

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

**ORIGINAL**

Form ACO-1  
June 2009

Form Must Be Typed  
Form must be Signed  
All blanks must be Filled

**WELL COMPLETION FORM**  
**WELL HISTORY - DESCRIPTION OF WELL & LEASE**

OPERATOR: License # 9860

Name: Castle Resources Inc.

Address 1: PO Box 87

Address 2: \_\_\_\_\_

City: Schoenchen State: KS Zip: 67667 + \_\_\_\_\_

Contact Person: Jerry Green

Phone: (785) 625-5155

CONTRACTOR: License # 34190

Name: Vision Oil & Gas Services

Wellsite Geologist: Jerry Green

Purchaser: \_\_\_\_\_

Designate Type of Completion:

- New Well     Re-Entry     Workover
- Oil     WSW     SWD     SLOW
- Gas     D&A     ENHR     SIGW
- OG     GSW     Temp. Abd.
- CM (Coal Bed Methane)
- Cathodic     Other (Core, Expl., 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
- Conv. to GSW

Plug Back: \_\_\_\_\_ Plug Back Total Depth \_\_\_\_\_

Commingled    Permit #: \_\_\_\_\_

Dual Completion    Permit #: \_\_\_\_\_

SWD    Permit #: \_\_\_\_\_

ENHR    Permit #: \_\_\_\_\_

GSW    Permit #: \_\_\_\_\_

8/13/10    8/20/10

Spud Date or    Date Reached TD    Completion Date or  
Recompletion Date    Recompletion Date

API No. 15 - 163-23884-00-00

Spot Description: \_\_\_\_\_

S/2 SW SE NW Sec. 22 Twp. 8 S. R. 18  East  West

2,500 Feet from  North /  South Line of Section

1,650 Feet from  East /  West Line of Section

Footages Calculated from Nearest Outside Section Corner:

- NE     NW     SE     SW

County: Rooks

Lease Name: Kriley Well #: 1

Field Name: Harmony Hill

Producing Formation: \_\_\_\_\_

Elevation: Ground: 1963 Kelly Bushing: 1971

Total Depth: 3397 Plug Back Total Depth: 3397

Amount of Surface Pipe Set and Cemented at: 215 Feet

Multiple Stage Cementing Collar Used?  Yes  No

If yes, show depth set: \_\_\_\_\_ Feet

If Alternate II completion, cement circulated from: TD

feet depth to: surface w/ 370 sx cmt.

**Drilling Fluid Management Plan**

(Data must be collected from the Reserve Pit)

Chloride content: 50,000 ppm Fluid volume: 20 bbls

Dewatering method used: \_\_\_\_\_

Location of fluid disposal if hauled offsite: \_\_\_\_\_

Operator Name: RGN

Lease Name: Albright #1 License #: 33007

Quarter \_\_\_\_\_ Sec. 36 Twp. 7 S. R. 18  East  West

County: Rooks Permit #: 21754

**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.

**AFFIDAVIT**

I am the affiant and I hereby certify that 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: President Date: 11/2/10

**KCC Office Use ONLY**

Letter of Confidentiality Received

Date: \_\_\_\_\_

Confidential Release Date: \_\_\_\_\_

Wireline Log Received

Geologist Report Received

UIC Distribution

ALT  I  II  III Approved by: DIG Date: 11/9/10

Operator Name: Castle Resources Inc. Lease Name: Kriley Well #: 1  
 Sec. 22 Twp. 8 S. R. 18  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 complete copy of all Electric Wire-line Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i>  Samples Sent to Geological Survey <input type="checkbox"/> Yes <input 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 Electric Log Submitted Electronically <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(If no, Submit Copy)</i>  List All E. Logs Run: Gamma Ray Neutron Correlation Log Micro Log Temperature Log Dual Receiver Cement Bond Log	<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>Anhydrite</td> <td>1332-66</td> <td>+639</td> </tr> <tr> <td>Topeka</td> <td>2879</td> <td>-908</td> </tr> <tr> <td>Heebner</td> <td>3087</td> <td>-1116</td> </tr> <tr> <td>Toronto</td> <td>3112</td> <td>-1141</td> </tr> <tr> <td>L-KC</td> <td>3130</td> <td>-1159</td> </tr> <tr> <td>BKC</td> <td>3347</td> <td>-1376</td> </tr> <tr> <td>Arbuckle</td> <td>3378</td> <td>-1407</td> </tr> </table>	Name	Top	Datum	Anhydrite	1332-66	+639	Topeka	2879	-908	Heebner	3087	-1116	Toronto	3112	-1141	L-KC	3130	-1159	BKC	3347	-1376	Arbuckle	3378	-1407
Name	Top	Datum																							
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BKC	3347	-1376																							
Arbuckle	3378	-1407																							

