

THE FOLLOWING GENERAL TERMS AND CONDITIONS CONTAIN INDEMNITY AND CHOICE OF LAW PROVISIONS - READ CAREFULLY.

WIS General Terms and Conditions shall constitute the entire agreement between the parties concerning any Purchase Order, Work Order, or Service Order assigned to WIS. Any additional, supplemental, or conflicting terms contained in any acknowledgment, invoice or another Customer document, or any other documents, are rejected and null and void by WIS unless expressly agreed to in writing and duly signed by both parties. The WIS General Terms and Conditions shall prevail in the event of any conflict with any terms and conditions provided by Customer in any form; unless the parties execute a separate written document with respect to the subject matter of the Purchase Order, Work Order, or Service Order.

1. **ACCEPTANCE.** By requesting Wellbore's services, equipment, or products, Customer voluntarily elects to enter into and be bound by these General Terms and Conditions, along with any commercial documents that accompany the Order.
2. **DEFINITIONS.**
 - a. **Chemicals**— any chemicals, substances, and Fluids, used or unused, or considered as waste or by-products, cuttings, or cavings, radioactive tracer material and other hazardous wastes (as defined pursuant to applicable law and including but not limited to any packaging, transportation or storage containers and/or materials) and residue resulting from, or incident to, Wellbore's performance of the Work.
 - b. **Claim(s)**— Damage, loss, expense, liability, claims, demands and causes of action of every kind and character (including spousal and survivor's actions, all costs and expenses, and reasonable attorney fees associated therewith) including, but not limited to, special, punitive, exemplary, general, compensatory, direct, indirect, incidental, or consequential damages, either under common law, equity, statute, or otherwise, whether based on tort, contract, strict liability, or statutes that may or could be asserted including without limitation, actions in rem or in personam, civil or criminal actions and/or causes of action howsoever arising.
 - c. **Customer** — the person, firm, or other entity to which any Work is supplied or provided by Wellbore.
 - d. **Fluids** — chemicals, emulsions, or chemically treated fluids and residue, including but not limited to drilling fluids, completion fluids, displacement fluids, wellbore fluids, wellbore treatments, stimulation fluids, whether water, oil, or synthetic based.
 - e. **Group** — Either Wellbore or Customer and its respective contractors, subcontractors, consultants, agents, invitees, co-venturers, co-owners, partners, investors, joint venturers, co-lessees, co-working interest owners, lessors, Customer's clients (as part of Customer Group), and its and their parents, affiliates, subsidiaries, and each of their respective officers, directors, managers, shareholders, members, representatives, servants, consultants, agents, employees and invitees.
 - f. **Order** — an oral or written request for Work, a Wellbore quotation accepted by Customer and/or a service or purchase order document issued by Customer and accepted by Wellbore, which together with these General Terms and Conditions constitute the **Contract** between Wellbore and Customer. Wellbore shall not be obligated to provide any Work before an Order is agreed to by both parties.
 - g. **Products** — equipment, goods, materials, tools, supplies, Chemicals, and/or products or equipment sold or otherwise provided by Wellbore to Customer.
 - h. **Rentals** — Customer's hiring of Products and/or equipment from Wellbore for a time frame.
 - i. **Wellbore** — the entity providing Work to Customer which may be: **Wellbore Integrity Solutions, LCC**, a Texas limited liability company, for and on behalf of itself and its US and Canada affiliates; and/or **Thomas Energy Services Holding Inc**, a Louisiana company, for and on behalf of itself and its US affiliates.
 - j. **Services** — services provided by Wellbore to Customer, including Products and personnel customarily required to provide such services.
 - k. **Work** — Products, Services and/or Rentals.
3. **INVOICING AND PAYMENT TERMS.** Customer acknowledges that Wellbore's payment terms are cash in advance unless the value of the Work is supported by Customer credit approved by Wellbore prior to the transaction. Customer also acknowledges that Wellbore, in its sole discretion, may refuse to grant Customer the right to request Work on credit and/or may rescind the right to request Work on credit at any time. In the event that Customer's credit account with Wellbore becomes delinquent, Wellbore shall have the right to require, at its sole discretion, payment in advance, an irrevocable letter of credit, or bank guarantee as a condition to continue performing any ongoing Work or accepting any additional Work.

For transactions not supported by Wellbore approved credit, Wellbore's invoice will be issued upon receipt of full payment from Customer. If Customer requires any supporting documents or information (e.g. order #, AFE #, etc.) to be submitted with Wellbore's invoices, then such requirements must be agreed in the Order before the Work is provided. Unless otherwise specifically agreed in an Order, the following invoicing conditions shall apply to Work for which credit has been approved:

- a. Wellbore may invoice Customer for each portion or stage of the Work, as described and priced in the Order, as soon as practicable and without frequency restrictions.
- b. Wellbore may invoice Customer for Products as follows: fifty percent (50%) of the sale price immediately upon receipt and acceptance of an Order, and the remaining fifty percent (50%) immediately upon delivery of the Products.
- c. Wellbore may invoice Customer for Rentals in advance, as follows: one hundred percent (100%) of the rental price for the initial rental period immediately upon receipt and acceptance of an Order. In the event the rental is extended beyond the initial rental period or the scope is expanded, Wellbore will submit a subsequent invoice to Customer for an amount equal to one hundred percent (100%) of the additional rental price to cover such extended period or expanded scope.
- d. Wellbore may invoice Customer for any and all reimbursable items in advance.

