

CONFIDENTIAL

JAN 14 2002

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

KCC

Form ACO-1

September 1999

Form Must Be Typed

CONSERVATION DIVISION WELL COMPLETION FORM  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

JAN 11 2002

Operator: License # 5447  
Name: OXY USA Inc.  
Address: P.O. Box 2528  
City/State/Zip: Liberal KS 67905  
Purchaser: Pending  
Operator Contact Person: Vicki Carder  
Phone: (620) 629-4200

Contractor: Name: Duke Drilling Co., Inc.  
License: 5929  
Wellsite Geologist: Vernon Schrag

Designate Type of Completion:  
 New Well  Re-Entry  Workover  
 Oil  SWD  SIOW  Temp. Abd.  
 Gas  ENHR  SIGW  
 Dry  Other (Core, WSW, Expl, Cathodic, etc)

If Workover/Re-entry: Old Well Info as follows:  
Operator: OXY USA, Inc.  
Well Name: \_\_\_\_\_

Original Comp. Date: \_\_\_\_\_ Original Total Depth: \_\_\_\_\_  
 Deepening  Re-perf.  Conv. To Enhr./SWD  
 Plug Back \_\_\_\_\_ Plug Back Total Depth \_\_\_\_\_  
 Commingled \_\_\_\_\_ Docket No. \_\_\_\_\_  
 Dual Completion \_\_\_\_\_ Docket No. \_\_\_\_\_  
 Other (SWD or Enhr.?) \_\_\_\_\_ Docket No. \_\_\_\_\_  
10/17/01 10/27/01 12/04/01  
Spud Date or Recompletion Date Date Reached TD Completion Date or Recompletion Date

API No. 15 - 081-21428-0000  
County: Haskell  
SW - NW - NE Sec 19 Twp. 27 S. R. 33W  
944 feet from S (N) (circle one) Line of Section  
2509 feet from (E) W (circle one) Line of Section

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

Lease Name: Frey G Well #: 2  
Field Name: \_\_\_\_\_  
Producing Formation: Morrow

Elevation: Ground: 2962 Kelly Bushing: 2974  
Total Depth: 5490  Plug Back Total Depth: 5445   
Amount of Surface Pipe Set and Cemented at 1750  feet  
Multiple Stage Cementing Collar Used?  Yes  No  
If yes, show depth set 3131  
If Alternate II completion, cement circulated from \_\_\_\_\_  
feet depth to \_\_\_\_\_ w/ \_\_\_\_\_ sx cmt.

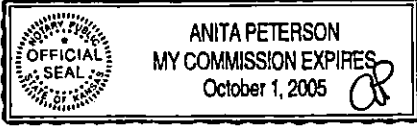
Drilling Fluid Management Plan DE/SH 5.6.02  
(Data must be collected from the Reserve Pit)  
Chloride content 9800 ppm Fluid volume 1200 bbls  
Dewatering method used Evaporation  
Location of fluid disposal if hauled offsite: \_\_\_\_\_  
Operator Name: \_\_\_\_\_  
Lease Name: \_\_\_\_\_ License No.: \_\_\_\_\_  
Quarter \_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ S. R.  East  West  
County: \_\_\_\_\_ Docket No.: \_\_\_\_\_

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 6702, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

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

Signature: Vicki Carder  
Title: Capital Projects Date January 11, 2002  
Subscribed and sworn o before me this 11th day of January  
20 02  
Notary Public: Anita Peterson  
Date Commission Expires: Oct 1, 2005

KCC Office Use Only  
 Letter of Confidentiality Attached  
If Denied, Yes  Date: \_\_\_\_\_  
 Wireline Log Received  
 Geologist Report Received  
 UIC Distribution



Side Two

Operator Name: OXY USA Inc. Lease Name: Frey G Well #: 2

Sec. 19 Twp. 27 S. R. 33W  East  West County: Haskell

Instructions: Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed. Attach copy of all Electric Wireline Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <i>(Attach Additional Sheets)</i>	<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	Winfield	2674 +300
Electric Log Run <i>(Submit Copy)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Council Grove	2862 +112
List All E. Logs Run:	Cement Bond Neutron	Heebner	3994 -1020
: Induction	Microlog Sonic	Toronto	4012 -1038
Geological Rpt.		Lansing	4084 -1110
		Marmaton	4644 -1670
		Cherokee	4858 -1884
		(SEE SIDE THREE)	

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
Conductor							
Surface	12 1/4	8 5/8	24	1750	C	600	2% CC, 1/8# PolyFlake
Production	7 7/8	5 1/2	15.5	5489	C	200	5# CalSeal, 5# Gilsonite 10% Salt

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	2500 -3131	C	120	4# CalSeal, 5# Gilsonite, 10% Salt, .5% Halad-322 (Port Collar)
<input type="checkbox"/> Plug Back TD				
<input checked="" 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
3	5136-5138	500 Gals 7.5% HCL Acid	
		3200 Gals 25# linear Gel, 1#/Gal 20/40 Sand	
3	5116-5122	1000 Gals 7.5% HCL Acid, 1850 Gals 30# XL Gel	
3	5094-5098	1000 Gals 7.5% FE Acid, 4100 Gals 25# Gel,	
		1500# 20/40 Sand	

TUBING RECORD		Size 2 7/8	Set At 5189	Packer At	Liner Run <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or Enhr. 12/13/01			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 50.88	Gas Mcf TSTM	Water Bbls 2.12	Gas-Oil Ratio	Gravity

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

METHOD OF COMPLETION  Open Hole  Perf.  Dually Comp.  Commingled

Production Interval  Other (Specify) \_\_\_\_\_

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Side Three

Operator Name: OXY USA Inc. Lease Name: Frey G Well #: 2

Sec. 19 Twp. 27S. R. 33W

County: Haskell

API No. 15 - 081-21428-0000

Name	Top	Datum
Morrow	5044	-2070
Chester	5156	-2974
Meramec	5296	-3114

**RELEASED**

**MAR 07 2003**

**FROM CONFIDENTIAL**

**RECEIVED**  
KANSAS CORPORATION COMMISSION

**JAN 14 2002**

**CONSERVATION DIVISION**

**KCC**

**JAN 11 2002**

**CONFIDENTIAL**

<b>HALLIBURTON</b>		<b>JOB SUMMARY</b>		SALES ORDER NUMBER 1629713	TICKET DATE 11/13/01
REGION NORTH AMERICA LAND		MVA / COUNTRY Mid Continent		BDA / STATE KS	COUNTY HASKELL
MBO ID / EMPL # MCL0110 106328		H.E.S. EMPLOYEE NAME NICK KORBE		PSL DEPARTMENT Cementing Services	
LOCATION Liberal		COMPANY OXY USA		CUSTOMER REP / PHONE JOSH YURKANIAN	
TICKET AMOUNT \$5,952.52		WELL TYPE GAS		APUUM #	
WELL LOCATION N OF SUBLETTE		DEPARTMENT CEMENT		SAP BOMB NUMBER	Description Miscellaneous Pumping
LEASE NAME FREY		Well No. G#2	SEC / TWP / RNG 19-27S-33W-ASEN	HES FACILITY (CLOSEST TO WELL SITE) LIBERAL	

