

# ***Kinder Morgan***

**Doe Canyon**

**5**

**API Well No.:**

**114**

**18 40N 17W**

**7/4/2007**

**Montezuma**

**County**

**7 Intermediate foam**

**Customer Representative:**

Kenny Kornegie 325-207-5579

**Halliburton Operator:**

Ryan Pfeifer 391069

**Ticket No.:**

**5171535**

# **Halliburton**

# Cement & Equipment Summary

**Job Type**

**7 Intermediate foam**

				<i>Measured</i>	
<i>Casing</i>	<i>Size</i>	<i>Weight</i>	<i>Grade</i>	<i>Depth</i>	Total Casing
Surface	9 5/8	36		2,654	
Intermediate					
Production	7	29		8,524	
Tubing					
Drill Pipe					
Open Hole	8 3/4			8,524	

## Cement Data

<b>Spacer</b>	<b>40 Bbls Water</b>				
<b>Cement 1 Additives</b>	<b>50/50/V/Poz</b>			<b>2,000 Sacks</b>	
	<b>2% Gel, 1/10% FDP C766-05, 2/10% Versaset</b>				
	Weight (lb/gal)	<b>13.00</b>	Yield (cuft/sk)	<b>1.45</b>	Water (gal/sk) <b>6.80</b>
<b>Cement 2 Additives</b>	<b>50/50/V/Poz</b>			<b>300 Sacks</b>	
	<b>2% Gel, 1/10% FDP C766-05, 2/10% Versaset</b>				
	Weight (lb/gal)	<b>13.50</b>	Yield (cuft/sk)	<b>1.28</b>	Water (gal/sk) <b>5.74</b>
<b>Cement 3 Additives</b>	<b>Standard</b>			<b>100 Sacks</b>	
	<b>2% CaCl2</b>				
	Weight (lb/gal)	<b>15.60</b>	Yield (cuft/sk)	<b>1.18</b>	Water (gal/sk)
<b>Cement 4 Additives</b>				<b>Sacks</b>	
	Weight (lb/gal)		Yield (cuft/sk)		Water (gal/sk)
<b>Cement 5 Additives</b>				<b>Sacks</b>	
	Weight (lb/gal)		Yield (cuft/sk)		Water (gal/sk)

**Displacement** **H2O 8.33 lb/gal**

**Bbls**

## Cement Equipment

<b>Provider</b>	<b>HES</b>				
<b>Guide Shoe</b>		ea.	<b>Centralizers</b>	<b>78</b>	ea.
<b>Float Shoe</b>	<b>1</b>	ea.	<b>Plug Type</b>		ea.
<b>Float Collar</b>	<b>1</b>	ea.	<b>Packer</b>		ft.
<b>DV Tool</b>		ft.	<b>Retainer</b>		ft.



Halliburton Energy Services, Inc.  
Houston, Texas 77058

20012 SAP

TO: HALLIBURTON ENERGY SERVICES, INC. - YOU ARE HEREBY REQUESTED TO FURNISH EQUIPMENT AND SERVICE PERSONNEL TO DELIVER AND OPERATE THE SAME AS AN INDEPENDENT CONTRACTOR TO CUSTOMER LISTED BELOW AND DELIVER AND SELL PRODUCTS, SUPPLIES AND MATERIALS FOR THE PURPOSE OF SERVICING:

Well No. <b>5</b>	Farm or Lease <b>Doe Canyon</b>	County <b>Montezuma</b>	State <b>CO</b>	Well Permit Number <b>114</b>
Customer <b>Kenny Komegie 325-207-5579</b>		Well Owner <b>Kinder Morgan</b>	Job Purpose <b>7 Intermediate foam</b>	

THIS WORK ORDER MUST BE SIGNED BEFORE WORKING COMMENCEMENT

**A. CUSTOMER REPRESENTATION** - Customer warrants that the well is in proper condition to receive the services, equipment, products, and materials to be supplied by Halliburton Energy Services, Inc. (hereinafter "Halliburton").

**B. PRICE AND PAYMENT** - The services, equipment, products, and/or materials to be supplied hereunder are priced in accordance with Halliburton's current price list. All prices are exclusive of taxes. If Customer does not have an approved open account with Halliburton, all sums due are payable in cash at the time of performance of services or delivery of equipment, products or materials. If Customer has an approved open account, invoices are payable on the twentieth day after the date of invoice. Customer agrees to pay interest on any unpaid balance from the date payable until paid at the highest lawful contract rate applicable, but never to exceed 18% per annum. In the event Halliburton employs an attorney for collection of any account, Customer agrees to pay attorney fees of 20% of the unpaid account, or Halliburton's actual attorneys fees, whichever is greater, plus all collection and court costs. Customer agrees that the amount of attorney fees set out herein are reasonable and necessary.

