

CONFIDENTIAL

Handwritten initials and date: KCC, 12/19/08

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

ORIGINAL

Form ACO-1
October 2008
Form Must Be Typed

12/19/10

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 33979
Name: Clipper Energy LLC
Address 1: 3838 Oak Lawn
Address 2: _____
City: Dallas State: TX Zip: 75219 + _____
Contact Person: Bill Robinson
Phone: (214) 220-1080
CONTRACTOR: License # 33724
Name: Warren Drilling, LLC
Wellsite Geologist: Bill Robinson
Purchaser: Coffeyville

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Designate Type of Completion:
 New Well _____ Re-Entry _____ Workover _____
 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.: _____
11-1-08 11-6-08 12-4-08
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

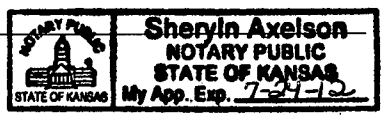
API No. 15 - 15-137-20494-6000
Spot Description: _____
C ne sw se Sec. 27 Twp. 5 S. R. 21 East West
990 Feet from North / South Line of Section
1650 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Norton
Lease Name: Mulder Well #: 2
Field Name: Ray, W.
Producing Formation: Reagan
Elevation: Ground: 2199 Kelly Bushing: 2207
Total Depth: 3699 Plug Back Total Depth: 3699
Amount of Surface Pipe Set and Cemented at: 222 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set: 1826 Feet
If Alternate II completion, cement circulated from: 1826
feet depth to: surface w/ 450 sx cmt.

Drilling Fluid Management Plan ATI NJ 2-10-09
(Data must be collected from the Reserve Pit)
Chloride content: _____ ppm Fluid volume: _____ bbls
Dewatering method used: _____
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: *Bill Robinson*
Title: Geologist Date: 12-19-08
Subscribed and sworn to before me this 19th day of December
20 08.
Notary Public: *Sherilyn Axelson*
Date Commission Expires: 7-24-12



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

Operator Name: Clipper Energy LLC Lease Name: Mulder Well #: 2
 Sec. 27 Twp. 5 S. R. 21 East West County: Norton

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i> List All E. Logs Run: <p style="text-align: center;">RAG</p>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td><input checked="" type="checkbox"/> Log</td> <td>Formation (Top), Depth and Datum</td> <td><input type="checkbox"/> Sample</td> </tr> <tr> <td>Name</td> <td>Top</td> <td>Datum</td> </tr> <tr> <td>T/Anhydrite</td> <td>1786</td> <td>421</td> </tr> <tr> <td>B/KC</td> <td>3580</td> <td>-1373</td> </tr> </table>	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample	Name	Top	Datum	T/Anhydrite	1786	421	B/KC	3580	-1373
<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample											
Name	Top	Datum											
T/Anhydrite	1786	421											
B/KC	3580	-1373											

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	23	222	common	160	3%cc + 2% gel
production	7 7/8	5 1/2	14	3699	common	175	500 gals WFR

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
4	3626	natural	na

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TUBING RECORD: Size: <u>2 7/8</u> Set At: <u>3600</u> Packer At: _____		Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	CONSERVATION DIVISION WICHITA, KS
Date of First, Resumed Production, SWD or Enhr. <u>12-4-08</u>	Producing Method: <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Other (Explain)		
Estimated Production Per 24 Hours	Oil Bbbs. <u>10</u>	Gas Mcf <u>0</u>	Water Bbbs. <u>100</u> Gravity <u>32</u>

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DISPOSITION OF GAS: <input checked="" 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 checked="" 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. 35073

SERVICE POINT: Russell

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

DATE <u>11-7-08</u>	SEC. <u>27</u>	TWP. <u>5</u>	RANGE <u>21</u>	CALLED OUT	ON LOCATION	JOB START <u>7:00am</u>	JOB FINISH <u>8:00am</u>
LEASE <u>Mouldel</u>	WELL# <u>2</u>	LOCATION <u>Bogue 24 N to stop sign</u>		COUNTY <u>Wichita</u>	STATE <u>KS</u>		
OLD OR <input checked="" type="radio"/> NEW (Circle one)		<u>1 N 1 E 1 N 1/4 E #24 Winto</u>					

CONTRACTOR V.S. ion #2 Bottom Stage OWNER _____

TYPE OF JOB DV Job

HOLE SIZE 7 7/8 T.D. 3700

CASING SIZE 5 1/2 DEPTH 3699.53

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL DV Tool #244 DEPTH 1826

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT 22.05

CEMENT LEFT IN CSG. _____

PERFS. _____

DISPLACEMENT 893/48L

EQUIPMENT _____

CEMENT AMOUNT ORDERED 175 com

500gal WFR-2

COMMON	<u>175 @ 13.50</u>	<u>2362.50</u>
POZMIX	@	
GEL	@	
CHLORIDE	@	
ASC	@	
<u>WFR-2</u>	<u>500gal @ 1.10/gal</u>	<u>550.00</u>
HANDLING	<u>175 sk @ 2.25</u>	<u>393.75</u>
MILEAGE	<u>.10/sk/mile</u>	<u>1050.00</u>
TOTAL		<u>4356.25</u>

