

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
Wellsite Geologist: MIKE POLLOK
Purchaser: ONEOK

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 #: _____
11/22/10 11/28/10 02/04/11
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 033-21576-00-00
Spot Description: _____
N2_S2_SE_NE Sec. 5 Twp. 34 S. R. 16 East West
2,001 Feet from North / South Line of Section
660 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: COMANCHE
Lease Name: PERRY Well #: 5-8
Field Name: HAM
Producing Formation: OSWEGO
Elevation: Ground: 1641' Kelly Bushing: 1654'
Total Depth: 5100' Plug Back Total Depth: 5053'
Amount of Surface Pipe Set and Cemented at: 222' 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: 3000 ppm Fluid volume: _____ bbls
Dewatering method used: NO FREE FLUIDS
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: 04/21/11

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: DG Date: 4/27/11

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Operator Name: REDLAND RESOURCES, INC. Lease Name: PERRY Well #: 5-8
 Sec. 5 Twp. 34 S. R. 16 East West County: COMANCHE

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 <i>(Attach Additional Sheets)</i>	<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	CHASE	2159 -509
Electric Log Run	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	TOP PENN	3030 -1377
Electric Log Submitted Electronically	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	BS HEEBNER	3982 -2329
<i>(If no, Submit Copy)</i>		LANSING	4173 -2520
List All E. Logs Run:		OSWEGO LM	4752 -3099
MICROLOG, DUAL INDUCTION, NEUTRON DENSITY		CHEROKEE SH	4797 -3144
		MISS UNCONFORM	4860 -3207

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"	50#	85'	REDIMIX	12 YDS	
SURFACE	17.5"	13.375"	48#	222'	CLASS A	225	3%CC,2%GEL,
PRODUCTION	7.875"	4.5"	10.5	5073'	ASC CLASS H	275	5%Kiesel, 25%Floccul., 5% Fl. 100

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				

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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
2	4916-4926'	ACID - 1000 GAL 15% NEFE	ALL
	CIBP SET AT 4910'		
2	4867-4896'	ACID - 3000 GAL 15% NEFE	ALL
	CIBP SET @ 4860'		
2	4753-4763'	ACID - 1000 GAL 15% NEFE	ALL

TUBING RECORD:	Size: <u>2.375"</u>	Set At: <u>4448'</u>	Packer At: <u>N/A</u>	Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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Date of First, Resumed Production, SWD or ENHR. <u>03/07/11</u>	Producing Method: <input checked="" type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) _____
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Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
		225			

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input checked="" 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 <i>(Submit ACO-5) (Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: <u>4753-4763'</u>
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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 PERRY 5-8 SE/4 NE/4 SECTION 5 – T34S – R16W COMANCHE COUNTY, KANSAS

SUMMARY

The above captioned well was drilled to a total depth of 5,100 feet on November 29, 2010. A mud-logging unit was on location from approximately 3,500 feet to TD recording gas, with one-man mud-logging beginning at 3,900 feet to TD. The well was under the geological supervision of the undersigned from approximately 4,500 feet to TD. At TD, Weatherford wire-line logs were run that consisted of Array Induction, Density-Neutron Porosity and Micro-log. After all data was analyzed, the decision was made to set casing and attempt completion in the Mississippian and Oswego Limestone.

OSWEGO LIMESTONE

The Oswego (Pawnee) Limestone was cut at 4,752 (-3099) feet. An eight-foot drilling break was encountered. The gas line from the gas chromatograph was plugged during drilling, so no gas kick was observed. Samples were described as light tan to off-white very fine to fine crystalline slightly oolitic limestone with fair to good inter-crystalline porosity. There also was some good vugular and pin-point porosity being observed. A trace of dull yellow fluorescence was seen. Electric logs indicate a zone of nine feet of 12% cross-plot porosity that calculates productive of natural gas.

MISSISSIPPIAN

The Mississippian was cut at 4,860 (-3207) feet. The top fifty feet did not have much of a drilling break or gas kick. At 4,916 a good ten-foot drilling break was encountered with gas kicks being observed. The highest gas reading was 72-units. Samples were described as off-white to tan buff very fine to fine crystalline dolomite, with very good inter-crystalline and pin-point porosity. A bright yellow fluorescence, light brown oil staining, and good streaming cut was observed in the samples. A drill stem test was run across the above mentioned intervals with results as follows:

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DST #1(4867 - 4928) 30-60-60-120
 Recovery: 30' drilling mud
 Flowing pressures: 36-42/29-35
 Shut-in pressures: 1104/1173

Data indicates the zone is damaged and should give up hydrocarbons after an acid treatment.

