

GENERAL TERMS AND CONDITIONS

We, hereinafter referred to as Verde Services or VS in furnishing services requested by you, hereinafter referred to as Customer, do so under the following general terms and conditions.

- 1 VS is an independent contractor performing services. Customer at all times retains full care, custody and control of the well, the direction of services to be performed, and agrees to have representative present to furnish instructions and to verify and approve the depths and methods to be employed at the time services are performed.
- 2 In making any interpretation of logs, our employees will give customer the benefit of their best judgment as to the correct interpretation. Nevertheless, since all interpretations are opinions based on inferences from electrical or other measurements, Verde Services cannot, and will not, guarantee the accuracy or correctness of interpretations, or bear any loss, costs, damages or expenses incurred or sustained by Customer resulting from any interpretation made by any of our officers, agents or employees.
- 3 It is understood and agreed that VS is not responsible for any high pressures or accumulations of oil, gas, or water, or other dangerous conditions in or around the well which may cause or be caused by blowouts, explosions or fire and, further, that Verde Services, LLC does not assume any liability whatsoever for damage to surface property, the well bore, the subsurface reservoir, or injury or damage to Customer, its agents and employees, or to third parties or to third parties' property or to reservoirs, caused by well blowout, explosion or fire, in the course of performing services. Customer hereby agrees to indemnify and hold VS, its agents and employees, harmless from all costs and claims for personal injury, property damage, loss cost, or expense arising howsoever from blowout, explosion, or fire on the well.
- 4 In case it is necessary for Customer to "fish" for any of our instruments or equipment, Customer assumes the entire responsibility for such operations, but VS if so desired by Customer, without any responsibility or liability on our part, will render assistance in an advisory capacity for the recovery of such equipment or instruments. None of our employees are authorized to do anything other than advise and consult with Customers in connection with such "fishing" operations, and any "fishing" furnished by VS shall not be liable or responsible for any damage that Customer may incur or sustain through their use or by reason of any advice or assistance rendered to Customer by our agents or employees, irrespective of cause. In the event any VS instruments or equipment are lost in the well, the Customer shall either recover same without cost to VS or pay the replacement value.
- 5 Customer acknowledges that it is aware that chemicals used in chemical cutters, explosives used in perforating equipment and the radioactive sources used in logging operations are all potentially dangerous to persons and property. In accepting an order to perform or attempt to perform any service involving the use of chemical cutters, perforating equipment or radioactive sources, the Customer does so with the understanding that VS makes no guarantee of results and shall not be liable or responsible for injury or death to persons or damage to property, irrespective of cause. Should any radioactive source be lost in well, both VS and Customer agree to abide by all applicable Nuclear Regulatory Commission or Agreement State regulations in force at the time. If a sealed radioactive source is lost in a well bore, special precautions during fishing operations must be taken to ensure that the radioactive source container is not ruptured or damaged, and if not recovered, Customer shall bear sole responsibility for the costs and expenses associated with abandonment, immobilization and sealing in place of the of the sealed radioactive source.
- 6 A reasonable effort will be made to get VS's trucks from the highway to the location and back to the highway, but if pulling equipment is required to complete this attempt, it will be the Customer's responsibility to provide such equipment at his expense. And if the Customer does not provide the equipment VS will secure the necessary assistance and bill the Customer at the actual cost for same.
- 7 VS carries full coverage of public liability and property damage insurance and will supply certificates of policies in force upon request of the Customer.
- 8 Customer agrees to pay VS within the terms fixed by VS invoices; and should these terms not be observed, interest at the rate of 1 1/2% per month will be charged from the date of such invoice. This interest rate is equal to 18% per annum.
- 9 Price schedules for all BSCS services is available upon request. Current schedules attached hereto are subject to change without advance notice.
- 10 Prices listed herein do not include sales or similar taxes, and we reserve the right to add such taxes, if any, to our published prices. Any tax based on the charges made for, or the cash receipts from the sale of products and/or the performance of services may be added to the stated price.
- 11 Any and all Charges to Customer are payable to Verde Services, LLC.
- 12 No agreement or understanding, oral or written, in any way purporting to modify these General Terms and Conditions, whether contained in Customer's purchase order or elsewhere, shall be binding on VS unless thereafter made in writing and signed an officer of Verde Services, LLC.
- 13 This contract shall be construed in accordance with the laws of the State of Mississippi.
- 14 Should any clause, sentence, or part thereof, of these General Terms and Conditions be held invalid, such holdings shall not invalidate the remainder.
- 15 Failure to enforce any or all of the above General Terms and Conditions in a particular instance or instances shall not constitute a waiver of or preclude subsequent enforcement.
- 16 No agent, representative or employee is empowered to alter the above General Terms and Conditions.
- 17 Prices are subject to change without notice.