

ORIGINAL

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

Operator: License # 5208

Name: Mobil Oil Corporation

Address P.O. Box 2173

2319 North Kansas Avenue

City/State/Zip Liberal, KS 67905-2173

Purchaser: Spot Market

Operator Contact Person: Sharon Cook

Phone (316 ) 626-1142

Contractor: Name: Cheyenne Drilling

License: 5382

Wellsite Geologist: L. J. Reimer

Designate Type of Completion

New Well  Re-Entry  Workover

Oil  SWD  SLOW  Temp. Abd.  
 Gas  ENHR  SIGW  
 Dry  Other (Core, WSW, Expl., Cathodic, etc)

If Workover:

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

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

Comp. Date \_\_\_\_\_ Old Total Depth \_\_\_\_\_

Deepening  Re-perf.  Conv. to Inj/SwD  
 Plug Back  PBT  
 Commingled  Docket No. \_\_\_\_\_  
 Dual Completion  Docket No. \_\_\_\_\_  
 Other (SWD or Inj?)  Docket No. \_\_\_\_\_

11-9-94 11-13-94 12-17-94  
Spud Date Date Reached TD Completion Date

API NO. 15- 189-21836-~~0000~~

County Stevens

NE SW NE Sec. 35 Twp. 32S Rge. 37 X W

1390 Feet from S (circle one) Line of Section

1390 Feet from E (circle one) Line of Section

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

Lease Name Stewart #1 Unit Well # 3

Field Name Hugoton

Producing Formation Chase

Elevation: Ground 3130 KB 3141

Total Depth 2990 PBDT 2936

Amount of Surface Pipe Set and Cemented at 654 Feet

Multiple Stage Cementing Collar Used?  Yes  No

If yes, show depth set NA Feet

If Alternate II completion, cement circulated from NA

feet depth to NA w/ NA sx cmt.

Drilling Fluid Management Plan ALT 1 894 9-13-95  
(Data must be collected from the Reserve Pit)

Chloride content 16,500 ppm Fluid volume 260 bbls

Dewatering  Waste Minimization Mud System

Location of fluid disposal if hauled offsite:  
2-16-95

Operator Name Mobil Oil Corporation

Lease Name Hill #3 SWD License No. 5208

SW W NE Sec. 3 Twp. 33 S Rng. 37 E W

County Stevens Docket No. CD-117710

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 200 Colorado Derby Building, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information on side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature Sharon A. Cook Sharon A. Cook

Title Regulatory Assistant Date 2-15-95

Subscribed and sworn to before me this 15<sup>th</sup> day of February, 1995.

Notary Public Kathleen R. Poulton

Date Commission Expires August 18, 1998

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



**SIDE TWO**

Operator Name Mobil Oil Corporation Lease Name Stewart #1 Unit Well # 3  
 Sec. 35 Twp. 32S Rge. 37  East  West  
 County Stevens

**INSTRUCTIONS:** Show important tops and base of formations penetrated. Detail all cores. Report all drill stem tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface during test. Attach extra sheet if more space is needed. Attach copy of log.

Drill Stem Tests Taken  Yes  No  
 (Attach Additional Sheets.)  
 Samples Sent to Geological Survey  Yes  No  
 Cores Taken  Yes  No  
 Electric Log Run  Yes  No  
 (Submit Copy.)  
 List All E.Logs Run:  
 Dual Induction - SFL with Linear Correlation Log  
 Simultaneous Compensated Neutron-Litho-Density  
 Natural Gamma Ray Spectrometry Log

<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datums <input type="checkbox"/> Sample		
Name	Top	Datum
Glorietta	1255	1435
Stone Corral	1720	1790
Chase	2600	2935
Council Grove	2935	--

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 Casing	12.250	8.625	24#	654	Class C Class C	150 sx 175 sx	50:50 C/poz 50:50 C/poz
Production Casing	7.875	5.500	14#	2981	Class C Class C	220 sx 200 sx	3% D79 2% B28

ADDITIONAL CEMENTING/SQUEEZE RECORD				
Purposes:	Depth Top Bottom	Type of Cement	#Sacks Used	Type and Percent Additives
<input type="checkbox"/> Perforate				
<input type="checkbox"/> Protect Casing				
<input type="checkbox"/> Plug Back TD				
<input type="checkbox"/> Plug Off Zone				

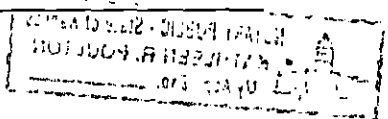
Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
1 SPF	2602-12	Acid: 1000 gals 7.5% HCL	
	2634-44	Frac'd: 26,000 gals 15# Crosslink gel 44,000 lbs 10/20 sand	
	2665-88		
	2710-30		

TUBING RECORD	Size	Set At	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	None			

Date of First, Resumed Production, SWD or Inj. 12-16-94 Producing Method  Flowing  Pumping  Gas Lift  Other (Explain)

Estimated Production Per 24 Hours	Oil Bbls.	Gas Mcf	Water Bbls.	Gas-Oil Ratio	Gravity
		412			

Disposition of Gas: **METHOD OF COMPLETION**  Vented  Sold  Used on Lease (If vented, submit ACO-18.)  Open Hole  Perf.  Dually Comp.  Commingled 2602-  
 Other (Specify) 2730



**CEMENTING SERVICE REPORT**

**Schlumberger**  
Dowell

**DOWELL SCHLUMBERGER INCORPORATED**

TREATMENT NUMBER: 03-12-6619  
DATE: 11-09-94  
STAGE: DS DISTRICT: Ulysses, KS 0312

DS-496-A PRINTED IN U.S.A.

