



SUNDRY NOTICE

Submit original plus one copy. This form is to be used for general, technical and environmental sundry information. For proposed or completed operations, describe in full on Technical Information Page (Page 2 of this form.) Identify well or other facility by API Number or by OGCC Facility ID. Operator shall send an informational copy of all sundry notices for wells located in High Density Areas to the Local Government Designee (Rule 603b.)

1. OGCC Operator Number:	90450	4. Contact Name	Erich Schmidt
2. Name of Operator:	True Oil LLC	Phone:	307-266-0243
3. Address:	PO Box 2360	Fax:	307-266-0252
City:	Casper	State:	WY
Zip:	82602		
5. API Number	05-107-06240	OGCC Facility ID Number	
6. Well/Facility Name:	Breeze Unit	Well/Facility Number	23-15
8. Location (Qtr/Qtr, Sec, Twp, Rng, Meridian):	NESW Sec. 15, T6N-R89W 6th	Surface Eqpmt Diagram	
9. County:	Routt	Technical Info Page	
11. Federal, Indian or State Lease Number:	72-2341S	Other	

Complete the Attachment Checklist

OP OGCC

Survey Plat	
Directional Survey	
Surface Eqpmt Diagram	
Technical Info Page	
Other	

General Notice

<input type="checkbox"/> CHANGE OF LOCATION:	Attach New Survey Plat	(a change of surface qtr/qtr is substantive and requires a new permit)
Change of Surface Footage from Exterior Section Lines:	FNU/FSL	FEL/FWL
Change of Surface Footage to Exterior Section Lines:		
Change of Bottomhole Footage from Exterior Section Lines:		
Change of Bottomhole Footage to Exterior Section Lines:		
Bottomhole location Qtr/Qtr, Sec, Twp, Rng, Mer		attach directional survey
Latitude	Distance to nearest property line	Distance to nearest bldg, public rd, utility or RR
Longitude	Distance to nearest lease line	Is location in a High Density Area (rule 603b)?
Ground Elevation	Distance to nearest well same formation	Surface owner consultation date:

GPS DATA:

Date of Measurement PDOP Reading Instrument Operator's Name

<input type="checkbox"/> CHANGE SPACING UNIT	<input type="checkbox"/> Remove from surface bond
Formation	Signed surface use agreement attached
Formation Code	Unit Acreage
Spacing order number	Unit configuration

<input type="checkbox"/> CHANGE OF OPERATOR (prior to drilling):	<input type="checkbox"/> CHANGE WELL NAME	NUMBER
Effective Date:	From:	To:
Plugging Bond: <input type="checkbox"/> Blanket <input type="checkbox"/> Individual	Effective Date:	

<input type="checkbox"/> ABANDONED LOCATION:	<input type="checkbox"/> NOTICE OF CONTINUED SHUT IN STATUS
Was location ever built? <input type="checkbox"/> Yes <input type="checkbox"/> No	Date well shut in or temporarily abandoned:
Is site ready for inspection? <input type="checkbox"/> Yes <input type="checkbox"/> No	Has Production Equipment been removed from site? <input type="checkbox"/> Yes <input type="checkbox"/> No
Date Ready for Inspection:	MIT required if shut in longer than two years. Date of last MIT

<input type="checkbox"/> SPUD DATE:	<input type="checkbox"/> REQUEST FOR CONFIDENTIAL STATUS (6 mos from date casing set)
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<input checked="" type="checkbox"/> SUBSEQUENT REPORT OF STAGE, SQUEEZE OR REMEDIAL CEMENT WORK	*submit cbl and cement job summaries		
Method used	Cement top	Cement bottom	Date
div tool	2,142'	2,232 ft³	Surface
		3,631'	01/17/11

<input type="checkbox"/> RECLAMATION:	Attach technical page describing final reclamation procedures per Rule 1004.
Final reclamation will commence on approximately	<input type="checkbox"/> Final reclamation is completed and site is ready for inspection.

