

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 # 30606
Name: Murfin Drilling Company, Inc
Wellsite Geologist: JAMES B. PHILLIPS
Purchaser: _____

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: _____ Original Total Depth: _____
_____ 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.: _____
07/15/09 07/23/09 10/06/09
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 065-23554-00-00
Spot Description: W/2-NW-NE/4
_____ Sec. 34 Twp. 9 S. R. 24 East West
630 4653 Feet from North / South Line of Section
2180 2317 Feet from East / West Line of Section
GPS-KCC-Dlg
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Graham

Lease Name: Herman Trust Well #: 3-34
Field Name: _____
Producing Formation: Lansing
Elevation: Ground: 2508 Kelly Bushing: 2513
Total Depth: 4621 Plug Back Total Depth: 45
Amount of Surface Pipe Set and Cemented at: 220 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set: 2200 Feet
If Alternate II completion, cement circulated from: Surface
feet depth to: 2200 w/ 400 sx cmt

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.: _____

ALT 2 - Dlg - 11/5/09

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 5th day of November,
20 09.
Notary Public: [Signature]
Date Commission Expires: 04/21/2012

KENDRA DUNAGAN
Notary Public - State of Kansas
My Appt. Expires 04/21/12

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

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NOV 05 2009
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Operator Name: Phillips Exploration Company LC Lease Name: Herman Trust Well #: 3-34
 Sec. 34 Twp. 9 S. R. 24 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: Bond/Mirco/Dual Ind/	<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:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>anhy</td> <td>2156</td> <td>+357</td> </tr> <tr> <td>Topeka</td> <td>3598</td> <td>-1078</td> </tr> <tr> <td>Heebner</td> <td>3814</td> <td>-1301</td> </tr> <tr> <td>Lansing</td> <td>3848</td> <td>-1338</td> </tr> <tr> <td>B/KC</td> <td>4074</td> <td>-1561</td> </tr> </table>	Name	Top	Datum	anhy	2156	+357	Topeka	3598	-1078	Heebner	3814	-1301	Lansing	3848	-1338	B/KC	4074	-1561
Name	Top	Datum																	
anhy	2156	+357																	
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B/KC	4074	-1561																	

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#	220	60/40	200	3% gel 4%cc
long string	7 7/8	5 1/2	14#	4541	60/40	175	3% gel 4%cc
alt #2	7 7/8	5 1/2	14#	2200	60/40	400	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 (Amount and Kind of Material Used)	Depth
	4500-4621	2000 gal 28%	4621

TUBING RECORD: Size: <u>2 3/8</u> Set At: <u>4500</u> Packer At: <u>4500</u>		Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or Enhr. <u>10/20/09</u>		Producing Method: <input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input checked="" type="checkbox"/> Other (Explain)
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf Water Bbls. Gas-Oil Ratio Gravity

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 checked="" type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: as above stated
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Schippers Oilfield Services LLC
 RR 1 Box 90D
 Hoxie, KS 67740



Invoice

Date 7/26/2009
 Invoice # 369

Bill To

Phillips Exploration CO, LC
 1601 Sagebrush
 Wichita, KS 67226

Lease/Service

Herman Trust 3-34
 Bottom Stage

Herman Trust 3...

Service Date 7/22/2009
 Due Date 8/25/2009
 Terms Net 30

Item	Description	Qty	Price	Amount
cement	common	175	14.50	2,537.50T
Gel	Bentonite	16	26.00	416.00T
Kal-seal		32	30.00	960.00T
Mud-sweep		500	1.00	500.00T
handling of materials	per sack	175	1.95	341.25
mileage and labor		31	15.75	488.25
pump truck charge	pumping job	1	1,950.00	1,950.00
pumptruck mileage	one way to location	31	6.50	201.50
DV tool 5.5	Weatherford	1	4,850.00	4,850.00T
Basket 5.5		3	289.00	867.00T
Centralizers 5.5		8	69.00	552.00T
Latch down 5.5 plug & baffle		1	499.00	499.00T

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

Subtotal	\$14,162.50
Sales Tax (5.55%)	\$620.57
Total	\$14,783.07
Payments/Credits	\$0.00
Balance Due	\$14,783.07

Schippers Oilfield Services LLC

sosllc@ruraltel.net
 FAX: 785.675.9938

Cell: 785.675.8974
 Office: 785.675.9991

REMIT TO
RR 1 BOX 90 D
HOXIE KS 67740

SCHIPPERS OIL FIELD SERVICE L.L.C.

