

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

API NO. 15- 15-101-21,731

ORIGINAL

County Lane

115 Feet from 6 (circle one) Line of Section

330 Feet from 6 (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
NE, SE, NW or 6 (circle one)

Lease Name West-32C Well # 1

Field Name _____

Producing Formation N/A

Elevation: Ground 2665 KB 2675

Total Depth 4600 P8TD _____

Amount of Surface Pipe Set and Cemented at 212 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 97 3-19-97
(Data must be collected from the Reserve Pit)

Chloride content 5600 ppm Fluid volume 675 bbls

Dewatering method used evaporation

Location of fluid disposal if hauled offsite: _____

Operator Name KCC

Lease Name _____ License No. _____

Quarter DEC 31 Sec. _____ Twp. _____ S Rng. _____ E/W

County CONFIDENTIAL Docket No. _____

Operator: License # 4767

Name: Ritchie Exploration, Inc.

Address 125 N. Market, Suite 1000

City/State/Zip Wichita, KS 67202

Purchaser: N/A

Operator Contact Person: Lisa Thimmesch

Phone (316) 267-4375

Contractor: Name: White & Ellis

License: 5420

Wellsite Geologist: B. Mathiesen

Designate Type of Completion
 New Well _____ Re-Entry _____ Workover _____

Oil SWD SIOW Temp. Abd.

Gas ENHR SIGW

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

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

Operator: _____

Well Name: _____

Comp. Date _____ Old Total Depth _____

Re-perf. _____ Conv. to Inj/SWD _____

Plug Back _____ P8TD _____

Commingled _____ Docket No. _____

Dual Completion _____ Docket No. _____

Other (SWD or Inj?) _____ Docket No. _____

11-19-96 11-26-96 11-27-96

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 _____

Title President Date 12/31/96

Subscribed and sworn to before me this 31st day of Dec 19 96

Notary Public Lisa Thimmesch

Date Commission Expires _____

LISA THIMMESCH
NOTARY PUBLIC
STATE OF KANSAS
My Appl. Exp. 8-29-99

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)

Operator Name Ritchie Exploration, Inc Lease Name West-32C Well # I

Sec. 32 Twp. 19 Rge. 27W
 East
 West

County Lane

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:

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

See attached sheet

CASING RECORD <input type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (in O.D.)	Weight Lbs./Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
surface	12 1/4"	8 5/8"		212	60/40 poz	150	2% gel 4% 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	Acid, Fracture, Shot, Cement Squeeze Record
	Specify Footage of Each Interval Perforated	(Amount and Kind of Material Used) Depth

TUBING RECORD Size Set At Packer At Liner Run Yes No

Date of First, Resumed Production, SWD or Inj. D&A Producing Method Flowing Pumping Gas Lift 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 on Lease (If vented, submit ACO-18.)

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

Production Interval _____

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

RITCHIE EXPLORATION, INC.

125 N. Market - Suite 1000
Wichita, Kansas 67202-1775
316-267-4375 FAX 316-267-3026

ORIGINAL

#1 West-32C
125' N of NW SW SW
Section 32-19S-27W
Lane County, Kansas
API# 15-101-21,731
Elevation: 2665' GL 2675' KB (GL elevation raised one foot when making location)

Sample Tops

Anhydrite 1985'+(690)
B/Anhy 2021'+(654)
Heebner 3919'(-1244)
Lansing 3963'(-1288)
Muncie Crk 4136'(-1461)
Stark 4232'(-1557)
B/KC 4305'(-1630)
Marmaton 4334'(-1659)
Pawnee 4438'(-1763)
Myrick Sta 4466'(-1791)
Fort Scott 4486'(-1811)
Cherokee 4503'(-1828)
Miss 4576'(-1901)
RTD 4600'(-1925)

RELEASED

JAN 29 1999

FROM CONFIDENTIAL

KCC

DEC 31

CONFIDENTIAL

PLEASE KEEP THIS
INFORMATION
CONFIDENTIAL

46-2-1
DEC 31 1998
11:33 AM

ALLIED CEMENTING CO., INC.

6084

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

ORIGINAL

SERVICE POINT:

Neosho

DATE <i>11-19-96</i>	SEC <i>32</i>	TWP <i>19</i>	RANGE <i>27</i>	CALLED OUT <i>4:30 PM</i>	ON LOCATION <i>5:30 PM</i>	JOB START <i>9:20 AM</i>	JOB FINISH <i>9:45 PM</i>
LEASE <i>West 32C</i>	WELL # <i>1</i>	LOCATION <i>Dighton 6E-7S-1E-1S-3rd line</i>		COUNTY	STATE <i>KS.</i>		

OLD OR NEW (Circle one)

CONTRACTOR *White & Ellis*
 TYPE OF JOB *Surface*
 HOLE SIZE *12 1/4"* T.D. *213'*
 CASING SIZE *8 5/8"* DEPTH *212*
 TUBING SIZE DEPTH
 DRILL PIPE DEPTH
 TOOL DEPTH
 PRES. MAX MINIMUM
 MEAS. LINE SHOE JOINT
 CEMENT LEFT IN CSG. *15'* RELEASED
 PERFS.

