County \_

Hodgeman

## ORIGINAL | API NO. 15- 083-21419-00-00

### STATE CORPORATION COMMISSION OF KANSAS OIL & GAS CONSERVATION DIVISION WELL COMPLETION FORM

ACO-1 WELL HISTORY DESCRIPTION OF WELL AND LEASE	NW SE SW Sec. 8 Twp. 24S Rge. 22 XX w
Operator: License # 3988	1 1235. Feet from SN (circle one) Line of Section
Name: Slawson Exploration Co., Inc.	1625 Feet from ED (circle one) Line of Section
Address 621 N. Robinson, #490	Footages Calculated from Nearest Outside Section Corner:   NE, SE, NW or SW circle one)
City/State/Zip Oklahoma City, OK 73102	Lease Name FAGEN "D" Well # 1
Purcheser:CONFIDENTIAL	Field Name Wildcat
Operator Contact Person: Steve Slawson	Producing Formation
Phone (_405)232-0201	Elevation: Ground 2374   KB 2379
Contractor: Name: L. D. Drilling, Inc.	Total Depth 4925' PBTD
License: 6039	Amount of Surface Pipe Set and Cemented at Feet
bellsite Geologist: Kim Shoemaker	Multiple Stage Cementing Collar Used? Yes No
Designate Type of Completion	If yes, show depth set Feet
X New Well Re-Entry Workover	If Alternate II completion, cement circulated from
OilSWDSIGWTemp. Abd.	feet depth tow/sx cmt.
Dry Other (Core, WSW, Expl., Cathodic, etc)  f Workover/Re-Entry: old well info as follows:	Drilling Fluid Management Plan DiA 1-10-76 JK (Data must be collected from the Reserve Pit)
Operator:	Chloride content 30000 ppm Fluid volume 4000 bbls
Well Name:	Dewatering method used evaporation
Comp. Date Old Total Depth	Location of fluid disposal if hauled office.
Deepening Re-perf. Conv. to Inj/SWD Plug Back PBTD Commingled Docket No.	Operator Name JAN 3
Dual Completion Docket No	Lease Name CON License No. 1
Other (SWD or Inj?) Docket No	S RngE/W
Epud Date Date Reached TD Completion Date	FROM CONFIDENTIAL Docket No.
Derby Building, Wichita, Kansas 67202, within 120 days o Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information on 12 months if requested in writing and submitted with th	l be filed with the Kansas Corporation Commission, 200 Colorado of the spud date, recompletion, workover or conversion of a well side two of this form will be held confidential for a period of e form (see rule 82-3-107 for confidentiality in excess of 12 report shall be attached with this form. ALL CEMENTING TICKETS
all requirements of the statutes, rules and regulations promule with and the statements herein are complete and correct to the statements herein are complete and correct to the statements herein are complete and correct to the statement of the	lgated to regulate the oil and gas industry have been fully complied he best of my knowledge.
ignature All The Total	K.C.C. OFFICE USE ONLY
itte Division Operations in E	RECEIVED Ster of Confidentiality Attached Confidentiality Attached Corporation Commission Received
Subscribed and sworn to abstore see this day of	nuary Geologist Report Received
lotary Public Will Down	CONSERVATION TENTON SUD/RepNGPA
Date Commission Expires	W CHITA, KANSAS (Specify)