HES EMP NAME / EMP # / (EXPOSURE HOURS)	HRS	HRS	HRS	HRS
Korbe, N - 106328	4.0			
KING, KIRBY 105942	4.0			
Schawo, N - 222552	3.0			
Lopez, J - 198514				

FROM CONFIDENTIAL

HES. UNT #91 (R/T MILES)	R/T MILES	R/T MILES	R/T MILES
421270	110		
54218/78202	110		
54225/74819	110		

Form. Name \_\_\_\_\_ Type: \_\_\_\_\_  
 Form. Thickness \_\_\_\_\_ From \_\_\_\_\_ To \_\_\_\_\_  
 Packer Type \_\_\_\_\_ Set At \_\_\_\_\_  
 Bottom Hole Temp. \_\_\_\_\_ Pressure \_\_\_\_\_  
 Retainer Depth \_\_\_\_\_ Total Depth \_\_\_\_\_

Date	Called Out	On Location	Job Started	Job Completed
	11/13/2001	11/13/2001	11/13/2001	11/13/2001
Time	0600	0830	0945	1100

Tools and Accessories

Type and Size	Qty	Make
Float Collar		
Float Shoe		
Centralizers		
Top Plug		
HEAD		
Limit clamp		
Weld-A		
Guide Shoe		
BTM PLUG		

Well Data

	New/Used	Weight	Size	Grade	From	To	Max. Allow
Casing	USED	15.5	5 1/2		0	3131'	
Liner							
Liner							
Tubing	USED	6.5	2 7/8		0	2046'	
Drill Pipe							
Open Hole							Shots/Ft.
Perforations							
Perforations							
Perforations							

Materials

Mud Type	Density	Lb/Gal
Disp. Fluid	Density	Lb/Gal
Prop. Type	Size	Lb
Prop. Type	Size	Lb
Acid Type	Gal.	%
Acid Type	Gal.	%
Surfactant	Gal.	In
NE Agent	Gal.	In
Fluid Loss	Gal/Lb	In
Gelling Agent	Gal/Lb	In
Fric. Red.	Gal/Lb	In
Breaker	Gal/Lb	In
Blocking Agent	Gal/Lb	
Perfpac Balls	Qty.	
Other		
Other		
Other		
Other		
Other		

Hours On Location		Operating Hours		Description of Job
Date	Hours	Date	Hours	
11/13	4.0	11/13	1.0	PORT COLLAR
Total	4.0	Total	1.0	See Job Log

Ordered \_\_\_\_\_ Hydraulic Horsepower \_\_\_\_\_  
 Avail. \_\_\_\_\_ Used \_\_\_\_\_  
 Treating \_\_\_\_\_ Average Rates in BPM \_\_\_\_\_  
 Disp. \_\_\_\_\_ Overall \_\_\_\_\_  
 Feet \_\_\_\_\_ Cement Left in Pipe \_\_\_\_\_  
 Reason \_\_\_\_\_

Cement Data

Stage	Sacks	Cement	Bulk/Sks	Additives	W/Rq.	Yield	Lbs/Gal
	120	50/50 POZ H	Bulk	4#CALSEAL, 5# GILSONITE, 10% SALT, .5% HALAD-322	6.48	1.49	13.85

Summary


Circulating Breakdown \_\_\_\_\_ Displacement \_\_\_\_\_ Preflush: BBI \_\_\_\_\_ Type: \_\_\_\_\_  
 \_\_\_\_\_ MAXIMUM \_\_\_\_\_ Load & Bkdn: Gal - BBI \_\_\_\_\_ Pad: Bbl - Gal \_\_\_\_\_

Average \_\_\_\_\_ Frac. Gradient \_\_\_\_\_ Treatment: Gal - BBI \_\_\_\_\_ Disp: Bbl \_\_\_\_\_  
 Shut in: Instant \_\_\_\_\_ 5 Min. \_\_\_\_\_ 15 Min. \_\_\_\_\_ Cement Slurry BBI \_\_\_\_\_ 32.0 \_\_\_\_\_  
 Total Volume BBI \_\_\_\_\_ 50.00 \_\_\_\_\_

THE INFORMATION STATED HEREIN IS CORRECT  
 CUSTOMER REPRESENTATIVE \_\_\_\_\_  
 \_\_\_\_\_  
 SIGNATURE

RELEASED

MAR 07 2003

 HALLIBURTON		<b>JOB LOG</b>		FROM <b>CONFIDENTIAL</b>	TICKET # 1629713	TICKET DATE 11/13/01
REGION <b>NORTH AMERICA LAND</b>		NWA / COUNTRY <b>Mid Continent</b>		BDA / STATE <b>KS</b>	COUNTY <b>HASKELL</b>	
MBU ID / EMPL # <b>MCL0110 106328</b>		H.E.S EMPLOYEE NAME <b>NICK KORBE</b>		PSL DEPARTMENT <b>Cementing Services</b>		
LOCATION <b>Liberal</b>		COMPANY <b>OXY USA</b>		CUSTOMER REP / PHONE <b>JOSH YURKANIAN</b>		
TICKET AMOUNT <b>\$5,952.52</b>		WELL TYPE <b>GAS</b>		API/WMI #		
WELL LOCATION <b>N OF SUBLETTE</b>		DEPARTMENT <b>CEMENT</b>		JOB PURPOSE CODE <b>Miscellaneous Pumping</b>		
LEASE NAME <b>FREY</b>		Well No. <b>G#2</b>	SEC / TWP / RNG <b>19-2/S-33W</b>		HES FACILITY (CLOSEST TO WELL #) <b>LIBERAL</b>	

HES EMP NAME/EMP # (EXPOSURE HOURS)	HRS	HES EMP NAME/EMP # (EXPOSURE HOURS)	HRS	HES EMP NAME/EMP # (EXPOSURE HOURS)	HRS	HES EMP NAME/EMP # (EXPOSURE HOURS)	HRS
Korbe, N - 106328	4						
KING, KIRBY 105942	4						
Schawo, N - 222552	3						
Lopez, J - 198514							