WELL NAME AND NO. **STEWART 1-3**  
LOCATION (LEGAL) **Sec 35-32S-37W**

RIG NAME: **Cheyenne #4**  
WELL DATA: BIT SIZE **12 1/4** CSG/Liner Size **8 5/8**  
TOTAL DEPTH **653** WEIGHT **24#**

FIELD-POOL  
COUNTY/PARISH **STEVENS**  
STATE **KS** API. NO.

BOTTOM TOP  
MUD TYPE **5-55** GRADE  
MUD DENSITY **1.43** LESS FOOTAGE SHOE JOINT(S)  
MUD VISC. **38.8** Disp. Capacity

NAME **Mobil Oil Corp.**  
AND  
ADDRESS

NOTE: Include Footage From Ground Level To Head In Disp. Capacity

SPECIAL INSTRUCTIONS

Float TYPE **Insert Float Valve** DEPTH **610**  
SHOE TYPE **CMT. NOSE** DEPTH **653**

**RECEIVED**  
KANSAS CORPORATION COMMISSION  
**FEB 16 1995**

Head & Plugs  TBG  D.P.  SQUEEZE JOB  
 Double  Single  Swage  Knockoff

IS CASING/TUBING SECURED?  YES  NO  
LIFT PRESSURE **268** PSI CASING WEIGHT ÷ SURFACE AREA (3.14 x R<sup>2</sup>)  
PRESSURE LIMIT **700** PSI BUMP PLUG TO **700** PSI

TOOL TYPE DEPTH  
TAIL PIPE: SIZE DEPTH  
TUBING VOLUME Bbls  
CASING VOL. BELOW TOOL Bbls

ROTATE RPM RECIPROCATATE FT No. of Centralizers

ARRIVE ON LOCATION TIME: 1900 DATE: 11-09-94  
LEFT LOCATION TIME: 0500 DATE: 11-10-94

TIME	PRESSURE		VOLUME PUMPED BBL		JOB SCHEDULED FOR			ARRIVE ON LOCATION			LEFT LOCATION		
	TBG OR D.P.	CASING	INCREMENT	CUM	TIME	DATE	INJECT RATE	FLUID TYPE	FLUID DENSITY	TIME	DATE	TIME	DATE
0001 to 2400													
0319	0	25			5	11-09-94	5	H <sub>2</sub> O			11-09-94	0500	11-10-94
0324	110	58			5		5	cmt	12.2				
0330	110	30			5		5	cmt	10.2				
0336	180	37			5.6		5.6	cmt	14.8				
0340	100	22			3.8		3.8	cmt	14.8				
0343	0												
0345	0	38.8			4		4	H <sub>2</sub> O					
0348	40	10			4		4	H <sub>2</sub> O					
0352	160	30			2		2						
0355	190	38			2		2						
0356	700	39			2		2						
0357													
0358	0												
0359	500												
0400													

REMARKS: PRE-JOB SAFETY MEETING **PSI TEST**  
START H<sub>2</sub>O AHEAD  
START LOAD CMT.  
START ~~TAIL~~ CMT. PSI CHECK  
START TAIL CMT.  
PSI CHECK  
SHUT DOWN DEEP TOP PLUG  
START DISPLACEMENT  
PSI CHECK  
LOWER RATE CMT TO SURFACE  
PSI CHECK  
BUMP TOP PLUG  
bleed psi of float not holding  
start displacement  
bump top plug AGAIN  
bleed psi of float not holding  
shut cmt head + manifold in  
END JOB

SYSTEM CODE	NO. OF SACKS	YIELD CU. FT/SK	COMPOSITION OF CEMENTING SYSTEMS			SLURRY MIXED	
						BBLs	DENSITY
1.	150	2.2	50/50 poz + 6% Gel + 5% D44 + 1/4 #/sk D29			58.7	12.2
2.							
3.	175	1.20	50/50 poz + 2% CaCl <sub>2</sub> + .75% Gel + 1/4 #/sk D29			37.4	14.8
4.							
5.							
6.							

BREAKDOWN FLUID TYPE:  HESITATION SQ.  RUNNING SQ.  CIRCULATION LOST  
DENSITY: 38.8 Bbls  
PRESSURE: 238.9 MIN. 9  
Cement Circulated To Surf.  YES  NO  
TYPE OF WELL:  OIL  GAS  STORAGE  INJECTION  BRINE WATER  WILDCAT  
CUSTOMER REPRESENTATIVE: **Benton Cowan**  
SUPERVISOR: **Russ Wagstaff**

# DOWELL SCHLUMBERGER INCORPORATED

P.O. BOX 4378 HOUSTON, TEXAS 77210

D.S.I. REPRESENTATIVE

## OILFIELD SERVICES

DSI SERVICE ORDER  
RECEIPT AND INVOICE NO.

03-12-6619

DSI SERVICE LOCATION NAME AND NUMBER

Ulysses, KS 03-12

CUSTOMER NUMBER

CUSTOMER P.O. NUMBER

TYPE SERVICE CODE

BUSINESS CODES

WORKOVER  
NEW WELL  
OTHER

W  
 N

API OR IC NUMBER

CUSTOMER'S  
NAME

Mobil Oil Corp.

ADDRESS

CITY, STATE AND  
ZIP CODE

DSI will furnish and Customer shall purchase materials and services required in the performance of the following SERVICE INSTRUCTIONS in accordance with the general terms and conditions as printed on the reverse side of this service order and/or attached to this service order. This service order is subject to alternative dispute resolution.

