

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

Operator: License # 31160

Name: Phillips Exploration Company, LC

Address 100 S. Main, Suite 510

City/State/Zip Wichita, Kansas 67202

Purchaser: NCRA

Operator Contact Person: James B. Phillips

Phone (316) 265-2857

Contractor: Name: Duke Drilling Co., Inc

License: 5929

Wellsite Geologist: James B. Phillips

Designate Type of Completion
 New Well Re-Entry Workover

Oil SWD SIOW Twp. Lbd
 Gas ENHR SIGW Other (Core, WSH, Exp, Fract, etc)
 Dry

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

Operator: _____

Well Name: _____

Comp. Date _____ Old Total Depth _____

Deepening Re-perf. Conv. to Inj/SWD
 Plug Back PBTB
 Commingled Docket No. _____
 Dual Completion Docket No. _____
 Other (SWD or Inj?) Docket No. _____

2-18-94 2-24-94 3-14-94
Spud Date Date Reached TD Completion Date

API NO. 15- 155-21,312-0000

County Reno

NW SE SW Sec. 20 Twp. 25 S Rgo. 09 E W

1650 Feet from S (circle one) Line of Section

1650 Feet from E (circle one) Line of Section

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

Lease Name Aurell Well # 2-20"A"

Field Name Langdon

Producing Formation Mississippi Chert

Elevation: Ground 1706 KB 1715

Total Depth 4167 PBTB 4121

Amount of Surface Pipe Set and Cemented at 211 Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set _____ Feet

If Alternate II completion, cement circulated from _____

feet depth to _____ w/ _____ sx cmt.

Drilling Fluid Management Plan CB 12-7-94
(Data must be collected from the Reserve Pit)

Chloride content 10000 ppm Fluid volume 2000 bbls

Dewatering method used evaporation & hauling

Location of fluid disposal if hauled offsite: _____

Operator Name C & C Tank Service, Inc

Lease Name Roach SWD License No. 30708

SW Quarter Sec. 14 Twp. 23 S Rng. 09 EXW

County Reno Docket No. 22208

RECEIVED
KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
WICHITA, KS
JUN 21 1994
6-21-94

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 forms 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 James B. Phillips
Title President Date 6/21/94

Subscribed and sworn to before me this 21st day of June, 19 94.

Notary Public Ada C. May
Date Commission Expires _____

ADA C. MAY
NOTARY PUBLIC
STATE OF KANSAS
My Appt. Exp. 10-28-95

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

Operator Name Phillips Exploration Company, LC Lease Name Aurell Well # 2-20"A"
 Sec. 20 Twp. 25 S Rge. 09 East West County Reno

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 (Attach Additional Sheets.)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Log	Formation (Top), Depth and Datum	<input type="checkbox"/> Sample
Samples Sent to Geological Survey	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Name	Top	Datum
Cores Taken	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Heebner	3204	-1489
Electric Log Run (Submit Copy.)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Lansing	3420	-1705
List All E.Logs Run: DIL, SDL/DSN, FF-MSG, Coral		B/KC	3765	-2050
		Cherokee Shale	3869	-2154
		Miss Chert	3890	-2175
		Miss Lime	3960	-2245
		Kinderhook Shale	3966	-2251
		Viola	4160	-2445
		TD	4167	-2452

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	211	60/40 Poz	175	3%CC, 2%gel
Production	7 7/8	5 1/2	15.5	4134	Howco EA-2	150	10%salt, 1%gel,
			5%CalSeal,	6of 1% Halad 322,	5#/sk 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 Perforatod	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
4	3895 to 3905	250 gal 10% acetic	3895-3905
		500 gal 7 1/2% HCL, 1500 gal	6% HCL/
		1 1/2% HF	3895-3905

TUBING RECORD		Size 2 7/8	Set At 4106	Pecker At none	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or Inj. 3-15-94		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. 50	Gas Mcf 20	Water Bbls. 250	Gas-Oil Ratio 400	Gravity 34

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

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

Production Interval: 3895-3905

Aurell #2-20"A"

DST #1 3860 -3914 30-60-90-120

Blow: Strong blow GTS 15 minutes (tool plugged) flushed tool
revived blow

Blow: Strong blow GTS throughout (see gas volume report below)

