

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

11/9/07

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

Operator: License # 9449
Name: Great Eastern Energy & Development Corp.
Address: P.O. Drawer 2436
City/State/Zip: Midland, TX. 79702
Purchaser: Sem-Crude
Operator Contact Person: Bill Robinson
Phone: (214) 220-1080
Contractor: Name: Warren Drilling, LLC
License: 33724

Wellsite Geologist: Bill Robinson
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. _____

9-25-07 10-3-07 10-30-07
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 051-25688 -00-00
County: Ellis
se ne ne Sec. 19 Twp. 11s S. R. 17 East West
800 feet from S (N) (circle one) Line of Section
400 feet from (E) W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) (NE) SE NW SW

Lease Name: Peavy Well #: A-11
Field Name: Bemis-Shutts

Producing Formation: Arbuckle
Elevation: Ground: 2098 Kelly Bushing: 2106
Total Depth: 3725 Plug Back Total Depth: 3725
Amount of Surface Pipe Set and Cemented at 213 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set 1280 Feet
If Alternate II completion, cement circulated from 1280
feet depth to surface w/ 225 sx cmt.

Drilling Fluid Management Plan APPENDIX 3-1809
(Data must be collected from the Reserve Pit)

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.

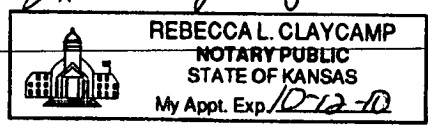
All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature: W. J. Robinson
Title: agent Date: 11-9-07

Subscribed and sworn to before me this 9 day of Nov.,
20 07.

Notary Public: Rebecca L. Claycamp

Date Commission Expires: _____


REBECCA L. CLAYCAMP
NOTARY PUBLIC
STATE OF KANSAS
My Appt. Exp. 10-12-10

KCC Office Use ONLY
 Letter of Confidentiality Received
 If Denied, Yes Date: _____
 Wireline Log Received **RECEIVED**
 Geologist Report Received **KANSAS CORPORATION COMMISSION**
 UIC Distribution **NOV 13 2007**
**CONSERVATION DIVISION
WICHITA, KS**

Operator Name: Great Eastern Energy & Development Corp. Lease Name: Peavy Well #: A-11
 Sec. 19 Twp. 11s S. R. 17 East West County: Ellis

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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input 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: DIL, MEL, CNL/CDL	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%;"> <tr> <td style="width:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>Anhydrite</td> <td>1340</td> <td>766</td> </tr> <tr> <td>B/KC</td> <td>3553</td> <td>-1447</td> </tr> </table>	Name	Top	Datum	Anhydrite	1340	766	B/KC	3553	-1447
Name	Top	Datum								
Anhydrite	1340	766								
B/KC	3553	-1447								

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KCC

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	214	Class A	170	3% CC + 2% gel
production	7 7/8	5 1/2	14	3725	common	170	10% salt + 500 gals. WFR-28

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
6	3598-3606	natural	NA

TUBING RECORD		Size	Set At	Packer At	Liner Run
		2 7/8	3570	na	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumerd Production, SWD or Enhr.			Producing Method		
11-9-07			<input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)		
Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
	17	na	100		

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

METHOD OF COMPLETION Open Hole Perf. Dually Comp. Commingled Other (Specify) _____

Production Interval _____

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KANSAS CORPORATION COMMISSION

NOV 13 2007

CONSERVATION DIVISION
WICHITA, KS

ALLIED CEMENTING CO., INC.

25397

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

SERVICE POINT:
Russell

DATE <u>10-3-07</u>	SEC. <u>19</u>	TWP. <u>11s</u>	RANGE <u>17w</u>	CALLED OUT	ON LOCATION <u>6:00 a.m.</u>	JOB START <u>3:00 p.m.</u>	JOB FINISH <u>3:45 p.m.</u>
LEASE <u>Pratt</u>	WELL # <u>A-11</u>	LOCATION <u>Haystack Pines Park SE Santa</u>	COUNTY <u>Ellis</u>	STATE <u>KS</u>			
OLD OR NEW (Circle one)							

