

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

UNIG
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 # 6037
Name: Staab Oil Company
Address 1: 1607 Hopewell Road
Address 2: _____
City: Hays State: KS Zip: 67601 + _____
Contact Person: Francis C. Staab
Phone: (785) 625-5013
CONTRACTOR: License # 5184
Name: Shields Drilling
Wellsite Geologist: Randy Killian
Purchaser: Coffeyville Resources

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 #: _____

6-07-11	6-14-11	7-10-11
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 051-26146-00-00

Spot Description: _____
N2 SE NE NE Sec. 19 Twp. 12 S. R. 19 East West
880 Feet from North / South Line of Section
330 Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW

County: Ellis
Lease Name: Vonfeldt Staab Well #: 2
Field Name: Crathome NW

Producing Formation: Arbuckle

Elevation: Ground: 2190 Kelly Bushing: 2195

Total Depth: 3910 Plug Back Total Depth: _____

Amount of Surface Pipe Set and Cemented at: 229 Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set: 1570 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: _____ ppm Fluid volume: _____ bbls

Dewatering method used: _____

Location of fluid disposal if hauled offsite: _____

Operator Name: Clar-Mar Oil

Lease Name: Dechant License #: 1605

Quarter _____ Sec. 17 Twp. 14 S. R. 18 East West

County: Ellis Permit #: 24-904

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: Francis C. Staab
Title: Partner Date: 7-16-11

KCC Office Use ONLY

Letter of Confidentiality Received
Date: _____ RECEIVED
 Confidential Release Date: _____ JUL 18 2011
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
ALT I II III Approved by: Dg Date: 7/19/11

Operator Name: Staab Oil Company Lease Name: Vonfeldt Staab Well #: 2
 Sec. 19 Twp. 12 S. R. 19 East West County: Ellis

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 Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input type="checkbox"/> Yes <input checked="" 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, Dual Compensated Porosity, Microsensitivity Cement Bond Log	<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>Anhydrite</td> <td>1544</td> <td>+651</td> </tr> <tr> <td>Base</td> <td>1589</td> <td>+606</td> </tr> <tr> <td>Topeka</td> <td>3229</td> <td>-1034</td> </tr> <tr> <td>Heebner</td> <td>3460</td> <td>-1265</td> </tr> <tr> <td>Tomoto</td> <td>3482</td> <td>-1287</td> </tr> <tr> <td>Lansing</td> <td>3504</td> <td>-1309</td> </tr> <tr> <td>BKC</td> <td>3747</td> <td>-1552</td> </tr> </table>	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample	Name	Top	Datum	Anhydrite	1544	+651	Base	1589	+606	Topeka	3229	-1034	Heebner	3460	-1265	Tomoto	3482	-1287	Lansing	3504	-1309	BKC	3747	-1552
<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample																										
Name	Top	Datum																										
Anhydrite	1544	+651																										
Base	1589	+606																										
Topeka	3229	-1034																										
Heebner	3460	-1265																										
Tomoto	3482	-1287																										
Lansing	3504	-1309																										
BKC	3747	-1552																										

CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used Arbuckle 3822 -1627 Report all strings set-conductor, surface, intermediate, production, etc. TD 3910 -1715							
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 Pipe	12 1/2	8 5/8	20	229	Common	150	
Production Pipe	7 7/8	5 1/2	14	3907		150	3% gel
	D.V. Tool To surface			1607		355	WFR 2 500 gal

ADDITIONAL CEMENTING / SQUEEZE RECORD Cement Circulated				
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 (Amount and Kind of Material Used)	Depth
2	3869 to 3872	None	
	Set Bridge Plug @ 3864		
2	3848 to 3852	250 gals Mud Acid	

TUBING RECORD: Size: <u>2 7/8</u> Set At: <u>3840</u> Packer At: <u>None</u> Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Date of First, Resumed Production, SWD or ENHR. <u>7-12-11</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 Bbls. <u>20</u> Gas Mcf _____ Water Bbls. <u>70</u> Gas-Oil Ratio _____ Gravity _____	

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 <i>(Submit ACO-5)</i> <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------

DRILL STEM TESTS

NO	INTERVAL	IFP/TIME	ISIP/TIME	FF/TIME	FSIP/TIME	HP/FT#	RECOVERY
1	LKc C-1 3519- 3603'	48# 59# 5"	967# 60"	63# 145# 60"	81# 90"	1793# 1735#	200' Mud
2	Arb. 3828- 3863'	28# 52# 5"	1203# 60"	65# 274# 60"	1155# 90"	1973# 1866#	370' G,M,W,Oil 160' O,C,Mud
3							
4							
5							
6							
7							
8							

