

Plugged 5-11-94

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

ORIGINAL

RCWD
6-9-94

Operator: License # 04782

Name: Ensign Operating Co.

Address P.O. Box 2161

City/State/Zip Liberal, Kansas 67905

Purchaser: N A

Operator Contact Person: Reed Wacker

Phone (316) 626-8131

Contractor: Name: Duke Drilling Co., Inc.

License: 5929

Wellsite Geologist: Duane Moredock

Designate Type of Completion
 New Well Re-Entry Workover

Oil SWD S10W Temp. Abd.
 Gas ENHR S16W
 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 PBD
 Commingled Docket No. _____
 Dual Completion Docket No. _____
 Other (SWD or Inj?) Docket No. _____

5/5/94 5/11/94 D & A
Spud Date Date Reached TD Completion Date

API NO. 15- 135-23807-0000
County Ness **CONFIDENTIAL**
C - NE - SW Sec. 29 Twp. 18 Rge. 26 X ^E

1980' Feet from (S) (circle one) Line of Section
1980' Feet from (E) (circle one) Line of Section

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

Lease Name Reeves Well # 1-29

Field Name Wildcat

Producing Formation D & A

Elevation: Ground 2588' KB 2597'

Total Depth 4656' PBD G L

Amount of Surface Pipe Set and Cemented at 317' 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/ _____ ex cnt.

Drilling Fluid Management Plan D & A JH 10-26-94
(Date must be collected from the Reserve Pit)

Chloride content 29,000 ppm Fluid volume 1,285 bbls

Dewatering method used Evaporation

Location of fluid disposal if hauled offsite: _____

RELEASED
Operator Name _____
Lease Name III 2 6 1995 License No. _____
Quarter Sec. Twp. JUN 9 E/W
FROM CONFIDENTIAL
County _____ Docket No. **CONFIDENTIAL**

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, completion, 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-994 form with all temporarily abandoned wells.

KCC
JUN 10 1994

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 Reed Wacker

Title Prod Supt. Date 6/9/94

Subscribed and sworn to before me this 9 day of JUNE, 19 94.

Notary Public Herb Brady

Date Commission Expires _____

NOTARY PUBLIC, State of Kansas
HERB BRADY
My Appt. Exp. 9/14/97

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

Operator Name Ensign Operating Co. Lease Name Reeves Well # 1-29
 Sec. 29 Twp. 18S Rge. 26 County Ness
 East 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: COMPENSATED DENSITY
RADIATION GUARD
DUAL INDUCTION
MICRO

See attached

Log Formation (Top), Depth and Datum Sample
 Name Top Datum

See attached

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"	20#	317'	Class A	175	2% Gel/3% CC

ADDITIONAL CEMENTING/SQUEEZE RECORD

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

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. P & A		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 N/A Bbls.	Gas N/A Mcf	Water N/A Bbls. Gas-Oil Ratio Gravity

Disposition of Gas: Vented Sold Used as Lease

METHOD OF COMPLETION: Open Hole Perforated Dually Comp. Cemented

Production Interval _____

CONFIDENTIAL

FORMATION TOPS

Ensign Operating Co.

