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SEP 05 2012

KCC WICHITA

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KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

ORIGINAL

9/5/14

Form ACO-1
June 2009

Form Must Be Typed
Form must be Signed
All blanks must be Filled

OPERATOR: License # 5474
 Name: Northern Lights Oil Co., L.C.
 Address 1: PO Box 164
 Address 2: _____
 City: Andover State: KS Zip: 67002 + _____
 Contact Person: Robert Sutherland
 Phone: (316) 305-0493
 CONTRACTOR: License # 4958
 Name: Mallard J.V.
 Wellsite Geologist: Rocky Milford
 Purchaser: NCRA

Designate Type of Completion:
 New Well Re-Entry Workover
 Oil WSW SWD SIOW
 Gas D&A ENHR SIGW
 OG GSW Temp. Abd.
 CM (Coal Bed Methane)
 Cathodic Other (Core, Expl., 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 Conv. to SWD
 Conv. to GSW
 Plug Back: _____ Plug Back Total Depth _____
 Commingled Permit #: _____
 Dual Completion Permit #: _____
 SWD Permit #: _____
 ENHR Permit #: _____
 GSW Permit #: _____
6/22/12 6/30/12 6/30/12
 Spud Date or Date Reached TD Completion Date or
 Recompletion Date Recompletion Date
per geo report

API No. 15 - 137-20608-0000
 Spot Description: _____
SW NW SE NE Sec. 20 Twp. 5 S. R. 23 East West
1,890 Feet from North / South Line of Section
1,280 Feet from East / West Line of Section
 Footages Calculated from Nearest Outside Section Corner:
 NE NW SE SW
 County: Norton
 Lease Name: Hazlett Well #: 1
 Field Name: _____
 Producing Formation: Lansing Kansas City
 Elevation: Ground: 2270 Kelly Bushing: 2275
 Total Depth: 3850 Plug Back Total Depth: _____
 Amount of Surface Pipe Set and Cemented at: 218 Feet
 Multiple Stage Cementing Collar Used? Yes No
 If yes, show depth set: 1899 Feet
 If Alternate II completion, cement circulated from: 1899
 feet depth to: surface w/ 175sx sx cmt.

Drilling Fluid Management Plan
 (Data must be collected from the Reserve Pit)
 Chloride content: 800 ppm Fluid volume: 850 bbls
 Dewatering method used: Evaporate and Backfill
 Location of fluid disposal if hauled offsite: _____
 Operator Name: _____
 Lease Name: CONFIDENTIAL License #: _____
 Quarter _____ Sec. _____ Twp. S 5 2014 East West
 County: _____ Permit #: KCC

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.

AFFIDAVIT

I am the affiant and I hereby certify that 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: [Signature]
 Title: Managing Partner Date: 8/21/12

KCC Office Use ONLY

Letter of Confidentiality Received
 Date: 9/5/12 9/5/14
 Confidential Release Date: _____
 Wireline Log Received
 Geologist Report Received
 UIC Distribution
 ALT I II III Approved by: [Signature] Date: 11/8/12

Operator Name: Northern Lights Oil Co., L.C. Lease Name: Hazlett Well #: 1
 Sec. 20 Twp. 5 S. R. 23 East West County: Norton

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 complete copy of all Electric Wire-line Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Electric Log Submitted Electronically <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(If no, Submit Copy)</i> List All E. Logs Run: Cement Bond Log, RAG Log, GEO LOG	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Name</th> <th style="text-align: right;">Top</th> <th style="text-align: right;">Datum</th> </tr> </thead> <tbody> <tr> <td>Stone Corral</td> <td style="text-align: right;">1,894</td> <td style="text-align: right;">+381</td> </tr> <tr> <td>Topéka</td> <td style="text-align: right;">3,204</td> <td style="text-align: right;">-929</td> </tr> <tr> <td>Heebner</td> <td style="text-align: right;">3,402</td> <td style="text-align: right;">-1127</td> </tr> <tr> <td>Lansing</td> <td style="text-align: right;">3,444</td> <td style="text-align: right;">-1169</td> </tr> <tr> <td>Arbuckle</td> <td style="text-align: right;">3,836</td> <td style="text-align: right;">-1561</td> </tr> <tr> <td>Total Depth</td> <td style="text-align: right;">3,848</td> <td style="text-align: right;">-1573</td> </tr> </tbody> </table>	Name	Top	Datum	Stone Corral	1,894	+381	Topéka	3,204	-929	Heebner	3,402	-1127	Lansing	3,444	-1169	Arbuckle	3,836	-1561	Total Depth	3,848	-1573
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Arbuckle	3,836	-1561																				
Total Depth	3,848	-1573																				

CASING RECORD <input checked="" 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"	20	218	common	175	3%cc, 2%gel
Production	7.7/8"	5 1/2"	14	3849	common	175	10%salt, 2%gel, 5% gilsonite

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 <i>(Amount and Kind of Material Used)</i>	Depth
4	3588-3594	1000 gallons 15% NE acid	3572'
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		KCC WICHITA	
TUBING RECORD: Size: <u>2 7/8"</u> Set At: <u>3656'</u> Packer At: <u>same</u> Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Date of First, Resumed Production, SWD or ENHR. <u>7-18-2012</u>		Producing Method: <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) _____	
Estimated Production Per 24 Hours	Oil Bbls. <u>70</u>	Gas Mcf <u>0</u>	Water Bbls. <u>0</u> Gas-Oil Ratio <u>0</u> Gravity

DISPOSITION OF GAS: <input checked="" type="checkbox"/> Vented <input type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5) (Submit ACO-4)</i> <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: <u>3588-3594</u>
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Test Ticket

NO. 47052

Well Name & No. Hazlett #1 Test No. 1 Date _____
 Company Northern Lights Co. L.C. Elevation 2275 KB 2270 GL _____
 Address PO Box 164 Andover, KS 67002
 Co. Rep / Geo. Rocky Milford Rig Mallard #1
 Location: Sec. 20 Twp. 5s Rge. 23w Co. Neorton State KS

Interval Tested 3405 - 3465 Zone Tested _____
 Anchor Length 60 Drill Pipe Run 3169 Mud Wt. 9.1
 Top Packer Depth 3401 Drill Collars Run 240' Vis 49
 Bottom Packer Depth 3405 Wt. Pipe Run Ø WL 8.8
 Total Depth 3465 Chlorides 800 ppm System LCM 2#
 Blow Description IF - Surface blow died in 15 min. **RECEIVED**
IS - NO Return **SEP 05 2012**
FF - NO Blow **KCC WICHITA**
FS - NO Return

Rec	Feet of	%gas	%oil	%water	%mud
<u>5</u>	<u>Mud</u>			<u>100</u>	

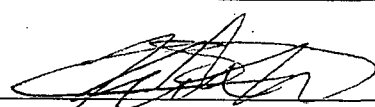
Rec Total 5 BHT 107 Gravity _____ API RW _____ @ _____ ° F Chlorides _____ ppm

(A) Initial Hydrostatic 1669 Test _____ T-On Location 2:20 PM
 (B) First Initial Flow 13 Jars _____ T-Started 3:32 PM
 (C) First Final Flow 17 Safety Joint _____ T-Open 6:00 PM
 (D) Initial Shut-In 610 Circ Sub N/C T-Pulled 8:00 PM
 (E) Second Initial Flow 18 Hourly Standby _____ T-Out 9:44 PM
 (F) Second Final Flow 21 Mileage _____ Comments _____
 (G) Final Shut-In 451 Sampler _____
 (H) Final Hydrostatic 1651 Straddle _____

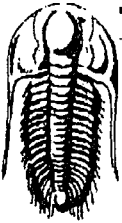
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Initial Open 30 Ruined Shale Packer _____
 Initial Shut-In 30 Ruined Packer _____
 Final Flow 30 Extra Copies _____
 Final Shut-In 36 Extra Recorder _____ Sub Total _____
 Day Standby _____ Total _____
 Accessibility _____ MP/DST Disc't _____
 Sub Total _____

Approved By _____ Our Representative 

Trilobite Testing Inc. shall not be liable for damaged of any kind of the property or personnel of the one for whom a test is made, or for any loss suffered or sustained, directly or indirectly, through the use of its equipment, or its statements or opinion concerning the results of any test, tools lost or damaged in the hole shall be paid for at cost by the party for whom the test is made.



