

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
**WELL COMPLETION FORM**  
WELL HISTORY - DESCRIPTION OF WELL & LEASE

7-25-02  
**RECEIVED**  
JUL 25 2002  
KCC WICHITA  
**ORIGINAL**

Form ACO-1  
September 1999  
Form Must Be Typed

Operator: License # 6039  
Name: L. D. Drilling, Inc.  
Address: Route 1, Box 183 B  
City/State/Zip: Great Bend, Kansas 67530  
Purchaser: Eaglwing  
Operator Contact Person: L. D. Davis  
Phone: (620) 793-3051  
Contractor: Name: Company Tools  
License: 6039  
Wellsite Geologist: Kim Shoemaker  
Designate Type of Completion:  
 New Well     Re-Entry     Workover  
 Oil     SWD     SLOW     Temp. Abd.  
 Gas     ENHR     SIGW  
 Dry     Other (Core, WSW, Expl., Cathodic, etc)  
If Workover/Re-entry: Old Well Info as follows:  
Operator: \_\_\_\_\_  
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. \_\_\_\_\_

|                                   |                 |   |
|-----------------------------------|-----------------|---|
| <u>2-19-02</u>                    | <u>2-27-02</u>  | <u>3-06-02</u>                          |
| Spud Date or<br>Recompletion Date | Date Reached TD | Completion Date or<br>Recompletion Date |

API No. 15 - 009-24731-0000  
County: Barton  
C E/2 NE/4 Sec. 19 Twp. 20 S. R. 11  East  West  
1320 feet from S (N) (circle one) Line of Section  
760 feet from (E) / W (circle one) Line of Section  
Footages Calculated from Nearest Outside Section Corner:  
(circle one) (NE) SE NW SW  
Lease Name: SPECE Well #: 1  
Field Name: Chase/Silica  
Producing Formation: Arbuckle  
Elevation: Ground: 1786' Kelly Bushing: 1791'  
Total Depth: 3347' Plug Back Total Depth: \_\_\_\_\_  
Amount of Surface Pipe Set and Cemented at 306 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** *See 10-11-02*  
(Data must be collected from the Reserve Pit)  
Chloride 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. 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 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information of side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

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: L. D. Davis  
L. D. Davis  
Title: President Date: 7-24-02

Subscribed and sworn to before me this 24th day of July

~~15x~~ 2002  
Notary Public: Bessie M. DeWerff  
BESSIE M. DeWERFF  
Date Commission Expires: 20-05  
NOTARY PUBLIC - State of Kansas  
My Appt. Exp. 5-20-05

**KCC Office Use ONLY**

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

Side Two

Operator Name: L. D. Drilling, Inc. Lease Name: SPECE Well #: 1  
 Sec. 19 Twp. 20 S. R. 11 East  West County: Barton

**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  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:  
Gamma-Ray Neutron

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

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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#               | 306'          | 60/40 Poz      |              |                            |
| Casing  | 7 7/8"            | 4 1/2"                    |                   | 3339          |                | 100          | EA2                        |

| 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  |  | Acid, Fracture, Shot, Cement Squeeze Record |  | Depth   |
|----------------|---|--|---|--|---------|
|                | Specify Footage of Each Interval Perforated |  | (Amount and Kind of Material Used)          |  |         |
| 2 spf          | 3331-3339                                   |  | 2250 15% FENE                               |  | 3331-39 |
|                |   |  |   |  |         |
|                |   |  |   |  |         |
|                |   |  |   |  |         |

| TUBING RECORD | Size   | Set At | Packer At | Liner Run                                  |
|---------------|--------|--------|-----------|--|
|               | 2 7/8" | 3345'  |           | Yes <input checked="" type="checkbox"/> No |

| Date of First, Resumed Production, SWD or Enhr. | Producing Method |                |             |                 |         |  |
|---|------------------|----------------|-------------|-----------------|---------|--|
| March 6, 2002                                   | Flowing          | <u>Pumping</u> | Gas Lift    | Other (Explain) |         |  |
| Estimated Production Per 24 Hours               | Oil Bbbs.        | Gas Mcf        | Water Bbbs. | Gas-Oil Ratio   | Gravity |  |
|   | 2                | 0              | trace       |                 | 38°     |  |

