

STATE CORPORATION COMMISSION OF KANSAS
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
ACD-1 WELL HISTORY
DESCRIPTION OF WELL AND LEASE

Operator: License # 6194Name: ESP Development, Inc.Address 17746 17th St Blvd.City/State/Zip Paradise, KS 67658Purchaser: KOCH Oil Co.Operator Contact Person: Bud EulertPhone (913) 998-4413Contractor: Name: Vonfeldt Drilling CompanyLicense: 9431Wellsite Geologist: Randall Kilian

Designate Type of Completion

☒ New Well ☐ Re-Entry ☐ Workover☒ Oil ☐ SWD ☐ SOW ☐ Temp. Abd.☐ Gas ☐ ENHR ☐ SIGW☐ Dry ☐ Other (Core, WSW, Expl., Cathodic, etc)

If Workover/Re-Entry: old well info as follows:

Operator: Well Name: Comp. Date Old Total Depth ☐ Deepening ☐ Re-perf. ☐ Conv. to Inj/SWD☐ Plug Back ☐ PBTD☐ Commingled ☐ Docket No. ☐ Dual Completion ☐ Docket No. ☐ Other (SWD or Inj?) Docket No. Spud Date 10/26/94 Date Reached TD 11/1/94 Completion Date 11-15-94API NO. 15- 051-24883-00-00 **ORIGINAL**County EllisC N/2 NE NW Sec. 5 Twp. 13S Rge. 16 X E W4950 Feet from (SW) (circle one) Line of Section3300 Feet from (EW) (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

NE, (SE) NW or SW (circle one)Lease Name Emmeran A Well # 1Field Name WindholzProducing Formation Arbuckle / LKCElevation: Ground 2016' KB 2021'Total Depth 3538' PBTD 3506Amount of Surface Pipe Set and Cemented at 209 FeetMultiple Stage Cementing Collar Used? ☐ Yes ☒ NoIf yes, show depth set FeetIf Alternate II completion, cement circulated from 1145feet depth to surface w/ 260 sx cmt.Drilling Fluid Management Plan ART II DPW
(Data must be collected from the Reserve Pit) 12-12-95Chloride content 55,000 ppm Fluid Volume 300 bblsDewatering method used Left to dryLocation of fluid disposal if hauled offsite: Operator Name STATE CORPORATION COMMISSIONLease Name License No. Quarter Sec. S Rng. E/W County Wichita, Kansas Docket No.

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 200 Colorado Derby Building, 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 on 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 Bud EulertTitle President Date 9-22-95Subscribed and sworn to before me this 22nd day of Sept. 19 95.Notary Public Donna SuperDate Commission Expires 2/9/97

K.C.C. OFFICE USE ONLY		
F	<input type="checkbox"/>	Letter of Confidentiality Attached
C	<input checked="" type="checkbox"/>	Wireline Log Received
C	<input checked="" type="checkbox"/>	Geologist Report Received
Distribution		
<input checked="" type="checkbox"/>	KCC	<input type="checkbox"/> SWD/Rep
<input type="checkbox"/>	KGS	<input type="checkbox"/> Plug
		<input type="checkbox"/> XGPA
		<input type="checkbox"/> Other
		(Specify)

Operator Name ESP Development Inc.Lease Name Emmeran AWell # 1Sec. 5 Twp. 13 Rge. 16☐ EastCounty ELLIS☒ West

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all drill stem 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 during test. Attach extra sheet if more space is needed. Attach copy of log.