Chart No.	Time	Rate (BPM)	Volume (BBL)(GAL)	Rate N2	Press. (PSI)		Job Description / Remarks
					CSG.	Tbg	
	0600						CALLED OUT
	0830						ON LOCATION
							HELD SAFETY MEETING
							SET UP TRUCKS
							JAN 14 2002
	0946	0.5				2000	TEST LINES
	0947	0.5				1500	PRESSURE CASING
	1011						OPEN PORT COLLAR
	1012	2.0	0			700	BREAK CIRCULATION
	1024	3.0	25//0			450	START CEMENT
	1034		32.0			175	END CEMENT
	1034	3.0	0			100	START DISPLACEMENT
	1040		18.0			650	CEMENT DISPLACED
	1041					375	CLOSE PORT COLLAR
	1042					1500	PRESSURE CASING
							RUN 2 JOINTS
	1054	3.0	0			450	REVERSE OUT
	1105		30.0				HOLE CLEAN

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KANSAS CORPORATION COMMISSION

CONSERVATION DIVISION

KRC  
JAN 11 2002  
CONFIDENTIAL



# Work Order Contract

Order Number

1629713

Halliburton Energy Services, Inc.  
Houston, Texas 77056

70012 SAP

TO: HALLIBURTON ENERGY SERVICES, INC. - YOU ARE HEREBY REQUESTED TO FURNISH EQUIPMENT AND SERVICE PERSONNEL TO DELIVER AND OPERATE THE SAME AS AN INDEPENDENT CONTRACTOR TO CUSTOMER LISTED BEEOW AND DELIVER AND SELL PRODUCTS, SUPPLIES AND MATERIALS FOR THE PURPOSE OF SERVICING:

RELEASED

Well No. G#2	Farm or Lease FREY	County HASKELL	State KS	Well Permit Number MAD 07 2002
Customer OXY USA	Well Owner OXY USA	Job Purpose Miscellaneous Pumping		

THIS WORK ORDER MUST BE SIGNED BEFORE WORK IS COMMENCED

A. CUSTOMER REPRESENTATION - Customer warrants that the well is in proper condition to receive the services, equipment, products, and materials to be supplied by Halliburton Energy Services, Inc. (hereinafter "Halliburton").

B. PRICE AND PAYMENT - The services, equipment, products, and/or materials to be supplied hereunder are priced in accordance with Halliburton's current price list. All prices are exclusive of taxes. If Customer does not have an approved open account with Halliburton, all sums due are payable in cash at the time of performance of services or delivery of equipment, products or materials. If Customer has an approved open account, invoices are payable on the twentieth day after the date of invoice. Customer agrees to pay interest on any unpaid balance from the date payable until paid at the highest lawful contract rate applicable, but never to exceed 18% per annum. In the event Halliburton employs an attorney for collection of any account. Customer agrees to pay attorney fees of 20% of the unpaid account, or Halliburton's actual attorneys fees, whichever is greater, plus all collection and court costs. Customer agrees that the amount of attorney fees set out herein are reasonable and necessary.

C. RELEASE AND INDEMNITY - Customer agrees to RELEASE Halliburton Group from any and all liability for any and all damages whatsoever to property of any kind owned by, in the possession of, or leased by Customer and those persons and entities Customer has the ability to bind by contract or which are co-interest owners or joint ventures with Customer. Customer also agrees to DEFEND, INDEMNIFY, AND HOLD Halliburton Group HARMLESS from and against any and all liability, claims, costs, expenses, attorney fees and damages whatsoever for personal injury, illness, death, property damage and loss resulting from:

loss of well control; services to control a wild well whether underground or above the surface; reservoir or underground damage, including loss of oil, gas, other mineral substances or water; surface damage arising from underground damage; damage to or loss of the well bore; subsurface trespass or any action in the nature thereof; fire, explosion; subsurface pressure; radioactivity, and pollution and contamination and its cleanup and control.

CUSTOMER'S RELEASE, DEFENSE, INDEMNITY AND HOLD HARMLESS obligations will apply even if the liability and claims are caused by the sole, concurrent, active or passive negligence, fault, or strict liability of one or more members of the Halliburton Group, the unseaworthiness of any vessel or any defect in the data, products, supplies, materials or equipment furnished by any member or members of the Halliburton Group whether in the design, manufacture, maintenance or marketing thereof or from a failure to warn of such defect. "Halliburton Group" is defined as Halliburton Energy Services, Inc., its parent, subsidiary, and affiliated companies, insurers and subcontractors and all their officers, directors, employees, consultants and agents. Customer's RELEASE, DEFENSE, INDEMNITY AND HOLD HARMLESS obligations apply whether the personal injury, illness, death, property damage or loss is suffered by one or more members of the Halliburton Group, Customer, or any other person or entity. Customer agrees to support such obligations assumed herein with liability insurance with limits of not less than \$500,000. Customer agrees to name Halliburton Group as named additional insureds on all of its general liability policy(s). Customer agrees that its liability under this Contract is not limited by the amounts of its insurance coverage, except where and as may be required by applicable local law for the provisions of this Contract to be enforceable.

D. EQUIPMENT LIABILITY - Customer shall at its risk and expense attempt to recover any Halliburton Group equipment lost or lodged in the well. If the equipment is recovered and repairable, Customer shall pay the repair costs, unless caused by Halliburton's sole negligence. If the equipment is not recovered or is irreparable, Customer shall pay the replacement cost, unless caused by Halliburton's sole negligence. If a radioactive source becomes lost or lodged in the well, Customer shall meet all requirements of Section 39.15(a) of the Nuclear Regulatory Commission regulations and any other applicable laws or regulations concerning retrieval or abandonment and shall permit Halliburton to monitor the recovery or abandonment efforts all at no risk or liability to Halliburton Group. Customer shall be responsible for damage to or loss of Halliburton group equipment, products, and materials while in transit aboard Customer-supplied transportation, even if such is arranged by Halliburton at Customer's request, and during loading and unloading from such transport. Customer will also pay for the repair or replacement of Halliburton group equipment damaged by corrosion or abrasion due to well effluents.

E. LIMITED WARRANTY - Halliburton warrants only title to the equipment, products, and materials supplied under this Contract and that same are free from defects in workmanship and materials for thirty (30) days from the date of delivery. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, OF MERCHANTABILITY, FITNESS OR OTHERWISE BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. Halliburton's sole liability and Customer's exclusive remedy in any cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale, lease or use of any equipment, products, or materials is expressly limited to the replacement of such on their return to Halliburton or, at Halliburton's option, to the allowance to Customer of credit for the cost of such items. In no event shall Halliburton be liable for special, incidental, indirect, consequential, or punitive damages. Because of the uncertainty of variable well conditions and the necessity of relying on facts and supporting services furnished by others, HALLIBURTON IS UNABLE TO GUARANTEE THE EFFECTIVENESS OF THE EQUIPMENT, MATERIALS, OR SERVICE, NOR THE ACCURACY OF ANY CHART INTERPRETATION, RESEARCH ANALYSIS, JOB RECOMMENDATION OR OTHER DATA FURNISHED BY HALLIBURTON GROUP. Halliburton personnel will use their best efforts in gathering such information and their best judgment in interpreting it, but Customer agrees that Halliburton Group shall not be liable for and CUSTOMER SHALL INDEMNIFY HALLIBURTON GROUP AGAINST ANY DAMAGES ARISING FROM THE USE OF SUCH INFORMATION, even if such is contributed to or caused by the active or passive negligence, fault or strict liability of any member or members of Halliburton Group. Halliburton also does not warrant the accuracy of data transmitted by electronic process, and Halliburton will not be responsible for accidental or intentional interception of such data by third parties.