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

METHOD OF COMPLETION:  Open Hole  Perf.  Other (Specify)

Production Interval:  Dually Comp.  Commingled

15.009.24731.0000

ATTACHED TO AND MADE A PART OF ACO-1 SPECE #1, 100' West C-E/2-NE Sec. 19-20-11 Barton County

DAILY DRILLING REPORT

OPERATOR: L. D. DRILLING, INC.

WELLSITE GEOLOGIST: KIM SHOEMAKER

CONTRACTOR: L. D. DRILLING, INC.

SPUD: 4:45 PM. Feb. 19, 2002

LEASE: ORIGINAL  
SPECE #1  
100' W of C-E/2 Ne/4  
Sec. 19-20-11 Bt.  
ELEVATION: 1786' GR 1791' KB  
PTD: 3350'

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SURFACE: Set 306' 8 5/8" 24# Surface Csg. W/225 sx. 60/40 pozmix, 2% Gel, 3% cc  
Did circulate. Allied Cementing Plug Down 10:30 PM 2-19-02

2-19-02 Move in rig up, run surface cst.  
2-20-02 319' Drilling  
2-21-02 1530' DST #1 on bottom  
2-22-02 2225' Drilling  
2-23-02 2955' Drilling  
2-24-02 3220' DST #4  
2-25-02 3326' Go in hole after DST #5  
2-26-02 3342' DST #7  
2-27-02 3347' Ran 79 jts new 4 1/2" csg  
3,349.35' tally  
Set @ 3,339' - 8' off Bottom  
Cement 100 sx EA-2, by Swift Cement  
Plug Down 7:30 A.M. 2-27-02

DST #1 1499-1530 Chase  
TIMES: 30-30-30-30  
BLOW: 1st Open weak blow died in 5 min.  
2nd open weak blow died in 3 min.  
RECOVERY: 10' Drilling Mud

IFP: 14-16 FFP: 11-15 ISIP: FSIP:  
32 25

DST #2 1510-1550 Winfield  
TIMES: 30-30  
BLOW: 1st open 1/2" dec. to surface  
2nd open blow  
RECOVERY: 30' Muddy water

IFP: 13-36 FFP: ISIP: FSIP:  
102 Temp 77°

DST #3 3076-3146 K/C A-E zone  
TIMES: 30-45-45-60  
BLOW: 1st open bb in 21 min  
2nd open bb in 24 min.

RECOVERY: 180' gip, 20' mud W/free  
oil on tool

IFP: 12-15 FFP: 13-17 ISIP: FSIP:  
Temp: 97° 158 140

DST #4 3204-3270 Lans. H-J Zone  
Times: 30-30-30-30

BLOW: 1st open blt to 1"  
2nd open 1/4" thru-out  
RECOVERY: 20' mud w/few oil spks on  
tool

IFP: 9-14 FFP: 12-14 ISIP: 29 FSIP: 29  
TEMP: 95°

SAMPLE TOPS:

Anhy. 533-554 (+1258)  
Chase 1495 (+ 296)  
Winfield 1543 (+ 248)  
Heebner 2944 (-1153)  
Brown Lime 3071 (-1280)  
Lansing 3087 (-1296)  
Base K/C 3310 (-1519)  
Arbuckle 3316 (-1525)  
RTD 3347 (-1556)

*Handwritten initials*

DST #5 3300-3326 Arbuckle  
 TIMES: 30-45-30-30  
 BLOW: 1st open 1" blow  
       2nd open no blow  
 RECOVERY: 2' Drilling mud  
 IFP: 8-8 FFP: 9-8 ISIP: 21 FSIP: 13  
 Temp: 95°