CONTRACTOR Warren Drilling #20
 TYPE OF JOB Production String
 HOLE SIZE _____ T.D. 3725
 CASING SIZE 5 1/2 14# DEPTH _____
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL Pin collar # 57 DEPTH 1280
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ SHOE JOINT 9' 5"
 CEMENT LEFT IN CSG. _____
 PERFS. _____
 DISPLACEMENT 90 3/4 3L

OWNER _____
 CEMENT
 AMOUNT ORDERED 170 tons 10% salt
500 gal w/ 2
10 gal KCL

COMMON	<u>170</u>	@	<u>11.10</u>	<u>1887.00</u>
POZMIX		@		
GEL		@		
CHLORIDE		@		
ASC		@		
	<u>Salt + 16</u>	@	<u>19.20</u>	<u>307.20</u>
	<u>WFR 2 500 gal</u>	@	<u>1.00 gal</u>	<u>500.00</u>
	<u>KCL 10 gal</u>	@	<u>25.00 gal</u>	<u>250.00</u>

EQUIPMENT
 PUMP TRUCK CEMENTER Craig
 # 479 HELPER Adrian
 BULK TRUCK
 # 345 DRIVER Ricky
 BULK TRUCK
 # _____ DRIVER _____

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 CONSERVATION DIVISION
 WICHITA, KS

HANDLING	<u>186 SK</u>	@	<u>1.90</u>	<u>353.40</u>
MILEAGE	<u>.09/sk/mile</u>			<u>169.60</u>
TOTAL				<u>323.20</u>
				<u>3967.20</u>

REMARKS:

155K Ray hole Plug landed 1500'gs
Flow hole Plug hole Released 1871'

THANKS.

CHARGE TO: Clipper Energy
 STREET _____
 CITY _____ STATE _____ ZIP _____

SERVICE

DEPTH OF JOB				
PUMP TRUCK CHARGE				<u>1610.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>40</u>	@	<u>6.00</u>	<u>240.00</u>
MANIFOLD		@		
TOTAL				<u>1850.00</u>

PLUG & FLOAT EQUIPMENT

<u>1 5/8 Portland Cement</u>				<u>1750.00</u>
<u>1 1/2" Guide Shoe</u>	@			<u>470.00</u>
<u>2 BASKETS</u>	<u>2</u>	@	<u>165.00</u>	<u>330.00</u>
<u>12 Centralizers</u>	<u>12</u>	@	<u>50.00</u>	<u>600.00</u>
<u>1 Landdown Assembly</u>	@		<u>410.00</u>	<u>410.00</u>

1850.00
39377.20

TOTAL 3560.00

To Allied Cementing Co., Inc.
 You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

TAX _____
 TOTAL CHARGE _____
 DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE Joel Howerton

PRINTED NAME Joel Howerton

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.

25274

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

SERVICE POINT:

Liberal

DATE <u>9/25/07</u>	SEC. <u>19</u>	TWP. <u>11s</u>	RANGE <u>17W</u>	CALLED OUT	ON LOCATION	JOB START <u>2:45</u>	JOB FINISH <u>3:30</u>
LEASE <u>Peavy</u>	WELL# <u>A-11</u>	LOCATION <u>Hays 14N3E2S</u>	COUNTY <u>Ellis</u>	STATE <u>Ks</u>			
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR Warren R/A #20
 TYPE OF JOB CMT 8 1/2" Surface
 HOLE SIZE 17 1/4" T.D. 214'
 CASING SIZE 5 7/8" 25# DEPTH 213
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX 200 MINIMUM 50
 MEAS. LINE _____ SHOE JOINT 15'-1
 CEMENT LEFT IN CSG. 15
 PERFS. _____
 DISPLACEMENT 17.6 BBL

OWNER Same
 CEMENT AMOUNT ORDERED 170 sks class A + 290 gal 3% cc

COMMON	<u>170 sks</u>	@	<u>11.10</u>	<u>1887.00</u>
POZMIX		@		
GEL	<u>3 sks</u>	@	<u>16.65</u>	<u>49.95</u>
CHLORIDE	<u>6 sks</u>	@	<u>46.60</u>	<u>279.60</u>
ASC		@		
		@		
		@		
		@		
		@		
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>179 gal</u>	@	<u>1.90</u>	<u>340.05</u>
MILEAGE	<u>98.5 mi</u>			<u>531.63</u>
				TOTAL _____

