

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

API NO. 15- 185-23111-0000

County STAFFORD

- SW - SW - NE Sec. 24 Twp. 21 Rge. 12 ^EX W

Operator: License # 6039

Name: L. D. DRILLING, INC.

Address R.R. 1 BOX 183 B

City/State/Zip GREAT BEND, KANSAS 67530

Purchaser: na

Operator Contact Person: L. D. Davis

Phone (316) 793-3051

Contractor: Name: company tools

License: 6039

Wellsite Geologist: Todd Morgenstern

Designate Type of Completion
 New Well Re-Entry Workover

Oil SMD SLOW Leap. Abdr.
 Gas ENHR SIGW
 Dry Other (Core, WSW, Expl., Methodic, etc)

If Workover/Reentry: Old Well Info as follows:

Operator: _____

Well Name: _____

Comp. Date _____ Old Total Depth _____

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

11-11-2000 11-18-00
Spud Date Date Reached TD Completion Date

2310 Feet from ^N(circle one) Line of Section

2310 Feet from ^E(circle one) Line of Section

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

Lease Name WELSON Well # A #1

Field Name Widener

Producing Formation na

Elevation: Ground 1813' KB 1818'

Total Depth 3617 PBTB

Amount of Surface Pipe Set and Cemented at 339' 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 D&A 98 01-11-01
Data must be collected from the Reserve Pit)

Fluoride content _____ ppm Fluid volume _____ bbls

Dewatering method used _____

Location of fluid disposal if hauled offsite:

Operator Name _____

Lease Name _____ License No. _____

Quarter Sec. Twp. S Rng. E/W

County _____ Docket No. _____

CONFIDENTIAL

KCC

DEC 27 2000

CONFIDENTIAL

RELEASED

DEC 27 2000

FROM CONFIDENTIAL

RECEIVED
KANSAS CORPORATION COMMISSION
DEC 29 2000

CONSERVATION DIVISION
WICHITA, KANSAS

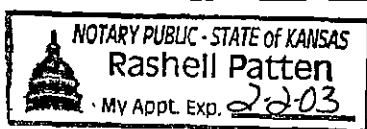
INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 130 S. Market - Room 2078, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information on side 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 Bessie DeWerff
Title Sec/Treas Date 12-27-00

Subscribed and sworn to before me this 27th day of December, 2000

Notary Public Rashell Patten
Date Commission Expires 2-02-03



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

SIDE TWO

Operator Name L. D. DRILLING, INC.

Lease Name WILSON

Well # A #1

Sec. 24 Twp. 21 Rge. 12

East
 West

County STAFFORD

CONFIDENTIAL

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:

Log Formation (Top), Depth and Datums Sample
Name Top Datum

See attachment

CASING RECORD

New 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" | 24# | 339' | 60/40 poz | 240 | 2% Gel, 3% cc |
| | | | | | | | |
| | | | | | | | |

ADDITIONAL CEMENTING/SQUEEZE RECORD

| Purpose: | Depth Top Bottom | Type of Cement | #Sacks Used | Type and Percent Additives |
|---|------------------|----------------|-------------|----------------------------|
| <input type="checkbox"/> Perforate | | | | |
| <input type="checkbox"/> Protect Casing | | | | |
| <input type="checkbox"/> Plug Back TD | | | | |
| <input type="checkbox"/> Plug Off Zone | | | | |

| Shots Per Foot | PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated | Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used) | Depth |
|----------------|--|--|-------|
| | | | |
| | | | |
| | | | |
| | | | |

| TUBING RECORD | Size | Set At | Packer At | Liner Run <input type="checkbox"/> Yes <input type="checkbox"/> No |
|---|---|--------------------|------------------------|--|
| Date of First, Resumed Production, SMD or Inj. <u>D&A</u> | Producing Method <input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) | | | |
| Estimated Production Per 24 Hours | Oil <u>N/A</u> Bbls. | Gas <u>N/A</u> Mcf | Water <u>N/A</u> Bbls. | Gas-Oil Ratio Gravity |

Disposition of Gas:

METHOD OF COMPLETION

Production Interval

Vented Sold Used on Lease
(If vented, submit ACO-18.)

