

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

ORIGINAL

API NO. 15- 135-23,629-0000

County Ness

SW - NE - SE - Sec. 32 Twp. 19S Rge. 24 X E

1650 Feet from S (circle one) Line of Section

990 Feet from E (circle one) Line of Section

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

Lease Name Shramek Well # 2

Field Name Hair NW

Producing Formation Mississippi

Elevation: Ground 2330' KB 2335'

Total Depth 4434 PBDT

Amount of Surface Pipe Set and Cemented at 248 Feet

Multiple Stage Cementing Collar Used? X Yes No

If yes, show depth set 1609 Feet

If Alternate II completion, cement circulated from 1609

feet depth to surface w/ 300 sks sx cmt.

Drilling Fluid Management Plan 4-6-92
(Data must be collected from the Reserve Pit)

Chloride content less than ppm Fluid volume N/A bbls
8000

Grouting method used None

Location of fluid disposal if hauled offsite:

Operator Name

Lease Name License No.

Quarter Sec. Twp. S Rng. E/W

County Docket No.

Operator: License # 7076

Name: Black Diamond Oil, Inc.

Address 3004 Broadway Ave.

City/State/Zip Hays, KS 67601

Purchaser: Farmland Industries, Inc.

Operator Contact Person: Kenneth Vehige

Phone (913)-625-5891

Contractor: Name: Emphasis Oil Operations

License: 8241

Wellsite Geologist: Kenneth Vehige

Designate Type of Completion

X New Well Re-Entry Workover

X Oil SWD SLOW Temp. Abd.

 Gas ENHR SIGW

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

If Workover/Re-Entry: old well info as follows:

Operator:

Well Name:

Comp. Date Old Total Depth

 Deepening Re-perf. Conv. to Inj/SWD

 Plug Back PBDT

 Commingled Docket No.

 Dual Completion Docket No.

 Other (SWD or Inj?) Docket No.

12/21/91 12/30/91 1/21/92

Spud Date Date Reached TD Completion Date

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 200 Colorado Derby Building, 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 Kenneth Vehige

Kenneth Vehige

Title Owner/Operator Date 4-2-92

Subscribed and sworn to before me this 2nd day of April, 19 92.

Notary Public Verda M. Vehige

Verda M. Vehige

Date Commission Expires 7-18-95

K.C.C. OFFICE USE ONLY		
F	<u> </u>	Letter of Confidentiality Attached
C	<u>X</u>	Wireline Log Received
C	<u> </u>	Geologist Report Received
Distribution		
<u>X</u>	KCC	<u> </u> SWD/Rep
<u> </u>	KGS	<u> </u> Plug
<u> </u>		<u> </u> NGPA
<u> </u>		<u> </u> Other
(Specify)		

VERDA M. VEHIGE
Notary Public - State of Kansas
My Appt. Expires 7-18-95

PI

Operator Name Black Diamond Oil, Inc. Lease Name Shramek Well # 2

Sec. 32 Twp. 19S Rge. 24
 East
 West

County Ness

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 (Attach Additional Sheets.)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Log	Formation (Top), Depth and Datum	<input checked="" type="checkbox"/> Sample
Samples Sent to Geological Survey	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Name	Top	Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Anhydrite	1617'	1659'
Electric Log Run (Submit Copy.)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Heebner	3730'	
List All E.Logs Run:		Toronto	3749'	
		Lansing K.C.	3780'	4126'
		Fort Scott	4287'	
		Conglomerate	4356'	
		Mississippi	4386'	

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 (Top Stage)	12½"	8 5/8"	20#	257'	60/40	160	2%gel, 3%cc
Production (Bottom Stage)	7 7/8"	4½"		4424'	60/40	300	8%gel
Production	7-7/8"	4½"		4424'	ASC	150	WFRZ