F. GOVERNING LAW - The validity, interpretation and construction of this Contract shall be determined by the laws of the jurisdiction where the services are performed or the equipment or materials are delivered.

G. DISPUTE RESOLUTION Customer and Halliburton agree that any dispute that may arise out of the performance of this Contract shall be resolved by binding arbitration by a panel of three arbitrators under the rules or the American Arbitration Association. The arbitration will take place in Houston, TX.

H. SEVERABILITY - If any provision or part thereof of this Contract shall be held to be invalid, void, or of no effect for any reason, such holding shall not be deemed to affect the validity of the remaining provisions of this Contract which can be given effect, without the invalid provision or part thereof, and to this end, the provisions of this Contract are declared to be severable. Customer and Halliburton agree that any provision of this Contract that is unenforceable or void under applicable law will be modified to achieve the intent of the parties hereunder to the greatest extent allowed by applicable law.

I. MODIFICATIONS - Customer agrees that Halliburton shall not be bound by any modifications to this Contract, except where such modification is made in writing by a duly authorized executive officer of Halliburton. Requests for modifications should be directed to the Vice President - Legal, 4100 Clinton Drive, Houston, TX. 77020.

I HAVE READ AND UNDERSTAND THIS WORK ORDER CONTRACT WHICH CONTAINS RELEASE AND INDEMNITY LANGUAGE WHICH CUSTOMER ACKNOWLEDGES IS CONSPICUOUS AND AFFORDS FAIR AND ADEQUATE NOTICE AND I REPRESENT THAT I AM AUTHORIZED TO SIGN THE SAME AS CUSTOMER'S AGENT.

SIGNED:

Josh Yul  
CUSTOMER Authorized Signatory

DATE: 11-13-01

TIME: 1000

Customer Acceptance of Materials and Services

THE CUSTOMER HEREBY ACKNOWLEDGES RECEIPT OF THE MATERIALS AND SERVICES DESCRIBED ON THE ATTACHED ORDER NUMBER 1629713

Josh Yul  
CUSTOMER Authorized Signatory

ORIGINAL  
RECEIVED  
KANSAS CORPORATION COMMISSION  
JAN 14 2002  
CONSERVATION DIVISION



# JOB SUMMARY

**CONFIDENTIAL**

REGION <b>NORTH AMERICA LAND</b>	NWA / COUNTRY <b>Mid Continent</b>	SALES ORDER NUMBER <b>1579654</b>	TICKET DATE <b>10/19/01</b>
MBU ID / EMPL # <b>MCLI 9113 212723</b>	HE'S EMPLOYEE NAME <b>JERRAKO EVANS</b>	BDA / STATE <b>KS</b>	COUNTY <b>HASKELL</b>
LOCATION <b>Liberal</b>	COMPANY <b>OXY-USA</b>	PSL DEPARTMENT <b>Cementing Services</b>	CUSTOMER REP / PHONE <b>CAL WYLIE</b>
TICKET AMOUNT <b>\$12,439.63</b>	WELL TYPE <b>OIL</b>	API/WMI #	
WELL LOCATION <b>SUBLETTE, KS</b>	DEPARTMENT <b>CEMENT</b>	SAP BOMB NUMBER <b>7521</b>	Description <b>Cement Surface Casing</b> ✓
LEASE NAME <b>FREY</b>	Well No. <b>G#2</b>	SEC / TWP / RNG <b>19-27W-33W</b>	HE'S FACILITY (CLOSEST TO WELL SITE) <b>LIBERAL, KS</b>

HE'S EMP NAME / EMP # / (EXPOSURE HOURS)	HRS	HE'S EMP NAME / EMP # / (EXPOSURE HOURS)	HRS
<b>EVANS, J - 212723</b>	1.0	<b>COCHRAN, M - 217398</b>	1.0
<b>ROJAS, J - 241020</b>	1.0	<b>GARZA, C 194445</b>	1.0

H.E.S. UNIT #S / (R/T MILES)	R/T MILES	H.E.S. UNIT #S / (R/T MILES)	R/T MILES
<b>421269</b>	<b>110</b>	<b>10251403</b>	<b>110</b>
<b>10243558-75818</b>	<b>55</b>	<b>54029-10286731</b>	<b>55</b>

Form. Name \_\_\_\_\_ Type: \_\_\_\_\_  
 Form. Thickness \_\_\_\_\_ From \_\_\_\_\_ To \_\_\_\_\_  
 Packer Thickness \_\_\_\_\_ Set At \_\_\_\_\_  
 Bottom Hole Temp. \_\_\_\_\_ Pressure \_\_\_\_\_  
 Retainer Depth \_\_\_\_\_ Total Depth \_\_\_\_\_

Date	Called Out	On Location	Job Started	Job Completed
	<b>10/18/2001</b>	<b>10/18/2001</b>	<b>10/19/2001</b>	<b>10/19/2001</b>
Time	<b>2000</b>	<b>2400</b>	<b>0310</b>	<b>0415</b>

Type and Size	Qty	Make
INSERT	1	HOWCO
BASKET	1	
Centralizers	5	
Top Plug	1	
HEAD	1	
Limit clamp	1	
Weld-A	1	
Guide Shoe	1	
BTM PLUG		

	New/Used	Weight	Size	Grade	From	To	Max. Allow
Casing	NEW	24.0	8 5/8		0	1,747	
Liner							
Liner							
Tubing							
Drill Pipe							
Open Hole							Shots/Ft.
Perforations							
Perforations							

**Materials**

Mud Type	Density	Lb/Gal
Disp. Fluid	Density	Lb/Gal
Prop. Type	Size	Lb
Prop. Type	Size	Lb
Acid Type	Gal.	%
Acid Type	Gal.	%
Surfactant	Gal.	In
NE Agent	Gal.	In
Fluid Loss	Gal/Lb	In
Gelling Agent	Gal/Lb	In
Fric. Red.	Gal/Lb	In
Breaker	Gal/Lb	In
Blocking Agent	Gal/Lb	
Perpac Balls	Qty.	
Other		
Other		
Other		
Other		
Other		

Hours On Location		Operating Hours		Description of Job
Date	Hours	Date	Hours	
<b>10/18</b>	<b>4.5</b>	<b>10/19</b>	<b>1.0</b>	<b>CIRC CMT TO PIT</b> ✓
				<b>See Job Log</b>
<b>Total</b>	<b>4.5</b>	<b>Total</b>	<b>1.0</b>	