No. 1-29 Reeves

NE SW Sec 29, T18S, R26W

Ness County, Kansas

	G.L. 2588' K.B. 2597'	Comparison Well SW NE 30-18S-26W K.B. 2584'	Wire Line Logs	Drill Time & Samples
Tertiary		Surface +2579'	Surface +2588'	Surface +2588'
Cretaceous				
Cenomanian				
Fort Hays	80' +2554'		94' +2503'	94' +2503'
Carlile	145' +2439'		122' +2475'	122' +2475'
Greenhorn	382' +2270'		378' +2219'	378' +2219'
Graneros	505' +2079'		524' +2073'	524' +2073'
Albian				
Dakota	525' +2059'		538' +2059'	538' +2059'
Kiowa	790' +1794'		806' +1791'	806' +1791'
Cheyenne	890' +1694'		922' +1675'	922' +1675'
Permian				
Glaudalupian				
White Horse	1100' +1484'		1096' +1501'	1096' +1501'
Leonardian				
Nipewalla Gr.				
Blaine	1298' +1286'		1311' +1286'	1315' +1282'
Cedar Hills	1415' +1169'		1428' +1169'	1428' +1169'
Sumner Gr.				
Stone Corral	1942' +642'		1944' +653'	1952' +645'
Ninnescah	1980' +604'		1979' +618'	1988' +609'
Wellington	2250' +334'		2252' +345'	2258' +339'
Hutchinson	2333' +251'		2334' +263'	2343' +254'
Wolfcampian				
Chase Gr.				
Herington	2595' -10'		2622' -25'	2626' -29'
Krider	2620' -36'		2644' -47'	2648' -51'
Winfield	2675' -94'		2695' -98'	2698' -101'
Gage Shale	2690' -106'		2714' -117'	2715' -116'
Towanda	2733' -149'		2760' -163'	2760' -163'
Fort Riley	2796' -212'		2816' -219'	2815' -218'
Wreford	2920' -336'		2942' -345'	2942' -345'
Council Grove Gr.	2948' -364'		2948' -371'	2948' -371'
Neva	3125' -541'		3146' -549'	3147' -549'
Red Eagle	3180' -626'		3202' -605'	3202' -605'

CONFIDENTIAL

G.L. 2588' K.B. 2597'	Comparison Well SW NE 30-18S-26W K.B. 2584'	Wire Line Logs	Drill Time & Samples
Foraker	3210' -626'	3238' -641'	3238' -641'
Pennsylvanian			
Virgilian			
Wabaunsee Gr.	3333' -749'	3346' -749'	3346' -749'
Root Shale	3378' -794'	3402' -805'	3401' -804'
Shawnee Gr.			
Topeka	3608' -1024'	3632' -1035'	3630' -1033'
Douglas Gr.			
Heebner	3890' -1306'	3914' -1317'	3910' -1313'
Toronto	3908' -1324'	3932' -1335'	3927' -1330'
Missourian			
Lansing Gr.	3930' -1346'	3958' -1361'	3955' -1358'
Kansas City Gr.			
Bonner Spgs	4010' -1426'	4040' -1443'	4038' -1441'
Cherryvale	4199' -1615'	4224' -1627'	4225' -1628'
Stark	4232' -1648'	4262' -1665'	4263' -1666'
Hushpuckney	4270' -1686'	4296' -1699'	4300' -1703'
Demoinesian			
Marmaton Gr.	4308' -1724'	4334' -1737'	4335' -1738'
Pawnee	4400' -1816'	4424' -1827'	4421' -1824'
Labette	4448' -1864'	4474' -1877'	4473' -1876'
Fort Scott	4453' -1869'	4480' -1883'	4478' -1881'
Cherokee Gr.			
A Interval	4475' -1891'	4504' -1907'	4501' -1904'
B Interval	4509' -1925'	4540' -1943'	4532' -1935'
Mississippian			
Meramecian			
Warsaw	4565' -1981'	4594' -1997'	4593' -1996'
Total Depth	4579' -1995'	4656' -2059'	4656' -2059'

15-135-23807-0000

Phone 913-483-2627, Russell, KS
Phone 316-793-5861, Great Bend, KS

Phone 913-625-5516, Hays, KS
Phone 913-672-3471, Oakley, KS

Phone 316-886-5926, Medicine Lodge, KS
Phone 913-798-3843, Ness City, KS

ALLIED CEMENTING CO., INC. 6156

Home Office P. O. Box 31

Russell, Kansas 67665

New

ORIGINAL

CONFIDENTIAL

Date	5/12/94	Sec.	29	fwp.	185	Range	26W	Called Out	2 AM	On Location	3 AM	Job Start	7 AM	Finish	9 AM
Lease	Reeves	Well No.	1-29	Location	Beeler 1W N into			County	Ness	State	Ks.				

Contractor **Duke 4**

Type Job **@ Rotary Plug**

Hole Size **7 7/8** T.D. **4656**

Csg. **8 7/8** Depth **317**

Tbg. Size Depth

Drill Pipe Depth

Tool Depth

Cement Left in Csg. Shoe Joint

Press Max. **RELEASED**
Minimum

Meas Line Displace **2 6 1995**

Perf.