Recovered: 150 ft oily gas cut mud

Bottom stand plugged with cuttings

IFP: Plugged 266# - 317# FFP: 100# - 140#

IBHP: 617# FBHP: 615#

IHP: 1876 FHP: 1854# Temp: 120 degrees

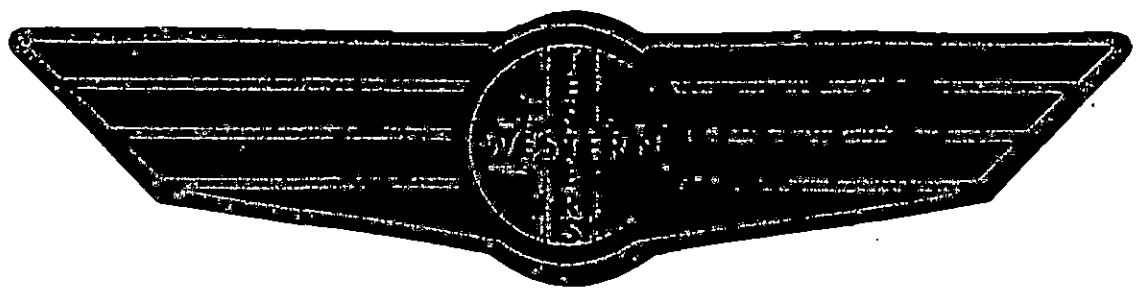
Gauged gas:	tool open GTS 15 minutes	
	10 minutes	45,000 flushed tool
	20 minutes	40,000
	30 minutes	30,000
Gauged gas:	10 "	104,000
	20 "	94,000
	30 "	69,000
	40 "	55,000
	50 "	55,000
	60 "	49,000
	70 "	45,000
	80 "	58,000
	90 "	49,000

RECEIVED
KANSAS CORPORATION COMMISSION

JUN 21 1994
CONSERVATION DIVISION
WICHITA, KS

COMPANY PHILLIPS EXPLORATION CO LEASE & WELL NO. #2-20-A ANNUAL SEC. 40 IMP. 400 RGE. 00 WEST NO. 1 DATE

FORMATION TEST REPORT



Home Office: Wichita, Kansas 67201

P.O. Box 1599 Phone 316-860-688-7021

RECEIVED
KANSAS CORPORATION COMMISSION

JUN 21 1994
CONSERVATION DIVISION
WICHITA, KS

DST REPORT

GENERAL INFORMATION

DATE : 2/23/94
CUSTOMER : PHILLIPS EXPLORATION CO
WELL : #2-20-A TEST: 1
ELEVATION: 1715 KB
SECTION : 20
RANGE : 9W COUNTY: RENO
GAUGE SN#: 11018 RANGE : 4425
TICKET : 20222
LEASE : AURELL
GEOLOGIST: PHILLIPS
FORMATION: MISSISSIPPI
TOWNSHIP : 25S
STATE : KS
CLOCK : 12

WELL INFORMATION

PERFORATION INTERVAL FROM: 3860.00 ft TO: 3914.00 ft TVD: 3914.0 ft
DEPTH OF SELECTIVE ZONE: TEST TYPE: GAS
DEPTH OF RECORDERS: 3865.0 ft 3911.0 ft
TEMPERATURE: 120.0

DRILL COLLAR LENGTH:	0.0 ft	I.D.:	0.000 in
WEIGHT PIPE LENGTH :	0.0 ft	I.D.:	0.000 in
DRILL PIPE LENGTH :	3838.0 ft	I.D.:	3.800 in
TEST TOOL LENGTH :	22.0 ft	TOOL SIZE :	5.500 in
ANCHOR LENGTH :	54.0 ft	ANCHOR SIZE:	5.500 in
SURFACE CHOKE SIZE :	0.750 in	BOTTOM CHOKE SIZE:	0.750 in
MAIN HOLE SIZE :	7.875 in	TOOL JOINT SIZE :	4.5XH
PACKER DEPTH:	3855.0 ft	SIZE:	6.630 in
PACKER DEPTH:	3860.0 ft	SIZE:	6.630 in
PACKER DEPTH:	0.0 ft	SIZE:	0.000 in
PACKER DEPTH:	0.0 ft	SIZE:	0.000 in

MUD INFORMATION

DRILLING CON. :	DUKE RIG 4	VISCOSITY :	78.00 cp
MUD TYPE :	CHEMICAL	WATER LOSS:	6.800 cc
WEIGHT :	8.800 ppg	SERIAL NUMBER:	
CHLORIDES :	3000 ppm	REVERSED OUT?:	NO
JARS-MAKE :			
DID WELL FLOW?:	NO		