Wellbore's invoice shall be deemed correct and shall evidence Customer's acceptance of Work delivered, unless Wellbore receives prompt written notice of any disputed items within five (5) business days after the date of the invoice. Such notice shall explain the reason for the dispute in detail, along with any supporting documentation of Customer's position, and Customer and Wellbore will meet in good faith within fifteen (15) calendar days from Wellbore's receipt of the notice to resolve the dispute. If an invoice is disputed, however, Customer agrees to pay Wellbore any undisputed portion of that invoice as set forth below and without delay. Upon settlement of the dispute, Customer shall immediately pay to Wellbore all amounts agreed by the parties to be due with respect to the disputed amount(s) and Wellbore shall make the appropriate corrections regarding the disputed amounts by issuing, as applicable, a credit or debit note to Customer. Customer shall have no right to withhold or offset payments, except to the extent it is agreed as a result of the foregoing dispute resolution procedure. Customer waives all rights to dispute any item (or submit a claim for amounts invoiced) where Wellbore has not received written notification of a disputed item within two (2) years from the date such Work is actually provided.

Customer shall pay the total invoice amount without any payment retentions (other than taxes which must be withheld as mandated by tax legislation). Payment shall be made by electronic transfer of funds to Wellbore's designated bank account, or by other payment means mutually agreed, at Wellbore's office in Houston, Texas, unless another office location has been designated in the payment instructions contained in an Order or an invoice. The payment for any transaction for which credit has been approved shall be due to, and received by, Wellbore, on or before the thirtieth (30th) day from the date of the invoice.

When payment is electronic (e-commerce), Customer and Wellbore may agree to mutually beneficial electronic processes for executing business transactions, including but not limited to the system-to-system exchange of purchase orders, field tickets, bills of lading, invoices and electronic catalogs. Such electronic transactions shall adhere to industry accepted standards and processes (Petroleum Industry Data Exchange (PIDX)). Customer, Wellbore, and any contracted third-party technology providers will execute a standard Electronic Data Agreement between Customer and OFS Portal, LLC or a mutually agreed upon Electronic Data Agreement developed around the OFS Portal, LLC agreement to govern said electronic transactions.

Customer agrees that Wellbore is entitled to charge and accrue interest on any past due balance (including amounts that are disputed by Customer but are found to be due and owing) at the rate of 1.5% per month or the maximum interest allowable by applicable state or federal laws, if such laws limit interest to a lesser amount. If Wellbore employs a collection agency or attorneys to collect any outstanding invoice(s) or enforce its rights under these General Terms and Conditions, Customer agrees to pay all actual expenses of collection, all collection agency fees, and all attorneys' fees and court costs, including, but not limited to, attorneys' fees incurred in connection with litigation, mediation, arbitration, bankruptcy, or other proceedings. In the event that Customer's payment of Wellbore's invoice is received by Wellbore after the due date, any price discount will be unearned, and Wellbore has the right to revoke any and all discounts previously applied in arriving at the net invoice price. Upon revocation, the full invoice price, without discount, will become immediately due and owing and subject to collection.

As used herein, the term "**Receivables**" shall mean: all of Customer's rights and interests in (a) all accounts and (b) all general intangibles, whether now existing or hereafter arising, and all proceeds thereof, relating to the properties for which Wellbore provides Work. Customer hereby grants a security interest in Customer's Receivables to secure Customer's obligations to Wellbore, whether now existing or hereafter arising. Customer shall promptly support Wellbore as may be necessary to file all instruments (including financing statements), in order to perfect, preserve, protect and renew the security interests granted herein on all Receivables.

4. **TAXES.** Customer shall pay or reimburse Wellbore for, to the extent allowed by applicable laws and regulations, any and all taxes or other levies (other than Wellbore's income taxes) imposed by any government, governmental unit or similar authority with respect to the charges made or payments received by Wellbore in connection with the Work.
5. **INDEPENDENT CONTRACTOR.** Wellbore is and shall be an independent contractor with respect to the performance of Work, and neither Wellbore nor anyone employed by Wellbore shall be the agent, representative, employee or servant of Customer in the performance of such

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Work on any part thereof. When Wellbore's employees (defined to include Wellbore's direct, borrowed, special, or statutory employees) are covered by the Louisiana Workers' Compensation Act, La R.S. 23:1021 *et seq.*, Customer and Wellbore agree that all Work and operations performed by Wellbore and its employees pursuant to this Contract are an integral part of and are essential to the ability of Customer to generate Customer's goods, products and Services for purposes of La R.S. 23:1061 (A)(1). Furthermore, Customer and Wellbore agree that Customer is the statutory employer of Wellbore's employees for purposes of La R.S. 23:1061 (A)(3).

Irrespective of Customer's status as the statutory employer or special employer (as defined in La.R.S.23:1031(C)) of Wellbore's employees, Wellbore shall remain primarily responsible for the payment of Louisiana workers' compensation benefits to its employees, and shall not be entitled to seek contribution for any such payments from Customer.

