

ORIGINAL

5/14/10

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form ACO-1  
September 1999  
Form Must Be Typed

CONFIDENTIAL

WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

*Handwritten initials and date*

Operator: License # 8628  
Name: CREDO PETROLEUM CORPORATION  
Address: 1801 Broadway, Suite 900  
City/State/Zip: Denver, CO 80202  
Purchaser: N/A  
Operator Contact Person: Jack Renfro  
Phone: (303) 297-2200  
Contractor: Name: American Eagle Drilling LLC  
License: 33493  
Wellsite Geologist: Jim Musgrove

RECEIVED  
MAY 18 2009

KCC WICHITA

Designate Type of Completion:  
 New Well  Re-Entry  Workover  
 Oil  SWD  SIGW  Temp. Abd.  
 Gas  ENHR  SIGW  Other (Core, WSW, Expl., Cathodic, etc)  
If Workover/Re-entry: Old Well Info as follows:

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MAY 14 2009  
KCC

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. \_\_\_\_\_  
1-19-09 1-28-09 2-25-09  
Spud Date or Date Reached TD Completion Date or Recompletion Date

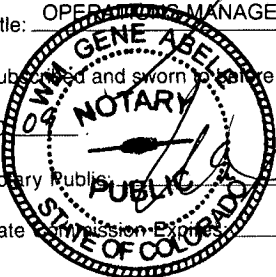
API No. 15 - 009-25303 - 0000  
County: Barton  
C SW - NW - NW Sec. 9 Twp. 19 S. R. 11  East  West  
990 feet from S (N) (circle one) Line of Section  
330 feet from E (W) (circle one) Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
(circle one) NE SE (NW) SW  
Lease Name: HUSLIG CPC Well #: 2-9  
Field Name: AHRENS NORTH  
Producing Formation: LKC  
Elevation: Ground: 1803 Kelly Bushing: 5  
Total Depth: 3378 Plug Back Total Depth: 3365  
Amount of Surface Pipe Set and Cemented at 250 Feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set 747 Feet  
If Alternate II completion, cement circulated from \_\_\_\_\_  
feet depth to \_\_\_\_\_ w/ \_\_\_\_\_ sx cmt.

Drilling Fluid Management Plan AHINS 7-109  
(Data must be collected from the Reserve Pit)  
Chloride content 11,500 ppm Fluid volume 300 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: \_\_\_\_\_  
Title: OPERATIONS MANAGER Date: 05/13/2009  
Subscribed and sworn to before me this 13th day of May  
2009  
Notary Public: \_\_\_\_\_  
Date of Commission Expires: 5-25-2011



**KCC Office Use ONLY**

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

Operator Name: CREDO PETROLEUM CORPORATION Lease Name: HUSLIG CPC Well #: 2-9  
 Sec. 9 Twp. 19 S. R. 11  East  West County: Barton

**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  Yes  No  
 (Attach Additional Sheets)  
 Samples Sent to Geological Survey  Yes  No  
 Cores Taken  Yes  No  
 Electric Log Run  Yes  No  
 (Submit Copy)  
 List All E. Logs Run:

<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Name	Top	Datum
Topeka	2695	887
Lansing	3094	1286
ARBUCKLE	3371	1563

**RECEIVED**  
**MAY 18 2009**

~~Borehole Compensated Sonic, Microresistivity,~~  
~~Dual Induction, Dual Compensated Porosity~~  
**CONFIDENTIAL**

MAY 04 2009		CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Less		<b>KCC WICHITA</b>			
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	250	COMMON	175	2%gel, 3%CaCl
PRODUCTION	7-7/8"	5-1/2"	14	3375	CLASS A	125	10%SALT, 2% GEL
					60/40	250	4%GEL

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
3	3168-3095 (19')	500GAL 15%MCA / 6000GAL 20% HCl	
3	3297-3226 (18')	250GAL 15%MCA ; 4500GAL 20%HC	
	3320 - CIBP		

TUBING RECORD	Size	Set At	Packer At	Liner Run
	2-7/8" 6.5# N80	3298		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Date of First, Resumerd Production, SWD or Enhr. 02/27/09	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.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
	140	0	0	--	39

Disposition of Gas:  Vented  Sold  Used on Lease (If vented, Submit ACO-18.)  
 METHOD OF COMPLETION:  Open Hole  Perf.  Dually Comp.  Commingled  
 Production Interval:  Other (Specify)

# ALLIED CEMENTING CO., LLC. 33517

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

SERVICE POINT:  
Great Bend, KS  
1-28-09

1-28-09 Bottom

DATE <u>1-28-09</u>	SEC. <u>9</u>	TWP. <u>A</u>	RANGE <u>11</u>	CALLED OUT <u>2:00 PM</u>	ON LOCATION <u>4:00 PM</u>	JOB START <u>2:30 AM</u>	JOB FINISH <u>3:30 AM</u>
LEASE <u>Huglis</u>		WELL # <u>CPA 2-9</u>	LOCATION <u>Ellinwood 5 N 12 E 4 S</u>		COUNTY <u>BT</u>	STATE <u>KS</u>	
OLD OR <input checked="" type="radio"/> NEW (Circle one)			<u>E/into</u>				

