

WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

RECEIVED  
AUG 02 2002  
KCC WICHITA ORIGINAL

Operator: License # 6039

Name: L.D. Drilling, Inc.

Address: RR 1 Box 183 B

City/State/Zip: Great Bend, Kansas 67530

Purchaser:

Operator Contact Person: L.D. Davis

Phone: ( 620 ) 793-3051

Contractor: Name: Duke Drilling Co., Inc.

License: 5929

Wellsite Geologist: Jerry Smith

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. \_\_\_\_\_

05-18-02 05-28-02 5.28.02

Spud Date or \_\_\_\_\_ Date Reached TD \_\_\_\_\_ Completion Date or \_\_\_\_\_

Recompletion Date \_\_\_\_\_ Recompletion Date \_\_\_\_\_

API No. 15 - 151-22189-00-00

County: Pratt County, Kansas

SW NE SW Sec. 22 Twp. 27 S. R. 11  East  West

1650 feet from  S /  N (circle one) Line of Section

1650 feet from E /  W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:

(circle one) NE SE NW  SW

Lease Name: Preisser Well #: 1

Field Name: \_\_\_\_\_

Producing Formation: \_\_\_\_\_

Elevation: Ground: 1754' Kelly Bushing: 1765'

Total Depth: 4455' Plug Back Total Depth: \_\_\_\_\_

Amount of Surface Pipe Set and Cemented at 689 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 16N B-18-02  
(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: L.D. Davis

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

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

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

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: Bessie Newhoff

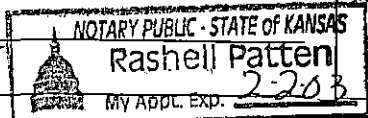
Title: Sectreas Date: 7-31-02

Subscribed and sworn to before me this 31<sup>st</sup> day of July.

2002

Notary Public: Rashell Patten

Date Commission Expires: 2-28-03



KCC Office Use ONLY

Letter of Confidentiality Attached

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

Wireline Log Received

Geologist Report Received

UIC Distribution

Operator Name: L.D. Drilling, Inc. Lease Name: Preisser Well #: 1

Sec. 22 Twp. 27 S. R. 11  East  West County: Pratt 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.

<p>Drill Stem Tests Taken <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i></p> <p>Samples Sent to Geological Survey <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Submit Copy)</i></p> <p>List All E. Logs Run:  <p style="text-align: center;">Radiation Guard Log</p></p>	<p><input type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample</p> <p>Name Top Datum</p> <p style="text-align: center;">See Attachmant</p>
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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	# Sacjs Used	Type and Percent Additives
<b>Surface</b>	12-1/4"	8-5/8"	24#	689'	65/35 Class A	225 100	3%cc 3%cc 2%gel

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 <i>(Amount and Kind of Material Used)</i>	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 Enhr.		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 Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity

Disposition of Gas	METHOD OF COMPLETION	Production Interval
<input type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Sumit ACO-18.)</i>	<input type="checkbox"/> Open Hole <input type="checkbox"/> Perforated <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <input type="checkbox"/> Other (Specify) _____	_____

**DAILY DRILLING REPORT**

ORIGINAL

OPERATOR: L. D. DRILLING, INC.

LEASE: PREISSER #1

SW NE SW Sec: 22-27-11W

WELLSITE GEOLOGIST: JERRY SMITH

Pratt County, KS

CONTRACTOR: DUKE DRILLING, INC.

ELEVATION: 1754' Gr 1759' KB

SPUD: 5-18-02 @ 3:30 P.M.

PTD: 4550'

RECEIVED  
AUG 02 2002  
KCC WICHITA

SURFACE: Set 16 jts (700'), 8 5/8" x 24# @689' w/225 sx 65/35 Poz  
3% CC, 1/4# Flow seal per sx, and 100 sx Class A, 2-3, PLUG DOWN 7:30 A.M.  
Did not Circ, 1" w/100 sx, Job Complete 11:00 A.M. 3/4 deg @ 700'

