

**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE**

ORIGINAL

Form ACO-1
June 2009
Form Must Be Typed
Form must be Signed
All blanks must be Filled

OPERATOR: License # 31160
Name: Phillips Exploration Company LC
Address 1: 1601 N. Sagebrush
Address 2: _____
City: Wichita State: KS Zip: 67230 +
Contact Person: James B. Phillips
Phone: (316) 636-2256
CONTRACTOR: License # 30606
Name: Murfin Drilling Company Inc
Wellsite Geologist: James B. Phillips
Purchaser: NCRA

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 #: _____
05/11/11 05/18/11 06/02/11
Spud Date or Date Reached TD Completion Date or
Recompletion Date Recompletion Date

API No. 15 - 065-23726-00-00
Spot Description: _____
W/2 NE NE NE Sec. 34 Twp. 10 S. R. 24 East West
330 Feet from North / South Line of Section
500 Feet from East / West Line of Section
Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
County: Graham
Lease Name: Geyer Well #: 1-34
Field Name: _____
Producing Formation: Lansing
Elevation: Ground: 2410 Kelly Bushing: 2415
Total Depth: 4050 Plug Back Total Depth: 4011
Amount of Surface Pipe Set and Cemented at: 220 Feet
Multiple Stage Cementing Collar Used? Yes No
If yes, show depth set: _____ Feet
If Alternate II completion, cement circulated from: 2020
feet depth to: surface w/ 400 sx cmt.

Drilling Fluid Management Plan
(Data must be collected from the Reserve Pit)
Chloride content: 4000 ppm Fluid volume: _____
Dewatering method used: evaporate
Location of fluid disposal if hauled offsite: _____
Operator Name: Phillips Exploration Company LC
Lease Name: Herman Trust License #: 31160
Quarter NE Sec. 34 Twp. 9 S. R. 24 East West
County: Graham Permit #: D-30473

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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: [Signature]
Title: President Date: 10/11/11

KCC Office Use ONLY

Letter of Confidentiality Received
Date: _____
 Confidential Release Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
ALT I II III Approved by: Dlg Date: 10/18/11

Operator Name: Phillips Exploration Company LC Lease Name: Geyer Well #: 1-34
 Sec. 34 Twp. 10 S. R. 24 East West County: Graham

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

Drill Stem Tests Taken <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Electric Log Submitted Electronically <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(If no, Submit Copy)</i> List All E. Logs Run: Dual Induction, micro,compensated density,bond	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">Name</td> <td style="width:20%;">Top</td> <td style="width:20%;">Datum</td> </tr> <tr> <td>Anhydrite</td> <td>2038</td> <td>+377</td> </tr> <tr> <td>Base/Anhydrite</td> <td>2080</td> <td>+335</td> </tr> <tr> <td>Topeka</td> <td>3502</td> <td>-1087</td> </tr> <tr> <td>Heebner</td> <td>3734</td> <td>-1319</td> </tr> <tr> <td>Toronto</td> <td>3756</td> <td>-1341</td> </tr> <tr> <td>Lansing</td> <td>3758</td> <td>-1353</td> </tr> <tr> <td>B/Kc</td> <td>4003</td> <td>-1588</td> </tr> </table>	Name	Top	Datum	Anhydrite	2038	+377	Base/Anhydrite	2080	+335	Topeka	3502	-1087	Heebner	3734	-1319	Toronto	3756	-1341	Lansing	3758	-1353	B/Kc	4003	-1588
Name	Top	Datum																							
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B/Kc	4003	-1588																							

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"	8.750	23#	220	common	150	3%gel,4%cc
long string	7 7/8"	5.50	14#	4052	common	165	Qpac
2 stage	7 7/8"	5.50	14#	2020	common	400	Qpac

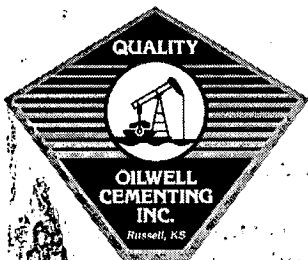
ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate <input type="checkbox"/> Protect Casing <input type="checkbox"/> Plug Back TD <input type="checkbox"/> Plug Off Zone				

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
4 spf	3841-43	500 gals, 15% HCl	3843

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TUBING RECORD: Size: <u>2 7/8"</u> Set At: <u>3940</u> Packer At: <u>na</u>		Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Date of First, Resumed Production, SWD or ENHR: <u>06/02/11</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>10</u>	Gas Mcf	Water Bbls. Gravity <u>50</u> <u>34</u>

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5)</i> <i>(Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: <u>3841-43 Lansing</u>
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QUALITY OILWELL CEMENTING, INC.