6. OBLIGATIONS OF CUSTOMER.

- a. **Well Conditions; Notification of Hazardous Conditions.** Customer, having custody and control of the well and superior knowledge of the conditions in and surrounding it, shall provide Wellbore with all necessary information to enable Wellbore to perform its Services safely and efficiently. Wellbore's Products, Rentals and Services are designed to operate under conditions normally encountered in the well bore; however, if hazardous or unusual conditions exist, Customer shall notify Wellbore in advance and make special arrangements for servicing such wells. **NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, CUSTOMER SHALL WAIVE, RELEASE, PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS, WELLBORE GROUP FROM AND AGAINST ANY AND ALL CLAIMS ARISING OUT OF, RELATED TO, OR IN CONNECTION WITH CUSTOMER'S OBLIGATIONS AS SET FORTH IN THIS CLAUSE 6(a).**
- b. **Chemicals.** The handling, transportation, treatment and/or disposal of any Chemicals, used in or resulting from Wellbore's performance of the Work, is the sole responsibility of Customer, including when such Chemicals are returned to the surface of the land or sea from below the rotary table. In no event shall Wellbore be considered the generator of Chemicals or samples, irrespective of any handling transportation, treatment, or disposal provided by Wellbore. Customer understands and agrees that all Chemicals and samples are the property of Customer and that Customer is the generator of the Chemicals and samples irrespective of any handling, transportation or treatment by Wellbore. Unless Customer has a separate agreement with Wellbore for the storage of samples, Wellbore may return samples to Customer upon completion of Wellbore's analysis or dispose of samples, at Customer's cost, in accordance with Customer's instructions. All Chemicals and fluids in the drilling rig's tanks, piping, valves, and pumps, and in the borehole and reserve pit (or frac tanks where there is not a reserve pit) are not in Wellbore's possession or control, and that Wellbore is not responsible for such. Customer agrees that it will handle, transport and dispose of any such Chemicals and samples under Customer's name and waste generator number, in accordance with all applicable federal, state and local laws and regulations. **CUSTOMER HEREBY AGREES NOT TO ASSERT ANY CLAIM OR BRING ANY COST RECOVERY ACTION AGAINST WELLBORE GROUP AND SHALL WAIVE, RELEASE, PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS WELLBORE GROUP FROM AND AGAINST ANY AND ALL CLAIMS IN CONNECTION WITH THE USE, HANDLING, TREATMENT, STORAGE, TRANSPORTATION AND/OR DISPOSAL OF CHEMICALS, REGARDLESS OF THE SOLE, JOINT, ACTIVE, PASSIVE, GROSS OR CONCURRENT NEGLIGENCE, STRICT LIABILITY, BREACH OF CONTRACT OR DUTY, OR OTHER FAULT OF ANY MEMBER OF WELLBORE GROUP.** Wellbore shall not be responsible for the signing of manifests or for the storage, transportation, treatment or disposal of Chemicals.
- c. **Radioactive Sources.** If any radioactive source is lodged or lost in a well or at the well site or while being transported by or while under the custody or control of Customer Group, Customer shall immediately notify Wellbore and exert its best efforts to locate and recover the source and take all necessary precautions to avoid breaking, damaging or rupturing the source. If the source is irretrievable, or if it or its container is damaged or ruptured, Customer shall immediately notify Wellbore and comply with all applicable laws and regulations including isolating and marking the location of the source. Customer shall not attempt to recover a sealed source in a manner that, in Wellbore's opinion, could result in its rupture. If the source ruptures, Customer shall minimize any resulting contamination and radiation exposure, and decontaminate the environment, equipment and personnel.
- d. **Fishing Operations.** Customer shall assume the entire responsibility for operations in which Customer Group or a third-party fish or attempt to fish for the equipment of any member of Wellbore Group or perform any operation that may jeopardize the retrievability or the integrity of equipment containing radioactive sources. Wellbore will, without assuming liability and if so requested by Customer, render assistance for the recovery of such equipment. Customer shall use commercially reasonable efforts to attempt recovery of Wellbore Group's equipment.
- e. **Change Orders.** Customer may, with reasonable notice, request to change the Work to be provided under an Order by issuing a written change order authorization document (referred to herein as the "Change Order"). If upon receiving a Change Order, Wellbore determines that there is any impact that

increases the cost or affects the time to perform or provide the Work, Wellbore shall submit a proposal to Customer specifying the pricing and scheduling changes needed to execute the Change Order. Customer shall review the proposal and may accept, reject or modify the proposal, subject to mutual agreement; however, Customer shall be deemed to have accepted such proposal once Wellbore proceeds as specified in the Change Order. Wellbore may, at its sole discretion, decline to execute the Change Order and such declination to execute shall not prejudice Wellbore's rights under the applicable Order.