RECEIVED  
KANSAS CORPORATION COMMISSION

FEB 16 1995

IMPORTANT  
SEE OTHER SIDE FOR TERMS & CONDITIONS

ARRIVE LOCATION	MO.	DAY	YR.	TIME
	11	09	94	1900

SERVICE ORDER I authorize work to begin per service instructions in accordance with terms and conditions printed on the reverse side of this form and/or attached to this form and represent that I have authority to accept and sign this order.

SIGNATURE OF CUSTOMER OR AUTHORIZED REPRESENTATIVE

JOB COMPLETION	MO.	DAY	YR.	TIME
	11	10	94	0400

SERVICE RECEIPT I certify that the materials and services listed were received and all services performed in a workmanlike manner.

SIGNATURE OF CUSTOMER OR AUTHORIZED REPRESENTATIVE

STATE KS CODE COUNTY / PARISH Stevens

CONSERVATION DIVISION  
WICHITA, KS

WELL NAME AND NUMBER / JOB SITE  
STEWART 1-3

LOCATION AND POOL / PLANT ADDRESS  
SFC 35-323-37W

SHIPPED VIA

Dowell

ITEM/PRICE REF. NO.	MATERIAL, EQUIPMENT AND SERVICES USED	UNIT	QUANTITY	UNIT PRICE	\$ AMOUNT
059200-002	Mileage	mi.	31	2.95	91.45
102871-010	Pump Charge	ea.	1	840.00	840.00
049102-000	Hauling	Ton/mi	455	1.00	455.00
049100-000	Service Charge	col/ft	357	1.36	485.52
059697-000	PACR Chrg.	ea.	1	159.00	159.00
040003-000	D903, Class C	SK.	163	9.06	1476.78
045008-000	D35, Lite 102	SK.	163	4.39	715.57
045004-050	D44, Salt	lb.	774	13.00	100.62
045014-050	D20 Gel	lb.	880	.17	149.60
067005-100	CaCl2	lb.	294	.40	117.60
044003-025	D29 Cellulohane Flakes	lb.	82	1.77	145.14
056702-085	TOP Plug	ea.	1	109.00	109.00
				3197.88	

SUB TOTAL

Field # 4345.28

LICENSE/REIMBURSEMENT FEE

LICENSE/REIMBURSEMENT FEE

REMARKS:

STATE % TAX ON \$  
COUNTY % TAX ON \$  
CITY % TAX ON \$

SIGNATURE OF DSI REPRESENTATIVE

TOTAL \$

GENERAL TERMS AND CONDITIONS

1. DSI. The Term "DSI" as used herein is an abbreviation of Dowell Schlumberger Incorporated and where used throughout these Terms and Conditions, shall be construed to mean Dowell Schlumberger Incorporated, a Delaware corporation.

2. Terms. Cash in advance unless DSI has approved credit prior to the sale. Credit Terms of Sale for approved accounts are total invoice amount due at DSI's office, Houston, Texas on or before the 30th day from the date of invoice. Past due accounts are to pay interest on the balance past due at the rate of 1.5% per month or the maximum allowable by applicable state or federal laws if such laws limit interest to a lesser amount. In the event it is necessary to employ an agency and/or attorney for effect collection of said account, Customer hereby agrees to pay all fees directly or indirectly incurred for such collection. In the event that Customer's account with DSI becomes delinquent, DSI has the right to revoke any and all discounts previously applied in arriving at net invoice price. Upon revocation, the full invoice price without discount will become immediately due and owing and subject to collection.

3. Prices. The products and services to be supplied hereunder shall be priced as quoted. Products and services supplied on a price estimate basis shall be priced in accordance with DSI's current price schedule; special jobs, under unusual conditions, will be subject to special price quotations to reflect increased or reduced costs and risk.

4. Taxes. Any tax based on or measured by the change for the sale or rental of products or rendering of service shall be added to the price stated in DSI's price schedule.

5. Independent Contractor. DSI is and shall be an independent contractor with respect to the performance of the services set forth on the service order, and neither DSI nor anyone employed by DSI shall be the agent, representative, employee or servant of Customer in the performance of such services or any part hereof.

6. Obligations of Customer.

A. Notification of Hazardous Conditions. DSI's equipment is designed to operate under conditions normally encountered in the well bore. Customer shall notify DSI in advance and make special arrangements for servicing wells in which hazardous or unusual conditions exist.

B. Chemicals. The handling and disposal of any chemical, waste or by-product used or generated in the performance of these Terms and Conditions ("Chemicals") is the sole responsibility of Customer, who shall, under all circumstances, be considered the owner and generator thereof. Customer agrees that any such Chemicals will be transported and disposed of in accordance with all applicable federal, state and local laws and regulations. Customer hereby waives, releases and agrees not to assert any claim or bring any cost recovery action against DSI in connection with the use, generation, storage, transportation or disposal of Chemicals arising out of these Terms and Conditions, under any common law theories or federal, state or local environmental laws or regulations, now existing or hereinafter enacted, without regard to the cause or causes thereof or the negligence of any party.

7. Limited Warranty-Oilfield Products. DSI expressly warrants that it shall convey good title to the oilfield products furnished to Customer as part of the services and that such oilfield products shall conform to the specifications represented in the service order. DSI does not warrant in any way oilfield products not manufactured by DSI, and such will be sold or provided hereunder only with the warranties that are given by the manufacturer thereof. DSI MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE OILFIELD PRODUCTS, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR THAT SAID OILFIELD PRODUCTS SHALL BE FIT FOR ANY PARTICULAR PURPOSE. DSI's sole liability and Customer's exclusive remedy in any cause of action (whether in contract, tort, or breach of warranty or otherwise) arising out of the sale or use of an oilfield product furnished by DSI for use in connection with its services, is expressly limited to (a) the replacement of such oilfield product upon its return to DSI or, at DSI's option, (b) the allowance to Customer of credit for cost of such oilfield product.

