

ORIGINAL

STATE CORPORATION COMMISSION OF KANSAS
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
ACO-1 WELL HISTORY
DESCRIPTION OF WELL AND LEASE

Operator: License # 6039

Name: L. D. Drilling, /Rheem Resources

Address RR 1 Box 183 B

City/State/Zip Great Bend, KS 67530

Purchaser: N/A

Operator Contact Person: L. D. Davis

Phone (316) 793-3051

Contractor: Name: L. D. Drilling, Inc

License: 6039

Wellsite Geologist: Scott Oatsdean/ Kim Shoemaker

Designate Type of Completion

New Well Re-Entry Workover

Oil SWD SLOW Temp. Abd.

Gas ENHR SIGW

Dry Other (Core, WSW, Expl., Cathodic, etc)

If Workover/Reentry: Old Well Info as follows:

Operator: _____

Well Name: _____

Comp. Date _____ Old Total Depth _____

Deepening Re-perf. Conv. to Inj/SWD
 Plug Back PBSD

Commingled Docket No. _____

Dual Completion Docket No. _____

Other (SWD or Inj?) Docket No. _____

12-03-96 12-11-96
Spud Date Date Reached TD Completion Date

API NO. 15- 101-217290000

County LANE

- - C - NW Sec. 20 Twp. 16 Rge. 27 XX ^E _W

3960 Feet from (circle one) Line of Section

3960 Feet from (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
NE, NW or SW (circle one)

Lease Name ALBIN "OTM" Well # 1

Field Name _____

Producing Formation None

Elevation: Ground 2720 KB 2725

Total Depth 4630 PBSD _____

Amount of Surface Pipe Set and Cemented at 309 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 D&A 8-22-97
(Data must be collected from the Reserve Pit)

Chloride content _____ ppm Fluid volume _____ bbls

Dewatering method used _____

Location of fluid disposal if hauled offsite: _____

Operator Name _____

Lease Name _____ License No. _____

Quarter _____ Sec. _____ Twp. _____ S' Rng. _____

County _____ Docket No. _____

04-16-1997
E 661-91-70

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 on side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature Bessie M Dewerff Bessie M Dewerff
Title Sec/Treas Date 4-16-97

Subscribed and sworn to before me this 15th day of April, 19 97.

Notary Public Rashell Patten

Date Commission Expires 2-2-99

K.C.C. OFFICE USE ONLY		
F	<input checked="" type="checkbox"/>	Letter of Confidentiality Attached
C	<input checked="" type="checkbox"/>	Wireline Log Received
C	<input checked="" type="checkbox"/>	Geologist Report Received
Distribution		
<input checked="" type="checkbox"/>	KCC	<input type="checkbox"/> SWD/Rep
<input type="checkbox"/>	KGS	<input type="checkbox"/> Plug
		<input type="checkbox"/> NGPA
		<input type="checkbox"/> Other (Specify)

RASHELL PATTEN
My Appt. Exp. 2-2-99

Operator Name J. D. Drilling, Inc

Lease Name ALBIN "OTM

Well # 1

Sec. 20 Twp. 16 Rge. 27

East

County Lane

West

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all drill stem 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 during test. Attach extra sheet if more space is needed. Attach copy of log.

Drill Stem Tests Taken Yes No
(Attach Additional Sheets.)

Samples Sent to Geological Survey Yes No

Cores Taken Yes No

Electric Log Run Yes No
(Submit Copy.)

List All E.Logs Run:

see attachment

Log Formation (Top), Depth and Datums Sample

Name Top Datum

See Attachment

CASING RECORD

New Used

Report all strings set-conductor, surface, intermediate, production, etc.

Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs./Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Surface	12 1/4	8 5/8	28	309'	50/50 poz	190	2% Gel 3% CC

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

TUBING RECORD	Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input type="checkbox"/> No

Date of First, Resumed Production, SWD or Inj.	Producing Method <input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)

Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity

Disposition of Gas:

METHOD OF COMPLETION

Production Interval

Vented Sold Used on Lease
(If vented, submit ACO-18.)

Open Hole Perf. Dually Comp. Commingled

Other (Specify) _____

ATTACHMENT TO ACO-1

OPERATOR: L.D. DRILLING, INC./RHEEM RESOURCES, INC.

LEASE: ALBIN "OTM" #1
 C NW/4 Sec. 20-16S-27W
 LANE COUNTY, KS.