7. WARRANTY FOR PRODUCTS, RENTALS AND SERVICES.

- a. Wellbore warrants that all Services provided hereunder shall be performed in a good and workmanlike manner in accordance with good oilfield practices and that it shall exercise diligence to ensure the correctness and safe transport of all log, test and other data. Wellbore will give Customer the benefit of its best judgment based on its experience interpreting information and making written or oral recommendations concerning logs or tests or other data, type or amount of material or service required, manner of performance or predicting results. Nevertheless, all such recommendations or predictions are opinions only and, in view of the impracticability of obtaining first-hand knowledge of the many variable conditions, the reliance on inferences, measurements and assumptions which are not infallible, and/or the necessity of relying on facts and supporting services furnished by others, **NO WARRANTY IS GIVEN CONCERNING THE ACCURACY OR COMPLETENESS OF ANY LOG, TEST, RESERVOIR OR SEISMIC DATA (INCLUDING SOFTWARE MODELS), OR OTHER DATA, THE EFFECTIVENESS OF MATERIAL USED, RECOMMENDATIONS GIVEN, OR RESULTS OF THE SERVICES RENDERED. WELLBORE SHALL NOT BE HELD RESPONSIBLE FOR ANY LOSS OR DAMAGE ARISING FROM THE RESULTS AND/OR RECOMMENDATIONS SUGGESTED BY SUCH WORK, NOR IS THE WORK INTENDED TO PROVIDE THE BASIS FOR ANY DECISIONS SUBSEQUENTLY MADE BY CUSTOMER, WHICH ARE AND SHALL REMAIN CUSTOMER'S SOLE RESPONSIBILITY. WELLBORE WILL NOT BE RESPONSIBLE FOR ACCIDENTAL OR INTENTIONAL INTERCEPTION OF OR TAMPERING WITH DATA BY OTHERS, NOR DOES WELLBORE GUARANTEE THE SAFE STORAGE OR THE LENGTH OF TIME OF STORAGE OR AGAINST LOSS OF ANY DIGITAL TAPES, OPTICAL LOGS OR PRINTS, OR OTHER SIMILAR PRODUCTS OR MATERIALS.** Any warranty claim for Services must be made prior to Wellbore's demobilization from the well site or for Services to repair equipment, within seventy-two (72) hours after installation of such repaired equipment.
- b. Wellbore warrants that Products furnished hereunder shall conform to the type and specifications represented by Wellbore. Wellbore reserves the right, at its sole discretion, to use new, used or refurbished parts in the assembly of its Products. Wellbore warrants all its Products sold to be free of material defects in material and workmanship for a period of twelve (12) months from the date of delivery to the location stated in the Order, provided that notice of any defects is received by Wellbore within the warranty period. Rentals are warranted only for the rental period. The above warranty does not apply to Products that have been affected by normal wear and tear, modified at Customer's request, supplied by Customer or purchased by Wellbore at Customer's request, subjected to improper handling, storage, application, installation, operation or maintenance by anyone other than Wellbore, and/or damaged by aggressive fluids, lightning, vandalism, or improper voltage supply or force majeure. No warranty is given to rapidly wearing Products or consumables. Wellbore does not warrant or guarantee the results of the use of Rentals. Well conditions which prevent satisfactory operation of Rentals do not relieve Customer of its responsibilities for payment of the rental prices and other costs agreed upon in the applicable Order.
- c. Wellbore's sole liability and Customer's exclusive remedy under the foregoing warranties is expressly limited to the repair, replacement or the refund of an equitable portion of the applicable purchase or rental price, at Wellbore's sole option, of Products, Rentals or Services which prove to be defective within the warranty period and shall not include claims for labor costs, non-productive time, expenses of Customer resulting from such defects, including but not limited to removal or reinstallation of Products or the costs of heavy lifting or vessel/rig time, recovery under general tort law or strict liability or for damages resulting from delays, loss of use, or other direct or indirect, incidental or consequential damages of any kind. A Customer claim pursuant to this warranty shall be made immediately upon discovery and confirmed in writing within thirty (30) days after discovery of the defect. Where items claimed to be defective are determined not to be defective or to be defective as a result of Customer Group's use of the item, Wellbore may invoice the service call to Customer. Defective items must be held for inspection or returned to the original Wellbore delivery point upon request. Wellbore shall have the right to inspect the Products claimed to be defective and shall have the right to determine the cause of such defect. Returned Products shall become the property of Wellbore. In no event shall Wellbore be liable for the cost of substitute products, services, or rentals obtained by Customer from others to cover any Product, Service or Rental which is defective or otherwise not in compliance with the applicable Order.
- d. Notwithstanding anything to the contrary herein, with regard to any services, materials, products or equipment furnished by contractors, subcontractors, vendors and/or suppliers of Wellbore Group, Wellbore's liability shall be limited to the assignment of such contractors, subcontractors, vendors- and/or suppliers' warranties to Customer, to the extent such warranties are assignable.

THE FOREGOING WARRANTIES FOR SERVICES, PRODUCTS AND RENTALS ARE IN LIEU OF ALL OTHER WARRANTIES, WHETHER ORAL, WRITTEN, EXPRESS, IMPLIED OR STATUTORY. IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY SHALL NOT APPLY. WELLBORE'S WARRANTY OBLIGATIONS AND CUSTOMER'S REMEDIES THEREUNDER (EXCEPT AS TO TITLE) ARE SOLELY AND EXCLUSIVELY AS STATED HEREIN.

8. TITLE AND RISK OF LOSS

- a. Unless otherwise agreed between the parties in an applicable Order, title to and risk of loss for Products sold, other than Fluids, will pass to Customer upon the earlier of payment, factory acceptance test (or other acceptance testing) or delivery to Customer's designated carrier at Wellbore's manufacturing facility. The prices of Products exclude any costs of transportation, handling, insurance or any other costs for delivery beyond Wellbore's manufacturing facility set forth in the quotation or applicable Order or other document as agreed to by Customer. At Customer's request, Wellbore may arrange for shipment of Products to a location designated by Customer, and Customer will pay or reimburse Wellbore for all freight, preparation, and in-transit insurance costs so incurred by Wellbore. At Customer's request, subject to storage space availability and upon mutual agreement on storage fees, Wellbore may agree to a bill-and-hold arrangement where Wellbore would temporarily store Products sold to Customer, but Customer agrees that in such a case the title to and risk of loss for Products sold and stored will pass to and remain with Customer upon delivery to Wellbore's designated storage facility, regardless of when the Products are ultimately delivered to Customer. In the event that purchased or repaired Products not subject to a bill-and-hold arrangement are left at a Wellbore facility for over thirty (30) days, Wellbore reserves the right at its sole discretion to charge storage fees to Customer and/or to consider the Products abandoned and sell them for scrap or otherwise dispose of them at Customer's cost.
- b. Rentals shall remain the property of Wellbore and shall be returned upon demand. Customer shall be liable for any loss of, or damage caused to, Wellbore's rentals while within Customer's custody and control or while below the rotary table, ordinary wear and tear excepted. Customer shall be liable for the cost of repair up to the cost of replacing such rental, with such cost to be determined according to current market value supported by a quotation of replacement cost. Accrued rental charges to the date of loss or damage must also be paid and such rental charges shall not be applied to the replacement price or repair cost of the damaged or lost rental. Wellbore shall retain title to all damaged or lost rentals and no title or other interests in damaged or lost rentals shall accrue to Customer under any circumstances.
- c. Title to and risk of loss for cement and stimulation fluids sold will transfer to Customer upon blending or deployment into the well or Customer's equipment connected to the well. Title to and risk of loss for Fluids, other than cement and stimulation fluids, will transfer to Customer (i) upon delivery to Customer's carrier, (ii) upon delivery to Customer's location, or (iii) upon blending, whichever occurs first. Title to and risk of loss for rented Fluids will transfer back to Wellbore upon Wellbore's written acceptance into its inventory, provided returned Fluids meet the minimum specifications set forth in the Order; however, if the specifications are not met, Customer shall pay Wellbore the full sale price for the rented Fluids as would be applicable in case of a sale of the same.
- d. The time, method, place or medium of payment will not limit Wellbore's rights in and to the Products until payment has been received in full. On all Orders, Wellbore shall retain a security interest in the Products, irrespective of attachment to the land or equipment of Customer or any third party, to the extent of any unpaid balance of the purchase price therefor, and Wellbore may use all reasonable efforts to retain and/or obtain possession of such Products until such unpaid balance has been received in full and accepted by Wellbore.