**C. RELEASE AND INDEMNITY** - Customer agrees to **RELEASE** Halliburton Group from any and all liability for any and all damages whatsoever to property of any kind owned by, in the possession of, or leased by Customer and those persons and entities Customer has the ability to bind by contract of which are co-interest owners of joint ventures with Customer. Customer also agrees to **DEFEND, INDEMNIFY, AND HOLD HARMLESS** Halliburton Group **HARMLESS** from and against any and all liability, claims, costs, expenses, attorney fees and damages whatsoever for personal injury, illness, death, property damage and loss resulting from:

(loss of well control, services to control a well well whether underground or above the surface, reservoir or underground damage, including loss of oil, gas, other mining substances or water, surface damage arising from underground damage, damage to or loss of the well bore, subsurface trespass or any action in the nature thereof, fire, explosion, subsurface pressure, radioactivity, and pollution and contamination and its cleanup and control)

**CUSTOMER'S RELEASE, DEFENSE, INDEMNITY AND HOLD HARMLESS** obligations will apply from if the liability and claims are caused by the sole, concerted, active or passive negligence, fault, or strict liability of one or more members of the Halliburton Group, the unworthiness of any vessel or any defect in the data, products, supplies, materials or equipment furnished by any member or members of the Halliburton Group whether in the design, manufacture, maintenance or exhibiting thereof or from a failure to warn of such defect. "Halliburton Group" is defined as Halliburton Energy Services, Inc., its parent, subsidiary, and affiliated companies, insurance and subcontractors and all former officers, directors, employees, consultants and agents. **CUSTOMER'S RELEASE, DEFENSE, INDEMNITY AND HOLD HARMLESS** obligations apply whether the personal injury, illness, death, property damage or loss is suffered by one or more members of the Halliburton Group, Customer, or any other person or entity. Customer agrees to warrant such obligations assumed herein with liability insurance with limits of not less than \$100,000. Customer agrees to name Halliburton Group as insured additional insureds on all of its general liability policy(s). Customer agrees that its liability under this Contract is not limited by the amount of its insurance coverage, except where and to the extent prohibited by applicable local law for the provisions of this Contract to be enforceable.

**D. EQUIPMENT LIABILITY** - Customer shall at its risk and expense attempt to recover any Halliburton Group equipment lost or lodged in the well. If the equipment is recovered and repairable, Customer shall pay the repair costs, unless caused by Halliburton's sole negligence. If the equipment is not recovered or is irreparable, Customer shall pay the replacement cost, unless caused by Halliburton's sole negligence. If a radioactive source becomes lost or lodged in the well, Customer shall meet all requirements of Section 39.15(a) of the Nuclear Regulatory Commission regulations and any other applicable laws or regulations concerning retrieval or abandonment and shall permit Halliburton to monitor the recovery or abandonment efforts at all no risk or liability to Halliburton Group. Customer shall be responsible for damage to or loss of Halliburton group equipment, products, and materials while in transit aboard Customer-supplied transportation, even if such is arranged by Halliburton at Customer's request, and during loading and unloading from such transport. Customer will also pay for the repair or replacement of Halliburton group equipment damaged by corrosion or abrasion due to well effluents.

**E. LIMITED WARRANTY** - Halliburton warrants only title to the equipment, products, and materials supplied under this Contract and that same are free from defects in workmanship and materials for thirty (30) days from the date of delivery. **THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, OF MERCHANTABILITY, FITNESS OR OTHERWISE BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE.** Halliburton's sole liability and Customer's exclusive remedy in any cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale, lease or use of any equipment, products, or materials is expressly limited to the replacement of such on their return to Halliburton or, at Halliburton's option, to the allowance to Customer of credit for the cost of such items. In no event shall Halliburton be liable for special, incidental, indirect, consequential, or punitive damages. Because of the uncertainty of variable well conditions and the necessity of relying on facts and supporting services furnished by others, **HALLIBURTON IS UNABLE TO GUARANTEE THE EFFECTIVENESS OF THE EQUIPMENT, MATERIALS, OR SERVICE, NOR THE ACCURACY OF ANY CHART INTERPRETATION, RESEARCH ANALYSIS, JOB RECOMMENDATION OR OTHER DATA FURNISHED BY HALLIBURTON GROUP.** Halliburton personnel will use their best efforts in gathering such information and their best judgment in interpreting it, but Customer agrees that Halliburton Group shall not be liable for and CUSTOMER SHALL INDEMNIFY HALLIBURTON GROUP AGAINST ANY DAMAGES ARISING FROM THE USE OF SUCH INFORMATION, even if such is contributed to or caused by the active or passive negligence, fault or strict liability of any member or members of Halliburton Group. Halliburton also does not warrant the accuracy of data transmitted by electronic process, and Halliburton will not be responsible for accidental or intentional interception of such data by third parties.

**F. GOVERNING LAW** - The validity, interpretation and construction of this Contract shall be determined by the laws of the jurisdiction where the services are performed or the equipment or materials are delivered.

**G. DISPUTE RESOLUTION** Customer and Halliburton agree that any dispute that may arise out of the performance of this Contract shall be resolved by binding arbitration by a panel of three arbitrators under the rules of the American Arbitration Association. The arbitration will take place in Houston, TX.

**H. SEVERABILITY** - If any provision or part thereof of this Contract shall be held to be invalid, void, or of no effect for any reason, such holding shall not be deemed to affect the validity of the remaining provisions of this Contract which can be given effect, without the invalid provision or part thereof, and to this end, the provisions of this Contract are declared to be severable. Customer and Halliburton agree that any provision of this Contract that is unenforceable or void under applicable law will be modified to achieve the intent of the parties hereunder to the greatest extent allowed by applicable law.

**I. MODIFICATIONS** - Customer agrees that Halliburton shall not be bound by any modifications to this Contract, except where such modification is made in writing by a duly authorized executive officer of Halliburton. Requests for modifications should be directed to the Vice President - Legal, 4100 Clinton Drive, Houston, TX, 77030.