8. Exclusion of Warranty - Services. In interpreting information and making recommendations, either written or oral, as to types or amounts of materials or services to be furnished, or manner of performance, or in predicting results to be obtained therefrom, DSI will give Customer the benefit of its best judgment based on its experience. Nevertheless, all such recommendations or predictions are opinions only; and, in view of the impracticability of obtaining first-hand knowledge of the many variable conditions and/or the necessity of relying on facts and supporting services furnished by others. NO WARRANTY IS GIVEN CONCERNING THE EFFECTIVENESS OF THE MATERIALS USED, RECOMMENDATIONS GIVEN, OR THE RESULTS OF THE SERVICES RENDERED.

9. Data Interpretation and Transmission. Any interpretation of test or other data, and any recommendation or reservoir description based upon such interpretations, are opinions based upon inferences from measurements and empirical relationships and assumptions, which inferences and assumptions are not infallible, and with respect to which professional engineers and analysts may differ. ACCORDINGLY, DSI CANNOT AND DOES NOT WARRANT THE ACCURACY, CORRECTNESS OR COMPLETENESS OF ANY SUCH INTERPRETATION OR RECOMMENDATION. DSI does not warrant the accuracy of data transmitted by electronic processes and will not be responsible for accidental or intentional interception of such data by others. DSI does not guarantee the safe storage or the length of time of storage of any digital tapes, optical logs or prints, transparencies, or other similar products or material.

10. Indemnity. For the purposes of this paragraph 10 the following definitions shall apply: "DSI Group" shall mean DSI its parent, subsidiary and affiliated companies, its contractors and subcontractors and all such entities' officers, directors, employees and invitees, and "Customer Group" shall mean Customer, its parent, subsidiary and affiliated companies, its contractors and subcontractors (other than the DSI Group) and all such entities' officers, directors, employees and invitees.

A. DSI Indemnity. DSI assumes all liability for, and hereby agrees to protect, defend, indemnify and hold Customer Group and their insurers harmless from and against all damage, loss, liability, claims, demands and causes of action of every kind and character, (including all costs and expenses thereof and reasonable attorney's fees) without regard to the cause or causes thereof, the unseaworthiness of any vessel, strict liability or the negligence of any party, whether such negligence be the sole, concurrent, active or passive negligence of Customer Group, arising in connection herewith, on account of bodily injury and/or death to a member of the DSI Group and/or damage to the DSI Group's property (except with respect to DSI property as otherwise provided in subparagraph B2 of this paragraph 10).

B. Customer Indemnity. Customer assumes all liability for, and hereby agrees to protect, defend, indemnify and hold the DSI Group and their insurers harmless from and against all damage, loss, liability, claims, demands and causes of action of every kind and character, (including all costs and expenses thereof and reasonable attorney's fees) without regard to the cause or causes thereof, the unseaworthiness of any vessel, strict liability or the negligence of any party, whether such negligence be the sole, concurrent, active or passive negligence of DSI Group, arising in connection herewith:

1. on account of bodily injury and/or death to a member of the Customer Group and/or damage to the Customer Group's property,

2. in favor of DSI Group on account of loss of or damage to DSI property, equipment, materials or products, including but not limited to, fishing expenses, when such loss or damage occurs: (a) in the hole, (b) as a result of uncontrolled well conditions, (c) while in transit or being moved on any form of transportation owned or furnished by Customer, (d) while located at the well site when DSI personnel are not present or (e) while being used by any person other than a DSI employee, whether in an emergency or otherwise. With respect hereto the property, equipment, materials and products will be valued at their respective landed replacement cost. With respect to (a) above, rental charges on the equipment lost or damaged in the hole shall continue to be paid up to and including the date on which DSI receives notice in writing of the loss or damage.

C. Special Indemnity. Customer further agrees to protect, defend, indemnify, and hold DSI Group and their insurers harmless from and against all loss, liability, claims, demands and causes of action (including all costs and expenses thereof and reasonable attorney's fees) of every kind and character, without regard to the cause or causes thereof, the unseaworthiness of any vessel, strict liability or the negligence of any party, whether such negligence be the sole, concurrent, active or passive negligence (but excluding the gross negligence) of DSI Group, arising in connection herewith in favor of Customer Group or any third party for: (1) property damage or loss that results from blow-out or cratering; (2) property damage or loss that results from pollution and contamination, whether caused by Customer's failure to properly handle, transport or dispose of any Chemicals as required by paragraph 6B hereof or otherwise, including containment, clean-up and remediation of the pollutant and contamination, whether or not required by any applicable federal, state or local law or regulation; (3) property damage or loss that results from reservoir or underground damage, including loss of oil, gas, other mineral substance, or water or the well bore itself, surface damage arising from subsurface damage or subsea damage; (4) personal injury, death, or property damage or loss that results from work performed to control a wild well; (5) cost of control of a wild well, underground or above the surface, including any redrilling or reworking costs; (6) damage to property owned by, in the possession of, or leased by Customer, and/or well owner, if different from Customer, (the term "well owner" shall include working and royalty interest owners) (i.e., any drilling, rig platform or other structure at the wellsite); or (7) subsurface trespass or any action in the nature thereof.

To the extent this paragraph 10C conflicts with the provisions of paragraph 10A hereof, paragraph 10C shall control. The indemnification provided herein shall not operate to increase any standard of responsibility limited by other provisions of these General Terms and Conditions.

D. Notices. Each party agrees to immediately notify the other party of any claim, demand, or suit presented to or served upon it by any person or entity in connection with the performance of this Agreement. The party seeking indemnification shall afford the other party full opportunity to assume the defense of such claim, demand, or suit and to protect itself under the obligations of this paragraph.

