

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

**ORIGINAL**

Form ACO-1  
October 2008  
Form Must Be Typed

**WELL COMPLETION FORM**  
**WELL HISTORY - DESCRIPTION OF WELL & LEASE**

OPERATOR: License # 31160  
Name: Phillips Exploration Company LC  
Address 1: 1601 N. Sagebrush  
Address 2: \_\_\_\_\_  
City: Wichita State: KS Zip: 67230 + \_\_\_\_\_  
Contact Person: James B. Phillips  
Phone: (316) 636-2256  
CONTRACTOR: License # 33575  
Name: WW Drilling, LLC  
Wellsite Geologist: JAMES B. PHILLIPS  
Purchaser: NCRA

Designate Type of Completion:  
 New Well \_\_\_\_\_ Re-Entry \_\_\_\_\_ Workover \_\_\_\_\_  
\_\_\_\_\_ Oil \_\_\_\_\_ SWD \_\_\_\_\_ SIOW \_\_\_\_\_  
\_\_\_\_\_ Gas \_\_\_\_\_ ENHR \_\_\_\_\_ SIGW \_\_\_\_\_  
\_\_\_\_\_ CM (Coal Bed Methane) \_\_\_\_\_ Temp. Abd. \_\_\_\_\_  
\_\_\_\_\_ Dry \_\_\_\_\_ Other \_\_\_\_\_  
*(Core, WSW, Expl., Cathodic, etc.)*

If Workover/Re-entry: Old Well Info as follows:  
Operator: \_\_\_\_\_  
Well Name: \_\_\_\_\_  
Original Comp. Date: 08/08/07 Original Total Depth: 4070  
\_\_\_\_\_ Deepening \_\_\_\_\_ Re-perf. \_\_\_\_\_ Conv. to Enhr. \_\_\_\_\_ Conv. to SWD \_\_\_\_\_  
\_\_\_\_\_ Plug Back: \_\_\_\_\_ Plug Back Total Depth \_\_\_\_\_  
\_\_\_\_\_ Commingled \_\_\_\_\_ Docket No.: \_\_\_\_\_  
\_\_\_\_\_ Dual Completion \_\_\_\_\_ Docket No.: \_\_\_\_\_  
\_\_\_\_\_ Other (SWD or Enhr.?) \_\_\_\_\_ Docket No.: \_\_\_\_\_  
06/29/07 07/09/07 08/08/07  
Spud Date or Date Reached TD Completion Date or  
Recompletion Date Recompletion Date

API No. 15 - 065-23311-00-00  
Spot Description: SW-NE-SW-SW  
\_\_\_\_\_ Sec. 19 Twp. 10 S. R. 23  East  West  
825 Feet from  North /  South Line of Section  
825 Feet from  East /  West Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
 NE  NW  SE  SW  
County: Graham  
Lease Name: Bill Klenk Well #: 2-19  
Field Name: \_\_\_\_\_  
Producing Formation: Lansing  
Elevation: Ground: 2422 Kelly Bushing: 2427  
Total Depth: 4070 Plug Back Total Depth: 4043  
Amount of Surface Pipe Set and Cemented at: 221 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set: 2070 Feet  
If Alternate II completion, cement circulated from: Surface  
feet depth to: 2070 w/ 500 <sup>sx cmt</sup>  
Alt 2-Dlg-11/5/09

**Drilling Fluid Management Plan**  
*(Data must be collected from the Reserve Pit)*  
Chloride content: 500 ppm Fluid volume: 320 bbls  
Dewatering method used: let dry  
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: Agent Date: 11/5/09  
Subscribed and sworn to before me this 5<sup>th</sup> day of November,  
20 09.  
Notary Public: [Signature]  
Date Commission Expires: 04/21/2012

**KENDRA DUNAGAN**  
Notary Public - State of Kansas  
My Appt. Expires 04/21/2012

**KCC Office Use ONLY**

N Letter of Confidentiality Received  
If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
\_\_\_\_\_ UIC Distribution