369

DATE <i>7/21/09</i> SEC. <i>34</i>	RANGE/TWP. <i>9-21</i>	CALLED OUT	ON LOCATION	JOB START	JOB FINISH
LEASE <i>Herman trust</i>			WELL # <i>3-34</i>		
				COUNTY <i>64</i>	STATE <i>KS</i>

CONTRACTOR <i>Marcus 16</i>	OWNER <i>Ph. II.</i>				
TYPE OF JOB <i>Bottom Stage</i>					
HOLE SIZE <i>7 7/8</i>	T.D. <i>4621 S</i>	CEMENT			
CASING SIZE <i>5 1/2 14 1/2</i>	DEPTH	AMOUNT ORDERED	<i>175'</i>		
TUBING SIZE	DEPTH				
DRILL PIPE <i>4.5</i>	DEPTH				
TOOL	DEPTH				
PRES. MAX	MINIMUM	COMMON	<i>175</i>	<i>@ 14"</i>	<i>2537'</i>
DISPLACEMENT	SHOE JOINT	POZMIX		<i>@</i>	
CEMENT LEFT IN CSG.		GEL	<i>16</i>	<i>@ 26</i>	<i>416'</i>
PERFS		CHLORIDE		<i>@</i>	
		ASC		<i>@</i>	
EQUIPMENT				<i>@</i>	
		<i>Kel seal</i>	<i>32</i>	<i>@ 30"</i>	<i>960'</i>
PUMP TRUCK		<i>Mud sweep</i>	<i>572.01</i>	<i>@</i>	<i>500'</i>
# <i>Derrick</i>				<i>@</i>	
BULK TRUCK				<i>@</i>	
# <i>Jay</i>				<i>@</i>	
BULK TRUCK				<i>@</i>	
# <i>Dustin</i>				<i>@</i>	
				<i>@</i>	
		HANDLING	<i>175</i>	<i>@ 12"</i>	<i>341.25</i>
		MILEAGE	<i>31</i>	<i>@ 15.22</i>	<i>499.25</i>
		TOTAL			

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REMARKS	SERVICE <i>Bottom Stage</i>		
<i>DV Tool @ 2163.44</i>	DEPT OF JOB	<i>@</i>	<i>15</i>
<i>60 seal 50 water displacement</i>	PUMP TRUCK CHARGE	<i>@</i>	<i>1950</i>
	EXTRA FOOTAGE	<i>@</i>	
<i>Plug down 10:15 PM, open tool</i>	MILEAGE <i>31</i>	<i>@ 6.32</i>	<i>201.25</i>
<i>10:45 PM circulate 3 hrs.</i>	MANIFOLD	<i>@</i>	
		<i>@</i>	
	TOTAL		

CHARGE TO: <i>Phillips</i>	
STREET	STATE
CITY	ZIP

To: Schippers Oil Field Service LLC
You are hereby requested to rent cementing equipment and furnish staff to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

PLUG & FLOAT EQUIPMENT	
<i>DV Tool Weatherford</i>	<i>@ 4850'</i>
<i>3 Buckets 287</i>	<i>@ 865'</i>
<i>8 Control 65'</i>	<i>@ 532'</i>
<i>1 catch down 300</i>	<i>@ 499'</i>
	<i>@</i>
TOTAL	
TAX	
TOTAL CHARGE	
DISCOUNT (IF PAID IN 20 DAYS)	