PO Box 32 - 740 West Wichita Ave, Russell KS 67665

Phone: 785-324-1041 fax: 785-483-1087

Email: cementing@ruraltel.net

Date: 5/21/2011

Invoice # 4650

P.O.#:

Due Date: 6/20/2011

Division: Russell

Invoice

Contact:

PHILLIPS EXPLORATION

Address/Job Location:

PHILLIPS EXPLORATION

1601 N SAGEBRUSH

WICHITA KS 67230

Reference:

GEYER 1-34

Description of Work:

PROD LONG STRING BOTTOM STAGE

Services / Items Included:

Services / Items Included:	Quantity	Price	Taxable	Item	Quantity	Price	Taxable
Labor		\$ 963.85	No				
Two Stage Cement Collar, 5 1/2"	1	\$ 3,778.89	Yes				
Pro-C Cement	165	\$ 2,960.83	Yes				
8 5/8" Basket	2	\$ 667.11	Yes				
5 1/2" Turbolizer	8	\$ 489.78	Yes				
Pump Truck Mileage-Job to Nearest Camp	45	\$ 474.05	No				
Mud Clear	500	\$ 390.56	Yes				
Bulk Truck Mat-Material Service Charge	179	\$ 377.89	No				
Auto Fill Float Shoe, 5 1/2"	1	\$ 323.00	Yes				
Bulk Truck Mileage-Job to Nearest Bulk Plant	45	\$ 277.40	No				
Salt (Fine)	14	\$ 206.30	Yes				

Invoice Terms:

Net 30

Discount Available ONLY if Invoice is Paid & Received within listed terms of invoice:

SubTotal: \$ 10,909.65

\$ (1,636.45)

SubTotal for Taxable Items: \$ 7,493.99

SubTotal for Non-Taxable Items: \$ 959.94

Total: \$ 9,273.20

Tax: \$ 565.80

7.55% Graham County Sales Tax

Amount Due: \$ 9,839.00

Applied Payments:

Balance Due: \$ 9,839.00

Thank You For Your Business!

Past Due Invoices are subject to a service charge (annual rate of 24%)

This does not include any applicable taxes unless it is listed.

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1070/65

QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 4650

Date <u>4-18-11</u>	Sec. <u>34</u>	Tw. <u>10</u>	Range <u>24</u>	County <u>Graham</u>	State <u>KS</u>	On Location	Finish <u>5:45 PM</u>
Lease <u>Geyer</u>	Well No. <u>1-34</u>	Location <u>Wakeeney # U to CR2 GW 1S W into</u>					
Contractor <u>Murfin #16</u>	Owner			To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.			
Type Job <u>bottom stage (2-stage)</u>	Hole Size <u>7 7/8</u>			Charge To <u>Phillips Exploration</u>			
Csg. <u>5 1/2 (15.5lb)</u>	T.D. <u>4050'</u>			Street			
Tbg. Size	Depth <u>4056.5'</u>			City			
Tool	Depth			State			
Cement Left in Csg.	Shoe Joint <u>26.13'</u>			The above was done to satisfaction and supervision of owner agent or contractor.			
Meas Line	Displace 96 <u>96 bbls</u>			Cement Amount Ordered <u>165 Q-Pro-C</u>			

EQUIPMENT

Pumptrk <u>5</u> No.	Cementer	<u>Brandon</u>
	Helper	
Bulktrk <u>8</u> No.	Driver	<u>Craig</u>
	Driver	
Bulktrk <u>12</u> No.	Driver	<u>Rocky, Doug</u>
	Driver	

<u>10' salt 500 gal mud clear-48</u>
Common <u>165 Q-pro-c</u>
Poz. Mix
Gel.
Calcium
Hulls
Salt <u>14</u>
Flowseal
Kol-Seal
Mud CLR 48 - <u>1 500 gal</u>
CFL-117 or CD110 CAF 38
Sand
Handling <u>179</u>
Mileage

12 JOB SERVICES & REMARKS

Remarks:

Rat Hole

Mouse Hole

Centralizers 2, 4, 5, 6, 7, 9, 11, 51

Baskets 12, 52

D/V or Port Collar top 52 (2020.62')

Run 98jts and est circ for 1hr and mix 165sr pro-c and displace to top of tool and create hand plug @ 1200psi.