9. Delivery, Storage, Shipment, Insurance and Freight

Delivery dates are estimated and are not guaranteed. If Customer is not able to accept the Products on the scheduled delivery date, Wellbore reserves the right to either cancel the Order in full or store the Products at Customer's expense. Method and route of shipment are at Wellbore's discretion, unless Customer supplies explicit written instructions. Customer shall pay all costs for insurance and freight. Wellbore may fill an Order by separate shipments of various portions of the Products and an Order is severable as to all such shipments. Packing, carting, shipment to port or to dock side, customs charges and all other costs relating to shipment exportation and importation shall be at Customer's expense.

10. Stocking of Customer's New or Used Equipment.

In the event that Customer goods or equipment are stored at Wellbore's facility for any reason, **CUSTOMER SHALL WAIVE, RELEASE, PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS WELLBORE FROM ANY CLAIM, LIABILITY OR OBLIGATION ARISING DIRECTLY OR INDIRECTLY, FROM THE STORAGE, REMOVAL, RETURN, SALE, TRANSFER, OR DISPOSAL OF SUCH GOOD OR EQUIPMENT NOTWITHSTANDING THE SOLE OR CONCURRENT NEGLIGENCE OR GROSS NEGLIGENCE, FAULT OR STRICT LIABILITY OF WELLBORE.**

11. Cancellation, Returns and Claims.

- (a) Orders for Products of special design, size or materials are not subject to

cancellation. No Products may be returned, credited or replaced, unless approved in writing by Wellbore and may be subject up to a twenty percent (20%) restocking charge, plus all freight, fees and other costs relating to such return. Claims for shortages or damage, or deductions for erroneous charges must have Wellbore's prior written approval and must be presented within thirty (30) days of receipt of Products by Customer or its representatives.

- (b) Should Customer violate any of these General Terms and Conditions, become bankrupt, insolvent, go into receivership, or should any creditor or other person attach or levy Customer's property, Wellbore shall immediately have the right, without notice, liability, or the institution of legal proceedings, to take and remove its rentals, tools, equipment, or materials wherever they may be found. **CUSTOMER SHALL WAIVE, RELEASE, PROTECT, DEFEND, INDEMNIFY, AND HOLD HARMLESS WELLBORE FROM ANY AND ALL LIENS, CLAIMS, AND ENCUMBRANCES AGAINST THE TOOLS, EQUIPMENT, OR MATERIALS RENTED HEREUNDER AND SHALL RETURN THE SAME TO WELLBORE FREE AND CLEAR OF ANY LIENS, CLAIMS, OR ENCUMBRANCES.**

12. Modification of Tools.

- (a) Standard tools, materials, or equipment altered for a specific job will be sold to the Customer at the current Wellbore's sales price, and an additional charge equal to the cost of the alterations, plus twenty-five percent (25%).
- (b) Special tools, materials, or equipment built for a specific job shall be furnished at a minimum rental equal to the manufacturing cost, plus fifty percent (50%) of such cost. Additional modifications requested will be charged in the same manner.

13. INDEMNITIES

a. Personnel and Property

1. **WELLBORE SHALL BE RESPONSIBLE FOR AND HEREBY AGREES TO WAIVE, RELEASE, PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS CUSTOMER GROUP FROM AND AGAINST ANY AND ALL CLAIMS ARISING OUT OF OR IN CONNECTION WITH DAMAGE TO OR LOSS OR DESTRUCTION OF PROPERTY OF OR THE PERSONAL INJURY, ILLNESS OR DEATH OF ANY MEMBER OF WELLBORE GROUP ARISING OUT OF OR IN CONNECTION WITH THE CONTRACT AND/OR THE WORK PROVIDED HEREUNDER.**
2. **CUSTOMER SHALL BE RESPONSIBLE FOR AND HEREBY AGREES TO WAIVE, RELEASE, PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS WELLBORE GROUP FROM AND AGAINST ANY AND ALL CLAIMS ARISING OUT OF OR IN CONNECTION WITH DAMAGE TO OR LOSS OR DESTRUCTION OF PROPERTY OF OR THE PERSONAL INJURY, ILLNESS OR DEATH OF ANY MEMBER OF CUSTOMER GROUP ARISING OUT OF OR IN CONNECTION WITH THE CONTRACT AND/OR THE WORK PROVIDED HEREUNDER.**

