

WELL COMPLETION FORM

WELL HISTORY - DESCRIPTION OF WELL & LEASE

**CONFIDENTIAL**

**ORIGINAL**

Operator: License # 6039

Name: L.D. Drilling, Inc.

Address: RR 1 Box 183 B

City/State/Zip: Great Bend, Kansas 67530

Purchaser: na

Operator Contact Person: L.D. Davis

Phone: (620) 793-3051

Contractor: Name: Duke Drilling Co., Inc.

License: 5929

Wellsite Geologist: Kim Shoemaker

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/Re-entry: Old Well Info as follows:

Operator: \_\_\_\_\_

Well Name: \_\_\_\_\_

Original Comp. Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_

Deepening  Re-perf.  Conv. to Enhr./SWD

Plug Back  Plug Back Total Depth \_\_\_\_\_

Commingled  Docket No. \_\_\_\_\_

Dual Completion  Docket No. \_\_\_\_\_

Other (SWD or Enhr.?)  Docket No. \_\_\_\_\_

05-01-02 05-14-02 PLA 5-15-02

Spud Date or Recompletion Date Date Reached TD Completion Date or Recompletion Date

API No. 15 - 033-21311-00-00

County: Comanche County, Kansas

E/2 NW NW Sec. 1 Twp. 31 S. R. 20  East  West

660 feet from S (N) (circle one) Line of Section

990 feet from E (W) (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

(circle one) NE SE NW SW

Lease Name: Parkin Well #: 1

Field Name: Wildcat

Producing Formation: na

Elevation: Ground: 2090 Kelly Bushing: 2101

Total Depth: 5200 Plug Back Total Depth: \_\_\_\_\_

Amount of Surface Pipe Set and Cemented at 626 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/ \_\_\_\_\_

Drilling Fluid Management Plan See BA 6-14-02

(Data must be collected from the Reserve Pit)

Chloride content \_\_\_\_\_ ppm Fluid volume \_\_\_\_\_ bbls

Dewatering method used \_\_\_\_\_

Location of fluid disposal if hauled offsite: \_\_\_\_\_

Operator Name: \_\_\_\_\_

Lease Name: \_\_\_\_\_ License No.: \_\_\_\_\_

Quarter \_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R. \_\_\_\_\_  East  West

County: \_\_\_\_\_ Docket No.: \_\_\_\_\_

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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 of 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: L.D. Davis

Title: President Date: 5-29-02

Subscribed and sworn to before me this 29th day of May, 2002.

Notary Public: Bessie M. DeWerff

Notary Commission Expires: 5-20-05

**KCC Office Use ONLY**

Letter of Confidentiality Attached

If Denied, Yes  Date: \_\_\_\_\_

Wireline Log Received

Geologist Report Received

UIC Distribution

NOTARY PUBLIC - State of Kansas  
BESSIE M. DEWERFF  
My Appt. Exp. 5-20-05

Operator Name: **L.D. Drilling, Inc.** Lease Name: **Parkin** Well: **1**  
 Sec. **1** **31** **190**  East  West County: **Comanche County, Kansas**

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems 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 test, along with final chart(s). Attach extra sheet if more space is needed. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

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 Induction Log, Borehole Compensated Sonic Log,  
 Dual Compensated Porosity Log, Microresistivity Log.

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

SEE ATTACHMENT

CASING RECORD  New  Used

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

Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacs Used	Type and Percent Additives
Conductor	17-1/2"	13-3/8"	48#	100'	Lite	100	3%cc 2%gel
Surface	12-1/4"	8-5/8"	24#	626'	Lite	200	3%cc

ADDITIONAL CEMENTING / SQUEEZE RECORD

Purpose:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
___ Perforate				
___ Protect Casing				
___ Plug Back TD				
___ 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  Yes  No

Date of First, Resumed Production, SWD or Enhr. Producing Method  Flowing  Pumping  Gas Lift  Other (Explain)

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

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

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

Production Interval

**CONFIDENTIAL** DAILY DRILLING REPORT

**ORIGINAL**

OPERATOR: L.D. DRILLING, INC.

LEASE: PARKIN #1

E/2 NW NW Sec: 1-31-20

Commanche Co., KS

WELLSITE GEOLOGIST: KIM SHOEMAKER

CONTRACTOR: DUKE DRILLING, RIG 1

ELEVATION: 2090' Ground 2101' KB

SPUD: 5-1-02 @ 8:30 P.M.