Technical Engineering/Environmental Notice

<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Report of Work Done
Approximate Start Date:	Date Work Completed:

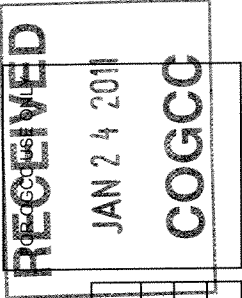
Details of work must be described in full on Technical Information Page (Page 2 must be submitted.)		
<input type="checkbox"/> Intent to Recomplete (submit form 2)	<input type="checkbox"/> Request to Vent or Flare	<input type="checkbox"/> E&P Waste Disposal
<input type="checkbox"/> Change Drilling Plans	<input type="checkbox"/> Repair Well	<input type="checkbox"/> Beneficial Reuse of E&P Waste
<input type="checkbox"/> Gross Interval Changed?	<input type="checkbox"/> Rule 502 variance requested	<input type="checkbox"/> Status Update/Change of Remediation Plans
<input type="checkbox"/> Casing/Cementing Program Change	<input type="checkbox"/> Other:	for Spills and Releases

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct and complete.

Signed:	Erich J. Schmidt	Date:	1/20/11	Email:	erich.schmidt@truecos.com
Print Name:	Erich Schmidt	Title:	Petroleum Engineer		
OGCC Approved:	EJS	Title:	EIT 3	Date:	3/22/11

CONDITIONS OF APPROVAL, IF ANY:

TECHNICAL INFORMATION PAGE



1. OGCC Operator Number:	90450	API Number:	05-107-06240
2. Name of Operator:	True Oil LLC	OGCC Facility ID #	
3. Well/Facility Name:	Breeze Unit	Well/Facility Number:	23-15
4. Location (QtrQtr, Sec, Twp, Rng, Meridian):	NESW Sec. 15 T6N-R89W 6th		

This form is to be completed whenever a Sundry Notice is submitted requiring detailed report of work to be performed or completed. This form shall be transmitted within 30 days of work completed as a "subsequent" report and must accompany Form 4, page 1.

5. DESCRIBE PROPOSED OR COMPLETED OPERATIONS

Pressure test lines to 3,500 psig, set max pressure to 2,500 psig, pump 1st stage 20 bbl weighted spacer, 193 sks lead Premium Lite II Plus (12.0 ppg, 2.33 ft³/sk, w/ 0.04% bwoc Static Free + 0.2% bwoc R-3 + 0.25 lbs/sack Cello Flake + 0.5% bwoc CD-32 + 3 lbs/sack Kol Seal + 1% bwoc Sodium Metasilicate + 0.01 gps FP-13L), 174 sks tail

Premium II Cement (14.8 ppg, 1.34 ft³/sk, w/ 0.04% bwoc Static Free + 0.25% bwoc R-3 + 0.25 lbs/sack Cello Flake + 3 lbs/sack Kol Seal + 0.01 gps FP- 13L), drop wiper plug, displace w/ 272.5 bbls, bump plug @ 950 psig, floats held. Drop DV dart, wait 20 mins, pressure up to 800 psig, open DV tool, circulate w/ rig pumps for 6 hrs. RU BJ for 2nd stg, hold sfty mtg, pump 2nd stage as follows: 20 bbl weighted spacer, 655 sks Premium Lite II Plus (12.0 ppg, 2.33 ft³/sk, w/ 0.04% bwoc Static Free + 0.25 lbs/sack Cello Flake + 0.5% bwoc CD-32 + 3 lbs/sack Kol Seal + 1% bwoc Sodium Metasilicate + 0.01 gps FP-13L + 0.25% bwoc R-3 + 124.8% Fresh Water), drop DV wiper plug, begin displacement, cement to surface w/ 80 bbls, finish 2nd displacement, bump DV plug @ 165 bbl, pressure to 1900 psig, float held.

TRUE OIL LLC

455 NORTH POPLAR STREET

P.O. DRAWER 2360
CASPER, WY 82602
(307) 237-9301
FAX: (307) 266-0252

January 20, 2011



CO Oil & Gas Conservation Comm.
1120 Lincoln Street, Suite 801
Denver, CO 80203

RE: Breeze 23-15 Sundry
Sec. 15, T6N-R89W
Breeze 34-8 Comp. Inter. Report
Sec. 8 T6N R89W
Routt Co., CO

Gentlemen:

Enclosed in duplicate is a Sundry Notice concerning the Breeze 23-15 API 5-107-06240 and a Completed Interval Report for the Breeze 34-8 API 107-06225-01.

Sincerely,

True Oil LLC

A handwritten signature in cursive script, reading "Erich J. Schmidt".