COMMENTS

Comment

INITIAL FLOW PERIOD SLID TOOL - TOOL OPENED WITH
WEAK BLOW - FLUSHED TOOL & RECEIVED STRONG BLOW.
GAS TO SURFACE IN 15 MINUTES. FINAL FLOW PERIOD

DST REPORT (CONTINUED)

COMMENTS (CONTINUED)

Comment

STRONG BLOW - GAS TO SURFACE THROUGHOUT. SEE GAS SHEET.

FLUID RECOVERY

<u>Feet of Fluid</u>	<u>% Oil</u>	<u>% Gas</u>	<u>% Water</u>	<u>% Mud</u>	<u>Comments</u>
150.0	1.0	29.0	0.0	70.0	OIL SPECKED GAS CUT MUD

RATE INFORMATION

OIL VOLUME:	0.0210 STB	TOTAL FLOW TIME:	115.0000 min.
GAS VOLUME:	3.4260 SCF	AVERAGE OIL RATE:	18.7051 STB/D
MUD VOLUME:	1.4728 STB	AVERAGE WATER RATE:	0.0000 STB/D
WATER VOLUME:	0.0000 STB		
TOTAL FLUID :	1.4938 STB		

FIELD TIME & PRESSURE INFORMATION

INITIAL HYDROSTATIC PRESSURE: 1876.00

<u>Description</u>	<u>Duration</u>	<u>p1</u>	<u>p End</u>
INITIAL FLOW	30.00	266.00	317.00
INITIAL SHUT-IN	60.00		617.00
FINAL FLOW	90.00	100.00	140.00
FINAL SHUT-IN	120.00		615.00

FINAL HYDROSTATIC PRESSURE: 1854.00

DST REPORT (CONTINUED)

OFFICE TIME & PRESSURE INFORMATION

INITIAL HYDROSTATIC PRESSURE: 1907.00

<u>Description</u>	<u>Duration</u>	<u>p1</u>	<u>p End</u>
INITIAL FLOW	25.00	284.00	461.00
INITIAL SHUT-IN	60.00		624.00
FINAL FLOW	90.00	129.00	160.00
FINAL SHUT-IN	120.00		632.00

FINAL HYDROSTATIC PRESSURE: 1870.00

GAS FLOW REPORT

GENERAL INFORMATION

DATE : 2/23/94	TICKET : 20222
CUSTOMER : PHILLIPS EXPLORATION CO	LEASE : AURELL
WELL : #2-20-A TEST: 1	GEOLOGIST: PHILLIPS
ELEVATION: 1715 KB	FORMATION: MISSISSIPPI
SECTION : 20	TOWNSHIP : 25S
RANGE : 9W COUNTY: RENO	STATE : KS
GAUGE SN#: 11018 RANGE : 4425	CLOCK : 12

PRE FLOW

Time Guage (min)	Tester Type	Orifice Size	Pressure	Flow Desc.
15 MIN	MERLA	0.750	10" WATER	44800 SCF/D
20 MIN	MERLA	0.750	8" WATER	40000 SCF/D
25 MIN	MERLA	0.750	5" WATER	31600 SCF/D
30 MIN	MERLA	0.750	3" WATER	24500 SCF/D

SECOND FLOW

Time Guage (min)	Tester Type	Orifice Size	Pressure	Flow Desc.
10 MIN	MERLA	0.750	54" WATER	104000 SCF/D
20 MIN	MERLA	0.750	44" WATER	94100 SCF/D
30 MIN	MERLA	0.750	25" WATER	69000 SCF/D
40 MIN	MERLA	0.750	15" WATER	55200 SCF/D
50 MIN	MERLA	0.750	15" WATER	55200 SCF/D
60 MIN	MERLA	0.750	12" WATER	49300 SCF/D
70 MIN	MERLA	0.750	10" WATER	44800 SCF/D
80 MIN	MERLA	0.750	17" WATER	58500 SCF/D
90 MIN	MERLA	0.750	12" WATER	49300 SCF/D

