

077

007-21311 0000

ORIGINAL

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

Operator: License # 04511

Name: William H. Davis

Address 2800 Mid-Continent Tower

City/State/Zip Tulsa OK 74103

Purchaser: N/A

Operator Contact Person: Tony Benavides

Phone (918) 587-7782

Contractor: Name: Duke Drilling Co., Inc.

License: 5929

Wellsite Geologist: None

Designate Type of Completion
 New Well Re-Entry Workover

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

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

Operator: _____

Well Name: _____

Comp. Date _____ Old Total Depth _____

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

09-30-96 10-06-96 10-06-96

Spud Date Date Reached TD Completion Date

API NO. 15- _____

County Harper County, Kansas

SE - SE - NE - _____ Sec. 11 Twp. 35S Rge. 7 XX ^E

2060 Feet from S [Ⓢ] (circle one) Line of Section

430 Feet from [Ⓢ] (circle one) Line of Section

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

Lease Name Lear Well # 1

Field Name _____

Producing Formation None

Elevation: Ground 1356' KB 1364'

Total Depth 4260' PBTB 4200'

Amount of Surface Pipe Set and Cemented at 254.61 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 cat.

Drilling Fluid Management Plan D&A JK 6-24-97
(Data must be collected from the Reserve Pit)

Chloride content 4000 ppm Fluid volume 5000 bbls

Dewatering method used Evaporation

Location of fluid disposal if hauled offsite: _____

Operator Name _____

Lease Name _____ License No. _____

_____ Quarter Sec. _____ Twp. _____ S Rng. _____ E/W

County _____ Docket No. _____

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

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

Signature [Signature]

Title Operations Manager Date 11/4/96

Subscribed and sworn to before me this 4th day of November 19 96

Notary Public [Signature]

Date Commission Expires 7/6/97

K.C.C. OFFICE USE ONLY	
F <input checked="" type="checkbox"/>	Letter of Confidentiality Attached
C <input checked="" type="checkbox"/>	Wireline Log Received
C <input type="checkbox"/>	Geologist Report Received
Distribution	
<input checked="" type="checkbox"/> KCC	<input type="checkbox"/> SWD/Rep <input type="checkbox"/> NGPA
<input type="checkbox"/> KGS	<input type="checkbox"/> Plug <input type="checkbox"/> Other
(Specify)	

Operator Name William H. Davis

Lease Name Lear

Well # 1

Sec. 11 Twp. 35S Rge. 7
 East
 West

County Harper County, Kansas

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:

Phasor Induction - SFL
 Microlog
 CNL - Lithodensity

Log Formation (Top), Depth and Datum Sample

Name	Top	Datum
Stalnaker Sand	3892	2525
Avant	4145	2781
Cottage Grove	4174	2810

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#	254.61'	"C"	185	2%cc 1/4# cello flake

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, SWD or Inj.	Producing Method <input type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input checked="" type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain)
D&A	

