

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 # 32204
Name: REDLAND RESOURCES, INC.
Address 1: 6001 NW 23RD STREET
Address 2: _____
City: OKLAHOMA CITY State: OK Zip: 73127 + _____
Contact Person: ALAN THROWER
Phone: (405) 789-7104
CONTRACTOR: License # 5929
Name: DUKE DRILLING
Wellsite Geologist: MIKE POLLOK
Purchaser: TOUCHSTONE TRADING & TRANSPORTATION, INC.
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.: _____
12/29/09 01/03/10 03/09/10
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

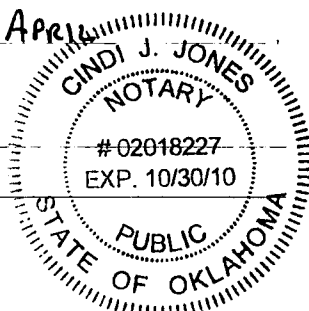
API No. 15 - 007-23484-00-00
Spot Description: _____
C NW NE Sec. 16 Twp. 35 S. R. 12 East West
660 Feet from North / South Line of Section
1980 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: BARBER
Lease Name: GREGORY Well #: 16-2
Field Name: HARDTNER
Producing Formation: MISSISSIPPIAN
Elevation: Ground: 1396 Kelly Bushing: 1409
Total Depth: 5115' Plug Back Total Depth: 5091
Amount of Surface Pipe Set and Cemented at: 258 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set: _____ Feet
If Alternate II completion, cement circulated from: _____
feet depth to: _____ w/ _____ sx cmt.

Drilling Fluid Management Plan AH I NR 5-7-10
(Data must be collected from the Reserve Pit)
Chloride content: 4000 ppm Fluid volume: _____ bbls
Dewatering method used: EVAPORATION
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: Alan Thrower
Title: PRESIDENT Date: APRIL 28, 2010
Subscribed and sworn to before me this 28 day of April
20 10
Notary Public: [Signature]
Date Commission Expires: _____



KCC Office Use ONLY
 Letter of Confidentiality Received
If Denied, Yes Date: _____
 Wireline Log Received
 Geologist Report Received
_____ UIC Distribution
RECEIVED
MAY 03 2010

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Operator Name: REDLAND RESOURCES, INC. Lease Name: GREGORY Well #: 16-2
 Sec. 16 Twp. 35 S. R. 12 East West County: BARBER

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: DUAL INDUCTION, MICROLOG NEUTRON DENSITY	<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>CHASE</td> <td>1950</td> <td>-534</td> </tr> <tr> <td>TOP PENN</td> <td>3024</td> <td>-1615</td> </tr> <tr> <td>BS HEEBNER</td> <td>3859</td> <td>-2450</td> </tr> <tr> <td>STARK SH</td> <td>4561</td> <td>-3152</td> </tr> <tr> <td>CHEROKEE SH</td> <td>4779</td> <td>-3370</td> </tr> <tr> <td>MISS UNCONFORM</td> <td>4842</td> <td>-3470</td> </tr> </table>	Name	Top	Datum	CHASE	1950	-534	TOP PENN	3024	-1615	BS HEEBNER	3859	-2450	STARK SH	4561	-3152	CHEROKEE SH	4779	-3370	MISS UNCONFORM	4842	-3470
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CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
CONDUCTOR	30"	20"	50#	51'	GROUT	5 YDS	
SURFACE	17.5"	13.375"	48#	258'	CLASS A	250	2% GEL/3%CC/25# FLOSEAL
PRODUCTION	7.875"	4.5"	5112'	5112'	ASC CLASS H	275	5#KOLSEAL/25# FLOSEAL/25#FL160

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone				

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record <i>(Amount and Kind of Material Used)</i>	Depth
1	PERF 4842-4916'	ACID - 5000 GAL 15% NEFE	ALL
		FRAC- 6750 BBLS WATER &	
		68,000# SAND	

TUBING RECORD:	Size: <u>2.375"</u>	Set At: <u>4797'</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>03/09/10</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>20</u>	Gas Mcf <u>0</u>	Water Bbls. <u>200</u>	Gas-Oil Ratio <u>32</u>

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input checked="" 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>4842-4916</u> <div style="text-align: right; font-weight: bold; font-size: 1.2em;">RECEIVED</div>
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MAY 03 2010
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GEOLOGICAL REPORT GREGORY 16-2 NW NE SECTION 16- T35S - R12W BARBER COUNTY, KANSAS

SUMMARY

The above captioned well was drilled to a total depth of 5,115 feet on January 3, 2010. A one-man logging unit was on location from approximately 2,800 feet to TD, with a one-man mudlogging beginning at 3,700 feet. The well was under the geological supervision of the undersigned from 3,700 feet to TD. At TD, Weatherford electric logs were run that consisted of Dual Induction, Compensated Neutron-Density and Micro-log. From the data collected while drilling and analyzing, potential hydrocarbon shows were encountered in the Mississippian. The decision was made to set production casing and complete the well in the Mississippian.