5-17-02 Start Move in  
5-18-02 Finish Move, Rig up  
5-19-02 700' Cementing Csg  
5-20-02 1277' Drilling  
5-21-02 2040' Drilling  
5-22-02 2670'  
5-23-02 3217' Drilling  
5-24-02 3788' CFS  
5-25-02 3823' T.O. for DST #1  
5-26-02 4100' On Bottom w/DST #2  
5-27-02 4340' On Bottom w/DST #3  
5-28-02 4455' R.U. Loggers  
Plug Down 5:45 pm, 50 sx @720', 40 sx @ 250'  
10sx @ 40, 15 sx rathole, 10 sx water well  
60/40 Poz, 6% gel

DST #1 3868 - 3888'  
TIMES: 30-60-45-90  
BLOW: 1st Open: FP  
2nd Open: GTS 15"  
RECOVERY: 139'ogcwm,124' sogcmw,  
434'SW/ total 697' TF  
IFP: 59-185 ISIP: 801-819  
FFP: 201-343 HP: 1805-1806  
TEMP: 128 degrees

DST #2 4056 - 4100'  
TIMES: 30-60-30-60  
BLOW: 1st Open: FP  
2nd Open: FP  
RECOVERY: 170' gip, 20'mud

IFP: 13-16 ISIP: 39-28  
FFP: 14-15 HP: 1900-1896  
TEMP: 121 degrees

DST #3 4298 - 4340'  
TIMES: 30-60-45-90  
BLOW: 1st Open: FP  
2nd Open: FP  
RECOVERY: 250' gip, 93' ogcwm,  
31' ogcmw / 124' TF  
IFP: 14-45 ISIP: 1068-1051  
FFP: 42-70 HP 2035-2032  
TEMP: 126 degrees

SAMPLE TOPS:

Krider	1765	0
Lansing	3605	-1840
Mississippian	4064	-2299
Viola	4298	-2533
Simpson SD.	4412	-2647

LOG TOPS

Krider	1765	0
Lansing	3603	-1838
Mississippian	4060	-2295
Viola	4294	-2529
Simpson SD.	4408	-2643

# ALLIED CEMENTING CO., INC.

09823

Federal Tax I.D.# 48-0727860

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

SERVICE POINT:  
Medicine L.D.G.

DATE <u>5-19-02</u>	SEC. <u>22</u>	TWP. <u>27S</u>	RANGE <u>11W</u>	CALLED OUT <u>1:00 A.M.</u>	ON LOCATION <u>3:00 A.M.</u>	JOB START <u>7:00 A.M.</u>	JOB FINISH <u>11:00 A.M.</u>
LEASE <u>Preisser</u>	WELL # <u>#1</u>	LOCATION <u>Cunningham Ks,</u>			COUNTY <u>Mat</u>	STATE <u>Ks,</u>	
OLD OR <u>(NEW)</u> (Circle one)		LOCATION <u>4W 2N 3/4W 2.ATO</u>					

CONTRACTOR Duke #1  
 TYPE OF JOB Surface  
 HOLE SIZE 12 1/4 T.D. 700  
 CASING SIZE 8 5/8 DEPTH 700  
 TUBING SIZE \_\_\_\_\_ DEPTH \_\_\_\_\_  
 DRILL PIPE 4 1/2 DEPTH 700  
 TOOL \_\_\_\_\_ DEPTH \_\_\_\_\_  
 PRES. MAX \_\_\_\_\_ MINIMUM \_\_\_\_\_  
 MEAS. LINE \_\_\_\_\_ SHOE JOINT 43.81  
 CEMENT LEFT IN CSG. 43.81 FT  
 PERFS. \_\_\_\_\_  
 DISPLACEMENT Fresh H<sub>2</sub>O 43 BBLs,

OWNER L.D. Drilling  
 CEMENT  
 AMOUNT ORDERED 225sx 65:35:6t  
3% CC + 1/4" #10-seal 200sx  
Class A + 3% CC + 2% Gel  
 COMMON \_\_\_\_\_ @ \_\_\_\_\_  
 POZMIX \_\_\_\_\_ @ \_\_\_\_\_  
 GEL \_\_\_\_\_ @ \_\_\_\_\_  
 CHLORIDE \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 HANDLING \_\_\_\_\_ @ \_\_\_\_\_  
 MILEAGE \_\_\_\_\_ @ \_\_\_\_\_