FLOAT EQUIPMENT

Guide Shoe	
Centralizer	<u>- 8</u>
Baskets	<u>- 2</u>
AFU Inserts	
Float Shoe	<u>- 1</u>
Latch Down	<u>- 1</u>

Thank you!

Signature [Signature]

1-Du Tool

Pumptrk Charge pro long string

Mileage 45

Tax

Discount

Total Charge

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Bottom stage

DEFINITIONS: In these terms and conditions, "Quality" shall mean Quality Oilwell Cementing, 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 "QUALITY" 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 "QUALITY" refunded directly to "CUSTOMER." For purposes of this paragraph, QUALITY 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 term of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limit to, a reasonable sum as and attorney's fees.

- **PRICES AND TAXES:** All merchandise listed in "QUALITY'S" current price schedule are F.O.B. QUALITY'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 QUALITY shall be added to the quoted prices charged to CUSTOMER.

- **TOWING CHARGES:** QUALITY will make a reasonable attempt to get to and from each job site using its own equipment. Should QUALITY 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 QUALITY, 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 QUALITY for the expenses incurred by QUALITY as a result of the cancellation.

- **DEADHAUL CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charges as set forth in QUALITY'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. QUALITY carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond QUALITY'S control, QUALITY 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 QUALITY, 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 QUALITY'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 QUALITY or its employees.

2. With respect to any of QUALITY'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 QUALITY at the landing, CUSTOMER shall either recover the lost item without cost to QUALITY or reimburse QUALITY the current replacement cost of the item unless the loss or damage results from the sole negligence of QUALITY or its employees.

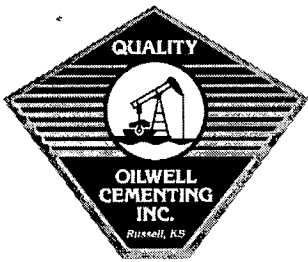
3. QUALITY does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

WARRANTIES: 1. QUALITY 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. QUALITY'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 QUALITY to be defective. THIS IS THE SOLE WARRANTY OF QUALITY 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 QUALITY 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 QUALITY 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 QUALITY or any interpretation of test, meter readings, chart information, analysis or research, or recommendations made by QUALITY, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of QUALITY or its employees in the preparation or furnishing of such facts, information or data. (C) Work done by QUALITY shall be under the direct supervision and control of the CUSTOMER or his agent and QUALITY will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.



QUALITY OILWELL CEMENTING, INC.

PO Box 32 - 740 West Wichita Ave, Russell KS 67665
 Phone: 785-324-1041 fax: 785-483-1087
 Email: cementing@ruraltel.net

Date: 5/21/2011
 Invoice # 4650 **4651**

P.O.#:
 Due Date: 6/20/2011
 Division: Russell

Invoice

Contact:
 PHILLIPS EXPLORATION
Address/Job Location:
 PHILLIPS EXPLORATION
 1601 N SAGEBRUSH
 WICHITA KS 67230

Reference:
 GEYER 1-34

Description of Work: *Top*
 PROD: LONG STRING ~~BOTTOM~~ STAGE

Services / Items Included:	Quantity	Price	Taxable	Item	Quantity	Price	Taxable
Labor		\$ 963.85	No				
non, MetsoBeads, Plater, Gel, FloSeal, Calcium)	400	\$ 8,072.89	Yes				
Bulk Truck Matl-Material Service Charge	400	\$ 844.44	No				
Mud Clear	500	\$ 390.56	Yes				
Bulk Truck Mileage-Job to Nearest Bulk Plant	45	\$ 277.40	No				
Flo Seal	100	\$ 211.11	Yes				

Invoice Terms:

Net 30

SubTotal: \$ 10,760.25
 Discount Available ONLY if Invoice is Paid & Received within listed terms of invoice: \$ (1,614.04)

SubTotal for Taxable Items:	\$ 7,373.37
SubTotal for Non-Taxable Items:	\$ 953.57
Total:	\$ 9,146.21
Tax:	\$ 556.69

7.55% Graham County Sales Tax

Thank You For Your Business!