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

Northern Lights Oil Co., L.C.

20-5s-23w-Norton-KS

PO Box 164
Andover, KS 67002

Hazlett #1

Job Ticket: 47052

DST#: 1

ATTN: Rocky Milford

Test Start: 2012.06.26 @ 15:32:00

GENERAL INFORMATION:

Formation: Toronto - LKC "A"

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 18:00:30

Time Test Ended: 21:44:00

Test Type: Conventional Bottom Hole (Initial)

Tester: Kevin Mack

Unit No: 64

Interval: 3405.00 ft (KB) To 3465.00 ft (KB) (TVD)

Total Depth: 3465.00 ft (KB) (TVD)

Hole Diameter: 7.88 inches Hole Condition: Good

Reference Elevations: 2275.00 ft (KB)

2270.00 ft (CF)

KB to GR/CF: 5.00 ft

Serial #: 8844

Press@RunDepth: 21.54 psig @ ft (KB)

Capacity: 8000.00 psig

Start Date: 2012.06.26

End Date: 2012.06.26

Last Calib.: 2012.06.26

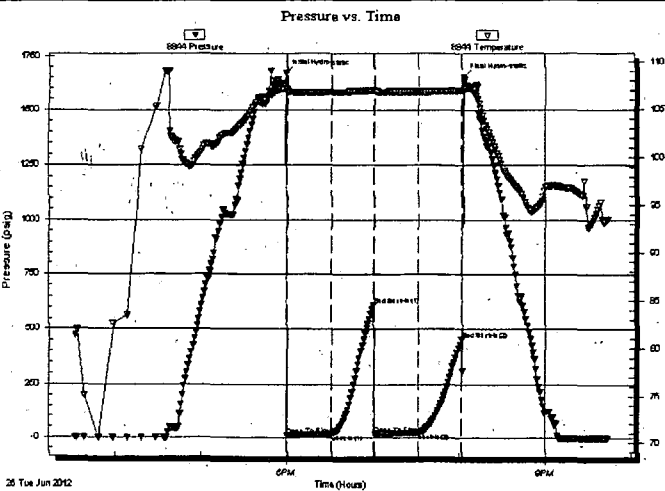
Start Time: 15:32:00

End Time: 21:44:00

Time On Btm: 2012.06.26 @ 17:59:30

Time Off Btm: 2012.06.26 @ 20:03:00

TEST COMMENT: 30 - IF- Surface blow died in 15 min.
30 - IS- No Return
30 - FF- No Blow
30 - FS- No Return.



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1669.78	107.13	Initial Hydro-static
1	13.48	106.86	Open To Flow (1)
32	17.46	106.80	Shut-In(1)
61	610.64	107.02	End Shut-In(1)
62	18.87	106.88	Open To Flow (2)
92	21.54	106.87	Shut-In(2)
122	451.88	107.01	End Shut-In(2)
124	1651.87	107.25	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
5.00	Mud 100M	0.02

Gas Rates

Choke (Inches)	Pressure (psig)	Gas Rate (Mcf/d)

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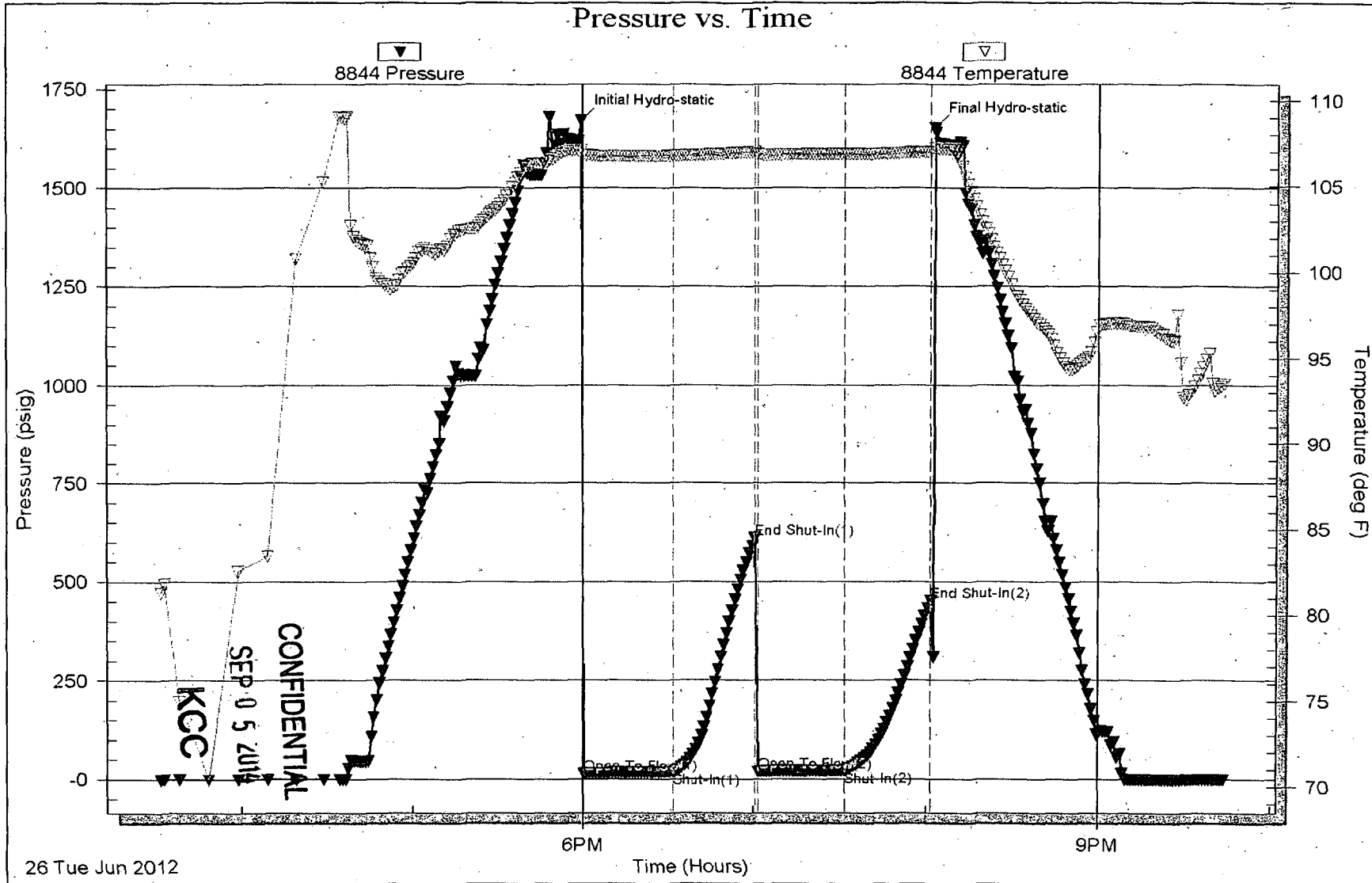
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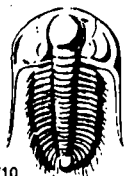
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TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 47053

4/10

Well Name & No. Huzzlett #1 Test No. 2 Date 6-27-12
 Company Northern Lights Oil Co., L.C. Elevation 2275 KB 2270 GL
 Address P.O. Box 164 Andover, KS 672002
 Co. Rep / Geo. Rocky Milford Rig Mullard #1
 Location: Sec. 20 Twp. 5s Rge. 23w Co. Norton State KS

Interval Tested 3462 - 3488 Zone Tested LKC B
 Anchor Length 26' Drill Pipe Run 3204 Mud Wt. 91
 Top Packer Depth 3458 Drill Collars Run 240' Vis 49
 Bottom Packer Depth 3462 Wt. Pipe Run Ø WL 88
 Total Depth 3488 Chlorides 800 ppm System LCM 2#

