

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 # 32204
Name: REDLAND RESOURCES, INC.
Address 1: 6001 NW 23RD STREET
Address 2: _____
City: OKLAHOMA CITY State: OK Zip: 73127 + _____
Contact Person: ALAN THROWER
Phone: (405) 789-7104
CONTRACTOR: License # 5929
Name: DUKE DRILLING CO., INC.
Wellsite Geologist: MIKE POLLOK
Purchaser: N/A

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Designate Type of Completion:
 New Well Re-Entry Workover
 Oil WSW SWD SIOW
 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 #: _____

<u>11/08/10</u>	<u>11/15/10</u>	<u>N/A</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 057-20703-00-00

Spot Description: _____

NE SE SW Sec. 20 Twp. 25 S. R. 23 East West

1,124 Feet from North / South Line of Section

2,302 Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:

NE NW SE SW

County: FORD COUNTY, KS

Lease Name: STEGMAN Well #: 20-14

Field Name: WILDCAT

Producing Formation: N/A

Elevation: Ground: 2384' Kelly Bushing: 2397'

Total Depth: 5000' Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at: 773 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

(Data must be collected from the Reserve Pit)

Chloride content: 4100 ppm Fluid volume: _____ bbls

Dewatering method used: EVAPORATION AND BACKFILL

Location of fluid disposal if hauled offsite: _____

Operator Name: _____

Lease Name: _____ License #: _____

Quarter _____ Sec. _____ Twp. _____ S. R. _____ East West

County: _____ Permit #: _____

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: Alan Thrower

Title: PRESIDENT Date: 01/11/11

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: Dlg Date: 1/11/11

Operator Name: REDLAND RESOURCES, INC. Lease Name: STEGMAN Well #: 20-14

Sec: 20 Twp. 25 S. R. 23 East West County: FORD COUNTY, KS

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 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 Electric Log Submitted Electronically <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(If no, Submit Copy)</i> List All E. Logs Run: DUAL INDUCTION, MICROLOG, NEUTRON DENSITY	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Name</th> <th style="text-align: left;">Top</th> <th style="text-align: left;">Datum</th> </tr> </thead> <tbody> <tr> <td>CHASE</td> <td>2480</td> <td>-84</td> </tr> <tr> <td>BASE HEEBNER</td> <td>3990</td> <td>-1594</td> </tr> <tr> <td>STARK SHALE</td> <td>4388</td> <td>-1992</td> </tr> <tr> <td>CHEROKEE SHALE</td> <td>4645</td> <td>-2249</td> </tr> <tr> <td>MISSISSIPPIAN</td> <td>4760</td> <td>-2364</td> </tr> </tbody> </table>	Name	Top	Datum	CHASE	2480	-84	BASE HEEBNER	3990	-1594	STARK SHALE	4388	-1992	CHEROKEE SHALE	4645	-2249	MISSISSIPPIAN	4760	-2364
Name	Top	Datum																	
CHASE	2480	-84																	
BASE HEEBNER	3990	-1594																	
STARK SHALE	4388	-1992																	
CHEROKEE SHALE	4645	-2249																	
MISSISSIPPIAN	4760	-2364																	

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	30"	20"	48#	40'	REDIMIX	5 YDS	
SURFACE	12.25"	8.625"	24#	773'	65/35	250	6%GEL, 3%CC

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
		<div style="border: 1px solid black; padding: 5px; display: inline-block;"> RECEIVED JAN 13 2011 KCC WICHITA </div>	

TUBING RECORD:	Size:	Set At:	Packer At:	Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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Date of First, Resumed Production, SWD or ENHR. N/A	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 <i>(Submit ACO-5) (Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
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MAP EXPLORATION, INC.

MICHAEL ANTHONY POLLOK, PRES.

