

ORIGINAL NEW ACOI IN LIEU OF CORRECTING ORIG.
 Form ACO-1 2008
 October 2008 10/26/08
 Form Must Be Typed
 10/23/10
 VLL
 NW

CONFIDENTIAL

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
 WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 8628
 Name: Credo Petroleum Corporation
 Address 1: 1801 Broadway, Suite 900
 Address 2: _____
 City: DENVER State: CO Zip: 80202 + _____
 Contact Person: Jack Renfro
 Phone: (303) 297-2200
 CONTRACTOR: License # 33905
 Name: Royal Drilling
 Wellsite Geologist: Jim Musgrove **CONFIDENTIAL**
 Purchaser: _____ **OCT 23 2009**
 Designate Type of Completion:
 New Well _____ Re-Entry _____ **WCC**
 Oil _____ SWD _____ SIOW _____
 Gas _____ ENHR _____ SIGW _____
 CM (Coal Bed Methane) _____ Temp. Abd. _____
 Dry _____ Other _____
 (Core, WSW, Expl., Cathodic, etc.)
 If Workover/Re-entry: Old Well Info as follows:
 Operator: _____
 Well Name: _____
 Original Comp. Date: _____ Original Total Depth: _____
 _____ Deepening _____ Re-perf. _____ Conv. to Enhr. _____ Conv. to SWD _____
 _____ Plug Back: _____ Plug Back Total Depth _____
 _____ Commingled _____ Docket No.: _____
 _____ Dual Completion _____ Docket No.: _____
 _____ Other (SWD or Enhr.?) _____ Docket No.: _____

<u>9/19/2009</u>	<u>9/24/2009</u>	<u>9/24/2009</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

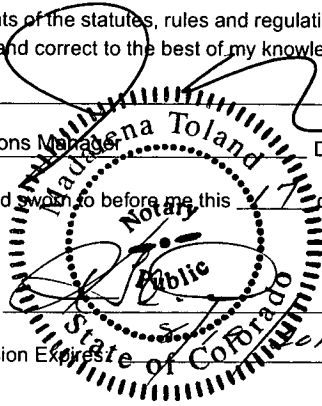
API No. 15 - 009-25342-00-00
 Spot Description: _____
SE NW SE NE Sec. 9 Twp. 19 S. R. 11 East West
1800 Feet from North / South Line of Section
850 Feet from East / West Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
 County: Barton
 Lease Name: Klepper CPC Well #: 2-9
 Field Name: AHRENS NORTH
 Producing Formation: _____
 Elevation: Ground: 1764 Kelly Bushing: 1771
 Total Depth: 3400 Plug Back Total Depth: _____
 Amount of Surface Pipe Set and Cemented at: 262 Feet
 Multiple Stage Cementing Collar Used? Yes No
 If yes, show depth set: _____ Feet
 If Alternate II completion, cement circulated from: _____
 feet depth to: _____ w/ _____ sx cmt.

Drilling Fluid Management Plan **PANS 12/14/09**
 (Data must be collected from the Reserve Pit)
 Chloride content: 37000 ppm Fluid volume: 1000 bbls
 Dewatering method used: Evaporation/backfill
 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: 11/17/2009
 Subscribed and sworn to before me this 17 day of November,
2009
 Notary Public: _____
 Date Commission Expires: _____



KCC Office Use ONLY

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

RECEIVED
NOV 20 2009

KCC WICHITA

Operator Name: Credo Petroleum Corporation Lease Name: Klepper 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 <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: DUAL INDUCTION, DUAL POROSITY, MICRORESISTIVITY, SONIC	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:70%;">Name</td> <td style="width:15%;">Top</td> <td style="width:15%;">Datum</td> </tr> <tr> <td>ANHYDRITE</td> <td>560</td> <td>+1211</td> </tr> <tr> <td>TOPEKA</td> <td>2658</td> <td>-887</td> </tr> <tr> <td>LANSING</td> <td>3063</td> <td>-1292</td> </tr> <tr> <td>BKC</td> <td>3312</td> <td>-1541</td> </tr> </table>	Name	Top	Datum	ANHYDRITE	560	+1211	TOPEKA	2658	-887	LANSING	3063	-1292	BKC	3312	-1541
Name	Top	Datum														
ANHYDRITE	560	+1211														
TOPEKA	2658	-887														
LANSING	3063	-1292														
BKC	3312	-1541														

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
SURFACE	12-1/4"	8.5/8" CONFIDENTIAL	24	262	COMMON	175	3%GEL, 6%CaCl
OCT 28 2009							
KCC							

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

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record <i>(Amount and Kind of Material Used)</i>	Depth
		RECEIVED NOV 20 2009 KCC WICHITA	

TUBING RECORD: Size: _____ Set At: _____ Packer At: _____		Liner Run: <input type="checkbox"/> Yes <input type="checkbox"/> No	
Date of First, Resumed Production, SWD or Enhr. _____		Producing Method: <input type="checkbox"/> Flowing <input 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

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
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KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
 WELL HISTORY - DESCRIPTION OF WELL & LEASE

