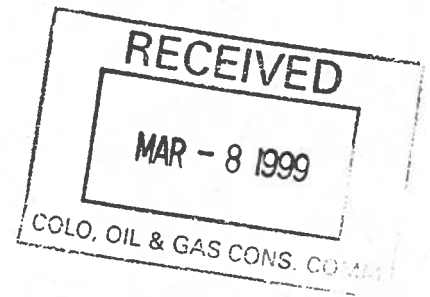


Plugging Procedure – Pierce Project  
American Resources bond claim  
Pierce-Govt. #20-2X  
SWNW, SEC 20, T2N, R97W  
API# 103-08731



Conductor 21" set at 60'  
Surface Casing 8 5/8" 20#, k-55 set at 1150' cmt to surf.  
Production Casing 5 1/2" 17# k-55 set at 1496' w/ 50 sx, (etoc 600' @ 100%)

0.0654 cf/ft annular 5 1/2" casing X 6 1/2" open hole  
0.1119 cf/ft annular 5 1/2" x 7 5/8" casing  
0.1305 cf/ft internal capacity

1. Notify surface landowner at least 14 days prior to beginning plugging operation.
2. P&A operations must be witnessed by COGCC. Notify COGCC NW Area Engineer Jaime Adkins at least 48 hours before rig up at (970) 858-7521.
3. RIH, Set a 40 sx cement balanced plug from 1517' to 1255' (30% excess). SI, WOC 8 hrs. and tag plug.
4. Perforate 4 shots at 360' and establish circulation in 5 1/2" X 7 5/8" annulus.
5. Circulate cement to surface (est. 95 sx).(30% excess)
6. Cut off wellhead 3' below ground level and weld on plate with well information.
7. Remove wellhead, deadmen and any debris. Recontour and reseed location.

I hereby offer to perform the above work for a total cost of: \$ 4950<sup>00</sup>/<sub>xx</sub>

Work will be started by APRIL 99 (date) <sup>or</sup> AS WEATHER PERMITS

Work must be completed by July 1, 1999

Company Name: RIPPY SALES & SERVICE

Signature: William J. Rippy Jr. Date: 3/3/99

3/10/99  
Laura to issue P.O  
& send to Rippy  
RW



AND GAS CONSERVATION  
120 LINCOLN STREET, ROOM 801  
DENVER, CO 80203

Buyer: LAURA POSUSTA  
Phone Number: 304-2100X120  
Agency Contact: DIMATTEO  
Phone Number: 303 894 2100

DATE: 03-11-99

**IMPORTANT**  
The PO# and Line Item #  
must appear on all  
invoices, packing slips,  
cartons, and  
correspondence.



**PURCHASE  
ORDER**  
STATE OF COLORADO

P.O. # PHA 99000000018

Page #

State Award #

ACC: 03-10-99

FEIN: 524366330 Phone: 970-858-3736  
Vendor Contact: WILLIAM J RIPPY JR  
Purchase Requisition #:

BID #

V  
E RIPPY JR, WILLIAM J  
N RIPPY SALES & SERVICE  
D BOX 667  
O FRUITA CO 81521  
R

Invoice in  
Triplicate  
To:

DIV OF OIL & GAS COMMISSION  
1120 LINCOLN STREET, ROOM 801  
DENVER, CO 80203

Payment will be made by this agency

Ship  
To:

DIV OF OIL & GAS COMMISSION  
1120 LINCOLN STREET, ROOM 801  
DENVER, CO 80203

**INSTRUCTIONS TO VENDOR:**

1. If for any reason, delivery of this order is delayed beyond the delivery/installation date shown, please notify the agency contact named at top left. (Right of cancellation is reserved in instances in which timely delivery is not made.)
2. All chemicals, equipment and materials must conform to the standards required by OSHA.
3. NOTE: Additional terms and conditions on reverse side.

Delivery/Installation Date: 06-30-99

F.O.B. DESTINATION STATE PAYS NO FREIGHT

SPECIAL INSTRUCTIONS:

LINE ITEM	COMMODITY/ITEM CODE	UNIT OF MEASURE	QUANTITY	UNIT COST	TOTAL ITEM COST
--------------	------------------------	--------------------	----------	-----------	-----------------

001 96273000000  
PIERCE PROJECT, PIERCE-GOVT #20-2X  
PLUGGING AND REMEDIATION

\$4,950.00

THIS PO IS ISSUED IN ACCORDANCE WITH STATE AND FEDERAL REGULATIONS.

