



TERMS AND CONDITIONS OF LABORATORY SERVICES AND PRODUCT SALES

1. DEFINITIONS AND GENERAL TERMS

1.1 **Definitions.** In addition to terms defined elsewhere in these Terms and Conditions, these terms have the following meanings:

"Affiliate(s)" means any Person directly or indirectly controlled by, controlling, or under common control with either Party, including any of the foregoing which becomes an Affiliate after the date of the Order. **"Control"** means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. **"Person"** means any legal or governmental entity.

"Applicable Law" means those laws (common or statutory), rules, regulations, codes, administrative and judicial orders and directives, rulings, interpretations, permit conditions and restrictions or similar requirements or actions of any federal, state, provincial, or local government, or any agency or executive or administrative body of any of the foregoing, in each case that govern or pertain, as of the date of the applicable Order, to (i) the Parties' respective obligations under these Terms and Conditions or any Order; (ii) Weatherford's performance and/or Customer's use of Work; and/or (iii) the health, safety and welfare of individuals working at or visiting any Work Site.

"Claim(s)" means all claims, damages, liabilities, losses, demands, liens, encumbrances, government imposed fines and/or penalties, causes of action of any kind, obligations, costs, judgments, interest and awards (including payment of reasonable attorneys' fees and costs of litigation), of any kind or character, whether under judicial proceedings, administrative proceedings or otherwise, arising out of, or in any way relating to these Terms and Conditions or Weatherford's performance of Work hereunder, and expressly includes any claims brought by spouses, heirs, survivors, legal representatives, successors or assigns.

"Customer Group" means, individually or in any combination, Customer, its Affiliates, and its clients (including any of its or their co-working, non-working, operating and any other interest owners), lessors and co-lessees and each of their respective officers, directors, employees, subcontractors (of any tier), contractors (other than members of Weatherford Group), consultants, vendors, agents, representatives, invitees, licensees, successors and/or assigns.

"Indemnify" or "Indemnification" means release, indemnify, defend and hold harmless.

"Order(s)" means the transactions between the Parties for the performance of Work.

"Product(s)" means any goods, equipment, sampling containers or bottles, or other tangible items purchased by Customer from Weatherford pursuant to an Order.

"Samples" means the items submitted to Weatherford for testing in accordance with and as more fully described in an Order.

"Service(s)" means the services furnished by Weatherford to Customer pursuant to an Order, including analysis and testing of Samples, on-site Sample collecting, and Sample storage.

"Third Party" means any Person other than Customer Group or Weatherford Group.

"Weatherford" means and includes Weatherford Laboratories, Inc. and each of its Affiliates from time-to-time providing Work to or on behalf of Customer and identified as Weatherford in the Order and invoices pertaining to such Work.

"Weatherford Group" means, individually or in any combination, Weatherford, its Affiliates, and their officers, directors, employees, subcontractors, contractors, consultants, vendors, agents, representatives, invitees, licensees, successors and assigns.

"Work" means laboratory Services rendered and Products sold by Weatherford to Customer pursuant to an Order.

"Work Site" means the facility, site or location specified in an Order at which Weatherford is to perform on-site Services.

1.2 **General Terms.** As used in these Terms and Conditions, references to (a) "includes" or "including" means "including, but not limited to"; (b) "and/or" means "either or both"; and (c) references to Articles or Sections are deemed references to Articles or Sections in these Terms and Conditions.

2. ORDERS; PRICING; INVOICING AND PAYMENT; TAXES; SHIPMENT AND SAMPLE STORAGE

2.1 **Orders.** Customer may request and Weatherford may perform Work as specified in Orders. The Parties are free to issue/accept Orders in any written form, including purchase orders, work orders, statements of work, emails or other written communication between the Parties, but unless the Parties have entered into a separate, written, laboratory services and sale agreement, master services agreement, supply agreement, or other contract which governs the Work, (a) each Order shall be subject to these Terms and Conditions, which shall control and govern all transactions between the Parties with respect to Work performed by Weatherford, whether or not these Terms and Conditions are referred to in the Order; and (b) no other, additional or different terms and conditions in any written or oral communication with respect to a transaction for Work (including the terms and

conditions in any Customer request for proposal, request for quote, request for bid, purchase order, or similar document) shall vary or amend these Terms and Conditions; and (c) Orders submitted by Customer orally shall be followed by a purchase order or other written confirmation within seven (7) days from the date of the oral order, failing which Weatherford shall have no obligation to perform Work thereunder. In the event of a conflict between these Terms and Conditions and the terms in any Order, these Terms and Conditions shall control, unless the Order (i) makes specific reference and identification to the provision of these Terms and Conditions to be modified, (ii) explicitly states the intention of the Parties to so modify, and (ii) is executed on by an authorized officer of each Party. Such modifications shall be effective for that Order only, and no agreement to modify these Terms and Conditions with respect to any particular Order shall vary or amend those terms and conditions with respect to any other or subsequent Order. Each Order shall constitute a separate agreement between the Parties.