E. Incidental or Consequential Damages. It is expressly agreed that neither party shall be liable to the other for any punitive, incidental, consequential, indirect or special damages, nor for any loss of profits or business interruptions or loss of use.

11. Insurance. Customer's and DSI's indemnity obligations under paragraph 10 hereof shall be supported by adequate liability insurance coverage, or self-insurance (if it meets the requirements set forth below) furnished by each party at such party's cost with contractual indemnity endorsements. The amounts of insurance required from each party hereunder shall be equal; each party's indemnity obligations shall be limited to the highest amount of insurance coverage mutually carried by both parties hereunder.

In the event either party maintains a plan(s) of self-insurance to insure any part of the risks otherwise covered by the insurances required hereunder, such plan of self-insurance shall not satisfy the requirements of this paragraph unless an authorized representative of the party not requesting to be self-insured expressly consents in writing to the requesting party's use of such plan(s) of insurance. If it is judicially determined that the insurance required under this paragraph or the indemnity obligations voluntarily assumed under paragraph 10 hereof and supported either by available liability insurance or voluntarily self-insured, in part or whole, exceeds the maximum amounts of insurance or indemnity permitted under applicable law, it is agreed that said insurance requirements or indemnity shall automatically be amended to conform to the maximum amounts permitted under applicable law.

12. Force Majeure. DSI shall not be liable for any delay or non-performance due to governmental regulation, labor disputes, hostile action, weather, fire, acts of God or any other causes beyond the reasonable control of DSI.

13. Dispute Resolution. If this Service Order is issued in conjunction with an executed DSI Master Service Agreement-Oilfield Services then all controversies shall be resolved as set forth therein. In the absence of such agreement DSI and Customer shall settle all disputes and claims arising out of these General Terms and Conditions under the Commercial Rules of the American Arbitration Association, as then in force, by one or more arbitrators appointed in accordance with said Rules. The place of arbitration shall be Houston, Texas. Any award or determination of the arbitration tribunal shall be final and conclusive, judgment thereon may be entered in any court of competent jurisdiction and no appeal thereof shall be made by the parties.

14. Governing Law. These General Terms and Conditions shall be governed by the law of the state where the services are performed or equipment furnished; however, where services are performed or equipment furnished offshore or on navigable waters, the Federal Maritime Laws will govern.

**CEMENTING SERVICE REPORT**

Schlumberger

Dowell

**DOWELL SCHLUMBERGER INCORPORATED**

TREATMENT NUMBER 0630 DATE 11-12-94  
 STAGE 1 DS 12 DISTRICT Wichita, Kansas

DS-496-A PRINTED IN U.S.A.

WELL NAME AND NO. STEWART 1-3 LOCATION (LEGAL) SEC. 35-325-37W RIG NAME: Cherokee #4

FIELD-POOL HUGOTON FORMATION CHURSE

COUNTY/PARISH Stevens STATE KANSAS APL. NO. RECEIVED

NAME Mod. Oil AND **ORIGINAL** FEB 16 1995

ADDRESS CONSERVATION DIVISION WICHITA, KS

SPECIAL INSTRUCTIONS  
SARRY CEMENT 2981 FT. OF 5 1/2" CASING WITH 200 SXS OF LEAD AND 200 SXS OF TAIL CEMENT AS DIRECTED BY CUSTOMER

IS CASING/TUBING SECURED?  YES  NO

LIFT PRESSURE 1697 PSI CASING WEIGHT + SURFACE AREA (3.14 x R<sup>2</sup>)

PRESSURE LIMIT 2700 PSI BUMP PLUG TO 5007 AP PSI

ROTATE RPM 15 RECIPROCATE FT No. of Centralizers 15

TIME	PRESSURE		VOLUME PUMPED BBL		JOB SCHEDULED FOR			ARRIVE ON LOCATION		LEFT LOCATION	
	TBG OR D.P.	CASING	INCREMENT	CUM	TIME: <u>22:30</u>	DATE: <u>11-12-94</u>	TIME: <u>22:30</u>	DATE: <u>11-12-94</u>	TIME: <u>02:40</u>	DATE: <u>11-13-94</u>	
00:01 to 2400											
00:45											
00:45		<u>100</u>									
00:49		<u>30</u>	<u>25</u>		<u>5.9</u>	<u>H<sub>2</sub>O</u>	<u>8.33</u>				
00:54			<u>25</u>								
00:55		<u>110</u>	<u>107</u>	<u>25</u>	<u>5.9</u>	<u>CMT</u>	<u>11.5</u>				
01:12		<u>200</u>	<u>48</u>	<u>132</u>	<u>5.9</u>	<u>CMT</u>	<u>14.8</u>				
01:21		<u>90</u>		<u>180</u>							
01:27		<u>10</u>	<u>72</u>	<u>180</u>	<u>5.8</u>	<u>WTR</u>	<u>8.33</u>				
01:36		<u>410</u>			<u>4</u>	<u>WTR</u>	<u>8.33</u>				
01:37		<u>360</u>			<u>3</u>	<u>WTR</u>	<u>8.33</u>				
01:38		<u>410</u>			<u>2</u>	<u>WTR</u>	<u>8.33</u>				
01:45		<u>510</u>									
01:45					<u>±0.5</u>	<u>WTR</u>	<u>8.33</u>				
01:47		<u>480</u>									
01:47					<u>±0.5</u>	<u>WTR</u>	<u>8.33</u>				
01:49		<u>610</u>		<u>252</u>							

REMARKS LOST CIRCULATION ± 53 BBS INTO DISP. FLOAT. FLOAT HELD

SYSTEM CODE	NO. OF SACKS	YIELD CU. FT/SK	COMPOSITION OF CEMENTING SYSTEMS				SLURRY MIXED	
							BBS	DENSITY
1.	<u>200</u>	<u>2.75</u>	<u>CLASS C + 51. D79 + 0.21. D46 + 1/4 pps D29</u>				<u>107.75</u>	<u>11.5</u>
2.	<u>200</u>	<u>1.37</u>	<u>CLASS C + 21. 628 + 21. 51 + 0.61. D60 + 0.21. D46</u>				<u>48.80</u>	<u>14.8</u>
3.								
4.								
5.								
6.								