SIGNATURE

Handwritten Signature

PRINTED NAME

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "SOS" shall mean Schippers Oil Field Services, LLC and "Customer" shall refer to the party identified by that term on the front of this contract. As applicable, "Job" relates to the services described on the front side of this contract, "merchandise" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

--**TERMS:** Unless satisfactory credit has been established, CUSTOMER must tender full cash payment to SOS 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 SOS, refunded directly to CUSTOMER. For purposes of this paragraph, SOS and CUSTOMER agrees 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 SOS's current price schedule are F.O.B. SOS'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 SOS shall be added to the quoted prices charged to CUSTOMER.

--**TOWING CHARGES:** SOS will make a reasonable attempt to get to and from each job site using its own equipment. Should SOS 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 SOS, 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 SOS for the expenses incurred by SOS as a result of the cancellation.

--**DEADHAUL CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charge as set for in SOS'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. SOS carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond SOS'S control, SOS 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 SOS, 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 spill, 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 SOS'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 SOS or its employees.

2. With respect to any of SOS'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 SOS at the landing. CUSTOMER shall either recover the lost item without cost to SOS or reimburse SOS the current replacement cost of the item unless the loss or damage results from the sole negligence of SOS or its employees.

3. SOS 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. SOS warrants all merchandise manufacture 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. SOS'S obligation under this warranty is expressly limited to repair, replacement, or allowance for credit, as its option, for any merchandise which is determined by SOS to be defective. THIS IS THE SOLE WARRANTY OF SOS 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 SOS 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 SOS 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 SOS or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by SOS, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of SOS or its employees in the preparation or furnishing of such facts, information or data.

C. Work done by SOS shall be under the direct supervision and control of the CUSTOMER or his agent and SOS will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.

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



Invoice

Date 7/26/2009
 Invoice # 370

Bill To

Phillips Exploration CO, LC
 1601 Sagebrush
 Wichita, KS 67226

Lease/Service

Herman Trust 3-34
 Top Stage

Herman Trust 3...

Service Date 7/23/2009
 Due Date 8/25/2009
 Terms Net 30

Item	Description	Qty	Price	Amount
cement	common	240	14.50	3,480.00T
Pozmix		160	8.00	1,280.00T
Gel	Bentonite	20	26.00	520.00T
Flo Seal		100	2.25	225.00T
handling of materials	per sack	400	1.95	780.00
mileage and labor		31	36.00	1,116.00
pump truck charge	pumping job	1	1,400.00	1,400.00
pumptruck mileage	one way to location	31	6.50	201.50

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

20%

hanks
[Signature]

Subtotal \$9,002.50
 Sales Tax (5.55%) \$305.53
 Total \$9,308.03
 Payments/Credits \$0.00
 Balance Due \$9,308.03

Schippers Oilfield Services LLC
 sosllc@ruraltel.net
 FAX: 785.675.9938

Cell: 785.675.8974
 Office: 785.675.9991

REMIT TO
RR 1 BOX 90 D
HOXIE KS 67740

SCHIPPERS OIL FIELD SERVICE L.L.C.

370

DATE <i>10/30</i>	SEC. <i>34</i>	RANGE/TWP. <i>9-24</i>	CALLED OUT	ON LOCATION	JOB START <i>2:00 AM</i>	JOB FINISH <i>4:00 AM</i>
LEASE <i>Herman Trust</i>				WELL # <i>3-34</i>	COUNTY <i>611</i>	STATE <i>K</i>

