

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

Operator: License #4894

Name: Horseshoe Operating, Inc.

Address: 500 W. Texas, Suite 1190

City/State/Zip: Midland, Tx 79701

Purchaser: N/A

Operator Contact Person: S. L. Burns

Phone (915) 683-1448

Contractor: Name: Murfin Drilling Company

License: 30606

Wellsite Geologist:

Designate Type of Completion

New Well  Re-Entry  Workover

Oil  SWD  SIOW  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  PBTB  
 Commingled  Docket No.  
 Dual Completion  Docket No.  
 Other (SWD or Inj?)  Docket No.

7-1/97 Spud Date 7-4-97 Date Reached TD PTA Completion Date

API NO. 15- 071-206720000

County Greeley

C - SE - NE - Sec. 20 Twp. 20 Rge. 40 E

1980 Feet from S (circle one) Line of Section

660 Feet from E/W (circle one) Line of Section

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

Lease Name Panning Well # 2

Field Name Bradshaw

Producing Formation Winfield

Elevation: Ground 3593 KB 3602

Total Depth 2845 PBTB PTA

Amount of Surface Pipe Set and Cemented at 274' Feet

Multiple Stage Cementing Collar Used? Yes  No

If yes, show depth set Feet

If Alternate II completion, cement circulated from

feet depth to surface w/ sx cmt.

Drilling Fluid Management Plan DLA 9-13-97  
(Data must be collected from the Reserve Pit)

Drilling fluid 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. E/W

County Docket No.

RECEIVED  
KANSAS CORPORATION COMMISSION  
AUG 19 1997  
AUG 19 1997  
CONSERVATION DIVISION  
WICHITA

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.

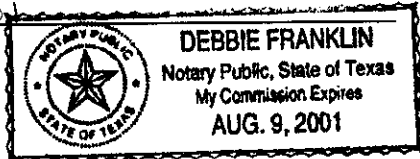
Signature S.L. Burns

Title Vice - President Date 7-23-97

Subscribed and sworn to before me this 23 day of July, 1997.

Notary Public Debbie Franklin

Date Commission Expires 8-9-2001



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

# ORIGINAL

SIDE TWO

Operator Name Horseshoe Operating, Inc. Lease Name Panning Well # 2

Sec. 20 Twp. 20 Rge. 40  East  West County Greeley

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:

Dual Compensated Porosity Log

<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datums	<input type="checkbox"/> Sample
Name	Top	Datum
Stone Corral	2408	2436
Winfield	2808	

CASING RECORD <input type="checkbox"/> New <input checked="" 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"	8-5/8"	24#	274'	Class A Premium Lite	175	3% cc 1/4# flose

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	CONSERVATION DIVISION NOWICHTA, KS	
					<input type="checkbox"/> Yes <input type="checkbox"/> No		
Date of First, Resumed Production, SWD or Inj. <b>D&amp;A</b>				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 <b>n/a</b> Bbls.	Gas <b>n/a</b> Mcf	Water <b>n/a</b> Bbls.	Gas-Oil Ratio	Gravity		

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

METHOD OF COMPLETION  Open Hole  Perf.  Dually Comp.  Commingled

Production Interval  Other (Specify) \_\_\_\_\_

RECEIVED  
KANSAS CORPORATION COMMISSION

AUG 19 1997

# ALLIED CEMENTING CO., INC.

5404

## ORIGINAL

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

SERVICE POINT:

DATE <u>7-1-97</u>	SEC. <u>20</u>	TWP. <u>20s</u>	RANGE <u>40 W</u>	CALLED OUT	ON LOCATION <u>M.T. 10:50 PM</u>	JOB START <u>Oakley M.T. 12:30 AM</u>	JOB FINISH <u>M.T. 12:50 AM</u>
LEASE <u>Panning</u>	WELL # <u>2</u>	LOCATION <u>11 S Tribune</u>			COUNTY <u>Greeley</u>	STATE <u>KS</u>	

OLD OR NEW (Circle one)

CONTRACTOR Murlin Drlg Rig 24

TYPE OF JOB Surface

HOLE SIZE 12 1/4 T.D. 274'

CASING SIZE 8 3/8 DEPTH 274'

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG. 10'

PERFS.