KCC
 10/22/09

OPERATOR: License # 8628
 Name: Credo Petroleum Corporation
 Address 1: 1801 Broadway, Suite 900
 Address 2: _____
 City: Denver State: CO Zip: 80202 + 3 8 5 8
 Contact Person: Jack Renfro
 Phone: (303) 297-2200

CONTRACTOR: License # 33905
 Name: Royal Drilling, Inc.
 Wellsite Geologist: Jim Musgrove
 Purchaser: _____
 Designate Type of Completion:
 New Well Re-Entry Workover
 Oil SWD SLOW
 Gas ENHR SIGW
 CM (Coal Bed Methane) Temp. Abd.
 Dry Other _____
 (Core. WSW-Expl., Cathodic, etc.)

If Workover/Re-entry: Old Well Info as follows: OCT 28 2009
 Operator: _____
 Well Name: _____
 Original Comp. Date: _____ Original Total Depth: _____
 Deepening Re-perf. Conv. to Enhr. Conv. to SWD
 Plug Back: _____ Plug Back Total Depth _____
 Commingled Docket No.: _____
 Dual Completion Docket No.: _____
 Other (SWD or Enhr.?) Docket No.: _____
9/19/2009 9/24/2009 9/24/2009
 Spud Date or Recompletion Date Date Reached TD Completion Date or Recompletion Date

API No. 15 - 009-25342-00-00
 Spot Description: _____
 SE NW SE NE Sec. 9 Twp. 19 S. R. 11 East West
1800 Feet from North / South Line of Section
850 Feet from East / West Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
 County: Barton
 Lease Name: Klepper CPC Well #: 2-9
 Field Name: Ahrens North
 Producing Formation: _____
 Elevation: Ground: 1764' Kelly Bushing: 1771'
 Total Depth: 3400 Plug Back Total Depth: _____
 Amount of Surface Pipe Set and Cemented at: 262 Feet
 Multiple Stage Cementing Collar Used? Yes No
 If yes, show depth set: _____ Feet
 If Alternate II completion, cement circulated from: _____
 feet depth to: _____ w/ _____ sx cmt.

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 OCT 20 2009
 KCC WICHITA

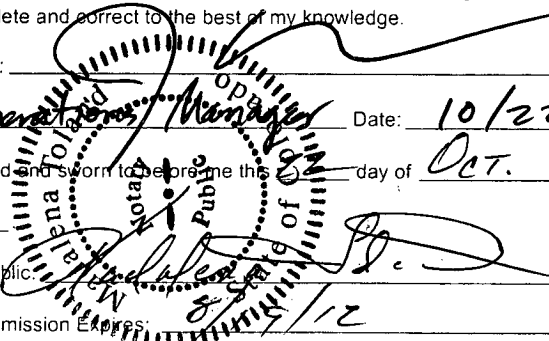
CONFIDENTIAL

Drilling Fluid Management Plan
 (Data must be collected from the Reserve Pit)
 Chloride content: 37000 ppm Fluid volume: 1000 bbls
 Dewatering method used: Allow to dry and backfill
 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: 10/22/09
 Subscribed and sworn to before me this 20 day of OCT.
 20 09
 Notary Public: _____
 Date Commission Expires: _____



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

RECEIVED
 OCT 26 2009
 KCC WICHITA

ORIGINAL - 187
REC'D
KCC
m

Operator Name: Credo Petroleum Corporation Lease Name: Klepper 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 (Attach Additional Sheets)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Name	Top Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<u>Andysrite</u>	<u>560</u> <u>+1211</u>
Electric Log Run (Submit Copy)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<u>Tepeka</u>	<u>2658</u> <u>-867 - 887</u>
List All E. Logs Run:	<u>Dual Induc.</u> <u>Dual Porosity</u> <u>Microres.</u> <u>Sonic</u>	<u>Lansing</u>	<u>3063</u> <u>-1292</u>
		<u>BKC</u>	<u>3312</u> <u>-1541</u>

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
<u>Surface</u>	<u>12 1/4"</u>	<u>8 7/8"</u>	<u>24</u>	<u>262</u>	<u>Comm.</u>	<u>175</u>	<u>30% Gel</u> <u>W/Pa CACL</u>
CONFIDENTIAL							

ADDITIONAL CEMENTING / SQUEEZE RECORD OCT 23 2009				
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				<u>KCC</u>

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

TUBING RECORD:	Size:	Set At:	Backer Run:	Liner Run:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Date of First, Resumed Production, SWD or Enhr.		Producing Method:			
		<input type="checkbox"/> Flowing <input 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

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease (If vented, Submit ACO-18.)	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
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ALLIED CEMENTING CO., LLC. 037555

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

SERVICE POINT:
~~D. G. B.~~ **G. B.**

DATE 9-19-09	SEC. 9	TWP. 19	RANGE 11	CALLED OUT	ON LOCATION	JOB START 9:00 PM	JOB FINISH 9:30 PM
LEASE Klepper		WELL # 2-9		LOCATION ELLINWOOD E TO RD 130		COUNTY BARTON	STATE KANSAS
OLD OR <u>NEW</u> (Circle one)				5N 1/8 W 1/4 N INTO			

CONTRACTOR **Royal Dalg. Rig # 2**

TYPE OF JOB **Surface**

HOLE SIZE **12 1/4** T.D. **262**

CASING SIZE **8 5/8 New** DEPTH **262**

TUBING SIZE **2 1/2 #CSG** DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT **42.12**

CEMENT LEFT IN CSG. **42.12**

PERFS.