· I A I A I A I A	7.0		SIDE TWO	· · · · · · · · · · · · · · · · · · ·		•	できたい
Oper Hor Man T SI	lawson Expl	oration Co., In	1C. Lease Nam	FAGEN	"D"	Well #	1
. Q 24	(d. 00	□ <sub>East</sub>	County	Hodgen	an		s
Sec. 8 Twp. 24	+0 Rge		-083-21419				
INSTRUCTIONS: Show interval tested, time hydrostatic pressure if more space is need.	me tool open : s, bottom hole	end closed, flowing temperature, fluid r	and shut-in pro	essures, whet	her shut-in pro	essure rea	ached static leve
Drill Stem Tests Tak (Attach Additiona		XX Yes No	وه یا	Formatio	on (Top), Depth	and Datum	s Sample
Samples Sent to Geol	ogical Survey	XX Yes  No	Name	• •	Top		Datum (
Cores Taken		☐ Yes ☒ No	i Annydr Heebne		1491 3967		( +883) (-1593)
Electric Log Run (Submit Copy.) List All E.Logs Run:		XX Yes No	Marmat	on Cherokee	3967 4050 4454 4587 4701	· · · · · · · · · · · · · · · · · · ·	(-1676) (-2080) (-2213) (-2327)
GUARD SIT	DENALL HEV	itron Log		•			
	Report a	CASING RECORD	New [] (		production, et	£.	
Purpose of String	Size Hole	Size Casing Set (In 0.0.)	Weight Lbs./Ft.	Setting Depth	Type of Cement	<del>,</del>	Type and Percent Additives
surface	12-1/4"	8 5/8"	23#	635'	60/40 Poz	345	2% Gel, 3% (
							ļ.
: L							
		ADDITIONAL	CEMENTING/SQUE	EZE RECORD			<del> </del>
Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used		ype and Percent	Additive	
Perforate ** 1. Protect Casing		RELTASE	· · · · · · · · · · · · · · · · · · ·				-
Plug Back TD Plug Off Zone				 	•	· · · · · · · · · · · · · · · · · · ·	
	* * * * * * * * * * * * * * * * * * * *	1 1 14 Mg		i			
Shots Per Foot	PERFORATION Specify Footag	RECORD - Bridge Plu e of Each   Interval = P	gs Set/Type erforated	Acid, F (Amount and	racture, Shot, Kind of Materi	Cement Squal (Control)	Depth
			· · · ·				
TUBING RECORD	Size	Set At	Packer At	Liner Run		lo	
Date of First, Resum	ed Production,	SWD or Inj.   Produc	ing Method Fi	owing Star Rum	oing Gas bi	ath	er (Explain)
Estimated Production Per 24 Hours	oil	Bbls. Gas	Mcf Water	<u></u>		<u></u>	Gravity
isposition of Gas:		, KET	HOD OF COMPLETIE	ON THE STATE OF	The second of the	<u> </u>	oduction Interval
Vented Sold (If vented, subm	Used on Le	open h	lole Perf.	Oually C	Company Comming	gled	
		U Other	(Specify)			•	



