

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

Operator: License # 32204  
Name: REDLAND RESOURCES, INC.  
Address: 6001 NW 23RD STREET  
City/State/Zip: OKLAHOMA CITY, OK 73127  
Purchaser: WESTERN GAS / PLAINS MKTG  
Operator Contact Person: ALAN THROWER  
Phone: ( 405 ) 789-7104  
Contractor: Name: TITAN DRILLING  
License: 33630  
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. \_\_\_\_\_

02/06/06 02/16/05 05/06/06  
Spud Date or Date Reached TD Completion Date or  
Recompletion Date Recompletion Date

API No. 15 - 21459-00-00  
033-2460-0000  
County: COMANCHE  
S/2 - N/2 - NW - Sec. 14 Twp. 35 S. R. 16 ☐ East ☒ West  
1100 feet from S / N (circle one) Line of Section  
1320 feet from E / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

(circle one) NE SE NW SW  
Lease Name: WILBUR Well #: 14-5

Field Name: AETNA GAS AREA

Producing Formation: MISSISSIPPIAN

Elevation: Ground: 1862 Kelly Bushing: 1874

Total Depth: 5535 Plug Back Total Depth: 5473'KB

Amount of Surface Pipe Set and Cemented at 824' 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

(Data must be collected from the Reserve Pit)

Chloride content 6000 ppm Fluid volume 640 bbls

Dewatering method used TRUCK HAULING

Location of fluid disposal if hauled offsite:

Operator Name: OIL PRODUCERS

Lease Name: MAY 13-3 License No.: 8061

Quarter NW Sec. 13 Twp. 35S S. R. 16W ☐ East ☒ West

County: COMANCHE Docket No.: D27726

**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: PRESIDENT Date: JUNE 15, 2006

Subscribed and sworn to before me this 15 day of June

2006

Notary Public: Carai Jones

Date Commission Expires: \_\_\_\_\_

Commission # 02018227 Expires 10/30/06  
State of Oklahoma  
Notary Public in and for  
Oklahoma County  
CANDI J. JONES



KCC Office Use ONLY

N Letter of Confidentiality Received

If Denied, Yes ☐ Date: \_\_\_\_\_

☐ Wireline Log Received

☐ Geologist Report Received

☐ UIC Distribution

RECEIVED

JUN 19 2006

KCC WICHITA

Operator Name: **REDLAND RESOURCES, INC.** Lease Name: **WILBUR** Well #: **14-5**  
 Sec. **14** Twp. **35** S. R. **16** ☐ East ☒ West County: **COMANCHE**

**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:

**COMPENSATED NEUTRON/MICROLOG/DUAL  
INDUCTION**

☒ Log Formation (Top), Depth and Datum ☐ Sample

Name	Top	Datum
CHASE	2474	-600
TOP PENN	3400	-1526
BS HEEBNER	4390	-2516
LANSING	4602	-2728
STARK SHALE	5011	-3137
OSWEGO LIME	5221	-3347
CHEROKEE SH	5264	-3390
MISS UNCONFORM	5332	-3458

**CASING RECORD** ☒ 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
<b>SURFACE</b>	<b>12.25"</b>	<b>8.625"</b>	<b>24#</b>	<b>824'</b>	<b>65/35 LITE POZ</b>	<b>275</b>	<b>3%CC/.25# FLOSEAL</b>
<b>PRODUCTION</b>	<b>7.875"</b>	<b>4.5"</b>	<b>10.50#</b>	<b>5507'KB</b>	<b>CLASS H</b>	<b>185</b>	<b>cc8%/SALT 10%/SKOLSEAL/5FL-100</b>

**ADDITIONAL CEMENTING / SQUEEZE RECORD**

Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
____ Perforate				
____ Protect Casing				
____ Plug Back TD				
____ 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
<b>2 SPF</b>	<b>5408-5452' &amp; 5340-5384'</b>	<b>ACIDIZE W/3000 GAL 15% NEFE</b>	<b>ALL</b>
		<b>FRAC BOTH INTERVALS</b>	<b>ALL</b>
		<b>W/5380 BTW &amp; 42,000# SAND</b>	<b>ALL</b>

TUBING RECORD	Size	Set At	Packer At	Liner Run
	<b>2.375"</b>	<b>5333'</b>	<b>N/A</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Date of First, Resumerd Production, SWD or Enhr. <b>05/02/06</b>		Producing Method <input checked="" type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)			
Estimated Production Per 24 Hours	Oil Bbls. <b>30</b>	Gas Mcf <b>300</b>	Water Bbls. <b>60</b>	Gas-Oil Ratio <b>10,000:1</b>	Gravity

Disposition of Gas

**METHOD OF COMPLETION**

**Production Interval**

☐ Vented ☒ Sold ☐ Used on Lease  
 (If vented, Submit ACO-18.)