**I HAVE READ AND UNDERSTAND THIS WORK ORDER CONTRACT WHICH CONTAINS RELEASE AND INDEMNITY LANGUAGE WHICH CUSTOMER ACKNOWLEDGES IS CONSPICUOUS AND AFFORDS FAIR AND ADEQUATE NOTICE AND I REPRESENT THAT I AM AUTHORIZED TO SIGN THE SAME AS CUSTOMER'S AGENT.**

SIGNED:

DATE:

7/3/2007

TIME:

19:35

A.M./P.M.

\_\_\_\_\_  
CUSTOMER Authorized Signatory

**Customer Acceptance of Materials and Services**

THE CUSTOMER HEREBY ACKNOWLEDGES RECEIPT OF THE MATERIALS AND SERVICES DESCRIBED ON THE ATTACHED ORDER NUMBER **5171535**

\_\_\_\_\_  
CUSTOMER Authorized Signatory

### Field Ticket

**Sales Order Number:** 0005171535

**Sales Order Date:** Thursday, June 14, 2007

Sold To  
 KINDER MORGAN INC  
 ATTN: ACCOUNTS PAYABLE  
  
 500 DALLAS SUITE 1000  
 HOUSTON TX 77002

**Order Type:** ZOS  
**Well Name:** DOE CANYON #5  
**Company Code:** 1100  
**Customer PO No.:** N/A  
**Shipping Point:** Farmington, NM, USA  
**Sales Office:** Rocky Mountains BD  
**Well Type:** Gas  
**Well Category:** Development  
  
**Payment Terms:** Net 30 days from Invoice date

Ship To  
 KINDER MOR DOE CANYON #5,MONTEZU  
 DOE CANYON #5  
 MONTEZUMA  
 KINDER MOR  
  
 CORTEZ CO 81321

Material	Description	QTY	UOM	Base Amt	Unit Amt	Gross Amount	Discount	Net Amount
7522	CMT INTERMEDIATE CASING BOM	1	JOB					
1	ZI-MILEAGE FROM NEAREST HES BASE,/UNIT <i>Number of Units</i>	220 1	MI unit		9.79	2,153.80	-1,206.13	947.67
2	MILEAGE FOR CEMENTING CREW,ZI <i>Number of Units</i>	220 1	MI unit		5.76	1,267.20	-709.63	557.57
16091	ZI - PUMPING CHARGE DEPTH FEET/METERS (FT/M)	1 8430	EA FT		10,344.00	10,344.00	-5,792.64	4,551.36
16092	ADDITIONAL HOURS (PUMPING EQUIPMENT), ZI HOURS	3 1	EA hr		956.00	2,868.00	-1,606.08	1,261.92
132	PORT. DAS WICEMWIN;ACQUIRE W/HES, ZI NUMBER OF DAYS	1 1	JOB Days		1,649.00	1,649.00	-923.44	725.56
11941	FIELD STORAGE BIN DELIVERY, ZI <i>Number of Units</i>	220 2	MI unit		9.79	4,307.60	-2,412.26	1,895.34
16115	FIELD STORAGE BIN ON SITE >8 HRS,DAY,ZI DAYS OR PARTIAL DAY(WHOLE	2 1	EA Days		1,344.00	2,688.00	-1,505.28	1,182.72
7	ENVIRONMENTAL SURCHARGE,/JOB,ZI	1	JOB		134.00	134.00		210.38
8	IRON SAFETY INSPECTION SURCHARGE /JOB ZI	1	JOB		83.00	83.00		130.31
76400	ZI MILEAGE,CMT MTLs DEL/RET MIN NUMBER OF TONS	110 100.08	MI ton		3.35	36,879.48	-20,652.51	16,226.97
3965	HANDLE&DUMP SVC CHRg, CMT&ADDITIVES,ZI NUMBER OF EACH	2488 1	CF each		5.49	13,659.12	-7,649.11	6,010.01
12308	SBM 50-50 POZ (STANDARD)	2000	SK		27.17	54,340.00	-30,430.40	23,909.60