P.O. BOX 106 ■ PURCELL, OKLAHOMA 73080
OFFICE 405/527-6038 ■ HOME 405/527-5200 ■ MOBILE 405/823-4493 ■ FAX 405/527-7629
■ E-MAIL: mapexpl@aol.com

GEOLOGICAL REPORT

STEGMAN 20-14

SECTION 20 – T25S – R23W

FORD COUNTY, KANSAS

INTRODUCTION

The above captioned well was drilled to a total depth of 5,000 feet on November 15, 2010. A one-man logging unit was on location from approximately 1,800 feet to TD. The well was under the geological supervision of the undersigned from approximately 4,600 feet to TD. At TD, Weatherford electric logs were run that consisted of Dual Induction, Compensated Neutron-Density, Micro-log, and Sonic log. From data collected while drilling and analyzing, potential hydrocarbon shows were encountered in the Mississippian. Two drill stem tests were run to further evaluate the Mississippian. The decision was made to plug and abandon the Stegman 20-14 as a dry hole.

CHASE (COUNCIL GROVE)

The top of the Chase Porosity was topped at 2,480 (-84) feet. Samples were described as light grey to grey, very fine to fine crystalline dolomite with intercrystalline, pin-point and vugular porosity being observed. A dull yellow mineral fluorescence with a few gas bubbles being observed was documented. No gas kick was recorded from the gas chromatograph.

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MISSISSIPPIAN

The Mississippian Detrital was tagged at 4,802 (-2361) feet. Samples were described as a conglomerate made up of limestones, fresh opaque cherts, shales and some sand grains. Porosities ranged from intercrystalline and intergranular to pin-point and vugular. A dull yellow fluorescense along with a fair to good streaming cut and dead oil staining was observed. Electric logs indicate a total of five feet of porosity that cross-plots 15%. A drill stem test was run to further evaluate this interval with results as follows:

DST#1 (4745-4788) 30-60-60-120

Recovery: 15' drilling mud

Flowing pressures: 21-24/24-24

Shut-in pressures: 260/209

This DST condemns the upper portion of the Mississippian as "tight". Another 49 feet of Mississippian was drilled. Samples were described as off-white to cream buff tan micro-crystalline to fine crystalline dolomite with good pin-point and vugular porosity being observed. A very little hydrocarbon show was observed. The decision was made to run a drill stem test to further evaluate this interval. Results are as follows:

DST#2 (4792-4837) 30-60-60-120

Recovery: 70' drilling mud

Flowing pressures: 20-31/32-50

Shut-in pressures: 1481/1476

This test condemned this zone as uneconomic as well.

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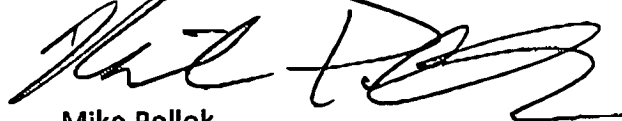
ELECTRIC LOG TOPS

	REDLAND STEGMAN 20-14 NE SE SW 20-T25S-R23W	REDLAND WILLIS 17-15 W/2 SW 17-T25S-R23W	REDLAND POHLMANN 16-2 NW NE 16-T25S-R23W
CHASE (subsea)	2480 (-0084)	2538 (-0097)	2510 (-0092)
BASE HEEBNER (subsea)	3990 (-1594)	4039 (-1598)	3998 (-1580)
STARK SHALE (subsea)	4388 (-1992)	4434 (-1993)	4389 (-1971)
CHEROKEE SHALE (subsea)	4645 (-2249)	4690 (-2249)	4644 (-2226)
MISSISSIPPIAN (subsea)	4760 (-2364)	4810 (-2369)	4776 (-2358)

CONCLUSION

The Stegman 20-14 was drilled as an exploratory test for a 3-D seismic high located in the SW/4 of section 20 – T25S – R23W. The structure was encountered with approximately 20 feet of potential closure. Drill stem tests #1 & 2 were run to test the Mississippian Unconformity area. Two drill stem tests run across the upper portion of the Mississippian condemned the well. The Stegman 20-14 was plugged and abandoned as a dry hole.