DST #6 3309-3337 Arbuckle (coming out @ 11:30 AM)  
 Times: 30-45-45-60  
 Blow: 1st open: BOB 10 Min  
       2nd open: BOB 12 Min  
 RECOVERY: 385' gip, 45' co, 36' 10% gas, 40% oil, 50% mud  
           31' Heavy 22% gasy, 23% oily, 55% cut mud  
 IFP: 20-39 FFP: 43-55 ISIP: 373 FSIP: 281  
 TEMP: 96°

DST #7 3306-3342 Arbuckle  
 TIMES: 30-45-45-60  
 BLOW: 1st open 11 min BOB  
       2nd open 14 min BOB  
 RECOVERY: 82' clean oil  
           82' Heavy oil, cut mud  
           32' gip, 11% gas, 5% water, 40% oil, 44% mud  
           332' gip  
           IFP: 19-47 FFP: 53-73 ISIP: 666 FSIP: 520  
 TEMP: 93°

DST #8 3335 - 3347' Arbuckle  
 TIMES: 30-45-45-60  
 BLOW: 1st open BOB 8 min  
       2nd open BOB 8 min  
 RECOVERY: 404 gip, 82' clean oil, 41 gravity  
           41' hocm, 31' hogcm  
           42% oil, 6% water, 10% gas, 36% oil  
 IFP: 23-49 FFP: 51-67 ISIP: 544 FSIP: 478  
 TEMP: 95°

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KCC WICHITA



15.009.24731.0600

ADDRESS *L.D. Orig*  
 CITY, STATE, ZIP CODE *Great Bend KS*

No 4297

PAGE 1 OF 2

|  |  |                                     |                                   |                           |                                     |                        |                      |
|--|--|-------------------------------------|-----------------------------------|---------------------------|-------------------------------------|------------------------|----------------------|
| 1. SERVICE LOCATIONS<br><i>Ness City</i> | WELL/PROJECT NO.<br><i>1</i>   | LEASE<br><i>Speece</i>              | COUNTY/PARISH<br><i>Barton</i>    | STATE<br><i>KS</i>        | CITY                                | DATE<br><i>2-27-02</i> | OWNER<br><i>Same</i> |
| 2. <b>ORIG</b>                           | TICKET TYPE<br><input checked="" type="checkbox"/> SERVICE<br><input type="checkbox"/> SALES | CONTRACTOR                          | RIG NAME/NO.<br><i>L.D.</i>       | SHIPPED VIA<br><i>105</i> | DELIVERED TO<br><i>S. Ellinwood</i> | ORDER NO.              |                      |
| 3. <b>ORIG</b>                           | WELL TYPE<br><i>oil</i>  | WELL CATEGORY<br><i>Development</i> | JOB PURPOSE<br><i>Long string</i> | WELL PERMIT NO.           | WELL LOCATION                       |                        |                      |
| 4. REFERRAL LOCATION                     | INVOICE INSTRUCTIONS   |                                     |                                   |                           |                                     |                        |                      |