☐ Open Hole ☒ Perf. ☐ Dually Comp. ☐ Commingled  
☐ Other (Specify) \_\_\_\_\_

# ALLIED CEMENTING CO., INC.

22644

Federal Tax I.D.#

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

SERVICE POINT

*Medford*

DATE <i>2-17-06</i>	SEC. <i>14</i>	TWP. <i>35s</i>	RANGE <i>16w</i>	CALLED OUT <i>12:00</i>	ON LOCATION <i>1:00 AM</i>	JOB START <i>2:00</i>	JOB FINISH <i>2:30</i>
LEASE <i>Willam</i>	WELL # <i>4-19</i>	LOCATION <i>Hardtan West to County</i>			COUNTY <i>Comanche</i>	STATE <i>Ks</i>	
OLD OR NEW (Circle one)		<i>line 1w Nite</i>					

CONTRACTOR <i>Titan</i>	
TYPE OF JOB <i>Long Term</i>	
HOLE SIZE <i>7 7/8</i>	I.D. <i>5535</i>
CASING SIZE <i>4 1/2</i>	DEPTH <i>5510</i>
TUBING SIZE	DEPTH
DRILL PIPE	DEPTH
TOOL	DEPTH
PRES. MAX <i>1600</i>	MINIMUM <i>200</i>
MEAS. LINE	SHOE JOINT <i>33</i>
CEMENT LEFT IN CSG. <i>33ft</i>	
PERFS.	
DISPLACEMENT <i>90 1/2 bbls H<sub>2</sub>O</i>	
EQUIPMENT	

PUMP TRUCK # <i>360</i>	CEMENTER <i>Whit B</i>
BULK TRUCK # <i>389</i>	HELPER <i>Darryl</i>
BULK TRUCK #	DRIVER <i>Thomas D</i>
BULK TRUCK #	DRIVER

OWNER *Redland Res*

CEMENT	
AMOUNT ORDERED <i>185 H Asc 5# Ksl</i>	
<i>seal per sack - 62 FL-160</i>	
<i>250 gal mud clean C + 250 gal mud clean</i>	
COMMON	@
POZMIX	@
GEL	@
CHLORIDE	@
ASC <i>185 H</i>	@ <i>12.40</i> <i>2294.00</i>
<i>Ksl Seal 925 #</i>	@ <i>.60</i> <i>555.00</i>
<i>Mud Clean C 250 gal</i>	@ <i>1.25</i> <i>312.50</i>
<i>Mud Clean 250 gal</i>	@ <i>1.00</i> <i>250.00</i>
<i>FL-160 104 #</i>	@ <i>8.70</i> <i>904.80</i>
HANDLING <i>238</i>	@ <i>1.60</i> <i>380.80</i>
MILEAGE <i>50 x 238 x .06</i>	<i>714.00</i>
TOTAL <i>5411.10</i>	

## REMARKS:

*line on bottom break circulation  
pump 500 gal fluid, pump 185 gal  
cement, shut down pump, wash  
pump & lines, release plug &  
start displacement pump  
90 1/2 bbls to bump plug at  
1100 psi, float drill down*

CHARGE TO: *Redland Res*

STREET \_\_\_\_\_

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

## SERVICE

DEPTH OF JOB <i>5510</i>	
PUMP TRUCK CHARGE	<i>1610.00</i>
EXTRA FOOTAGE	@
MILEAGE <i>50</i>	@ <i>5.00</i> <i>250.00</i>
MANIFOLD	@
<i>Head Rental</i>	@ <i>75.00</i> <i>75.00</i>

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JUN 19 2006

TOTAL *1935.00*

KCC WICHITA

PLUG & FLOAT EQUIPMENT

<i>4 1/2</i>	
<i>1-APV float shoe</i>	@ <i>200.00</i> <i>200.00</i>
<i>1-Latch down plug</i>	@ <i>300.00</i> <i>300.00</i>
<i>8-Centralsizers</i>	@ <i>45.00</i> <i>360.00</i>

ANY APPLICABLE TAX  
WILL BE CHARGED  
UPON INVOICING

TOTAL *860.00*

TAX \_\_\_\_\_

TOTAL CHARGE *1935.00*

DISCOUNT *1935.00* IF PAID IN 30 DAYS

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.