PRESSURE TRANSIENT REPORT

GENERAL INFORMATION

DATE : 2/23/94	TICKET : 20222
CUSTOMER : PHILLIPS EXPLORATION CO	LEASE : AURELL
WELL : #2-20-A TEST: 1	GEOLOGIST: PHILLIPS
ELEVATION: 1715 KB	FORMATION: MISSISSIPPI
SECTION : 20	TOWNSHIP : 25S
RANGE : 9W COUNTY: RENO	STATE : KS
GAUGE SN#: 11018 RANGE : 4425	CLOCK : 12

INITIAL FLOW

Time (min)	Pressure	Delta P
0.00	284.00	284.00
5.00	439.00	155.00
10.00	452.00	13.00
15.00	458.00	6.00
20.00	461.00	3.00
25.00	461.00	0.00

INITIAL SHUT IN

Time (min)	Pressure	Delta P	Horner T
3.00	514.00	514.00	9.33
6.00	537.00	23.00	5.17
9.00	552.00	15.00	3.78
12.00	569.00	17.00	3.08
15.00	577.00	8.00	2.67
18.00	583.00	6.00	2.39
21.00	589.00	6.00	2.19
24.00	593.00	4.00	2.04
27.00	600.00	7.00	1.93
30.00	605.00	5.00	1.83
33.00	608.00	3.00	1.76
36.00	611.00	3.00	1.69
39.00	613.00	2.00	1.64
42.00	615.00	2.00	1.60
45.00	617.00	2.00	1.56
48.00	619.00	2.00	1.52
51.00	621.00	2.00	1.49
54.00	622.00	1.00	1.46
57.00	623.00	1.00	1.44
60.00	624.00	1.00	1.42

PRESSURE TRANSIENT REPORT (CONTINUED)

FINAL FLOW

<u>Time (min)</u>	<u>Pressure</u>	<u>Delta P</u>
0.00	129.00	129.00
5.00	129.00	0.00
10.00	129.00	0.00
15.00	113.00	-16.00
20.00	100.00	-13.00
25.00	96.00	-4.00
30.00	96.00	0.00
35.00	92.00	-4.00
40.00	89.00	-3.00
45.00	86.00	-3.00
50.00	86.00	0.00
55.00	86.00	0.00
60.00	86.00	0.00
65.00	104.00	18.00
70.00	113.00	9.00
75.00	123.00	10.00
80.00	140.00	17.00
85.00	156.00	16.00
90.00	160.00	4.00

FINAL SHUT IN

<u>Time (min)</u>	<u>Pressure</u>	<u>Delta P</u>	<u>Horner T</u>
3.00	290.00	290.00	31.00
6.00	367.00	77.00	16.00
9.00	401.00	34.00	11.00
12.00	431.00	30.00	8.50
15.00	451.00	20.00	7.00
18.00	477.00	26.00	6.00
21.00	498.00	21.00	5.29
24.00	530.00	32.00	4.75
27.00	553.00	23.00	4.33
30.00	570.00	17.00	4.00
33.00	576.00	6.00	3.73
36.00	583.00	7.00	3.50
39.00	589.00	6.00	3.31
42.00	594.00	5.00	3.14
45.00	599.00	5.00	3.00
48.00	604.00	5.00	2.88
51.00	608.00	4.00	2.76
54.00	611.00	3.00	2.67
57.00	616.00	5.00	2.58

PRESSURE TRANSIENT REPORT (CONTINUED)

FINAL SHUT IN (CONTINUED)

<u>Time (min)</u>	<u>Pressure</u>	<u>Delta P</u>	<u>Horner T</u>
60.00	619.00	3.00	2.50
63.00	624.00	5.00	2.43
66.00	626.00	2.00	2.36
69.00	628.00	2.00	2.30
72.00	629.00	1.00	2.25
75.00	630.00	1.00	2.20
78.00	630.00	0.00	2.15
81.00	630.00	0.00	2.11
84.00	630.00	0.00	2.07
87.00	630.00	0.00	2.03
90.00	630.00	0.00	2.00
93.00	630.00	0.00	1.97
96.00	631.00	1.00	1.94
99.00	631.00	0.00	1.91
102.00	631.00	0.00	1.88
105.00	631.00	0.00	1.86
108.00	631.00	0.00	1.83
111.00	632.00	1.00	1.81
114.00	632.00	0.00	1.79
117.00	632.00	0.00	1.77
120.00	632.00	0.00	1.75

Phone 913-483-2627, Russell, KS
 Phone 316-793-5861, Great Bend, KS

Phone 913-625-5516, Hays, KS
 Phone 913-672-3471, Oakley, KS

Phone 316-886-5926, Medicine Lodge, KS
 Phone 913-798-3843, Ness City, KS

ALLIED CEMENTING CO., INC.