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 Datums	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Name	Top	Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Anhydrite	1164	+857
Electric Log Run (Submit Copy.)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Base Anhyd.	1204	+811
List All E.Logs Run:	Logs by E.L.I.	Topeka	2960	-930
	Radiation Guard w/ Calip.	Heebner shale	3202	-1181
	Correlation Log	Toronto	3226	-1205
		Lansing	3251	-1233
		Base KC	3488	-1467
		Pleas.	3493	-1483
		Arbuckle	3504	-1483
		R.T.D.	3537	-1516

CASING RECORD

☐ New ☒ 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 $\frac{1}{4}$	8 5/8	20#	209 *	60/40 Poz	140	2% gel 3% cc
Production	7 7/8	4 $\frac{1}{2}$	10 $\frac{1}{4}$ #	3530 *	ASC	150	

ADDITIONAL CEMENTING/SQUEEZE RECORD

Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate				
<input checked="" type="checkbox"/> Protect Casing	1145 to surface	60/40 Poz	250	8% gel
<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
1 shot @ 3436	1 shot @ 3419	1 shot @ 3387
5 shots @ 3436-40	5 shts 3418-20	
1 sht @ 3346-3339-3325-3296	Set Ret. BP @ 3360.	
5 shts @ 3346-50, 3338-42, 3323-27, 3295-99.		
		Treat 750 Gal. 15% Non-E
		Retreat 1500 Gal 15% Non-E w/ perf balls
		Treat w/ 250 Gal 15% Non-E
		Retreat 1000 Gal 15% w/ perf balls.
		Pulled plug, test. Swab 5.2 Bls. per hr
		55% oil. POP.

TUBING RECORD	Size <u>2 3/8</u>	Set At <u>3527</u>	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or Inj.	<u>1-1-1995 First</u>	Producing Method	<input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)	
Estimated Production Per 24 Hours	Oil <u>14</u> Bbls.	Gas <u>0</u> Mcf	Water <u>2</u> Bbls.	Gas-Oil Ratio <u>34</u>

Disposition of Gas:

METHOD OF COMPLETION

☐ Vented ☐ Sold ☐ Used on Lease
(If vented, submit ACO-18.)

☐ Open Hole ☒ Perf. ☐ Dually Comp. ☐ Commingled
☐ Other (Specify) _____
Production Interval
3295-3440

DRILL STEM TESTS

NO	INTERVAL	IFT/TIME	ISIP/TIME	FFP/TIME	FSIP/TIME	IHP/FHP	RECOVERY
1	LKc. 3299- 3358'	38# 48# 30"	460# 30"	57# 57# 45"	537# 60"	1774# 1705#	150' G.T.P. 100' H,O,&G,C,Mud
2	LKc. 3377- 3468'	67# 67# 30"	96# 30"	67# 67# 45"	86# 45"	1872# 1823#	30' S1, O,&G,C,Mud
3							ORIGINAL
4							
5							
6							
7							
8							

API#15-051-24883-
00-00

RECEIVED
STATE CORPORATION COMMISSION

SEP 27 1995

CONSERVATION DIVISION
Wichita, Kansas

DRILLERS WELL LOG

DATE COMMENCED: October 26, 1994
DATE COMPLETED: November 1, 1994

API # 15-051-24883-00-00

ESP Development, Inc.
EMMERAN A #1
C N/2 NE NW
Sec. 5-13S-16W
Ellis County, Kansas

ELEVATION: 2016' G.L.
2021' K.B.

0 - 365' Shale
365 - 1065' Shale, Red bed
1065 - 1148' Red bed, Lime, Shale
1148 - 1208' Anhydrite
1208 - 1500' Shale
1500 - 1980' Shale, Lime
1980 - 2685' Shale, Lime
2685 - 3200' Lime
3200 - 3370' Shale
3370 - 3538' Shale, Lime
3538 - R.T.D.

ORIGINAL

FORMATION DATA

Anhydrite	1168'
Base Anhydrite	1208'
Topeka	2960'
Heebner	3201'
Toronto	3224'
L.K.C.	3252'
Base K.C.	3488'
Arbuckle	3503'
R.T.D.	3538'

SURFACE PIPE: Set Used 20#
8 5/8" pipe at 209' with
140 sacks 60/40 poz., 2% gel,
3% cc.