WELLSITE GEOLOGIST: Kim Shoemaker

CONTRACTOR: L. D. Drilling, Inc.

ELEVATION: 2720' GR 2725' KB

SURFACE: 8 5/8" set @ 309' W/190 sx. 50/50 Poz
 2% Gel, 3% CC Plug down 1:15 AM 12-3-96
 Did Circulate - Allied Cementing Serv.

PTD: 4600'

SPUD: 5:15 P.M. Dec. 2, 1996

15-101-21729-00-00

11-8-96 Staked revised location
 11-12 Making location
 12-02 Moving in - will spud
 12-03 309' WOC - Will go under surf.
 at 9:15 A.M.
 12-04 1975' Drilling
 12-05 2985' Drilling
 12-06 3565' " Geologist called.
 12-07 4010' Drilling
 12-08 4180' DST #1
 12-09 4320' Drilling
 12-10 4560' CFS
 12-11 RTD 4630' D & A
 LTD 4631
 Finished well at 12:30 A.M.
 Waiting until 2:00 P.M. for Allied
 to plug. They will be the first
 available.

12-12 PLUGGING INFORMATION: 50 sx. @ 2170'
 80 sx. @ 1370', 40 sx. @ 700', 40 sx. @ 330',
 10 sx. @ 40', 15 sx. in rathole. Total 235 sx.
 60/40 pozmix, 6% Gel, 1/4" flo seal per sk.
 Plug down @ 5:00 P.M. 12-11-96 Allied Cmt.

<u>FORMATION TOPS:</u>	<u>SAMPLE</u>	KCC: Kevin Strub on location.
Anhy. (top)	2136 (+589)	-6' to Albin #1
(base)	2169 (+559)	-3' to Albin #1
Heebner	3939 (-1214)+2'	" "
Lansing	3979 (-1254)+2	" "
K/C	4056 (-1331)+1	" "
Stark Shale	4223 (-1498)+3	" "
Pleasanton	4298 (-1573)+2	" "
Marm	4314 (-1589)+5	" "
Labette Sh.	4473 (-1748)+5	" "
Cherokee	4506 (-1781)+7	" "
Miss	4587 (-1862)	" "

DST #1 4130-4180 KC 140-160
 Times: 30-30-30-30
 Blow: 1st open: 1/4" blow thru-out
 2nd open: no blow
 Recovery: 10' mud W/oil specks in tool
 IFP: 41-51 FFP: 61-61
 ISIP: 953 FSIP: 862 HP: 2098-2048

DST #2 4220-4238 KC 200' zone
 TIMES: 30-45-45-60
 Blow: 1st open: 7" blow
 2nd open: 3 1/2" blow
 Recovery: 190' Muddy Salt Water
 80% water, 20% mud
 IFP: 30-41 FFP: 71-111
 ISIP: 770 FSIP: 770 HP: 2128-2118

DST #3 4470-4560 Ft. Scott & Cherokee
 Times: 30-30-30-30
 Blow: 1st Open: 3/4" blow dec. to surf blo
 2nd open: no blow
 Recovery: 5' mud
 IFP: 61-61 FFP: 81-81
 ISIP: 202 FSIP: 152
 HP: 2368-2318

<u>LOG TOPS:</u>		
Anhy	top	2134 (+591)
	base	2168 (+557)
Heebner		3951 (-1216)
Lansing		3981 (-1256)
K/C		4058 (-1333)
Stark Shale		4222 (-1497)
Pleasanton		4298 (-1573)
Marm		4316 (-1591)
Labette Shale		4475 (-1750)
Cherokee		4508 (-1783)
Miss.		4587 (-1862)

ALLIED CEMENTING CO., INC.