6259

Home Office P. O. Box 31

Russell, Kansas 67665

New

Date	2-18-94	Sec.	20	Twp.	25	Range	9	Called Out	10:30 AM	On Location	3:30 PM	Job Start	6:00 AM	Finish	11:00 AM
Lease	Aural	Well No.	2-20A	Location	Langdon NW 1/4 25 25			County	Peno	State	KS				
Contractor	Duke Drilling Rig #4														
Type Job	Surface Pipe Job														
Hole Size	12" ^{20"}	T.D.	211#												
Csg. New Pipe	8 3/4"	Depth	211#												
Tbg. Size		Depth													
Drill Pipe		Depth													
Tool		Depth													
Cement Left in Csg.	15#	Shoe Joint													
Press Max.		Minimum													
Meas Line	196#	Displace	12.7 bbl												
Perf.															

Owner	To Allied Cementing Co., Inc. You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as listed.														
Charge To	Phillips Exploration Company L.C.														
Street	100 So. MAIN St Suite 150														
City	Wichita	State	KS	67202											
The above was done to satisfaction and supervision of owner agent or contractor.															
Purchase Order No.	X Rich Wheeler														
CEMENT															
Amount Ordered	175 ⁶⁹ / ₄₀	37cc	2 7/8" ^{1/4}												
Consisting of															
Common	105	5.75	603.75												
Poz. Mix	70	3.00	210.00												
Gel.	4	7.00	28.00												
Chloride	5	25.00	125.00												
Quickset															
Handling	175	1.00	175.00												
Mileage	25		175.00												
Mark you 6/9															
Sub-Total															
Total 1316.75															
Floating Equipment															
Total \$ 1845.00															
Disc - 369.00															
\$ 1476.00															

EQUIPMENT		
No.	Cementer	Miller
Pumptrk 120	Helper	Duane
No.	Cementer	
Pumptrk	Helper	
	Driver	
Bulktrk 101	Driver	Rick
Bulktrk	Driver	

DEPTH of Job	211#
Reference:	Pump Truck Charge 430.00
25	Milage charge 56.25
1	8 3/4 wooden 3/8" 42.00
	Sub-Total
	Tax
	Total 528.25

Remarks: Mix Cement + Displace it Down
 Cement did Circulate

RECEIVED
 KANSAS CORPORATION COMMISSION
 JUN 21 1994
 CONSERVATION DIVISION
 WICHITA, KS

Great Bend

Allied Cementing Co Inc
 Mike Munch

GENERAL TERMS AND CONDITIONS

DEFINITIONS: In these terms and conditions, "Allied" shall mean Allied Cementing Co., Inc., and "Customer" shall refer to the party identified by that term on the front of this contract. As applicable, "Job" relates to the services described on the front side of this contract, "merchandise" refers to the material described on the front of this contract and to any other materials, products, or supplies used, sold, or furnished under the requirements of this contract.

TERMS: Unless satisfactory credit has been established, "CUSTOMER" must tender full cash payment to "ALLIED" before the job is undertaken or merchandise is delivered. If satisfactory credit has been established, the terms of payment for the job and/or merchandise, including bulk cement, are net cash, payable in 30 days from the completion of the job and/or delivery of the merchandise. For all past due invoices, "CUSTOMER" agrees to pay interest on amounts invoiced at a rate of 18 percent per annum until paid. Notwithstanding the foregoing, in no event shall this Contract provide for interest exceeding the maximum rate of interest that "CUSTOMER" may agree to pay under applicable law. If any such interest should be provided for, it shall be and hereby is deemed to be a mistake, and this contract shall be automatically reformed to lower the rate of interest to the maximum legal contract rate, any amounts previously paid as excess interest shall be deducted from the amounts owing from the "CUSTOMER" or at the option of "ALLIED," refunded directly to "CUSTOMER." For purposes of this paragraph, ALLIED and CUSTOMER agree that KANSAS law shall apply. Any discounts granted with this contract are null and void if the charges are not paid when due.