Blow Description IF-BoB in 12 mins
IS- No Return
FF-BoB in 16 mins
FS- No Return

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Rec	Feet of	%gas	%oil	%water	%mud
<u>232</u>	<u>Feet of MW</u>		<u>50</u>	<u>50</u>	
<u>240</u>	<u>Feet of MW</u>		<u>85</u>	<u>15</u>	
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud

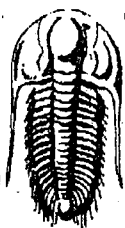
Rec Total 522 BHT 107 Gravity - API RW - @ - °F Chlorides 36000 ppm

(A) Initial Hydrostatic 1738 Test T-On Location 4:10 AM
 (B) First Initial Flow 15 Jars T-Started 4:15 AM
 (C) First Final Flow 164 Safety Joint T-Open 6:06 AM
 (D) Initial Shut-In 1195 Circ Sub N/C T-Pulled 8:06 AM
 (E) Second Initial Flow 170 Hourly Standby T-Out 9:50 AM
 (F) Second Final Flow 253 Mileage 110 RT Comments _____
 (G) Final Shut-In 1159 Sampler _____
 (H) Final Hydrostatic 1757 Straddle _____

Initial Open 30 Shale Packer CONFIDENTIAL Ruined Shale Packer _____
 Initial Shut-In 30 Extra Packer SEP 05 2014 Ruined Packer _____
 Final Flow 30 Extra Recorder KCC Extra Copies _____
 Final Shut-In 30 Day Standby _____ Sub Total _____
 Accessibility _____ Total _____
 Sub Total _____ MP/DST Disc't _____

Approved By _____ Our Representative 

Trilobite Testing Inc. shall not be liable for damaged of any kind of the property or personnel of the one for whom a test is made, or for any loss suffered or sustained, directly or indirectly, through the use of its equipment, or its statements or opinion concerning the results of any test, tools lost or damaged in the hole shall be paid for at cost by the party for whom the test is made.



TRILOBITE TESTING, INC

DRILL STEM TEST REPORT

Northern Lights Oil Co., L.C.

20-5s-23w-Norton-KS

PO Box 164
Andover, KS 67002

Hazlett #1

Job Ticket: 47053

DST#: 2

ATTN: Rocky Milford

Test Start: 2012.06.27 @ 04:15:00

GENERAL INFORMATION:

Formation: LKC "B"

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 06:05:30

Time Test Ended: 09:50:30

Test Type: Conventional Bottom Hole (Initial)

Tester: Kevin Mack

Unit No: 64

Interval: 3462.00 ft (KB) To 3488.00 ft (KB) (TVD)

Total Depth: 3488.00 ft (KB) (TVD)

Hole Diameter: 7.88 inches Hole Condition: Good

Reference Elevations: 2275.00 ft (KB)

2270.00 ft (CF)

KB to GR/CF: 5.00 ft

Serial #: 8844

Press@RunDepth: 253.99 psig @ ft (KB)

Start Date: 2012.06.27

End Date:

2012.06.27

Capacity: 8000.00 psig

Last Calib.: 2012.06.27

Start Time: 04:15:00

End Time:

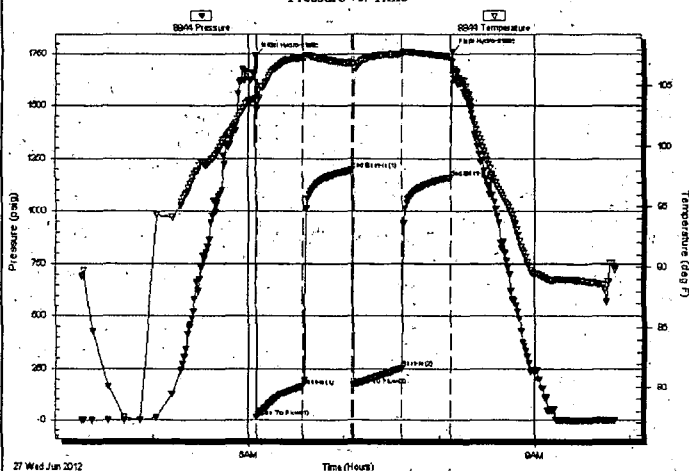
09:50:30

Time On Btm: 2012.06.27 @ 06:04:30

Time Off Btm: 2012.06.27 @ 08:08:30

TEST COMMENT: 30 - IF- BoB in 12 min.
30 - IS- No Return
30 - FF- BoB in 16 min.
30 - FS- No Return

Pressure vs. Time



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1738.10	103.91	Initial Hydro-static
1	15.24	103.05	Open To Flow (1)
30	164.08	107.35	Shut-In(1)
61	1195.08	106.86	End Shut-In(1)
62	170.03	106.46	Open To Flow (2)
92	253.99	107.62	Shut-In(2)
123	1159.75	107.42	End Shut-In(2)
124	1757.89	107.03	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
240.00	MW 15M 85W	1.18
282.00	MW 50M 50W	3.96

Gas Rates

Choke (Inches)	Pressure (psig)	Gas Rate (Mcf/d)

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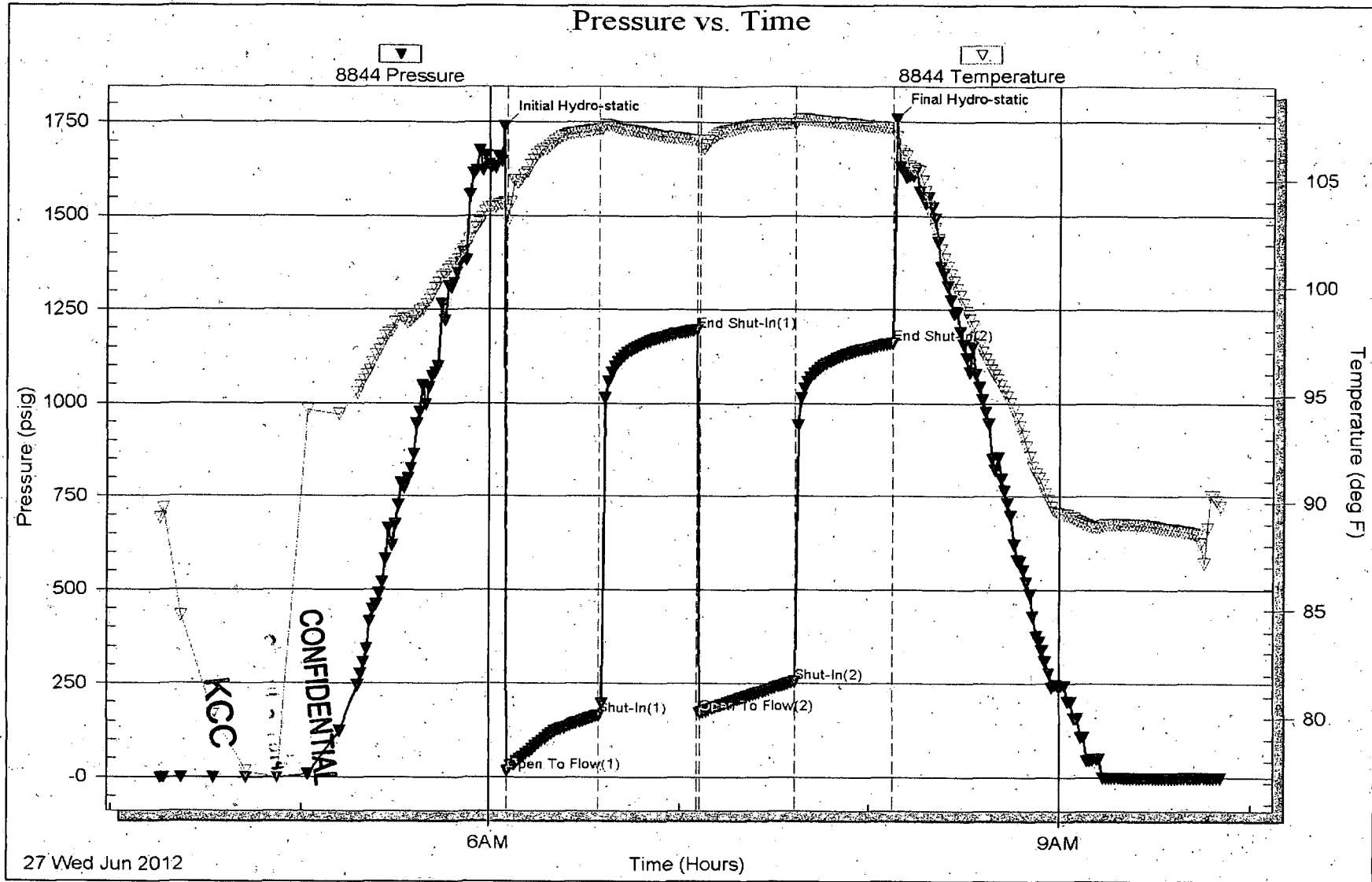
SEP 05 2014