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

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

Production Interval

ORIGINAL **BJ**

CUSTOMER COPY

BJ Services Company

SERVICE ORDER AND FIELD RECEIPT NO. **L 426227**

CUSTOMER (COMPANY NAME) 1) H. Davis		CREDIT APPROVAL NO.		PURCHASE ORDER NO.		CUSTOMER NUMBER		INVOICE NUMBER	
MAIL INVOICE TO: 100 Mid Continent tower		STREET OR BOX NUMBER		CITY Tulsa		STATE OK		ZIP CODE 74103	
DATE WORK COMPLETED: MO 30 DAY 96		YEAR		BJ SERVICES SUPERVISOR S. P. P. 442 681471		WELL TYPE: 1 <input checked="" type="checkbox"/> NEW 2 <input type="checkbox"/> OLD		JOB TYPE CODES CEMENTING SERVICES 10. CONDUCTOR 11. SURFACE 12. INTERMEDIATE 13. LONG 14. LINER 15. TIEBACK 16. PLUG & ABANDON 17. PLUG BACK 18. SQUEEZE 19. PUMPING (CEMENT) 20. BULK SALES (CEMENT) STIMULATION SERVICES 30. ACID MATRIX 31. ACID FRACTURE 32. FRACTURE, 0-9,999 psi 33. FRACTURE, 10,000 + psi 34. PUMPING (STIM) 35. BULK SALE (STIM) 40. SAND CONTROL 41. GRAVEL PACK TOOL SALES 42. GRAVEL PACK TOOL RENTAL TOOL SERVICES 50. TOOL SALE 51. TOOL RENTAL 52. TOOL REDRESS 53. TOOL SERVICE	
BJ SERVICES DISTRICT OK		JOB DEPTH (FT.) 255		WELL CLASS: 1 <input checked="" type="checkbox"/> OIL 2 <input type="checkbox"/> GAS		3 <input type="checkbox"/> DISPOSAL 4 <input type="checkbox"/> INJECTION			
WELL NAME AND NUMBER #1		TD WELL DEPTH (FT.) N/A		GAS USED ON JOB: 1 <input type="checkbox"/> N ₂ 2 <input type="checkbox"/> CO ₂		3 <input checked="" type="checkbox"/> NONE 4 <input type="checkbox"/> BINARY			
WELL LOCATION: SEC 11-355-7U		SEC/TWP/RGE		COUNTY Hardee		STATE Ks			

PRODUCT CODE	DESCRIPTION	UNIT OF MEASURE	QUANTITY	LIST PRICE/UNIT	GROSS AMOUNT	PERCENT DISC.	NET AMOUNT
53905	Heavy Equipment Mileage	Mile	120.00				
53915	Light Equipment Mileage	Mile	120.00				
F0015	Pump Charge	Unit	1.00				
M1005	Service Charge 190 F13	F13	190.00				
54015	Delivery Charge 17,784 ÷ 2000 x 60	TYM	534.00				
P392H	Premium Plus Cement 18.5 17,390	SK	185.00				
H5023	Calcium Chloride 5 348	lb	400.00				
P1265	Cello Flake 46	lb	46.00				
P1625	8 3/8 Top Rubber Plug	EA	1.00				
17412	8 3/8 Aluminum Baffle Plate	EA	1.00				
17068	8 3/8 Centralizer	EA	2.00				
P3255	Thread Lock	EA	1.00				
							3503.78

ARRIVE LOCATION: MO 9 DAY 30 YEAR 96 TIME 5:30pm	SERVICE ORDER: I AUTHORIZE WORK TO BEGIN PER SERVICE INSTRUCTIONS IN ACCORDANCE WITH TERMS AND CONDITIONS PRINTED ON THE REVERSE SIDE OF THIS FORM AND REPRESENT THAT I HAVE AUTHORITY TO ACCEPT AND SIGN THIS ORDER.	SERVICE RECEIPT: I CERTIFY THAT THE MATERIALS AND SERVICES LISTED WERE RECEIVED AND ALL SERVICES PERFORMED IN A WORKMANLIKE MANNER.
CUSTOMER REP. LAST NAME	<i>[Signature]</i> CUSTOMER AUTHORIZED AGENT	CUSTOMER AUTHORIZED AGENT: <i>[Signature]</i>
SEE REVERSE SIDE FOR GENERAL TERMS AND CONDITIONS.		BJ SERVICES APPROVED: <i>[Signature]</i>

BJ Services
CONDITIONS OF CONTRACT

Effective 07/01/95

CUSTOMER AND BJ SERVICES AGREE THAT THE SERVICES DESCRIBED ON THE FACE OF THIS SERVICE ORDER AND FIELD RECEIPT ARE TO BE PERFORMED SUBJECT TO AND IN CONSIDERATION OF THE FOLLOWING TERMS AND CONDITIONS:

1. **CUSTOMER.** For purpose of this contract, the term Customer shall include agents, subsidiaries, joint venturers and partners of customer.
2. **WELL CONDITION.** Customer warrants that the well described on the face of this service order and field receipt is in proper condition to receive the products, supplies, materials, and services described herein.
3. **INDEPENDENT CONTRACTOR:** BJ Services is and shall be an independent contractor with respect to the performance of this contract and neither BJ Services nor anyone employed by BJ Services shall be the agent, representative, employee or servant of Customer in the performance of this contract or any part hereof.
4. **PRICE.** Customer agrees to pay BJ Services for the products, supplies, materials, and services described herein in accordance with BJ Services's current price list. In the event that BJ Services has agreed to charge Customer other than as set forth in such price list, the charges agreed upon by Customer and BJ Services shall be those set forth on the face of this service order and field receipt and the agreement of Customer thereto shall be conclusively established by its execution of the receipt set forth on the face of this service order and field receipt.
5. **TERMS.** Cash in advance unless BJ Services has approved credit prior to the sale. Credit terms for approved accounts are total invoice amount due on or before the 30th day from the date of the invoice at the address set forth therein. Past due accounts shall pay interest on the balance due at the rate of 11 1/2% per month or the maximum allowable under applicable state law if such law limits interest to a lesser amount. In the event it is necessary to employ a third party to effect collection of said account, Customer agrees to pay all fees of such third party directly or indirectly incurred for such collection.
6. **TAXES.** Customer agrees to pay all taxes based on or measured by the charges set forth on the face of this service order and field receipt.
7. **AMENDMENTS AND MODIFICATIONS.** No field employee of BJ Services shall be empowered to alter the terms and conditions of this contract and BJ Services shall not be bound by any changes or modifications in this contract unless made in writing by a duly authorized executive officer of BJ Services. By requesting the goods and services set forth herein, Customer agrees to all the terms and conditions contained on both sides of this service order and field receipt, which constitutes the entire agreement between the parties, unless Customer and BJ Services have entered into a master service agreement or master work contract applicable to the services performed and products, supplies and materials furnished by BJ Services hereunder, in which event any term or provision of this service order and field receipt in conflict with the provisions thereof shall be deemed invalid to such extent. Subject only to the preceding sentence BJ Services hereby objects to any term of any purchase order, delivery ticket or receipt or other document that varies from or conflicts with the terms of this contract.
8. **SEVERABILITY.** It is understood and agreed by Customer and BJ Services that any term or provision of this contract prohibited by law shall be deemed invalid to the extent of such prohibition and shall be modified to the extent necessary to conform to such rule of law. Any term or provision of this contract not deemed invalid and modified pursuant to the preceding sentence shall remain in full force and effect without regard to such invalidity and modification.
9. **LIMITED WARRANTY.** BJ SERVICES WARRANTS ONLY TITLE TO THE PRODUCTS, SUPPLIES AND MATERIALS FURNISHED PURSUANT TO THIS CONTRACT AND THAT THE SAME WILL CONFORM TO THE DESCRIPTION SPECIFIED HEREIN AND ARE FREE FROM DEFECTS IN WORKMANSHIP AND MATERIALS. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED OF MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. BJ SERVICES'S LIABILITY AND CUSTOMER'S EXCLUSIVE REMEDY IN ANY CAUSE OF ACTION (WHETHER IN CONTRACT, TORT, BREACH OR WARRANTY OR OTHERWISE) ARISING OUT OF THE SALE OR USE OF ANY PRODUCTS, SUPPLIES OR MATERIALS IS EXPRESSLY LIMITED TO THE REPLACEMENT OF SUCH PRODUCTS, SUPPLIES OR MATERIALS OR, AT BJ SERVICES'S OPTION, TO THE ALLOWANCE TO THE CUSTOMER OF CREDIT FOR THE COST OF SUCH ITEMS. BJ SERVICES MAKES NO WARRANTIES FOR ANY EQUIPMENT, MATERIALS OR PRODUCTS MANUFACTURED BY THIRD PARTIES, BUT WILL PASS ON TO CUSTOMER ALL WARRANTIES OF THE MANUFACTURERS OF SUCH EQUIPMENT, MATERIALS OR PRODUCTS. BJ SERVICES IS UNABLE TO, AND DOES NOT, GUARANTEE THE ACCURACY OF ANY JOB RECOMMENDATION, RESEARCH ANALYSIS, DATA INTERPRETATION, OR OTHER INFORMATION FURNISHED TO CUSTOMER BY BJ SERVICES IN VIEW OF THE UNCERTAINTY OF WELL CONDITIONS AND THE RELIANCE BY BJ SERVICES AND CUSTOMER UPON INFORMATION AND SERVICES FURNISHED BY THIRD PARTIES. THEREFORE, NO WARRANTY EXPRESS OR IMPLIED IS GIVEN CONCERNING THE EFFECTIVENESS OF THE PRODUCTS, SUPPLIES OR MATERIALS USED, RECOMMENDATIONS GIVEN, OR SERVICES PERFORMED BY BJ SERVICES. CUSTOMER AGREES THAT BJ SERVICES SHALL NOT BE RESPONSIBLE FOR ANY DAMAGES ARISING FROM THE USE OF DATA FURNISHED BY BJ SERVICES. CUSTOMER ACCEPTS FULL RESPONSIBILITY FOR RETURNING THE WELL DESCRIBED ON THE FACE OF THIS SERVICE ORDER AND FIELD RECEIPT TO PRODUCTION. BJ SERVICES DOES NOT GUARANTEE THE EFFECTIVENESS OF THE PRODUCTS, SUPPLIES OR MATERIALS FURNISHED PURSUANT TO THIS CONTRACT NOR THE RESULTS OF ANY TREATMENT OR SERVICE IT PERFORMS HEREUNDER.