- b. **Special Indemnity. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, CUSTOMER ASSUMES ALL LIABILITY FOR AND AGREES TO WAIVE, RELEASE, PROTECT, DEFEND, INDEMNIFY, AND HOLD HARMLESS WELLBORE GROUP FROM AND AGAINST ALL CLAIMS BROUGHT BY OR ON BEHALF OF ANY MEMBERS OF CUSTOMER GROUP, WELLBORE GROUP OR ANY THIRD PARTY ARISING OUT OF OR IN CONNECTION HERewith FOR PROPERTY DAMAGE, PERSONAL INJURY, ILLNESS, DEATH OR LOSS THAT RESULTS FROM: (i) FIRE, EXPLOSION, SEEPAGE, BLOW-OUT, CRATERING, PRESSURE CONTROL OPERATIONS, INDUCED SEISMICITY EVENTS, WILD-WELL OR WORK PERFORMED TO CONTROL A WILD-WELL INCLUDING, BUT NOT LIMITED TO: DAMAGE TO, LOSS OF, DESTRUCTION AND/OR REPLACEMENT OF, OR RELEASE OR ESCAPE OF SUBSTANCES FROM, ANY PROPERTY, EQUIPMENT, DRILLING RIG/UNIT/VESSEL/PLATFORM OR OTHER FIXED OR FLOATING STRUCTURE, INCLUDING OIL/GAS PRODUCTION FACILITIES OR PIPELINES, AT OR AROUND A SITE (INCLUDING ANY DOWNTIME, REMEDIATION, OR RECOVERY TIME); (ii) POLLUTION, AND/OR CONTAMINATION EMANATING FROM ANY AND ALL WELLS, WELL BORES AND/OR RESERVOIRS OR RESULTING FROM FRACTURING SERVICES OR ANY WORK, OR RADIATION DAMAGE (INCLUDING ENVIRONMENTAL POLLUTION, CONTAMINATION OR DAMAGE) RESULTING FROM ANY RADIOACTIVE TOOL OR EQUIPMENT WHILE BELOW THE SURFACE OF THE LAND OR, IN THE EVENT OF CONTAMINATION ORIGINATING ABOVE THE SURFACE OF THE LAND, WHEN THE RADIOACTIVE SOURCE IS UNDER THE CUSTODY OR IN THE CONTROL OF ANY MEMBER OF THE CUSTOMER GROUP; AND POLLUTION OR CONTAMINATION, CAUSED BY CUSTOMER GROUP'S FAILURE TO PROPERLY HANDLE, TREAT, TRANSPORT, USE OR DISPOSE OF ANY CHEMICALS AS REQUIRED BY SECTION 6.b HEREOF OR OTHERWISE, INCLUDING CONTAINMENT, CLEAN-UP, DISPOSAL AND REMEDIATION OF THE POLLUTANT AND CONTAMINATION, WHETHER OR NOT REQUIRED BY AN APPLICABLE FEDERAL, STATE OR LOCAL LAW OR REGULATION; (iii) DAMAGE TO WELL(S), BOREHOLE(S), RESERVOIRS OR UNDERGROUND DAMAGE, INCLUDING BUT NOT LIMITED TO DAMAGE OR INJURY RESULTING FROM FRACTURING SERVICES, LOSS OF OIL, GAS, OTHER MINERAL SUBSTANCES OR WATER, OR THE WELL-BORE ITSELF, SURFACE DAMAGE ARISING SUBSURFACE OR SUBSEA DAMAGE, INCLUDING TRESPASS, AND DAMAGE TO DOWN-HOLE EQUIPMENT; (iv) COST TO KILL OR CONTROL A WILD-WELL, UNDERGROUND OR ABOVE THE SURFACE, INCLUDING ANY SIDETRACKING, FISHING, REDRILLING OR REWORKING AND RELATED CLEAN-UP COSTS; (v) DAMAGE TO PROPERTY OWNED BY, IN THE POSSESSION OF, OR LEASED BY CUSTOMER GROUP OR THE WELL OWNER, IF DIFFERENT FROM CUSTOMER (THE TERM "WELL OWNER" SHALL INCLUDE WORKING AND ROYALTY INTEREST OWNERS AND THE OWNER OF ANY LAND AND OIL/GAS PRODUCTION FACILITIES OR PIPELINES, DRILLING RIG/VESSEL, PLATFORM OR OTHER STRUCTURE AT OR WITHIN 500 METERS OF THE WELL SITE) AND THIRD PARTIES; (vi) LOSS OR DAMAGE RESULTING FROM FAILURE OF CUSTOMER**

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GROUP'S PRESSURE CONTROL EQUIPMENT AND/OR DEVIATION FROM WELLBORE'S PRESSURE CONTROL STANDARD AT CUSTOMER'S REQUEST; OR (VII) LOSS OF OR DAMAGE TO WELLBORE GROUP'S PROPERTY OR PRODUCTS, INCLUDING BUT NOT LIMITED TO, RECOVERY, REPAIR AND REPLACEMENT EXPENSES, WHEN SUCH LOSS OR DAMAGE OCCURS: (A) IN THE HOLE OR BELOW THE ROTARY TABLE, (B) WHILE IN TRANSIT OR BEING MOVED ON ANY FORM OF TRANSPORTATION OWNED OR FURNISHED BY CUSTOMER, (C) WHILE LOCATED AT THE WELL SITE WHEN WELLBORE PERSONNEL ARE NOT PRESENT, (D) AS A RESULT OF IMPROPERLY MAINTAINED PRIVATE ACCESS ROADS TO THE WELL SITE OR AS A RESULT OF THE INFERIOR CONDITION OF LEASE ROADS OR THE SITE, OR (E) WHILE BEING USED BY OR WHILE UNDER THE CUSTODY OR CONTROL OF ANY PERSON OTHER THAN A WELLBORE EMPLOYEE, WHETHER IN AN EMERGENCY OR OTHERWISE. WITH RESPECT TO (A) ABOVE, THE PROPERTY AND PRODUCTS WILL BE VALUED AT THEIR RESPECTIVE NEW LANDED REPLACEMENT COST OR, IF REPAIRABLE, AT REPAIR COST PLUS HANDLING AND TRANSPORTATION TO WELLBORE'S DESIGNATED LOCATION. RENTAL CHARGES ON THE EQUIPMENT LOST OR DAMAGED IN THE HOLE SHALL CONTINUE TO BE PAID UP TO AND INCLUDING THE DATE ON WHICH WELLBORE RECEIVES NOTICE IN WRITING OF THE LOSS OR DAMAGE.