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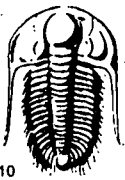
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TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 47054

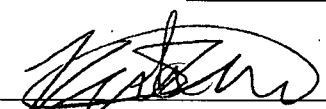
Well Name & No. Huzlett #1 Test No. 3 Date 6-27-12
 Company Northern Lights Oil Co., L.C. Elevation 2275 KB 2270 GL
 Address PO Box 164 Andover, KS 67002
 Co. Rep / Geo. Rocky Milford Rig Mallard #1
 Location: Sec. 20 Twp. 5s Rge. 23w Co. Norton State KS

Interval Tested 3485-3526 Zone Tested LKC "D-F"
 Anchor Length 41' Drill Pipe Run 3232 Mud Wt. 9.2
 Top Packer Depth 3481 Drill Collars Run 240' Vis 56
 Bottom Packer Depth 3485 Wt. Pipe Run Ø WL 6.8
 Total Depth 3526 Chlorides 800 ppm System LCM 2#
 Blow Description IF - Weak surface blow died in 2 min. **RECEIVED**
IS - NO Return **SEP 05 2012**
FF - Pilled pipe after IS
FS **KCC WICHITA**

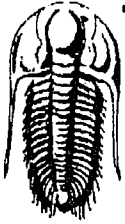
Rec	Feet of	%gas	%oil	%water	%mud
<u>5</u>	<u>Mud</u>			<u>100</u>	
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud

Rec Total 5 BHT 106 Gravity — API RW — @ — °F Chlorides — ppm

(A) Initial Hydrostatic <u>1766</u>	<input checked="" type="checkbox"/> Test	T-On Location <u>6:50 PM</u>
(B) First Initial Flow <u>15</u>	<input type="checkbox"/> Jars	T-Started <u>7:12 PM</u>
(C) First Final Flow <u>15</u>	<input type="checkbox"/> Safety Joint	T-Open <u>9:33 PM</u>
(D) Initial Shut-In <u>19</u>	<input checked="" type="checkbox"/> Circ Sub <u>NIC</u>	T-Pulled <u>10:37 PM</u>
(E) Second Initial Flow <u>—</u>	<input type="checkbox"/> Hourly Standby	T-Out <u>12:19 AM</u>
(F) Second Final Flow <u>—</u>	<input checked="" type="checkbox"/> Mileage <u>110 RT</u>	Comments
(G) Final Shut-In <u>—</u>	<input type="checkbox"/> Sampler	
(H) Final Hydrostatic <u>1698</u>	<input type="checkbox"/> Straddle CONFIDENTIAL	<input type="checkbox"/> Ruined Shale Packer
Initial Open <u>30</u>	<input type="checkbox"/> Shale Packer	<input type="checkbox"/> Ruined Packer
Initial Shut-In <u>30</u>	<input type="checkbox"/> Extra Packer	<input type="checkbox"/> Extra Copies
Final Flow <u>30</u>	<input type="checkbox"/> Extra Recorder KCC	Sub Total
Final Shut-In <u>30</u>	<input type="checkbox"/> Day Standby	Total
	<input type="checkbox"/> Accessibility	MP/DST Disc't
	Sub Total	

Approved By _____ Our Representative 

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TRILOBITE TESTING, INC

DRILL STEM TEST REPORT

Northern Lights Oil Co., L.C.

20-5s-23w-Norton-KS

PO Box 164
Andover, KS 67002

Hazlett #1

Job Ticket: 45074

DST#: 3

ATTN: Rocky Milford

Test Start: 2012.06.27 @ 19:12:00

GENERAL INFORMATION:

Formation: LKC 'D-F'

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 21:32:30

Time Test Ended: 00:19:00

Test Type: Conventional Bottom Hole (Initial)

Tester: Kevin Mack

Unit No: 64

Interval: 3485.00 ft (KB) To 3526.00 ft (KB) (TVD)

Total Depth: 3526.00 ft (KB) (TVD)

Hole Diameter: 7.88 inches Hole Condition: Good

Reference Elevations: 2275.00 ft (KB)

2270.00 ft (CF)

KB to GR/CF: 5.00 ft

Serial #: 8845

Press@RunDepth: 15.10 psig @ ft (KB)

Capacity: 8000.00 psig

Start Date: 2012.06.27

End Date:

2012.06.28

Last Calib.: 2012.06.28

Start Time: 19:12:00

End Time:

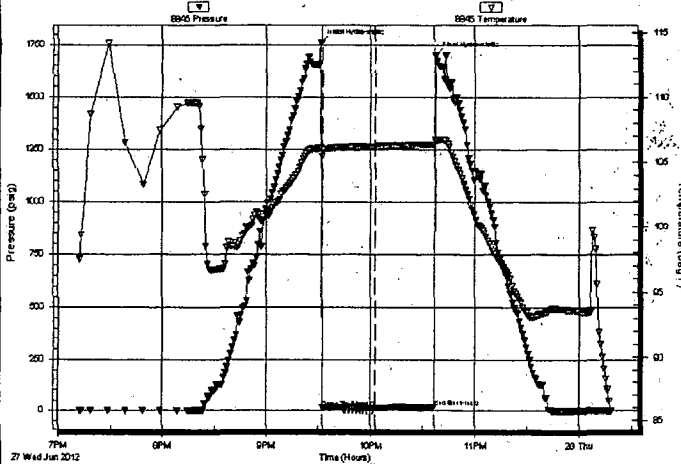
00:19:00

Time On Btm: 2012.06.27 @ 21:31:30

Time Off Btm: 2012.06.27 @ 22:37:30

TEST COMMENT: 30 - IF- Weak Surface blow died in 2 min.
30 - IS- No Return
Pulled Pipe after initial shut in period.