P. O. Box 157 HOISINGTON, KANSAS 67544 (316) 653-7550

# API#15-083-21419-000 CONFIDENTIAL DIAMOND TESTING ORIGINAL

Page 1 of 2 Pages

Company Slawson Exploration Co., Inc.	Lease & Well No. Fagen "D" N	io. 1
Elevation 2374 KB Formation Mississippi	Effective Pay	Ft. Ticket No. 1076
Date 11-27-94 Sec. 8 Twp. 24S Range 22W	County Hodgeman	StateKansas
Test Approved By Kim B. Shoemaker	Diamond Representative Roger D	. Friedly
Formation Test No. 2 Interval Tested from 4,625 f	t. to 4,719 ft. Total I	Depth4,719_ft.
Packer Depth 4,620 ft. Size 6 3/4 in.	Packer Depthft.	Size in.
Packer Depth 4,625 ft. Size 6 3/4 in.	Packer Depthft.	Size in.
Depth of Selective Zone.Set	·	
Top Recorder Depth (Inside) 4,613 ft.	Recorder Number 13386 Ca	p. 3,875 psi
Bottom Recorder Depth (Outside) 4,716 ft.	Recorder Number 13556 Ca	p. <u>4,400 psi</u>
Below Straddle Recorder Depthft.	Recorder Number Ca	p
Drilling Contractor L. D. Drilling, Inc. D	rill Collar Length	I.Din
Mud Type <u>Chemical</u> Viscosity <u>48</u> W	eight Pipe Length	I.Din.
Weight 9.5 Water Loss 8.0 cc. D	rill Pipe Length 4,598 ft.	I.D. 3 <sup>1</sup> 4 in.
Chlorides 4,000 P.P.M. Te	est Tool Length <u>27 ft</u>	Tool Size 3½-IF in.
Jars: Make <u>Bowen</u> Serial Number <u>Not Run</u> A	nchor Length 32' perf. w/62' dr	cillpipe Size 412-FH in
Did Well Flow? NO Reversed Out NO Su	rrface Choke Sizein	. Bottom Choke Size 5/8 in
M	ain Hole Size 7 7/8 in	. Tool Joint Size 412-XH in.
Blow: 1st Open: Weak, & in., blow increasing to 2nd Open: Weak, & in., blow increasing to	4 ins. at end. No blow ba 5 ins. at end. No blow ba	ck during shut-in.
Recovered 135 ft. of gas in pipe		
Recovered 1 ft. of clean oil = .01026 bbls.		
Recovered 50 ft. of oil cut gassy mud = .513 bbls	. (Grind out: 8%-oil; 12%	-gas; 80%-mud)
Recovered 51 ft. of TOTAL FLUID = .52326 bbls.	EASED NUL	· · · · · · · · · · · · · · · · · · ·
Recovered ft. of ft.	1111 2	
RemarksMAR_	1 1 1997	-11
	COL	
<del></del>	ONFIDENTIAL	**************************************
Time Set Packer(s) 10:25 P.M. Time Started Off E	A.M. Bottom <u>1:25</u> <b>2</b> 000. Maximus	m Temperature 122°
Initial Hydrostatic Pressure (	A) 2379 P.S.I.	
Initial Flow Period Minutes 30	B) 89 P.S.I. to (C)	P.S.I.
Initial Closed In Period Minutes 45	D) 1091 P.S.I.	
Final Flow Period Minutes 45	E) 89 P.S.I. to (F)	P.S.I.
Final Closed In Period Minutes 60 (	G) 1113 P.S.I.	·
Final Hydrostatic Pressure (	H) 2368 P.S.I.	