| PRICE REFERENCE | SECONDARY REFERENCE/<br>PART NUMBER | ACCOUNTING |      |    | DESCRIPTION                            | QTY.       |            | U/M             |  | UNIT PRICE   | AMOUNT         |
|-----------------|-------------------------------------|------------|------|----|--|------------|------------|-----------------|--|--------------|----------------|
|                 |                                     | LOC        | ACCT | DF |  |            |            |                 |  |              |                |
| <i>575</i>      |                                     | <i>1</i>   |      |    | <i>MILEAGE 105</i>                     | <i>70</i>  | <i>mi</i>  |                 |  | <i>2.50</i>  | <i>175.00</i>  |
| <i>578</i>      |                                     |            |      |    | <i>Pump charge</i>                     | <i>1</i>   | <i>EA</i>  |                 |  |              | <i>1200.00</i> |
| <i>281</i>      |                                     |            |      |    | <i>Mud flush</i>                       | <i>500</i> | <i>gal</i> |                 |  | <i>50</i>    | <i>250.00</i>  |
| <i>400</i>      |                                     |            |      |    | <i>Guide shoe</i>                      | <i>1</i>   | <i>EA</i>  | <i>4 1/2 IN</i> |  |              | <i>65.00</i>   |
| <i>401</i>      |                                     |            |      |    | <i>insert float valve w/ auto fill</i> | <i>1</i>   | <i>EA</i>  |                 |  |              | <i>95.00</i>   |
| <i>402</i>      |                                     |            |      |    | <i>Centralizer</i>                     | <i>3</i>   | <i>EA</i>  |                 |  | <i>30.00</i> | <i>90.00</i>   |
| <i>410</i>      |                                     |            |      |    | <i>Top Plug</i>                        | <i>1</i>   | <i>EA</i>  |                 |  | <i>35.00</i> | <i>35.00</i>   |
|                 | <i>RECEIVED</i>                     |            |      |    |  |            |            |                 |  |              |                |
|                 | <i>JUL 25 2002</i>                  |            |      |    |  |            |            |                 |  |              |                |
|                 | <i>KCC WICHITA</i>                  |            |      |    |  |            |            |                 |  |              |                |
|                 |                                     |            |      |    | <i>from Continuations</i>              |            |            |                 |  |              | <i>1479.38</i> |

LEGAL TERMS: Customer hereby acknowledges and agrees to the terms and conditions on the reverse side hereof which include, but are not limited to, PAYMENT, RELEASE, INDEMNITY, and LIMITED WARRANTY provisions.

MUST BE SIGNED BY CUSTOMER OR CUSTOMER'S AGENT PRIOR TO START OF WORK OR DELIVERY OF GOODS

X *L.D. Davis*  
 DATE SIGNED *2-27-02* TIME SIGNED *0400*  
 A.M.  P.M.

REMIT PAYMENT TO:  
 SWIFT SERVICES, INC.  
 P.O. BOX 466  
 NESS CITY, KS 67560  
 785-798-2300

| SURVEY  | AGREE | UN-DECIDED | DIS-AGREE | PAGE TOTAL           |
|---|-------|------------|-----------|----------------------|
| OUR EQUIPMENT PERFORMED WITHOUT BREAKDOWN?  |       |            |           | <i>3389.38</i>       |
| WE UNDERSTOOD AND MET YOUR NEEDS?   |       |            |           |                      |
| OUR SERVICE WAS PERFORMED WITHOUT DELAY?  |       |            |           |                      |
| WE OPERATED THE EQUIPMENT AND PERFORMED JOB CALCULATIONS SATISFACTORILY?                        |       |            |           | TAX <i>80.30</i>     |
| ARE YOU SATISFIED WITH OUR SERVICE?<br><input type="checkbox"/> YES <input type="checkbox"/> NO |       |            |           | TOTAL <i>3469.68</i> |
| <input type="checkbox"/> CUSTOMER DID NOT WISH TO RESPOND                                       |       |            |           |                      |

CUSTOMER ACCEPTANCE OF MATERIALS AND SERVICES The customer hereby acknowledges receipt of the materials and services listed on this ticket.