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				

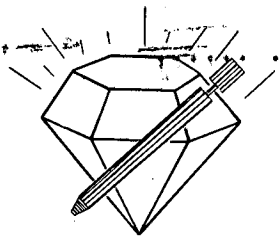
Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	
		Amount	Depth
1shot/ft	4391, 4397, 4401	1500 gals., MOD 303	4424-4434
		1250 gals., 20% NE	4391-4401
4/ft	4307½-4311½ (dry)	500 gals., 15% MCA	4307½-4311½

TUBING RECORD	Size <u>2-3/8</u>	Set At <u>4328</u>	Packer At <u>None</u>	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or Inj.	Producing Method <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)			
<u>1/21/92</u>				
Estimated Production Per 24 Hours	Oil <u>25</u> Bbls.	Gas <u>50</u> Mcf	Water <u>50</u> Bbls.	Gas-Oil Ratio <u>38%</u> Gravity <u>38%</u>

Disposition of Gas: Vented Sold Used on Lease (If vented, submit ACO-18.)

METHOD OF COMPLETION: Open Hole Perf. Dually Comp. Commingled Other (Specify) _____

Production Interval _____



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

ORIGINAL

DRILL-STEM TEST TICKET

Company Black Diamond Oil Lease & Well No. Shreamer #2
 Contractor Emphasis Rig #8 Charge to Black Diamond Oil
 Elevation _____ Formation MISS Effective Pay _____ Ft. Ticket No. _____

Date 2-22-91 Sec. 32 Twp. 19 S Range 24 W County NESS State KS

Test Approved By [Signature] Diamond Representative Roger D. Friedly

Formation Test No. 1 Interval Tested from 4349 ft. to 4415 ft. Total Depth 4415 ft.

Packer Depth 4344 ft. Size 6 3/4 in. Packer Depth _____ ft. Size _____ in.

Packer Depth 4349 ft. Size 6 3/4 in. Packer Depth _____ ft. Size _____ in.

Depth of Selective Zone Set _____

Top Recorder Depth (Inside) 4337 ft. Recorder Number 13386 Cap. 3875 P.S.I.

Bottom Recorder Depth (Outside) 4412 ft. Recorder Number 13556 Cap. 4425 P.S.I.

Below Straddle Recorder Depth _____ ft. Recorder Number _____ Cap. _____ P.S.I.

Mud Type Chemical Viscosity 52 Drill Collar Length 0 ft. I.D. 2 1/4 in.

Weight 9.4 Water Loss 13 cc. Weight Pipe Length 0 ft. I.D. 2 7/8 in.

Chlorides 5200 P.P.M. Drill Pipe Length 4324 ft. I.D. 3 1/2 in.

Jars: Make BOWEN Serial Number N/A Test Tool Length 25 ft. Tool Size 3 1/2-IF in.

Did Well Flow? NO Reversed Out NO Anchor Length 68 ft. Size 4 1/2-FH in.

Main Hole Size 7 7/8 Tool Joint Size 4 1/2 X 4 in. Surface Choke Size 1 1/2 in. Bottom Choke Size 5/8 in.

Blow: 1st Open: Fair 1" blow increasing to strong - OFF BTM BKT 15 MIN
 2nd Open: Fair 1" blow increasing to strong - OFF BTM BKT 42 MIN

Recovered 174 ft. of Total Fluid 30' CGO

Recovered _____ ft. of 144' OCM

Recovered _____ ft. of _____

Recovered _____ ft. of 164' Gas IN RECEIVED

Recovered _____ ft. of _____

Remarks: _____

Time Set Packer(s) 10:15 A.M. ~~P.M.~~ Time Started Off Bottom 1:15 P.M. Maximum Temperature 120°

Initial Hydrostatic Pressure (A) 2227 P.S.I.

Initial Flow Period Minutes 30 (B) 89 P.S.I. to (C) 101 P.S.I.

Initial Closed In Period Minutes 45 (D) 896 P.S.I.

Final Flow Period Minutes 45 (E) 112 P.S.I. to (F) 123 P.S.I.

Final Closed In Period Minutes 60 (G) 777 P.S.I.

Final Hydrostatic Pressure (H) 2205 P.S.I.