PUMP TRUCK # 407 CEMENTER Craig HELPER Matt

BULK TRUCK # 410 DRIVER Neale

BULK TRUCK # _____ DRIVER _____

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WICHITA, KS
@

REMARKS:

Insert set @ 3677.48
Insert opened @ 200 psi
Mixe cement @ 15.1 lb/gal
Plug (under) 1300 psi. Released WFR

Thanks!

SERVICE

DEPTH OF JOB _____

PUMP TRUCK CHARGE _____ 1957.00

EXTRA FOOTAGE @ _____

MILEAGE 60 @ 7.00 420.00

MANIFOLD @ _____

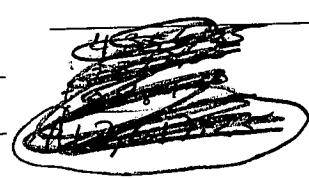
_____ @ _____

TOTAL 2377.00

CHARGE TO: clipper

STREET _____

CITY _____ STATE _____ ZIP _____



PLUG & FLOAT EQUIPMENT

Faxed 11-11-08

<u>1 5/2 Float shoe Blue</u>		<u>362.00</u>
<u>1 Hatch down Assembly</u>	@	<u>449.00</u>
<u>9 Turbolizers</u>	@ <u>77.00</u>	<u>693.00</u>
<u>1 DV Tool</u>	@	<u>4,380.00</u>

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TOTAL 5884.00

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.

PRINTED NAME _____

SIGNATURE Joe Lawrence

SALES TAX (If Any) _____

TOTAL CHARGES _____

DISCOUNT _____ IF PAID IN 30 DAYS

ALLIED CEMENTING CO., LLC. 35074

TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:

Russell

DATE <u>11-7-08</u>	SEC. <u>27</u>	TWP. <u>5</u>	RANGE <u>21</u>	CALLED OUT	ON LOCATION	JOB START <u>10:00am</u>	JOB FINISH <u>11:00am</u>
LEASE <u>Mould</u>	WELL # <u>2</u>		LOCATION <u>Box 24 1 stop sign W</u>		COUNTY <u>Worton</u>	STATE <u>KS</u>	
OLD OR NEW (Circle one)			<u>1 1/2 1/4 1/8 1/16</u>				

CONTRACTOR V.S. on #2

TYPE OF JOB DU Job Top Stage

HOLE SIZE _____ T.D. 3700

CASING SIZE 5 1/2 14# DEPTH 3699

TUBING SIZE # _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL SJ Tool DEPTH 1826

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. _____

PERFS. _____

DISPLACEMENT 44 1/2 BC

EQUIPMENT

PUMP TRUCK CEMENTER Craig

417 HELPER Matt

BULK TRUCK _____

482 DRIVER Jack G.B.

BULK TRUCK _____

_____ DRIVER _____

REMARKS:

Mixed 450SK x Cement Circulated!

Plug landed 1700PS. Released

DRP

Thanks!

OWNER _____

CEMENT AMOUNT ORDERED 450 60/40 60/60 14# 110

COMMON	<u>270</u>	@ <u>13.50</u>	<u>3645.00</u>
POZMIX	<u>180</u>	@ <u>7.55</u>	<u>1359.00</u>
GEL	<u>27</u>	@ <u>20.25</u>	<u>546.75</u>
CHLORIDE		@	
ASC		@	
<u>Flo Seat 5</u>	<u>112.155</u>	@ <u>2.4515</u>	<u>274.40</u>

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WICHITA, KS

HANDLING	<u>482SK</u>	@ <u>2.25</u>	<u>1084.50</u>
MILEAGE	<u>.10/SK/mile</u>		<u>2892.00</u>
			TOTAL <u>9,201.65</u>

SERVICE

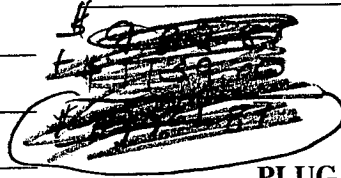
DEPTH OF JOB			
PUMP TRUCK CHARGE			<u>1159.00</u>
EXTRA FOOTAGE		@	
MILEAGE		@	
MANIFOLD		@	
		@	
		@	

TOTAL 1159.00

CHARGE TO: Clipper Energy

STREET _____

CITY _____ STATE _____ ZIP _____



PLUG & FLOAT EQUIPMENT

	@	
	@	
	@	
	@	
	@	

TOTAL _____

SALES TAX (If Any) _____

TOTAL CHARGES _____

DISCOUNT _____ IF PAID IN 30 DAYS

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 _____

SIGNATURE Joel Rawlson

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ALLIED CEMENTING CO., LLC.