Amount Due: \$ 9,702.90
 Applied Payments:
 Balance Due: \$ 9,702.90

Past Due Invoices are subject to a service charge (annual rate of 24%)
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QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 4651

Date	4-18-11	Sec.	34	Twp.	10	Range	24	County	Graham	State	KS	On Location		Finish	10:00PM			
Lease	Geyer	Well No.	1-34		Location Wakeeney N to CR26 W 15 Wind													
Contractor	Murkin #16							Owner										
Type Job	TOP STAGE (2-stage)							To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.										
Hole Size	7 7/8							T.D.										
Csg.	5 1/2 15.51b							Depth 2020.62'							Charge To Phillips Exploration			
Tbg. Size								Depth							Street			
Tool								Depth							City State			
Cement Left in Csg.								Shoe Joint							The above was done to satisfaction and supervision of owner agent or contractor.			
Meas Line								Displace 48bbbs							Cement Amount Ordered 400sx Q-MDC			

EQUIPMENT

Pumptrk	5	No.	Cementer	Braveon
			Helper	
Bulktrk	12	No.	Driver	Craig
			Driver	
Bulktrk	Ph	No.	Driver	Doug
			Driver	

500 gal mud clar - 48	1/4 lb flt/se
Common	400 Q pro-c
Poz. Mix	
Gel.	

JOB SERVICES & REMARKS

Remarks:
Rat Hole
Mouse Hole
Centralizers
Baskets
D/V or Port Collar
open tool w/ hgo and took 1000 psi to open to circ. 3hrs and mix 400sx Q-MDC b/b Cement d-d circ. to hand plug at 1900 psi b/b

Calcium	
Hulls	
Salt	
Flowseal	100#
Kol-Seal	
Mud CLR 48	500 gal
CFL-117 or CD110 CAF 38	
Sand	
Handling	400
Mileage	

FLOAT EQUIPMENT

Guide Shoe	
Centralizer	
Baskets	
AFU Inserts	
Float Shoe	
Latch Down	

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Pumptrk Charge	prod long string	Top Stage
Mileage	N/C	
Tax		
Discount		
Total Charge		

Signature *[Handwritten Signature]*

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- **SERVICE CONDITIONS AND LIABILITIES:** 1. QUALITY carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond QUALITY'S control, QUALITY 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 QUALITY, 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 QUALITY'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 QUALITY or its employees.

2. With respect to any of QUALITY'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 QUALITY at the landing, CUSTOMER shall either recover the lost item without cost to QUALITY or reimburse QUALITY the current replacement cost of the item unless the loss or damage results from the sole negligence of QUALITY or its employees.

3. QUALITY 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. QUALITY 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. QUALITY'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 QUALITY to be defective. THIS IS THE SOLE WARRANTY OF QUALITY 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 QUALITY 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 constructed as a warranty by QUALITY 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 QUALITY or any interpretation of test, meter readings, chart information, analysis or research, or recommendations made by QUALITY, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of QUALITY or its employees in the preparation or furnishing of such facts, information or data. (C) Work done by QUALITY shall be under the direct supervision and control of the CUSTOMER or his agent and QUALITY will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.



QUALITY OILWELL CEMENTING, INC.
 PO Box 32 - 740 West Wichita Ave, Russell KS 67665
 Phone: 785-324-1041 fax: 785-483-1087
 Email: cementing@ruraltel.net

Date: 5/14/2011
 Invoice # 4833

P.O.#:
 Due Date: 6/13/2011
 Division: Russell

Invoice

Contact:
 PHILLIPS EXPLORATION
Address/Job Location:
 PHILLIPS EXPLORATION
 1601 N SAGEBRUSH
 WICHITA KS 67230

Reference:
 GEYER 1-34

Description of Work:
 SURFACE JOB

Services / Items Included:	Quantity	Price	Taxable	Item	Quantity	Price	Taxable
Labor		\$ 963.85	No				
Common-Class A	150	\$ 1,931.67	Yes				
Pump Truck Mileage-Job to Nearest Camp	45	\$ 474.05	No				
Bulk Truck Matl-Material Service Charge	158	\$ 333.56	No				
Bulk Truck Mileage-Job to Nearest Bulk Plant	45	\$ 277.40	No				
Calcium Chloride	5	\$ 198.76	Yes				
Premium Gel (Bentonite)	3	\$ 51.55	Yes				

Invoice Terms:

Net 30

SubTotal: \$ 4,230.84
 Discount Available ONLY if Invoice is Paid & Received
 within listed terms of invoice: \$ (634.63)

SubTotal for Taxable Items: \$ 1,854.68
 SubTotal for Non-Taxable Items: \$ 922.25
 Total: \$ 3,596.21
 Tax: \$ 140.03

7.55% Graham County Sales Tax

Thank You For Your Business!

Amount Due: \$ 3,736.24
 Applied Payments:
 Balance Due: \$ 3,736.24

Past Due Invoices are subject to a service charge (annual rate of 24%)
 This does not include any applicable taxes unless it is listed.