ELECTRIC LOG TOPS


	REDLAND PERRY 5-8 SE NE 5-T34S-R16W	SHENANDOAH MERRILL C-1 NW SW 4-T34S-R16W	COTTON MERRILL B-1 NE NE 5-T34S-R16W
CHASE (subsea)	2159 (-509)	2153 (-500)	2155 (-500)
TOP PENN. (subsea)	3030 (-1377)	3050 (-1397)	3048 (-1393)
BS. HEEBNER (subsea)	3982 (-2329)	3998 (-2345)	3987 (-2332)
LANSING (subsea)	4173 (-2520)	4186 (-2533)	4175 (-2520)
STARK SH. (subsea)	4515 (-2862)	4536 (-2883)	4522 (-2867)
OSWEGO LIME (subsea)	4752 (-3099)	4766 (-3113)	4756 (-3101)
CHEROKEE SH. (subsea)	4797 (-3144)	4810 (-3157)	4797 (-3142)
MISS. UNCON. (subsea)	4860 (-3207)	4874 (-3221)	4856 (-3201)
BS. DOLOMITE (subsea)	4926 (-3273)	4924 (-3271)	4922 (-3267)

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CONCLUSION

The Perry 5-8 was drilled as an off-set for oil production in the Mississippian. The zone was cut and looks similar to considered "pay" in surrounding wells. The Oswego Limestone, also looks to be gas prone, and should contribute to the Perry 5-8. After all data was analyzed, the decision was made to set casing and attempt completion in the Mississippian Dolomites and Oswego Limestone.

Respectfully submitted



Mike Pollok
Petroleum Geologist
11/30/10

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TRILOBITE TESTING, INC

DRILL STEM TEST REPORT

Redland Resources Inc
 6001 NW 23rd St
 Oklahoma City OK 73127
 ATTN: Chase Thomas

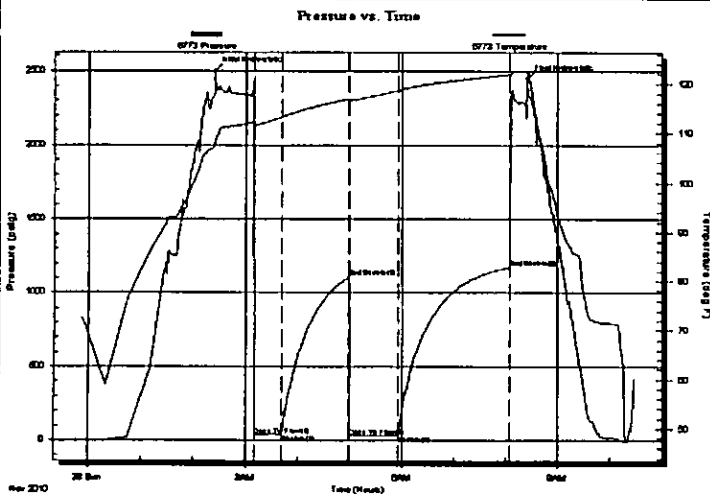
Perry #5-8
5 34s 18w Comanche
 Job Ticket: 39498 DST#: 1
 Test Start: 2010.11.27 @ 23:51:47

GENERAL INFORMATION:

Formation: Miss
 Deviated: No Whipstock: ft (KB)
 Time Tool Opened: 03:10:47
 Time Test Ended: 10:28:02
 Interval: 4867.00 ft (KB) To 4928.00 ft (KB) (TVD)
 Total Depth: 4928.00 ft (KB) (TVD)
 Hole Diameter: 7.88 inches -hole Condition: Fair
 Test Type: Conventional Bottom Hole
 Tester: Esak Hadley
 Unit No: 34
 Reference Elevations: 1654.00 ft (KB)
 1641.00 ft (CF)
 KB to GR/CF: 13.00 ft

Serial #: 6773 Inside
 Press@RunDepth: 35.19 psig @ 4868.00 ft (KB)
 Start Date: 2010.11.27 End Date: 2010.11.28
 Start Time: 23:51:52 End Time: 10:28:02
 Capacity: 8000.00 psig
 Last Calib.: 2010.11.28
 Time On Btm: 2010.11.28 @ 02:24:32
 Time Off Btm: 2010.11.28 @ 08:24:47

TEST COMMENT: F Strong blow . BOB in 60 sec.
 ISI No blow .
 FF Strong blow . BOB in 2sec.
 FSI No blow .