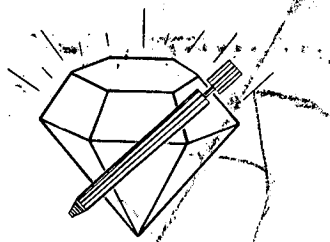
RECEIVED
 STATE CORPORATION COMMISSION

APR 07 1992

CONSERVATION DIVISION
 Wichita, Kansas

Price Job
Other Charges
Insurance
Total

Diamond Testing shall not be liable for damages of any kind to the property or personnel of the one for whom a test is made or for any loss suffered or sustained, directly or indirectly, through the use of its equipment, or its statement or opinion concerning the result of any test. Tools lost or damaged in the hole shall be paid for at cost by the party for whom the test is made.



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

ORIGINAL

DRILL-STEM TEST TICKET

Company Black Diamond Oil Lease & Well No. Shreamek
 Contractor Emphasis Rig 8 Charge to Black Diamond Oil
 Elevation 2346 KB Formation Miss Effective Pay _____ Ft. Ticket No. _____
 Date 12-30-91 Sec. 32 Twp. 19 S Range 24 W County News State KS
 Test Approved By _____ Diamond Representative Roger D. Friedly

Formation Test No. 2 Interval Tested from 4408 ft. to 4426 ft. Total Depth 4426 ft.
 Packer Depth 4403 ft. Size 6 3/4 in. Packer Depth _____ ft. Size _____ in.
 Packer Depth 4408 ft. Size 6 3/4 in. Packer Depth _____ ft. Size _____ in.
 Depth of Selective Zone Set _____

Top Recorder Depth (Inside) 11396 ft. Recorder Number 13386 Cap. 3825 P.S.I.
 Bottom Recorder Depth (Outside) 11423 ft. Recorder Number 13556 Cap. 4425 P.S.I.
 Below Straddle Recorder Depth _____ ft. Recorder Number _____ Cap. _____ P.S.I.

Mud Type Chemical Viscosity 5-1 Drill Collar Length _____ ft. I.D. 2 1/4 in.
 Weight 9.3 Water Loss 8.5 cc. Weight Pipe Length _____ ft. I.D. 2 7/8 in.
 Chlorides 5.000 P.P.M. Drill Pipe Length 4383 ft. I.D. 3 1/2 in.
 Jars: Make BOWEN Serial Number N/A Test Tool Length 25 ft. Tool Size 3 1/2-IF in.
 Did Well Flow? No Reversed Out No Anchor Length 18 ft. Size 4 1/2-FH in.
 Main Hole Size 7 7/8 Tool Joint Size 4 1/2 XH in. Surface Choke Size 1 in. Bottom Choke Size 5/8 in.

Blow: 1st Open: Weak 3/4" blow increasing to 5" @ end
 2nd Open: Weak 3/4" blow increasing to 10" @ end

Recovered 20 ft. of clean oil
 Recovered 75 ft. of HOCM
 Recovered _____ ft. of _____

Recovered <u>95</u> ft. of <u>Test Fluid</u>	Price Job
Recovered _____ ft. of <u>Gas in pipe</u>	Other Charges
Remarks: _____	Insurance
APR 3 1992	Total

CONSERVATION DIVISION

Time Set Packer(s) 12:50 SWICHITA, KS Time Started Off Bottom 4:10 A.M. Maximum Temperature 1220
 Initial Hydrostatic Pressure (A) 2212 P.S.I.
 Initial Flow Period Minutes 30 (B) 34 P.S.I. to (C) 45 P.S.I.
 Initial Closed In Period Minutes 45 (D) 1287 P.S.I.
 Final Flow Period Minutes 60 (E) 57 P.S.I. to (F) 65 P.S.I.
 Final Closed In Period Minutes 60 (G) 1200 P.S.I.
 Final Hydrostatic Pressure (H) 2201 P.S.I.

Diamond Testing shall not be liable for damages of any kind to the property or personnel of the one for whom a test is made or for any loss suffered or sustained, directly or indirectly, through the use of its equipment, or its statement or opinion concerning the result of any test. Tools lost or damaged in the hole shall be paid for at cost by the party for whom the test is made.