Erich J. Schmidt
Petroleum Engineer

EJR/jlm

Enclosures

CEMENT JOB REPORT

CUSTOMER	True Oil Company	DATE	17-JAN-11	F.R. #	1001747429	SERV. SUPV.	MICHAEL K MORGAN		
LEASE & WELL NAME	BREEZE UNIT #23-15 - API 05107062400000	LOCATION	15-6N-89W	COUNTY-PARISH-BLOCK					
DISTRICT	Rock Sound	DRILLING	CONTRACTOR RIG #	Type OF JOB					
SIZE & TYPE OF PLUGS		LIST-CSG-HARDWARE		PHYSICAL SLURRY PROPERTIES					
Cement Plug, Rubber, Top 9-5/8 in		Float Collar, Pop Valve, 9-5/8 - 8rd		SLURRY	SLURRY	PUMP	Bbl		
Guide Shoe, Cement Nose, 9-5/8 i				WGT	YLD	TIME	MIX		
MATERIALS FURNISHED BY BJ				PPG	FT ³	HR:MIN	WATER		
				SACKS OF CEMENT					
SealBond					9.5		25		
PLIIP+.04%SF+.2%R3+.25CELO+.5%CD32+.1%SM+.3#/SK KS				193	12	2.33	80		
Premium II+.04%SF+.25%R3+.25CELO+.3#/SK KOL SEAL				174	14.8	6.10	41.5		
Water Based Mud					9		277.7		
Seal Bond					9.5		20		
PLIIP+.04%SF+.2%R3+.25CELO+.5%CD32+.1%SM+.3#/SK KS				655	12	2.33	271.8		
Water Based Mud					9		165.5		
Class G + 2% CaCl2				200	15.8	5.00	41.48		
Available Mix Water		800	Bbl.	Available Displ. Fluid	800	Bbl.	TOTAL		
						922.98	311.69		
HOLE		TBG-CSG-D.P.		COLLAR DEPTHS					
SIZE	% EXCESS	DEPTH	SIZE	WGT.	DEPTH	GRADE	SHOE		
12.25	40	36-40	9.625	36	CSG	3631 K-55	3631		
LAST CASING		PKR-CMT RET-BR PL-LINER		PERF. DEPTH		TOP CONN			
SIZE	WGT	DEPTH	DEPTH	DEPTH	BTM	SIZE	THREAD		
				0	0	0	8RD		
No Packer						WELL FLUID			
						WATER BASED MU			
DISPL. VOLUME		DISPL. FLUID		CAL. MAX PSI		OP. MAX			
VOLUME	UOM	TYPE	WGT.	BUMP PLUG	TO REV	SQ. PSI	RATED		
277.7	BBLs	Water Based Mud	9	4008	0	0	0		
		Water Based Mud	9			3520	2816		
						Upright			
Circulation Prior to Job									
Circulated Well:	Rig	X	BJ	Circulation Time:		6	Circulation Rate:		
Mud Density In:	9	LBS/GAL	Mud Density Out:	9	LBS/GAL	PV & YP Mud In:	0		
Gas Present:	NO	X	YES	Units:	Solids Present at End of Circulation:		NO		
Displacement And Mud Removal									
Displaced By:	Rig	BJ	X	Amount Bled Back After Job:				1	
Returns During Job:	NONE	PARTIAL	X	FULL	Method Used to Verify Returns:				Visual
Cement Returns at Surface:	X	YES	NO	Were Returns Planned at Surface:				NO	
Pipe Movement:	ROTATION	X	RECIPROCATION	NONE	UNABLE DUE TO STUCK PIPE				
Centralizers:	NO	X	YES	Quantity:	25	Type:	BOW		
Job Pumped Through:	CHOKE MANIFOLD	SQUEEZE MANIFOLD	X	MANIFOLD	NO	MANIFOLD	RIGID		
Plugs									
Number of Attempts by BJ:	0	Competition:	0	Wiper Balls Used:	X	NO	YES		
Plug Catcher Used:	X	NO	YES	Parabow Used:	X	NO	YES		
Was There a Bottom:	X	NO	YES	Top of Plug:	0	FT	Bottom of Plug:		
Squeezes (Update Original Treatment Report for Primary Job)									
BLOCK SQUEEZE	SHOE	SQUEEZE	TOP OF LINER	SQUEEZE	PLANNED	UNPLANNED			
Liner Packer:	X	NO	YES	Bond Log:	X	NO	PSI Applied:		
Casing Test (Update Original Treatment Report for Primary Job)									
Casing Test Pressure:	0	PSI	With	0	LBS/GAL	Mud	Time Held:		
EXPLANATION: TROUBLE SETTING TOOL, RUNNING CSG, ETC. PRIOR TO CEMENTING:									