OWNER *Same*
 CEMENT

AMOUNT ORDERED *150 60/40 2 1/4% gel*

COMMON	<i>90</i>	@	<i>6.10</i>	<i>549.00</i>
POZMIX	<i>60</i>	@	<i>3.15</i>	<i>189.00</i>
GEL	<i>3</i>	@	<i>9.50</i>	<i>28.50</i>
CHLORIDE	<i>6</i>	@	<i>28.00</i>	<i>168.00</i>

JAN 29 1999

EQUIPMENT

PUMP TRUCK CEMENTER *Mike*
 # *224* HELPER *Bob*
 BULK TRUCK
 # *222* DRIVER *DeWayne*
 BULK TRUCK
 # DRIVER

DEG 31	@	
CONFIDENTIAL	@	
HANDLING	<i>150</i>	@ <i>1.05</i> <i>157.50</i>
MILEAGE	<i>32</i>	<i>192.00</i>

TOTAL \$ *1284.00*

REMARKS:

Ran 212' of 8 5/8" 23# casing. Broke circulation with Reg. Cement with 150 60/40 2 1/4. No plug back 12.8' of fresh H₂O. Cement did break. Thank you. Allied Cementing Mike, Bob, DeWayne

SERVICE

DEPTH OF JOB	<i>212</i>	
PUMP TRUCK CHARGE		<i>445.00</i>
EXTRA FOOTAGE	@	
MILEAGE	<i>32</i>	@ <i>2.85</i> <i>91.20</i>
PLUG	<i>1-8 5/8" wooden</i>	@ <i>45.00</i> <i>45.00</i>

TOTAL \$ *581.20*

CHARGE TO: *Ritchie Exploration Inc.*
 STREET *125 N. Market #1000*
 CITY *Wichita* STATE *Ks* ZIP *67202*

FLOAT EQUIPMENT

@	
@	
@	
@	
@	

TOTAL

TAX *-0-*
 TOTAL CHARGE *1865.20*
 DISCOUNT *\$279.78* IF PAID IN 30 DAYS

Net \$ 1585.42

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 *Jay Clark*

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.

6087

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

ORIGINAL

SERVICE POINT:

Deer City

DATE <u>11-27-96</u>	SEC. <u>32</u>	TWP. <u>19</u>	RANGE <u>27</u>	CALLED OUT <u>11:30PM</u>	ON LOCATION <u>1:40AM</u>	JOB START <u>3:50AM</u>	JOB FINISH <u>10:45AM</u>
LEASE <u>West 32-C</u>	WELL# <u>1</u>	LOCATION <u>Dighton 62-7S-18-1S</u>		COUNTY <u>Lane</u>	STATE <u>Ks.</u>		

OLD OR NEW (Circle one)

CONTRACTOR White & Ellis
 TYPE OF JOB R. Plug
 HOLE SIZE 7 7/8" T.D. 4605
 CASING SIZE _____ DEPTH _____
 TUBING SIZE _____ DEPTH _____
 DRILL PIPE 4 1/2" DEPTH 2022
 TOOL _____ DEPTH _____
 PRES. MAX _____ MINIMUM _____
 MEAS. LINE _____ SHOE JOINT _____
 CEMENT LEFT IN CSG. _____
 PERFS. _____

OWNER Same CEMENT

AMOUNT ORDERED 24560/40 6 bags to #10 Seal 5K

COMMON	<u>147</u>	@	<u>6.10</u>	<u>896.70</u>
POZMIX	<u>98</u>	@	<u>3.15</u>	<u>308.70</u>
GEL	<u>13</u>	@	<u>9.50</u>	<u>123.50</u>
CHLORIDE		@		
<u>Flo Seal 61st</u>		@	<u>1.15</u>	<u>70.15</u>

EQUIPMENT

PUMP TRUCK CEMENTER Mike **RELEASED**
 # 224 HELPER Bob
 BULK TRUCK **JAN 29 1997**
 # 199 DRIVER Bill
 BULK TRUCK **FROM CONFIDENTIAL**
 # _____ DRIVER _____

HANDLING	<u>245</u>	@	<u>1.05</u>	<u>257.25</u>
MILEAGE	<u>32</u>	@		<u>313.60</u>

TOTAL # 1969.90

REMARKS:

1st Plug at 2022 w/50SKs
 2nd Plug at 1200 w/ 80SKs
 3rd Plug at 600 w/ 30SKs
 4th Plug at 240' w/ 40SKs
 5th Plug at 40' w/ 10SKs
 Rat hole w/ 15SKs
 Thank you
 Allied Cementing
 Mike Bob, Bill

SERVICE

DEPTH OF JOB	<u>2022'</u>			
PUMP TRUCK CHARGE				<u>550.00</u>
EXTRA FOOTAGE		@		
MILEAGE	<u>32</u>	@	<u>2.85</u>	<u>91.20</u>
PLUG <u>1-8 1/2" - 1/2" hole</u>		@	<u>23.00</u>	<u>23.00</u>
<u>dry</u>		@		

TOTAL # 664.20

CHARGE TO: Ritchie Reproduct
 STREET 125 N. Market #1000
 CITY Wichita STATE Ks ZIP 67202

FLOAT EQUIPMENT

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

TOTAL _____

TAX -0-
 TOTAL CHARGE \$ 2634.10
 DISCOUNT \$ 395.12 IF PAID IN 30 DAYS

Net \$ 2238.98

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 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.