Ordered \_\_\_\_\_ Hydraulic Horsepower \_\_\_\_\_  
 Avail. \_\_\_\_\_ Used \_\_\_\_\_  
 Treating \_\_\_\_\_ Average Rates in BPM \_\_\_\_\_  
 Disp. \_\_\_\_\_ Overall \_\_\_\_\_  
 Feet **45** Cement Left in Pipe \_\_\_\_\_  
 Reason **SHOE JOINT**

Stage	Sacks	Cement	Bulk/Sks	Additives	W/Rq.	Yield	Lbs/Gal
<b>1</b>	<b>450</b>	<b>HLC PP</b>	<b>Bulk</b>	<b>2% CC, 1/8# POLYFLAKE</b>	<b>11.56</b>	<b>2.09</b>	<b>12.20</b>
<b>2</b>	<b>150</b>	<b>PP</b>	<b>Bulk</b>	<b>2% CC, 1/8# POLYFLAKE</b>	<b>6.30</b>	<b>1.34</b>	<b>14.8</b>
			<b>Bulk</b>				
			<b>Bulk</b>				

**Summary**

Circulating \_\_\_\_\_ Displacement \_\_\_\_\_ Preflush: **BBI** Type: \_\_\_\_\_  
 Breakdown \_\_\_\_\_ MAXIMUM \_\_\_\_\_ Load & Bkdn: **Gal - BBI** Pad:Bbl -Gal \_\_\_\_\_

Average \_\_\_\_\_ Frac. Gradient \_\_\_\_\_ Treatment: **Gal - BBI** Disp:Bbl \_\_\_\_\_  
 Shut In: Instant \_\_\_\_\_ 5 Min. \_\_\_\_\_ 15 Min. \_\_\_\_\_ Cement Slurry **BBI** #VALUE!  
 Total Volume **BBI** #VALUE!

THE INFORMATION STATED HEREIN IS CORRECT  
 CUSTOMER REPRESENTATIVE \_\_\_\_\_  
 \_\_\_\_\_  
 SIGNATURE







# Work Order Contract

Order Number

1579654

Halliburton Energy Services, Inc.  
Houston, Texas 77056

70012 SAP

TO: HALLIBURTON ENERGY SERVICES, INC. - YOU ARE HEREBY REQUESTED TO FURNISH EQUIPMENT AND SERVICE PERSONNEL TO DELIVER AND OPERATE THE SAME AS AN INDEPENDENT CONTRACTOR TO CUSTOMER LISTED BELOW AND DELIVER AND SELL PRODUCTS, SUPPLIES AND MATERIALS FOR THE PURPOSE OF SERVICING:

**RELEASED**

Well No. <b>G#2</b>	Farm or Lease <b>FREY</b>	County <b>HASKELL</b>	State <b>KS</b>	Well Permit Number <b>MAR 07 2002</b>
Customer <b>OXY-USA</b>		Well Owner <b>OXY-USA</b>	Job Purpose <b>Cement Surface Casing</b>	

**THIS WORK ORDER MUST BE SIGNED BEFORE WORK IS COMMENCED**

A. CUSTOMER REPRESENTATION - Customer warrants that the well is in proper condition to receive the services, equipment, products, and materials to be supplied by Halliburton Energy Services, Inc. (hereinafter "Halliburton").

B. PRICE AND PAYMENT - The services, equipment, products, and/or materials to be supplied hereunder are priced in accordance with Halliburton's current price list. All prices are exclusive of taxes. If Customer does not have an approved open account with Halliburton, all sums due are payable in cash at the time of performance of services or delivery of equipment, products or materials. If Customer has an approved open account, invoices are payable on the twentieth day after the date of invoice. Customer agrees to pay interest on any unpaid balance from the date payable until paid at the highest lawful contract rate applicable, but never to exceed 18% per annum. In the event Halliburton employs an attorney for collection of any account. Customer agrees to pay attorney fees of 20% of the unpaid account, or Halliburton's actual attorneys fees, whichever is greater, plus all collection and court costs. Customer agrees that the amount of attorney fees set out herein are reasonable and necessary.

C. RELEASE AND INDEMNITY - Customer agrees to **RELEASE** Halliburton Group from any and all liability for any and all damages whatsoever to property of any kind owned by, in the possession of, or leased by Customer and those persons and entities Customer has the ability to bind by contract or which are co-interest owners or joint ventures with Customer. Customer also agrees to **DEFEND, INDEMNIFY, AND HOLD** Halliburton Group **HARMLESS** from and against any and all liability, claims, costs, expenses, attorney fees and damages whatsoever for personal injury, illness, death, property damage and loss resulting from:

loss of well control; services to control a wild well whether underground or above the surface; reservoir or underground damage, including loss of oil, gas, other mineral substances or water, surface damage arising from underground damage; damage to or loss of the well bore; subsurface trespass or any action in the nature thereof; fire; explosion; subsurface pressure; radioactivity; and pollution and contamination and its cleanup and control.

**CUSTOMER'S RELEASE, DEFENSE, INDEMNITY AND HOLD HARMLESS** obligations will apply even if the liability and claims are caused by the sole, concurrent, active or passive negligence, fault, or strict liability of one or more members of the Halliburton Group, the unseaworthiness of any vessel or any defect in the data, products, supplies, materials or equipment furnished by any member or members of the Halliburton Group whether in the design, manufacture, maintenance or marketing thereof or from a failure to warn of such defect. "Halliburton Group" is defined as Halliburton Energy Services, Inc., its parent, subsidiary, and affiliated companies, insurers and subcontractors and all its/their officers, directors, employees, consultants and agents. Customer's **RELEASE, DEFENSE, INDEMNITY AND HOLD HARMLESS** obligations apply whether the personal injury, illness, death, property damage or loss is suffered by one or more members of the Halliburton Group, Customer, or any other person or entity. Customer agrees to support such obligations assumed herein with liability insurance with limits of not less than \$500,000. Customer agrees to name Halliburton Group as named additional insureds on all of its general liability policy(s). Customer agrees that its liability under this Contract is not limited by the amounts of its insurance coverage, except where and as may be required by applicable local law for the provisions of this Contract to be enforceable.

D. EQUIPMENT LIABILITY - Customer shall at its risk and expense attempt to recover any Halliburton Group equipment lost or lodged in the well. If the equipment is recovered and repairable, Customer shall pay the repair costs, unless caused by Halliburton's sole negligence. If the equipment is not recovered or is irreparable, Customer shall pay the replacement cost, unless caused by Halliburton's sole negligence. If a radioactive source becomes lost or lodged in the well, Customer shall meet all requirements of Section 39.15(a) of the Nuclear Regulatory Commission regulations and any other applicable laws or regulations concerning retrieval or abandonment and shall permit Halliburton to monitor the recovery or abandonment efforts all at no risk or liability to Halliburton Group. Customer shall be responsible for damage to or loss of Halliburton group equipment, products, and materials while in transit aboard Customer-supplied transportation, even if such is arranged by Halliburton at Customer's request, and during loading and unloading from such transport. Customer will also pay for the repair or replacement of Halliburton group equipment damaged by corrosion or abrasion due to well effluents.