PTD: 6000'

SURFACE: Ran 14 jts., 615' tally of 8 5/8" 24# Surface Csg., Set @ 627' w/100 sx. lite 3 CC, 1/4# Flo Seal per sx, Lost Circ. 450' Dry Drilling to 625', 100 sx class A, 2% Gel, 3% CC, 100 sx lite 3% CC, Plug Down 7:30 A.M. 5-3-02, CIRC into Pit

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- 4-29-02 Digging Pits
- 5-01-02 Move in & Spud @ 8:30 P.M.  
2 jts 13 3/8" @ 100'  
100 sx class A, 2% gel, 3% CC
- 5-02-02 Plug down 3:15 A.M.  
Cement did Circ.  
7:00 A.M. 100' WOC
- 5-03-02 627' WOC Will Start Drilling 3:30 P.M.
- 5-04-02 1541' Drilling, Straight Hole 1 deg 1138'
- 5-05-02 2389' Drilling, 3/4 deg 2161'
- 5-06-02 2962' Drilling
- 5-07-02 3507' Drilling, 1 deg @ 3177'
- 5-08-02 3979' Drilling
- 5-09-02 4453' Drilling
- 5-10-02 4900' Circ. for Samples
- 5-11-02 5050'
- 5-12-02 5110'
- 5-13-02 5110' Tripping in after DST #2
- 5-14-02 5200' RTD - Preparing to Log
- 5-15-02 Preparing to Plug

DST #1 4957 - 5050 Upper Mississippi

TIMES: 45-45-45-120  
BLOW: 1st Open: bb 7 min  
2nd Open: bb 21 min  
RECOVERY: 30' DM

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IFP: 19-27 FFP: 28-32 ISIP: 195 FSIP: 532  
IHP 2385' FHP 2364

TEMP: 112 deg

**RELEASED**

DST #2 5048 - 5110' Upper Mississippi

TIMES: 30-45-45-90  
BLOW: 1st Open: Weak Do blt to 2"  
2nd Open: 4" blo thru out  
RECOVERY: 210' gip, 30' mud

JUN 18 2003

**FROM CONFIDENTIAL**

IFP: 19-19 FFP: 17-22 ISIP: 242 FSIP: 893

IHP: 2417' FHP: 2409'

TEMP: 118 deg

DST #3 5106 - 5127' Mississippi

TIMES: 30-30-30-30  
BLOW: 1st Open: Weak blo died in 28 m  
2nd Open: Weak blo died in 10 m  
RECOVERY: 30' Drilling Mud

IFP: 17-22 FFP: 24-27 ISIP: 1376 FSIP: 1277

IHP: 24-38 FHP: 24-49

TEMP: 109 deg

SAMPLE TOPS:

Howard	3681	(-1580) -13' to #2 Arlie
Heebner	4134	(-2033)
Iatan	4321	(-2220) -6' to #2
Lansing	4346	(-2245)
Stark	4651	(-2550) 9' Low
Altamont	4836	(-2735) 7' Low
Pawnee	4873	(-2772) 6' Low
Cherokee Shale	4915	(-2814) -7 to #2
Mississippi	5017	(-2916)

6-17-02

*Good copies of DST's will be sent.*

*E. Hibel*

**CONFIDENTIAL**

DAILY DRILLING REPORT

**ORIGINAL**

OPERATOR: L.D. DRILLING, INC.

LEASE: PARKIN #1

E/2 NW NW Sec: 1-31-20

WELLSITE GEOLOGIST: KIM SHOEMAKER

Commanche Co., KS

CONTRACTOR: DUKE DRILLING, RIG 1

ELEVATION: 2090' Ground 2101' KB

SPUD: 5-1-02 @ 8:30 P.M.

PTD: 6000'

SURFACE: Ran 14 jts., 615' tally of 8 5/8" 24# Surface Csg., Set @ 627' w/100 sx. lite 3 CC,  
1/4# Flo Seal per sx, Lost Circ. 450' Dry Drilling to 625', 100 sx class A, 2% Gel, 3% CC,  
100 sx lite 3% CC, Plug Down 7:30 A.M. 5-3-02, CIRC into Pit

LOG TOPS:

Howard	3677	-1576
Heebner	4134	-2033
Iatan	4322	-2221
Lansing	4347	-2246
Stark	4653	-2101
Altamont	4839	-2738
Pawnee	4874	-2733
Cherekee Shale	4917	-2816
Mississippi	5022	-2921
Log TD	5205	

DST #4 4864 - 4944' Pawnee (Straddel)

TIMES: 45-45-45-90

BLOW: 1st Open: bb 44 min

2nd Open: blt to 6"

RECOVERY: 240' DM

IFP: 48-99 FFP: 109-131 ISIP: 1219 FSIP: 1404

IHP: 23-25

FHP: 23-12

TEMP: 108 deg

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PLUGGING

50 sx @ 1000'

40 sx @ 630'

40 sx @ 250'

10 sx @ 40'

15 sx @ Rathole

10 sx @ Mouse Hole

165 sx Total of 60/40 Poz, 6 % gel

Plug down 2:30 P.M. 5-15-02

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ALLIED CEMENTING CO., INC.