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EQUIPMENT

PUMP TRUCK CEMENTER Max
 # 388 HELPER Abel
 BULK TRUCK
 # 458 DRIVER Danny
 BULK TRUCK
 # _____ DRIVER _____

REMARKS:

Mix 170 sks cont Drop Plug Display
17 1/4" BBL Class A Head
Cement did circulate

SERVICE

DEPTH OF JOB	<u>213 FT</u>		
PUMP TRUCK CHARGE			<u>815.00</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>33 mi</u>	@	<u>6.00</u>
MANIFOLD		@	
		@	
		@	
TOTAL _____			

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KANSAS CORPORATION COMMISSION
NOV 13 2007

CHARGE TO: Great Eastern Energy
 STREET _____
 CITY _____ STATE _____ ZIP _____

CONCRETE PUG & FLOAT EQUIPMENT

<u>8-8" Surface Plug</u>	@	<u>60.00</u>
	@	
	@	
	@	
	@	
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 [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.

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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 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.

24773

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

SERVICE POINT:

Russell

DATE <u>10-26-07</u>	SEC.	TWP.	RANGE	CALLED OUT	ON LOCATION	JOB START	JOB FINISH
LEASE <u>Perry A</u>	WELL # <u>11</u>	LOCATION <u>Hwy 5 N to River Rd</u>			COUNTY <u>E 11</u>	STATE <u>KS</u>	
OLD OR NEW (Circle one)			<u>3E 1S</u>	<u>6W</u>	<u>14.11</u>		

CONTRACTOR Experts Well Service OWNER _____
 TYPE OF JOB Circulate Cement
 HOLE SIZE _____ T.D. _____
 CASING SIZE 5 1/2 DEPTH _____
 TUBING SIZE 2 3/8 DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL JOINT _____ DEPTH 1287
 PRES. MAX 1100 psi MINIMUM _____
 MEAS. LINE _____ SHOE JOINT _____
 CEMENT LEFT IN CSG. _____
 PERFS. _____
 DISPLACEMENT _____

EQUIPMENT

PUMP TRUCK CEMENTER Shane
 # 311 HELPER Jill Roberts
 BULK TRUCK _____
 # 312 DRIVER Rocky
 BULK TRUCK _____
 # _____ DRIVER _____

REMARKS:

Tested tools @ 1000 psi. Operated
 pump collar 50' circulation. Mixed
 225 sks. to circulate cement
 D. mixed 6.15 bbl. Closed Port
 Collar. Tested to 1100 psi. Ran
 5 hrs. Washed clean. Came
 out of hole

CHARGE TO: Cliper Energy
 STREET _____
 CITY _____ STATE _____ ZIP _____

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.

Thanks!

SIGNATURE _____

CEMENT Used 225
 AMOUNT ORDERED 300 60% 69.6 gal
1/4 # Flt

COMMON	<u>135</u>	@	<u>11.40</u>	<u>1498.50</u>
POZMIX	<u>90</u>	@	<u>6.20</u>	<u>558.00</u>
GEL	<u>11</u>	@	<u>16.65</u>	<u>183.15</u>
CHLORIDE		@		
ASC		@		
<u>Flt Sol</u>	<u>56</u>	@	<u>2.00</u>	<u>112.00</u>
HANDLING	<u>312</u>	@	<u>1.90</u>	<u>604.20</u>
MILEAGE	<u>109 / 1.50 / mile</u>			<u>114.00</u>
				TOTAL <u>4100.65</u>

CONFIDENTIAL
 NOV 0 @ 2007

KCC

SERVICE

DEPTH OF JOB _____
 PUMP TRUCK CHARGE _____ 955.00
 EXTRA FOOTAGE _____ @ _____
 MILEAGE 40 @ 6.00 240.00
 MANIFOLD _____ @ _____

5295.65
-10% 529.56
 TOTAL 1195.00

\$ 4766.09 PLUG & FLOAT EQUIPMENT

RECEIVED
 KANSAS CORPORATION COMMISSION

NOV 13 2007

TAX _____
 TOTAL CHARGE _____
 DISCOUNT _____ IF PAID IN 30 DAYS

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.