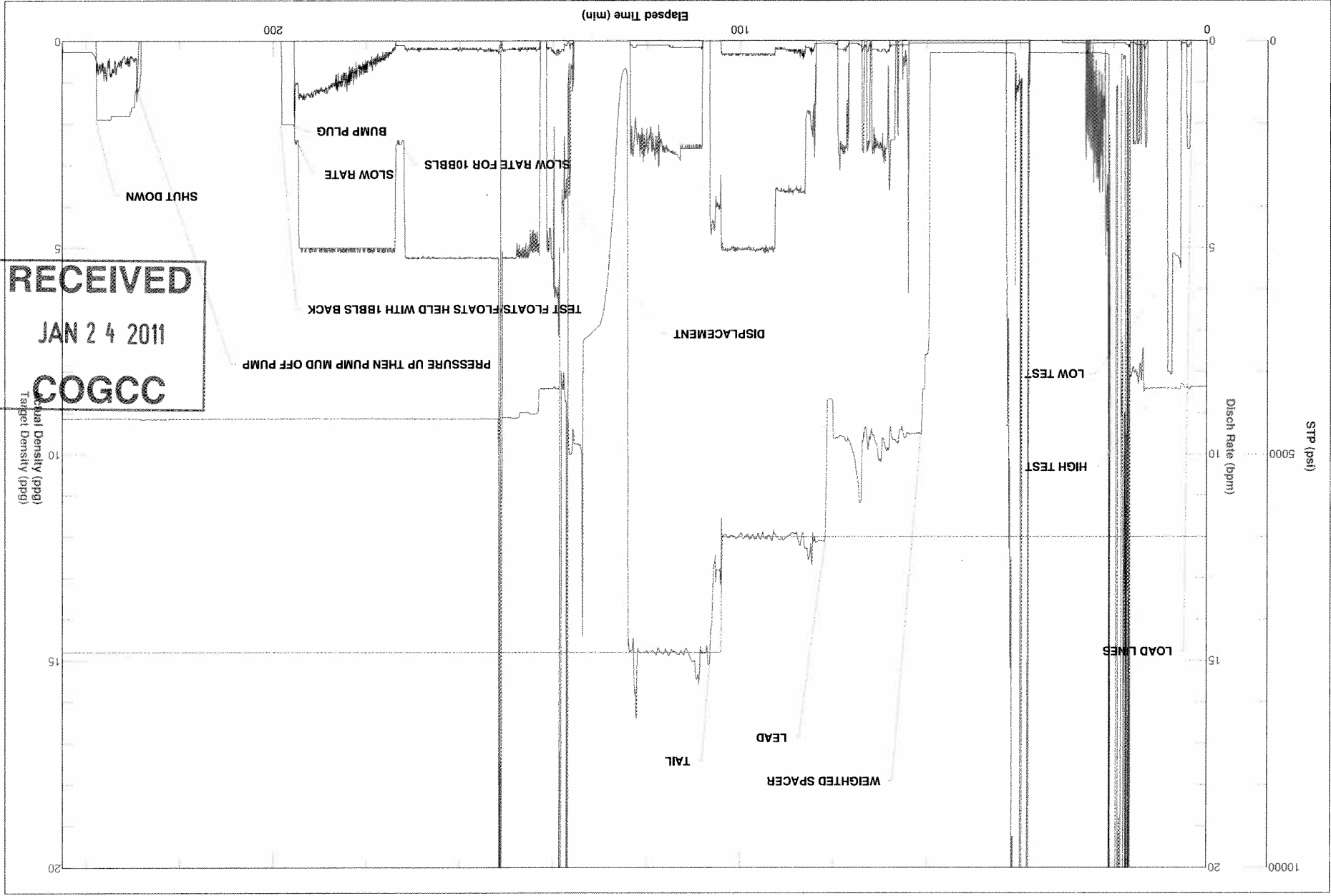
CEMENT JOB REPORT

Shoe Test (Update Original Treatment Report for Primary Job)									
Depth Drilled out of Shoe: 0 FT		Target EMW: 0 LBS/GAL		Actual EMW: 0 LBS/GAL					
Number of Times Tests Conducted: 0		Mud Weight When Test was Conducted: 0 LBS/GAL							
Problems Before Job (I.E. Running Casing, Circulating Well, ETC)									
Problems During Job (I.E. Lost Returns, Equipment Failure, Bulk Delivery, Foaming, ETC)									
Problems After Job (I.E. Gas at Surface, Float Equipment Failed, ETC)									
PRESSURE/RATE DETAIL						EXPLANATION			
TIME HR:MIN.	PRESSURE - PSI PIPE	ANNULUS	RATE BPM	Bbl. FLUID PUMPED	FLUID TYPE	SAFETY MEETING: BJ CREW	X	CO. REP.	X
						TEST LINES	3500	PSI	
03:30	0	0	0	0	0	CIRCULATING WELL - RIG	X	BJ	
03:45	0	0	0	0	0	PRE-CONVOY MEETING			
09:15	0	0	0	0	0	LEAVE YARD			
12:45	0	0	0	0	0	ARRIVE ON LOCATION/RIG STILL CASINGWAIT AT MOUTH OF LOCATION/CREW LOGGED OFF DUTY			
13:15	0	0	0	0	0	SPOT EQUIPMENT			
14:50	0	0	0	0	0	PRE-RIG UP MEETING			
15:00	0	0	0	0	0	GROUTING RIG UP COMPLETE			
15:25	0	0	0	0	0	PRE-JOB MEETING FOR FIRST STAGE			
16:57	0	0	0	0	0	END MEETING/PRIME UP PUMP AND MIX SPACER			
17:15	0	0	0	0	0	BREAK CIRCULATION/RIG UP FLOOR			
17:21	77	0	2.6	2	H2O	FLOOR RIG UP COMPLETE			