**RECEIVED**  
3  
**NOV 05 2009**

**KCC WICHITA**

Operator Name: Phillips Exploration Company LC Lease Name: Bill Klenk Well #: 2-19  
 Sec. 19 Twp. 10 S. R. 23  East  West County: Graham

**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 <i>(Attach Additional Sheets)</i>  Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i>  List All E. Logs Run: <b>Bond/Mirco/Dual Ind/</b>	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample  <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:70%;">Name</td> <td style="width:15%;">Top</td> <td style="width:15%;">Datum</td> </tr> <tr> <td>anhy</td> <td>2045</td> <td>+385</td> </tr> <tr> <td>Topeka</td> <td>3515</td> <td>-1091</td> </tr> <tr> <td>Heebner</td> <td>3736</td> <td>-1309</td> </tr> <tr> <td>Lansing</td> <td>3768</td> <td>-1341</td> </tr> <tr> <td>B/KC</td> <td>4004</td> <td>-1577</td> </tr> </table>	Name	Top	Datum	anhy	2045	+385	Topeka	3515	-1091	Heebner	3736	-1309	Lansing	3768	-1341	B/KC	4004	-1577
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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#	221	60/40	200	3% gel 4%cc
long string	7 7/8	5 1/2	14#	4066	60/40	175	3% gel 4%cc
alt #2	7 7/8	5 1/2	14#	2070	60/40	500	3% gel 4%cc

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 <i>(Amount and Kind of Material Used)</i>	Depth
4 spf	3949-3955	2000 gal 28%	3955
4 spf	3816-3820	750 gal 15%	3820
4 spf	3805-3809	natural	3809
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TUBING RECORD: Size: <u>2 3/8</u> Set At: <u>n/a</u> Packer At: <u>n/a</u>		Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Date of First, Resumed Production, SWD or Enhr. <u>09/25/07</u>		Producing Method: <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. <u>35</u>	Gas Mcf <u>n/a</u>	Water Bbls. <u>10</u> Gas-Oil Ratio _____ Gravity <u>38</u>

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: <u>as above stated</u>
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# ALLIED

CEMENTING CO., LLC  
Cementing & Acidizing Services

# INVOICE

24 S. Lincoln Street  
P.O. Box 31  
Russell, KS 67665-2906

Voice: (785) 483-3887  
Fax: (785) 483-5566

Invoice Number: 109123

Invoice Date: Jul 11, 2007

Page: 1

**Bill To:**

Phillips Exploration Co LC  
4109 N Ironwood  
Wichita, KS 67226

Customer ID	Well Name# or Customer P.O.	Payment Terms	
PhExpl	Bill Klenk #2-19	Net 30 Days	
Sales Rep ID	Camp Location	Service Date	Due Date
	Russell	Jul 11, 2007	8/10/07

Quantity	Item	Description	Unit Price	Amount
3.00	MAT	Gel	16.65	49.95
150.00	MAT	ASC	13.75	2,062.50
14.00	MAT	Salt	19.20	268.80
750.00	MAT	Gilsonite	0.70	525.00
500.00	MAT	WFR-2	1.00	500.00
167.00	SER	Handling	1.90	317.30
60.00	SER	Mileage 167 sx @.09 per sk per mi	15.03	901.80
1.00	SER	Production String	1,610.00	1,610.00
60.00	SER	Mileage Pump Truck	6.00	360.00
1.00	EQP	Guide Shoe	170.00	170.00
1.00	EQP	AFU Insert	260.00	260.00
5.00	EQP	Centralizers	50.00	250.00
1.00	EQP	Basket	165.00	165.00
1.00	EQP	Port Collar (Larsen)	1,750.00	1,750.00

