

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 _____ SLOW _____
_____ 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.: _____
10-16-09 _____ 10-23-09
Spud Date or _____ Date Reached TD _____ Completion Date or _____
Recompletion Date _____

API No. 15 - 065-23582-00-00
Spot Description: S2-SW-NW-SW/4
_____ - _____ - _____ Sec. 19 Twp. 8 S. R. 22 East West
1620 Feet from North / South Line of Section
330 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Graham
Lease Name: Fritts Well #: 3-19
Field Name: Highland SW
Producing Formation: Kansas City
Elevation: Ground: 2189 Kelly Bushing: 2194
Total Depth: 3725 Plug Back Total Depth: 3668
Amount of Surface Pipe Set and Cemented at: 220 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set: 1810 Feet
If Alternate II completion, cement circulated from: 1810
feet depth to: surface w/ 370 sx cmt.

Drilling Fluid Management Plan A# II NR 4-16-10
(Data must be collected from the Reserve Pit)
Chloride content: 3,400 ppm Fluid volume: 400 bbls
Dewatering method used: n/a
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: _____
Title: Agent Date: April 14, 2010
Subscribed and sworn to before me this 14th day of April,
20 10.
Notary Public: Michelle Markelionis
Date Commission Expires: 9/18/2011

KCC Office Use ONLY

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

RECEIVED
APR 16 2010

 **MICHELLE MARKELIONIS**
Notary Public - State of Kansas
My Appt. Expires 9/18/2011

KCC WICHITA

Operator Name: Phillips Exploration Company LC Lease Name: Fritts Well #: 3-19
 Sec. 19 Twp. 8 S. R. 22 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: Dual Induction , Micro, Sonic	<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>Heebner</td> <td>3404</td> <td>-1210</td> </tr> <tr> <td>Lansing</td> <td>3440</td> <td>-1246</td> </tr> <tr> <td>B/KC</td> <td>3654</td> <td>-1460</td> </tr> <tr> <td>Log Total Depth</td> <td>3725</td> <td>-1531</td> </tr> </table>	Name	Top	Datum	Heebner	3404	-1210	Lansing	3440	-1246	B/KC	3654	-1460	Log Total Depth	3725	-1531
Name	Top	Datum														
Heebner	3404	-1210														
Lansing	3440	-1246														
B/KC	3654	-1460														
Log Total Depth	3725	-1531														

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
production	7 7/8	5 1/2	14#	3721	common	175 sx	3% gel 4%cc
surface	12 1/4	8 5/8	23#	220	common	150 sx	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
4 spf	3626-3631	500 gal 15% MCA	3631
4 spf	3608-3614	500 gal 15% HC	3614
4 spf	3516-3522	1000 gal 15%	3522

TUBING RECORD: Size: <u>2 3/8</u> Set At: <u>3678</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>11/02/09</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>26</u> Gas Mcf <u>n/a</u> Water Bbls. <u>7</u> Gas-Oil Ratio Gravity <u>32</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>3631-3516</u> RECEIVED <u>APR 14 2009</u>
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24 S. Lincoln Street
 P.O. Box 31
 Russell, KS 67665-2906

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

INVOICE

Invoice Number: 120294
 Invoice Date: Oct 16, 2009
 Page: 1

Bill To:
Phillips Exploration Co LC 1601 N Sagebrush Wichita, KS 67230

Customer ID	Well Name# or Customer P.O.	Payment Terms	
PhExpl	Fritts #3-29	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS2-01	Oakley	Oct 16, 2009	11/15/09

Quantity	Item	Description	Unit Price	Amount
150.00	MAT	Class A Common	15.45	2,317.50
3.00	MAT	Gel	20.80	62.40
5.00	MAT	Chloride	58.20	291.00
158.00	SER	Handling	2.40	379.20
35.00	SER	Mileage 158 sx @ .10 per sk per mi	15.80	553.00
1.00	SER	Surface	1,018.00	1,018.00
35.00	SER	Pump Truck Mileage	7.00	245.00

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

\$ 486.61

ONLY IF PAID ON OR BEFORE

Nov 15, 2009

Subtotal	4,866.10
Sales Tax	148.23
Total Invoice Amount	5,014.33
Payment/Credit Applied	
TOTAL	5,014.33

RECEIVED
 APR 14 2010
 KCC WICHITA

ALLIED CEMENTING CO., LLC. 011321

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

SERVICE POINT: Okla/Ky

DATE <u>10/16/09</u>	SEC. <u>29</u>	TWP. <u>8</u>	RANGE <u>22</u>	CALLED OUT	ON LOCATION <u>5:30pm</u>	JOB START <u>6:30pm</u>	JOB FINISH <u>7:00pm</u>
LEASE <u>Fritts</u>	WELL # <u>3-29</u>	LOCATION <u>Hill City S to R25 4 1/2 N</u>			COUNTY <u>Citahom</u>	STATE <u>Ks</u>	
OLD OR NEW (Circle one) <u>NEW</u>				<u>Ernto</u>			

CONTRACTOR WW 10

TYPE OF JOB Surf Seal

HOLE SIZE 12 1/4 T.D. 221

CASING SIZE 8 7/8 DEPTH 221

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG. 15'

PERFS.