FORCE MAJEURE. Any delays or failure by BJ Services in the performance of this contract shall be excused if and to the extent caused by war, fire, flood, strike or other labor trouble, accident, riot, acts of god, or any other cause beyond the reasonable control of BJ Services.

CHEMICAL DISPOSAL. Customer agrees that all chemicals used in performance of this contract which are not removed from the location of the well by BJ Services shall be disposed of by Customer in accordance with all applicable federal, state and local laws and regulations.

12. **LIABILITY AND INDEMNITY OBLIGATIONS.** (A) BJ SERVICES SHALL PROTECT, DEFEND, INDEMNIFY, HOLD HARMLESS AND RELEASE CUSTOMER, ITS PARENT, SUBSIDIARY AND AFFILIATED COMPANIES, AND ITS AND THEIR OFFICERS, DIRECTORS AND EMPLOYEES ("CUSTOMER GROUP") FROM AND AGAINST ALL CLAIMS, DEMANDS, LOSSES, LIABILITIES, PENALTIES, COSTS, EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES) AND CAUSES OF ACTION OF EVERY KIND AND CHARACTER (COLLECTIVELY, "CLAIMS") ARISING IN FAVOR OF (I) BJ SERVICES' EMPLOYEES OR THE EMPLOYEES OF BJ SERVICES' SUBCONTRACTORS ON ACCOUNT OF BODILY INJURY, DEATH OR DAMAGE TO PROPERTY OR (II) BJ SERVICES ON ACCOUNT OF DAMAGE TO BJ SERVICES' PROPERTY, EXCEPT AS OTHERWISE PROVIDED BELOW, INCLUDING, IN EACH CASE, CLAIMS CAUSED BY THE SOLE, JOINT AND/OR COMPARATIVE NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT OF CUSTOMER GROUP.

(B) CUSTOMER SHALL PROTECT, DEFEND, INDEMNIFY, HOLD HARMLESS AND RELEASE BJ SERVICES, ITS PARENT, SUBSIDIARY AND AFFILIATED COMPANIES AND ITS AND THEIR OFFICERS, DIRECTORS AND EMPLOYEES ("BJ SERVICES GROUP") FROM AND AGAINST ALL CLAIMS ARISING IN FAVOR OF (I) CUSTOMER'S EMPLOYEES OR THE EMPLOYEES OF CUSTOMER'S OTHER CONTRACTORS OR THEIR SUBCONTRACTORS ON ACCOUNT OF BODILY INJURY, DEATH OR DAMAGE TO PROPERTY, OR (II) CUSTOMER ON ACCOUNT OF LOSS OF OR DAMAGE TO CUSTOMER'S PROPERTY, EXCEPT AS OTHERWISE PROVIDED BELOW, INCLUDING, IN EACH CASE, CLAIMS CAUSED BY THE SOLE, JOINT AND/OR COMPARATIVE NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT OF BJ SERVICES GROUP.