CASING RECORD <input type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
surface	12 1/4"	8 5/8"	20#	215'	common	150	2%gel 3%CC
production		5 1/2"		3384	midcon	185	Flocele

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
	3384-3400 openhole	1600 gallons 12% HCL	
4	3322,3297,3266, 3204-08,3160-70, 3130-31	3000 gallons 15% HCL	

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TUBING RECORD: Size: <u>2 7/8</u> Set At: <u>3306</u> Packer At: _____		Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or ENHR. _____		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>40</u>	Gas Mcf _____ Water Bbls. <u>40</u> Gas-Oil Ratio _____ Gravity _____

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input checked="" type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5)</i> <i>(Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: <u>3130 - 3400</u>
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CHARGE TO:  
**Castle Resources**  
 ADDRESS  
 CITY, STATE, ZIP CODE

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TICKET  
 18241


PAGE 1 OF 2

SERVICE LOCATIONS 1. <b>Hays, Ks</b>	WELL/PROJECT NO. <b>#1</b>	LEASE <b>Kriley</b>	COUNTY/PARISH <b>Rooks</b>	STATE <b>Ks</b>	CITY	DATE <b>8-19-10</b>	OWNER
2. <b>Ness City, Ks</b>	TICKET TYPE <input checked="" type="checkbox"/> SERVICE <input type="checkbox"/> SALES	CONTRACTOR <b>Vision Drllg</b>	RIG NAME/NO. <b>#17</b>	SHIPPED VIA <b>CT</b>	DELIVERED TO <b>Nw/Plainville, Ks</b>	ORDER NO.	
3.	WELL TYPE <b>Oil</b>	WELL CATEGORY <b>Pool Ext.</b>	JOB PURPOSE <b>Cement Longstring</b>	WELL PERMIT NO.	WELL LOCATION		
4.	REFERRAL LOCATION	INVOICE INSTRUCTIONS					

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			DESCRIPTION	QTY.		U/M		UNIT PRICE	AMOUNT
		LOC	ACCT	DF							
575		1			MILEAGE #111	30	mi			500	150.00
578		1			Pump Charge - cement Longstring	1	ea	3357	ft.	1400.00	1400.00
221		1			Liquid KCL	4	gal			25.00	100.00
281		1			Mud flush	500	gal			1.00	500.00
290		1			D-Air	4	gal			35.00	140.00
402		1			Centralizers	7	ea	5 1/2	IN	55.00	385.00
403		1			Cmt. Baskets	3	ea	5 1/2	IN	200.00	600.00
406		1			LD- Plug & Baffle	1	ea	5 1/2	IN	225.00	225.00
407		1			Insert Float shoe w/ Auto. Fill	1	ea	5 1/2	IN	275.00	275.00

**LEGAL TERMS:** Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, **PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY** provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

X 


DATE SIGNED **8-19-10** TIME SIGNED  A.M.  P.M.

REMIT PAYMENT TO:

SWIFT SERVICES, INC.  
 P.O. BOX 466  
 NESS CITY, KS 67560  
 785-798-2300

SURVEY	AGREE	UN-DECIDED	DIS-AGREE	P.1 PAGE TOTAL	3775.00
OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?				P.2	6322.61
WE UNDERSTOOD AND MET YOUR NEEDS?				Subtotal	10097.61
OUR SERVICE WAS PERFORMED WITHOUT DELAY?				Rooks TAX @ 6.3%	474.64
WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?				TOTAL	10,572.25
ARE YOU SATISFIED WITH OUR SERVICE?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO				
<input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND					

CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES The customer hereby acknowledges receipt of the materials and services listed on this ticket.

SWIFT OPERATOR  APPROVAL

Thank You!



PO Box 466  
Ness City, KS 67560  
Off: 785-798-2300

TICKET CONTINUATION

TICKET No. 18241

CUSTOMER Castle Resources WELL #1 Kriley DATE 8-19-10 PAGE 2 OF 2

PRICE REFERENCE	SECONDARY REFERENCE/ PART NUMBER	ACCOUNTING			TIME	DESCRIPTION	QTY.		UM.		UNIT PRICE	AMOUNT	
		LOC	ACCT	DF									
325		2				Standard Cement	150	sk	1410	lbs	12.00	1800.00	
276		2				Flocele	38	lbs			1.50	57.00	
283		2				Salt RECEIVED	750	lbs			.15	112.50	
284		2				Calsal NOV 04 2010	705	lbs	7	sk	30.00	210.00	
285		2				CFR-1 KCC WICHITA	71	lbs			4.00	284.00	
330		2				SMD - Cement	185	sk	18363	lbs	15.00	2775.00	
276		2				Flocele	47	lbs			1.50	70.50	
581		2				SERVICE CHARGE Cement			335	sk	1.50	502.50	
583		2				MILEAGE CHARGE	34074	lbs	30	LOADED MILES	511.11 TM	1.00	511.11

CONTINUATION TOTAL 6322.61

JOB LOG

SWIFT Services, Inc.