Material	Description	QTY	UOM	Base Amt	Unit Amt	Gross Amount	Discount	Net Amount
101477695	CHEM, HALAD-766, 50 LB SACK	162	LB		35.32	5,721.84	-3,204.23	2,517.61
101376573	Chem-Versaset, 55 lb sack	324	LB		12.12	3,926.88	-2,199.05	1,727.83
12308	SBM 50-50 POZ (STANDARD)	300	SK		27.17	8,151.00	-4,564.56	3,586.44
101477695	CHEM, HALAD-766, 50 LB SACK	24	LB		35.32	847.68	-474.70	372.98
101376573	Chem-Versaset, 55 lb sack	49	LB		12.12	593.88	-332.57	261.31
101394863	Cement-Standard Type V, Bulk	100	SK		39.26	3,926.00	-2,198.56	1,727.44
100005053	Chemical - Calcium Chloride Hi Test Pft	2	SK		251.00	502.00	-281.12	220.88
21914	SBM CHEMICAL WASH, ZI	1260	GAL		1.81	2,280.60	-1,277.14	1,003.46
101480799	CHEM-ZONESEAL 4000, TOTE TANK	130	GAL		162.00	21,060.00	-11,793.60	9,266.40
101229888	PLUG,CMTG, TOP,7,HWE,5.66 MIN/6.54 MAX CS	1	EA		288.00	288.00	-161.84	127.16
45	SSII FLOAT SHOE CHROME	1	EA					
45	SSII FLOAT COLLAR CHROME	1	EA					
100004480	CENTRALIZER-7"-CSG-8-1/2"-HINGED	78	EA		161.00	12,558.00	-7,032.48	5,525.52
100004626	CLP,LIM,7,HNGD,FRICT GRIP,WTH DRAW BOLT	1	EA		52.60	52.60	-29.46	23.14
100005045	KIT,HALL WELD-A	2	EA		74.30	146.60	-83.22	65.38
86955	ZI FUEL SURCHG-HEAVY TRKS >1 1/2 TON <i>Number of Units</i>	220 8	MI unit		0.45	792.00		792.00
86954	ZI FUEL SURCHG-CARS/PICKUPS<1 1/2TON <i>Number of Units</i>	220 2	MI unit		0.15	66.00		66.00
87605	ZI FUEL SURCHG-CMT & CMT ADDITIVES <i>NUMBER OF TONS</i>	110 100.08	MI ton		0.15	1,651.32		1,651.32
372867	Cmt PSL - DOT Vehicle Charge, CMT	8	EA		241.00	1,928.00		1,928.00

Material	Description	QTY	UOM	Base Amt	Unit Amt	Gross Amount	Discount	Net Amount
<i>OperatorName:</i> Ryan Pfiefer					<i>Totals</i>	194,868.60	-106,396.32	88,472.28
<i>CustomerAgent:</i> Kenny Kornegie								
<i>Halliburton Approval:</i>								
<b>FIELD TICKET TOTAL</b>								<b>\$88,472.28</b>

X  
 \_\_\_\_\_  
 Customer Signature

4X13

# ***Kinder Morgan***

**DOE CANYON**

**#5**

**API Well No.:**  
**05-033-06130**  
**SEC. 18 T40N R18W**

**6/7/2007**  
**MONTEZUMA**  
**County**

**8 5/8 Surface**

**Customer Representative:**  
**KENNY KORNEGAY 375-207-557**

**Halliburton Operator:**  
**TIM PHILLIPS**

**Ticket No.:**  
**5146336**

# **Halliburton**

Halliburton Energy Services, Inc.  
 Houston, Texas 77056

70012 SAP

TO: HALLIBURTON ENERGY SERVICES, INC. - YOU ARE HEREBY REQUESTED TO FURNISH EQUIPMENT AND SERVICE PERSONNEL TO DELIVER AND OPERATE THE SAME AS AN INDEPENDENT CONTRACTOR TO CUSTOMER LISTED BELOW AND DELIVER AND SELL PRODUCTS, SUPPLIES AND MATERIALS FOR THE PURPOSE OF SERVICING:

Well No <b>#5</b>	Farm or Lease <b>DOE CANYON</b>	County <b>MONTEZUMA</b>	State <b>CO.</b>	Well Permit Number <b>05-033-06130</b>
Customer <b>JIMMY HALE 375-207-557</b>		Well Owner <b>Kinder Morgan</b>	Job Purpose <b>8 5/8 Surface</b>	

**THIS WORK ORDER MUST BE SIGNED BY THE WORKER'S SUPERVISOR**

A. **CUSTOMER REPRESENTATION** - Customer warrants that the well is in proper condition to receive the services, equipment, products, and materials to be supplied by Halliburton Energy Services, Inc. (hereinafter "Halliburton").

B. **PRICE AND PAYMENT** - The services, equipment, products, and/or materials to be supplied hereunder are priced in accordance with Halliburton's current price list. All prices are exclusive of taxes. If Customer does not have an approved open account with Halliburton, all items due are payable in cash at the time of performance of services or delivery of equipment, products or materials. If Customer has an approved open account, invoices are payable on the twentieth day after the date of invoice. Customer agrees to pay interest on any unpaid balance from the date payable until paid at the highest lawful contract rate applicable, but never to exceed 18% per annum. In the event Halliburton employs an attorney for collection of any account. Customer agrees to pay attorney fees of 20% of the unpaid account, or Halliburton's actual attorneys fees, whichever is greater, plus all collection and court costs. Customer agrees that the amount of attorney fees set out herein are reasonable and necessary.

C. **RELEASE AND INDEMNITY** - Customer agrees to **RELEASE** Halliburton Group from any and all liability for any and all damages whatsoever to property of any kind owned by, in the possession of, or leased by Customer and those persons and entities Customer has the ability to bind by contract or which are co-interest owners or joint ventures with Customer. Customer also agrees to **DEFEND, INDEMNIFY, AND HOLD** Halliburton Group **HARMLESS** from and against any and all liability, claims, costs, expenses, attorney fees and damages whatsoever for personal injury, illness, death, property damage and loss resulting from:

loss of well control, services to control a wild well whether underground or above the surface, invasion or underground damage, including loss of oil, gas, other mineral substances or water, surface damage arising from underground damage, damage to or loss of the well bore, subsurface trespass or any action in the nature thereof, fire, explosion, subsurface pressure, radioactivity, and pollution and contamination and its cleanup and control.