(C) CUSTOMER SHALL PROTECT, DEFEND, INDEMNIFY, HOLD HARMLESS AND RELEASE BJ SERVICES GROUP FROM AND AGAINST ANY CLAIMS FOR POLLUTION OR CONTAMINATION, INCLUDING THE CLEAN-UP OR REMOVAL THEREOF ARISING OUT OF OR CONNECTED WITH THE PERFORMANCE BY BJ SERVICES OF SERVICES FOR CUSTOMER (AND NOT ASSUMED BY BJ SERVICES IN THE FOLLOWING SENTENCE) INCLUDING BUT NOT LIMITED TO CLAIMS THAT MAY RESULT FROM WELL FIRE, BLOWOUT, CRATERING, SEEPAGE OR ANY OTHER UNCONTROLLABLE FLOW OF OIL, GAS, WATER OR OTHER SUBSTANCES, INCLUDING CLAIMS CAUSED BY THE SOLE, JOINT AND/OR COMPARATIVE NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT OF BJ SERVICES GROUP. BJ SERVICES SHALL PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS CUSTOMER GROUP FROM AND AGAINST ANY CLAIMS FOR POLLUTION OR CONTAMINATION, INCLUDING THE REMOVAL THEREOF, ORIGINATING ABOVE THE SURFACE OF THE EARTH FROM SPILLS, LEAKS OR DISCHARGES OF FUELS, LUBRICANTS, MOTOR OILS, PIPE DOPE, PAINT, SOLVENTS, SLUDGE OR GARBAGE IN THE POSSESSION AND CONTROL OF BJ SERVICES.

(D) CUSTOMER SHALL PROTECT, DEFEND, INDEMNIFY, HOLD HARMLESS AND RELEASE BJ SERVICES GROUP FROM AND AGAINST ANY AND ALL CLAIMS ARISING IN FAVOR OF CUSTOMER OR ANY THIRD PARTY INCLUDING, BUT NOT LIMITED TO, ANY GOVERNMENTAL ENTITY OR PARTY FOR WHOM CUSTOMER IS ACTING (INCLUDING CUSTOMER'S CO-WORKING INTEREST OWNERS) FOR ALL DAMAGES OR LOSSES RESULTING FROM PRODUCTS, SERVICES OR EQUIPMENT PROVIDED BY BJ SERVICES ON ACCOUNT OF (I) LOSS OF THE HOLD, (II) DAMAGE OR INJURY TO ANY DOWNHOLE PROPERTY OR ANY PROPERTY RIGHT IN OR TO OIL, GAS OR OTHER SUBSTANCES OR WATER (III) LOSS OR DAMAGE TO, OR CONTAMINATION OF, ANY FORMATIONS, STRATA OR RESERVOIRS BENEATH THE EARTH'S SURFACE, (IV) SUBSURFACE TRESPASS OR (V) ANY OTHER SIMILAR LOSSES OR DAMAGES, AND WITHOUT REGARD TO THE NEGLIGENCE OF ANY PARTY OR PARTIES, INCLUDING, IN EACH CASE, CLAIMS CAUSED BY THE SOLE, JOINT AND/OR COMPARATIVE NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT OF BJ SERVICES GROUP.

(E) CUSTOMER WILL ASSUME LIABILITY FOR BJ SERVICES' EQUIPMENT WHICH MAY BE LOST OR DAMAGED IN THE HOLE, REGARDLESS OF ANY NEGLIGENCE OF ANY PARTY, AND WILL AT ITS OWN EXPENSE AND RISK ATTEMPT TO RECOVER SUCH EQUIPMENT. THE VALUE OF ANY UNRECOVERABLE LOST OR DAMAGED EQUIPMENT SHALL BE REIMBURSED BY CUSTOMER AT THE FAIR MARKET VALUE ON THE DATE OF LOSS OF SUCH EQUIPMENT, BUT IN NO EVENT AT A VALUE LESS THAN 50% OF THE THEN CURRENT REPLACEMENT COST.