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NOV 05 2009  
KCC WICHITA

ALL PRICES ARE NET, PAYABLE  
30 DAYS FOLLOWING DATE OF  
INVOICE. 1 1/2% CHARGED  
THEREAFTER. IF ACCOUNT IS  
CURRENT, TAKE DISCOUNT OF

\$ 919.03

ONLY IF PAID ON OR BEFORE

Aug 10, 2007

Subtotal	9,190.35
Sales Tax	333.07
Total Invoice Amount	9,523.42
Payment/Credit Applied	
<b>TOTAL</b>	<b>9,523.42</b>

8664.39  
12 15 50

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1.00	EQP	AFU Insert	260.00	260.00
5.00	EQP	Centralizers	50.00	250.00
1.00	EQP	Basket	165.00	165.00
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<b>TOTAL</b>	<b>9,523.42</b>

RJ 8664.39  
TAX IS 50

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.

1 Basket @ 165.00  
1 Port Collar (Larsen) @ 1750.00

TOTAL 2595.00

TAX \_\_\_\_\_  
TOTAL CHARGE \_\_\_\_\_  
DISCOUNT \_\_\_\_\_ IF PAID IN 30 DAYS

SIGNATURE 

  
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.

33229

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

SERVICE POINT:

Russell

DATE <u>7-9-07</u>	SEC. <u>19</u>	TWP. <u>10S</u>	RANGE <u>23W</u>	CALLED OUT	ON LOCATION	JOB START <u>10:00 a.m.</u>	JOB FINISH <u>10:45 a.m.</u>
LEASE <u>B. H. Klink</u>	WELL # <u>2-19</u>	LOCATION <u>Waterford #1 + 0" (C.R.)</u>			COUNTY <u>GRAHAM</u>	STATE <u>KS</u>	
OLD OR NEW (Circle one) <u>NEW</u>			<u>3 1/2" 2 1/2" ID</u>				

CONTRACTOR WLU #8

TYPE OF JOB Production String

HOLE SIZE \_\_\_\_\_ T.D. 4070

CASING SIZE 5 1/2 14" DEPTH 4066

TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_

DRILL PIPE \_\_\_\_\_ DEPTH \_\_\_\_\_

TOOL Part Collar #49 DEPTH 2060

PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_

MEAS. LINE \_\_\_\_\_ SHOE JOINT 18.10

CEMENT LEFT IN CSG. 18.10

PERFS. \_\_\_\_\_

DISPLACEMENT 98 3/4 Bl

OWNER \_\_\_\_\_

CEMENT

AMOUNT ORDERED 150 MSC 24-6-2

10 1/2 Salt 5" G. 1500' / 1SK

500 gal WFR 2

COMMON \_\_\_\_\_ @ \_\_\_\_\_

POZMIX \_\_\_\_\_ @ \_\_\_\_\_

GEL \_\_\_\_\_ @ \_\_\_\_\_

CHLORIDE \_\_\_\_\_ @ \_\_\_\_\_

ASC \_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

HANDLING \_\_\_\_\_ @ \_\_\_\_\_

MILEAGE \_\_\_\_\_ @ \_\_\_\_\_

**EQUIPMENT**

PUMP TRUCK CEMENTER Craig

# 409 HELPER Adrian

BULK TRUCK

# 378 DRIVER Chris B

BULK TRUCK

# \_\_\_\_\_ DRIVER \_\_\_\_\_

**REMARKS:**

Plug Rathole 1500

Plg. tested 1500 psi Hold Released

SPY

Thanks!

