

CUSTOMER AGREEMENT GENERAL TERMS AND CONDITIONS

Boots Smith hereby agrees to furnish to Customer the personnel, services, equipment, materials, supplies, and labor set out in any request for work, purchase order, or other form agreed to by Company (collectively, the "Services"), subject to and in consideration of the following terms and conditions:

1. GENERAL

- 1.1. "Claims" means all claims, demands, causes of action, liabilities, damages, judgments, awards, losses, costs, expenses (including, without limitation, reasonable attorneys' fees and costs of litigation in defense of any claim) of any kind or character.
- 1.2. "Company" means Boots Smith Energy Group, Inc., its affiliated companies, joint venturers, partners, its and their contractors and subcontractors, its and their affiliates, and the officers, directors, employees, agents, consultants, servants, and invitees of each of them.
- 1.3. "Customer" means the party requesting the Services, its joint venturers, partners, lessors, co-lesors, its and their contractors and subcontractors (other than the Company), its and their affiliates, and the officers, directors, employees, agents, consultants, servants, and invitees of each of them.
- 1.4. "Receipt" means any one or group of documents that Company requests that Customer sign at the well, service site, headquarters, or other location prior to or at the time the Services are rendered or the Equipment is delivered, including, without limitation, invoices and delivery tickets.
- 1.5. "REGARDLESS OF FAULT" means without regard to the cause or causes thereof including without limitation pre-existing conditions, whether such conditions be patent or latent, imperfection of material, defect or failure of equipment, breach of representation or warranty (express or implied), ultra hazardous activity, strict liability, tort, breach of contract, breach of statutory duty, breach of any safety requirement or regulation or the negligence or fault of any person, party, or entity, including the indemnified Party or Parties, whether such negligence be sole, joint, or concurrent, active, passive, or gross, or any other theory of legal liability.
- 1.7. "Third Party" means any person or entity other than a member of Company or Customer.
- 1.8. The Terms set forth herein take precedence over any alternative terms in any other document connected with the Services unless such alternative terms are part of a written master service or other similar agreement executed within three years prior to the work being ordered by Customer, which has been negotiated between Customer and Company and which Customer and Company have expressly agreed in writing overrides these Terms in the event of a conflict. Except as provided in the immediately preceding sentence, the Terms constitute the sole and entire agreement governing the provision of Services by Company to Customer and supersede (a) all prior discussions and agreements between Customer and Company, (b) other inconsistent terms submitted by Customer and (c) any conflicting provisions of any contract, work order, purchase order, or other similar document issued by Customer at any time. The Terms may not be altered or amended unless agreed to in writing by Customer and Company. No field employee of Company shall be empowered to alter the Terms. Failure of Company to object to any provisions which may be contained in any other writing of Customer shall not be construed as a waiver of the Terms or an acceptance by Company of any other terms and conditions of Customer. Customer shall be deemed to have accepted these Terms upon the earlier of when Customer signs any Receipt or when Customer receives any Services without previously providing to Company written notice of rejection of the Terms, and such acceptance shall constitute Customer's agreement that the Services will be provided pursuant to these Terms. Any acceptance of the Terms is limited to acceptance of the express provisions contained herein, and any contract, work order, purchase order, or similar document submitted by Customer to acknowledge these Terms containing conflicting or additional terms and conditions from those contained herein is hereby rejected unless expressly agreed to in writing by Company. No document submitted by Customer containing conflicting or additional terms from those herein shall be deemed a rejection of these Terms.

2. SERVICES

- 2.1. Company shall provide the Services in a workmanlike manner, consistent with standard practices, and in a manner that complies with all applicable laws. Company is and shall be an independent contractor with respect to the performance of any Services, and neither Company nor anyone employed by Company shall be the agent, representative, employee, or servant of Customer in the performance of the Services or any part thereof.
- 2.2. Company agrees to maintain all of its equipment in operating condition at all times, which shall include, without limitation, meeting or exceeding prevailing regulatory requirements.
- 2.3. Customer shall secure and maintain rights of access for Company to reach the well and/or service site. Customer shall advise Company of any limitations or restrictions affecting access, including subsurface conditions and obstructions. Should Company be denied free access to a well and/or service site for any reason not within control of Company, Customer shall pay Company during the time of such denial the rates specified in the applicable Receipt.
- 2.4. Customer shall be solely responsible for obtaining all necessary permits or licenses for performance of Services at a well and/or service site.
- 2.5. Company reserves the right to terminate the Services at any time in its sole reasonable discretion. Customer shall pay Company its prevailing charges for Services performed up to the date of termination.
- 2.6. Customer shall, at its sole cost and risk, be responsible for and provide the transportation, storage, treatment, disposal, and/or recycling, as required, of any materials or products resulting from Services provided at each well and/or service site, including those materials and products deemed to be dangerous or hazardous waste by any applicable law, regulation, or order.
- 2.7. Company does not guarantee the accuracy of any job recommendation, research analysis, data interpretation (including logs) or other information furnished by customer by company. Company makes no warranty, whether express or implied, concerning the effectiveness or results of such services.