PRODUCTION PIPE: Set Used 10 1/2#
4 1/2" pipe at 3527' with 150
sacks 60/40 poz. ASC.

RECEIVED
STATE CORPORATION COMMISSION

SEP 27 1995

CONSERVATION DIVISION
Wichita, Kansas

A F F I D A V I T

STATE OF KANSAS
COUNTY OF RUSSELL) ss

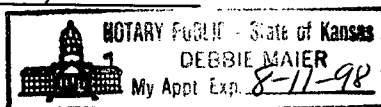
Alan Vonfeldt of lawful age, does swear and state that the facts and statements herein are true and correct to the best of his knowledge.

Alan Vonfeldt
Alan Vonfeldt

Subscribed and sworn to before me this 9th day of November, 1994.

My Comm. Expires:

August 11, 1998



Debbie Maier
Debbie Maier, Notary Public

Phone 913-483-2627, Russell, Kansas

Phone Plainville 913-434-2812

Phone 316-793-5861, Great Bend, Kansas

Phone Ness City 913-798-3843

15-051-24883-00-00

ALLIED CEMENTING CO., INC.

4075

Home Office P. O. Box 31

Russell, Kansas 67665

Date	10-26-94	Sec.		Range		Called Out	9:30 AM	On Location	11:15 AM	Job Start	11:50 AM	Finish	12:15 PM
Lease	Conroy	Well No.	A-1	Location	Victoria	County	BN 1E	State	200E				
Contractor	Vandell Doby												
Type Job	Surface												
Hole Size	12 1/4	T.D.	215										
Csg.	8 5/8	Depth	209										
Tbg. Size		Depth											
Drill Pipe		Depth											
Tool		Depth											
Cement Left in Csg.	10	Shoe Joint											
Press Max.		Minimum											
Meas Line		Displace											
Perf.													

Owner Same

To Allied Cementing Co., Inc.
You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.

Charge To ESP Development

Street

City State

The above was done to satisfaction and supervision of owner agent or contractor.

Purchase Order No.

X Harry P. Krum

CEMENT

Amount Ordered 140 6 1/4 3 3/4 1 2 3/4 bel

Consisting of

Common

Poz. Mix

Gel.

Chloride

Quickset

Sales Tax

Handling

Mileage

RECEIVED
STATE CORPORATION COMMISSION

SEP 27 1995 Sub Total

CONSERVATION DIVISION
Wichita Kansas

Total

Floating Equipment

Pumptrk	No.	Cementor	R. Davis
	221	Helper	
Pumptrk	No.	Cementor	
		Helper	
		Driver	
Bulktrk	213		
Bulktrk		Driver	

DEPTH of Job

Reference:		430.00
	8 5/8 Plug	43.00
	225 Per Mite	
	Sub Total	
	Tax	
	Total	

Remarks:

Correct ✓

Thank You

Phone 913-483-2627, Russell, Kansas
Phone 316-793-5861, Great Bend, Kansas

15-051-24883-00-00

Phone Plainville 913-434-2812
Phone Ness City 913-798-3843

ALLIED CEMENTING CO., INC.