DISPLACEMENT 12.0

OWNER Same

CEMENT AMOUNT ORDERED 150 SK/60m 300cc 200cc

EQUIPMENT

PUMP TRUCK CEMENTER Alan

422 HELPER Wayne

BULK TRUCK

377 DRIVER Andrew

BULK TRUCK

DRIVER

COMMON <u>150</u>	@ <u>15.95</u>	<u>2392.50</u>
POZMIX	@	
GEL <u>3</u>	@ <u>20.00</u>	<u>60.00</u>
CHLORIDE <u>5</u>	@ <u>58.20</u>	<u>291.00</u>
ASC	@	
	@	
	@	
	@	
	@	
	@	
	@	
	@	
HANDLING <u>150</u>	@ <u>2.40</u>	<u>379.20</u>
MILEAGE <u>101 SK/mile</u>		<u>553.00</u>
		<u>3603.10</u>

REMARKS:

Cement D-d Circulate

Thank You

Alan, Wayne, Andrew

CHARGE TO: Phillips Exploration Co LLC

STREET _____

CITY _____ STATE _____ ZIP _____

SERVICE

DEPTH OF JOB 221'

PUMP TRUCK CHARGE 1018.00

EXTRA FOOTAGE @

MILEAGE 35 @ 20.00 245.00

MANIFOLD @

TOTAL 1263.00

PLUG & FLOAT EQUIPMENT

@ _____

@ _____

@ _____

@ _____

RECEIVED

To Allied Cementing Co., LLC.

You are hereby requested to rent cementing equipment and furnish cementer and helper(s) 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 and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

APR 14 2010

TOTAL _____

SALES TAX (If Any) KCC WICHITA

TOTAL CHARGES _____

DISCOUNT _____ IF PAID IN 30 DAYS

PRINTED NAME Goeg Ernto

SIGNATURE [Signature]

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "ALLIED" shall mean Allied Cementing Co., 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 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.

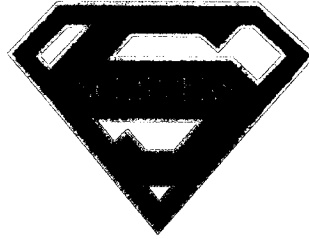
2. More specifically:

(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.

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



Invoice

Date 10/23/2009
 Invoice # 396

Bill To
 Phillips Exploration CO, LC
 1601 Sagebrush
 Wichita, KS 67226

Lease/Service
 Fritts 3-29
 2 Stage

Fritts 3-29

Service Date 10/22/2009
 Due Date 11/22/2009
 Terms Net 30

Item	Description	Qty	Price	Amount
cement	common	175	14.50	2,537.50T
Gel	Bentonite	3	26.00	78.00T
Kal-seal		470	0.80	376.00T
handling of materials	per sack	178	1.95	347.10
mileage and labor		40	15.75	630.00
pump truck charge	pumping job	1	1,850.00	1,850.00
pumptruck mileage	one way to location	40	6.50	260.00
head rental	cementing head	1	250.00	250.00
Centralizers 5.5		9	69.00	621.00T
DV tool 5.5		1	4,400.00	4,400.00T
Basket 5.5		3	289.00	867.00T
Guide shoe 5.5		1	179.00	179.00T
AFU insert 5.5		1	315.00	315.00T

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

Subtotal \$12,710.60
 Sales Tax (5.55%) \$520.23
 Total \$13,230.83
 Payments/Credits \$0.00
 Balance Due \$13,230.83

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

Cell: 785.675.8974
 Office: 785.675.9991

RECEIVED
APR 14 2010
KCC WICHITA

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



Invoice

Date 10/23/2009
Invoice # 397

Bill To
Phillips Exploration CO, LC
1601 Sagebrush
Wichita, KS 67226

Lease/Service
Fritts 3-29
Top Stage

Fritts 3-29

Service Date 10/22/2009
Due Date 11/22/2009
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	21	26.00	546.00T
handling of materials	per sack	421	1.95	820.95
mileage and labor		40	37.89	1,515.60
pump truck charge	pumping job	1	1,075.00	1,075.00
pumptruck mileage	one way to location	40	6.50	260.00

RECEIVED

APR 14 2010

KCC WICHITA

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

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

Cell: 785.675.8974
Office: 785.675.9991

Subtotal \$8,977.55
Sales Tax (5.55%) \$294.48
Total \$9,272.03
Payments/Credits \$0.00
Balance Due \$9,272.03

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.

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.