Open Hole Perf. Dually Comp. Coningled
 Other (Specify) _____

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ORIGINAL

DAILY DRILLING REPORT

OPERATOR: L. D. DRILLING, INC.

LEASE: WILSON "A" #1
SW SW NE
SEC. 24-21-12 Staff. Co

WELLSITE GEOLOGIST: TODD MORGENSTERN

KCC
DEC 27 2000
CONFIDENTIAL

ELEVATION: 1813 GR 1818 KB

CONTRACTOR: COMPANY TOOLS

PTD:

SPUD: November 11, 2000 8:30.P.M.

SURFACE: 8 5/8" New 24# set @ 339' W/240 sx. 60/40 Pozmix, 2% Gel, 3% cc
Plug down 2:45 A.M. 11-11-00 Did Circulate. Allied Cementing

11-10-00 Move in rig up, wait on mud, spud
 11-11-00 343' W.O.C.
 11-12-00 1680' Drilling
 11-13-00 2640' WAIT ON FUEL Displace @ 2590'
 11-14-00 3283' Short trip for DST #1
 Will be on bottom at 11:30 A.M.
 11-15-00 3385' DST #2 on bottom
 11-16-00 3565' DST #4 in progress
 11-17-00 3578' circ after DST#5- will drill
 ahead and test again.
 11-18-00 3601' Finish trip in hole w/bit after
 DST#7
 11-18-00 RTD 3617 PLUG AND ABANDON
 40 sx. @ 3555'
 50 sx. @ 624'
 50 sx. @ 360'
 10 sx. @ 40'
 15 sx. in rathole
 165 sx. 60/40 Pozmix, 6% Gel
 Plug down @ 2:15 A.M. 11-19-00

Comment: Structure was high but nothing in the zones.

RELEASED

DEC 27 2001

SAMPLE TOPS:

Topeka 2783 (-965)
 Heebner 3074 (-1256)
 Toronto 3096 (-1278)
 Douglas 3108 (-1290)
 Brn. Lime 3201 (-1383)
 Lansing 3216 (-1398)
 Base K/V 3454 (-1636)
 Cong. 3484 (-1666)
 Simpson 3508 (-1690)
 Arbuckle 3555 (-1737)

FROM CONFIDENTIAL

+10' to OWWD, +2' to west producer

DST #1 3229-3283 Lansing ABC Zone
 TIMES: 30-30-30-30
 BLOW: 1st Open weak blow
 2nd open weak blow
 RECOVERY: 20' DM W/few oil specks
 in tool
 IFP: 33-182 FFP: 148- ISIP: FSIP:
 201 394 332

DST #2 3342-3385 H & I Zone
 TIMES: 30-30-30-30
 BLOW: 1st open weak blow
 2nd open weak blow
 RECOVERY: 25' DM W/few oil specks in
 tool and good gassy odor
 IFP: 9-71 FFP: 100 ISIP: 350 FSIP:
 164 506

DST #3 3450-3492 Conglomerate
 TIMES: 30-30-10-00
 BLOW: 1st open
 2nd open
 RECOVERY: 15' DM W/ gassy odor

IFP: 12-13 FFP: 14-14 ISIP: FSIP:
 28 0

DST #4 3452-3565 Arbuckle
 TIMES: 45-45-45-45
 Blow: 1st open: weak blt to 3"
 2nd open: weak blt to 1 1/2"
 RECOVERY: 30' SOSDM, 25' O&GCM
 IFP: 18-1011(plugged) ISIP: 1070
 FFP: 59-647(plugged) FSIP: 869

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PAGE 2 WILSON "A" #1 SW SW NE SEC. 24-21-12 Stafford County

ORIGINAL

DST #5 3562-3578 Arbuckle

TIMES: 45-45-45-45

BLOW: 1st open: 2" blow blt to bb in 6 min.