FOR THE STATE OF COLORADO



## VENDOR PLEASE RETAIN THESE TERMS AND CONDITIONS FOR YOUR FUTURE REFERENCE

### INVITATION FOR BID (IFB)/REQUEST FOR PROPOSALS (RFP) TERMS AND CONDITIONS

- 1. Late Bids/Proposals.** LATE BIDS/PROPOSALS WILL NOT BE ACCEPTED OR CONSIDERED. It is the responsibility of the bidder/proposer (hereinafter bidder) to ensure that the bid/proposal (hereinafter bid) arrives prior to the time and at the place indicated in the bid. Telephone or facsimile responses will not be accepted unless so stated in the bid.
- 2. Specifications.** Specifications are provided to identify the product/service required and to establish an acceptable quality level. Bids on products of equal quality and usability will normally be considered unless otherwise stated. The State will be the sole judge in determining "equals" in regard to quality and performance. Samples of product(s), when required, must be furnished free of expense to the state agency, and if not destroyed by tests may upon request made at the time the sample is furnished, be returned at the bidder's expense. Failure to furnish brochures, specifications, and/or samples as requested may be sufficient cause to consider a bid non-responsive.
- 3. Information Required.** Bidders shall furnish all the information required and are expected to examine the drawings, specifications, schedule of delivery and all instructions. Should the bidder find any part of the listed specifications or terms and conditions to be discrepant, incomplete or otherwise questionable in any respect, it shall be the responsibility of the bidder to call such matters to the attention of the purchasing agent immediately. Failure to do so will be at the bidder's risk. Amendments to this bid will be official only furnished, in writing, by the state agency purchasing office. Bidders should not rely on verbal statements that alter any specification or other term or condition of the bid.
- 4. Products/Services Provided.** The bidder shall furnish the products and/or services in strict accordance with the specifications, and at the price set forth for each item. In case of error in extension, the unit price will prevail. All products quoted shall be newly manufactured and of the manufacturer's current model, unless otherwise specified.
- 5. Bid Return Format.** IFB and RFP responses shall be submitted in a sealed envelope in accordance with the instructions in the IFB or RFP. The IFB or RFP number and the opening date and time should be written in the lower left corner of the envelope. If the bid package is too large to be returned in a bid envelope, a bid envelope should be affixed to the outside of the sealed bid package.
- 6. Valid Bid Period.** No bid shall be withdrawn for a period of less than sixty (60) calendar days subsequent to the opening of the bids, unless otherwise stipulated.
- 7. Discounts.** Notwithstanding the fact that a blank is provided for a cash discount, discounts offered for payment within less than thirty (30) calendar days will not be considered in evaluating offers for award, unless otherwise stipulated. Discounts of less than thirty (30) calendar days will be taken if payment is made within the discount period, even though not considered in evaluation of the bid. The term Prox is not considered to meet the requirements of the 30 day criteria as noted above.