Home Office P. O. Box 31

Russell, Kansas 67665

3869

New

Date	Sec.	Fwp.	Range	Called Out	On Location	Job Start	Finish
11-1-94	5	13	16				6 PM
Lease	Emergon		Well No.	Location		County	State
	A-1		Emergon Church 1/2 E		Ellis	Kan	
Contractor				Owner			
Vanfeldt Dalg				To Allied Cementing Co., Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.			
Type Job				Charge To			
Prod String				ESP Development			
Hole Size		T.D.		Street			
7 7/8		3538'		R.R. #1, Box 18			
Csg.		Depth		City			
4 1/2				Paradise State Kan 67658			
Tbg. Size		Depth		The above was done to satisfaction and supervision of owner agent or contractor.			
				Purchase Order No.			
Drill Pipe		Depth		Charley Farr			
Tool Baker Port Collar		Depth		CEMENT ORIGINAL			
		1170'					
Cement Left in Csg.		Shoe Joint		Amount Ordered			
		19.80		150 ASC			
Press Max.		Minimum		Consisting of			
				Common 150 ASC 750 1125.00			
Meas Line		Displace		Poz. Mix			
				Gel.			
Perf.				Chloride			
				Quickset			
EQUIPMENT				Sales Tax			
No.	Cementor	McAdoo		Handling			
Pumptrk 177	Helper	Will		100 150.00			
No.	Cementor			Mileage 16 mi 04 96.00			
Pumptrk	Helper			RECEIVED STATE CORPORATION COMMISSION SEP 27 1995 Sub Total 1371.00			
	Driver	Paul		Total			
Bulktrk				Floating Equipment			
Bulktrk	Driver			Guide shoe \$ 109.00			
DEPTH of Job				Insert 169.00			
Reference:	Pump Truck	980.00		5 Cent 265.00			
	Plug	33.00		1 Basket 113.00			
	235 Per mile	36.00		\$ 656.00			
	Sub Total	1049.00					
	Tax						
	Total						
Remarks:							

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "Allied" shall mean Allied Cementing Co., Inc., 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.

Phone 913-283-2627, Russell, KS
Phone 316-793-5861, Great Bend, KS

15-051-24883-00-00
Phone 913-625-5516, Hays, KS
Phone 913-672-3471, Oakley, KS

Phone 316-886-5926, Medicine Lodge, KS
Phone 913-798-3843, Ness City, KS

ALLIED CEMENTING CO., INC.

7902

Home Office P. O. Box 31

Russell, Kansas 67665

New

Date	Sec.	Twp.	Range	Called Out	On Location	Job Start	Finish
11-17-94	5	13	16		930AM	1030AM	2PM
Lease Emmeran	Well No. A-1	Location Emmeran Church SE	County Ellis	State Kan			
Contractor				Owner			
Type Job Port Collor				To Allied Cementing Co., Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.			
Hole Size		T.D.					
Csg. 4 1/2	Depth 3506'						
Tbg. Size 2"	Depth 1145'						
Drill Pipe		Depth					
Tool Baker		Depth 1145'					
Cement Left in Csg.		Shoe Joint					
Press Max.		Minimum					
Meas Line		Displace					
Perf.							
ORIGINAL EQUIPMENT							
No. 153	Cementer McAdee						
Pumptrk	Helper Mark						
No.	Cementer Bill L						
Pumptrk	Helper						
	Driver						
Bulktrk 290							
Bulktrk	Driver						
DEPTH of Job							
Reference:	Pump Truck	525.00					
	225 Per mile 16m	36.00					
	Sub Total	561.00					
	Tax						
	Total						
Remarks: Test Plug QT 1000# Held Spot 2 Sand. Open Port Collor Mixed SKs Cement Did Cir. Closed Tool Pres up to 1000# Held Ran 5 JTs washed Casing Clean.							
Charge To ESP Dev.							
Street R.R. #1, Box 18							
City Paradise				State Kan 67658			
The above was done to satisfaction and supervision of owner agent or contractor.							
Purchase Order No.							
x Charley Farr							
2 Sand CEMENT							
Amount Ordered 300 60/40 8% Gel							
Consisting of Used 250 SKs							
Common 150				5.75		862.50	
Poz. Mix 100				3.00		300.00	
Gel. 17				7.00		153.00	
Chloride							
Quickset							
Sand 2				5.00		10.00	
Sales Tax							
Handling 100				300.00			
Mileage 16				04		192.00	
Sub Total						1817.50	
Total							
Floating Equipment							
Washed Sand off Plug							
CONSERVATION DIVISION Wichita, Kansas							

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "Allied" shall mean Allied Cementing Co., Inc., 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.