E. LIMITED WARRANTY - Halliburton warrants only title to the equipment, products, and materials supplied under this Contract and that same are free from defects in workmanship and materials for thirty (30) days from the date of delivery. **THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, OF MERCHANTABILITY, FITNESS OR OTHERWISE BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE.** Halliburton's sole liability and Customer's exclusive remedy in any cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale, lease or use of any equipment, products, or materials is expressly limited to the replacement of such on their return to Halliburton or, at Halliburton's option, to the allowance to Customer of credit for the cost of such items. In no event shall Halliburton be liable for special, incidental, indirect, consequential, or punitive damages. Because of the uncertainty of variable well conditions and the necessity of relying on facts and supporting services furnished by others, **HALLIBURTON IS UNABLE TO GUARANTEE THE EFFECTIVENESS OF THE EQUIPMENT, MATERIALS, OR SERVICE, NOR THE ACCURACY OF ANY CHART INTERPRETATION, RESEARCH ANALYSIS, JOB RECOMMENDATION OR OTHER DATA FURNISHED BY HALLIBURTON GROUP.** Halliburton personnel will use their best efforts in gathering such information and their best judgment in interpreting it, but Customer agrees that Halliburton Group shall not be liable for and **CUSTOMER SHALL INDEMNIFY HALLIBURTON GROUP AGAINST ANY DAMAGES ARISING FROM THE USE OF SUCH INFORMATION.** even if such is contributed to or caused by the active or passive negligence, fault or strict liability of any member or members of Halliburton Group. Halliburton also does not warrant the accuracy of data transmitted by electronic process, and Halliburton will not be responsible for accidental or intentional interception of such data by third parties.

F. GOVERNING LAW - The validity, interpretation and construction of this Contract shall be determined by the laws of the jurisdiction where the services are performed or the equipment or materials are delivered.

G. DISPUTE RESOLUTION Customer and Halliburton agree that any dispute that may arise out of the performance of this Contract shall be resolved by binding arbitration by a panel of three arbitrators under the rules or the American Arbitration Association. The arbitration will take place in Houston, TX.

H. SEVERABILITY - If any provision or part thereof of this Contract shall be held to be invalid, void, or of no effect for any reason, such holding shall not be deemed to affect the validity of the remaining provisions of this Contract which can be given effect, without the invalid provision or part thereof, and to this end, the provisions of this Contract are declared to be severable. Customer and Halliburton agree that any provision of this Contract that is unenforceable or void under applicable law will be modified to achieve the intent of the parties hereunder to the greatest extent allowed by applicable law.

I. MODIFICATIONS - Customer agrees that Halliburton shall not be bound by any modifications to this Contract, except where such modification is made in writing by a duly authorized executive officer of Halliburton. Requests for modifications should be directed to the Vice President - Legal, 4100 Clinton Drive, Houston, TX. 77020.

I HAVE READ AND UNDERSTAND THIS WORK ORDER CONTRACT WHICH CONTAINS RELEASE AND INDEMNITY LANGUAGE WHICH CUSTOMER ACKNOWLEDGES IS CONSPICUOUS AND AFFORDS FAIR AND ADEQUATE NOTICE AND I REPRESENT THAT I AM AUTHORIZED TO SIGN THE SAME AS CUSTOMER'S AGENT.

SIGNED:

*[Signature]*  
CUSTOMER Authorized Signatory

DATE: 10-20-01

TIME: 0030

**Customer Acceptance of Materials and Services**

THE CUSTOMER HEREBY ACKNOWLEDGES RECEIPT OF THE MATERIALS AND SERVICES DESCRIBED ON THE ATTACHED

ORDER NUMBER 1579654

*[Signature]*  
CUSTOMER Authorized Signatory

<b>HALLIBURTON</b>		<b>JOB SUMMARY</b>		SALES ORDER NUMBER 1604208	TICKET DATE 10/27/01
REGION NORTH AMERICA LAND	NWA / COUNTRY Mid Continent	<b>CONFIDENTIAL</b>		BDA / STATE KS	COUNTY HASKEL
MBU ID / EML # MCL1 0113/198516	H.E.S. EMPLOYEE NAME JASON CLEMENS			PSL DEPARTMENT Cementing Services	
LOCATION SUBLETT	COMPANY OXY-USA			CUSTOMER REP / PHONE GREG FILLPOT	
TICKET AMOUNT \$9,613.70	WELL TYPE OIL			API/WI #	
WELL LOCATION SUBLETT	DEPARTMENT ZI			SAP BOMB NUMBER 7523	Description Cement Production Casing
LEASE NAME FREY	Well No. G-2	SEC / TWP / RNG 19-27S-33W	HES FACILITY (CLOSEST TO WELL SITE) LIBERAL KS.		

HES EMP NAME / EMP # / (EXPOSURE HOURS)	HRS	HRS	HRS	HRS
CLEMENS, J 198516				
Ferguson, R - 106154				
Cochran, M - 217398				

RELEASED

MAR 17 2005

KANSAS CORPORATION COMMISSION

HES. UNIT #S / (R/T MILES)	R/T MILES	R/T MILES	R/T MILES	R/T MILES
421269	104			
10251403	104			
10240236/10240245	52			

FROM CONFIDENTIAL

JAN 14 2002

CONSERVATION DIVISION

Form. Name \_\_\_\_\_ Type: \_\_\_\_\_  
 Form. Thickness \_\_\_\_\_ From \_\_\_\_\_ To \_\_\_\_\_  
 Packer Type \_\_\_\_\_ Set At \_\_\_\_\_  
 Bottom Hole Temp. \_\_\_\_\_ Pressure \_\_\_\_\_  
 Retainer Depth \_\_\_\_\_ Total Depth \_\_\_\_\_

Date	Called Out	On Location	Job Started	Job Completed
	10/27/2001	10/27/2001	10/28/2001	10/28/2001
Time	2030	0000	834	933

Type and Size	Qty	Make
Float Collar		HES
Float Shoe		
Centralizers	20	
Top Plug	1	
HEAD	1	
Limit clamp	1	
Weld-A	1	
Guide Shoe	1	
BTM PLUG	1	

Well Data		New/Used	Weight	Size	Grade	From	To	Max. Allow
Casing		N	15.5	5 1/2		0	5,475	
Liner								
Liner								
Tubing								
Drill Pipe								
Open Hole								Shots/Ft.
Perforations								
Perforations								
Perforations								