Respectfully submitted,



Mike Pollok

Petroleum Geologist

11/17/10

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**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

Redland Resources, Inc.
6001 NW 23RD Street
Oklahoma City, OK 73127
ATTN: Dave Hickman

STEGMAN 20-14
20-25s-23w-FORD-KS
Job Ticket: 39473 **DST#: 2**
Test Start: 2010.11.14 @ 10:35:00

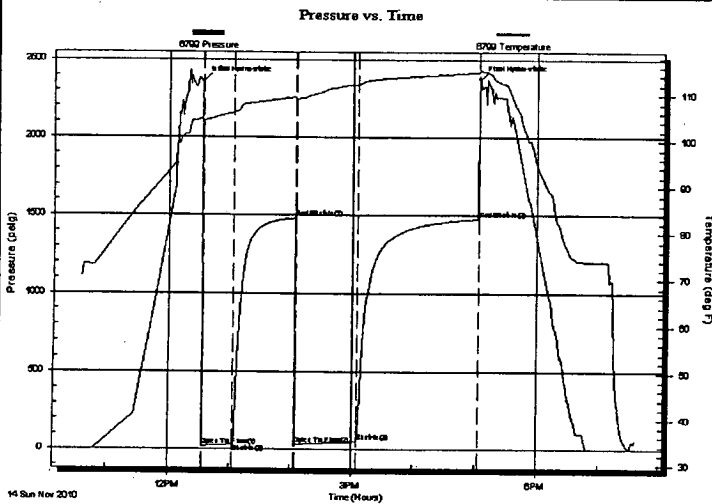
GENERAL INFORMATION:

Formation: **MISSISSIPPIAN**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 12:33:30
Time Test Ended: 19:37:15
Interval: **4792.00 ft (KB) To 4837.00 ft (KB) (TVD)**
Total Depth: **4837.00 ft (KB) (TVD)**
Hole Diameter: **7.88 inches** -hole Condition: **Good**

Test Type: **Conventional Bottom Hole**
Tester: **Jake Fahrenbruch**
Unit No: **43**
Reference Elevations: **2395.00 ft (KB)**
2384.00 ft (CF)
KB to GR/CF: 11.00 ft

Serial #: 6799 **Inside**
Press@RunDepth: **50.14 psig @ 4793.00 ft (KB)** Capacity: **8000.00 psig**
Start Date: **2010.11.14** End Date: **2010.11.14** Last Calib.: **2010.11.14**
Start Time: **10:35:05** End Time: **19:37:15** Time On Btm: **2010.11.14 @ 12:33:15**
Time Off Btm: **2010.11.14 @ 17:03:15**

TEST COMMENT: F: Weak blow , increased to 1.25" in bucket.
IS: No blow back.
FF: No blow , increased to a weak surface blow .
FSI: No blow back.



PRESSURE SUMMARY

Time (Mn.)	Pressure (psig)	Temp (deg F)	Annotation
0	2357.90	104.92	Initial Hydro-static
1	19.56	104.20	Open To Flow (1)
31	30.93	106.24	Shut-In(1)
91	1481.15	109.63	End Shut-In(1)
92	31.99	109.18	Open To Flow (2)
152	50.14	112.29	Shut-In(2)
270	1475.91	114.96	End Shut-In(2)
270	2375.07	115.38	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
70.00	Drilling Mud 100% m	0.34

Gas Rates

Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)

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DRILL STEM TEST REPORT

FLUID SUMMARY

Redland Resources, Inc.

STEGMAN 20-14

6001 NW 23RD Street
Oklahoma City, OK 73127

20-25s-23w-FORD-KS

Job Ticket: 39473

DST#: 2

ATTN: Dave Hickman

Test Start: 2010.11.14 @ 10:35:00

Mud and Cushion Information

Mud Type: Gel Chem	Cushion Type:	Oil API:	deg API
Mud Weight: 9.00 lb/gal	Cushion Length: ft	Water Salinity:	ppm
Viscosity: 50.00 sec/qt	Cushion Volume: bbl		
Water Loss: 7.59 in ³	Gas Cushion Type:		
Resistivity: ohm.m	Gas Cushion Pressure: psig		
Salinity: 2900.00 ppm			
Filter Cake: inches			