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	2499.43	107.80	Initial Hydro-static
47	35.97	111.68	Open To Flow (1)
77	41.62	113.24	Shut-In(1)
155	1104.25	116.93	End Shut-In(1)
155	29.20	116.68	Open To Flow (2)
211	35.19	118.63	Shut-In(2)
341	1173.04	121.95	End Shut-In(2)
361	2448.37	122.47	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
30.00	drilg mud	0.15

Gas Rates

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

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**TRIOBITE
TESTING, INC**

DRILL STEM TEST REPORT

FLUID SUMMARY

Redland Resources Inc
6001 NW 23rd St
Oklahoma City OK 73127
ATTN: Chase Thomas

Perry #5-8
5 34s 18w Comanche
Job Ticket: 39498 DST#: 1
Test Start: 2010.11.27 @ 23:51:47

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: 46.00 sec/qt	Cushion Volume: bbl		
Water Loss: 9.59 in ³	Gas Cushion Type:		
Resistivity: 0.00 ohm.m	Gas Cushion Pressure: psig		
Salinity: 4000.00 ppm			
Filter Cake: 0.20 inches			

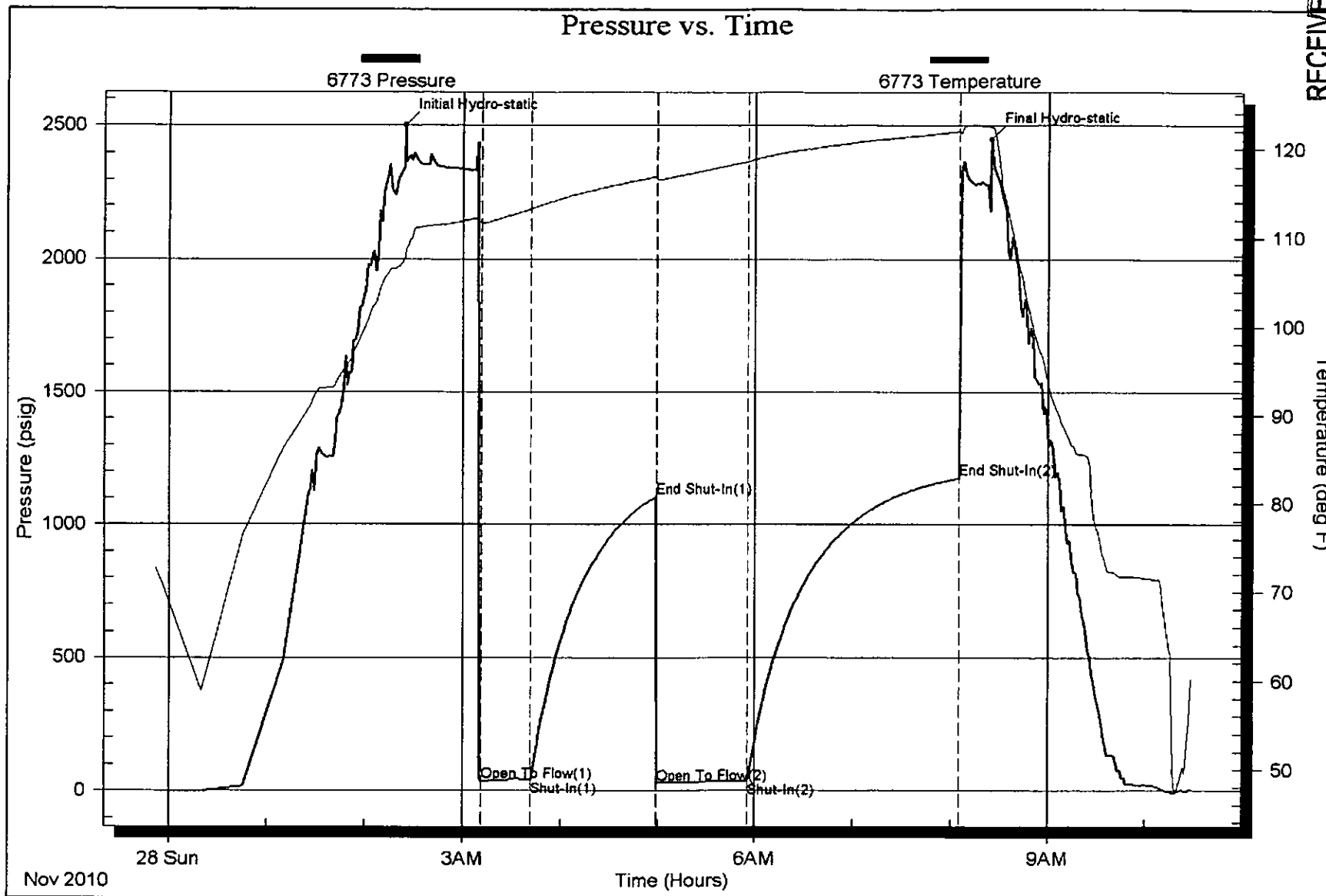
Recovery Information

Recovery Table

Length ft	Description	Volume bbl
30.00	drilg mud	0.148

Total Length: 30.00 ft Total Volume: 0.148 bbl
 Num Fluid Samples: 0 Num Gas Bombs: 0 Serial #:
 Laboratory Name: Laboratory Location:
 Recovery Comments:

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ALLIED CEMENTING CO., LLC. 042271

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

SERVICE POINT:

Medicine Lodge

DATE <i>11-23-2010</i>	SEC. <i>5</i>	TWP. <i>34S</i>	RANGE <i>18W</i>	CALLED OUT <i>11-22 8:30 pm</i>	ON LOCATION <i>11-22 11:00 pm</i>	JOB START <i>11-23 5:00 AM</i>	JOB FINISH <i>11-23 5:30 AM</i>