EQUIPMENT  
 PUMP TRUCK CEMENTER David W.  
 # 265 HELPER Steve D.  
 BULK TRUCK  
 # 363 DRIVER Eric H  
 BULK TRUCK  
 # \_\_\_\_\_ DRIVER \_\_\_\_\_

RECEIVED  
 AUG 02 2002  
 TOTAL \_\_\_\_\_

REMARKS:

Pipe on Bottom Break C.P.C  
Pump 225sx 65:35:6t + 3% CC  
+ 1/4" #10-seal Pump 100sx A +  
3% CC + 2% Gel Displace w/  
Fresh H<sub>2</sub>O slow Rate at 35  
BBLs out Pump Plug shut  
in Cement and Mat C.P.C  
TOP OUT w/ 100sx A + 3% CC + 2% G-1

KCC WICHITA SERVICE  
 DEPTH OF JOB 700  
 PUMP TRUCK CHARGE \_\_\_\_\_  
 EXTRA FOOTAGE \_\_\_\_\_ @ \_\_\_\_\_  
 MILEAGE \_\_\_\_\_ @ \_\_\_\_\_  
 PLUG RUBBER \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 TOTAL \_\_\_\_\_

CHARGE TO: L.D. Drilling  
 STREET \_\_\_\_\_  
 CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

FLOAT EQUIPMENT

Raffle Plate \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 \_\_\_\_\_ @ \_\_\_\_\_  
 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]

[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 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. 09861

Federal Tax I.D.# 48-0727860

ORIGINAL

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

SERVICE POINT:  
*Medicine Lodge*

DATE <i>5-28-02</i>	SEC. <i>22</i>	TWP. <i>77S</i>	RANGE <i>11W</i>	CALLED OUT <i>1:30 PM</i>	ON LOCATION <i>2:30 PM</i>	JOB START <i>4:15 PM</i>	JOB FINISH <i>6:00 PM</i>
LEASE <i>Russert</i>	WELL# <i>1</i>	LOCATION <i>Cunningham</i>			COUNTY <i>Franklin</i>	STATE <i>Ks</i>	
OLD OR NEW (Circle one) <i>NEW</i>				<i>4w/ 2w 3w/ into</i>			

CONTRACTOR *Duke*  
 TYPE OF JOB *Rotary plug*  
 HOLE SIZE *7 7/8* T.D.  
 CASING SIZE *8 1/2* DEPTH *700'*  
 TUBING SIZE DEPTH  
 DRILL PIPE DEPTH  
 TOOL DEPTH  
 PRES. MAX *200* MINIMUM  
 MEAS. LINE SHOE JOINT  
 CEMENT LEFT IN CSG.  
 PERFS.  
 DISPLACEMENT *Fresh*

OWNER *L.D. Drilling Co.*  
 CEMENT AMOUNT ORDERED *125 5x 60:40:6*  
 COMMON @  
 POZMIX @  
 GEL @  
 CHLORIDE @  
 @  
 @  
 @  
 @  
 @  
 @  
 HANDLING @  
 MILEAGE  
 TOTAL

**EQUIPMENT**

PUMP TRUCK CEMENTER *Antoine*  
 # *352* HELPER *Dave Felio*  
 BULK TRUCK  
 # *242* DRIVER *Larry Decling*  
 BULK TRUCK  
 # DRIVER

**REMARKS:**

**SERVICE**

*Pump 50 5x - 720'*  
*40 5x - 250'*  
*10 5x 40*  
*15 5x NAT Hole*  
*10 5x Waterwell*

DEPTH OF JOB *720'*  
 PUMP TRUCK CHARGE  
 EXTRA FOOTAGE @  
 MILEAGE @  
 PLUG @  
 @  
 @  
 TOTAL

CHARGE TO: *L.D. Drilling Co.*  
 STREET  
 CITY STATE ZIP

**FLOAT EQUIPMENT:**

@  
 @  
 @  
 @  
 @

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TOTAL  
 TAX  
 TOTAL CHARGE  
 DISCOUNT IF PAID IN 30 DAYS

SIGNATURE *[Signature]*

*[Signature]*  
 PRINTED NAME

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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.