15-083-21419-0200

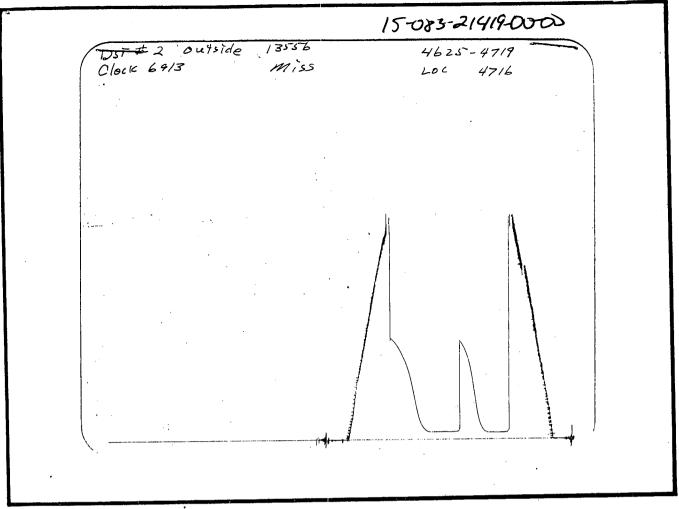


#### DIAMOND TESTING P. O. Box 157 HOISINGTON, KANSAS 67544 (800) 542-7313

Page 2 of 2 Pages

#### **FLUID SAMPLE DATA**

Company Slawson Exploration	Co., Inc			···		
Lease & Well No. Fagen "D" No. 1	·					
Date11-27-94		_Sec	8	Twp	24 S Rang	e22_w
Formation Test No. 2 Interval Test	ed From	4,	625_ft.to	4,7	19 ft. Total Depth	4,719 ft
Formation Mississippi			<u></u>		•	
			MUD PIT		RECOVERY	•
Viscosity			48	СР		•
Weight		-	9.5	•	8.3	
Water Loss			8.0	CC .	9.6 cc	
PH Factor			8.5		7.0	
			·			
	RE	SISTIVI"	ΓY		ORIDE NTENT	
Recovery Water		@	.· 		ppm	
Recovery Mud	1.10				5,500 ppm	
Recovery Mud Filtrate	1.00				6,500 ppm	•
Mud Pit Sample	1.60			°F.		·
Mud Pit Sample Filtrate	1.70	 @	62	°F	5,200 ppm	÷.
		-				
Sample Taken By Roger D. Friedly	7		<del>in</del>			
Witness By Kim B. Shoemaker			<del></del>			
Remarks Pit filtrate triton di	sh chlor	cides v	vere 4,00	00 Ppm.		
Recovery filtrate trit	on dish	chlor	ides were	e 5,000 I	Ppm.	
				· · · · · · · · · · · · · · · · · · ·		•
		· <del>······</del> .			· ·	<del></del>
			f			



This is an actual photograph of recorder chart.

	•	PRES	SURE	
	·	Field	Office Reading	
POINT		Reading	Reading	
(A)	Initial Hydrostatic Mud	2379	2383	. PSI
` '	First Initial Flow Pressure	89	101	. PSI
(B)	First mittain low ressure	78	83	DCI
(C)	First Final Flow Pressure			F3i
(D)	Initial Closed-in Pressure	1091	1091	PSI
	Second Initial Flow Pressure	89	. 101	PSI
(E)	Second lintial Flow Flessure		00	
(F)	Second Final Flow Pressure	83	92	PSI
(G)	Final Closed-in Pressure	1113	1126	PSI
	Final Hydrostatic Mud	2368	2361	PSI
(H)	Final Hydrostatic Mud			01

JAN 3 CON' - 1/1 Phone 913-483-2627, Russell, KS Phone 316-793-5861, Great Bend, KS Phone 913-625-5516, Hays, KS

Phone 913-672-3471, Oakley, KS

/5-083-21419-0000 Phone 316-886-5926, Medicine Lodge, KS

Phone 913-798-3843, Ness City, KS

## LLIED CEMENTING CO., INC. Home Office P. O. Box 31 Russell, Kansas 67665

Called Out On Location Range 11 3mm Date 11-29-94 22 Lease Fagen Well No. Location Owner Contractor To Allied Cementing Co., Inc. Type Job You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed. T.D. Hole Size 405-232-0201 Csg. Depth Exploration Che Tbg. Size Street 1540 pt Drill Pipe Depth City O.K.C State O.K. Depth The above was done to satisfaction and supervision of owner agent or Tool contractor. Cement Left in Csg. Shoe Joint Purchase Order No. Press Max. Minimum Meas Line Displace Perf. Amount Ordered **EQUIPMENT** Consisting of Commôn Cementer Poz. Mix 20 Helper Gel. No. Cementer Chloride Pumptrk Helper Quickset Driver Bulktrk 101 Bulktrk Driver Sales Tax Handling 1540 gl DEPTH of Job JAN Mileage • Reference: Total Floating Equipment Tax Total MAR 1 1540 FROM CONFIDENTIA

#### GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "Allied" shall mean Allied Cementing Co., Inc., and "Customer" shall refer to the party identified by that term on the front of this contract. As applicable, "Job" relates to the services described on the front side of this contract, "merchandise" refers to the material described on the front of this contract and to any other materials in ducts, 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 "All IED" 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. Notwith-standing 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 work-manship 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 accom-

plish the job as an independent contractor and not as an employee or agent of the CUSTOMER.