CONTRACTOR <i>Marcus</i>	OWNER <i>Ph. 11.13</i>			
TYPE OF JOB <i>Top Stage</i>				
HOLE SIZE	T.D. <i>4671</i>	CEMENT		
CASING SIZE <i>5 1/2</i>	DEPTH	AMOUNT ORDERED	<i>400</i>	
TUBING SIZE	DEPTH			
DRILL PIPE	DEPTH			
TOOL	DEPTH			
PRES. MAX	MINIMUM	COMMON	<i>240</i>	@ <i>14</i> <i>3480</i>
DISPLACEMENT <i>52 1/2 bbl</i>	SHOE JOINT	POZMIX	<i>160</i>	@ <i>8</i> <i>1280</i>
CEMENT LEFT IN CSG.		GEL	<i>20</i>	@ <i>26</i> <i>520</i>
PERFS		CHLORIDE		@
		ASC		@
EQUIPMENT				@
		<i>110 seal</i>	<i>100 lbs</i>	@ <i>2 1/2</i> <i>225</i>
PUMP TRUCK				@
# <i>Sarand</i>				@
BULK TRUCK				@
# <i>501</i>				@
BULK TRUCK				@
# <i>Dusty</i>				@
				@
		HANDLING	<i>420</i>	@ <i>1 1/2</i> <i>720</i>
		MILEAGE	<i>31</i>	@ <i>36</i> <i>1116</i>
				TOTAL

REMARKS	SERVICE <i>Top Stage</i>		
<i>Rad Hole 30 ft</i>	DEPT OF JOB	@	
<i>Mason Hole 15 ft</i>	PUMP TRUCK CHARGE	@	<i>150</i>
<i>Plug Down 3.00 ft</i>	EXTRA FOOTAGE	@	
<i>Cement to surface</i>	MILEAGE	@ <i>31</i>	@ <i>6 1/2</i> <i>201</i>
<i>Circulate to Pit</i>	MANIFOLD	@	
		@	
			TOTAL

CHARGE TO: <i>Ph. 11.13 Expen</i>	
STREET	STATE
CITY	ZIP

To: Schippers Oil Field Service LLC
You are hereby requested to rent cementing equipment and furnish staff to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

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KCC WICHITA

PLUG & FLOAT EQUIPMENT	
	@
	@
	@
	@
	@
	TOTAL
TOTAL CHARGE	
DISCOUNT (IF PAID IN 20 DAYS)	

SIGNATURE *Shirley Bell*

PRINTED NAME

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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 spill, 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 SOS'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 SOS or its employees.

2. With respect to any of SOS'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 SOS at the landing, CUSTOMER shall either recover the lost item without cost to SOS or reimburse SOS the current replacement cost of the item unless the loss or damage results from the sole negligence of SOS or its employees.

3. SOS 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. SOS warrants all merchandise manufacture 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. SOS'S obligation under this warranty is expressly limited to repair, replacement, or allowance for credit, as its option, for any merchandise which is determined by SOS to be defective. THIS IS THE SOLE WARRANTY OF SOS 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 SOS 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 SOS 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 SOS or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by SOS, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of SOS or its employees in the preparation or furnishing of such facts, information or data.

C. Work done by SOS shall be under the direct supervision and control of the CUSTOMER or his agent and SOS will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.

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



Invoice

Date 7/15/2009
 Invoice # 366

Bill To

Phillips Exploration CO, LC
 1601 Sagebrush
 Wichita, KS 67226

Lease/Service

Herman Trust 3-34
 Surface

Service Date 7/15/2009
 Due Date 8/14/2009
 Terms Net 30

Item	Description	Qty	Price	Amount
cement	common	160	14.50	2,320.00T
Gel	Bentonite	3	26.00	78.00T
chloride	calcium	5	52.00	260.00T
handling of materials	per sack	168	1.95	327.60
mileage and labor		34	15.12	514.08
pump truck charge	pumping job	1	950.00	950.00
pumptruck mileage	one way to location	34	6.50	221.00

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NOV 05 2009

KCC WICHITA

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

Subtotal	\$4,670.68
Sales Tax (5.55%)	\$147.52
Total	\$4,818.20
Payments/Credits	\$0.00
Balance Due	\$4,818.20

Schippers Oilfield Services LLC

sosllc@ruraltel.net
 FAX: 785.675.9938

Cell: 785.675.8974
 Office: 785.675.9991

REMIT TO
 RR 1 BOX 90 D
 HOXIE KS 67740

SCHIPPERS OIL FIELD SERVICE L.L.C.