**CUSTOMER'S RELEASE, DEFENSE, INDEMNITY, AND HOLD HARMLESS** obligations will apply even if the liability and claims are caused by the sale, concurrent, active or passive negligence, fault, or strict liability of one or more members of the Halliburton Group, the associations of any member or any defect in the sale, products, supplies, materials or equipment furnished by any member or members of the Halliburton Group whether to the design, manufacture, maintenance or marketing thereof or from a failure to warn of such defect. "Halliburton Group" is defined as Halliburton Energy Services, Inc., its parent, subsidiary, and affiliated companies, insurers and subcontractors and all of their officers, directors, employees, consultants and agents. Customer's **RELEASE, DEFENSE, INDEMNITY AND HOLD HARMLESS** obligations apply whether the personal injury, illness, death, property damage or loss is suffered by one or more members of the Halliburton Group, Customer, or any other person or entity. Customer agrees to support such obligations assumed herein with liability insurance with limits of not less than \$500,000. Customer agrees to name Halliburton Group as named additional insureds on all of its general liability policy(s). Customer agrees that its liability under this Contract is not limited by the amounts of its insurance coverage, except where and as may be required by applicable local law for the provisions of this Contract to be enforceable.

D. **EQUIPMENT LIABILITY** - Customer shall at its risk and expense attempt to recover any Halliburton Group equipment lost or lodged in the well. If the equipment is recovered and repairable, Customer shall pay the repair costs, unless caused by Halliburton's sole negligence. If the equipment is not recovered or is irreparable, Customer shall pay the replacement cost, unless caused by Halliburton's sole negligence. If a radioactive source becomes lost or lodged in the well, Customer shall meet all requirements of Section 39.11(a) of the Nuclear Regulatory Commission regulations and any other applicable laws or regulations concerning retrieval or abandonment and shall permit Halliburton to monitor the recovery or abandonment efforts all at no risk or liability to Halliburton Group. Customer shall be responsible for damage to or loss of Halliburton group equipment, products, and materials while in transit aboard Customer-supplied transportation, even if such is arranged by Halliburton at Customer's request, and during loading and unloading from such transport. Customer will also pay for the repair or replacement of Halliburton group equipment damaged by corrosion or abrasion due to well effluents.

E. **LIMITED WARRANTY** - Halliburton warrants only title to the equipment, products, and materials supplied under this Contract and that same are free from defects in workmanship and materials for thirty (30) days from the date of delivery. **THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, OF MERCHANTABILITY, FITNESS OR OTHERWISE BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE.** Halliburton's sole liability and Customer's exclusive remedy in any cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale, lease or use of any equipment, products, or materials is expressly limited to the replacement of such on their return to Halliburton or, at Halliburton's option, to the allowance to Customer of credit for the cost of such items. In no event shall Halliburton be liable for special, incidental, indirect, consequential, or punitive damages. Because of the uncertainty of variable well conditions and the necessity of relying on facts and supporting services furnished by others, **HALLIBURTON IS UNABLE TO GUARANTEE THE EFFECTIVENESS OF THE EQUIPMENT, MATERIALS, OR SERVICE, NOR THE ACCURACY OF ANY CHART INTERPRETATION, RESEARCH ANALYSIS, JOB RECOMMENDATION OR OTHER DATA FURNISHED BY HALLIBURTON GROUP.** Halliburton personnel will use their best efforts in gathering such information and their best judgment in interpreting it, but Customer agrees that Halliburton Group shall not be liable for and **CUSTOMER SHALL INDEMNIFY HALLIBURTON GROUP AGAINST ANY DAMAGES ARISING FROM THE USE OF SUCH INFORMATION**, even if such is contributed to or caused by the active or passive negligence, fault or strict liability of any member or members of Halliburton Group. Halliburton also does not warrant the accuracy of data transmitted by electronic process, and Halliburton will not be responsible for accidental or intentional interception of such data by third parties.

F. **GOVERNING LAW** - The validity, interpretation and construction of this Contract shall be determined by the laws of the jurisdiction where the services are performed or the equipment or materials are delivered.

G. **DISPUTE RESOLUTION** Customer and Halliburton agree that any dispute that may arise out of the performance of this Contract shall be resolved by binding arbitration by a panel of three arbitrators under the rules of the American Arbitration Association. The arbitration will take place in Houston, TX.

H. **SEVERABILITY** - If any provision or part thereof of this Contract shall be held to be invalid, void, or of no effect for any reason, such holding shall not be deemed to affect the validity of the remaining provisions of this Contract which can be given effect, without the invalid provision or part thereof, and to this end, the provisions of this Contract are declared to be severable. Customer and Halliburton agree that any provision of this Contract that is unenforceable or void under applicable law will be modified to achieve the intent of the parties hereunder to the greatest extent allowed by applicable law.

I. **MODIFICATIONS** - Customer agrees that Halliburton shall not be bound by any modifications to this Contract, except where such modification is made in writing by a duly authorized executive officer of Halliburton. Requests for modifications should be directed to the Vice President - Legal, 4100 Clinton Drive, Houston, TX, 77020.

**I HAVE READ AND UNDERSTAND THIS WORK ORDER CONTRACT WHICH CONTAINS RELEASE AND INDEMNITY LANGUAGE WHICH CUSTOMER ACKNOWLEDGES IS CONSPICUOUS AND AFFORDS FAIR AND ADEQUATE NOTICE AND I REPRESENT THAT I AM AUTHORIZED TO SIGN THE SAME AS CUSTOMER'S AGENT.**

SIGNED:

CUSTOMER Authorized Signatory

DATE:

**6/7/2007**

TIME:

**0800**

A.M./P.M.