### PURCHASE ORDER TERMS AND CONDITIONS

- 1. Offer/Acceptance.** If the purchase order refers to your bid, then the purchase order is an ACCEPTANCE of your OFFER TO SELL in accordance with the terms and conditions of the IFB/RFP, as stated in your bid. If no bid is referenced, the purchase order is an OFFER TO BUY, subject to your acceptance, which can be demonstrated by your performance of the purchase order or by a formal acknowledgement. Any COUNTER-OFFER TO SELL is automatically construed as CANCELLATION of the purchase order unless a change order is issued accepting a counter offer.
- 2. Safety Information.** All chemicals, equipment and materials proposed and/or used in the performance of this purchase order must conform to the standards required by the William-Steiger Occupational Safety and Health Act of 1970. Bidders must furnish all Material Safety Data Sheets (MSDS) for any regulated chemicals, equipment or hazardous materials at the time of delivery.
- 3. Changes.** The vendor agrees to furnish the products and/or services in strict accordance with the specifications, and at the price set forth for each item. Nothing in the purchase order may be added to, modified, superseded or otherwise altered except in writing signed by an authorized representative of the state agency purchasing office and acknowledged by the vendor. Each shipment received or service performed shall be only upon the terms contained in the purchase order, notwithstanding any terms that may be contained in any invoice or other act of vendor other than acknowledgement of a written change order to the purchase order.
- 4. Delivery.** In its acceptance of any quotation offer, the state agency is relying on the promised delivery date, installation, or service performance as material and basic to its acceptance. In the event of vendor's failure to deliver or perform as and when promised, the state agency reserves the right to cancel its order, or any part thereof, without prejudice to its other rights, and vendor agrees that the state agency may return all or part of any shipment so made, and may charge vendor with any loss or expense sustained as a result of such failure to deliver or perform as promised. Settlement of a purchase order terminated for convenience of the State not involving delay or late delivery may be resolved by negotiated agreement. In such cases, every effort will be made to reach a fair and prompt settlement with the vendor.
- 5. New Products.** All products delivered against this purchase order shall be newly manufactured and of the manufacturer's current model, unless otherwise specified.
- 6. Quality.** The State will be the sole judge in determining "equals" with regard to quality, price and performance.
- 7. Warranties.** All provisions and remedies of the Uniform Commercial Code relating to both implied and expressed warranties are herewith referred to and made a part of these Terms and Conditions and are in addition to any warranties stipulated in the specifications.
- 8. Inspection.** Receipt of products or services in response to this purchase order can result in authorized payment on the part of the state agency. Final acceptance is dependent upon completion of all applicable inspection procedures. Should the products or services fail to meet any inspection requirements the State may exercise all of its rights, including those provided in the Uniform Commercial Code.
- 9. Cash Discount.** The cash discount period will start from date of receipt of acceptable invoice, or from date of receipt of acceptable products/services at the specified destination by an authorized agency representative, whichever is later.
- 10. Taxes.** The state agency, as purchaser, is exempt from all federal excise taxes under Chapter 32 of the Internal Revenue Code [No. 84-730123K] and from all state and local government use taxes [C.R.S. 39- 26-114(a) and 203, as amended]. Tax exempt numbers for the specific state agency may be found elsewhere in this document. Vendor is hereby notified that when materials are purchased for the benefit of the State, such exemptions apply except that in certain political subdivisions (for example - City of Denver) the vendor may be required to pay sales or use taxes even though the ultimate product or service is provided to the State. These sales or use taxes will not be reimbursed by the State.
- 11. Prompt Payment.** State law and regulations provide that vendors will be paid within forty-five days after receipt of products or services and a correct notice of amount due, unless otherwise agreed to by contract or special conditions of the purchase order. A State liability not paid within forty-five days is considered delinquent and, unless otherwise agreed to, interest on the unpaid balance shall be paid beginning with the forty-sixth day at the rate of one percent per month on the unpaid balance until paid in full. A liability shall not arise if a good faith dispute exists as to the agency's obligation to pay all or a portion of the liability. Vendors shall invoice the State separately for interest on delinquent amounts due. The billing shall reference the delinquent payment, the number of days interest to be paid and the applicable interest rate. [Ref. Sec 24-30-202(24), C.R.S., as amended.]
- 12. Vendor Offset.** Pursuant to CRS 24-30-202.4 (as amended), the state controller may withhold debts owed to state agencies under the vendor offset intercept system for: (a) unpaid child support debt or child support arrearages; (b) unpaid balance of tax, accrued interest, or other charges specified in Article 21, Title 39, CRS; (c)

- 8. Bid Acceptance/Obligation.** The State of Colorado reserves the right to reject any or all bids and to waive informalities and minor irregularities in bids received and to accept all or any portion of the bid, deemed in the best interest of the State and not contrary to law. This bid implies no obligation on the part of the state agency to pay any costs incurred in the preparation or the submission of such bids, or to purchase or contract for products or services, nor does the state agency's silence imply any acceptance or rejection of any offer.
- 9. Evaluation and Award.** For a competitive sealed bid award will be made to the low responsive and responsible bidder. For a competitive sealed proposal award will be made to the responsible offeror whose proposal is determined to be most advantageous to the State, price and other factors considered, in accordance with the criteria described in the RFP.
- 10. Protest.** A protest of any portion of this solicitation must be submitted to the soliciting agency, in accordance with Title 24, Article 109, C.R.S., as amended. Bidder must submit relevant documents, exhibits or other evidence within seven (7) working days after becoming aware of the facts giving rise to the protest.
- 11. Valid Contract.** The state agency will not be responsible for any products delivered or services performed prior to issuance of a purchase order signed by an authorized representative of the state agency's purchasing department or a contract signed by a duly authorized representative of the state agency.
- 12. Vendor Forms.** In the event bidder's form(s) or part(s) of forms are included as an attachments(s), bidder agrees that, in the event of inconsistencies or contradictions, the terms and conditions of the solicitation document shall supersede and control over those contained in the bidder's form(s) regardless of any statement to the contrary in a bidder form(s).
- 13. Waste Reduction.** The State desires and encourages that bids be submitted on recycled paper, printed on both sides. While the appearance of bids and professional presentation is important, the use of non-recyclable or non-recycled glossy paper is discouraged.
- 14. Indemnification.** In the event any article sold or delivered under this purchase order is covered by any patent, copyright, trademark, or application therefore, the vendor will indemnify and hold harmless the State of Colorado from any and all loss, cost, expenses and legal fees on account of any claims, legal actions, or judgments on account of manufacture, sale or use of such article in violation, infringement or the like of rights under such patent, copyright, trademark or application.
- 15. Minority- and Women-owned Business Enterprises (M/WBE).** MBEs and WBEs are encouraged to participate as contractors, subcontractors and/or suppliers. Accordingly, the State encourages direct bids and joint venture proposals from M/WBEs. A successful bidder must complete a vendor M/WBE participation status form, including subcontractor/supplier participation status, before a contract can be finalized.