CONFIDENTIAL

Materials		
Mud Type	Density	Lb/Gal
Disp. Fluid	Density	Lb/Gal
Prop. Type	Size	Lb
Prop. Type	Size	Lb
Acid Type	Gal.	%
Acid Type	Gal.	%
Surfactant	Gal.	In
NE Agent	Gal.	In
Fluid Loss	Gal/Lb	In
Gelling Agent	Gal/Lb	In
Fric. Red.	Gal/Lb	In
Breaker	Gal/Lb	In
Blocking Agent	Gal/Lb	In
Perfpac Balls	Qty.	
Other		
Other		
Other		
Other		

Hours On Location		Operating Hours		Description of Job
Date	Hours	Date	Hours	
10/27	7.7	10/28	2.0	
Total	7.7	Total	2.0	

Ordered \_\_\_\_\_ Hydraulic Horsepower \_\_\_\_\_ Used \_\_\_\_\_  
 Treating \_\_\_\_\_ Average Rates in. BPM \_\_\_\_\_ Overall \_\_\_\_\_  
 Feet 45 \_\_\_\_\_ Cement Left in Pipe \_\_\_\_\_ Reason \_\_\_\_\_ SHOE JOINT


Cement Data				Additives			W/Rq.	Yield	Lbs/Gal
Stage	Sacks	Cement	Bulk/Sks				6.48	1.49	13.80
1	225	50/50 POZ H	Bulk	5# CALSEAL, 5# GILSONITE, 10% SALT					
2			Bulk						
3			Bulk						
4			Bulk						

ORIGINAL

Summary					
Circulating Breakdown	Displacement	MAXIMUM	Preflush:	BBI	30.00
			Load & Bkdn:	Gal - BBI	
Average Shut In: Instant	Frac. Gradient	5 Min.	Treatment:	Gal - BBI	
		15 Min.	Cement Slurry	BBI	60.0
			Total Volume	BBI	219.00

THE INFORMATION STATED HEREIN IS CORRECT  
 CUSTOMER REPRESENTATIVE \_\_\_\_\_  
 \_\_\_\_\_  
 SIGNATURE

FROM CONFIDENTIAL

 HALLIBURTON		<b>JOB LOG</b>		TICKET # 1604208	TICKET DATE 10/27/01
REGION NORTH AMERICA LAND		NWA / COUNTRY Mid Continent		BDA / STATE KS	COUNTY HASKEL
MBU ID / EMPL # MCLJ 0113/198516		H.E.S EMPLOYEE NAME JASON CLEMENS		PSL DEPARTMENT Cementing Services	
LOCATION SUBLETT		COMPANY OXY-USA		CUSTOMER REP / PHONE GREG FILLPOT	
TICKET AMOUNT \$9,613.70		WELL TYPE OIL		API/UWI #	
WELL LOCATION SUBLETT		DEPARTMENT ZI		JOB PURPOSE CODE Cement Production Casing	
LEASE NAME FREY		Well No. G-2	SEC / TWP / RNG 19-2/S-33W		HES FACILITY (CLOSEST TO WELL #) LIBERAL KS.

HES EMP NAME/EMP # (EXPOSURE HOURS)	HRS	HES EMP NAME/EMP # (EXPOSURE HOURS)	HRS	HES EMP NAME/EMP # (EXPOSURE HOURS)	HRS	HES EMP NAME/EMP # (EXPOSURE HOURS)	HRS
CLEMENS, J 198516							
Ferguson, R - 106154							
Cochran, M - 217398							

Chart No.	Time	Rate (BPM)	Volume (BBL)(GAL)	Rate			Press. (PSI)		Job Description / Remarks
				N2	CSG.	Tbg			
	0030								ARRIVED ON LOCATION <b>KCC</b>
	0045								HOLD PRE-JOB SAFETY MEETING
	100								SPOT EQUIPT. <b>JAN 14 2002</b>
	330								START F.E. <b>CONFIDENTIAL</b>
	730								HOOK UP CIR IRON & CIR W/ RIG
	834						2000		PRESSURE TEST
	842								DROP BOTTOM PLUG
	841	3.0	10.0		450				START CC H2O <b>RECEIVED</b>
	843	3.0	5.0		450				5 BBLs H2O BEHIND <b>KANSAS CORPORATION COMMISSION</b>
	845	3.0	10.0		450				START SUPER FLUSH
	847	3.0	5.0		450				5 BBLs H2O BEHIND <b>JAN 14 2002</b>
	848	6.0	60.0		450				START CEMENT
	859								DROP TOP PLUG
	900								WASH UP <b>CONSERVATION DIVISION</b>
	906	6.0	129.0		150				START DISP
	920	6.0			300				CAUGHT CEMENT
	927	2.0	119.0		500				SLOW RATE
	933	2.0	129.0		1500				LAND PLUG
	830	1.0	6.0						PLUG RAT & MOUSE <b>ORIGINAL</b>
									PORT COLLAR AT 3131 FT. <b>CONFIDENTIAL</b>
									THANKS JASON & CREW.



# Work Order Contract

Order Number 1604208

Halliburton Energy Services, Inc.  
Houston, Texas 77056

70012 SAP

TO: HALLIBURTON ENERGY SERVICES, INC. - YOU ARE HEREBY REQUESTED TO FURNISH EQUIPMENT AND SERVICE PERSONNEL TO DELIVER AND OPERATE THE SAME AS AN INDEPENDENT CONTRACTOR TO CUSTOMER LISTED BELOW AND DELIVER **REPLACED** PRODUCTS, SUPPLIES AND MATERIALS FOR THE PURPOSE OF SERVICING:

Well No. G-2	Farm or Lease FREY	County HASKEL	State KS	Well Permit Number MAR 07 2003
Customer OXY-USA		Well Owner OXY-USA		Job Purpose Cement Production-Casing

**THIS WORK ORDER MUST BE SIGNED BEFORE WORK IS COMMENCED**

**CONFIDENTIAL**

A. CUSTOMER REPRESENTATION - Customer warrants that the well is in proper condition to receive the services, equipment, products, and materials to be supplied by Halliburton Energy Services, Inc. (hereinafter "Halliburton").

B. PRICE AND PAYMENT - The services, equipment, products, and/or materials to be supplied hereunder are priced in accordance with Halliburton's current price list. All prices are exclusive of taxes. If Customer does not have an approved open account with Halliburton, all sums due are payable in cash at the time of performance of services or delivery of equipment, products or materials. If Customer has an approved open account, invoices are payable on the twentieth day after the date of invoice. Customer agrees to pay interest on any unpaid balance from the date payable until paid at the highest lawful contract rate applicable, but never to exceed 18% per annum. In the event Halliburton employs an attorney for collection of any account. Customer agrees to pay attorney fees of 20% of the unpaid account, or Halliburton's actual attorneys fees, whichever is greater, plus all collection and court costs. Customer agrees that the amount of attorney fees set out herein are reasonable and necessary.