ATTORNEY FEES: In any legal action or proceeding between the parties to enforce any of the terms of this Service Contract, or in any way pertaining to the terms of this Contract, the prevailing party shall be entitled to recover all expenses, including, but not limited to, a reasonable sum as and for attorney's fees:

PRICES AND TAXES: All merchandise listed in "ALLIED'S" current price schedule are F.O.B. ALLIED'S local station and are subject to change without notice. All prices are exclusive of any federal, state, local, or special taxes for the sale or use of the merchandise or services listed. The amount of taxes required to be paid by ALLIED shall be added to the quoted prices charged to CUSTOMER.

TOWING CHARGES: ALLIED will make a reasonable attempt to get to and from each job site using its own equipment. Should ALLIED be unable to do so because of poor or inadequate road conditions, and should it become necessary to employ a tractor or other pulling equipment to get to or from the job site, the tractor or pulling equipment will be supplied by CUSTOMER or, if furnished by ALLIED, will be charged to and paid by CUSTOMER.

PREPARATION CHARGES: If a job and/or merchandise is ordered and CUSTOMER cancels the order after preparation of a chemical solution or other material, CUSTOMER will pay ALLIED for the expenses incurred by ALLIED as a result of the cancellation.

DEADHAUL CHARGES: Unless otherwise specified on the front of this Contract, a deadhaul charge as set forth in ALLIED'S current price book will be charged each way for each service unit which is ordered by CUSTOMER but not used.

SERVICE CONDITIONS AND LIABILITIES: 1. ALLIED carries public liability and property damage insurance, but since there are so many uncertain and unknown conditions beyond ALLIED'S control, ALLIED shall not be liable for injuries to property or persons or for loss or damage arising from the performance of the job or delivery of the merchandise. Customer shall be responsible for and indemnify, defend, and hold harmless ALLIED, its officers, agents and employees, from and against any and all claims or suits for:

(A) Damage to property or for bodily injury, sickness, disease, or death, brought by any person, including CUSTOMER and/or the well owner; and:

(B) Oil spills, pollution, surface or sub-surface damage, injury to the well, reservoir loss, or damage arising from a well blowout arising out of or in connection with ALLIED'S performance of the job or furnishing of merchandise in accordance with this contract, unless such loss or damage is caused by the willful misconduct or gross negligence of ALLIED or its employees.

2. With respect to any of ALLIED'S tools, equipment, or instruments which are lost in the well or damaged when performing or attempting to perform the job or, in the case of marine operations, are lost or damaged at any time after delivery to the landing for CUSTOMER and before return to ALLIED at the landing, CUSTOMER shall either recover the lost item without cost to ALLIED or reimburse ALLIED the current replacement cost of the item unless the loss or damage results from the sole negligence of ALLIED or its employees.

3. ALLIED does not assume any liability or responsibility for damages or conditions resulting from chemical action in cements caused by contamination of water or other fluids.

WARRANTIES: 1. ALLIED warrants all merchandise manufactured or furnished by it to be free from defects in material and workmanship under normal use and service when installed, and used, and/or serviced in the manner provided and intended. ALLIED'S obligation under this warranty is expressly limited to repair, replacement, or allowance for credit, at its option, for any merchandise which is determined by ALLIED to be defective. THIS IS THE SOLE WARRANTY OF ALLIED AND NO OTHER WARRANTY IS APPLICABLE, EITHER EXPRESS OR OTHERWISE IMPLIED, IN FACT OR IN LAW, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE. CUSTOMER'S sole and only remedy with regard to any defective merchandise shall be the repair or replacement thereof or allowance for credit as herein provided, and ALLIED shall not be liable for any consequential, special, incidental, or punitive damages resulting from or caused by defective materials, products or supplies.

2. More specifically:

(A) Nothing in this contract shall be construed as a warranty by ALLIED of the success or the effectiveness of the result of any work done or merchandise used, sold, or furnished under this contract.

(B) Nothing in this contract shall be construed as a warranty of the accuracy or correctness of any facts, information, or data furnished by ALLIED or any interpretation of tests, meter readings, chart information, analysis of research, or recommendations made by ALLIED, unless the inaccuracy or incorrectness is caused by the willful misconduct or gross negligence of ALLIED or its employees in the preparation or furnishing of such facts, information or data.

(C) Work done by ALLIED shall be under the direct supervision and control of the CUSTOMER or his agent and ALLIED will accomplish the job as an independent contractor and not as an employee or agent of the CUSTOMER.