35349

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

SERVICE POINT:

Russell

DATE <i>10/11/08</i>	SEC <i>37</i>	TWP. <i>3</i>	RANGE <i>21</i>	CALLED OUT	ON LOCATION	JOB START <i>6:30 AM</i>	JOB FINISH <i>2:00 AM</i>
LEASE <i>MUDOP</i>	WELL # <i>2</i>	LOCATION <i>Bogue N. Deep End 1E</i>			COUNTY <i>Marion</i>	STATE <i>Kansas</i>	
OLD OR NEW (Circle one) <u>NEW</u>				<i>N. INTO.</i>			

CONTRACTOR *WARGEN (WSON) #2*

TYPE OF JOB *Cement Surface*

HOLE SIZE *12 1/4* T.D. *322*

CASING SIZE *9 5/8 Mini* DEPTH *322*

TUBING SIZE *5 1/2 UCS* DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG. *15*

PERFS.

DISPLACEMENT *13.5 / BBL*

EQUIPMENT

PUMP TRUCK CEMENTER *GARY*

378 HELPER *GARY*

BULK TRUCK

378 DRIVER *CH*

BULK TRUCK

DRIVER

REMARKS:

Very Sandy loc.

Cement Circulates

CHARGE TO: *CLIPPER ENERGY LLC*

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

SIGNATURE *Anders K. P. P. P.*

OWNER

CEMENT AMOUNT ORDERED *160 sq. Yards*

3200

2706L

COMMON @

POZMIX @

GEL @

CHLORIDE @

ASC @

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WICHITA, KS

HANDLING @

MILEAGE

TOTAL

SERVICE

DEPTH OF JOB

PUMP TRUCK CHARGE

EXTRA FOOTAGE @

MILEAGE @

MANIFOLD @

TOTAL

PLUG & FLOAT EQUIPMENT

2 3/8 WOODEN WIPER PLUG

@

@

@

@

TOTAL

SALES TAX (If Any)

TOTAL CHARGES

DISCOUNT IF PAID IN 30 DAYS

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GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "ALLIED" shall mean Allied Cementing Co., LLC, and "CUSTOMER" shall refer to the party identified by that term on the front of this contract. As applicable, "Job" relates to the services described on the front side of this contract, "Merchandise" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

—**TERMS:** Unless satisfactory credit has been established, CUSTOMER must tender full cash payment to ALLIED before the job is undertaken or merchandise is delivered. If satisfactory credit has been established, the terms of payment for the job and/or merchandise, including bulk cement, are net cash, payable in 30 days from the completion of the job and/or delivery of the merchandise. For all past due invoices, CUSTOMER agrees to pay interest on amounts invoiced at a rate of 18 percent per annum until paid. Notwithstanding the foregoing, in no event shall this Contract provide for interest exceeding the maximum rate of interest that CUSTOMER may agree to pay under applicable law. If any such interest should be provided for, it shall be and hereby is deemed to be a mistake, and this contract shall be automatically reformed to lower the rate of interest to the maximum legal contract rate, any amounts previously paid as excess interest shall be deducted from the amounts owing from the CUSTOMER or at the option of ALLIED, refunded directly to CUSTOMER. For purposes of this paragraph, ALLIED and CUSTOMER agree that Kansas law shall apply. Any discounts granted with this contract are null and void if the charges are not paid when due.

—**ATTORNEY FEES:** In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the terms of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limited to, a reasonable sum as and for attorney's fees.

—**PRICES AND TAXES:** All merchandise listed in ALLIED'S current price schedule are F.O.B. ALLIED'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by ALLIED shall be added to the quoted prices charged to CUSTOMER.

—**TOWING CHARGES:** ALLIED will make a reasonable attempt to get to and from each job site using its own equipment. Should ALLIED be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ a tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMER or, if furnished by ALLIED, will be charged to and paid by CUSTOMER.

—**PREPARATION CHARGES:** If a job and/or merchandise is ordered and CUSTOMER cancels the order after preparation of a chemical solution or other material, CUSTOMER will pay ALLIED for the expenses incurred by ALLIED as a result of the cancellation.

—**DEADHAUL, CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charge as set forth in ALLIED'S current price book will be charged each way for each service unit which is ordered by CUSTOMER but not used.

—SERVICE CONDITIONS AND LIABILITIES:

1. ALLIED carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond ALLIED'S control, ALLIED shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. CUSTOMER shall be responsible for and indemnify, defend, and hold harmless ALLIED, its officers, agents and employees, from and against any and all claims or suits for:

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

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

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

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

WARRANTIES:

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

2. More specifically:

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

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

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