	NTING CO., INC. 1150
REMIT TO P.O. BOX 31 RUSSELL, KANSAS 67665	ORIGINAL SERVICE POINT:  Great Bend
DATE 11-19-94 SEC TWP. RANGE 22	CALLED OUT ON LOCATION JOB START JOB FINISH 10:00 Am 2. JUNE 10 TO TO TO THE START OF THE START
LEASE 109en () WELL# LOCATION 75-	Sw-25-lw-Moto Hodgman KS
CONTRACTOR LD DALS	OWNER Sama CEMENT
TYPE OF JOB SURFACE HOLE SIZE /2 1/4 T.D. 642 CASING SIZE 81/8 DEPTH 645 TUBING SIZE DEPTH	AMOUNT ORDERED 34554 40 3+2
TUBING SIZE DEPTH  DRILL PIPE DEPTH  TOOL DEPTH	The second secon
PRES. MAX MINIMUM MEAS. LINE SHOE JOINT	COMMON
PERFS. LLO.32	GEL @
EQUIPMENT	RELEASED @
PUMPTRUCK CEMENTER Don H # 181 HELPER Tim D	MAR 1997) @
BULK TRUCK  # DRIVER  BULK TRUCK	OM MONE CORENTIAL
# Q14 DRIVER BOD B	CONFIDENTIAL TOTAL
REMARKS:	SERVICE
flug Displaced Down	DEPTH OF JOB 642 NOC "
Cencin Did" Circulate	PUMP TRUCK CHARGE @ JAN _ 5
Plug Displaced Down Cencin Did" Circulate  "BY Allied Cemonaling Mank" Dor	PUMP TRUCK CHARGE
Cencin Did" Circulate	PUMP TRUCK CHARGE  EXTRA FOOTAGE  MILEAGE  PLUG  @  @  @  @  @  @  @  @  @
CHARGE TO: Slawson EXP. CO.Inc.	PUMP TRUCK CHARGE  EXTRA FOOTAGE  MILEAGE  PLUG  @  CONTINUTY AND DESCRIPTION OF TOTAL
CEMENT DID" CICULATE  SY Allied Cementing  Thank's Dor  Other  CHARGE TO: Slawson EXP. CO. Inc.  STREET 621 N Robinson # 470	PUMP TRUCK CHARGE EXTRA FOOTAGE @ JAN 5 MILEAGE @ CONTINAL PLUG @ TOTAL  FLOAT EQUIPMENT
CEMELA DISPLACE DOWN  CEMELA DID' CICULATE  STATE OK ZIP 2310:	PUMP TRUCK CHARGE EXTRA FOOTAGE @ JAN 5 MILEAGE PLUG @ CONTINATION  TOTAL  FLOAT EQUIPMENT  @ @ @ @ @ @ @ @ @ @ @ @ @ @ @ @ @ @ @
CEMENT DID" CICULATE  SY Allied Cementing  Thank's Dor  Other  CHARGE TO: Slawson EXP. CO. Inc.  STREET 621 N Robinson # 470	PUMP TRUCK CHARGE EXTRA FOOTAGE @ JAN 5 MILEAGE PLUG @ CONTAIL  TOTAL  FLOAT EQUIPMENT  @ @ @ @ @ @ @ @ @ @ @ @ @ @ @ @ @ @ @
CEMELA DISPLACE DOWN  CEMELA DID' CICULATE  STATE OK ZIP 2310:	PUMP TRUCK CHARGE EXTRA FOOTAGE  MILEAGE PLUG  PLUG  TOTAL  FLOAT EQUIPMENT  @  @  @  @  @  @  @  @  @  @  @  @  @
CEMELA DISPLACE DOWN  CEMELA DID' CICULATE  STATE OK ZIP 2310:	PUMP TRUCK CHARGE EXTRA FOOTAGE MILEAGE PLUG  @ TOTAL  FLOAT EQUIPMENT  @ @ @ TOTAL  TOTAL  TOTAL  TOTAL
CHARGE TO: Slawson EXP. CO. Inc.  To Allied Cementing Co., Inc.	PUMP TRUCK CHARGE EXTRA FOOTAGE  MILEAGE PLUG  PLUG  TOTAL  FLOAT EQUIPMENT  @  @  @  @  @  @  @  @  @  @  @  @  @
CHARGE TO: Slawson EXP. CO. Inc.  STREET 621 N Robinson #470  CITY OKC STATE OK ZIP 2310:  To Allied Cementing Co., Inc.  You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or	PUMP TRUCK CHARGE EXTRA FOOTAGE  MILEAGE PLUG  @  TOTAL  FLOAT EQUIPMENT  @  @  @  TOTAL  TAX  TOTAL CHARGE  DISCOUNT  IF PAID IN 30 DAYS
CHARGE TO: Slawson EXP. CO. Inc.  STREET 621 N Robinson #470  CITY OKC STATE OK ZIP 2310:  To Allied Cementing Co., Inc.  You are hereby requested to rent cementing equipment	PUMP TRUCK CHARGE EXTRA FOOTAGE MILEAGE PLUG    TOTAL  FLOAT EQUIPMENT