4472

15101-21729-00-00

ORIGINAL

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

SERVICE POINT:

DATE <u>12-2-96</u>	SEC. <u>22</u>	TWP. <u>16</u>	RANGE <u>27</u>	CALLED OUT <u>4:30</u>	ON LOCATION <u>1:30</u>	JOB START <u>1:30</u>	JOB FINISH <u>10:30</u>
LEASE <u>Aldin</u>	WELL# <u>1</u>	LOCATION <u>Pond... ..</u>			COUNTY <u>...</u>	STATE <u>...</u>	

OLD OR NEW (Circle one)

CONTRACTOR L.D. Drilling Rig
 TYPE OF JOB Surface P.O. P.O.
 HOLE SIZE 2 1/2" T.D. 319 1/2"
 CASING SIZE 5 7/8" S 3/8" DEPTH 315 1/2"
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE 300 ft SHOE JOINT _____
 CEMENT LEFT IN CSG. 15 1/2"
 PERFS. Displacement 19' 6 1/2"

OWNER _____ CEMENT _____

AMOUNT ORDERED 190 3/4 2800 1/2 gal

EQUIPMENT

PUMP TRUCK CEMENTER Mike M
 # 120 HELPER Dupe
 BULK TRUCK _____
 # 116 DRIVER Dupe
 BULK TRUCK _____
 # _____ DRIVER _____

COMMON _____ @ _____
 POZMIX _____ @ _____
 GEL _____ @ _____
 CHLORIDE _____ @ _____
 _____ @ _____
 _____ @ _____
 _____ @ _____
 _____ @ _____
 HANDLING _____ @ _____
 MILEAGE _____ @ _____

TOTAL _____

REMARKS:

SERVICE

Circulate H₂O with Rig and pump
 mix cement + Polys. the plug
 Displace plug down to 92' water
 Cement about Circulate Surface

DEPTH OF JOB 315 1/2"
 PUMP TRUCK CHARGE _____
 EXTRA FOOTAGE _____ @ _____
 MILEAGE _____ @ _____
 PLUG 1-2 1/2" round plug @ _____
 _____ @ _____
 _____ @ _____

TOTAL _____

CHARGE TO: L.D. Drilling Inc
 STREET R.R. 1 Box 183 B
 CITY Moore STATE W. Va. ZIP 26043
16-773-7051

FLOAT EQUIPMENT

_____ @ _____
 _____ @ _____
 _____ @ _____
 _____ @ _____
 _____ @ _____

TOTAL _____

TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

*Thank you
 Allied Cementing Co. Inc.
 Mike M. & Dupe*

To Allied Cementing Co., Inc.
 You are hereby requested to rent cementing equipment and furnish cementer and helper 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 & understand the "TERMS AND CONDITIONS" listed on the reverse side.

SIGNATURE [Signature]

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 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., INC.

15-101-21729-00-00

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

SERVICE POINT: _____

ORIGINAL

DATE	SEC.	TWP.	RANGE	CALLED OUT	ON LOCATION	JOB START	JOB FINISH
LEASE	WELL #	LOCATION			COUNTY	STATE	

OLD OR NEW (Circle one)

CONTRACTOR _____
 TYPE OF JOB _____
 HOLE SIZE _____ T.D. _____
 CASING SIZE _____ DEPTH _____
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE _____ DEPTH _____
 TOOL _____ DEPTH _____
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ SHOE JOINT _____
 CEMENT LEFT IN CSG. _____
 PERFS. _____

OWNER _____
 CEMENT _____

EQUIPMENT

PUMP TRUCK # _____ CEMENTER _____ HELPER _____
 BULK TRUCK # _____ DRIVER _____
 BULK TRUCK # _____ DRIVER _____

AMOUNT ORDERED _____

COMMON _____ @ _____
 POZMIX _____ @ _____
 GEL _____ @ _____
 CHLORIDE _____ @ _____
 _____ @ _____
 _____ @ _____
 _____ @ _____
 HANDLING _____ @ _____
 MILEAGE _____

TOTAL _____

REMARKS:

SERVICE

DEPTH OF JOB _____
 PUMP TRUCK CHARGE _____
 EXTRA FOOTAGE _____ @ _____
 MILEAGE _____ @ _____
 PLUG _____ @ _____
 _____ @ _____
 _____ @ _____

TOTAL _____

CHARGE TO: _____
 STREET _____
 CITY _____ STATE _____ ZIP _____

FLOAT EQUIPMENT

_____ @ _____
 _____ @ _____
 _____ @ _____
 _____ @ _____
 _____ @ _____

TOTAL _____

TAX _____
 TOTAL CHARGE _____
 DISCOUNT _____ IF PAID IN 30 DAYS

To Allied Cementing Co., Inc.
 You are hereby requested to rent cementing equipment and furnish cementer and helper 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 & understand the "TERMS AND CONDITIONS" listed on the reverse side.

SIGNATURE _____

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.

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—**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.

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(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.

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(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.