3. PRICE AND PAYMENTS

- 3.1. Price schedules are available upon request and are subject to change without advance notice. Unless specifically stated otherwise, published and quoted prices do not include federal, state, or other taxes imposed upon Services or other special charges. Where abnormal conditions exist which result in the need for additional Services which were not originally contemplated by the parties, then prices billed to Customer may be higher than those shown on any price list. In addition to charges for Services, Customer will be responsible for any related mileage, shipping, handling, stand-by, rentals, taxes (sales, use or occupation), and other costs. If Company or Company's supplier is obligated to pay any taxes, Customer will be responsible for reimbursing Company for this amount.
- 3.2. If payment is not timely made, interest on the outstanding balance shall accrue from the date due until paid in full in the amount of 1.0% per month, and, to the extent permitted under applicable law, Company may rescind any discount.
- 3.3. Where it is necessary for Company to utilize outside suppliers or contractors in connection with providing Services, Customer will be responsible for all costs related to such supplier and/or contractor, including any relevant shipping and handling charges. If Company incurs third party costs on behalf of Customer, Customer will be responsible for such costs plus a 15% handling fee.

4. WARRANTY DISCLAIMER

- 4.1. EXCEPT AS SET FORTH IN SECTIONS 2.1 AND 2.2, COMPANY DISCLAIMS ALL OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED, OR STATUTORY, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT.
- 4.2. Customer's sole and exclusive remedy for breach of warranty under these terms, at law or in equity, whether in contract, tort, or other theory of law, is limited, at Company's sole option, to the repair or replacement of, or a credit for, the equipment, materials, or supplies proven to have been defective to the reasonable satisfaction of Company.
- 4.3. Company's warranty obligations shall not apply to the extent any non-compliance is caused by (i) any alteration or repair by customer group of any goods or equipment, or customer group's failure to properly use, operate, or maintain any goods or equipment in accordance with company's or the manufacturer's recommendation, (ii) vandalism by a party other than an employee of company group,

(iii) force majeure, or (iv) incorrect, incomplete or inaccurate data, drawings, information, or specifications provided by customer group.