2nd open: weak blo blt to 10 3/4"

RECOVERY: 373' gip, 30' cl, 104' gmco, 20' gocm

IFP: 33-49 ISIP: 215 FFP: 54-65 FSIP: 145

KCC

DEC 27 2000

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DST #6 3580-3590 Arbuckle

TIMES: 45-45-45-45

BLOW: 1st open weak blow blt to 6"

2bd open weak blow blt to 3 1/2"

RECOVERY: 60' gip, 40' o&gcw

IFP: 8-14 ISIP: 74

FFP: 15-22 FSIP: 61

RELEASED

DEC 27 2001

FROM CONFIDENTIAL

DST #7 3591-3601 Arbuckle

TIMES: 45-45-45-45

BLOW: 1st open weak increased to 2"

2nd open weak increased to 1"

RECOVERY: 30' gip, 34' ocwm (filtrate)

IFP: 9-13 ISIP: 884

FFP: 18-19 FSIP: 800

DST #8 3603-3616 Arbuckle

TIMES: 30-30-30-30

BLOW: 1st open weak increasing to 3 1/4"

2nd open weak blt to 1 1/2"

RECOVERY: 34' mw

IFP: 8-15 ISIP: 1065

FFP: 16-24 FSIP: 992

ALLIED CEMENTING CO., INC.

5803

CONFIDENTIAL

Federal Tax I.D.# 48-0727860

ORIGINAL

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

SERVICE POINT:

At Bond

| | | | | | | | |
|--|----------------|----------------|-----------------------|--------------------------------------|----------------------------|-------------------------|--------------------------|
| DATE <i>11-10-00</i> | SEC. <i>24</i> | TWP. <i>21</i> | RANGE <i>12</i> | CALLED OUT <i>10:00pm</i> | ON LOCATION <i>12:00am</i> | JOB START <i>2:00am</i> | JOB FINISH <i>2:45am</i> |
| LEASE <i>Wilson</i> | | | WELL # <i>5 Staff</i> | LOCATION <i>Ellenwood 5 to C. 4.</i> | | COUNTY <i>Stafford</i> | STATE <i>KS</i> |
| OLD OR NEW (Circle one) <input checked="" type="radio"/> | | | 45 3/4 E 1/2 N 1/4 W. | | | | |

| | |
|-------------------------------|---------------------------|
| CONTRACTOR <i>L.D. Dalg</i> | OWNER <i>KCC</i> |
| TYPE OF JOB <i>Surface</i> | CEMENT <i>DEC 27 2000</i> |
| HOLE SIZE <i>12 1/4</i> | T.D. <i>343</i> |
| CASING SIZE <i>8 7/8</i> | DEPTH <i>342</i> |
| TUBING SIZE | DEPTH |
| DRILL PIPE | DEPTH |
| TOOL | DEPTH |
| PRES. MAX | MINIMUM |
| MEAS. LINE | SHOE JOINT |
| CEMENT LEFT IN CSG. <i>15</i> | |
| PERFS. | |
| DISPLACEMENT | |

EQUIPMENT

| | | |
|-------------------------|--------------------------------|--------------------|
| PUMP TRUCK # <i>120</i> | CEMENTER <i>D. W. S. G. H.</i> | HELPER <i>D.O.</i> |
| BULK TRUCK # <i>341</i> | DRIVER <i>Lannie</i> | |
| BULK TRUCK # | DRIVER | |

REMARKS:

*circ 8 7/8 cas w/ pump mix
240 6/40 3/cc 2% set, Deep Plug
w/ 20% BBL, Plug Down 4' Am
cemented circ

Thanks*

SERVICE

| | |
|-------------------------|---|
| DEPTH OF JOB <i>342</i> | |
| PUMP TRUCK CHARGE | |
| EXTRA FOOTAGE | @ |
| MILEAGE | @ |
| PLUG <i>2-Cup wood</i> | @ |
| | @ |
| | @ |