FROM CONFIDENTIAL
EQUIPMENT

No.	Cementer	Gary
Pumptrk 224	Helper	Mike
No.	Cementer	
Pumptrk	Helper	
	Driver	Bill
Bulktrk 116		
Bulktrk	Driver	

DEPTH of Job

Reference:	Pump Truck	430.00
16	Mileage	36.00
	8 5/8" OHP	21.00
	Total	487.00

Remarks: **50s @ 2000**

80 " " 1130

40 " " 650

50 " " 350

10 " " 40

15 " " RH

Thank you
Way L. Hena

Owner **Same**

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 **Ensign Operating Co.**

Street **Box 2161**

City **Liberal** State **Ks.** **67901**

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

Purchase Order No.

x **Rich Wheeler**

CEMENT

Amount Ordered **245 6 3/4 6% Gel 1/4 #Flo Seal**

Consisting of

Common	147	5.75	845.25
Poz. Mix	98	3.00	294.00
Gel.	13	9.00	117.00
Chloride			
Quickset			
Flo Seal 61rd	1:10		67.10 67.10

Handling **245** **1.00** **245.00**

Mileage **16** **ncc** **156.80**

Sub Total

JUN 9

CONFIDENTIAL

Total \$1725.15

Floating Equipment
REGISTRATION COMMISSION

JUN 10 1994

CONSERVATION DIVISION
Wichita, Kansas

TOTAL \$2212.15

Disc - 442.43

\$1769.72

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.

15-135-23807-0000

Phone 913-483-2627, Russell, KS

Phone 913-625-5516, Hays, KS

Phone 316-886-5926, Medicine Lodge, KS

Phone 316-793-5861, Great Bend, KS

Phone 913-672-3471, Oakley, KS

Phone 913-798-3843, Ness City, KS

ALLIED CEMENTING CO., INC. 6151 ORIGINAL CONFIDENTIAL

Home Office P. O. Box 31 Russell, Kansas 67665

New

Date	Sec.	Twp.	Range	Called Out	On Location	Job Start	Finish
5/5/94	29	18S	26W	6:30 PM	7:15	8:30	9 PM
Lease	Well No.	Location			County	State	
Reeves	1-29	Beeler 1W Ninto			Ness	Ks.	

Contractor Duke 4

Owner Sane

Type Job Surface

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 12 1/4 T.D. 318

Csg. 8 5/8" 20' Depth 317

Tbg. Size Depth

Drill Pipe Depth

Tool Depth

Cement Left in Csg. 15' Shoe Joint

Press Max. Minimum

Meas Line Displace 19.69 bbl

Perf.

Charge To Ensign Operating Company

Street Box 2161

City Liberal State Ks. 67901

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

Purchase Order No.

X Rich Wheeler

EQUIPMENT

No.	Cementer	<u>Gary Mike</u>
Pumptrk <u>224</u>	Helper	
No.	Cementer	<u>Bill</u>
Pumptrk	Helper	
	Driver	
Bulktrk	Driver	<u>RELEASED</u>

CEMENT

Amount Ordered 175 6% 2% Gel 3% CC

Consisting of		
Common	<u>105</u>	<u>51.75 603.75</u>
Poz. Mix	<u>20</u>	<u>3.00 210.00</u>
Gel.	<u>3</u>	<u>9.00 27.00</u>
Chloride	<u>5</u>	<u>25.00 125.00</u>
Quickset		

DEPTH of Job 26 1995

Reference:	<u>Pump Truck</u>	<u>430.00</u>
	<u>16 Mileage</u>	<u>36.00</u>
	<u>8 5/8" TWP</u>	<u>42.00</u>
	<u>Total</u>	<u>508.00</u>

Handling 175 1.00 175.00

Mileage 16 112.00

JUN 9
CONFIDENTIAL

Floating Equipment

1760.75

352.15

1408.60

Total 1252.75

Remarks: Cement circulated.

Thank you!

RECEIVED
STATE APPROPRIATION COMMISSION
JUN 10 1994
CONSERVATION DIVISION
Wichita, Kansas

D

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 owner; and;

(B) Oil spill, 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, the willful misconduct, 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.