Displaced
 LCM #
 LCM #
 LCM #
 LCM #
 LCM 3# \$7052

JD RECORD

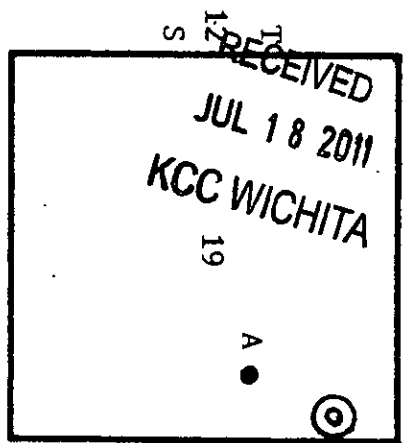
WT	VIS	FIL	CHL	YP
8.9	49	12.	4.9k	23
9.0	51			
9.3	61	12.	5.7k	30
9.2	63			
9.3	54	10.4	3k	22

BIT RECORD

MAKE	TYPE	DEPTH OUT	FEET	HOURS
REED	RR	232'	232'	5 1/2
REED	S52	3257'	3025'	53 1/2
REED	S52	3910'	653'	34 1/2

FORMATION TOPS & STRUCTURAL

R 19 W



REFERRED TO:

STAAB OIL CO.
 Vonfeldt/Staab #

- A: _____
- B: _____
- C: _____
- D: _____
- E: _____

STRATIGRAPHIC SUBJECT WELL STRUCTURAL

MARKERS	SAMPLE	E. LOG	DATUM	A
Anhydrite	1543'	1544'	+ 651	+ 651
Base	1591'	1589'	+ 606	+ 604
Topeka	3230'	3229'	-1034	-1044
Heeb. Sh.	3462'	3460'	-1265	-1270
Toronto	3488'	3482'	-1287	-1296
Lansing	3504'	3504'	-1309	-1313
Bkc.	3748'	3747'	-1552	-1558
Arbuckle	3830'	3822'	-1627	-1649
TD	3910'	3910'	-1715	-1726

Pipe strap 1.99' long.

ALLIED CEMENTING CO., LLC.

5378

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

SERVICE POINT:

Russell

DATE <u>6/8/11</u>	SEC. <u>19</u>	TWP. <u>12</u>	RANGE <u>19</u>	CALLED OUT	ON LOCATION	JOB START <u>3:30 PM</u>	JOB FINISH <u>4:00 PM</u>
LEASE <u>Vonfeldt</u>	WELL # <u>2</u>	LOCATION <u>Vonfeldt - T-70 N</u>			COUNTY <u>Ellis</u>	STATE <u>KS</u>	
OLD OR <u>NEW</u> (Circle one)		to Buckeye Rd 2W 1/2 S W 1/4					

CONTRACTOR Sheldt Drilling Rig #1

TYPE OF JOB Surface Job

HOLE SIZE 12 1/4 T.D. 232

CASING SIZE F 5/8 DEPTH 232.05

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG. 15'

PERFS.

DISPLACEMENT 13 3/4

OWNER

CEMENT

AMOUNT ORDERED 150 60/40

32 CC 27.60

EQUIPMENT

PUMP TRUCK # 409 CEMENTER Shane

HELPER Heath

BULK TRUCK # 410 DRIVER Mark

BULK TRUCK # DRIVER

COMMON	<u>90</u>	@	<u>16.25</u>	<u>1462.50</u>
POZMIX	<u>60</u>	@	<u>8.50</u>	<u>510.00</u>
GEL	<u>3</u>	@	<u>21.25</u>	<u>63.75</u>
CHLORIDE	<u>5</u>	@	<u>58.20</u>	<u>291.00</u>
ASC		@		

RECEIVED

JUL 18 2011

KCC WICHITA

TOTAL 3273.67

REMARKS:

Run 5 JTs & Casing Str

Test Circulation

Mixed 100 str

Cement Circulated!