BREAKDOWN FLUID TYPE W/A VOLUME W/A DENSITY W/A PRESSURE 730-800 PSI MAX. MIN. TRACE

HESITATION SQ.  RUNNING SQ. CIRCULATION LOST  YES  NO Cement Circulated To Surf.  YES  NO

BREAKDOWN PSI FINAL PSI DISPLACEMENT VOL. 71.64 BBS TYPE OF WELL  OIL  STORAGE  BRINE WATER  GAS  INJECTION  WILDCAT

Washed Thru Perfs  YES  NO TO FT. MEASURED DISPLACEMENT  WIRELINE

PERFORATIONS TO TO CUSTOMER REPRESENTATIVE MR. BENTON COWEN DS SUPERVISOR MR. DAVID R. SARVER

# DOWELL SCHLUMBERGER INCORPORATED

P.O. BOX 4378 HOUSTON, TEXAS 77210

CUSTOMER

## OILFIELD SERVICES

DSI SERVICE ORDER  
RECEIPT AND INVOICE NO.

03 12 6630

DSI SERVICE LOCATION NAME AND NUMBER

ULYSSES, KANSAS 03-12

CUSTOMER NUMBER

CUSTOMER P.O. NUMBER

TYPE SERVICE CODE

BUSINESS CODES

RECEIVED  
KANSAS CORPORATION COMMISSION

285

CUSTOMER'S  
NAME

Mobil Oil

ADDRESS

ORIGINAL

FEB 16 1995

CITY, STATE AND  
ZIP CODE

CONSERVATION DIVISION  
WICHITA, KS

WORKOVER   
NEW WELL   
OTHER

API OR IC NUMBER

IMPORTANT  
SEE OTHER SIDE FOR TERMS & CONDITIONS

ARRIVE LOCATION	MO.	DAY	YR.	TIME
	11	12	94	22:30

SERVICE ORDER I authorize work to begin per service instructions in accordance with terms and conditions printed on the reverse side of this form and/or attached to this form and represent that I have authority to accept and sign this order.

SIGNATURE OF CUSTOMER OR AUTHORIZED REPRESENTATIVE

JOB COMPLETION	MO.	DAY	YR.	TIME
	11	13	94	02:00

SERVICE RECEIPT I certify that the materials and services listed were received and all services performed in a workmanlike manner.

SIGNATURE OF CUSTOMER OR AUTHORIZED REPRESENTATIVE

DSI will furnish and Customer shall purchase materials and services required in the performance of the following SERVICE INSTRUCTIONS in accordance with the general terms and conditions as printed on the reverse side of this service order and/or attached to this service order. This service order is subject to alternative dispute resolution.

SAFETY CEMENT 2981 FT. OF 5 1/2" CASING WITH 220 SXS OF LEAD AND 200 SXS OF TAIL CEMENT AS DIRECTED BY CUSTOMER.

STATE CODE COUNTY / PARISH CODE CITY

KANSAS STEVENS

WELL NAME AND NUMBER / JOB SITE

STEWART #1-3

LOCATION AND POOL / PLANT ADDRESS

SEC. 35-32S-37W

SHIPPED VIA

Dowell

ITEM/PRICE REF. NO.	MATERIAL, EQUIPMENT AND SERVICES USED	UNIT	QUANTITY	UNIT PRICE	\$ AMOUNT
<b>MATERIALS</b>					
040003 000	D903, CLASS C CEMENT	CFT	421	9.06	3814.26
103368 050	B28, EXPANDING CEMENT	Lb.	376	3.34	1255.84
067005 100	S1, CALCIUM CHLORIDE	Lb.	376	0.40	150.40
047002 050	D46, ANTIFORM AGENT	Lb.	81	3.41	276.21
044002 050	D60, FLAC	Lb.	113	8.61	972.93
045041 100	D79, CHEMICAL EXTENDER	Lb.	620	1.44	892.80
044003 025	D29, CELLOPHANE FLAKES	Lb.	55	1.77	97.35
<b>SERVICES</b>					
102871 030	PUMP	EA	1	1390.00	1390.00
048601 000	CEMENT HEAD	EA	1	70.00	N/C
049102 000	DELIVERY CHARGE	TM	597	1.00	597.00
049100 000	SERVICE CHARGE	CFT	437	1.36	594.32
059697 000	PAPER REORDER	EA	1	159.00	159.00
059206 002	MILEAGE (PUMP)	MI	29	2.95	85.55
056704 054	5 1/2" CASING Hardware (lubben) TOP PLUG	EA	1	120.00	120.00
DISCOUNT 381					

FIELD ESTIMATE \$10,405.66 w/Discount \$6451.51 SUB TOTAL

LICENSE/REIMBURSEMENT FEE

LICENSE/REIMBURSEMENT FEE

REMARKS:

Thank You for using Dowell !!

STATE % TAX ON \$

COUNTY % TAX ON \$

CITY % TAX ON \$

SIGNATURE OF DSI REPRESENTATIVE

David R. Lawton

TOTAL \$

GENERAL TERMS AND CONDITIONS

1. DSI. The Term "DSI" as used herein is an abbreviation of Dowell Schlumberger Incorporated and where used throughout these Terms and Conditions, shall be construed to mean Dowell Schlumberger Incorporated, a Delaware corporation.