unpaid loans due to the student loan division of the department of higher education; (d) owed amounts required to be paid to the unemployment compensation fund; and (e) other unpaid debts owing to the state or any agency thereof, the amount of which is found to be owing as a result of final agency determination or reduced to judgment as certified by the controller.

- 13. Assignment.** Except for assignment of antitrust claims and accounts receivable, neither party to the contract may assign any portion of the agreement without the prior written consent of the other party. Vendor and State recognize that in actual economic practice, antitrust violations ultimately impact the purchaser. Therefore, vendor hereby assigns to the State any and all claims it may now have or hereafter acquire under federal or state antitrust laws relating to the particular products or services purchased or acquired by the State of Colorado pursuant to this purchase order. Assignment of antitrust claims and accounts receivable may be made only with written notice to the State.
- 14. Indemnification.** In the event any article sold or delivered under this purchase order is covered by any patent, copyright, trademark, or application therefore, the vendor will indemnify and hold harmless the State of Colorado from any and all loss, cost, expenses and legal fees on account of any claims, legal actions, or judgments on account of manufacture, sale or use of such article in violation, infringement or the like of rights under such patent, copyright, trademark or application. If this purchase order is for services, to the extent authorized by law, the contractor shall indemnify, save, and hold harmless the State, its employees and agents, against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees incurred as a result of any act or omission by the vendor, or its employees, agents, subcontractors or assignees pursuant to the terms of this purchase order.
- 15. Independent Contractor.** THE CONTRACTOR/VENDOR SHALL PERFORM ITS DUTIES HEREUNDER AS AN INDEPENDENT CONTRACTOR AND NOT AS AN EMPLOYEE. NEITHER THE CONTRACTOR/VENDOR NOR ANY AGENT OR EMPLOYEE OF THE CONTRACTOR/VENDOR SHALL BE OR SHALL BE DEEMED TO BE AN AGENT OR EMPLOYEE OF THE STATE. CONTRACTOR/VENDOR SHALL PAY WHEN DUE ALL REQUIRED EMPLOYMENT TAXES AND INCOME TAX WITHHOLDING INCLUDING ALL FEDERAL AND STATE INCOME TAX AND LOCAL HEAD TAX ON ANY MONIES PAID PURSUANT TO THIS CONTRACT. CONTRACTOR/VENDOR ACKNOWLEDGES THAT THE CONTRACTOR/VENDOR AND ITS EMPLOYEES ARE NOT ENTITLED TO UNEMPLOYMENT INSURANCE BENEFITS UNLESS THE CONTRACTOR/VENDOR OR A THIRD PARTY PROVIDES SUCH COVERAGE AND THAT THE STATE DOES NOT PAY FOR OR OTHERWISE PROVIDE SUCH COVERAGE. CONTRACTOR/VENDOR SHALL HAVE NO AUTHORIZATION EXPRESS OR IMPLIED TO BIND THE STATE TO ANY AGREEMENTS, LIABILITY, OR UNDERSTANDING EXCEPT AS EXPRESSLY SET FORTH HEREIN. CONTRACTOR/VENDOR SHALL PROVIDE AND KEEP IN FORCE, WORKERS' COMPENSATION (AND SHOW PROOF OF SUCH INSURANCE) AND UNEMPLOYMENT COMPENSATION INSURANCE IN THE AMOUNTS REQUIRED BY LAW, AND SHALL BE SOLELY RESPONSIBLE FOR THE ACTS OF CONTRACTOR/VENDOR, ITS EMPLOYEES, AND AGENTS.
- 16. Communication.** All communications, including reports, notices, and advice of any nature, concerning administration of this purchase order, prepared by vendor for the state agency's use, must be furnished solely to the Purchasing Agent within the agency purchasing office.
- 17. Vendor Forms.** In the event bidder's form(s) or part(s) of forms are included as an attachment(s), bidder agrees that in the event of inconsistencies or contradictions the terms and conditions of the solicitation document shall supersede and control over those contained in the bidder's form(s) regardless of any statement to the contrary in a bidder form(s).
- 18. Compliance with Laws.** Bidder agrees to comply with all applicable federal and state laws, regulations and policies, as amended, including those regarding discrimination, unfair labor practices, antickback and collusion.
- 19. Americans with Disabilities Act (ADA) Requirements.** If this solicitation contemplates the provision of state services to the public, the vendor shall, in addition to any other requirements under Title 11 of the Americans with Disabilities Act comply with the Title 11 requirements of the Americans with Disabilities Act regarding the accessibility of the State's services and programs, as an explicit requirement. The vendor assures that, at all times during the performance of any resulting contract, no qualified individual with a disability shall, by reason of that disability, be excluded from participation in, or be denied benefits of, services, programs, or activities performed by the vendor for the benefit of the State.
- 20. Insurance.** The contractor shall obtain, and maintain at all times during the term of this purchase order, insurance as specified in the solicitation, and shall provide proof of such coverage.
- 21. Choice of Law.** The laws of the State of Colorado, U.S.A. shall govern in connection with the formation, performance and the legal enforcement of this purchase order. Further, 24 C.R.S. 101 through 112, as amended, and Rules adopted to implement these statutes, govern this procurement.