MISSISSIPPIAN

The top of the Mississippian was cut at 4,842 (-3,433) feet with an upper and lower zone being encountered. The upper zone samples were described as opaque, white, tan, green, brown, hard, dense, very fine micro-crystalline, glauconitic, slightly limy, fresh chert with some weathered tripoolitic chert. Good pin-point and inter-crystalline porosity along with some fracturing could be seen. An abundant dull yellow fluorescence, fresh live oil staining, flash cutting, and excellent odor were observed. The gas chromatograph recorded gas kicks of 139, 114, and 162 units respectively. The electric logs indicated a productive zone of 66 foot averaging cross-plotting porosity over 22% and as high as 36% and 31%.

In the lower zone, samples were described as off white, tan, brown, dark brown, very fine micro-crystalline, very sucrosic, slightly brittle, argillaceous, mottled, limy, cherty, dolomitic with excellent pin-point porosity. Excellent dull yellow fluorescence, good streaming cut, and excellent odor were observed. Gas kicks of 122 and 143 units were recorded by the gas chromatograph. The electric logs indicated a 26 foot porosity zone averaging 15%.

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ELECTRIC LOG TOPS

	REDLAND GREGORY 16-2 NW NE 16-T35S-R12W	AVALON DMZ 1-18 W2 W2 E2 SW 18-T29N-R13W	REDLAND ACHENBACH 17-1 NE NE 17-T35S-R12W
CHASE (Subsea)	1950 (-534)	1924 (-538)	1958 (-534)
TOP PENN (Subsea)	3024 (-1615)	3010 (-1624)	3030 (-1606)
BS. HEEBNER (Subsea)	3859 (-2450)	3874 (-2488)	3874 (-2450)
STARK SH. (Subsea)	4561 (-3152)	4561 (-3175)	4566 (-3142)
CHEROKEE SH. (Subsea)	4779 (-3370)	4784 (-3398)	4782 (-3358)
MISS. UNCON. (Subsea)	4842 (-3433)	4856 (-3470)	4854 (-3430)

CONCLUSION

The Gregory 16-2 was drilled as an offset well to the Achenbach 17-1, for the continued development of hydrocarbons in the Mississippian. After all data was gathered and analyzed it was determined that the formation should be commercially productive. A decision was made to run pipe and attempt completion in the Mississippian.

Respectfully submitted,



Beth Brock
Petroleum Geotech
1/05/10

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ALLIED CEMENTING CO., LLC. 036955

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

SERVICE POINT:
medicine lodge, ks

DATE 1-3-2010	SEC 16	TWP 35S	RANGE 12W	CALLED OUT 4:00pm	ON LOCATION 5:30pm	JOB START 10:30pm	JOB FINISH 11:30pm
LEASE Gregory	WELL # 16-2	LOCATION Herdner KS, South to State			COUNTY Barber	STATE KS	
OLD OR <u>NEW</u> (Circle one)		Line Rd, 1 3/4 E, n/into					

CONTRACTOR Duke #7
 TYPE OF JOB Production
 HOLE SIZE 7 7/8 T.D. 5115
 CASING SIZE 4 1/2 DEPTH 5114'
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ SHOE JOINT 20'
 CEMENT LEFT IN CSG. _____
 PERFS. _____
 DISPLACEMENT 82 bbls of Fresh USGR

OWNER Redign & Resources
 CEMENT
 AMOUNT ORDERED ~~3000~~ 3000 ASC + 5 # Kolseal + .50% FI 160 + 1/2 # Floseal

EQUIPMENT
 PUMP TRUCK CEMENTER Derin F.
 # 360-265 HELPER Dave F.
 BULK TRUCK
 # 421-250 DRIVER Ron G.
 BULK TRUCK
 # _____ DRIVER _____

COMMON	<u>H ASC 3000</u>	@	<u>21.10</u>	<u>6330</u>	<u>00</u>
POZMIX		@			
GEL		@			
CHLORIDE		@			
ASC		@			
Kolseal	<u>1500</u>	@	<u>.89</u>	<u>1335</u>	<u>00</u>
FI-160	<u>140</u>	@	<u>13.20</u>	<u>1862</u>	<u>00</u>
Floseal	<u>75</u>	@	<u>2.50</u>	<u>180</u>	<u>00</u>
HANDLING	<u>300</u>	@	<u>2.40</u>	<u>720</u>	<u>00</u>
MILEAGE	<u>300/10/25</u>			<u>750</u>	<u>00</u>
				TOTAL	<u>14192</u>