2. Terms. Cash in advance unless DSI has approved credit prior to the sale. Credit Terms of Sale for approved accounts are total invoice amount due at DSI's office, Houston, Texas on or before the 30th day from the date of invoice. Past due accounts are to pay interest on the balance past due at the rate of 1.5% per month or the maximum allowable by applicable state or federal laws if such laws limit interest to a lesser amount. In the event it is necessary to employ an agency and/or attorney to effect collection of said account, Customer hereby agrees to pay all fees directly or indirectly incurred for such collection. In the event that Customer's account with DSI becomes delinquent, DSI has the right to revoke any and all discounts previously applied in arriving at net invoice price. Upon revocation, the full invoice price without discount will become immediately due and owing and subject to collection.

3. Prices. The products and services to be supplied hereunder shall be priced as quoted. Products and services supplied on a price estimate basis shall be priced in accordance with DSI's current price schedule; special jobs, under unusual conditions, will be subject to special price quotations to reflect increased or reduced costs and risk.

4. Taxes. Any tax based on or measured by the change for the sale or rental of products or rendering of service shall be added to the price stated in DSI's price schedule.

5. Independent Contractor. DSI is and shall be an independent contractor with respect to the performance of the services set forth on the service order, and neither DSI nor anyone employed by DSI shall be the agent, representative, employee or servant of Customer in the performance of such services or any part hereof.

6. Obligations of Customer.

A. Notification of Hazardous Conditions. DSI's equipment is designed to operate under conditions normally encountered in the well bore. Customer shall notify DSI in advance and make special arrangements for servicing wells in which hazardous or unusual conditions exist.

B. Chemicals. The handling and disposal of any chemical, waste or by-product used or generated in the performance of these Terms and Conditions ("Chemicals") is the sole responsibility of Customer, who shall, under all circumstances, be considered the owner and generator thereof. Customer agrees that any such Chemicals will be transported and disposed of in accordance with all applicable federal, state and local laws and regulations. Customer hereby waives, releases and agrees not to assert any claim or bring any cost recovery action against DSI in connection with the use, generation, storage, transportation or disposal of Chemicals arising out of these Terms and Conditions, under any common law theories or federal, state or local environmental laws or regulations, now existing or hereinafter enacted, without regard to the cause or causes thereof or the negligence of any party.

7. Limited Warranty-Oilfield Products. DSI expressly warrants that if shall convey good title to the oilfield products furnished to Customer as part of the services and that such oilfield products shall conform to the specifications represented in the service order. DSI does not warrant in any way oilfield products not manufactured by DSI, and such will be sold or provided hereunder only with the warranties that are given by the manufacturer thereof. DSI MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE OILFIELD PRODUCTS, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR THAT SAID OILFIELD PRODUCTS SHALL BE FIT FOR ANY PARTICULAR PURPOSE. DSI's sole liability and Customer's exclusive remedy in any cause of action (whether in contract, tort, or breach of warranty or otherwise) arising out of the sale or use of an oilfield product furnished by DSI for use in connection with its services, is expressly limited to (a) the replacement of such oilfield product upon its return to DSI or, at DSI's option, (b) the allowance to Customer of credit for cost of such oilfield product.

8. Exclusion of Warranty - Services. In interpreting information and making recommendations, either written or oral, as to types or amounts of materials or services to be furnished, or manner of performance, or in predicting results to be obtained therefrom, DSI will give Customer the benefit of its best judgment based on its experience. Nevertheless, all such recommendations or predictions are opinions only; and, in view of the impracticability of obtaining first-hand knowledge of the many variable conditions and/or the necessity of relying on facts and supporting services furnished by others. NO WARRANTY IS GIVEN CONCERNING THE EFFECTIVENESS OF THE MATERIALS USED, RECOMMENDATIONS GIVEN, OR THE RESULTS OF THE SERVICES RENDERED.

9. Data Interpretation and Transmission. Any interpretation of test or other data, and any recommendation or reservoir description based upon such interpretations, are opinions based upon inferences from measurements and empirical relationships and assumptions, which inferences and assumptions are not infallible, and with respect to which professional engineers and analysts may differ. ACCORDINGLY, DSI CANNOT AND DOES NOT WARRANT THE ACCURACY, CORRECTNESS OR COMPLETENESS OF ANY SUCH INTERPRETATION OR RECOMMENDATION. DSI does not warrant the accuracy of data transmitted by electronic processes and will not be responsible for accidental or intentional interception of such data by others. DSI does not guarantee the safe storage or the length of time of storage of any digital tapes, optical logs or prints, transparencies, or other similar products or material.

10. Indemnity. For the purposes of this paragraph 10 the following definitions shall apply: "DSI Group" shall mean DSI its parent, subsidiary and affiliated companies, its contractors and subcontractors and all such entities' officers, directors, employees and invitees, and "Customer Group" shall mean Customer, its parent, subsidiary and affiliated companies, its contractors and subcontractors (other than the DSI Group) and all such entities' officers, directors, employees and invitees.

A. DSI Indemnity. DSI assumes all liability for, and hereby agrees to protect, defend, indemnify and hold Customer Group and their insurers harmless from and against all damage, loss, liability, claims, demands and causes of action of every kind and character, (including all costs and expenses thereof and reasonable attorney's fees) without regard to the cause or causes thereof, the unseaworthiness of any vessel, strict liability or the negligence of any party, whether such negligence be the sole, concurrent, active or passive negligence of Customer Group, arising in connection herewith, on account of bodily injury and/or death to a member of the DSI Group and/or damage to the DSI Group's property (except with respect to DSI property as otherwise provided in subparagraph B2 of this paragraph 10).