C. RELEASE AND INDEMNITY - Customer agrees to **RELEASE** Halliburton Group from any and all liability for any and all damages whatsoever to property of any kind owned by, in the possession of, or leased by Customer and those persons and entities Customer has the ability to bind by contract or which are co-interest owners or joint ventures with Customer. Customer also agrees to **DEFEND, INDEMNIFY, AND HOLD** Halliburton Group **HARMLESS** from and against any and all liability, claims, costs, expenses, attorney fees and damages whatsoever for personal injury, illness, death, property damage and loss resulting from:

loss of well control; services to control a wild well whether underground or above the surface; reservoir or underground damage, including loss of oil, gas, other mineral substances or water; surface damage arising from underground damage; damage to or loss of the well bore; subsurface trespass or any action in the nature thereof; fire; explosion; subsurface pressure; radioactivity; and pollution and contamination and its cleanup and control.

CUSTOMER'S RELEASE, DEFENSE, INDEMNITY AND HOLD HARMLESS obligations will apply even if the liability and claims are caused by the sole, concurrent, active or passive negligence, fault, or strict liability of one or more members of the Halliburton Group, the unseaworthiness of any vessel or any defect in the data, products, supplies, materials or equipment furnished by any member or members of the Halliburton Group whether in the design, manufacture, maintenance or marketing thereof or from a failure to warn of such defect. "Halliburton Group" is defined as Halliburton Energy Services, Inc., its parent, subsidiary, and affiliated companies, insurers and subcontractors and all its their officers, directors, employees, consultants and agents. Customer's **RELEASE, DEFENSE, INDEMNITY AND HOLD HARMLESS** obligations apply whether the personal injury, illness, death, property damage or loss is suffered by one or more members of the Halliburton Group, Customer, or any other person or entity. Customer agrees to support such obligations assumed herein with liability insurance with limits of not less than \$500,000. Customer agrees to name Halliburton Group as named additional insureds on all of its general liability policy(s). Customer agrees that its liability under this Contract is not limited by the amounts of its insurance coverage, except where and as may be required by applicable local law for the provisions of this Contract to be enforceable.

D. EQUIPMENT LIABILITY - Customer shall at its risk and expense attempt to recover any Halliburton Group equipment lost or lodged in the well. If the equipment is recovered and repairable, Customer shall pay the repair costs, unless caused by Halliburton's sole negligence. If the equipment is not recovered or is irreparable, Customer shall pay the replacement cost, unless caused by Halliburton's sole negligence. If a radioactive source becomes lost or lodged in the well, Customer shall meet all requirements of Section 39.15(a) of the Nuclear Regulatory Commission regulations and any other applicable laws or regulations concerning retrieval or abandonment and shall permit Halliburton to monitor the recovery or abandonment efforts all at no risk of liability to Halliburton Group. Customer shall be responsible for damage to or loss of Halliburton group equipment, products, and materials while in transit aboard Customer-supplied transportation, even if such is arranged by Halliburton at Customer's request, and during loading and unloading from such transport. Customer will also pay for the repair or replacement of Halliburton group equipment damaged by corrosion or abrasion due to well effluents.

E. LIMITED WARRANTY - Halliburton warrants only title to the equipment, products, and materials supplied under this Contract and that same are free from defects in workmanship and materials for thirty (30) days from the date of delivery. **THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, OF MERCHANTABILITY, FITNESS OR OTHERWISE BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE.** Halliburton's sole liability and Customer's exclusive remedy in any cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale, lease or use of any equipment, products, or materials is expressly limited to the replacement of such on their return to Halliburton or, at Halliburton's option, to the allowance to Customer of credit for the cost of such items. In no event shall Halliburton be liable for special, incidental, indirect, consequential, or punitive damages. Because of the uncertainty of variable well conditions and the necessity of relying on facts and supporting services furnished by others, **HALLIBURTON IS UNABLE TO GUARANTEE THE EFFECTIVENESS OF THE EQUIPMENT, MATERIALS, OR SERVICE, NOR THE ACCURACY OF ANY CHART INTERPRETATION, RESEARCH ANALYSIS, JOB RECOMMENDATION OR OTHER DATA FURNISHED BY HALLIBURTON GROUP.** Halliburton

personnel will use their best efforts in gathering such information and their best judgment in interpreting it, but Customer agrees that Halliburton Group shall not be liable for and **CUSTOMER SHALL INDEMNIFY HALLIBURTON GROUP AGAINST ANY DAMAGES ARISING FROM THE USE OF SUCH INFORMATION.** even if such is contributed to or caused by the active or passive negligence, fault or strict liability of any member or members of Halliburton Group. Halliburton also does not warrant the accuracy of data transmitted by electronic process, and Halliburton will not be responsible for accidental or intentional interception of such data by third parties.

F. GOVERNING LAW - The validity, interpretation and construction of this Contract shall be determined by the laws of the jurisdiction where the services are performed or the equipment or materials are delivered.

G. DISPUTE RESOLUTION Customer and Halliburton agree that any dispute that may arise out of the performance of this Contract shall be resolved by binding arbitration by a panel of three arbitrators under the rules of the American Arbitration Association. The arbitration will take place in Houston, TX.

H. SEVERABILITY - If any provision or part thereof of this Contract shall be held to be invalid, void, or of no effect for any reason, such holding shall not be deemed to affect the validity of the remaining provisions of this Contract which can be given effect, without the invalid provision or part thereof, and to this end, the provisions of this Contract are declared to be severable. Customer and Halliburton agree that any provision of this Contract that is unenforceable or void under applicable law will be modified to achieve the intent of the parties hereunder to the greatest extent allowed by applicable law.

I. MODIFICATIONS - Customer agrees that Halliburton shall not be bound by any modifications to this Contract, except where such modification is made in writing by a duly authorized executive officer of Halliburton. Requests for modifications should be directed to the Vice President - Legal, 4100 Clinton Drive, Houston, TX. 77020.

I HAVE READ AND UNDERSTAND THIS WORK ORDER CONTRACT WHICH CONTAINS RELEASE AND INDEMNITY LANGUAGE WHICH CUSTOMER ACKNOWLEDGES IS CONSPICUOUS AND AFFORDS FAIR AND ADEQUATE NOTICE AND I REPRESENT THAT I AM AUTHORIZED TO SIGN THE SAME AS CUSTOMER'S AGENT.

SIGNED: [Signature]  
CUSTOMER Authorized Signatory

DATE: 10-28-01

TIME: 0030

### Customer Acceptance of Materials and Services

THE CUSTOMER HEREBY ACKNOWLEDGES RECEIPT OF THE MATERIALS AND SERVICES DESCRIBED ON THE ATTACHED ORDER NUMBER 1604208

[Signature]  
CUSTOMER Authorized Signatory

**RECEIVED**  
KANSAS CORPORATION COMM...  
JAN 14 2002  
CONSERVATION DIVISION

**CONFIDENTIAL**

**ORIGINAL**