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
70.00	Drilling Mud 100% _m	0.344

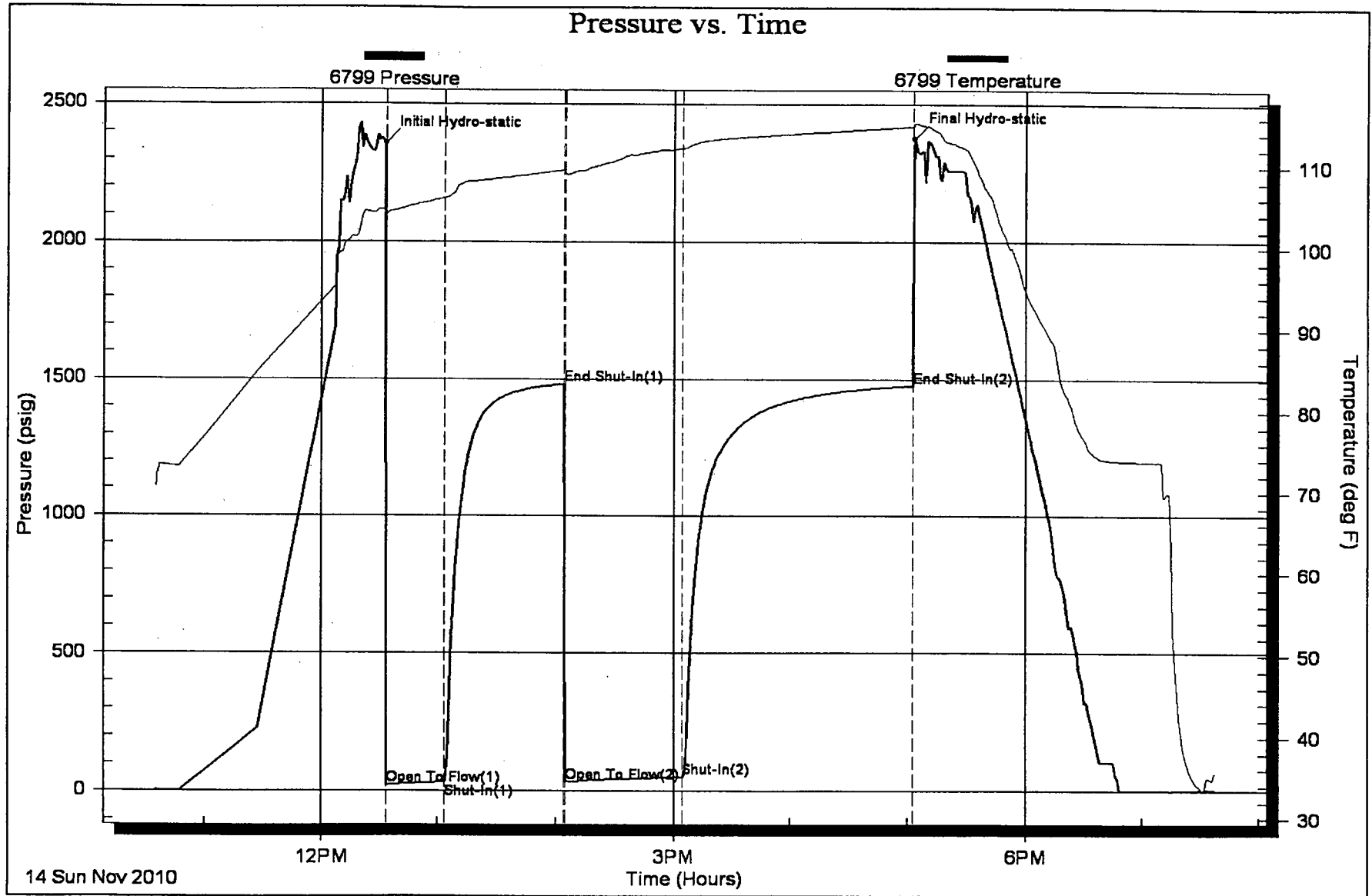
Total Length: 70.00 ft Total Volume: 0.344 bbl