SWIFT OPERATOR *Tommy*

APPROVAL *Thank You!*



PO Box 466  
Ness City, KS 67560  
Off: 785-798-2300

TICKET CONTINUATION

15.009.24731.0000

TICKET No. 4297

CUSTOMER L.D. Drly WELL Spece #1 DATE 2-27-02 PAGE 2 OF 2

| PRICE REFERENCE | SECONDARY REFERENCE/<br>PART NUMBER | ACCOUNTING |       |    | TIME | DESCRIPTION    | QTY.  |     | QTY. |     | UNIT PRICE | AMOUNT |
|-----------------|-------------------------------------|------------|-------|----|------|----------------|-------|-----|------|-----|------------|--------|
|                 |                                     | LOC        | ACCT. | DF |      |                | QTY.  | U/M | QTY. | U/M |            |        |
| 1325            |                                     |            |       |    |      | 570 Cement     | 100   | SFS |      |     | 6.75       | 675.00 |
| 284             |                                     |            |       |    |      | Calseal        | 5     | SFS |      |     | 25.00      | 125.00 |
| 283             |                                     |            |       |    |      | Salt           | 500   | LBS |      |     | 15         | 75.00  |
| 285             |                                     |            |       |    |      | CFR-2          | 50    | LBS |      |     | 2.75       | 137.50 |
| 290             |                                     |            |       |    |      | D-AIR          | 25    | LBS |      |     | 2.75       | 68.75  |
| 276             |                                     |            |       |    |      | Flocele        | 25    | LBS |      |     | .90        | 22.50  |
| 581             |                                     |            |       |    |      | SERVICE CHARGE |       |     |      |     | 1.00       | 100.00 |
| 583             |                                     |            |       |    |      | MILEAGE CHARGE |       |     |      |     | .75        | 275.63 |
|                 |                                     |            |       |    |      | TOTAL WEIGHT   |       |     |      |     |            |        |
|                 |                                     |            |       |    |      | LOADED MILES   |       |     |      |     |            |        |
|                 |                                     |            |       |    |      | CUBIC FEET     | 100   |     |      |     |            |        |
|                 |                                     |            |       |    |      | TON MILES      | 367.5 |     |      |     |            |        |

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CONTINUATION TOTAL 1479.38

JOB LOG

SWIFT Services, Inc. ORIGINAL

|                       |               |                |                 |                    |
|-----------------------|---------------|----------------|-----------------|--------------------|
| CUSTOMER<br>L.D. Orlg | WELL NO.<br>1 | LEASE<br>Spece | JOB TYPE<br>L/S | TICKET NO.<br>4297 |
|-----------------------|---------------|----------------|-----------------|--------------------|

| CHART NO. | TIME | RATE (BPM) | VOLUME (BBL) (GAL) | PUMPS |   | PRESSURE (PSI) |        | DESCRIPTION OF OPERATION AND MATERIALS  |
|-----------|------|------------|--------------------|-------|---|----------------|--------|---|
|           |      |            |                    | T     | C | TUBING         | CASING |   |
|           | 0320 |            |                    |       |   |                |        | on loc Rig Laying Down P.P.   |
|           | 0450 |            |                    |       |   |                |        | ST 4 1/2 CSG<br>Run Guide shoe insert float w/ auto F.I.<br>Cent on Collars 1, 2, 4<br>Ceg on bottom Total CSG 3349 S.F.<br>Tag Bottom + P.U. 10' To CMT<br>Circ w/ Rig |
|           |      | 4          | 12 BBL             |       |   |                |        | ST 500 gel mud flush<br>100 SKS EA-2 w/ 1/2% CFR-2, 1/4% D-1<br>1/4 #/SK Floable  |
|           |      |            | 24 BBL             |       |   |                |        | finish CMT wash out P+L   |
|           |      | 7          |                    |       |   |                | 0      | Release Plug + ST Disp  |
|           |      | 3          | 53 BBL             |       |   |                | 1000   | Plug Down<br>Release float Held   |
|           | 0800 |            |                    |       |   |                |        | Job Complete  |

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KCC WICHITA

# ALLIED CEMENTING CO., INC.

15.009.24731.0000

8085

Federal Tax I.D.# 48-0727860

ORIGINAL

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

SERVICE POINT:

*Great Bend*

|                           |                |                 |                 |   |                            |                           |                            |
|---------------------------|----------------|-----------------|-----------------|---|----------------------------|---------------------------|----------------------------|
| DATE <u>2-19-02</u>       | SEC. <u>19</u> | TWP. <u>20</u>  | RANGE <u>11</u> | CALLED OUT <u>8:00 PM</u>   | ON LOCATION <u>8:35 PM</u> | JOB START <u>10:00 AM</u> | JOB FINISH <u>12:30 PM</u> |
| LEASE <u>Space</u>        |                | WELL # <u>1</u> |                 | LOCATION <u>2 1/2 miles south to Baptist church 1/4 N road into</u> |                            | COUNTY <u>Renton</u>      | STATE <u>Kansas</u>        |
| OLD OR (NEW) (Circle one) |                |                 |                 |   |                            |                           |                            |

|                                 |                   |
|---------------------------------|-------------------|
| CONTRACTOR <u>L.D. Drilling</u> | OWNER <u>L.D.</u> |
| TYPE OF JOB <u>Surface</u>      |                   |
| HOLE SIZE <u>12 1/8</u>         | T.D. <u>311'</u>  |
| CASING SIZE <u>8 5/8</u>        | DEPTH <u>295'</u> |
| TUBING SIZE                     | DEPTH             |
| DRILL PIPE                      | DEPTH             |
| TOOL                            | DEPTH             |
| PRES. MAX                       | MINIMUM           |
| MEAS. LINE                      | SHOE JOINT        |
| CEMENT LEFT IN CSG. <u>.15'</u> |                   |
| PERFS.                          |                   |
| DISPLACEMENT <u>18.8 RBLS</u>   |                   |

  

|                         |                                |
|-------------------------|--------------------------------|
| <b>EQUIPMENT</b>        |                                |
| <u>L.D.</u>             |                                |
| PUMP TRUCK # <u>181</u> | CEMENTER <u>L.D. Drilling</u>  |
|                         | HELPER <u>Tim Dickson</u>      |
| BULK TRUCK # <u>341</u> | DRIVER <u>Looney Moldabear</u> |
| BULK TRUCK #            | DRIVER                         |

  

|                                  |                     |
|----------------------------------|---------------------|
| CEMENT                           |                     |
| AMOUNT ORDERED <u>225 cu yds</u> | <u>3% CC 2% GEL</u> |
| COMMON _____                     | @ _____             |
| POZMIX _____                     | @ _____             |
| GEL _____                        | @ _____             |
| CHLORIDE _____                   | @ _____             |
|                                  | @ _____             |
|                                  | @ _____             |
|                                  | @ _____             |
|                                  | @ _____             |
|                                  | @ _____             |
| HANDLING _____                   | @ _____             |
| MILEAGE _____                    | @ _____             |
|                                  | TOTAL _____         |

**REMARKS:**

**SERVICE**

Ran 7 1/2 hrs more 24" 8 5/8 casing to bottom - Tully @ 295' set @ 311'  
41 min circulate with mud pump  
Complet with 225 cu yds 60/100 3% CC 2% GEL  
8 hrs down change on lower area, release 2 1/2 7 WP & displace with 18.8 RBLS  
break h<sup>20</sup>. Cement did circulate ✓

|                           |             |
|---------------------------|-------------|
| DEPTH OF JOB <u>311'</u>  |             |
| PUMP TRUCK CHARGE _____   |             |
| EXTRA FOOTAGE _____       | @ _____     |
| MILEAGE _____             | @ _____     |
| PLUG <u>1- 8 5/8 7 WP</u> | @ _____     |
|                           | @ _____     |
|                           | @ _____     |
|                           | TOTAL _____ |

CHARGE TO: L.D. Drilling - Inc.  
 STREET RR Box 183 B  
 CITY Great Bend STATE Kansas ZIP 67530

**FLOAT EQUIPMENT**

|       |             |
|-------|-------------|
| _____ | @ _____     |
| _____ | @ _____     |
| _____ | @ _____     |
| _____ | @ _____     |
| _____ | @ _____     |
|       | TOTAL _____ |

*Thank You!*

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 X Bill Owen

X Bill Owen  
 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.