DISPLACEMENT **14 / BBL**

OWNER

CEMENT

AMOUNT ORDERED **175 sx Com**

2% GEL

3% CC

COMMON	175	@	13.50	2362.50
POZMIX		@		
GEL	3	@	20.25	60.75
CHLORIDE	6	@	51.50	309.00
ASC		@		

EQUIPMENT **CONFIDENTIAL**

OCT 23 2009

RECEIVED

PUMP TRUCK CEMENTER **Galen**

181 HELPER **Galen**

BULK TRUCK

344 DRIVER **ALVIN**

BULK TRUCK

DRIVER

KCC

OCT 26 2009

KCC WICHITA

HANDLING	87	@	2.25	195.75
MILEAGE	10/5/5/mile			300.00
TOTAL				3228.00

REMARKS:

*Cement Circulated
to Surface*

THANKS

CHARGE TO: **Creo Petroleum Corporation**

STREET _____

CITY _____ STATE _____ ZIP _____

SERVICE

DEPTH OF JOB				
PUMP TRUCK CHARGE				991.00
EXTRA FOOTAGE		@		
MILEAGE	14	@	7.00	98.00
MANIFOLD yes		@		
		@		
TOTAL				1089.00

85/B PLUG & FLOAT EQUIPMENT

3 - Centralizers	49.00		147.00	
1 - Baffle Plate		@	183.00	
1 - Woodon Plug		@	66.00	
Texas Shoe		@	307.00	
		@		
		@		
TOTAL				703.00

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 **Lee Brock**

SIGNATURE *Lee Brock*

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. 038497

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

SERVICE POINT: GREAT BEND
9-25-09

DATE <u>9-24-09</u>	SEC. <u>09</u>	TWP. <u>19s</u>	RANGE <u>11w</u>	CALLED OUT <u>7:00 PM</u>	ON LOCATION <u>9:30 PM</u>	JOB START	JOB FINISH <u>12:30 AM</u>
LEASE <u>KEPPER CPC</u>		WELL # <u>2-9</u>		LOCATION <u>ELLENWOOD NORTH</u>		COUNTY <u>BARTON</u>	STATE <u>KANSAS</u>
OLD OR <u>NEW</u> (Circle one)				<u>EAST, NORTH, W/S</u>			

CONTRACTOR ROYAL DRUG #
 TYPE OF JOB ROTARY AUG
 HOLE SIZE 7 7/8" T.D. 3400'
 CASING SIZE 8 5/8" DEPTH
 TUBING SIZE DEPTH
 DRILL PIPE 4 1/2" 16.6# DEPTH 1745'
 TOOL DEPTH
 PRES. MAX MINIMUM
 MEAS. LINE SHOE JOINT
 CEMENT LEFT IN CSG.
 PERFS.
 DISPLACEMENT BBlg

OWNER CREDO PETROLEUM CORP
 CEMENT
 AMOUNT ORDERED
245 SACKS 60:40:4 + 1/4# FLO-SEAL
USED 220 SACKS

EQUIPMENT
 PUMP TRUCK CEMENTER KEVIN B
 # 181 HELPER GAIEN D.
 BULK TRUCK
 # 260 DRIVER ALVIN R.
 BULK TRUCK
 # DRIVER

COMMON A	<u>132</u>	@	<u>13.50</u>	<u>1782.00</u>
POZMIX	<u>88</u>	@	<u>7.55</u>	<u>664.40</u>
GEL	<u>8</u>	@	<u>20.25</u>	<u>162.00</u>
CHLORIDE		@		
ASC		@		
FLO-SEAL SS#		@	<u>2.45</u>	<u>134.75</u>
HANDLING	<u>255</u>	@	<u>2.25</u>	<u>573.75</u>
MILEAGE	<u>255 X</u>		<u>.10</u>	
TOTAL				

REMARKS:

100 SX - 1745'
25 SX - 585'
40 SX - 310'
10 SX - 40' CONFIDENTIAL
30 SX - RATHOLE
15 SX - MOUSE HOLE
 OCT 23 2009
 KCC

CHARGE TO: CREDO PETROLEUM CORP.
 STREET 1801 BROADWAY, #900
 CITY DENVER STATE COLO ZIP 80202

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 Brock
 SIGNATURE [Signature]

SERVICE

DEPTH OF JOB	<u>1745'</u>		
PUMP TRUCK CHARGE			<u>990.00</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>14</u>	@	<u>7.00</u>
MANIFOLD		@	
TOTAL			

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 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.