**Customer Acceptance of Materials and Services**

THE CUSTOMER HEREBY ACKNOWLEDGES RECEIPT OF THE MATERIALS AND SERVICES DESCRIBED ON THE ATTACHED

ORDER NUMBER

**5146336**

CUSTOMER Authorized Signatory





Field Ticket

Sales Order Number: 0005146336

Sales Order Date: Thursday, June 07, 2007

Sold To  
 KINDER MORGAN INC  
 ATTN: ACCOUNTS PAYABLE  
  
 500 DALLAS SUITE 1000  
 HOUSTON TX 77002

Order Type: ZOH  
 Well Name: DOE CANYON #5  
 Company Code: 1100  
 Customer PO No.: na  
 Shipping Point: Farmington, NM, USA  
 Sales Office: Rocky Mountains BD  
 Well Type: Oil  
 Well Category: Development  
  
 Payment Terms: Net 30 days from Invoice date

Ship To  
 BADGER G30685 1, HI A247  
 G30685 1  
 HI A247  
 BADGER  
  
 CAMERON LA 70631

Material	Description	QTY	UOM	Base Amt	Unit Amt	Gross Amount	Discount	Net Amount
7521	CMT SURFACE CASING BOM	1	JOB					
1	ZI-MILEAGE FROM NEAREST HES BASE,UNIT Number of Units	220 1	Mi unit		9.79	2,153.80	-1,163.05	990.75
2	MILEAGE FOR CEMENTING CREW,ZI Number of Units	220 1	Mi unit		5.76	1,267.20	-684.29	582.91
16091	ZI - PUMPING CHARGE DEPTH FEET/METERS (FT/M)	1 2658	EA FT		5,584.00	5,584.00	-3,015.36	2,668.64
7	ENVIRONMENTAL SURCHARGE, JOB,ZI	1	JOB		134.00	134.00		134.00
8	IRON SAFETY INSPECTION SURCHARGE /JOB,ZI	1	JOB		83.00	83.00		83.00
3965	HANDLE&DUMP SVC CHR, CMT&ADDITIVES,ZI NUMBER OF EACH	1271 1	CF each		5.49	6,977.79	-3,768.01	3,209.78
76400	ZI MILEAGE,CMT MTL S DEL/RET MIN NUMBER OF TONS	110 1	Mi ton		3.35	368.50	-198.99	169.51
13383	SBM MUD FLUSH,ZI	840	GAL		2.16	1,814.40	-979.78	834.62
12311	SBM CEMENT-HALLIBURTON LIGHT PREMIUM	800	SK		33.89	27,112.00	-14,640.48	12,471.52
100003700	Chem- Gilsonite (Bulk)	4000	LB		1.43	5,720.00	-3,088.80	2,631.20
101216940	Chemical - Po-E-Flake, 25 lb bag	100	LB		7.84	784.00	-423.36	360.64
100003685	CEM,CLASS G / PREMIUM, BULK	300	SK		40.42	12,126.00	-6,548.04	5,577.96

Material	Description	QTY	UOM	Base Amt	Unit Amt	Gross Amount	Discount	Net Amount
101216940	Chemical - PoE-Flake, 25 lb bag	50	LB		7.84	392.00	-211.68	180.32
100001617	Chemical - Halad-9 (50 lb)	28	LB		26.04	729.12	-393.72	335.40
100003685	CEM,CLASS G / PREMIUM, BULK	100	SK		40.42	4,042.00	-2,182.68	1,859.32
101216940	Chemical - PoE-Flake, 25 lb bag	12	LB		7.84	94.08	-50.80	43.28
100004955	SHOE,FLT,9-5/8 8RD,2-3/4 SUPER SEAL	1	EA		1,402.00	1,402.00	-757.08	644.92
100004823	CLR,FLT,9-5/8 8RD 29.3-40PPF,2-3/4	1	EA		1,553.00	1,553.00	-838.62	714.38
100004485	CENTRALIZER-9-5/8"-CSG-12 1/4"-HINGED	20	EA		207.00	4,140.00	-2,235.60	1,904.40
101214575	PLUG,CMTG,TOP,9 5/8,HWE,8.16 MIN/9.06 MA	1	EA		454.00	454.00	-245.16	208.84
100005045	KIT,HALL WELD-A	2	EA		74.30	148.60	-80.24	68.36
100004629	CLP,LIM,9 5/8,HNGD,FRICT GRIP,WTH DRAW	1	EA		63.20	63.20	-34.13	29.07
86955	ZI FUEL SURCHG-HEAVY TRKS >1 1/2 TON Number of Units	220 7	Mi unit		0.45	693.00		693.00
86954	ZI FUEL SURCHG-CARS/PICKUPS<1 1/2TON Number of Units	220 1	Mi unit		0.15	33.00		33.00
87605	ZI FUEL SURCHG-CMT & CMT ADDITIVES NUMBER OF TONS	110 52.18	Mi ton		0.15	860.97		860.97
372867	Cmt PSL - DOT Vehicle Charge, CMT	7	EA		241.00	1,687.00		1,687.00
16115	FIELD STORAGE BIN ON SITE >8 HRS,DAY,ZI DAYS OR PARTIAL DAY(WHOLE	1 1	EA Days		1,344.00	1,344.00	-725.76	618.24
11941	FIELD STORAGE BIN DELIVERY	220 1	Mi EA		9.79	2,153.80	-1,163.05	990.75