Pressure vs. Time



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1760.41	106.14	Initial Hydro-static
1	15.63	105.49	Open To Flow (1)
31	15.10	106.23	Shut-in(1)
65	19.63	106.37	End Shut-in(1)
66	1698.85	106.69	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
5.00	Mud 100M	0.02

Gas Rates

Choke (Inches)	Pressure (psig)	Gas Rate (Mcf/d)

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Serial #: 8845

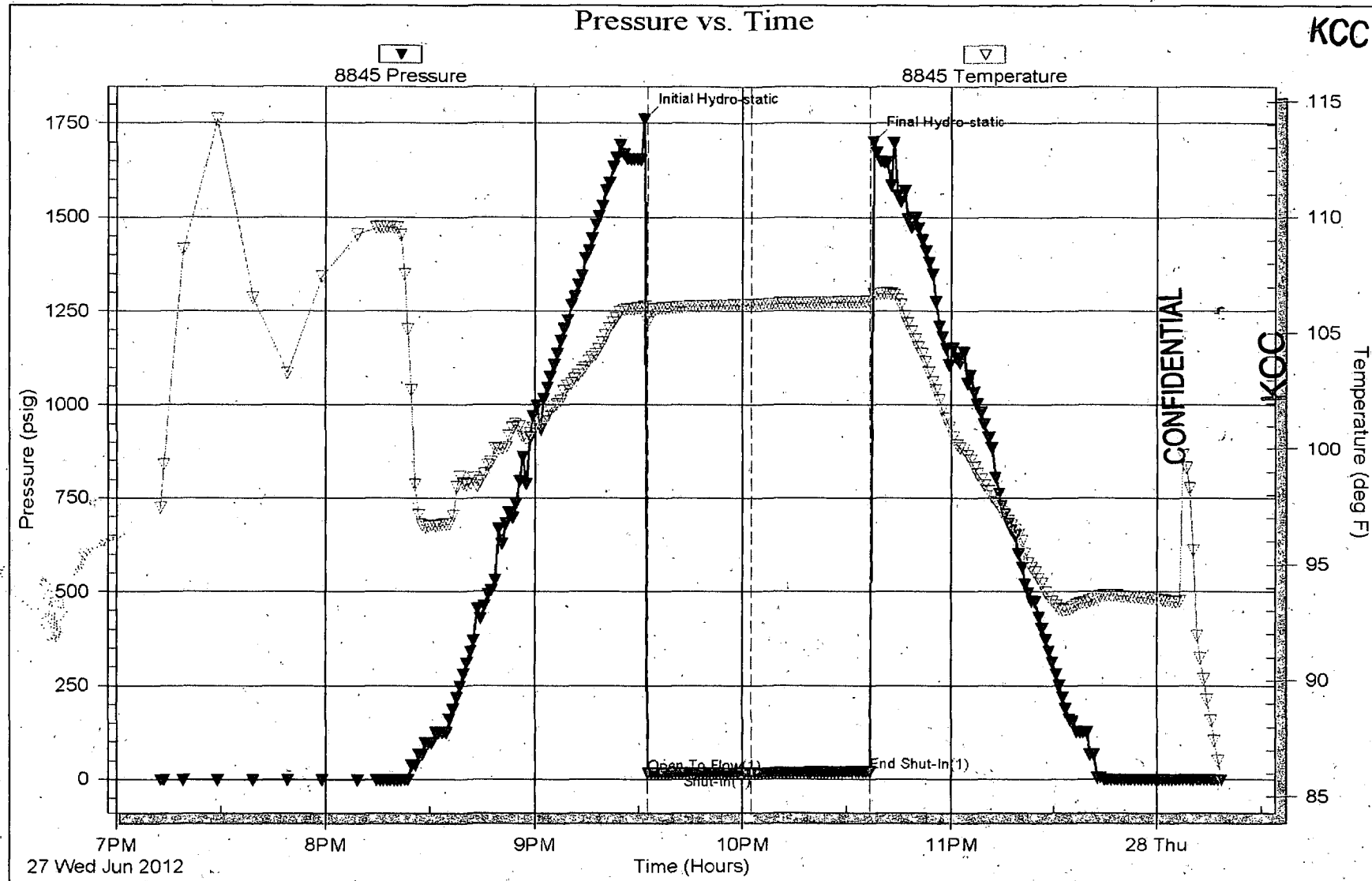
Northern Lights Oil Co., L.C.

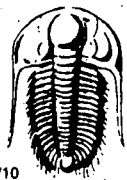
Hazlett #1

DST Test Number: 3

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TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 47055

Well Name & No. Hazlet #1 Test No. 4 Date 6-27-12
 Company Northern Lights Oil Co., L.C. Elevation 2275 KB 2270 GL
 Address PO Box 164 Andover, KS 672002
 Co. Rep / Geo. Rocky Milford Rig Mallard #1
 Location: Sec. 20 Twp. 5S Rge. 23W Co. Norton State KS

Interval Tested 3541-3572 Zone Tested LKC "H"
 Anchor Length 31 Drill Pipe Run 3292 Mud Wt. 9.2
 Top Packer Depth 3537 Drill Collars Run 240' Vis 51
 Bottom Packer Depth 3541 Wt. Pipe Run Ø WL 7.2
 Total Depth 3572 Chlorides 800 ppm System LCM 1#

Blow Description IF - Weak surface blow died in 1/2 min.
IS - NO Return
FF - Pulled test after initial shut in period
FS - N/A

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Rec	Feet of	%gas	%oil	%water	%mud
<u>5</u>	<u>mud</u>			<u>100</u>	
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud
Rec	Feet of	%gas	%oil	%water	%mud

Rec Total 5 BHT 105 Gravity - API RW - @ - °F Chlorides - ppm

(A) Initial Hydrostatic <u>1760</u>	<input checked="" type="checkbox"/> Test	T-On Location <u>9:00 AM</u>
(B) First Initial Flow <u>13</u>	<input type="checkbox"/> Jars	T-Started <u>9:20 AM</u>
(C) First Final Flow <u>13</u>	<input type="checkbox"/> Safety Joint	T-Open <u>11:22 AM</u>
(D) Initial Shut-In <u>41</u>	<input checked="" type="checkbox"/> Circ Sub <u>N/C</u>	T-Pulled <u>12:22 AM</u>
(E) Second Initial Flow <u>-</u>	<input type="checkbox"/> Hourly Standby	T-Out <u>2:04 PM</u>
(F) Second Final Flow <u>-</u>	<input checked="" type="checkbox"/> Mileage <u>110 RT</u>	Comments <u></u>
(G) Final Shut-In <u>-</u>	<input type="checkbox"/> Sampler	
(H) Final Hydrostatic <u>1707</u>	<input type="checkbox"/> Straddle	

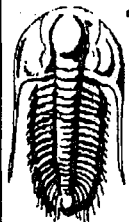
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Initial Open 30
 Initial Shut-In 30
 Final Flow -
 Final Shut-In -

Ruined Shale Packer
 Ruined Packer
 Extra Copies
 Sub Total
 Total
 MP/DST Disc't

Approved By Robert Milford Our Representative [Signature]

Trilobite Testing Inc. shall not be liable for damaged or any kind of the property or personnel of the one for whom a test is made, or for any loss suffered or sustained, directly or indirectly, through the use of its equipment, or its statements or opinion concerning the results of any test, tools lost or damaged in the hole shall be paid for at cost by the party for whom the test is made.



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

Northern Lights Oil Co., L.C.

20-5s-23w-Norton-KS

PO Box 164
Andover, KS 67002

Hazlett #1

Job Ticket: 47055

DST#: 4

ATTN: Rocky Milford

Test Start: 2012.06.28 @ 09:20:00

GENERAL INFORMATION:

Formation: LKC "H"

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 11:22:30

Time Test Ended: 14:04:00

Test Type: Conventional Bottom Hole (Initial)

Tester: Kevin Mack

Unit No: 43

Interval: 3541.00 ft (KB) To 3572.00 ft (KB) (TVD)

Total Depth: 3572.00 ft (KB) (TVD)

Hole Diameter: 7.88 inches Hole Condition: Good

Reference Elevations: 2275.00 ft (KB)

2270.00 ft (CF)

KB to GR/CF: 5.00 ft

Serial #: 8845

Press@RunDepth: 13.83 psig @ ft (KB)

Start Date: 2012.06.28

End Date:

2012.06.28

Start Time: 09:20:00

End Time:

14:04:00

Capacity: 8000.00 psig

Last Calib.: 2012.06.28

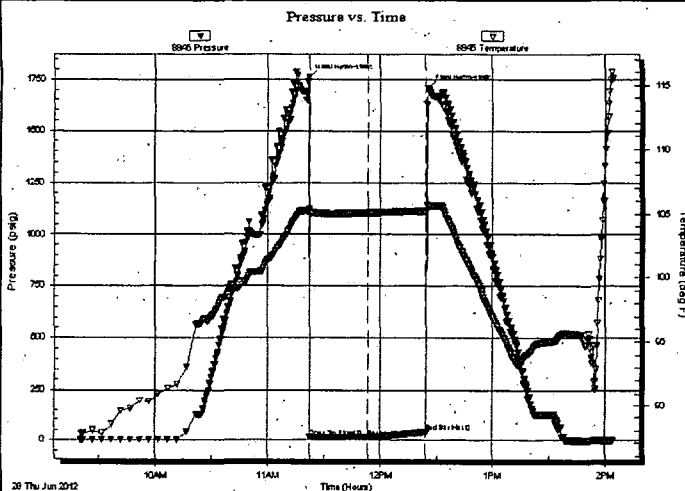
Time On Btm: 2012.06.28 @ 11:22:00

Time Off Btm: 2012.06.28 @ 12:25:30

TEST COMMENT: 30 - IF- Weak surface blow died in 12 min.