TOTAL

CHARGE TO: *L.D. Dalg Inc.*
STREET _____
CITY _____ STATE _____ ZIP _____

FLOAT EQUIPMENT

| | |
|--|---|
| | @ |
| | @ |
| | @ |
| | @ |
| | @ |

TOTAL

To Allied Cementing Co., Inc.
You are hereby requested to rent cementing equipment and furnish cementer and helper to assist owner or contractor to do work as is listed. The above work was done to satisfaction and supervision of owner agent or contractor. I have read & understand the "TERMS AND CONDITIONS" listed on the reverse side.

| | |
|--------------|--------------------|
| TAX | |
| TOTAL CHARGE | |
| DISCOUNT | IF PAID IN 30 DAYS |

SIGNATURE *Michael Rost*

PRINTED NAME

GENERAL TERMS AND CONDITIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

2. More specifically:

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

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

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

ALLIED CEMENTING CO., INC.

CONFIDENTIAL

Federal Tax I.D.# 48-0727860

KCC

ORIGINAL

5769

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

DEC 27 2000 SERVICE POINT:

At Bend

CONFIDENTIAL

| | | | | | | | |
|-------------------------|----------------|-------------------|-----------------|--|-----------------------------|---------------------------|---------------------------|
| DATE <u>11-18-00</u> | SEC. <u>24</u> | TWP. <u>21</u> | RANGE <u>12</u> | CALLED OUT <u>7:00 PM</u> | ON LOCATION <u>10:00 PM</u> | JOB START <u>10:30 PM</u> | JOB FINISH <u>2:15 AM</u> |
| LEASE <u>Wilson</u> | | WELL # <u>1-A</u> | | LOCATION <u>Ellinwood St to Co. H.U.</u> | | COUNTY <u>Stafford</u> | STATE <u>Ks</u> |
| OLD OR NEW (Circle one) | | | | <u>HS, 3/4 E, N/into</u> | | | |

CONTRACTOR L.D. Daly

TYPE OF JOB Antony Plug

HOLE SIZE 7 7/8" T.D. 3616'

CASING SIZE _____ DEPTH _____

TUBING SIZE _____ DEPTH _____

DRILL PIPE 4 1/2" DEPTH 3555'

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. _____

PERFS. _____

DISPLACEMENT _____

OWNER Same

CEMENT AMOUNT ORDERED 165 lbs 60/40 690 Mel.

COMMON _____ @ _____

POZMIX _____ @ _____

GEL RELEASED @ _____

CHLORIDE _____ @ _____

DEC 27 2001 @ _____

_____ @ _____

FROM CONFIDENTIAL @ _____

_____ @ _____

HANDLING _____ @ _____

MILEAGE _____ @ _____

TOTAL _____

EQUIPMENT

PUMP TRUCK CEMENTER Tom D

_____ HELPER Bob B

BULK TRUCK DRIVER Steve T

69

BULK TRUCK DRIVER _____

REMARKS:

Mixed - 40 lbs @ 3555'

50 lbs @ 624'

50 lbs @ 360'

10 lbs @ 40'

15 lbs in Rathole

[Signature]

SERVICE

DEPTH OF JOB 3555'

PUMP TRUCK CHARGE _____

EXTRA FOOTAGE _____ @ _____

MILEAGE _____ @ _____

PLUG 1-8 5/8 Dryhole @ _____

_____ @ _____

_____ @ _____

TOTAL _____

CHARGE TO: L.D. Daly, Inc.

STREET RR1 Box 183-B

CITY At Bend STATE Ks ZIP 67530

FLOAT EQUIPMENT

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

_____ @ _____

TOTAL _____

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TAX _____

TOTAL CHARGE _____

DISCOUNT _____ IF PAID IN 30 DAYS

SIGNATURE X Michael Pedigo

X Michael Pedigo
PRINTED NAME

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

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

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

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

2. More specifically:

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

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

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