Totals 83,914.46 -43,428.68 40,485.78

Operator Name: TIM PHILLIPS

Customer Agent: KENNY KORNEGAY

Halliburton Approval: \_\_\_\_\_

**FIELD TICKET TOTAL \$40,485.78**

X \_\_\_\_\_

Customer Signature

# Cement & Equipment Summary

**Job Type** **8 5/8 Surface**

				<b>Measured</b>	
<b>Casing</b>	<b>Size</b>	<b>Weight</b>	<b>Grade</b>	<b>Depth</b>	<b>Total Casing</b>
<b>Surface</b>	<b>9 5/8"</b>	<b>36#</b>	<b>K55</b>	<b>2,658</b>	
<b>Intermediate</b>					
<b>Production</b>					
<b>Tubing</b>					
<b>Drill Pipe</b>					
<b>Open Hole</b>				<b>2,638</b>	

## Cement Data

<b>Spacer</b>	<b>40 Bbls 10/W - 20/MF - 10/W</b>		
<b>Cement 1</b>	<b>65/35 G POZ</b>		<b>1,000 Sacks</b>
<b>Additives</b>	<b>6% GEL - 1/8# POLYFLAKE - 5# GILSONITE</b>		
	<b>Weight (lb/gal)</b> <b>12.40</b>	<b>Yield (cuft/sk)</b> <b>1.96</b>	<b>Water (gal/sk)</b> <b>10.33</b>
<b>Cement 2</b>	<b>TYPE "G"</b>		<b>300 Sacks</b>
<b>Additives</b>	<b>1/8# POLYFLAKE - 1/10% HALAD 9</b>		
	<b>Weight (lb/gal)</b> <b>15.60</b>	<b>Yield (cuft/sk)</b> <b>1.18</b>	<b>Water (gal/sk)</b> <b>5.20</b>
<b>Cement 3</b>	<b>TYPE "G"</b>		<b>100 Sacks</b>
<b>Additives</b>	<b>1/8# POLYFLAKE</b>		
	<b>Weight (lb/gal)</b> <b>15.60</b>	<b>Yield (cuft/sk)</b> <b>1.18</b>	<b>Water (gal/sk)</b>
<b>Cement 4</b>			<b>Sacks</b>
<b>Additives</b>			
	<b>Weight (lb/gal)</b>	<b>Yield (cuft/sk)</b>	<b>Water (gal/sk)</b>
<b>Cement 5</b>			<b>Sacks</b>
<b>Additives</b>			
	<b>Weight (lb/gal)</b>	<b>Yield (cuft/sk)</b>	<b>Water (gal/sk)</b>

**Displacement** **H2O 8.33 lb/gal** **202** **Bbls**

## Cement Equipment

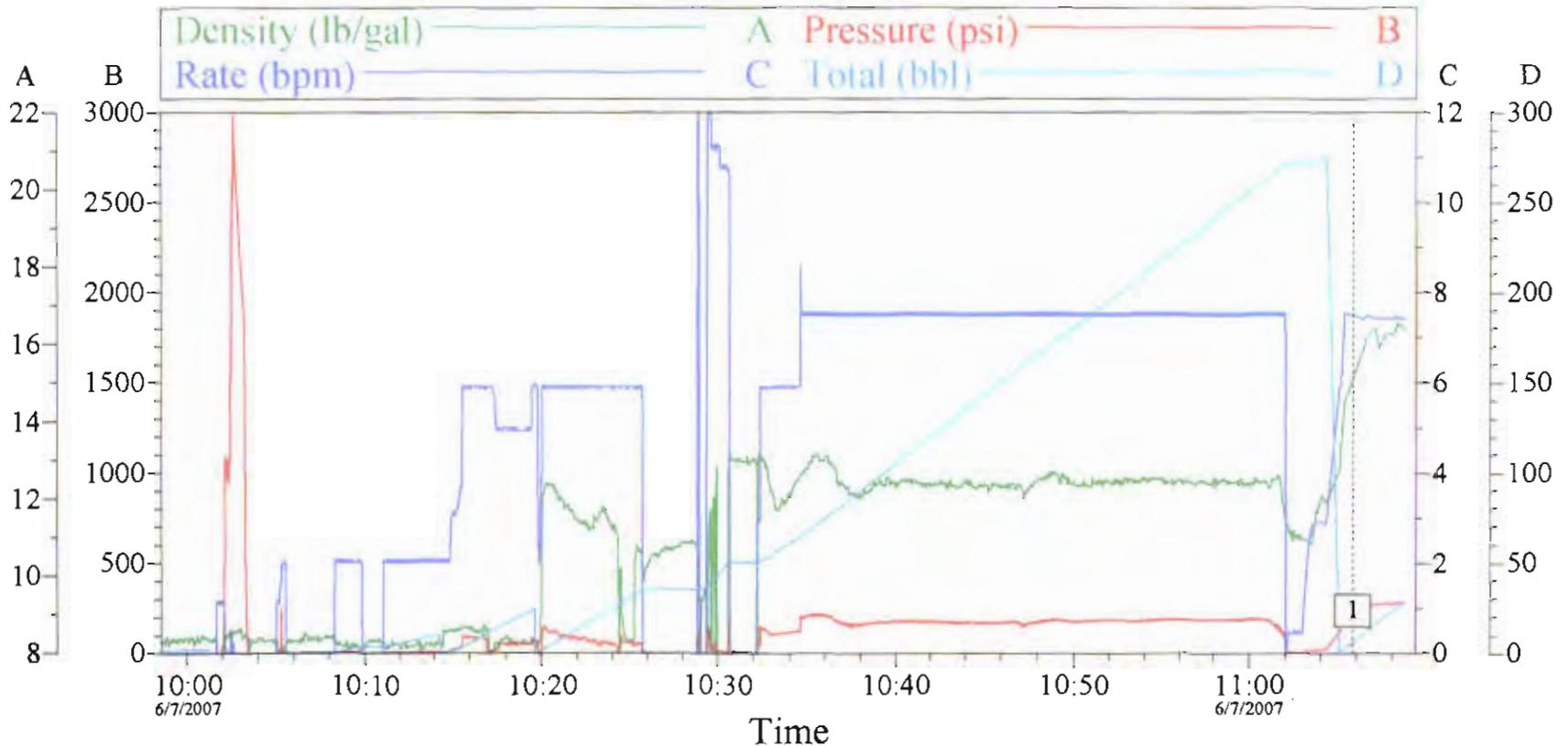
<b>Provider</b>	<b>HES</b>		
<b>Guide Shoe</b>	ea.	<b>Centralizers</b>	<b>20</b> ea.
<b>Float Shoe</b>	<b>1</b> ea.	<b>Plug Type</b>	<b>9 5/8</b> <b>1</b> ea.
<b>Float Collar</b>	<b>1</b> ea.	<b>Packer</b>	ft.
<b>DV Tool</b>	ft.	<b>Retainer</b>	ft.