Num Fluid Samples: 0 Num Gas Bombs: 0 Serial #:

Laboratory Name: Laboratory Location:

Recovery Comments:

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14 Sun Nov 2010

Time (Hours)

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TESTING, INC**

DRILL STEM TEST REPORT

Redland Resources, Inc.
6001 NW 23RD Street
Oklahoma City, OK 73127
ATTN: Dave Hickman

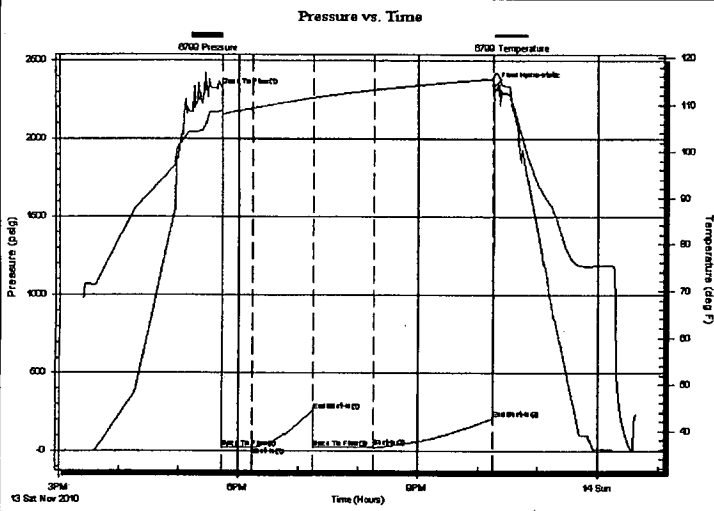
STEGMAN 20-14
20-25s-23w-FORD-KS
Job Ticket: 39472 **DST#: 1**
Test Start: 2010.11.13 @ 15:24:00

GENERAL INFORMATION:

Formation: **MISSISSIPPIAN**
Deviated: No Whipstock: ft (KB)
Time Tool Opened: 17:44:00
Time Test Ended: 00:38:15
Interval: **4745.00 ft (KB) To 4788.00 ft (KB) (TVD)**
Total Depth: **4788.00 ft (KB) (TVD)**
Hole Diameter: **7.88 inches** -ole Condition: **Good**
Test Type: **Conventional Bottom Hole**
Tester: **Jake Fahrenbruch**
Unit No: **43**
Reference Elevations: **2395.00 ft (KB)**
2384.00 ft (CF)
KB to GR/CF: **11.00 ft**

Serial #: 6799 **Inside**
Press@RunDepth: **23.85 psig @ 4746.00 ft (KB)**
Start Date: **2010.11.13** End Date: **2010.11.14**
Start Time: **15:24:05** End Time: **00:38:15**
Capacity: **8000.00 psig**
Last Calib.: **2010.11.14**
Time On Btm: **00:38:15**
Time Off Btm: **2010.11.13 @ 22:15:30**

TEST COMMENT: IF: Weak blow, built to .25", died after 15 minutes.
IS: No blow back.
FF: No blow.
FS: No blow back.



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2333.67	108.67	Open To Flow (1)
1	20.74	107.98	Open To Flow (2)
30	23.85	109.26	Shut-in(1)
91	260.34	111.46	End Shut-in(1)
91	23.65	111.43	Open To Flow (3)
152	23.84	113.13	Shut-in(2)
271	208.61	115.51	End Shut-in(2)
272	2335.23	116.39	Final Hydro-static

Recovery

Length (R)	Description	Volume (bbl)
15.00	mud 100%m	0.07

Gas Rates

Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)

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**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

FLUID SUMMARY

Redland Resources, Inc.