30 - IS- No Return

Puled tool after initial shut in period



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1760.56	105.31	Initial Hydro-static
1	13.36	105.01	Open To Flow (1)
32	13.83	105.06	Shut-in(1)
62	41.97	105.24	End Shut-in(1)
64	1707.28	105.63	Final Hydro-static

Recovery

Length (ft)	Description	Volume (bbl)
5.00	Mud 100M	0.02

Gas Rates

Choke (inches)	Pressure (psig)	Gas Rate (Mc/d)

Trilobite Testing, Inc

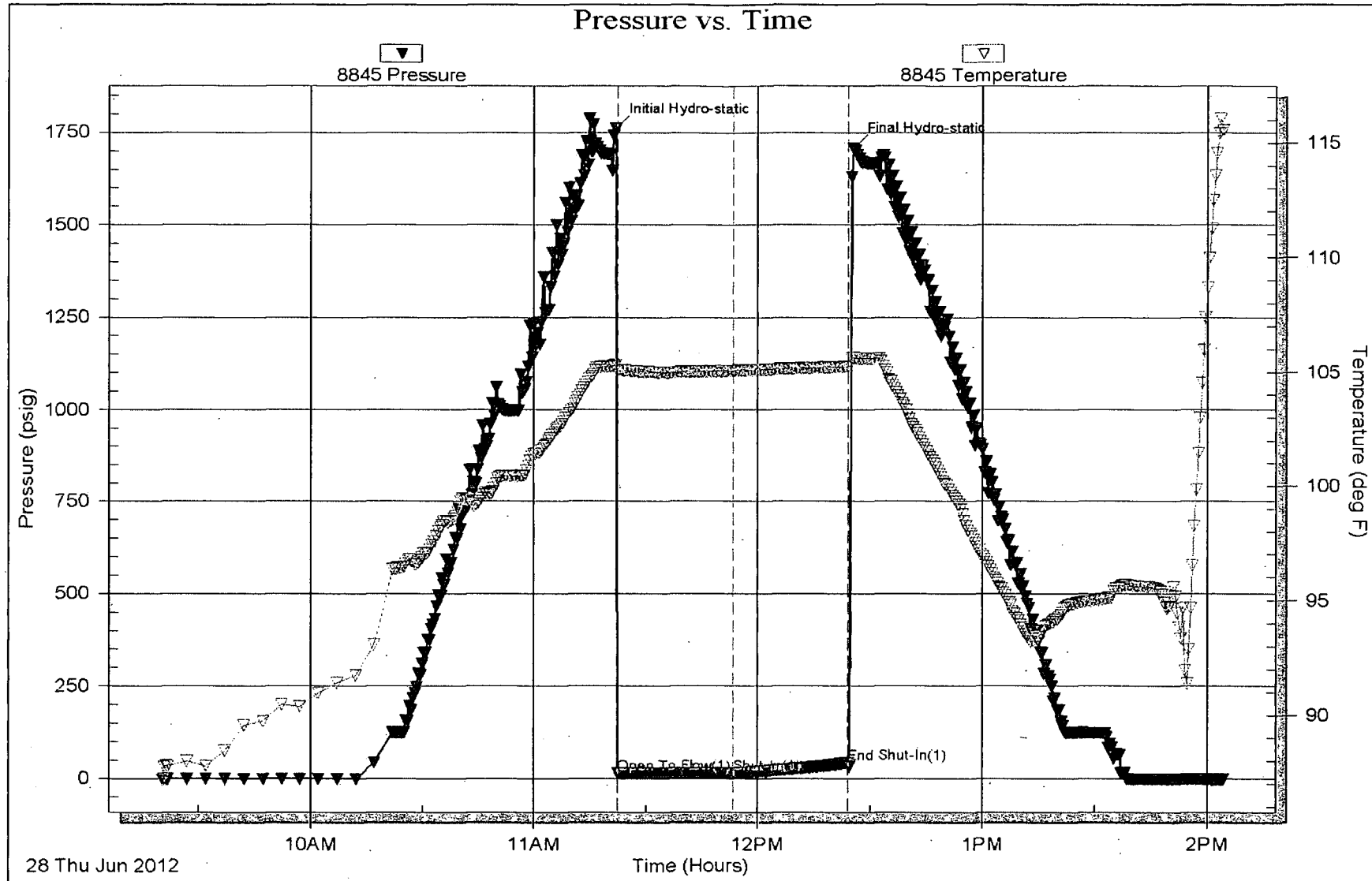
Ref. No: 47055

Printed: 2012.06.28 @ 14:10:24

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TRILOBITE TESTING INC.

P.O. Box 1733 • Hays, Kansas 67601

Test Ticket

NO. 47056

4/10

Well Name & No. Hazlett #1 Test No. 5 Date 6-28-12
 Company Northern Lights Oil Co. L.L.C. Elevation 2275 KB 2270 GL
 Address PO Box 164 Andover, KS 672002
 Co. Rep / Geo. Rocky Milford Rig Mullard #1
 Location: Sec. 20 Twp. 5S Rge. 23W Co. Norton State KS

Interval Tested 3562-3602 Zone Tested LKL "J"
 Anchor Length 34' Drill Pipe Run 3328 Mud Wt. 9.2
 Top Packer Depth 3564 Drill Collars Run 240' Vis 51
 Bottom Packer Depth 3568 Wt. Pipe Run Ø WL 7.2
 Total Depth 3602 Chlorides 800 ppm System LCM 14

Blow Description IF- BOB in 50 sec.
IS- BOB in 16 min
FF- BOB in 50 sec.
FS- BOB in 14 min.

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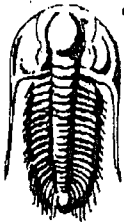
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Rec	Feet of	%gas	%oil	%water	%mud
2730	Feet of clear gassy oil	40	60		
120	Feet of foamy gassy oil	20	80		
	Feet of	%gas	%oil	%water	%mud
	Feet of	%gas	%oil	%water	%mud
	Feet of	%gas	%oil	%water	%mud

Rec Total 2850 BHT 109 Gravity 37 API RW - @ - °F Chlorides - ppm

(A) Initial Hydrostatic 1783 Test T-On Location 8:45 PM
 (B) First Initial Flow 183 Jars T-Started 8:57 PM
 (C) First Final Flow 623 Safety Joint T-Open 11:02 PM
 (D) Initial Shut-In 1246 Circ Sub ✓ T-Pulled 1:47 AM
 (E) Second Initial Flow 643 Hourly Standby T-Out 5:11 AM
 (F) Second Final Flow 897 Mileage 110 Rt Comments Gas to surface
 (G) Final Shut-In 1244 Sampler at Final Shut in
 (H) Final Hydrostatic 1753 Straddle Reversed fluid after
 Shale Packer dumping 3 stands
 Ruined Shale Packer
 Ruined Packer
 Extra Copies
 Initial Open 30 Extra Packer
 Initial Shut-In 45 Extra Recorder
 Final Flow 4530 Day Standby
 Final Shut-In 60 Accessibility
 Sub Total

Approved By _____ Our Representative [Signature]
 Trilobite Testing Inc. shall not be liable for damaged of any kind of the property or personnel of the one for whom a test is made, or for any loss suffered or sustained, directly or indirectly, through the use of its equipment, or its statements or opinion concerning the results of any test, tools lost or damaged in the hole shall be paid for at cost by the party for whom the test is made.