Phone 913-483-2627, Russell, Kansas

Phone 316-793-5861, Great Bend, Kansas

Phone Plainville 913-434-2812

Phone Ness City 913-798-3843

ORIGINAL

ALLIED CEMENTING CO., INC.

No. 2820

Home Office P. O. Box 31

Russell, Kansas 67665

Now

Date <i>12-21-91</i>	Sec.	Fwp.	Range.	Called Out <i>5 30 PM</i>	On Location <i>7 00 PM</i>	Job Start <i>10 30 PM</i>	Finish <i>11 30 PM</i>
Lease	Well No.	Location <i>Ness City SW 6 35 W 15</i>			County <i>Ness</i>	State <i>KS</i>	

Contractor <i>Emphasis Drilling R's # 8</i>
Type Job <i>Surface Pipe Job</i>
Hole Size <i>12 1/2</i> T.D. <i>260 ft</i>
Csg. 20" <i>8 5/8</i> Depth <i>257 ft</i>
Tbg. Size Depth
Drill Pipe Depth
Tool Depth
Cement Left in Csg. <i>15 ft</i> Shoe Joint
Press Max. Minimum
Meas Line <i>242 ft</i> Displace <i>15.7 bbl</i>
Perf.

Owner
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 listed.

Charge To *Block Diamond oil*

Street
City State
The above was done to satisfaction and supervision of owner agent or contractor.

Purchase Order No.
X Jack D. Fox *Frank*
Y 100
1595
CEMENT

Amount Ordered *160 60 2+3*

Consisting of
Common
Poz. Mix
Gel.
Chloride
Quickset

Sales Tax

Handling
Mileage

Sub Total
Total

Floating Equipment
RECEIVED
STATE CORPORATION COMMISSION
APR 0 3 1992
Wichita, Kansas

EQUIPMENT

<i>Midland</i>		
No.	Cementer	<i>M.K.</i>
Pumptrk <i>16</i>	Helper	<i>Duan</i>
No.	Cementer	
Pumptrk	Helper	
	Driver	<i>K. R.</i>
Bulktrk <i>116</i>		
Bulktrk	Driver	

DEPTH of Job *257 ft*

Reference:	<i>Pump Truck Charge</i>	
	<i>Mileage Charge</i>	
<i>1</i>	<i>Wooden Plug</i>	
	Sub Total	
	Tax	
	Total	

Remarks: *Cement did circulate*

Allied Cementing Co Inc
Make P.O. # 1

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.

Phone 913-483-2627, Russell, Kansas

Phone Plainville 913-434-2812

Phone 316-793-5861, Great Bend, Kansas

Phone Ness City 913-798-3843

ORIGINAL

ALLIED CEMENTING CO., INC.

No 2871

Home Office P. O. Box 31

Russell, Kansas 67665

New

Date <i>12-30-91</i>	Sec. <i>32</i>	Fwp. <i>719</i>	Range <i>24</i>	Called Out <i>8:30 AM</i>	On Location <i>11:00 AM</i>	Job Start <i>3:45 PM</i>	Finish <i>4:10 PM</i>
Lease <i>Hair Shamick</i>		Well No. <i>2</i>	Location <i>Ness 7S 5W 1/4 N</i>			County <i>Ness</i>	State <i>KA</i>
Contractor <i>Emphasis Oil Operations</i>				Owner <i>Black Diamond</i>			
Type Job <i>Longstring Bottom</i>				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 listed.			
Hole Size <i>7 1/8</i>	T.D. <i>4429'</i>						
Csg. <i>4 1/2</i>	Depth <i>4424'</i>						
Tbg. Size	Depth						
Drill Pipe	Depth						
Tool <i>Annular Twin stage D.V.</i>	Depth <i>1609'</i>						
Cement Left in Csg. <i>X</i>	Shoe Joint <i>16.53</i>						
Press Max. #	Minimum						
Meas Line <i>yes 4408'</i>	Displace <i>70.0 BBL</i>						
Perf.							