17:23	2722	0	0	0	H2O	LOAD LINES			
17:24	4031	0	0	0	H2O	LOW TEST			
17:31	0	0	0	0	SEALBOND	HIGH TEST			
18:22	52	0	2.4	24	SEALBOND	ATTEMPTED TO RUN WEIGHTED SPACER/PROBLEMS WITH BATCH MIXER			
18:37	0	0	0	0	CMT	PUMP WEIGHTED SPACER ON THE FLY			
18:42	203	0	3.6	80	CMT	SHUT DOWN/BATCH UP			
19:02	77	0	2.6	41	CMT	PUMP LEAD @ 12#			
19:23	0	0	0	0	H2O	PUMP TAIL @ 14.8#			
19:34	102	0	4.1	5	H2O	SHUT DOWN/PUT PLUG INTO HEAD/FLEXIBLE PLUG FOR FIRST STAGE			
19:41	102	0	5	20	H2O	DISPLACEMENT			
20:00	102	0	3.2	110	WBM	FIRST 20 BBLs OF DISPLACEMENT WITH H2O			
20:10	52	0	2.5	160	WBM	RATE/PRESSURE			
20:38	505	0	2.5	270	WBM	SLOW RATE FOR 10 BBLs			
20:39	549	0	2.5	271.5	WBM	SLOW RATE TO BUMP			
20:40	1009	0	2.5	272.5	WBM	FINAL LIFT PRESSURE			
20:42	1009	0	0	0	WBM	BUMP PLUG			
20:45	0	0	0	0	WBM	TEST FLOATS/FLOATS HELD WITH 1 BBLs BACK			
21:06	750	0	1.1	1.5	WBM	DROP BOMB/LOAD 2ND STAGE PLUG			
21:17	0	0	0	16	WBM	PESSURE UP			
03:15	0	0	0	0	0	SHUT DOWN/TURN OVER TO RIG TO CIRCULATE/RIG CIRCULATED A SMALL AMOUNT OF CEMENT TO SURFACE(NOT CALCULATED)			
03:25	0	0	0	0	0	PRE-JOB MEETING FOR 2ND STAGE			
04:10	52	0	1.8	20	SEALBOND	END MEETING/PRIME UP PUMP			
04:30	0	0	0	0	CMT	PUMP WEIGHTED SPACER			
						SHUT DOWN/BATCH UP			