09/86

Federal Tax I.D.# 48-0727860

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

ORIGINAL  
SERVICE POINT  
Med Lodge

DATE	5-1-82	SEC.	01	TWP.	315	RANGE	20W	CALLED OUT	9:45 PM	ON LOCATION	11:50 AM	JOB START	3:00 AM	JOB FINISH	3:15 AM
LEASE	Packin	WELL #	1	LOCATION	Comanche/Kiowa			COUNTY	Comanche	STATE	KS				
OLD OR NEW (Circle one)	NEW		Co. line on 183 7W 8S												

CONTRACTOR	Dulce #1	OWNER	L.D. Drilling
TYPE OF JOB	Conductor		
HOLE SIZE	17 1/2	T.D.	100
CASING SIZE	13 3/8 x 48	DEPTH	100
TUBING SIZE		DEPTH	
DRILL PIPE		DEPTH	
TOOL		DEPTH	KCC

PRES. MAX	100	MINIMUM		COMMON	A 100	@	6.65	665.00
MEAS. LINE		SHOE JOINT	MAY 29 2002	POZMIX		@		
CEMENT LEFT IN CSG.	15	CONFIDENTIAL		GEL	2	@	10.00	20.00
PERFS.				CHLORIDE	4	@	30.00	120.00
DISPLACEMENT	13 DBLS Fresh H <sub>2</sub> O			RELEASED		@		

EQUIPMENT				JUN 18 2003	@		
PUMP TRUCK	CEMENTER	HELPER	DRIVER	FROM CONFIDENTIAL	@		
#233-281	Justin Hart	Mark Brungardt	Ed Reed	HANDLING	106	@	1.10 116.60
BULK TRUCK				MILEAGE	106 x 50	@	.04 212.00
#364				RECEIVED		TOTAL	1133.60
BULK TRUCK							
#							

REMARKS:	Pipe on Bottom Break Circ	DEPTH OF JOB	100
	Mix 100 sx A 3/2 @ 15.2 = 24 DBLS	PUMP TRUCK CHARGE	520.00
	Disp 13 DBLS Fresh H <sub>2</sub> O	EXTRA FOOTAGE	@
	Shut Head in	MILEAGE	50 @ 3.00 150.00
	circulated cement	PLUG	@
			@
		TOTAL	670.00

CHARGE TO: L.D. Drilling  
 STREET: RR1, Box 183-B  
 CITY: GREAT BEND STATE KANSAS ZIP 67530

FLOAT EQUIPMENT	@	
	@	
	@	
	@	
	@	

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	1803.60
DISCOUNT	180.36 IF PAID IN 30 DAYS
	1623.24

SIGNATURE: Mike Godfrey

PRINTED NAME: Mike Godfrey

# ALLIED CEMENTING CO., INC. 09794

**CONFIDENTIAL**

Federal Tax I.D.# 48-0727860

**ORIGINAL**  
SERVICE POINT

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

*Miss Lodge*

DATE <u>5-15-02</u>	SEC. <u>1</u>	TWP. <u>31S</u>	RANGE <u>10W</u>	CALLED OUT <u>7:30 AM</u>	ON LOCATION <u>11:00 AM</u>	JOB START <u>1:00 PM</u>	JOB FINISH <u>3:30 PM</u>
LEASE <u>Wichita</u>	WELL # <u>1</u>	LOCATION <u>Colchester A to Comanche</u>		COUNTY <u>Wichita</u>	STATE <u>KS</u>		
OLD OR NEW (Circle one)		<u>known city line 763 5/8</u>					

CONTRACTOR <u>Duke #1</u>	OWNER <u>L D Drilling</u>
TYPE OF JOB <u>1st stay Plug</u>	
HOLE SIZE <u>7 7/8" T.D. 5000</u>	CEMENT
CASING SIZE <u>7 3/4" x 24</u>	AMOUNT ORDERED <u>165 5x 10.40.6</u>
TUBING SIZE	
DRILL PIPE	
TOOL	
PRES. MAX	
MEAS. LINE	
CEMENT LEFT IN CSG.	
PERFS.	
DISPLACEMENT <u>3 225 Fresh H<sub>2</sub>O + Mud</u>	