STEGMAN 20-14

6001 NW 23RD Street
Oklahoma City, OK 73127

20-25s-23w-FORD-KS

Job Ticket: 39472

DST#: 1

ATTN: Dave Hickman

Test Start: 2010.11.13 @ 15:24:00

Mud and Cushion Information

Mud Type: Gel Chem	Cushion Type:	Oil API:	deg API
Mud Weight: 9.00 lb/gal	Cushion Length: ft	Water Salinity:	ppm
Viscosity: 50.00 sec/qt	Cushion Volume: bbl		
Water Loss: 7.60 in ³	Gas Cushion Type:		
Resistivity: ohm.m	Gas Cushion Pressure: psig		
Salinity: 2900.00 ppm			
Filter Cake: inches			

Recovery Information

Recovery Table

Length ft	Description	Volume bbl
15.00	mud 100%m	0.074

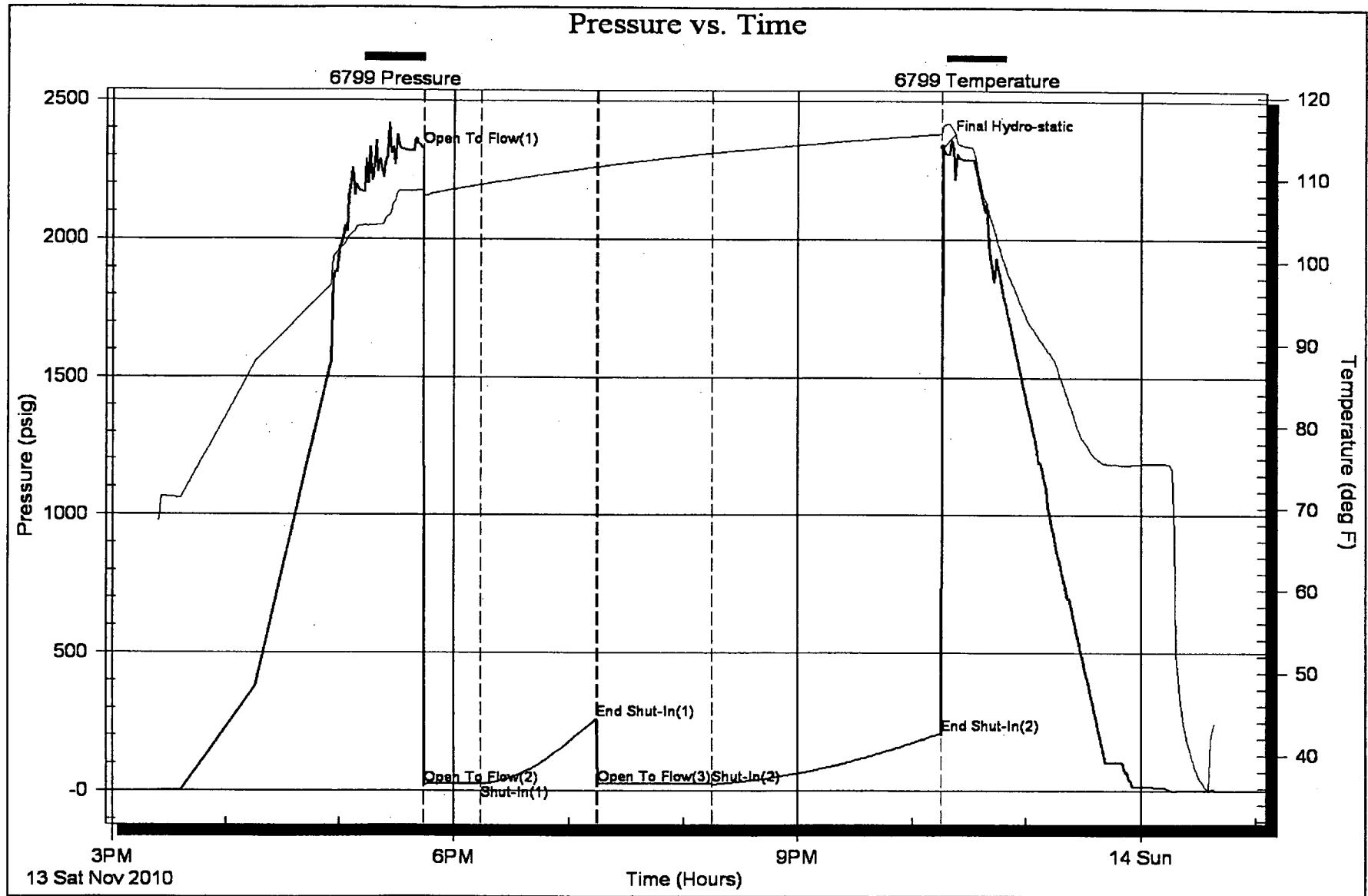
Total Length: 15.00 ft Total Volume: 0.074 bbl