CEMENT JOB REPORT

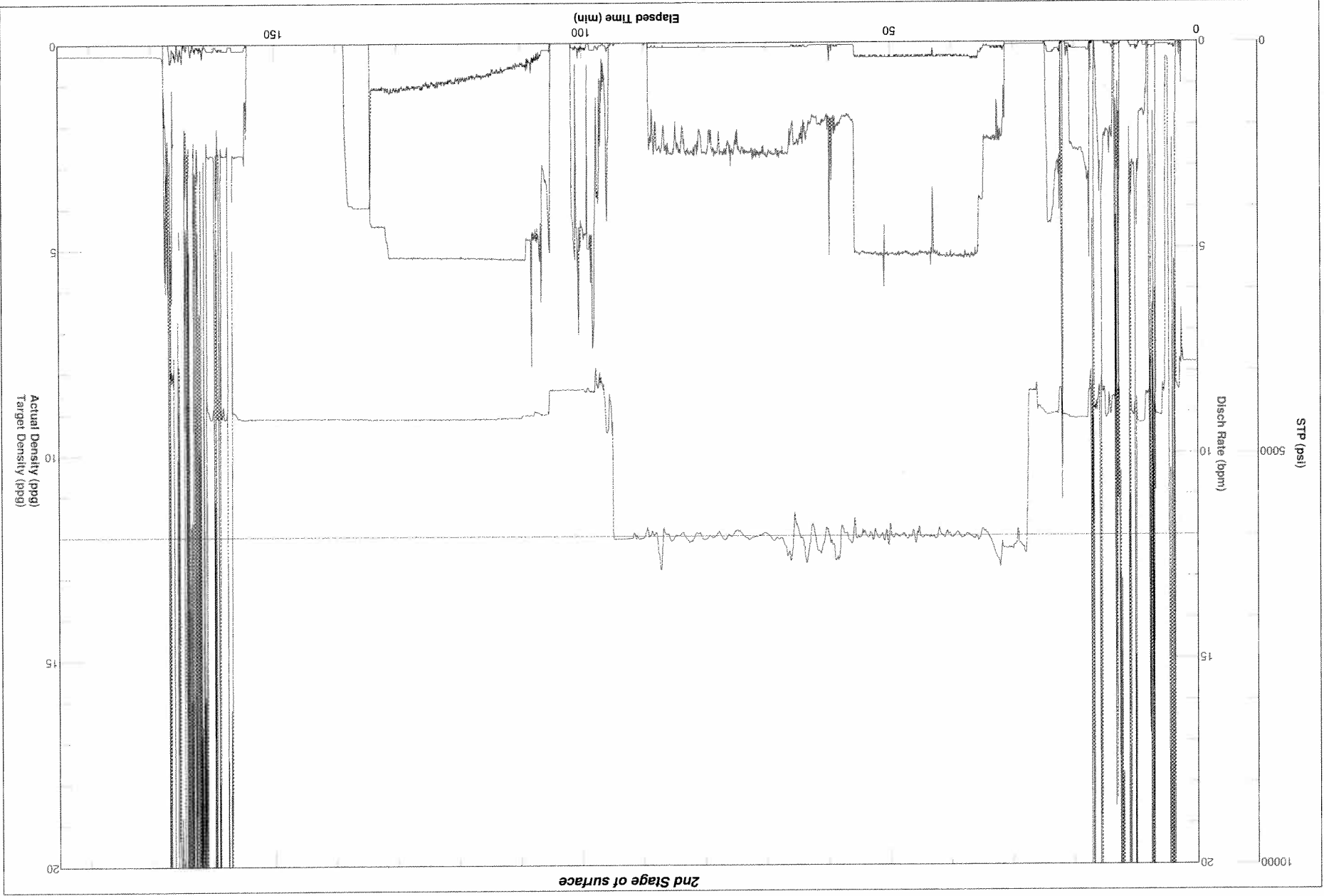


PRESSURE/RATE DETAIL										EXPLANATION			
TIME HR:MIN.	PRESSURE - PSI		RATE BPM	BBL FLUID PUMPED	FLUID TYPE	SAFETY MEETING: BJ CREW			CO. REP.				
	PIPE	ANNULUS				TEST LINES	3500 PSI	CIRCULATING WELL -	RIG	X	BJ		
04:37	127	0	3.8	190	CMT			PUMP LEAD					
05:36		0	0	0	H2O			SHUT DOWN/DROP PLUG/CLOSING PLUG FOR SECOND STAGE					
05:41	77	0	3.3	2	H2O			DISPLACEMENT/FIRST 20 BBLs WITH H2O					
05:47		0	0	20	H2O			SHUT DOWN/NOT GETTING MUD FEED					
05:50	77	0	3.3	20	WBM			CONTINUE DISPLACEMENT					
06:03	379	0	5.2	75	WBM			RATE/PRESSURE					
06:05	430	0	5.1	80	WBM			CEMENT TO SURFACE					
06:17	530	0	4.4	150	WBM			SLOW RATE					
06:20	530	0	4.4	164	WBM			FINAL LIFT PRESSURE					
06:21	1991	0	4.4	165	WBM			BUMP PLUG					
06:24		0	0	0	WBM			TEST FLOATS/FLOATS HELD WITH 1.25 BBLs BACK					
07:00		0	0	0	0			PRE-RIG DOWN MEETING					
BUMPED PLUG	PSI TO BUMP PLUG	1991	TEST FLOAT EQUIP.	BBL CMT RETURNS/ REVERSED	TOTAL BBL PUMPED	PSI LEFT ON CSG	SPOT		Service Supervisor Signature:				
							TOP	OUT					
Y	N		Y	N	85	794	0	0	Y	N			



