

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
September 1999
Form Must Be Typed

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

*EW
MCA
6/23/08*

6/23/10

Operator: License # 33979
Name: Clipper Energy, LLC
Address: 3838 Oak Lawn Ste 1310
City/State/Zip: Dallas, TX. 75219
Purchaser: sem-crude
Operator Contact Person: Bill Robinson
Phone: (214) 220-1080
Contractor: Name: Warren Drig, LLC
License: 33346 33724
Wellsite Geologist: Bill Robinson

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SLOW Temp. Abd.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Cathodic, etc)

If Workover/Re-entry: Old Well Info as follows:

Operator: _____
Well Name: _____
Original Comp. Date: _____ Original Total Depth: _____
 Deepening Re-perf. Conv. to Enhr./SWD
 Plug Back Plug Back Total Depth
 Commingled Docket No. _____
 Dual Completion Docket No. _____
 Other (SWD or Enhr.?) Docket No. _____

| | | |
|-----------------------------------|-----------------|---|
| 4-17-08 | 4-24-08 | 5-30-08 |
| Spud Date or Recompletion Date | Date Reached TD | Completion Date or Recompletion Date |

API No. 15 - 163-23713-0000
County: Rooks
se sw se NE Sec. 7 Twp. 8 S. R. 20 East West
2550 feet from S (N) (circle one) Line of Section
700 feet from E / W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
(circle one) NE SE NW SW
Lease Name: Bobeck Well #: 1
Field Name: Wildcat
Producing Formation: Lansing/Kansas City
Elevation: Ground: 1947 Kelly Bushing: 1955
Total Depth: 3528 Plug Back Total Depth: 3526
Amount of Surface Pipe Set and Cemented at 210 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set 1479 Feet
If Alternate II completion, cement circulated from 1479
feet depth to surface w/ 475 sx cmt.

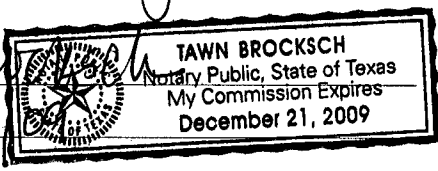
Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit) *AH JWS 7/7/08*
Chloride content _____ ppm Fluid volume _____ bbls
Dewatering method used _____
Location of fluid disposal if hauled offsite: _____
Operator Name: Clipper Energy, LLC
Lease Name: Copeland License No.: 33979
Quarter sw Sec. 19 Twp. 9s S. R. 20 East West
County: Rooks Docket No.: D-27993

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JUN 23 2008
KCO

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

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

Signature: [Signature]
Title: Geologist Date: 6-5-08
Subscribed and sworn to before me this 5th day of June,
2008.
Notary Public: [Signature]
Date Commission Expires: 12/21/09



KCC Office Use ONLY

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

RECEIVED
KANSAS CORPORATION COMMISSION
JUN 26 2008

Operator Name: Clipper Energy, LLC Lease Name: Bobeck Well #: 1
 Sec. 7 Twp. 8 S. R. 20 East West County: Rooks

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: Sonic Cement Bond Log | <input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample Name Top Datum |
|--|--|

| 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 | 15 | 13 3/8 | 48' | 95 | common | 90 | 3% cc 2% gel |
| Surface | 12 1/4 | 8 5/8 | 23' | 210 | common | 150 | 3% cc 2% gel |
| Production | 7 7/8 | 5 1/2 | 14 | 3536' | common | 135 | 10% salt+2% gel+500 gals WFR- 2 flush |

| 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 | | | | |

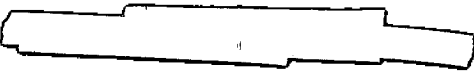
| Shots Per Foot | PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated | Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used) | Depth |
|--|---|---|-------|
| 4 | 3364' to 3368' | A/250 15% | 3340' |
| RECEIVED KANSAS CORPORATION COMMISSION JUN 26 2008 CONSERVATION DIVISION WICHITA, KS | | | |

| | | | | | | |
|--|-----------|---------|---|---------------|-----------|---|
| TUBING RECORD | | Size | Set At | Packer At | Liner Run | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| | | 2 7/8 | 3340' | n/a | | |
| Date of First, Resumerd Production, SWD or Enhr. 6/5/08 | | | 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 | |
| | 10 | n/a | 50 | | 34 | |

Disposition of Gas METHOD OF COMPLETION Production Interval

Vented Sold Used on Lease
 Open Hole Perf. Dually Comp. Commingled
(If vented, Submit ACO-18.)
 Other (Specify) _____