RELEASED

COMMON	@	JUN 18 2002
POZMIX	@	
GEL	@	FROM CONFIDENTIAL
CHLORIDE <b>KCC</b>	@	
	@	
	@	MAY 29 2002
	@	
	@	CONFIDENTIAL
	@	
HANDLING	@	
MILEAGE	@	

**EQUIPMENT**

PUMP TRUCK # <u>33-281</u>	CEMENTER <u>Justin Hart</u>
BULK TRUCK # <u>364</u>	HELPER <u>Mark Brumgardt</u>
BULK TRUCK #	DRIVER <u>Eric Powers</u>
BULK TRUCK #	DRIVER

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TOTAL

KCC WICHITA SERVICE

**REMARKS:**

2 hrs 1 Hr 50 5x 10.40.6 @ 100'  
Disp 3 H<sub>2</sub>O + 7 Mud  
1048 Hole 8 5/8 H<sub>2</sub>O 40 5x 10.40.6 @ 250'  
Disp 3 H<sub>2</sub>O + 5 Mud  
1048 Hole 8 5/8 H<sub>2</sub>O 40 5x @ 250'  
Disp 3 H<sub>2</sub>O  
1048 Hole 10 5x @ 40'  
10 5x House 10 5x Rat

DEPTH OF JOB <u>1000</u>	
PUMP TRUCK CHARGE	
EXTRA FOOTAGE	@
MILEAGE	@
PLUG	@
	@
	@

CHARGE TO: L D Drilling

STREET \_\_\_\_\_

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

TOTAL \_\_\_\_\_

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 \_\_\_\_\_

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

SIGNATURE [Signature]

MIKE GEDRAY  
 PRINTED NAME

## 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. 09786

**CONFIDENTIAL**

Federal Tax I.D.# 48-0727860

**ORIGINAL**

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

SERVICE POINT: Manly Center

DATE <u>5-1-02</u>	SEC. <u>31</u>	TWP. <u>15</u>	RANGE <u>20W</u>	CALLED OUT <u>7:45 PM</u>	ON LOCATION <u>11:50 AM</u>	JOB START <u>3:30 AM</u>	JOB FINISH <u>3:15 AM</u>
LEASE <u>Parkin</u> WELL # <u>1</u>			LOCATION <u>Manche/Kiowa</u>		COUNTY <u>Lincoln</u>	STATE <u>KS</u>	
OLD OR NEW (Circle one)			<u>Re-line in 183 700 7/5</u>				

CONTRACTOR Duke #1

TYPE OF JOB producer

HOLE SIZE 7 7/8 T.D. 100

CASING SIZE 3 3/4 x 4 1/2 DEPTH 100

TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_

DRILL PIPE \_\_\_\_\_ DEPTH \_\_\_\_\_

TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_

PRES. MAX 100 MINIMUM \_\_\_\_\_

MEAS. LINE \_\_\_\_\_ SHOE JOINT \_\_\_\_\_

CEMENT LEFT IN CSG. 15

PERFS? \_\_\_\_\_

DISPLACEMENT 13 BBLs Fresh H<sub>2</sub>O

OWNER L.D. Drilling

CEMENT \_\_\_\_\_

AMOUNT ORDERED 100 sq. Class A

7 3/4 CC + 5% 901

**RELEASED**

**EQUIPMENT**

PUMP TRUCK CEMENTER Justin Hart

# 33-581 HELPER Mark Binnard

BULK TRUCK

# 364 DRIVER Ed Reed

BULK TRUCK

# \_\_\_\_\_ DRIVER \_\_\_\_\_

COMMON \_\_\_\_\_ @ JUN 18 2003

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

GEL \_\_\_\_\_ @ **FROM CONFIDENTIAL**

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

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

**KCC**

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

MAY 29 2002

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

**CONFIDENTIAL**

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

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

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

RECEIVED

MAY 31 2002

**REMARKS:**

pipe on bottom break 100 ft

4x 100 ex A 1/2 R 15.2 - 4 BBLs

used 13 BBLs Fresh H<sub>2</sub>O

start head in

circulated cement

**KCC WICHITA SERVICE**

DEPTH OF JOB 100

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

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

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

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

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

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

CHARGE TO: L.D. Drilling

STREET \_\_\_\_\_

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

TOTAL \_\_\_\_\_

**FLOAT EQUIPMENT**

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

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

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

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

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

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.

TOTAL \_\_\_\_\_

TAX \_\_\_\_\_

TOTAL CHARGE \_\_\_\_\_

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

SIGNATURE [Signature]

[Signature]

PRINTED NAME



## 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.