DATE 8-19-10 PAGE NO. 1

CUSTOMER Castle Resources WELL NO. #1 LEASE Kriley JOB TYPE Cement Longstring TICKET NO. 18241

CHART NO.	TIME	RATE (BPM)	VOLUME (BBL) (GAL)	PUMPS		PRESSURE (PSI)		TD 3397'	DESCRIPTION OF OPERATION AND MATERIALS
				T	C	TUBING	CASING		
	0620								On location w/ F.E. Rig LD-DP.
	0830								Rig finish LD-DP - Rig over to run 5 1/2 15.5#/ft casing to 3387'
	1010								Start running casing Insert float shoe w/ Auto-Rid L.D. Baffle 55-17'
									Cent - 1-3-6-9-15-47-100 Cmf Baskets - JT# 16-48-61
	1145								Fin run casing - Tag bottom Set 10' off bottom - 20' in Derrick
	1215								Rig start cir casing Set up TKS
	1300		7						Fin cir - Plus RH 30 SKS SMD @ 13#
		5	20				150		Pump 20 BBI KCL Flush
		6	85				200		Pump 155 SKS SMD emt.
		5	40				150		Pump 40 BBI Mud Spacer
		5	12				100		Pump 500 gal Mud Flush
		4	20				150		Pump 20 BBI KCL Flush
		5	36				150		Mix + Pump 150 SKS EA-2 emt
	1350						0		Fin emt. Wash Pump & Lines
	1355	6 1/2					100		Drop <sup>LD</sup> Plug - Start Displ
	1410		80 1/2				<del>100</del> 1300		Plug Down - Hold - Release & Hold Wash up & Pack up 70 SKS SMD CIR to Pt
	1430								Job Complete

Thanks  
Dan, Josh & Lane

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# ALLIED CEMENTING CO., LLC. 001740

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

SERVICE POINT:

DATE <u>8-13-10</u>	SEC. <u>32</u>	TWP. <u>1</u>	RANGE <u>14</u>	CALLED OUT	ON LOCATION	JOB START <u>1:30 am</u>	JOB FINISH <u>2:00 am</u>
LEASE <u>1/10/10</u>		WELL # <u>1</u>	LOCATION <u>1/10/10</u>			COUNTY <u>AND</u>	STATE <u>KAN</u>
OLD OR <u>NEW</u> (Circle one)							

CONTRACTOR Wichita Cementing Co. #19

TYPE OF JOB \_\_\_\_\_

HOLE SIZE \_\_\_\_\_ T.D. \_\_\_\_\_

CASING SIZE \_\_\_\_\_ DEPTH 214

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

DRILL PIPE \_\_\_\_\_ DEPTH \_\_\_\_\_

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

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

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

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

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

DISPLACEMENT 122/100

OWNER \_\_\_\_\_

CEMENT AMOUNT ORDERED 15/10/10

\_\_\_\_\_

\_\_\_\_\_

EQUIPMENT

PUMP TRUCK CEMENTER \_\_\_\_\_

# \_\_\_\_\_ HELPER \_\_\_\_\_

BULK TRUCK DRIVER Rick

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

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

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

COMMON \_\_\_\_\_ @ \_\_\_\_\_

POZMIX \_\_\_\_\_ @ \_\_\_\_\_

GEL \_\_\_\_\_ @ \_\_\_\_\_

CHLORIDE \_\_\_\_\_ @ \_\_\_\_\_

ASC \_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

HANDLING \_\_\_\_\_ @ \_\_\_\_\_

MILEAGE \_\_\_\_\_ @ \_\_\_\_\_

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REMARKS:

915 87 500, Site 214

1/10/10

1/10/10

1/10/10

1/10/10

SERVICE

DEPTH OF JOB \_\_\_\_\_

PUMP TRUCK CHARGE \_\_\_\_\_

EXTRA FOOTAGE \_\_\_\_\_ @ \_\_\_\_\_

MILEAGE \_\_\_\_\_ @ \_\_\_\_\_

MANIFOLD \_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

CHARGE TO: Wichita Cementing Co. Inc.

STREET \_\_\_\_\_

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

TOTAL \_\_\_\_\_

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 Tellor

SIGNATURE [Signature]

Bl. 888-335-06  
225

CLIFF  
801-455-6292

# 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.