Num Fluid Samples: 0 Num Gas Bombs: 0 Serial #:

Laboratory Name: Laboratory Location:

Recovery Comments:

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ALLIED CEMENTING CO., LLC. 042263

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

SERVICE POINT:

DATE <u>11-15-2010</u>	SEC <u>20</u>	TWP. <u>25S</u>	RANGE <u>23W</u>	CALLED OUT <u>6:00pm</u>	ON LOCATION <u>10:00pm</u>	JOB START <u>11-16</u> <u>12:00am</u>	JOB FINISH <u>11-16</u> <u>1:00Am</u>
Stegman LEASE	WELL # <u>20-14</u>	LOCATION <u>Wright ks South to Hgin</u>			COUNTY <u>Fore</u>	STATE <u>KS</u>	
OLD OR <u>NEW</u> (Circle one)		<u>Lake sign, 1/2 east rd w/ind</u>					

CONTRACTOR DUKE #10

TYPE OF JOB Rotary plug

HOLE SIZE 7 7/8 T.D.

CASING SIZE _____ DEPTH _____

TUBING SIZE _____ DEPTH _____

DRILL PIPE 4 1/2 DEPTH 1700'

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. _____

PERFS. _____

DISPLACEMENT 3W920r, 1.5mud

EQUIPMENT

PUMP TRUCK CEMENTER Darin F

360-265 HELPER mett T

BULK TRUCK _____

Gresthonz DRIVER _____

BULK TRUCK _____

_____ DRIVER _____

REMARKS:

1st plug - 1700' - 8 bbls water, 50sr of cement, 3 bbls water, 15 bbls mud

2nd plug - 810' - 14 bbls water, 50sr of cement, 5 bbls water, 3rd plug - 300' - 3 bbls water, 40sr of cement, 1bbl water

4th plug - 60' - 20sr of cement

Reamer - 30sr of cement

Mousehole - 20sr of cement

CHARGE TO: Redland Resources

STREET _____

CITY _____ STATE _____ ZIP _____

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 X Emigdio Rojas

SIGNATURE X Emigdio Rojas

Thank You!!!

OWNER Redland Resources

CEMENT

AMOUNT ORDERED 210sx 60' 40' 40' 60'
1/4 # 1105001

COMMON	<u>A</u>	<u>126 sx</u>	@ <u>15.45</u>	<u>1946.70</u>
POZMIX		<u>84 sx</u>	@ <u>8.00</u>	<u>672.00</u>
GEL		<u>8 sx</u>	@ <u>20.80</u>	<u>166.40</u>
CHLORIDE			@	
ASC			@	
			@	
			@	
			@	
			@	
			@	
			@	
			@	
			@	
HANDLING		<u>218</u>	@ <u>2.40</u>	<u>523.20</u>
MILEAGE		<u>218/10/45</u>		<u>981.00</u>
				TOTAL <u>4289.30</u>

SERVICE

DEPTH OF JOB	<u>1700'</u>		
PUMP TRUCK CHARGE	<u>1017.00</u>		
EXTRA FOOTAGE		@	
MILEAGE	<u>45</u>	@ <u>7.00</u>	<u>315.00</u>
MANIFOLD		@	
		@	
		@	
TOTAL <u>1332.00</u>			