c. **APPLICATION OF INDEMNITIES.** THE ASSUMPTION OF LIABILITY AND INDEMNITIES IN SECTIONS 9.a AND 9.b ABOVE SHALL APPLY TO ANY INJURY, ILLNESS, DEATH OR CLAIM ARISING OUT OF OR IN CONNECTION WITH THE CONTRACT AND/OR THE WORK PROVIDED HEREUNDER, WITHOUT REGARD TO THE CAUSE(S) THEREOF INCLUDING, WITHOUT LIMITATION, UNSEAWORTHINESS, STRICT LIABILITY, ULTRA HAZARDOUS ACTIVITY, BREACH OF EXPRESS OR IMPLIED WARRANTY, IMPERFECTION OF MATERIAL, DEFECT OR FAILURE OF EQUIPMENT, DEFECT OR "RUIN" OR OTHER CONDITION OF PREMISES, INCLUDING ANY CONDITIONS THAT PRE-EXIST THESE GENERAL TERMS AND CONDITIONS OR THE CONTRACT, OR THE SOLE, JOINT, ACTIVE, PASSIVE, GROSS OR CONCURRENT NEGLIGENCE, STRICT LIABILITY, BREACH OF CONTRACT OR DUTY, OR OTHER FAULT OF ANY MEMBER OF EITHER PARTY'S GROUP.

d. **Anti-Indemnity and Insurance Savings Clause.** If any defense, indemnity or insurance provision contained in the Contract conflicts with, is prohibited by or violates public policy under any law determined to be applicable to a particular situation arising from or involving any Work hereunder, it is understood and agreed that the conflicting, prohibited, or violating provision shall be deemed automatically amended in that situation to the extent, but only to the extent, necessary to be in compliance with such applicable law.

14. INCIDENTAL OR CONSEQUENTIAL DAMAGES.

IT IS EXPRESSLY AGREED THAT THE WELLBORE GROUP SHALL NOT BE LIABLE TO THE CUSTOMER GROUP FOR ANY PUNITIVE, INCIDENTAL, CONSEQUENTIAL, INDIRECT OR SPECIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, ANY LOSS OF PROFITS, BUSINESS INTERRUPTION OR LOSS OF USE, LOSS OR DEFERRAL OF PRODUCTION, LOSS OF RIG TIME, LOSS OF DATA OR SAMPLES, OR LOSS RESULTING FROM DELAY, WHETHER DIRECT OR INDIRECT, SUFFERED BY CUSTOMER GROUP, REGARDLESS OF THE SOLE, JOINT, ACTIVE, PASSIVE, GROSS OR CONCURRENT NEGLIGENCE, STRICT LIABILITY, BREACH OF CONTRACT OR DUTY, OR OTHER FAULT OF ANY MEMBER OF WELLBORE GROUP. CUSTOMER SHALL WAIVE, RELEASE, PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS WELLBORE GROUP FROM AND AGAINST ANY AND ALL CLAIMS IN VIOLATION OF THIS SECTION 10.

15. **INSURANCE.** Each party, as indemnitor, agrees to support the indemnity obligations it assumes under these General Terms and Conditions, by obtaining at its own cost, adequate insurance for the benefit of the other party and its Group as indemnitees, with contractual indemnity endorsements. To the extent each party assumes liability hereunder, such insurance shall waive subrogation against the indemnified Group and its insurers and name the indemnified Group as additional insured(s) and loss payee, but only to the extent of liabilities assumed herein by the indemnifying party, and to the same extent such coverage shall be primary to that carried by the indemnified Group. Customer shall not self-insure without the written consent of Wellbore. Notwithstanding the above, to the extent, and only to the extent, that the Texas Oilfield Anti-Indemnity Act (TOAIA) applies to these General Terms and Conditions, the Contract or the Work, and would render void, unenforceable, or void any obligations hereunder, including those set forth in section 9 above, each party agrees to carry supporting insurance in equal amounts of the types and in the minimum amounts required by the TOAIA. Where a party's insurance is deficient or unavailable for any reason, then such party agrees and shall be deemed to have approved self-funded or self-insurance. It is the intention of the parties hereto that the party to whom indemnity is owed hereunder will receive the benefit of such indemnity regardless of events that may happen, which could affect the insurance required to be obtained by the indemnifying party, after the Contract is entered into by Wellbore and Customer.

16. **LIMITATION OF LIABILITY.** Notwithstanding anything to the contrary herein, except as provided under section 9.a.1 above, Wellbore's liability arising from or in connection with the Contract (whether for indemnity, breach of contract or duty, negligence (whether sole, joint, active, passive, gross or concurrent), strict liability or otherwise) shall not in any circumstances exceed the full value of the consideration owed to Wellbore under the Contract.

17. **EMPLOYEE SOLICITATION.** Except with the prior written consent of Wellbore, Customers shall not directly, indirectly or through third parties solicit, recruit or induce any Wellbore employee, consultant or representative to leave, terminate or otherwise end his/her association with Wellbore in order to become an employee, consultant or representative of Customer Group until at least one (1) year has elapsed from Customer's receipt of the final invoice for the Work.

18. **INTELLECTUAL PROPERTY.** Wellbore owns all rights to the proprietary intellectual property embodied in its Work or which are created in the course of providing such Work to Customer. Wellbore does not transfer any ownership rights in such intellectual property to Customer and Customer shall not reverse engineer or cause any Wellbore property or Products to be reverse engineered without Wellbore's express written consent. Wellbore will be liable for intellectual property infringement claims arising out of Customer's normal use of Wellbore's Work but will not be liable for infringement that arises: (i) out of Customer's use of Wellbore Work in combination with work, products or services not provided by Wellbore; (ii) where Wellbore Work has been specially modified, designed and/or manufactured to meet Customer's specifications; (iii) out of unauthorized additions or modifications to Wellbore Work; or (iv) where Customer's use of Wellbore Work does not correspond to Wellbore published standards or specifications. Any Claim for intellectual property infringement shall be brought to Wellbore in writing within ten (10) calendar days of service on Customer or this indemnity shall be void.