LEASE <i>Perry</i>		WELL # <i>5-8</i>		LOCATION <i>160 & R222, 4 South, 9 E & S</i>		COUNTY <i>COMANCHE</i>	STATE <i>KS</i>
OLD OR <u>NEW</u> (Circle one)				to Old Bern, 1/2 way, 2 1/2 S to R3			

CONTRACTOR *Duke #9* OWNER *Redland Resources*

TYPE OF JOB *Surface*

HOLE SIZE *17 1/2* T.D. *225'*

CASING SIZE *10 3/8* DEPTH *210'*

TUBING SIZE *8 5/8 L5* DEPTH *12'*

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG. *20'*

PERFS.

DISPLACEMENT *30 bbls of freshwater*

CEMENT

AMOUNT ORDERED *225 sy Class A*

3% CC + 2% Gel

EQUIPMENT

PUMP TRUCK CEMENTER *Darin F*

360-265 HELPER *MATT*

BULK TRUCK

956-250 DRIVER *Raymond R.*

BULK TRUCK

DRIVER

COMMON A	<i>225 sy</i>	@ <i>15.45</i>	<i>3476.25</i>
POZMIX		@	
GEL	<i>5 sy</i>	@ <i>20.80</i>	<i>104.00</i>
CHLORIDE	<i>8 sy</i>	@ <i>58.20</i>	<i>465.60</i>
ASC		@	
HANDLING	<i>238</i>	@ <i>2.40</i>	<i>571.20</i>
MILEAGE	<i>238/10/45</i>		<i>1071.00</i>
			TOTAL <i>5688.05</i>

REMARKS:

*Pipe on bottom & break circulation
Pump 3 bbls of fresh water ahead, mix
225 sy of cement, Displace 30 bbls
of fresh water, shut in, cement
did circulate*

SERVICE

DEPTH OF JOB	<i>222'</i>		
PUMP TRUCK CHARGE	<i>1018⁰⁰</i>		
EXTRA FOOTAGE		@	
MILEAGE	<i>45</i>	@ <i>7.00</i>	<i>315⁰⁰</i>
MANIFOLD		@	
	<i>Sledge & Drive</i>	@	

CHARGE TO: *Redland Resources*

STREET _____

CITY _____ STATE _____ ZIP _____

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TOTAL *1333.00*

PLUG & ABANDON EQUIPMENT

	@	
<i>none</i>	@	
	@	
	@	

TOTAL _____

To Allied Cementing Co., LLC.
You are hereby requested to rent cementing equipment and furnish cementer and helper(s) to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read and understand the "GENERAL TERMS AND CONDITIONS" listed on the reverse side.