INTEREST CHARGED  $1\frac{1}{2}\%$  PER MONTH ON ALL ACCOUNTS OVER 30 DAYS OLD.

CUSTOMER NAME

RIPPSA

CUSTOMER CODE

DATE

BILLING ADDRESS

JOB NUMBER

PRICE CODE

DELIVERY ADDRESS

PO NUMBER

TAX CODE

MIX DESIGN CODE	SUMP	CEMENT TYPE	MAX AGGREGATE	TOTAL YARDS ON JOB	STRENGTH/SACKS
		ITL A		CEMENT WATER	

1. LEAVE PLANT	12:40
2. ARRIVE @ JOB	1:20
3. BEGIN UNLOAD	1:25
4. FINISH UNLOAD	1:35
5. LEAVE JOB	1:40
6. ARRIVE PLANT	

OUTSIDE TEMP.

WATER ADDED AT JOB SITE	GAL.	GAL.	GAL.	GAL.
TESTS TAKEN AT JOB SITE	TIME	TIME	TIME	TOTAL #
SUMPS	AIR	CONC. TEMP	CYLINDERS/TIME	

This concrete has been furnished according to purchaser's specifications. Alteration of concrete by customer or agent relieves producer of responsibility for concrete performance. Water added at job reduces strength.

**CAUTION**

FRESHLY MIXED CONCRETE MAY CAUSE SKIN IRRITATION. AVOID DIRECT CONTACT WHERE POSSIBLE AND WASH EXPOSED AREA PROMPTLY WITH WATER. IF ANY CEMENTITIOUS MATERIAL GETS INTO THE EYE, RINSE IMMEDIATELY AND REPEATEDLY WITH WATER AND GET PROMPT MEDICAL ATTENTION.

DRIVER SIGNATURE	UNIT #
START MILES	
END MILES	
DRIVER NOTES ON THIS DELIVERY	

"When delivering beyond curb line, Meeker Sand & Gravel will not assume liability for damage to sidewalk or other property."



P.O. Box 1550  
Meeker, CO 81641

Meeker: (970) 878-3671  
Rangely: (970) 675-2315

Serving the White River Valley

DESCRIPTION	CODE	QUANTITY	UNIT PRICE	AMOUNT
CONCRETE YARDS		140 SK		
FIBERMESH				
HIGH EARLY		%		
HOT WATER				
TRUCK TIME		HRS.		
MINIMUM LOAD				
DELIVERY				70/yr
OTHER				

Cement	lbs.	SALES AMOUNT
3/4" WR	lbs.	
Sand	lbs.	
AES	oz.	SALES TAX
PKN	oz.	
Water	gals.	
		TOTAL INVOICE AMOUNT \$

I acknowledge and accept the terms set above and the receipt of the above described material in the amount shown at the destination site. I assume responsibility for reduced strength where water is added and for any damages and losses occasioned by its delivery to the above delivery address, including changes, damages or delay of time due to inadequate freight and origin to and from the destination site. I agree to pay a charge of \$5.00 per cubic yard for any material delivered to the destination site within ten days after the date of the invoice. I agree to pay a finance charge (minimum of \$5.00) on the unpaid balance computed at a periodic rate of 2% per month which is an annual rate of 24%. If my account is referred to an agency for collection, I agree to pay a charge of \$5.00 per invoice. This invoice is binding and signed by management of Meeker Sand & Gravel, Inc. within two days after the date of this invoice.

AUTHORIZED SIGNATURE

Thank You For Your Order