HANDLING 158 @ 2.25 355.50

MILEAGE 11.50/mile 590.92

SERVICE

DEPTH OF JOB			
PUMP TRUCK CHARGE			<u>1125.00</u>
EXTRA FOOTAGE	@		
MILEAGE	<u>68</u>	@	<u>7.00</u> <u>476.00</u>
MANIFOLD	@		
<u>Com</u>	<u>68</u>	@	<u>4.00</u> <u>272.00</u>

TOTAL 1873.00

CHARGE TO: Staab Oil

STREET

CITY STATE ZIP

PLUG & FLOAT EQUIPMENT

	@		
	@		
	@		
	@		

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 1873.00

DISCOUNT 0.00 IF PAID IN 30 DAYS

PRINTED NAME Thomas Engel

SIGNATURE Thomas Engel

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.

ALLIED CEMENTING CO., LLC.

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

SERVICE POINT:

Russell

DATE <u>6-14-11</u>	SEC. <u>19</u>	TWP. <u>12S</u>	RANGE <u>19W</u>	CALLED OUT	ON LOCATION	JOB START <u>7:00 p</u>	JOB FINISH <u>8:00 pm</u>
LEASE <u>Vonfeldt / Staab</u>	WELL # <u>2</u>	LOCATION <u>Yacometo + E-20 N</u>		COUNTY <u>Ellis</u>	STATE <u>Ks</u>		
OLD OR NEW (Circle one)		<u>to Buckeye Rd 1 1/2 W Sink</u>					

CONTRACTOR Shields Drilling Rig #1 OWNER _____
 TYPE OF JOB Production String
 HOLE SIZE 7 7/8 T.D. 3910
 CASING SIZE 5 1/2 142 DEPTH 3912
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL DV Tool DEPTH 1607
 PRES. MAX 1500 psi MINIMUM _____
 MEAS. LINE _____ SHOE JOINT 21.04
 CEMENT LEFT IN CSG. 21.04
 PERFS. _____
 DISPLACEMENT 94,976.61 Gallons
 EQUIPMENT 39.21 Top.

PUMP TRUCK CEMENTER Shane Heath
 # 409 HELPER Todd
 BULK TRUCK _____
 # 37F DRIVER Nick
 BULK TRUCK _____
 # 473 DRIVER Tony

REMARKS:

Rot Hdr 50stk. Misc Hdr
Turned @ 3891.96. Mix Est
Circulation Mixed 500 Gal WFR-2
Mixed 150 stk. Shut-down washed
put + Circ. Displaced 94,976.61
Loaded Plug @ 1500 psi. Flat Held.
Opened DV Tool @ 1100 psi.
Mixed 355 stk Cement Circulated!
Close OUT @ 1800 psi.

CHARGE TO: Staab Oil
 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 Staab Oil Co
 SIGNATURE Francis Staab

CEMENT			
AMOUNT ORDERED	<u>150 Con 102 Salt 22601</u>		
	<u>400 Lite 1/4 WFR</u>		
	<u>500 Gal WFR-2</u>		
COMMON	<u>150</u>	@ <u>16.25</u>	<u>2437.50</u>
POZMIX		@	
GEL	<u>3</u>	@ <u>21.25</u>	<u>63.75</u>
CHLORIDE		@	
ASC		@	
	<u>Salt 13</u>	@ <u>23.95</u>	<u>311.35</u>
	<u>Flo Seal 37</u>	@ <u>2.70</u>	<u>99.90</u>
	<u>Lite 400</u>	@ <u>14.50</u>	<u>5800.00</u>
	<u>WFR-2 500 gal</u>	@ <u>1.10</u>	<u>550.00</u>
HANDLING	<u>560</u>	@ <u>2.25</u>	<u>1260.00</u>
MILEAGE	<u>111.56 miles</u>		<u>2094.44</u>
			TOTAL <u>12616.94</u>

SERVICE

DEPTH OF JOB			
PUMP TRUCK CHARGE			<u>2225.00</u>
EXTRA FOOTAGE		@	
MILEAGE	<u>68</u>	@ <u>7.00</u>	<u>476.00</u>
MANIFOLD		@	
	<u>Con 68</u>	@ <u>4.00</u>	<u>272.00</u>
			TOTAL <u>2973.00</u>

PLUG & FLOAT EQUIPMENT

Latch down	@		<u>N-C</u>
DV Tool	@		<u>2605.00</u>
1 Basket	@		<u>236.00</u>
Float Shoe	@		<u>245.00</u>
Centralizers	<u>6</u>	@ <u>34.00</u>	<u>204.00</u>
			TOTAL <u>3290.00</u>

SALES TAX (If Any) _____
 TOTAL CHARGES _____
 DISCOUNT _____ IF PAID IN 30 DAYS

Thanks!

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.