B. Customer Indemnity. Customer assumes all liability for, and hereby agrees to protect, defend, indemnify and hold the DSI Group and their insurers harmless from and against all damage, loss, liability, claims, demands and causes of action of every kind and character, (including all costs and expenses thereof and reasonable attorney's fees) without regard to the cause or causes thereof, the unseaworthiness of any vessel, strict liability or the negligence of any party, whether such negligence be the sole, concurrent, active or passive negligence of DSI Group, arising in connection herewith:

2. in favor of DSI Group on account of loss of or damage to DSI property, equipment, materials or products, including but not limited to, fishing expenses, when such loss or damage occurs: (a) in the hole, (b) as a result of uncontrolled well conditions, (c) while in transit or being moved on any form of transportation owned or furnished by Customer, (d) while located at the well site when DSI personnel are not present or (e) while being used by any person other than a DSI employee, whether in an emergency or otherwise. With respect hereto the property, equipment, materials and products will be valued at their respective landed replacement cost. With respect to (a) above, rental charges on the equipment lost or damaged in the hole shall continue to be paid up to and including the date on which DSI receives notice in writing of the loss or damage.

C. Special Indemnity. Customer further agrees to protect, defend, indemnify, and hold DSI Group and their insurers harmless from and against all loss, liability, claims, demands and causes of action (including all costs and expenses thereof and reasonable attorney's fees) of every kind and character, without regard to the cause or causes thereof, the unseaworthiness of any vessel, strict liability or the negligence of any party, whether such negligence be the sole, concurrent, active or passive negligence (but excluding the gross negligence) of DSI Group, arising in connection herewith in favor of Customer Group or any third party for: (1) property damage or loss that results from blow-out or cratering; (2) property damage or loss that results from pollution and contamination, whether caused by Customer's failure to properly handle, transport or dispose of any Chemicals as required by paragraph 6B hereof or otherwise, including containment, clean-up and remediation of the pollutant and contamination, whether or not required by any applicable federal, state or local law or regulation; (3) property damage or loss that results from reservoir or underground damage, including loss of oil, gas, other mineral substance, or water or the well bore itself, surface damage arising from subsurface damage or subsea damage; (4) personal injury, death, or property damage or loss that results from work performed to control a wild well; (5) cost of control of a wild well, underground or above the surface, including any redrilling or reworking costs; (6) damage to property owned by, in the possession of, or leased by Customer, and/or well owner, if different from Customer, (the term "well owner" shall include working and royalty interest owners) (i.e., any drilling, rig platform or other structure at the wellsite); or (7) subsurface trespass or any action in the nature thereof.

To the extent this paragraph 10C conflicts with the provisions of paragraph 10A hereof, paragraph 10C shall control. The indemnification provided herein shall not operate to increase any standard of responsibility limited by other provisions of these General Terms and Conditions.

D. Notices. Each party agrees to immediately notify the other party of any claim, demand, or suit presented to or served upon it by any person or entity in connection with the performance of this Agreement. The party seeking indemnification shall afford the other party full opportunity to assume the defense of such claim, demand, or suit and to protect itself under the obligations of this paragraph.

E. Incidental or Consequential Damages. It is expressly agreed that neither party shall be liable to the other for any punitive, incidental, consequential, indirect or special damages, nor for any loss of profits or business interruptions or loss of use.

11. Insurance. Customer's and DSI's indemnity obligations under paragraph 10 hereof shall be supported by adequate liability insurance coverage, or self-insurance (if it meets the requirements set forth below) furnished by each party at such party's cost with contractual indemnity endorsements. The amounts of insurance required from each party hereunder shall be equal; each party's indemnity obligations shall be limited to the highest amount of insurance coverage mutually carried by both parties hereunder.

In the event either party maintains a plan(s) of self-insurance to insure any part of the risks otherwise covered by the insurances required hereunder, such plan of self-insurance shall not satisfy the requirements of this paragraph unless an authorized representative of the party not requesting to be self-insured expressly consents in writing to the requesting party's use of such plan(s) of insurance. If it is judicially determined that the insurance required under this paragraph or the indemnity obligations voluntarily assumed under paragraph 10 hereof and supported either by available liability insurance or voluntarily self-insured, in part or whole, exceeds the maximum amounts of insurance or indemnity permitted under applicable law, it is agreed that said insurance requirements or indemnity shall automatically be amended to conform to the maximum amounts permitted under applicable law.

12. Force Majeure. DSI shall not be liable for any delay or non-performance due to governmental regulation, labor disputes, hostile action, weather, fire, acts of God or any other causes beyond the reasonable control of DSI.

13. Dispute Resolution. If this Service Order is issued in conjunction with an executed DSI Master Service Agreement-Oilfield Services then all controversies shall be resolved as set forth therein. In the absence of such agreement DSI and Customer shall settle all disputes and claims arising out of these General Terms and Conditions under the Commercial Rules of the American Arbitration Association, as then in force, by one or more arbitrators appointed in accordance with said rules. The place of arbitration shall be Houston, Texas. Any award or determination of the arbitration tribunal shall be final and conclusive. Judgment thereon may be entered in any court of competent jurisdiction and no appeal thereof shall be made by the parties.

14. Governing Law. These General Terms and Conditions shall be governed by the law of the state where the services are performed or equipment furnished; however, where services are performed or equipment furnished offshore or on navigable waters, the Federal Maritime Laws will govern.

1. on account of bodily injury and/or death to a member of the Customer Group and/or damage to the Customer Group's property.