PLUG & FLOAT EQUIPMENT

_____ @ _____

None @ _____

_____ @ _____

_____ @ _____

_____ @ _____

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SALES TAX (If Any) KCC WICHITA

TOTAL CHARGES [scribble]

DISCOUNT [scribble] 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 ahd 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. 040537

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

SERVICE POINT:
Medicine Lodge, KS

DATE <i>11-09-10</i>	SEC. <i>20</i>	TWP. <i>25S</i>	RANGE <i>23W</i>	CALLED OUT	ON LOCATION	JOB START	JOB FINISH <i>10:00 AM</i>
LEASE <i>Stegman</i>		WELL # <i>20-14</i>		LOCATION		COUNTY <i>Hickman</i>	STATE <i>KS</i>
OLD OR <u>NEW</u> (Circle one)				FORD			

CONTRACTOR *Duke #9*

TYPE OF JOB *Surface*

HOLE SIZE *12 1/4* T.D. *775*

CASING SIZE *8 5/8* DEPTH *772*

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX *900* MINIMUM

MEAS. LINE SHOE JOINT *42*

CEMENT LEFT IN CSG. *42'*

PERFS.

DISPLACEMENT *46 1/2 Bbls Fresh H₂O*

OWNER *Redland Res.*

CEMENT

AMOUNT ORDERED *250 sy 65:35:4% gel + 3% ce + 1/4 # Flosal & 150 sy class A + 3% cc + 2% gel*

COMMON <i>A 150 3x</i>	@ <i>15.45</i>	<i>2317.50</i>
POZMIX	@	
GEL <i>3 5x</i>	@ <i>20.80</i>	<i>62.40</i>
CHLORIDE <i>14 5x</i>	@ <i>58.20</i>	<i>814.80</i>
ASC	@	
<i>ALW 250 5x</i>	@ <i>14.80</i>	<i>3700.00</i>
<i>Flosal 62.50</i>	@ <i>2.50</i>	<i>156.25</i>
	@	
	@	
	@	
	@	
	@	
HANDLING <i>425</i>	@ <i>2.40</i>	<i>1020.00</i>
MILEAGE <i>425/10/45</i>		<i>1912.50</i>
TOTAL		<i>9983.45</i>

EQUIPMENT

PUMP TRUCK CEMENTER *D. Felix*

352 HELPER *M. Thimesch*

BULK TRUCK

356- DRIVER *R. Medrano*

BULK TRUCK

DRIVER

REMARKS:

Pipe on Bttm, Break Line Pump Spacers Mix 250 sy 1.5 lb weight Cement, Mix 150 sy tail Cement, Stop Pump, Release Plug, Start Disp of Fresh H₂O, Wash up on top of Plug, See increase in PST, Slow Rate, Bump Plug at 46 1/2 Bbls, total Disp, Release PST, Float Did Hold, Cement Did Circ.

SERVICE

DEPTH OF JOB *772*

PUMP TRUCK CHARGE *1018.00*

EXTRA FOOTAGE *472* @ *.85* *401.20*

MILEAGE *45* @ *7.00* *315.00*

MANIFOLD *Hand rental* @

TOTAL *1734.20*

CHARGE TO: *Redland Res.*

STREET

CITY STATE ZIP

PLUG & FLOAT EQUIPMENT

<i>1-TRP</i>	@	<i>113.00</i>
<i>3- Centralizers</i>	@ <i>44.80</i>	<i>134.40</i>
<i>1- Basket</i>	@	<i>221.20</i>
<i>1- AFV insert</i>	@	<i>158.20</i>
TOTAL		<i>626.80</i>

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.

JAN 13 2011

KCC WICHITA

SALES TAX (If Any)

TOTAL CHARGES ~~1734.20~~

DISCOUNT IF PAID IN 30 DAYS ~~1734.20~~

PRINTED NAME *David Hickman*

SIGNATURE *David Hickman*

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.

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