ALLIED CEMENTING CO., LLC. 34629



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

SERVICE POINT:
Russell

| | | | | | | | |
|-------------------------|-----------------|-----------------------------------|-----------------|--------------|--------------------|--------------------------|---------------------------|
| DATE <u>4-17-08</u> | SEC <u>7</u> | TWP <u>8</u> | RANGE <u>20</u> | CALLED OUT | ON LOCATION | JOB START <u>9:00 AM</u> | JOB FINISH <u>9:50 AM</u> |
| LEASE <u>Bobek</u> | WELL # <u>1</u> | LOCATION <u>Damar Blacktop 4W</u> | | | COUNTY <u>Rawl</u> | STATE <u>KS</u> | |
| OLD OR NEW (Circle one) | | | | <u>Winto</u> | | | |

CONTRACTOR Labrien Drilling

TYPE OF JOB Conductor

HOLE SIZE _____ T.D. 100

CASING SIZE 1 3/8 48# DEPTH 95

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. 15'

PERFS. _____

DISPLACEMENT 1 7/8 BL

EQUIPMENT _____

OWNER _____

CEMENT

AMOUNT ORDERED 90 com 3% CC

20/600

COMMON _____ @ _____

POZMIX _____ @ _____

GEL _____ @ _____

CHLORIDE _____ @ _____

ASC _____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

PUMP TRUCK CEMENTER Craig

366 HELPER Matt

BULK TRUCK

378 DRIVER Doug

BULK TRUCK

_____ DRIVER _____

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KANSAS CORPORATION COMMISSION

JUN 26 2008

HANDLING _____

MILEAGE _____

CONSERVATION DIVISION
WICHITA, KS

TOTAL _____

REMARKS:

Cement Circulated

SERVICE

DEPTH OF JOB _____

PUMP TRUCK CHARGE _____

EXTRA FOOTAGE _____ @ _____

MILEAGE _____ @ _____

MANIFOLD _____ @ _____

_____ @ _____

_____ @ _____

TOTAL _____

CHARGE TO: Clipper

STREET _____

CITY _____ STATE _____ ZIP _____

Thanks!

PLUG & FLOAT EQUIPMENT

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

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.

SALES TAX (If Any) _____

TOTAL CHARGES _____

DISCOUNT _____ IF PAID IN 30 DAYS

PRINTED NAME _____

SIGNATURE Robert W. Markel

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. 33984

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

SERVICE POINT:
Russell KS

| | | | | | | | |
|--------------------------------|---------------|-----------------|----------------------------------|------------|---------------------|-------------------------|--------------------------|
| DATE <u>4-18-08</u> | SEC. <u>7</u> | TWP. <u>8</u> | RANGE <u>80</u> | CALLED OUT | ON LOCATION | JOB START <u>4:15pm</u> | JOB FINISH <u>4:45pm</u> |
| LEASE <u>Bobeck</u> | | WELL # <u>1</u> | LOCATION <u>Damer KS 3 North</u> | | COUNTY <u>Rooks</u> | STATE <u>KS</u> | |
| OLD OR <u>NEW</u> (Circle one) | | | | | | | |

CONTRACTOR Warren Energy Rig# ~~6614~~ OWNER _____

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D. 210'

CASING SIZE 8 5/8 23" DEPTH 210'

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. 15'

PERFS. _____

DISPLACEMENT 12.41 Bbl

CEMENT AMOUNT ORDERED 150com 386296el

COMMON @ _____

POZMIX @ _____

GEL @ _____

CHLORIDE @ _____

ASC @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

EQUIPMENT

PUMP TRUCK CEMENTER John Roberts

409 HELPER Adrian

BULK TRUCK

378 DRIVER Chuck

BULK TRUCK

_____ DRIVER _____

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JUN 23 2008
KCC

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KANSAS CORPORATION COMMISSION
JUN 26 2008
CONSERVATION DIVISION
WICHITA, KS

REMARKS:

Est. Circulation mix 150com and displace plugs 12.41 H2O.

Cement Did Circulate!

CHARGE TO: Clipper Energy LLC

STREET _____

CITY _____ STATE _____ ZIP _____

SERVICE

DEPTH OF JOB _____

PUMP TRUCK CHARGE _____

EXTRA FOOTAGE @ _____

MILEAGE @ _____

MANIFOLD @ _____

_____ @ _____

_____ @ _____

TOTAL _____

PLUG & FLOAT EQUIPMENT

_____ @ _____

_____ @ _____

8 5/8 Wood Plug @ _____

_____ @ _____

_____ @ _____

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.