<b>Halliburton</b>		<b>JOB LOG</b>		TICKET # <b>5146336</b>	TICKET DATE <b>6/7/2007</b>
REGION <b>NORTH AMERICA LAND</b>		NWA / COUNTRY <b>ROCKY MOUNTAIN</b>		BDA / STATE <b>CO.</b>	COUNTY <b>MONTEZUMA</b>
MSU ID / EMPL # <b>226879</b>		H.E.S. EMPLOYEE NAME <b>TIM PHILLIPS</b>		PSL DEPARTMENT <b>Cement</b>	
LOCATION <b>FARMINGTON, NM</b>		COMPANY <b>Kinder Morgan</b>		CUSTOMER REP / PHONE <b>KENNY KORNEGAY 375-207-557</b>	
TICKET AMOUNT		WELL TYPE <b>02 GAS</b>		APPOINT # <b>05-033-06130</b>	
WELL LOCATION <b>PLEASANT VIEW</b>		DEPARTMENT <b>Cement 10003</b>		JOB PURPOSE CODE <b>020</b>	Description <b>8 5/8 Surface</b>
LEASE / WELL # <b>DOE CANYON</b>		Well No. <b>#6</b>	SEC 7	TWP 7 <b>SEC. 18 T40N R18W</b>	RNG

Chart No.	Time	Rate (BPM)	Volume (BBL/GAL)	Pmps		Press. (PSI)		Job Description / Remarks
				T	C	Tbg	Csg.	
7-Jun	0800							ARRIVED ON LOCATION
	0815							LOCATION ASSESSMENT & SAFETY MEETING
	0830							SPOT EQUIPMENT AND RIG UP.
	1030							HELD PRE JOB SAFETY MEETING.
	1002	0.5	0.5		X		3000	PRESSURE TEST LINES
	1009	2	10		X		7	PUMP SPACER 1 H2O
	1014	6	20		X		89	PUMP SPACER 2 MUD FLUSH
	1016	6	10		X		91	PUMP SPACER 1H2O
	1020	7.5	279		X		118	PUMP LEAD CEMENT @ 12.4 LB YLD 1.96 WTR 10.33
	1040	7.5	114 IN		X		180	CONT. LEAD CEMENT
	1055	7.5	245 IN		X		188	CONT. LEAD CEMENT
	1105	6	63		X		254	PUMP TAIL CEMENT @ 15.6 LB YLD 1.18 WTR 5.2
	1113							SHUT DOWN / DROP PLUG
	1114	6	202		X		307	PUMP DISPLACEMENT H2O
	1155	4	192 IN		X		935	CONT. DISPLACEMENT H2O
	1159	4	202 IN		X		1300	BUMP PLUG / FINAL PRESSURE WAS 1067 PSI
	1200							CHECK FLOATS / FLOATS HELD
								CIRCULATED 100 BBLs OF CEMENT TO SURFACE
								286 SACKS OF CEMENT TO PIT
								HAD GOOD CIRCULATION ENTIRE JOB
	2000	0.5	10		X		78	PUMPED CAP CEMENT TO SURFACE
								THANK YOU
								TIM, MYRON AND CREW

# KINDER MORGAN 9 5/8" SURFACE

## SO# 5146336



Event Log					
Intersection	PP	Intersection	PP	Intersection	PP
1 Start Job	11:05:47	254.2	2 Test Lines	12:11:19	284.7
4 Pump Spacer 2	12:22:22	284.7	5 Pump Spacer	12:32:22	284.7
			3 Pump Spacer 1	12:12:22	284.7