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RECEIVED
 OCT 13 2011
 KCC WICHITA

49460

QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 4833

Date	Sec.	Twp.	Range	County	State	On Location	Finish
5-11-11	34	10	24	Corraham	KS		6:45 P.M.

Lease Gejor Well No. 134 Location: Wichita VRC Low 200th 15 W into

Contractor	Owner
<u>Murkin #16</u>	To Quality Oilwell Cementing, 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.
<u>Surface</u>	
Hole Size	T.D.
<u>12 1/4</u>	<u>220</u>
Csg.	Depth
<u>8 5/8</u>	<u>220</u>
Tbg. Size	Depth
Tool	Depth
Cement Left in Csg.	Shoe Joint
<u>25'</u>	
Meas Line	Displace
	<u>1.33C</u>
	Charge To
	<u>Jim Phillips</u>
	Street
	City
	State
	The above was done to satisfaction and supervision of owner agent or contractor.
	Cement Amount Ordered
	<u>150 Com 3% cell 2% gel</u>

EQUIPMENT

Pumptrk	No.	Cement Helper	Common
<u>1</u>		<u>Jim's</u>	<u>150</u>
Bulktrk	No.	Driver	Poz. Mix
		<u>Chris</u>	
Bulktrk	No.	Driver	Gel.
<u>8</u>		<u>Doug</u>	<u>3</u>
			Calcium
			<u>5</u>

JOB SERVICES & REMARKS

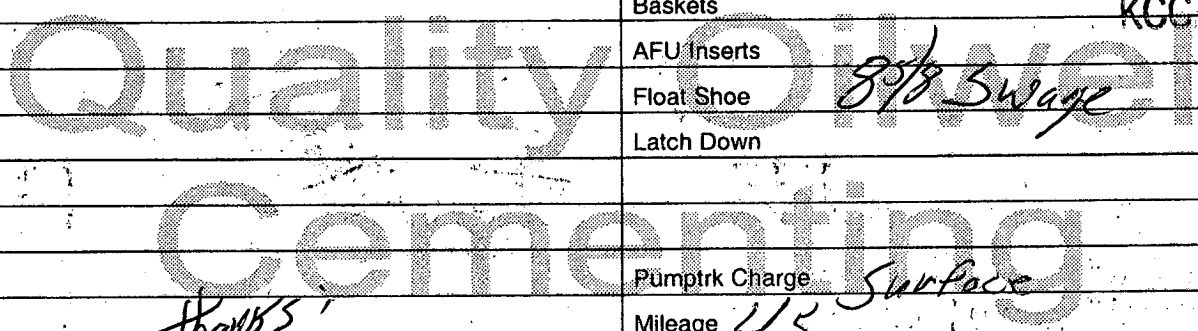
Remarks:	Hulls
Rat Hole	Salt
Mouse Hole	Flowseal
Centralizers	Kol-Seal
Baskets	Mud CLR 48
D/V or Port Collar	CFL-117 or CD110 CAF 38
<u>8 5/8 on bottom. Best Circulation.</u>	Sand
<u>Mix 15025K & Displace.</u>	Handling
<u>Cement Circulated.</u>	<u>158</u>
	Mileage

FLOAT EQUIPMENT

RECEIVED

OCT 13 2011

KCC WICHITA



Guide Shoe	
Centralizer	
Baskets	
AFU Inserts	
Float Shoe	<u>8 5/8 Swage</u>
Latch Down	
Pumptrk Charge	<u>Surface</u>
Mileage	<u>45</u>
	Tax
	Discount
	Total Charge

X Signature

Thanks!

DEFINITIONS: In these terms and conditions, "Quality" shall mean Quality Oilwell Cementing, 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 "QUALITY" 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 "QUALITY" refunded directly to "CUSTOMER." For purposes of this paragraph, QUALITY 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 term of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limit to, a reasonable sum as and attorney's fees.

- **PRICES AND TAXES:** All merchandise listed in "QUALITY'S" current price shall schedule are F.O.B. QUALITY'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 QUALITY shall be added to the quoted prices charged to CUSTOMER.

- **TOWING CHARGES:** QUALITY will make a reasonable attempt to get to and from each job site using its own equipment. Should QUALITY 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 QUALITY, 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 QUALITY for the expenses incurred by QUALITY as a result of the cancellation.

- **DEADHAUL, CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charges as set forth in QUALITY'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. QUALITY carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond QUALITY'S control, QUALITY 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 QUALITY, its officers, agents and employees, from and against any and all claims or suits for:

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