Thanks!

PRINTED NAME _____

SIGNATURE Robert W. Mischel

SALES TAX (If Any) _____

TOTAL CHARGES _____

DISCOUNT _____ IF PAID IN 30 DAYS

GENERAL TERMS AND CONDITIONS

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—**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.

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(A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with ALLIED'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of ALLIED or its employees.

2. With respect to any of ALLIED'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to ALLIED at the landing, CUSTOMER shall either recover the lost item without cost to ALLIED or reimburse ALLIED the current replacement cost of the item unless the loss or damage results from the sole negligence of ALLIED or its employees.

3. ALLIED does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

WARRANTIES:

1. ALLIED warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. ALLIED'S obligation under this warranty is expressly limited to repair, replacement, or allowance for credit, at its option, for any merchandise which is determined by ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and ALLIED shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.

2. More specifically:

(A) Nothing in this contract shall be construed as a warranty by ALLIED of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.

(B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by ALLIED or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by ALLIED, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.

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

ALLIED CEMENTING CO., LLC. 30212

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

SERVICE POINT: Russell

| | | | | | | | |
|--------------------------------|---------------|-----------------|-----------------------------------|------------|-------------|-----------------------|--------------------------|
| DATE <u>4-24-08</u> | SEC. <u>7</u> | TWP. <u>8</u> | RANGE <u>20</u> | CALLED OUT | ON LOCATION | JOB START <u>5:00</u> | JOB FINISH <u>5:45PM</u> |
| LEASE <u>Bo Beck</u> | | WELL # <u>1</u> | LOCATION <u>Damar 3N 1/4W INT</u> | | | COUNTY <u>ROCK</u> | STATE <u>KANSAS</u> |
| OLD OR <u>NEW</u> (Circle one) | | | | | | | |

CONTRACTOR Warren Data Rig #14
 TYPE OF JOB PRODUCTION & STRING (D-V)
 HOLE SIZE 7 7/8 T.D. 3538
 CASING SIZE 5 1/2 New 14" DEPTH 3536
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL D-V 2-STAGE TOOL DEPTH 1429
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ SHOE JOINT _____
 CEMENT LEFT IN CSG. _____
 PERFS. _____
 DISPLACEMENT 26.4 / BBL

EQUIPMENT

PUMP TRUCK CEMENTER Glenis Gary
 # 409 HELPER ADRIAN
 BULK TRUCK
 # 345 DRIVER MIKE
 BULK TRUCK
 # 396 DRIVER Neale

REMARKS:
"TOP STAGE"
DROP DART & OPEN D-V TOOL @ 800 #
CIRCULATE FOR 2 HRS. (3pm-5pm)
Mix Cement 475 SK Cement, &
Cement CIRCULATION TO SURFACE.
Displace 36 BBL & LAND Plug
@ 1500#, To Close TOOL.
THANKS

CHARGE TO: CLIFFER ENERGY
 STREET _____
 CITY _____ STATE _____ ZIP _____
 STATE Rep. Rich William's (KCC)
ON LOCATION. (Cement DID CIRCULATE)
TO SURFACE.

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 Joel Bowman
 SIGNATURE [Signature]

OWNER _____
 CEMENT (USED 475 SK)
 AMOUNT ORDERED 550 SK 60% 62.60L
1/4# F10-Seal

| | | | |
|----------|----------------|------------------------|----------------|
| COMMON | <u>285 SK</u> | @ <u>12.15</u> | <u>3462.75</u> |
| POZMIX | <u>190 SK</u> | @ <u>6.80</u> | <u>1292.00</u> |
| GEL | <u>29 SK</u> | @ <u>18.25</u> | <u>529.25</u> |
| CHLORIDE | _____ | @ _____ | _____ |
| ASC | _____ | @ _____ | _____ |
| F10-Seal | <u>110 KR.</u> | @ <u>2.20</u> | <u>259.00</u> |
| HANDLING | <u>5.93</u> | TOTAL SK @ <u>2.00</u> | <u>1195.15</u> |
| MILEAGE | <u>72</u> | Ton Mile @ <u>.09</u> | <u>377.84</u> |
| TOTAL | | | _____ |

CONFIDENTIAL
JUN 23 2008

SERVICE

DEPTH OF JOB _____
 PUMP TRUCK CHARGE _____ 1045.00
 EXTRA FOOTAGE @ _____
 MILEAGE 72 @ _____ - NC -
 MANIFOLD @ _____

RECEIVED
 KANSAS CORPORATION COMMISSION
\$10,405.44
 AFTER DISCOUNT
 BEFORE TAX
 JUN 26 2008
 TOTAL
 CONSERVATION DIVISION
 WICHITA, KS
 PLUG & FLOAT EQUIPMENT

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

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 wilful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.