OWNER Same

CEMENT

AMOUNT ORDERED 100 sk Lite 320cc 1/2 FT 5"  
75 sks Com 320 cc

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

### EQUIPMENT

PUMP TRUCK CEMENTER Dean

# 300 HELPER Wayne

BULK TRUCK

# 347 DRIVER Lonnie

BULK TRUCK

# DRIVER

TOTAL \_\_\_\_\_

### REMARKS:

### SERVICE

Cement did circulate

Displacement 16 3/4 Bbls

Thank you

DEPTH OF JOB 274'

PUMP TRUCK CHARGE

EXTRA FOOTAGE @ \_\_\_\_\_

MILEAGE @ \_\_\_\_\_

PLUG Surface @ \_\_\_\_\_

@ \_\_\_\_\_

@ \_\_\_\_\_

TOTAL \_\_\_\_\_

CHARGE TO: Horseshoe Oper Inc

STREET \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

### FLOAT EQUIPMENT

	@	
	@	
	@	
	@	
	@	

RECEIVED  
KANSAS CORPORATION COMMISSION

AUG 19 1997

TOTAL \_\_\_\_\_

TAX CONSERVATION DIVISION  
WICHITA, KS

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 Laura McRae

## 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.

# ALLIED CEMENTING CO., INC. 8230

REMIT TO P.O. BOX 31  
RUSSELL, KANSAS 67685

## ORIGINAL

SERVICE POINT:  
DAKLEY

DATE <u>7-4-97</u>	SEC. <u>20</u>	TWP. <u>20S</u>	RANGE <u>40W</u>	CALLED OUT	ON LOCATION <u>4:40AM</u>	JOB START <u>5:00AM</u>	JOB FINISH
LEASE <u>PANHANDLE</u>		WELL # <u>2</u>		LOCATION <u>Tribune 115</u>		COUNTY <u>GREELEY</u>	STATE <u>KS</u>

OLD OR  NEW (Circle one)

CONTRACTOR MURKIN DRUG #16 #24 OWNER SHANE

TYPE OF JOB PTA

HOLE SIZE 7 7/8" T.D.

CASING SIZE DEPTH

TUBING SIZE DEPTH

DRILL PIPE 4 1/2" DEPTH 2430'

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT

CEMENT LEFT IN CSG.

PERFS.

DISPLACEMENT

CEMENT

AMOUNT ORDERED 230 SKS 60/40 PZ 6866L 1/2" FLTO SEAL

COMMON \_\_\_\_\_ @ \_\_\_\_\_

POZMIX \_\_\_\_\_ @ \_\_\_\_\_

GEL \_\_\_\_\_ @ \_\_\_\_\_

CHLORIDE \_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

HANDLING \_\_\_\_\_ @ \_\_\_\_\_

MILEAGE \_\_\_\_\_ @ \_\_\_\_\_

TOTAL \_\_\_\_\_

### EQUIPMENT

PUMP TRUCK CEMENTER TERRY

# 300 HELPER WAYNE

BULK TRUCK

# 212 DRIVER JEFF

BULK TRUCK

# DRIVER

### REMARKS:

50 SKS AT 2430'

80 SKS AT 1390'

25 SKS AT 700'

40 SKS AT 300'

10 SKS AT 40'

13 SKS AT RAT HOLE

10 SKS MOUSE HOLE

### SERVICE

DEPTH OF JOB 2430'

PUMP TRUCK CHARGE \_\_\_\_\_

EXTRA FOOTAGE \_\_\_\_\_ @ \_\_\_\_\_

MILEAGE \_\_\_\_\_ @ \_\_\_\_\_

PLUG 8 3/4 DRY HOLE \_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

TOTAL \_\_\_\_\_

CHARGE TO: HORSESHOE OPERATING

STREET 500 W. TEXAS STE 1190

CITY Midland STATE Tx ZIP 79701

### FLOAT EQUIPMENT

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

\_\_\_\_\_ @ \_\_\_\_\_

TOTAL \_\_\_\_\_

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.

TAX \_\_\_\_\_

TOTAL CHARGE **RECEIVED** \_\_\_\_\_

KANSAS CORPORATION COMMISSION

DISCOUNT \_\_\_\_\_ IF PAID IN 30 DAYS

AUG 19 1997

SIGNATURE St. Burns

CONSERVATION DIVISION  
WICHITA, KS

## 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.