(F) BJ SERVICES AND CUSTOMER AGREE TO SUPPORT THEIR INDEMNITY OBLIGATIONS HEREIN BY FURNISHING LIABILITY INSURANCE COVERAGE OR QUALIFIED SELF INSURANCE IN AN AMOUNT OF NO LESS THAN \$2,000,000. HOWEVER, BJ SERVICES AND CUSTOMER AGREE AND INTEND THAT, TO THE FULLEST EXTENT ALLOWED FROM TIME TO TIME BY APPLICABLE LAW, THEIR RESPECTIVE INDEMNITIES UNDER THESE TERMS AND CONDITIONS ARE TO APPLY WITHOUT LIMIT, AND ARE NOT TO BE LIMITED TO THE AMOUNT OF INSURANCE EITHER OF THEM MAY FROM TIME TO TIME MAINTAIN OR AGREE TO MAINTAIN. IF IT SHOULD BE DETERMINED THAT THE INDEMNITY OBLIGATIONS ASSUMED HEREUNDER THAT ARE TO BE SUPPORTED EITHER BY INSURANCE OR SELF INSURANCE EXCEED THAT WHICH IS PERMITTED UNDER APPLICABLE LAW, THEN SUCH INDEMNITIES SHALL AUTOMATICALLY BE AMENDED TO CONFORM TO THE MONETARY LIMITS PERMITTED UNDER SUCH LAW.

13. **CONFIDENTIAL INFORMATION.** Customer and BJ Services will use their best efforts to maintain the confidentiality of all records and proprietary information obtained by either party in the performance of any services by BJ Services. Such information will not be disclosed by either party to its employees unless it is necessary in order to perform or evaluate such services, or to any third parties without the prior written consent of the other party.
14. **WAIVER.** (a) Neither BJ Services nor Customer will be liable to the other for special, incidental, indirect or consequential damages resulting from or arising out of the products or equipment provided or the services performed by BJ Services hereunder, including but not limited to, loss of profit or revenue or business interruption losses; whether or not arising under an alleged breach of warranty or caused by the sole, joint and/or comparative negligence, strict liability or other fault or either party.

(b) Customer represents that it is a business consumer purchasing products and services from BJ Services for commercial use, that it has experience in business matters that enable it to evaluate the merits and risks of the purchase of such products and services, and that it is not in a significantly disparate bargaining position. Customer waives the provisions of the Texas Deceptive Trade Practices Act (other than section 17), as from time to time amended.

15. **GOVERNING LAW.** This contract shall be governed by the law of the State of Texas.



BJ Services Company

CEMENT JOB DETAIL SHEET

ORIGINAL

CUSTOMER	DATE	F.R. #	SER. SUP.	TYPE JOB
LEASE & WELL NAME-OCSG	LOCATION		COUNTY-PARISH-BLOCK	

DISTRICT	DRILLING CONTRACTOR RIG #	OPERATOR
----------	---------------------------	----------

MATERIAL FURNISHED BY WPS	TYPE OF PLUGS	LIST-CSG-HARDWARE	SQ MANI FOLD	TOP OF EACH	PHYSICAL SLURRY PROPERTIES					
					WGT PPG	SLURRY YLD FT ³	WATER GPS	PUMP TIME HR:MIN	Bbl SLURRY	Bbl MIX WATER
185 Sks	rubber	8 3/8 Alum. Baffle Plate 2 Centralizer	(Y) (N)	FLUID	14.8	1.34	6.32		44.2	

Available Mix Water 250 Bbl.	Available Displ. Fluid 200 Bbl.	TOTAL
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HOLE			TBG-CSG-D.P.			TBG-CSG-D.P.			COLLAR DEPTHS				
SIZE	% EXCESS	DEPTH	SIZE	WGT.	TYPE	DEPTH	SIZE	WGT.	TYPE	DEPTH	SHOE	FLOAT	STAGE
12 1/4	100	255	8 3/8	24	Csg	255	-	-	-	-	255	214	-

LAST CASING			PKR-CMT RET-BR PL-LINER			PERF. DEPTH		TOP CONN		WELL FLUID	
SIZE	WGT.	TYPE	DEPTH	BRAND & TYPE	DEPTH	TOP	BTM	SIZE	THREAD	TYPE	WGT.
								8 3/8	8rd	mud	9.2

CAL DISPL. VOL.-Bbl.				CAL. PSI		CAL. MAX PSI		OP. MAX		MAX TBG PSI		MAX CSG PSI		DISPL. FLUID		WATER SOURCE
TBG.	CSG.	CSG.	TOTAL	BUMP PLUG	TO REV	SQ. PSI	RATED	OP.	RATED	OP.	RATED	OP.	TYPE	WGT.	SOURCE	
-	13.7	-	13.7	1000	-	-	-	-	-	-	-	-	2000	H2O	8.3	rig

EXPLANATION: TROUBLE SETTING TOOL, RUNNING CSG, ETC. PRIOR TO CEMENTING.