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

ALLIED CEMENTING CO., LLC. 30211

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

SERVICE POINT:

Russell

| | | | | | | | |
|-------------------------|-----------------|-----------------------------------|-----------------|------------|---------------------|--------------------------|---------------------------|
| DATE <u>4-24-08</u> | SEC. <u>7</u> | TWP. <u>8</u> | RANGE <u>20</u> | CALLED OUT | ON LOCATION | JOB START <u>5:20 PM</u> | JOB FINISH <u>2:50 AM</u> |
| LEASE <u>BoBeck</u> | WELL # <u>1</u> | LOCATION <u>Damar 3N YAW INTO</u> | | | COUNTY <u>ROCKS</u> | STATE <u>KANSAS</u> | |
| OLD OR NEW (Circle one) | | | | | | | |

CONTRACTOR Warren Dalg. Rig #14

TYPE OF JOB PRODUCTION STRING (D-V)

HOLE SIZE 7 7/8 T.D. 3528'

CASING SIZE 5 1/2 14" NEW DEPTH 3536'

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL LATCH Down Plug Assy DEPTH 3496'

PRES. MAX / MINIMUM

MEAS. LINE SHOE JOINT 42'

CEMENT LEFT IN CSG. 42'

PERFS.

DISPLACEMENT 85.30 / BBL TOTAL

OWNER

CEMENT

AMOUNT ORDERED 135 SK Com. 10% SALT

2% GEL

500 GAL WFR-2 FLUSH

| | | |
|-----------------------------|----------------|----------------|
| COMMON <u>135 SK</u> | @ <u>12.15</u> | <u>1640.25</u> |
| POZMIX | @ | |
| GEL | @ | |
| CHLORIDE | @ | |
| ASC | @ | |
| <u>SALT 14 SK/cwt</u> | @ <u>21.00</u> | <u>294.00</u> |
| <u>WFR-2 500 GAL</u> | @ <u>1.10</u> | <u>550.00</u> |
| HANDLING <u>49 TOTAL SK</u> | @ <u>2.05</u> | <u>205.45</u> |
| MILEAGE <u>72 Ton M.Y.</u> | @ <u>.09</u> | <u>965.52</u> |
| TOTAL | | |

EQUIPMENT

PUMP TRUCK CEMENTER GARY HELPER ADRIAN

409

BULK TRUCK DRIVER LARMONE

218

BULK TRUCK DRIVER

CONFIDENTIAL
OAKLEY JUN 23 2008

KCC

REMARKS:

"BOTTOM STAGE"

49 BBL WATER + 36 BBL MUD

LONG LATCH DOWN PLUG @ 1500 #

15 GAL 1120 / 250 GAL FLUSH / 10 BBL 1120 / 250 GAL FLUSH

MIXED Cement @ 14.9

THANK'S

SERVICE

| | | |
|-------------------|---------------|----------------|
| DEPTH OF JOB | | |
| PUMP TRUCK CHARGE | | <u>1763.00</u> |
| EXTRA FOOTAGE | @ | |
| MILEAGE <u>72</u> | @ <u>2.00</u> | <u>504.00</u> |
| MANIFOLD | @ | |
| TOTAL | | |

\$11,777.00 AFTER DISCOUNT BEFORE TAX TOTAL

RECEIVED
KANSAS CORPORATION COMMISSION
JUN 26 2008
CONSERVATION DIVISION
WICHITA, KS

CHARGE TO: CLIPPER ENERGY

STREET

CITY STATE ZIP

(Eliminate) PLUG & FLOAT EQUIPMENT

| | | |
|-------------------------------|-----------------|----------------|
| <u>2-STAGE TOOL (RED)</u> | | <u>4220.00</u> |
| <u>1-BOX THREAD LOCK</u> | @ | <u>32.00</u> |
| <u>1-GUIDE SHOE</u> | @ <u>196.00</u> | <u>196.00</u> |
| <u>1-LATCH DOWN PLUG ASSY</u> | @ | <u>449.00</u> |
| <u>17-TURBO CENTRALIZER</u> | @ <u>77.00</u> | <u>1309.00</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 Joel Lawhorn

SIGNATURE Joel Lawhorn

SALES TAX (If Any)

TOTAL CHARGES

DISCOUNT IF PAID IN 30 DAYS

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