REMARKS:

Pipe on bottom & break circulation
 mix 25% for Rsa & make hole, mix
 50% of Scavenor cement, mix 22%
 of soil cement, Shut down, Wash pump &
 lines, Release plug, Start displacement
 Lift pressure 9+ 50 bbls, Slow Rgr
 to 3 bpm @ 75 bbls, Bump plug 9+
 82 bbls 1000-1700 psi, float die hold

SERVICE

DEPTH OF JOB	<u>5114'</u>				
PUMP TRUCK CHARGE				<u>1400</u>	<u>00</u>
EXTRA FOOTAGE		@			
MILEAGE	<u>25</u>	@	<u>7.00</u>	<u>175</u>	<u>00</u>
MANIFOLD		@			
	<u>Herdner KS</u>	@			
	<u>RECEIVED</u>	@			

CHARGE TO: Redign Resources
 STREET _____
 CITY _____ STATE _____ ZIP _____

MAY 03 2010

TOTAL 1575

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PLUG & FLOAT EQUIPMENT

<u>4 1/2</u>					
1-DFV Float Shoe	@			<u>198</u>	<u>45</u>
1-Latch down plug	@			<u>134</u>	<u>25</u>
6-Centrizers	@	<u>36.00</u>		<u>218</u>	<u>00</u>
	@				
	@				

TOTAL 556

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.

SALES TAX (If Any) _____
 TOTAL CHARGES _____
 DISCOUNT _____ IF PAID IN 30 DAYS

PRINTED NAME X Alay Watson
 SIGNATURE X Alay Watson

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.

ALLIED CEMENTING CO., LLC. 043065

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

SERVICE POINT: Medicine Lodge

DATE <u>12-30-09</u>	SEC. <u>16</u>	TWP. <u>35S</u>	RANGE <u>12W</u>	CALLED OUT	ON LOCATION	JOB START <u>3:30 AM</u>	JOB FINISH <u>4:30 AM</u>
LEASE <u>Gregory</u>		WELL # <u>16-2</u>		LOCATION <u>Hurdman, KS. South to</u>		COUNTY <u>Barber</u>	STATE <u>KS</u>
OLD OR <u>NEW</u> (Circle one)		State Line Rd. 17 1/2 East of Hurdman					

CONTRACTOR: Duke # 7

TYPE OF JOB Surface

HOLE SIZE 17 1/2 T.D. 270

CASING SIZE 13 3/8 DEPTH 258

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX 250 MINIMUM _____

MEAS. LINE _____ SHOE JOINT N/A

CEMENT LEFT IN CSG. 30'

PERFS. _____

DISPLACEMENT 35 Bbls freshwater

OWNER Redlands Resources

CEMENT

AMOUNT ORDERED 250 5x Class A + 37cc + 279cc + 44* flo seal

COMMON <u>Class A 250</u>	@	<u>15.45</u>	<u>3862.50</u>
POZMIX _____	@		
GEL _____	<u>5</u>	@ <u>20.80</u>	<u>104.00</u>
CHLORIDE _____	<u>9</u>	@ <u>58.20</u>	<u>523.80</u>
ASC _____	@		
<u>Flo-seal</u>	<u>62*</u>	@ <u>2.50</u>	<u>155.00</u>
_____	@		
_____	@		
_____	@		
_____	@		
_____	@		
_____	@		
HANDLING _____	<u>250</u>	@ <u>2.40</u>	<u>600.00</u>
MILEAGE _____	<u>250</u>	@ <u>25.10</u>	<u>625.00</u>
TOTAL			<u>5870.30</u>

REMARKS:

Run 248' 13 3/8 casing with a 17 1/2" 8 7/8 landing joint pipe on bottom. Break circulation mix 250 5x Class A + Additives Displace with 35 Bbls freshwater. Leave 30' cement in casing + shut in.

SERVICE

DEPTH OF JOB <u>248'</u>		
PUMP TRUCK CHARGE _____		<u>950.00</u>
EXTRA FOOTAGE _____	@	
MILEAGE <u>25</u>	@ <u>7.00</u>	<u>175.00</u>
MANIFOLD _____	@	
_____	@	
_____	@	

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TOTAL 1125.00

CHARGE TO: Redland Resources

STREET _____

CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

<u>NONE</u>	@	
	@	
	@	
	@	
	@	
TOTAL _____		

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.

PRINTED NAME _____

SIGNATURE Alan Watson

SALES TAX (If Any) _____

TOTAL CHARGES _____

DISCOUNT _____ IF PAID IN 30 DAYS _____

GENERAL TERMS AND CONDITIONS

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—**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.