5. INDEMNITY AND INSURANCE

- 5.1. To the greatest extent allowed by law, Customer shall release, defend, indemnify and hold harmless Company from and against any and all claims brought by any employee, agent, contractor, or affiliate of Customer (or their family members) against Company for property damage/destruction, personal or bodily injury, or death arising out of the performance of the Services, REGARDLESS OF FAULT, except that neither Customer shall be obligated or required to indemnify or hold harmless Company for its own negligence or fault.
- 5.2. To the greatest extent allowed by law, Customer shall defend, indemnify and hold harmless Company from and against any and all claims for property damage/destruction, personal or bodily injury, or death arising out of the performance of the Services REGARDLESS OF FAULT, except that Customer shall have no obligation to indemnify or hold harmless Company for its own negligence or fault. Company's defense shall be provided by counsel of its own choosing.
- 5.3. To the greatest extent allowed by law, Customer shall defend, indemnify and hold harmless Company from and against any and all demands, actions, enforcement proceedings, penalties, fines, required remediation, including payment of any legal fees, costs, and expenses, arising from Customer's failure to fully comply with any Environmental Law, Regulation, or permitting requirement, regardless of whether such law, regulation, or requirement is promulgated by federal, state, or local governmental agency.
- 5.4. To the greatest extent allowed by law, Customer shall be responsible for, and shall defend, indemnify, and hold harmless, Company for all claims, losses, damages, costs, expenses, or other liabilities of any kind or character arising from or relating to performance of the Services for (a) a wild well condition, including costs of regaining control and debris removal, (b) loss or damage to any reservoir, well or well bore, including loss of oil, gas, water or any other mineral substance, (c) fire, explosion, seepage, pollution (above or below ground), or blowout of any well, including without limitation any cratering or other uncontrolled well or underground condition, (d) property damage, personal or bodily injury, or death arising out of the conditions identified in (a) - (c), herein, and (e) costs or expenses incurred in attempts to control the conditions set forth in (a) - (c), herein.
- 5.5. In the event Company suffers any loss of equipment downhole or in the drill string below the rotary table, Customer shall be responsible for the replacement costs and retrieval expenses associated with removal of such lost-in-hole equipment.
- 5.6. In the event of loss of equipment rented or leased, Customer shall be responsible for replacement and repair costs, or other costs required by any rental or lease agreement, of such equipment.
- 5.7. Customer and Company shall each maintain (a) commercial general liability insurance, all-risks insurance, or qualified self-insurance in the amount of \$1,000,000 (per occurrence), (b) workers' compensation coverage in statutorily required amount of \$1,000,000, (c) automobile liability coverage of \$1,000,000 (for bodily injury and property damage, per accident), and (d) umbrella or excess coverage for the foregoing coverages in the minimum amount of \$5,000,000. Customer shall also maintain control of well insurance in the minimum amount of \$5,000,000.
- 5.8. Company and Customer shall each be named in the foregoing insurance policies (except workers' compensation) maintained by the other as an additional insured on a primary and non-contributory basis to the extent of the indemnities assumed herein. Company's status as an additional insured shall not be restricted to Customer's vicarious liability for Company or any other similar restriction. Company and Customer shall be entitled to status as an additional insured even if any indemnity provision of this Section is unenforceable.
- 5.9. The policies of insurance noted above shall be endorsed to waive all rights of subrogation against the Company and Customer, as the case may be, and against their respective insurers, for all claims, demands, and causes of action of every kind and character caused by or resulting from the Services. Such policies shall be endorsed to provide that all insurance shall be primary and non-contributing with any other insurance maintained by the Company or Customer regarding all claims, demands, and causes of action of every kind and character caused by or resulting from the Services to the extent of the liabilities assumed by the Customer or Company in these Terms. Company and Customer shall each cause their respective insurer(s) to provide the other with 30 days prior notice in the event of any cancellation or material change in their respective insurance policies.
- 5.10. Notwithstanding anything herein to the contrary, neither Company nor Customer will be responsible for punitive, special, indirect, incidental, or consequential damages of any kind, including without limitation loss of revenue, profits, business opportunities, production, damages for failure to meet deadlines, loss of use, rig time expenses, subsurface damage, loss of hole, re-drilling expenses, reservoir formation damage, pollution damage, and/or wreck or debris removal expense.

6. MISCELLANEOUS

- 6.1. Customer and Company shall maintain the confidentiality of all records and proprietary information obtained by either party in the performance of the Services. Such information will not be disclosed to any third parties without the prior written consent of the other party. Notwithstanding the foregoing, Company may use the information generated by the Services, including treatment and well performance data, in development of job recommendations and treatment programs for other customers.
- 6.2. Customer agrees to pay Company all costs and expenses, including reasonable attorneys' fees and court costs, incurred by Company in enforcing the Terms.
- 6.3. Company will not be responsible for any delays or damages caused by events of force majeure or any other occurrences beyond Company's control, including without limitation, acts of God, war or preparations for war, fire, flood, strike or other labor unrest, riot, act of terrorism, embargo, inability of Company to obtain products from usual sources, or delays in manufacturing or transportation. Force majeure shall not, however, excuse payment by Customer to Company prior to, during, or subsequent to such force majeure.
- 6.4. To the extent there is any conflict or inconsistency between the provisions of the Terms and those of a related Receipt, the Terms shall control.
- 6.5. The delay or failure of Company to strictly enforce any provision herein shall not be construed as a waiver or forfeiture of Company's right of subsequent enforcement thereof. The express waiver of one provision of the Terms shall not be deemed a waiver of any other provision herein.
- 6.6. All parts hereof are separable and the invalidity of any part hereof shall not affect the validity of any other parts.
- 6.7. Neither party may assign or transfer any rights, duties, or obligations under these Terms without the prior written consent of the other party.
- 6.8. The headings herein are provided for convenience only and shall have no legal effect. To the extent that the Services are performed offshore, these Terms shall be governed by the General Maritime Laws of the United States. Otherwise, the law governing the interpretation of these Terms and any dispute, controversy or claim arising out of, relating to, or in any way connected with these Terms including, without limitation, the existence, validity, performance, breach, or termination hereof, shall be determined without regard to any conflicts of law principles according to the State of Mississippi.
- 6.9. All provisions or obligations contained in these Terms, which by their nature or effect are required or intended to be observed or performed after termination or expiration of these Terms, will survive and remain binding upon the parties, their successors, and permitted assigns.