CONTRACTOR American Eagle #1

TYPE OF JOB Long String

HOLE SIZE 7 7/8 I.D. 3380

CASING SIZE 5 1/2 DEPTH 3378

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

DRILL PIPE 4 1/2 DEPTH \_\_\_\_\_

TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_

PRES. MAX 1000# MINIMUM 100#

MEAS. LINE \_\_\_\_\_ SHOE JOINT 44'

CEMENT LEFT IN CSG. 44'

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

DISPLACEMENT Fresh water

OWNER Credo

CEMENT

AMOUNT ORDERED 1255x ASC 296cc1  
1090 salt 5# Kote Seal

EQUIPMENT KCC

PUMP TRUCK CEMENTER Randy - David W.

# 447 HELPER Alvin

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

# 456-198 DRIVER Jack

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

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

COMMON	@		
POZMIX	@		
GEL	@		
CHLORIDE	@		
ASC 1255x	@ 16.70		20587.50
Kal Seal 8sx 400#	@ .85		340.00
w/R 11 500 Gal	@ 1.10		550.00
RECEIVED			
MAY 18 2009			
HANDLING 133	@ 2.25		299.25
MILEAGE 18/133/10			300.00
TOTAL			3576.75

REMARKS:

On location safety meeting Rig up  
Pipe on bottom broke circulation with rig  
Pumped 1000cc FW ahead mixed 1255x of  
ASC 296cc1 10% salt 5# Kote seal  
Shut down washed pump + lines Dropped  
plug. Displaced with FW had lift pressure  
at 506cc slowed rate at 756cc to 366cc  
minute pumped plug at 826cc float did  
hold. Had 5000 lift pressure. Dropped Dpt  
waited 5 min pumped dont threw at 350#

SERVICE

DEPTH OF JOB <u>3378'</u>		
PUMP TRUCK CHARGE		1957.00
EXTRA FOOTAGE	@	
MILEAGE <u>18</u>	@ <u>100</u>	
MANIFOLD	@	
Head sent	@	
TOTAL		1957.00

CHARGE TO: Credo

STREET \_\_\_\_\_

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

PLUG & FLOAT EQUIPMENT

<u>5 1/2"</u>		
AFCU Float Collar	@ 362.00	362.00
1-Basket	@ <del>181.00</del>	<del>181.00</del>
6-Centralizers	@ 55.00	330.00
D-V Tool	@ 4.380.	4.380.00
Guide Shoe	@ 186.00	186.00
2-Thread lock		33.00
66.00		66.00
TOTAL		5505.00

Faxed 1-28-09

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 20% IF PAID IN 30 DAYS

PRINTED NAME Lee Brode

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.

# ALLIED CEMENTING CO., LLC. 33277

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

SERVICE POINT: Great Bend

1-20-09

DATE <del>1-20-09</del>	SEC <u>9</u>	TWP <u>19</u>	RANGE <u>11</u>	CALLED OUT <u>4:30pm</u>	ON LOCATION <u>6:30pm</u>	JOB START <u>1:00am</u>	JOB FINISH <u>1:30am</u>
LEASE <u>Hudig CPC</u>	WELL # <u>2-9</u>	LOCATION <u>Ellinwood, SN, 1E, 1/4s, 1/2 side</u>			COUNTY <u>Barton</u>	STATE <u>KS</u>	
OLD OR <u>(NEW)</u> (Circle one)							

CONTRACTOR American Eagle OWNER Credo

TYPE OF JOB Surface  
 HOLE SIZE 12 1/4 T.D. 259'  
 CASING SIZE 8 3/8 DEPTH 256'  
 TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_  
 DRILL PIPE \_\_\_\_\_ DEPTH \_\_\_\_\_  
 TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_

CEMENT  
 AMOUNT ORDERED 175sx Common  
3% cc, 2% gel

PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_  
 MEAS. LINE \_\_\_\_\_ SHOE JOINT 40ft  
 CEMENT LEFT IN CSG. 40ft **CONFIDENTIAL**  
 PERFS. \_\_\_\_\_  
 DISPLACEMENT Fresh Water # 4 2009

COMMON	<u>175</u>	@	<u>13.50</u>	<u>2,362.50</u>
POZMIX		@		
GEL	<u>3</u>	@	<u>20.25</u>	<u>60.75</u>
CHLORIDE	<u>5</u>	@	<u>51.50</u>	<u>257.50</u>
ASC		@		

EQUIPMENT KCC  
 RECEIVED  
 MAY 18 2009  
 KCC WICHITA  
 PUMP TRUCK # 181 CEMENTER Tyler HELPER Joe  
 BULK TRUCK # 341 DRIVER Ronald  
 BULK TRUCK # \_\_\_\_\_ DRIVER \_\_\_\_\_

HANDLING	<u>183</u>	@	<u>2.25</u>	<u>411.75</u>
MILEAGE	<u>183 x .10 x 17</u>			<u>311.10</u>
TOTAL				<u>3,403.60</u>