PRESSURE/RATE DETAIL						EXPLANATION	
TIME HR: MIN.	PRESSURE-PSI		RATE BPM	Bbl. FLUID PUMPED	FLUID TYPE	SAFETY MEETING: WPS CREW <input checked="" type="checkbox"/> CO. REP <input type="checkbox"/>	
	PIPE	ANNULUS				TEST LINES	PSI
7:20	200	-	5	0	H2O	YES	2500
7:22	200	-	4.5	44.2	Cmt		
7:30	-	-	-	-	H2O		
7:32	100	-	4	13.7	H2O		
7:37	1000	-	-	-	H2O		

BUMPED PLUG	PSI TO BUMP PLUG	TEST FLOAT EQUIP.	TOTAL Bbl. PUMPED	Bbl. CMT RETURNS/ REVERSED	PSI LEFT ON CSG	SPOT TOP CEMENT	SER. SUP. J. PIPINS
(Y) (N)	1000	(Y) (N)	13.7	15	200	-	CUSTOMER REP.

ALLIED CEMENTING CO., INC. 4164

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

ORIGINAL

SERVICE POINT: MEDICAL CODE

DATE <u>10-6-96</u>	SEC. <u>11</u>	TWP. <u>35S</u>	RANGE <u>7W</u>	CALLED OUT <u>12:15 PM</u>	ON LOCATION <u>3:00 PM</u>	JOB START <u>4:00 PM</u>	JOB FINISH <u>5:15 PM</u>
LEASE <u>LEAR</u>	WELL # <u>1</u>	LOCATION <u>MANCHESTER JN, 1/2E, 14S</u>			COUNTY <u>HARPER</u>	STATE <u>KANSAS</u>	

OLD OR NEW (Circle one)

CONTRACTOR NUKE DRILL #2

TYPE OF JOB ROTARY AVE

HOLE SIZE 7 7/8" T.D. 4260'

CASING SIZE 35.9" DEPTH 284'

TUBING SIZE _____ DEPTH _____

DRILL PIPE 4 1/2" 16.6# DEPTH 1220'

TOOL _____ DEPTH _____

PRES. MAX _____ MINIMUM _____

MEAS. LINE _____ SHOE JOINT _____

CEMENT LEFT IN CSG. _____

PERFS. _____

OWNER Wm. H. DAVIS

CEMENT

AMOUNT ORDERED 14S @ 60:40:4

COMMON	<u>37</u>	@	<u>6.10</u>	<u>530.70</u>
POZMIX	<u>58</u>	@	<u>3.15</u>	<u>182.70</u>
GEL	<u>5</u>	@	<u>9.50</u>	<u>47.50</u>
CHLORIDE		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>14S</u>	@	<u>1.05</u>	<u>122.25</u>
MILEAGE	<u>14S x</u>		<u>.04</u>	

EQUIPMENT

PUMP TRUCK CEMENTER KEVIN DAINARDT

233-302 HELPER JUSTIN HART

BULK TRUCK _____

242 DRIVER SHANE WENSOR

BULK TRUCK _____

_____ DRIVER _____

TOTAL \$ _____

REMARKS:

35S @ 1220'

35S @ 875'

35S @ 302'

25S @ 60'

15S IN RATHOLE

SERVICE

DEPTH OF JOB 1220'

PUMP TRUCK CHARGE _____

EXTRA FOOTAGE @ _____

MILEAGE @ 2.35

PLUG 1 2518" Dog Hole @ 2.300

@ _____

@ _____

TOTAL _____

CHARGE TO: Wm. H. DAVIS

STREET _____

CITY _____ STATE OKLA. ZIP _____

FLOAT EQUIPMENT

@ _____

@ _____

@ _____

@ _____

@ _____

TOTAL _____

TAX _____

TOTAL CHARGE \$ _____

DISCOUNT \$ _____ IF PAID IN 30 DAYS

NET \$

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.