RECEIVED
JAN 24 2011
COGCC

Actual Density (ppg)
Target Density (ppg)





CUSTOMER (COMPANY NAME)		CREDIT APPROVAL NO.		PURCHASE ORDER NO.		CUSTOMER NUMBER		INVOICE NUMBER	
True Oil Company		A10011313380		20090681 - 00253950					
MAIL		STREET OR BOX NUMBER		CITY		STATE		ZIP CODE	
Box 2360		Casper		Wyoming		82601			
INVOICE TO		WELL API NO:		WELL TYPE :		WELL CLASS :		WELL DEPTH(ft)	
DATE WORK		MO. DAY YEAR		BJ REPRESENTATIVE		WELL TYPE :		WELL CLASS :	
COMPLETED		01 17 2011		MICHAEL K MORGAN		New Well		WELL CLASS :	
BJ SERVICES DISTRICT		JOB DEPTH(ft)		WELL CLASS :		WELL TYPE :		WELL DEPTH(ft)	
Rock Springs		3.631		Other		WELL TYPE :		WELL DEPTH(ft)	
WELL NAME AND NUMBER		TD WELL DEPTH(ft)		GAS USED ON JOB :		WELL TYPE :		WELL DEPTH(ft)	
BREEZE UNIT #23-15		3.640		No Gas		WELL TYPE :		WELL DEPTH(ft)	
WELL		LEGAL DESCRIPTION		COUNTY/PARISH		STATE		JOB TYPE CODE :	
LOCATION :		15-6N-89W		Routt		Colorado		Surface	
PRODUCT CODE	DESCRIPTION	UNIT OF MEASURE	QUANTITY	LIST PRICE UNIT	GROSS AMOUNT	DISC. PERCENT	AMOUNT NET		
A152	Personnel Per Diem Chrg - Cement Svc	ea	2	161.500	323.00	0%	323.00		
K300	Batch Mix Truck, 100-150 bbl, 1st 4 Hrs	4hrs	1	3,000.000	3,000.00	55%	1,350.00		
M100	Bulk Materials Service Charge	cu ft	1231	4.170	5,133.27	55%	2,309.97		
R798	Automatic Density System	job	1	1,530.000	1,530.00	55%	688.50		
SUB-TOTAL FOR Service Charges									4,671.47
F059A	Cement Pumping, 3001 - 4000 ft	6hrs	1	4,750.000	4,750.00	55%	2,137.50		
H9985	Arctic Heater	ea	1	1,000.000	1,000.00	55%	450.00		
J050	Cement Head	job	1	635.000	635.00	55%	285.75		
J225	Data Acquisition, Cement, Standard	job	1	1,635.000	1,635.00	55%	735.75		
J390N	Mileage, Heavy Vehicle	miles	1260	9.100	11,466.00	55%	5,159.70		
J391N	Mileage, Auto, Pick-Up or Treating Van	miles	420	5.150	2,163.00	55%	973.35		
J553	Circulating Equipment	job	1	635.000	635.00	55%	285.75		
K230	Multiple Stage Cementing	stage	1	4,050.000	4,050.00	55%	1,822.50		
K371	Field Storage Bin, Up To 5 Days	job	1	1,270.000	1,270.00	55%	571.50		
SUB-TOTAL FOR Equipment									12,421.80
SERVICE ORDER: I AUTHORIZE WORK TO BEGIN PER SERVICE INSTRUCTIONS IN ACCORDANCE WITH THE TERMS AND CONDITIONS PRINTED ON THE LAST PAGE OF THIS FORM AND REPRESENT THAT I HAVE AUTHORITY TO ACCEPT AND SIGN THIS ORDER.									
CUSTOMER AUTHORIZED AGENT									
X									
BJ SERVICES APPROVED									
X									
CUSTOMER AUTHORIZED AGENT									
SERVICE RECEIPT: I CERTIFY THAT THE MATERIALS AND SERVICES LISTED WERE RECEIVED AND ALL SERVICES PERFORMED IN A WORKMANLIKE MANNER.									
SEE LAST PAGE FOR GENERAL TERMS AND CONDITIONS									
CUSTOMER REP. Bill Marchuck									
ARRIVE MO. DAY YEAR TIME									
LOCATION : 01 16 2011 09:15									
Report Printed on: January 18, 2011 6:04 PM									
Page 2									