366

DATE <i>7/1/09</i>	SEC. <i>34</i>	RANGE/TWP. <i>9S - 24</i>	CALLED OUT	ON LOCATION	JOB START	JOB FINISH
LEASE <i>Herman Trust # 3-34</i>		WELL #				
					COUNTY <i>WV</i>	STATE <i>KS</i>

CONTRACTOR <i>Murphy 16</i>		OWNER <i>Phillips</i>		
TYPE OF JOB				
HOLE SIZE	T.D.	CEMENT		
CASING SIZE <i>8 1/2</i>	DEPTH	AMOUNT ORDERED		
TUBING SIZE	DEPTH			
DRILL PIPE <i>1 1/2</i>	DEPTH			
TOOL	DEPTH			
PRES. MAX	MINIMUM	COMMON	<i>160</i>	<i>@ 14" 2320"</i>
DISPLACEMENT <i>12 1/2 bbl</i>	SHOE JOINT	POZMIX		<i>@</i>
CEMENT LEFT IN CSG.		GEL	<i>3</i>	<i>@ 26" 78"</i>
PERFS		CHLORIDE	<i>5</i>	<i>@ 52" 260</i>
		ASC		<i>@</i>
EQUIPMENT				<i>@</i>
				<i>@</i>
PUMP TRUCK				<i>@</i>
# <i>David</i>				<i>@</i>
BULK TRUCK				<i>@</i>
# <i>Day</i>				<i>@</i>
BULK TRUCK				<i>@</i>
#				<i>@</i>
				<i>@</i>
		HANDLING	<i>160</i>	<i>@ 1" 327"</i>
		MILEAGE	<i>34</i>	<i>@ 15.12 514"</i>
				TOTAL

REMARKS	SERVICE <i>Suc to</i>		
<i>Play Down 9:00 PM</i>	DEPT OF JOB		<i>@</i>
	PUMP TRUCK CHARGE		<i>@ 950"</i>
	EXTRA FOOTAGE		<i>@</i>
	<i>Circ Cement to Pit</i>	MILEAGE <i>34</i>	<i>@ 6" 221</i>
		MANIFOLD	<i>@</i>
		<i>@</i>	
			TOTAL

CHARGE TO: <i>Phillips</i>	
STREET	STATE
CITY	ZIP

To: Schippers Oil Field Service LLC
 You are hereby requested to rent cementing equipment and furnish staff to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

RECEIVED
 NOV 05 2009
 KCC WICHITA

PLUG & FLOAT EQUIPMENT	
	<i>@</i>
	<i>@</i>
	<i>@</i>
	<i>@</i>
	<i>@</i>
	TOTAL
TAX	
TOTAL CHARGE	
DISCOUNT (IF PAID IN 20 DAYS)	

SIGNATURE *Ary [Signature]*

PRINTED NAME

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "SOS" shall mean Schippers Oil Field Services, LLC. and "Customer" shall refer to the party identified by that term on the front of this contract. As applicable, "Job" relates to the services described on the front side of this contract, "merchandise" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

--TERMS: Unless satisfactory credit has been established, CUSTOMER must tender full cash payment to SOS 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 SOS, refunded directly to CUSTOMER. For purposes of this paragraph, SOS and CUSTOMER agrees 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 SOS's current price schedule are F.O.B. SOS'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 SOS shall be added to the quoted prices charged to CUSTOMER.

--TOWING CHARGES: SOS will make a reasonable attempt to get to and from each job site using its own equipment. Should SOS 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 SOS, 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 SOS for the expenses incurred by SOS as a result of the cancellation.

--DEADHAUL CHARGES: Unless otherwise specified on the front of this Contract, a deadhaul charge as set for in SOS'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. SOS carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond SOS'S control, SOS 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 SOS, 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 spill, 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 SOS'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 SOS or its employees.

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--WARRANTIES:

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