19. MISCELLANEOUS.

- a. **Orders:** Wellbore reserves the right to accept or reject any Order issued by Customer or any request for Work under a previously agreed Order.
- b. **Force Majeure:** Wellbore shall not be liable for any delay or non-performance due to governmental regulation, labor disputes, hostile action, weather, fire, acts of God or any other causes beyond the reasonable control of Wellbore.
- c. **Governing Law:** If Work is furnished offshore or on navigable waters, General Maritime laws shall govern the Contract; in those instances where the General Maritime Law does not apply, the laws of the State of Texas shall apply and govern the validity, interpretation, and performance of the Contract.
- d. **Severability:** Should any clause, sentence, or part of these General Terms and Conditions be held invalid, such holding shall not invalidate the remainder, and the General Terms and Conditions shall be interpreted as if the invalid clause, sentence, or part has been modified or omitted, if necessary, as required to conform to the jurisdiction purporting to limit such provision.
- e. **Compliance with laws:** Customer and Wellbore respectively agree to comply with all laws, statutes, codes, rules, and regulations, which are now or may become applicable to operations covered by these General Terms and Conditions or arising out of the performance of the Work.

20. **GENERAL COMMERCIAL CONDITIONS.** Commercial conditions, prices and technical specifications for the Work shall be documented in an Order. Unless otherwise set forth in the relevant Order or otherwise agreed to in writing by Wellbore, the following commercial conditions shall apply:

- a. **Products are final:** Orders placed by Customer and accepted by Wellbore can only be canceled with Wellbore's written consent.
- b. **Return of Rentals:** Rentals must meet the specifications set forth in the Order for return at the end of the rental period, and Wellbore may verify compliance at the time of return to Wellbore's designated facility. If Rentals do not meet the specifications at the time of return, they shall, at Wellbore's sole discretion, be sold to Customer AS-IS, WHERE IS AND WITHOUT WARRANTY, at then-current rates for sale of the same, and will be returned to Customer at Customer's cost. Any waste found in Rentals upon return to Wellbore will be returned to Customer or disposed of at Customer's cost.
- c. **Buy-Back of Fluids:** Where buy-back of Fluids is agreed, buy-back is conditioned on Fluids meeting the minimum specifications upon return to Wellbore's designated facility. Buy-back is also subject to space availability at Wellbore's designated facility. Fluids not meeting the minimum specifications will be returned to Customer at Customer's cost.
- d. **Pricing Changes:** Wellbore has the right to revise pricing applicable to the Work at any time, including without limitation (i) whenever Wellbore determines that market conditions support such revision; and (ii) whenever Wellbore determines it has been impacted by an increase in the cost of providing products and/or services, including commodities, trucking, labor, materials and/or ancillary products, materials or services related thereto (as well as associated taxes and tariffs), regardless of variation from any pre-job quotes, orders, estimates or the like that may have been submitted by Wellbore. Such revisions may be adjusted post-job in accordance with the actual cost.
- e. **Pricing exclusions:** Quoted prices do not include any of the following items, which may be charged as determined by Wellbore for a given scope of work, and shall not be considered an exhaustive list: (i) mobilization and demobilization fees; (ii) stand-by (or crew and equipment) fees and demurrage (incurred by Wellbore Group), which shall apply in any and all circumstances other than when due to the sole fault of Wellbore; (iii) third party reimbursable fee of 20% (or as may otherwise be specified in Wellbore's applicable price list); (iv) fuel surcharges (as may be specified in Wellbore's applicable price list and subject to further adjustment based on the US Energy Information Administration (EIA) for US Retail On-Highway Diesel) and transportation/mileage fees; and (v) cancellation fees, return/restocking fees and buy-back fees.

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- f. **Additional Work:** Backup tools, additional services/products and new technology items that are not specifically included in the work scope described in the Order shall be quoted upon request

21. **EXPORT COMPLIANCE.** Customer is advised that Work provided under the Contract is subject to the U.S. Export Administration Regulations, and diversion contrary to U.S. laws and regulations is prohibited. Customer agrees not to directly or indirectly export, import, or transmit the Work to any country or end user, or for any end use, that is prohibited by any applicable U.S. law or regulation (including without limitation, to those countries, from time to time, subject to embargo by the U.S. government). Additionally, Customer agrees not to directly or indirectly export, import, transmit, or use the Work contrary to the laws or regulations of any other governmental entity that has jurisdiction over such export, import, transmission, or use. Customer represents and warrants that neither the United States Bureau of Industry and Security nor any other governmental agency has suspended, revoked, or denied Customer's export privileges. Customer agrees not to use or transfer the Work for any use relating to nuclear, chemical, or biological weapons, or missile technology, unless authorized by the U.S. government by regulation or specific written license.
22. **PUBLICITY.** Unless required by applicable laws, rules or regulations, neither party shall, or otherwise permit or cause any member of its Group to, issue or publish any press releases or make any public statements or publicize any information with respect to (i) the contents of these General Terms and Conditions, (ii) the Work contemplated to be performed under the Contract, and/or (iii) any transactions or occurrences arising as a result of the Work, without the prior written approval of the other party. Furthermore, the parties agree to confer with each other prior to any publication of any such information and to set forth such agreement in a separate writing.
23. **CONFIDENTIALITY.** Customer agrees to hold in strict confidence all information provided by Wellbore Group to Customer, all of which is Wellbore confidential information. Customer will not disclose such confidential information to any third party without written authorization from Wellbore, or except as required by law or legal process.
24. **WELLBORE ENTITIES.** In the event that the parties enter into an Order subject to these General Terms and Conditions, Customer and Wellbore agree, and it is the intent of these General Terms and Conditions, that the parties identified herein as Wellbore shall not be jointly liable and shall only be severally liable to the extent of their respective obligations and liabilities hereunder. The specific party identified as Wellbore in the applicable Order shall be the party responsible for the applicable Work. Each Wellbore entity shall not be deemed a guarantor or surety with respect to the other Wellbore entities' obligations and liabilities. This provision shall not impair Wellbore Group's rights under Customer's indemnity and hold harmless obligations provided herein.