**TRILOBITE
TESTING, INC**

DRILL STEM TEST REPORT

Northern Lights Oil Co., L.C.

20-5s-23w-Norton-KS

PO Box 164
Andover, KS 67002

Hazlett #1

Job Ticket: 47056

DST#: 5

ATTN: Rocky Milford

Test Start: 2012.06.28 @ 20:57:00

GENERAL INFORMATION:

Formation: **LKC "J"**

Deviated: No Whipstock: ft (KB)

Time Tool Opened: 23:02:30

Time Test Ended: 05:11:00

Test Type: Conventional Bottom Hole (Initial)

Tester: Kevin Mack

Unit No: 43

Interval: 3568.00 ft (KB) To 3602.00 ft (KB) (TVD)

Total Depth: 3602.00 ft (KB) (TVD)

Hole Diameter: 7.88 inches Hole Condition: Good

Reference Elevations: 2275.00 ft (KB)

2270.00 ft (CF)

KB to GR/CF: 5.00 ft

Serial #: 8845

Press@RunDepth: 897.22 psig @ ft (KB)

Capacity: 8000.00 psig

Start Date: 2012.06.28

End Date:

2012.06.29

Last Calib.: 2012.06.29

Start Time: 20:57:00

End Time:

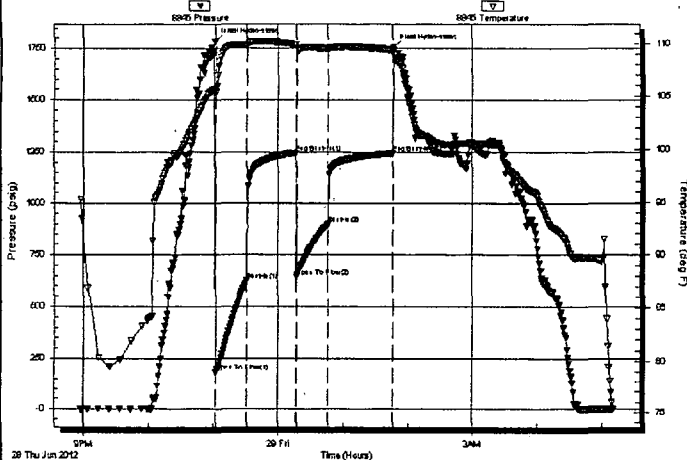
05:11:00

Time On Btm: 2012.06.28 @ 23:01:30

Time Off Btm: 2012.06.29 @ 01:47:30

TEST COMMENT: 30 - IF- BoB in 50 sec.
45 - IS- BoB in 16 min.
30 - FF- BoB in 50 sec.
60 - FS- BoB in 14 min.

Pressure vs. Time



PRESSURE SUMMARY

Time (Min.)	Pressure (psig)	Temp (deg F)	Annotation
0	1783.97	105.60	Initial Hydro-static
1	183.83	105.33	Open To Flow (1)
30	623.95	109.80	Shut-In(1)
75	1246.80	109.88	End Shut-In(1)
76	643.25	109.54	Open To Flow (2)
105	897.22	109.50	Shut-In(2)
165	1244.21	109.38	End Shut-In(2)
166	1753.94	109.34	Final Hydro-static

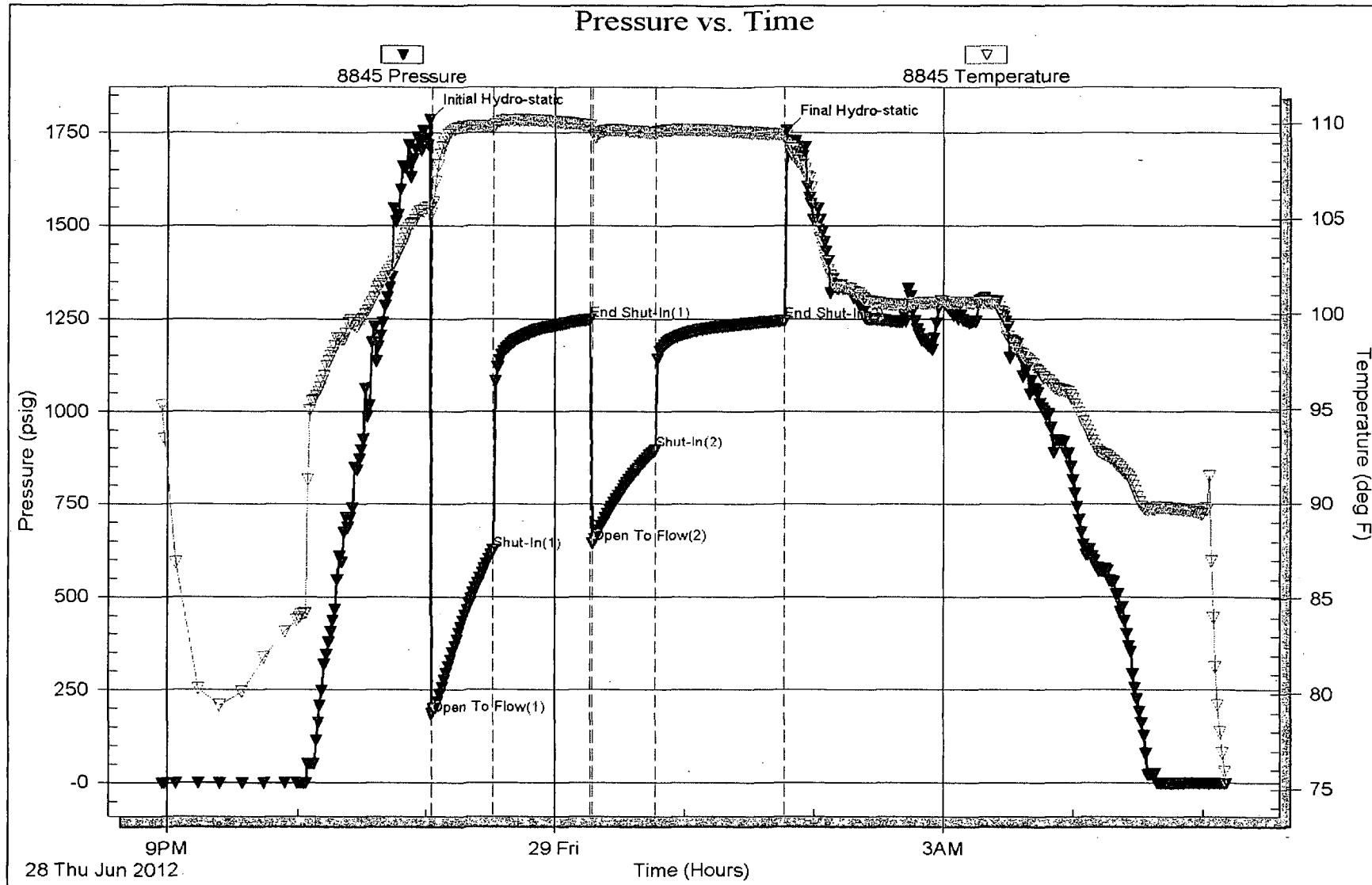
Recovery

Length (ft)	Description	Volume (bbl)
0.00	Gas to surface at Final Shut in	0.00
120.00	clean gassy oil 80o 20G	0.59
2730.00	clean gassy oil 60o 40G	37.20

Gas Rates

	Choke (inches)	Pressure (psig)	Gas Rate (Mcf/d)

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QUALITY OILWELL CEMENTING, INC.