CHARGE TO Phillips Expiration

STREET 4109 N. Ironwood

CITY Wichita STATE KS ZIP 67226

RECEIVED  
NOV 05 2009  
KCOMICHITA

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 [Signature]

**SERVICE**

DEPTH OF JOB \_\_\_\_\_

PUMP TRUCK CHARGE \_\_\_\_\_

EXTRA FOOTAGE \_\_\_\_\_ @ \_\_\_\_\_

MILEAGE \_\_\_\_\_ @ \_\_\_\_\_

MANIFOLD \_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

**PLUG & FLOAT EQUIPMENT**

1 5 1/2" Guide Shoe \_\_\_\_\_ @ \_\_\_\_\_

1 A.F. 2 1/2" 5000' \_\_\_\_\_ @ \_\_\_\_\_

5 Centralized \_\_\_\_\_ @ \_\_\_\_\_

1 Bucket \_\_\_\_\_ @ \_\_\_\_\_

1 Part Collar (Bar-San) \_\_\_\_\_ @ \_\_\_\_\_

TAX \_\_\_\_\_

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

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

PRINTED NAME James B. P. H. II, Jr.

## GENERAL TERMS AND CONDITIONS

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(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.

25635

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

SERVICE POINT:  
Russell

DATE <u>8-28-07</u>	SEC. <u>19</u>	TWP. <u>10</u>	RANGE <u>23</u>	CALLED OUT	ON LOCATION	JOB START	JOB FINISH
LEASE <u>Bill Klein</u>	WELL # <u>219</u>		LOCATION <u>Wakarusa rd 2 1/2 mi</u>		COUNTY <u>Graham</u>	STATE <u>KS</u>	
OLD OR <input checked="" type="radio"/> NEW (Circle one)				<u>U. n. t. o</u>			

CONTRACTOR Fischer

TYPE OF JOB Port collar

HOLE SIZE \_\_\_\_\_ T.D. \_\_\_\_\_

CASING SIZE 5 1/2" DEPTH \_\_\_\_\_

TUBING SIZE 2" DEPTH \_\_\_\_\_

DRILL PIPE Port collar DEPTH \_\_\_\_\_

TOOL D. S. Parker Stan DEPTH 200 S

PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_

MEAS. LINE \_\_\_\_\_ SHOE JOINT \_\_\_\_\_

CEMENT LEFT IN CSG. \_\_\_\_\_

PERFS. \_\_\_\_\_

DISPLACEMENT 6.6L

OWNER \_\_\_\_\_

CEMENT 1500 470 S

AMOUNT ORDERED 400 6940 6% GCI 1/4#  
F10

COMMON \_\_\_\_\_ @ \_\_\_\_\_

POZMIX \_\_\_\_\_ @ \_\_\_\_\_

GEL \_\_\_\_\_ @ \_\_\_\_\_

CHLORIDE \_\_\_\_\_ @ \_\_\_\_\_

ASC \_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

HANDLING \_\_\_\_\_ @ \_\_\_\_\_

MILEAGE \_\_\_\_\_ @ \_\_\_\_\_

PUMP TRUCK CEMENTER Craig

# 409 HELPER Adrian

BULK TRUCK \_\_\_\_\_

# 362 DRIVER Doug

BULK TRUCK \_\_\_\_\_

# \_\_\_\_\_ DRIVER \_\_\_\_\_

**REMARKS:**

Run plug in 1000 ps. Hold down tool  
& make circulation. Mix 40% cement.  
Cement did not circulate. Close  
valve. GBL close local & pressure  
in 1000 ps. Hold Run 10' out 50'  
4% water.

THANKS

CHARGE TO: Phillips Exploration

STREET \_\_\_\_\_

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

TOTAL \_\_\_\_\_

**SERVICE**

DEPTH OF JOB \_\_\_\_\_

PUMP TRUCK CHARGE \_\_\_\_\_

EXTRA FOOTAGE \_\_\_\_\_ @ \_\_\_\_\_

MILEAGE 68 @ \_\_\_\_\_

MANIFOLD \_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

**RECEIVED**

**NOV 05 2009**

**PLUG & FLOAT EQUIPMENT**

**KCC WICHITA**

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 [Signature]

PRINTED NAME \_\_\_\_\_

TAX \_\_\_\_\_

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

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



## 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.

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