SIGNATURE John J. Brubaker

RECEIVED
KANSAS FOR CONN
1996-10-7
11:45

GENERAL TERMS AND CONDITIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

2. More specifically:

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

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

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



CEMENTING LOG

STAGE NO.

Date 10-6-96 District WEN/LOOSE Ticket No. 4164
 Company W.M. H. HAVES Rig 1142
 Lease LEAR Well No. 1
 County HARPER State KANSAS
 Location 11-35-7W Field _____
1142/WESTER 2N, 120, 145

CASING DATA: PTA Squeeze
 Surface Intermediate Production Liner
 Size 37.5" Type _____ Weight _____ Collar _____

Casing Depths: Top 6.1' Bottom 254'

Drill Pipe: Size _____ Weight _____ Collars _____
 Open Hole: Size 77.3" T.D. 4260 ft. P.B. to _____ ft.

CAPACITY FACTORS:
 Casing: Bbls/Lin. ft. .0637 Lin. ft./Bbl. 15.7
 Open Holes: Bbls/Lin. ft. _____ Lin. ft./Bbl. _____
 Drill Pipe: Bbls/Lin. ft. .0422 Lin. ft./Bbl. 70.3
 Annulus: Bbls/Lin. ft. _____ Lin. ft./Bbl. _____
 Perforations: From _____ ft. to _____ ft. Amt. _____

CEMENT DATA: FRESH H₂O ORIGINAL
 Spacer Type: _____
 Amt. _____ Sks Yield _____ ft³/sk Density 8.34 PPG

LEAD: Pump Time _____ hrs. Type _____
 Excess _____
 Amt. _____ Sks Yield _____ ft³/sk Density _____ PPG
 TAIL: Pump Time _____ hrs. Type 60:40:4
 Excess _____
 Amt. 145 Sks Yield 1.41 ft³/sk Density 14.0 PPG
 WATER: Lead _____ gals/sk Tail 6.7 gals/sk Total _____ Bbls.

Pump Trucks Used 223-302 JUSTIN HART
 Bulk Equip. 242 JANE LEASOR

Float Equip: Manufacturer _____
 Shoe: Type _____ Depth _____
 Float: Type _____ Depth _____
 Centralizers: Quantity _____ Plugs Top _____ Btm. _____
 Stage Collars _____
 Special Equip. _____
 Disp. Fluid Type MUD Amt. _____ Bbls. Weight 9.2 PPG
 Mud Type WATERGAL Weight 9.2 PPG

COMPANY REPRESENTATIVE JOHN HONBRUSTER CEMENTER KELVIN BRUNARDT

TIME	PRESSURES PSI		FLUID PUMPED DATA			REMARKS
	DRILL PIPE CASING	ANNULUS	TOTAL FLUID	Pumped Per Time Period	RATE Bbls Min.	
3:00						ON LOCATION, ASSEMBLY
	150				5.0	35SK @ 1220' - START FRESH H ₂ O
	200		10	10	5.0	FRESH H ₂ O IN - START CEMENT
	100		19.7	8.7	5.0	CEMENT IN - START FRESH H ₂ O
	100		32.7	4	5.0	FRESH H ₂ O IN - START MUD
4:00	-		23.7	11	5.0	MUD IN - STOP PUMPS
	150				5.0	35SK @ 975' - START FRESH H ₂ O
	200		49.2	3.3	6.2	FRESH H ₂ O IN - START CEMENT
	150		50.9	3.7	6.2	CEMENT IN - START FRESH H ₂ O
	100		53.9	3	5.5	FRESH H ₂ O IN - START MUD
4:30	-		60.9	7	5.5	MUD IN - STOP PUMPS
	150				5.5	35SK @ 705' - START FRESH H ₂ O
	200		30.9	30	5.5	FRESH H ₂ O IN - START CEMENT
	100		39.6	3.7	5.5	CEMENT IN - START FRESH H ₂ O
	100		91.6	2		FRESH H ₂ O IN - STOP PUMPS
	100		97.9	6.3	4.0	PERMUTE CEMENT TO SURFACE FROM 60' WITH 25SK @ 500 BPS
5:15	50		101.6	37	4.0	PERMUTE CEMENT TO SURFACE IN RATHER WITH 15SK @ 500 BPS