Feder: _____

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 886

Date	Sec.	Twp.	Range	County	State	On Location	Finish
6-30-12	20	5	23	NORTON	KANSAS		3:45 PM
Lease	Well No.	Location					
HAZLETT	#1	Hwy 283 + 9 - 3w - 1s - 1w - 1s - w - INTO					
Contractor				Owner			
MALLARD DRILLING				NORTHERN LIGHTS			
Type Job				To Quality Oilwell Cementing, Inc.			
2 STAGE				You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.			
Hole Size	T.D.						
7 7/8"	3850'						
Csg.	Depth		Charge To				
5 1/2 - 14# - NEW	3849		NORTHERN LIGHTS				
Tbg. Size	Depth		Street				
			PO Box 1164				
Tool	Depth		City		State		
DV @ 1899'	20.89		ANDOVER		KS, 67002		
Cement Left in Csg.	Shoe Joint		The above was done to satisfaction and supervision of owner agent or contractor.				
	20.89						
Meas Line	Displace		Cement Amount Ordered				
	47 min 4 1/2 gal water		175 com - 10% SALT - 5% GEL - 2% GEL - 4% F				

EQUIPMENT

Pumptrk #9 No.	Cementer Helper	MATT	Common	175
Bulktrk #8 No.	Driver	DAVE	Poz. Mix	
Bulktrk #11 No.	Driver	CISCO	Gel.	2 gal RCL

JOB SERVICES & REMARKS

Remarks:	Hulls
Rat Hole	Salt 15
Mouse Hole	Flowseal 50#
Centralizers 2, 4, 6, 7, 8, 10, 12, 15, 46	Kol-Seal 875#
Baskets 16, 47, 10 FT FROM TOP COLLAR	Mud CLR 48 500 gal
D/V or Port Collar TOP OF 47 @ 1899'	CFL-117 or CD110 CAF 38
DROPPED BALL, BROKE CIRCULATION	Sand
1 hr on bottom, RAN SOOIAL MUD FLUSH	Handling 198
MIXED 170 SKS CEMENT, DISMOUNTED	Mileage
WASHED UP, DISPLACED PLUG, PLUG HELD, OPENED TOOL, RE-ASSUMED CIRCULATION	FLOAT EQUIPMENT
	Guide Shoe 40 5/2 for Scratchers
	Centralizer 9 - 5 1/2
	Baskets 2 - 5 1/2" - WEATHERFOOD
	AFU Inserts
	Float Shoe 1 - 5 1/2"
	Latch Down 1
	20 gal - KCL
	2 stage Tool
	Pumptrk Charge prod long string
	Mileage 38

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KCC

THANK YOU

X Signature _____

Tax	
Discount	
Total Charge	

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "Quality" shall mean Quality Oilwell Cementing, 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 "QUALITY" 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 "QUALITY," refunded directly to "CUSTOMER." For purposes of this paragraph, QUALITY 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 term of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limit to, a reasonable sum as and attorney's fees.

- **PRICES AND TAXES:** All merchandise listed in "QUALITY'S" current price schedule are F.O.B. QUALITY'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 QUALITY shall be added to the quoted prices charged to CUSTOMER.

- **TOWING CHARGES:** QUALITY will make a reasonable attempt to get to and from each job site using its own equipment. Should QUALITY 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 QUALITY, 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 QUALITY for the expenses incurred by QUALITY as a result of the cancellation.

- **DEADHAUL CHARGES:** Unless otherwise specified on the front of this Contract, a deadhaul charges as set forth in QUALITY'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. QUALITY carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond QUALITY'S control, QUALITY shall not be liable for injuries to property or persons or for loss of damage arising from the performance of the job or delivery of the merchandise. Customer shall be responsible for and indemnify, defend, and hold harmless QUALITY, 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 QUALITY'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 QUALITY or its employees.

2. With respect to any of QUALITY'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 QUALITY at the landing, CUSTOMER shall either recover the lost item without cost to QUALITY or reimburse QUALITY the current replacement cost of the item unless the loss or damage results from the sole negligence of QUALITY or its employees.

3. QUALITY 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. QUALITY 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. QUALITY'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 QUALITY to be defective. THIS IS THE SOLE WARRANTY OF QUALITY 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 QUALITY 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 QUALITY 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 QUALITY or any interpretation of test, meter readings, chart information, analysis or research, or recommendations made by QUALITY, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of QUALITY or its employees in the preparation or furnishing of such facts, information or data. (C) Work done by QUALITY shall be under the direct supervision and control of the CUSTOMER or his agent and QUALITY will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.

QUALITY OILWELL CEMENTING, INC.

Phone 785-483-2025
Cell 785-324-1041

Home Office P.O. Box 32 Russell, KS 67665

No. 887

Date	6-30-12	Sec.	20	Twp.	5	Range	23	County	NORTON	State	KANSAS	On Location		Finish	6:25 PM
Lease	HAZLETT		Well No.	#1		Location	Hwy 283 #9-3w-1s-1w-1s-WINTO								
Contractor	MALLARD DRILLING						Owner	NORTHERN LIGHTS							
Type Job	2 STAGE						To Quality Oilwell Cementing, Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.								
Hole Size	7 7/8"		T.D.	3850'		Charge To	NORTHERN LIGHTS								
Csg.	5 1/2" - 14# NEW		Depth	3849'		Street	PO Box 1164								
Tbg. Size			Depth			City	ANDOVER			State			KS, 67002		
Tool	DV @ 1899'		Depth	1899'		The above was done to satisfaction and supervision of owner agent or contractor.									
Cement Left in Csg.			Shoe Joint	20 89		Cement Amount Ordered 400 QMDC 1/4 flow									
Meas Line			Displace	46 @ 313											

EQUIPMENT

Pumptrk #9	No.	Cementor	MAAT	Common	400
Bulktrk #12	No.	Driver	TRAVIS	Poz. Mix	
Bulktrk DU	No.	Driver	CISCO	Gel.	

JOB SERVICES & REMARKS

Remarks:	Calcium
Rat Hole 30 SKS	Hulls
Mouse Hole 20 SKS	Salt
Centralizers	Flowseal 200#
Baskets	Kol-Seal
D/V or Port Collar	Mud CLR 48 500 GAL
CIRCULATED 2 hrs - PLUGGED	CFL-117 or CD110 CAF 38
500 GAL MUD FLUSH - PLUGGED	Sand
RAT & MOUSE HOLE - MIXED 350	Handling 400
SKS CEMENT, DISCONNECTED & WASHED UP - DROPPED PLUG & DISPOSED - PLUG HELD	Mileage
	FLOAT EQUIPMENT
	Guide Shoe
	Centralizer
	Baskets
	AFU Inserts
	Float Shoe
	Latch Down
	Pumptrk Charge prod Long String
	Mileage 580

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THANK YOU

Signature	Tax
	Discount
	Total Charge

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "Quality" shall mean Quality Oilwell Cementing, 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.

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- **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 term of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limit to, a reasonable sum as and attorney's fees.

- **PRICES AND TAXES:** All merchandise listed in "QUALITY'S" current price shall schedule are F.O.B. QUALITY'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 QUALITY shall be added to the quoted prices charged to CUSTOMER.

- **TOWING CHARGES:** QUALITY will make a reasonable attempt to get to and from each job site using its own equipment. Should QUALITY 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 QUALITY, 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 QUALITY for the expenses incurred by QUALITY as a result of the cancellation.

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- **SERVICE CONDITIONS AND LIABILITIES:** 1. QUALITY carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond QUALITY'S control, QUALITY 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 QUALITY, 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 QUALITY'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 QUALITY or its employees.

2. With respect to any of QUALITY'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 QUALITY at the landing, CUSTOMER shall either recover the lost item without cost to QUALITY or reimburse QUALITY the current replacement cost of the item unless the loss or damage results from the sole negligence of QUALITY or its employees.

3. QUALITY 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. QUALITY 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. QUALITY'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 QUALITY to be defective. THIS IS THE SOLE WARRANTY OF QUALITY 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 QUALITY 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 constructed as a warranty by QUALITY 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 QUALITY or any interpretation of test, meter readings, chart information, analysis or research, or recommendations made by QUALITY, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of QUALITY or its employees in the preparation or furnishing of such facts, information or data. (C) Work done by QUALITY shall be under the direct supervision and control of the CUSTOMER or his agent and QUALITY will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.