### GENERAL TERMS AND CONDITIONS

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

- —TERMS: Unless satisfactory credit has been established, "CUSTOMER" must tender full cash payment to "ALLIED" before the job is undertaken or merchandise is delivered. If satisfactory credit has been established, the terms of payment for the job and/or merchandise, including bulk cement, are net cash, payable in 30 days from the completion of the job and/or delivery of the merchandise. For all past due invoices, "CUSTOMER" agrees to pay interest on amounts invoiced at a rate of 18 percent per annum until paid. Notwithstanding the foregoing, in no event shall this Contract provide for interest exceeding the maximum rate of interest that "CUSTOMER" may agree to pay under applicable law. If any such interest should be provided for, it shall be and hereby is deemed to be a mistake, and this contract shall be automatically reformed to lower the rate of interest to the maximum legal contract rate, any amounts previously paid as excess interest shall be deducted from the amounts owing from the "CUSTOMER" or at the option of "ALLIED," refunded directly to "CUSTOMER." For purposes of this paragraph, ALLIED and CUSTOMER agree that KANSAS law shall apply. Any discounts granted with this contract are null and void if the charges are not paid when due.
- —ATTORNEY-FEES: In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the terms of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limited to, a reasonable sum as and for attorney's fees.
- —PRICES AND TAXES: All merchandise listed in "ALLIED'S" current price schedule are F.O.B. ALLIED'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by ALLIED shall be added to the quoted prices charged to CUSTOMER.
- —TOWING CHARGES: ALLIED will make a reasonable attempt to get to and from each job site using its own equipment. Should ALLIED be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ a tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMER or, if furnished by ALLIED, will be charged to and paid by CUSTOMER.
- —PREPARATION CHARGES: If a job and/or merchandise is ordered and CUSTOMER cancels the order after preparation of a chemical solution or other material, CUSTOMER will pay ALLIED for the expenses incurred by ALLIED as a result of the cancellation.
- —DEADHAUL, CHARGES: Unless otherwise specified on the front of this Contract, a deadhaul charge as set forth in ALLIED'S current price book will be charged each way for each service unit which is ordered by CUSTOMER but not used.
- —SERVICE CONDITIONS AND LIABILITIES: 1. ALLIED carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond ALLIED'S control, ALLIED shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. Customer shall be responsible for and indemnify, defend, and hold harmless ALLIED, its officers, agents and employees, from and against any and all claims or suits for:
- (A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:
- (B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with ALLIED'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of ALLIED or its employees.
- 2. With respect to any of ALLIED'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to ALLIED at the landing, CUSTOMER shall either recover the lost item without cost to ALLIED or reimburse ALLIED the current replacement cost of the item unless the loss or damage results from the sole negligence of ALLIED or its employees.
- 3. ALLIED does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.
- WARRANTIES: 1. ALLIED warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. ALLIED'S obligation under this warranty is expressly limited to repair, replacement, or allowance for credit, at its option, for any merchandise which is determined by ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE, CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and ALLIED shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.
  - 2. More specifically:
- (A) Nothing in this contract shall be construed as a warranty by ALLIED of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.
- (B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by ALLIED or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by ALLIED, unless the inaccuracy or incorrectness is caused by the wilful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.
- (C) Work done by ALLIED shall be under the direct supervision and control of the CUSTOMER or his agent and ALLIED will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.