REMARKS:  
pipe on bottom, break circulation, mix  
175sx common, 3% cc, 2% gel, shut down,  
Release 8 3/4 solid Rubber plug, displaced with  
1 1/4 bbls Freshwater, landed plug @ 120'  
Shut down, close in, Rig down,  
Cement did circulate

SERVICE

DEPTH OF JOB	<u>259'</u>			
PUMP TRUCK CHARGE				<u>991.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>17</u>	@	<u>7.00</u>	<u>119.00</u>
MANIFOLD	<u>head Rent</u>	@	<u>110.00</u>	<u>110.00</u>
TOTAL				<u>1,220.00</u>

CHARGE TO: Credo Petroleum  
 STREET \_\_\_\_\_  
 CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

PLUG & FLOAT EQUIPMENT

<u>8 5/8</u>				
-Texas Pattern Shoe	@	<u>307.00</u>		<u>307.00</u>
-AFU Insert	@	<u>367.00</u>		<u>367.00</u>
2-Centralizer's	@	<u>60.00</u>		<u>120.00</u>
1-Solid Rubber plug	@	<u>110.00</u>		<u>110.00</u>
TOTAL				<u>904.00</u>

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 Lee Brock  
 SIGNATURE [Signature]

Thank YOU.

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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.

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(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. 33518

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

SERVICE POINT:

*Great Bend, KS*

*Bottom Top*      *1-28-08*      *1-28-08*

DATE <i>1-28-08</i>	SEC. <i>9</i>	TWP. <i>19</i>	RANGE <i>11</i>	CALLED OUT <i>2:00 PM</i>	ON LOCATION <i>4:00 PM</i>	JOB START <i>4:30 AM</i>	JOB FINISH <i>5:30 AM</i>
LEASE <i>Huglis</i>		WELL # <i>CPA 2-9</i>		LOCATION <i>Ellinwood 5 N 1 E 4 S</i>		COUNTY <i>OT</i>	STATE <i>KS</i>
OLD OR <u>NEW</u> (Circle one)				<i>E/into</i>			

CONTRACTOR *American Eagle #1*

TYPE OF JOB *Long Stairs*

HOLE SIZE *7 7/8* T.D. *3380*

CASING SIZE *5 1/2* DEPTH *738'*

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

DRILL PIPE *4 1/2* DEPTH *3380*

TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_

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

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

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

PERFS. **CONFIDENTIAL**

DISPLACEMENT *Fresh water* *MAY 04 2009*

OWNER *Credo*

CEMENT

AMOUNT ORDERED *250 SK 60/40 996601*

*#1/4 Floscal*

COMMON	<i>150 SK</i>	@ <i>13.50</i>	<i>2025.</i>
POZMIX	<i>100 SK</i>	@ <i>7.55</i>	<i>755.00</i>
GEL	<i>10 SK</i>	@ <i>20.25</i>	<i>202.50</i>
CHLORIDE	_____	@ _____	_____
ASC	_____	@ _____	_____
<i>Floscal 62</i>	_____	@ <i>2.45</i>	<i>151.90</i>
_____	_____	@ _____	_____
_____	_____	@ _____	_____
_____	_____	@ _____	_____
_____	_____	@ _____	_____
_____	_____	@ _____	_____
_____	_____	@ _____	_____
HANDLING	<i>262</i>	@ <i>2.25</i>	<i>589.50</i>
MILEAGE	<i>18/262/10</i>	@ _____	<i>471.60</i>
TOTAL			<i>4195.50</i>

EQUIPMENT **KCC**

PUMP TRUCK CEMENTER *Randy Davenport*

# *447* HELPER *Alvin*

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

# *456-198* DRIVER *Jack*

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

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

**RECEIVED**

**MAY 18 2009**

**KCC WICHITA**

REMARKS:

*Circulate 30 min between stages*

*Plug rest 30 SK*

*Mixed 225 SK down hole*

*Shut down Released plug washed pump*

*4 lines. Displaced with 18 bbl FW*

*250 bbl Lift # Ann Bumped plug at 15:00*

*Tool closed washed up & Rig down*

*Cement did Circulate*

SERVICE

DEPTH OF JOB	<i>738'</i>		
PUMP TRUCK CHARGE	<i>991.00</i>		
EXTRA FOOTAGE	<i>438</i>	@ <i>.75</i>	<i>328.50</i>
MILEAGE	<i>18</i>	@ <i>7.00</i>	<i>126.00</i>
MANIFOLD	_____	@ _____	_____
<i>Head Rent</i>	_____	@ <i>125.00</i>	<i>125.00</i>
<i>No head Rent by share</i>	_____	@ _____	_____

CHARGE TO: *Credo*

STREET \_\_\_\_\_

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

TOTAL ~~*1,570.50*~~

*1,445.50*

**PLUG & FLOAT EQUIPMENT**

_____	@ _____	_____
_____	@ _____	_____
_____	@ _____	_____
_____	@ _____	_____
_____	@ _____	_____

TOTAL \_\_\_\_\_

SALES TAX (If Any) \_\_\_\_\_

TOTAL CHARGES \_\_\_\_\_

DISCOUNT *20%* IF PAID IN 30 DAYS

*Thank You*

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 *Lee Brode*

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.