BJ Services Company

FIELD RECEIPT NO. 1001747429

CUSTOMER (COMPANY NAME)		CREDIT APPROVAL NO.		PURCHASE ORDER NO.		CUSTOMER NUMBER		INVOICE NUMBER	
True Oil Company		A10011313380				20090681 - 00253950			
MAIL		STREET OR BOX NUMBER		CITY		STATE		ZIP CODE	
INVOICE TO		Box 2360		Casper		Wyoming		82601	
DATE WORK		MO.	DAY	YEAR	WELL API NO:		WELL TYPE:		
COMPLETED		01	17	2011	05107062400000		New Well		
BJ SERVICES DISTRICT					JOB DEPTH (ft)		WELL CLASS:		
Rock Springs					3.631		Other		
WELL NAME AND NUMBER					TD WELL DEPTH (ft)		GAS USED ON JOB:		
BREEZE UNIT #23-15					3.640		No Gas		
WELL					COUNTY/PARISH		STATE		
LEGAL DESCRIPTION					Colorado		Surface		
LOCATION:					Routt				
PRODUCT CODE					UNIT OF MEASURE		QUANTITY		
J401					ton-mi		12862		
SUB-TOTAL FOR Freight/Delivery Charges							3.030		
							38,971.86		
							55.00%		
							17,537.34		
FIELD ESTIMATE							137,703.93		
							54.87%		
							62,144.44		
ARRIVE		MO.	DAY	YEAR	TIME	SERVICE ORDER: I AUTHORIZE WORK TO BEGIN PER SERVICE			
LOCATION:		01	16	2011	09:15	INSTRUCTIONS IN ACCORDANCE WITH THE TERMS AND			
CUSTOMER REP.						CONDITIONS PRINTED ON THE LAST PAGE OF THIS FORM AND			
Bill Marchnick						REPRESENT THAT I HAVE AUTHORITY TO ACCEPT AND SIGN THIS			
SEE LAST PAGE FOR GENERAL						ORDER.			
TERMS AND CONDITIONS						CUSTOMER AUTHORIZED AGENT			
X						BJ SERVICES APPROVED			
X						CUSTOMER AUTHORIZED AGENT			

Bj Services
CONDITIONS OF CONTRACT

Effective 08/19/96

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 the purpose of this contract, the term Customer shall include agents, subsidiaries, joint ventures and partners of customers.

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' 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 hereto 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 1 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 the preceding sentence. 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 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 THE IMMEDIATELY PRECEDING SENTENCE. BJ SERVICES, LIABILITY AND CUSTOMERS 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' 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 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.

10. 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.
11. 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 (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) CUSTOMER ON ACCOUNT OF LOSS OR DAMAGE TO CUSTOMER 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, AND 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) CUSTOMERS EMPLOYEES OR THE EMPLOYEES OF CUSTOMER'S OTHER SUBCONTRACTORS OR THEIR SUBCONTRACTORS ON ACCOUNT OF BODILY INJURY, DEATH OR DAMAGE TO PROPERTY, OR (II) CUSTOMER ON ACCOUNT OF LOSS OR DAMAGE TO CUSTOMER 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 CLEANUP OR REMOVAL THEREOF, ARISING OUT OF OR CONNECTED WITH THE PERFORMANCE BY BJ SERVICES OF SERVICES FOR THE 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, 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 DROPS, SOLVENTS, SLUDGE OR GARBAGE IN THE POSSESSION AND CONTROL OF BJ SERVICES AND ASSOCIATED WITH CONTRACTORS' EQUIPMENT AND FACILITIES, EXCEPTING ANY POLLUTION IN RESERVE PITS FROM FLOWBACK INCIDENT TO B.J. SERVICES' OPERATIONS.

(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 CUSTOMERS 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 HOLE, (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 TREPPASS OR 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 BY INSURANCE OR SELF INSURANCE EXCEEDS 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 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 of 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.