55.00

@ _____

@ _____

@ _____

TOTAL _____

To: Allied Cementing Co., Inc.

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SIGNATURE Bill Owen

DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE Bill Owen

PRINTED NAME _____

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—**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 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.