EQUIPMENT

<i>New</i>	No.	Cementer	<i>Howie N 111</i>
Pumptrk # <i>158</i>		Helper	<i>M...</i>
Pumptrk	No.	Cementer	<i>J.D.</i>
		Helper	<i>Bob</i>
Bulktrk # <i>116</i>		Driver	<i>Keith</i>
Bulktrk		Driver	

DEPTH of Job

Reference:	<i>Pump trk charge</i>	
	<i>Mileage</i>	
	<i>rotating head</i>	
	Sub Total	
	Tax	
	Total	

Remarks: *Subat did hold.*

Thank you.

Charge To *Black Diamond*

Street

City State

The above was done to satisfaction and supervision of owner agent or contractor.

Purchase Order No. *X Jack D. Fox*

CEMENT

Amount Ordered *150 M ASC 10 BBL WER 2*

Consisting of

Common

Poz. Mix

Gel. **RECEIVED**

Chloride **KANSAS CORPORATION COMMISSION**

Quickset

APR 3 1992

Sales Tax

Handling **CONSERVATION DIVISION WICHITA, KS**

Mileage

Sub Total

Total

Floating Equipment

guide shoe insert

5 centralizers

3 Baskets

101

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 test results, meter readings, chart readings, 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.

Phone 913-483-2627, Russell, Kansas

Phone Plainville 913-434-2812

Phone 316-793-5861, Great Bend, Kansas

Phone Ness City 913-798-3843

ORIGINAL ALLIED CEMENTING CO., INC.

№ 2872

Home Office P. O. Box 31

Russell, Kansas 67665

New

Date <i>12.30.91</i>	Sec. <i>32</i>	Fwp. <i>19</i>	Range <i>24</i>	Called Out <input checked="" type="checkbox"/>	On Location <input checked="" type="checkbox"/>	Job Start <i>4:45 PM</i>	Finish <i>5:30 PM</i>
Lease <i>Her Shamok</i>		Well No. <i>2</i>		Location <i>11m 75.5W 1/4 N</i>		County <i>Ness</i>	State <i>Ko.</i>

Contractor <i>Emphasis Oil Operations</i>	
Type Job <i>Two Stage (Top)</i>	
Hole Size <i>7 7/8</i>	T.D. <i>4429'</i>
Csg. <i>4 1/2</i>	Depth <i>4424'</i>
Tbg. Size	Depth
Drill Pipe	Depth
Tool <i>Arrow two stage D.V.</i>	Depth <i>1609'</i>
Cement Left in Csg.	Shoe Joint <i>16.53</i>
Press Max. <i>#1</i>	Minimum
Meas Line. <i>yes</i>	Displace <input checked="" type="checkbox"/> <i>25.5</i>
Perf.	

Owner <i>Black Diamond</i>
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 listed.
Charge To <i>Black Diamond</i>
Street
City State
The above was done to satisfaction and supervision of owner agent or contractor.
Purchase Order No.
<i>x Jack D. Fro</i>
CEMENT
Amount Ordered <i>300 cu 60/40 87% gel 1/4" flo seal per cu</i>
Consisting of
Common
Poz. Mix
Gel. RECEIVED KANSAS CORPORATION COMMISSION
Chloride
Quickset <i>APR 3 1992</i>
Handling CONSERVATION DIVISION WICHITA, KS
Mileage
Sub Total
Total
Floating Equipment
<i>Arrow two stage D.V. tool</i>

EQUIPMENT

<i>Ness</i>	No.	Cementer	
Pumptrk # <i>158</i>		Helper	
No.	Cementer	<i>JD</i>	
Pumptrk	Helper	<i>Bob</i>	
	Driver	<i>Bill</i>	
Bulktrk # <i>69</i>			
Bulktrk	Driver		

DEPTH of Job

Reference:	<i>Pump trak change</i>
	Sub Total
	Tax
	Total

Remarks:

Open tool at #
Cement did circulate
Close tool at #

Thank you.

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.