SALES TAX (If Any) _____

TOTAL CHARGES ~~5688.05~~

DISCOUNT _____ IF PAID IN 30 DAYS

PRINTED NAME *x David Hickman*

SIGNATURE *x David Hickman*

Thank You!!!

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. 040555

Fec

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

SERVICE POINT: Medicine Lodge, KS

DATE <u>11-29-10</u>	SEC.	TWP.	RANGE	CALLED OUT	ON LOCATION	JOB START	JOB FINISH
LEASE <u>Perry</u>	WELL # <u>5-8</u>	LOCATION <u>2014^{cc} 22, 4s, 9E45, 3rd E/4C</u>			COUNTY	STATE	<u>8:00 PM</u>
OLD OR (NEW) (Circle one)							

CONTRACTOR Duke #9

TYPE OF JOB Production Casing

HOLE SIZE 7 7/8 T.D. 5100

CASING SIZE 4 1/2 10.5" DEPTH 5073

TUBING SIZE _____ DEPTH _____

DRILL PIPE _____ DEPTH _____

TOOL _____ DEPTH _____

PRES. MAX 1600 MINIMUM _____

MEAS. LINE _____ SHOE JOINT 20.97

CEMENT LEFT IN CSG. 21'

OWNER Redlands Res.

CEMENT AMOUNT ORDERED 50s x 60:40:4% gel & 275s x class H ASC + 5* Kolseal + 1/4" Floseal + .5% FC160

PERFS. _____

DISPLACEMENT 80 Bbls Fresh H₂O

COMMON <u>Class A 30s</u>	@ <u>15.45</u>	<u>463.50</u>
POZMIX <u>20s</u>	@ <u>8.00</u>	<u>160.00</u>
GEL <u>2.5s</u>	@ <u>20.90</u>	<u>41.60</u>
CHLORIDE _____	@ _____	_____
ASC _____	@ _____	_____
<u>275 s x H ASC</u>	@ <u>21.10</u>	<u>5802.50</u>
<u>Kolseal 137s</u>	@ <u>.89</u>	<u>1223.75</u>
<u>F1-160 129.25</u>	@ <u>13.30</u>	<u>1719.02</u>
<u>Floseal 68.75</u>	@ <u>2.50</u>	<u>171.87</u>
_____	@ _____	_____
_____	@ _____	_____
_____	@ _____	_____
HANDLING <u>423</u>	@ <u>2.40</u>	<u>1015.20</u>
MILEAGE <u>423/10/45</u>		<u>1903.50</u>
TOTAL		<u>12,500.24</u>

EQUIPMENT

PUMP TRUCK CEMENTER D. Felix

414-302 HELPER R. Gilley

BULK TRUCK

356-250 DRIVER R. Ramons

BULK TRUCK

_____ DRIVER _____

REMARKS:

Pipe on Bttm, Break Circ, Plug Lat & Mouse holes w/ 50s x cement, Mix 50s x Scavenger Cement, Mix 22.5s x tail Cement, Stop Pump, Wash Pump & lines, Release Plug, Start Dig. w/ Fresh H₂O, See increase in lift, Slow Rate, Bump Plug at 80 Bbls total Disp., Release PSI, Floats Did Hold

SERVICE

DEPTH OF JOB <u>5073</u>		
PUMP TRUCK CHARGE <u>2185</u>		
EXTRA FOOTAGE _____	@ _____	_____
MILEAGE <u>45</u>	@ <u>7</u>	<u>315</u>
MANIFOLD <u>Head Rental</u>	@ _____	_____
_____	@ _____	_____
_____	@ _____	_____
TOTAL		<u>2500</u>

CHARGE TO: Redland Res.

STREET _____

CITY _____ STATE _____ ZIP _____

PLUG & FLOAT EQUIPMENT

<u>6- turblicas</u>	@ <u>37.80</u>	<u>226.80</u>
<u>1- AFU Float Sloe</u>	@ _____	<u>205.80</u>
<u>1- Latchdown Plug Assy</u>	@ _____	<u>144.20</u>
_____	@ _____	_____
TOTAL		<u>576.80</u>

RECEIVED
APR 25 2011
KCC WICHITA

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 DAVID HICKMAN

SIGNATURE David Hickman

SALES TAX (If Any) _____

TOTAL CHARGES ~~12,500.24~~

DISCOUNT _____ IF PAID IN 30 DAYS _____

4 1/2"

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.