SIGNATURE *David Whitley*

*DAVID WHITLEY*  
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.

22637

Federal Tax I.D.:

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

SERVICE POINT:

*Medford*

DATE <u>2-6-06</u>	SEC. <u>14</u>	TWP. <u>35s</u>	RANGE <u>16</u>	CALLED OUT <u>2:00pm</u>	ON LOCATION <u>5:00</u>	JOB START <u>11:40</u>	JOB FINISH <u>12:30 AM</u>
LE. <u>W. Lbue</u>		WELL # <u>4-19</u>	LOCATION <u>Hardtner West Co</u>		COUNTY <u>Comanche</u>	STATE <u>KS</u>	
OLD OR <u>NEW</u> (Circle one)			<u>Bar/Co county line in N into</u>				

CONTRACTOR Titan #1 OWNER Redland Resources

TYPE OF JOB <u>Surface</u>	
HOLE SIZE <u>12 1/4</u>	T.D. <u>830</u>
CASING SIZE <u>8 5/8</u>	DEPTH <u>827</u>
TUBING SIZE	DEPTH
DRILL PIPE	DEPTH
TOOL	DEPTH
PRES. MAX <u>800</u>	MINIMUM <u>100</u>
MEAS. LINE	SHOE JOINT <u>44.70</u>
CEMENT LEFT IN CSG. <u>44ft</u>	
PERFS.	
DISPLACEMENT <u>30 much, 20 bbls water</u>	

## EQUIPMENT

PUMP TRUCK # <u>343</u>	CEMENTER <u>Mark B</u>
BULK TRUCK # <u>356</u>	HELPER <u>Steve</u>
BULK TRUCK # <u>397</u>	DRIVER <u>Jason K</u>
	DRIVER <u>Chris R</u>

CEMENT  
AMOUNT ORDERED 2750, 65735/6, 38cc  
1/4" flo seal - 150m/14 38cc + 28gl

COMMON <u>A</u>	<u>150</u>	@	<u>10.00</u>	<u>1500.00</u>
POZMIX		@		
GEL	<u>3</u>	@	<u>14.00</u>	<u>42.00</u>
CHLORIDE	<u>14</u>	@	<u>38.00</u>	<u>532.00</u>
ASC		@		
<u>AW</u>	<u>275 sh</u>	@	<u>9.30</u>	<u>2557.50</u>
<u>FLO-SEAL</u>	<u>69*</u>	@	<u>1.70</u>	<u>117.30</u>
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING <u>459</u>		@	<u>1.60</u>	<u>734.40</u>
MILEAGE <u>459 x 50</u>		@	<u>.06</u>	<u>1377.00</u>
TOTAL				<u>6860.20</u>

## REMARKS:

Pipe on bottom break circ.  
Pump 275 sh lite + 150 tail  
shut down pump release  
plug and start displacement  
at 50 bbls + bump plug  
float dip hold + cement did  
circulate, pumped 30 bbls mud  
+ bump plug + shut head at  
300 psi

CHARGE TO: Redland Resources

STREET \_\_\_\_\_

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

## SERVICE

DEPTH OF JOB	<u>827'</u>		
PUMP TRUCK CHARGE	<u>0-300'</u>		<u>670.00</u>
EXTRA FOOTAGE	<u>527'</u>	@	<u>.55</u> <u>289.85</u>
MILEAGE	<u>50</u>	@	<u>5.00</u> <u>250.00</u>
MANIFOLD		@	
<u>Head Rental</u>		@	<u>75.00</u> <u>75.00</u>
		@	

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JUN 19 2006

TOTAL 1284.85

## KCO WICHITA

<u>8 5/8</u>			
1- AFU insert	@	<u>325.00</u>	<u>325.00</u>
1- Basket	@	<u>180.00</u>	<u>180.00</u>
2- Centralizers	@	<u>55.00</u>	<u>110.00</u>
1- Rubber plug	@	<u>100.00</u>	<u>100.00</u>
	@		

ANY APPLICABLE TAX  
WILL BE CHARGED  
UPON INVOICING  
TAX \_\_\_\_\_

TOTAL 715.00

TOTAL CHARGE

DISCOUNT

IF PAID IN 30 DAYS

SIGNATURE

*David Whitley*  
*Thank you Dave*

X DAVID WHITLEY

PRINTED NAME

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.

## 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.