- 2.2 **Pricing.** Prices for Products and Services shall be established in an Order with respect thereto, and if not stated therein, shall be the price in Weatherford's current applicable price book, price list, or rate sheet ("Price"). Prices quoted or established in an Order are for competent Samples with properties within conventional parameters. Notwithstanding any of the foregoing:
- (a) testing on core Samples which require excessive handling or excessive time to complete the analytical testing such as but not limited to: extremely fragile Samples, fluid sensitive Samples, friable or unconsolidated sands, conglomerates, or low porosity/permeability Samples, may be charged at a higher rate than listed in the Order or initial quote, to recover costs associated with special handling, procedures, or duration of testing; and
 - (b) testing on fluid Samples which require additional and specific safety measures or excessive time to complete the analytical testing (including low API "heavy" oils, fluids near critical point, or samples containing H₂S) may be charged at a higher rate than listed in the Order or initial quote, to recover costs associated with special handling, procedures, or duration of testing.
- 2.3 **Product Shipment, Title, and Risk of Loss.** Unless otherwise specified in an Order with respect thereto, Prices for Products sold to Customer are FCA Weatherford's Facility (Incoterm 2010). "Weatherford Facility" means the Weatherford manufacturing plant, stocking point or other location specified in an Order where the Products are delivered to Customer. Customer shall arrange for shipping and pay all shipment costs. If Customer requests Weatherford to arrange for shipment or fails to furnish shipping instructions prior to the time Products are ready for shipment, Weatherford shall ship the Products to Customer in a commercially reasonable manner, at Customer's risk, and may charge Customer the shipping cost, plus fifteen percent (15%). Title and risk of loss for Products sold will pass to Customer upon delivery, FCA Weatherford's Facility (Incoterm 2010).
- 2.4 **Submitting Sample(s).** Unless otherwise specified in an Order with respect thereto, Customer shall deliver all Samples to Weatherford's Facility, at Customer's sole cost and risk of loss or damage to the Sample(s) in transit. Customer shall package, label, and ship Samples to Weatherford strictly in accordance with any packaging, handling, and shipping instructions provided by Weatherford, and shall notify Weatherford in writing, prior to or when it submits the Sample, if it contains or includes any hazardous, toxic, or other substance(s) or material(s) requiring special handling, storage or disposal.
- 2.5 **Sample Disposal and Storage.** Weatherford shall use commercially reasonable efforts to maintain the Samples it receives from Customer in the condition in which same were initially received, and shall store any portion(s) of the Sample(s) not consumed or altered in the course of testing and analysis, after which time the Samples will be destroyed at Customer's cost or, upon Customer's written request, (i) returned to Customer in accordance with Section 2.3 above, or (ii) stored and maintained for a monthly fee. Further, if fluid Samples require cylinder/container rental during sampling, transport, or through the analytical testing, fluid Sample storage fees shall apply as described herein after the conclusion of the analytical testing. Notwithstanding any of the foregoing, core Samples may be exempt from storage charges for a period of sixty (60) days after their initial receipt or during initial processing, whichever is shorter in length. If Customer fails to timely pay storage charges, Weatherford may destroy or otherwise dispose of the Samples.
- 2.6 **Invoicing and Payment.** Customer shall pay the Price(s), rates and other amounts stated on each invoice submitted by Weatherford within thirty (30) days of receiving the invoice. If applicable, Weatherford invoices shall include supporting documentation for reimbursable costs included therein. Invoices not paid in a timely manner will bear interest at the lesser of (i) one percent (1%) per month, or (ii) the highest rate allowed by Applicable Law until paid in full. If Customer fails to pay undisputed amounts within sixty (60) days of the invoice date, Weatherford shall be entitled to immediately suspend the Work without penalty or liability, and Customer shall Indemnify Weatherford Group from and against any and all Claims resulting from or arising out of such suspension.
- 2.7 **Invoice Disputes.** In the event Customer disputes an invoice or part thereof, it may withhold payment of the disputed amount(s), but shall nonetheless timely pay all undisputed amounts and promptly notify Weatherford of the disputed amount or item, specifying the invoice date and number, amount of the disputed item or charge, and the Product or Service involved. The Parties shall work in good faith to promptly resolve disputed amounts. Invoices not disputed by Customer within thirty (30) days of the invoice date shall be deemed accurate and Customer shall not thereafter be entitled to dispute any amount(s) reflected thereon.
- 2.8 **Taxes.** Unless otherwise stated in the Order, Prices and rates quoted by Weatherford and other charges payable by Customer are exclusive of taxes and duties. If not included in the Price or rates, such taxes and duties shall be shown as a separate line item on

the invoices submitted by Weatherford, are in addition to the Prices or rates, and shall be for Customer's account. Weatherford and Customer are responsible for all taxes and duties imposed upon their respective businesses, including taxes imposed upon their respective income, personnel or property, and each Party shall Indemnify the other from any liability with respect thereto. The term "taxes and duties" shall mean all fees or charges imposed, assessed or levied by any governmental department, agency, or taxing authority and shall include property taxes, sales and use taxes, value added taxes, goods and services taxes and excise taxes or other charges of a similar nature, customs or other duties, customs agent fees and other such charges and fees. The provisions of this Section 2.8 shall continue after termination or completion of an Order.

3. WARRANTIES AND REMEDIES

- 3.1 **Weatherford Product Warranties.** Weatherford represents and warrants to Customer that all Products of its own manufacture ("Weatherford Products") supplied pursuant to an Order (a) shall conform in all respects to the Weatherford's published Product specifications (and to any additional specifications stipulated in the Order therefore); and (b) shall be and remain free of defects in materials and workmanship for a period of one year from the date of delivery. The foregoing Weatherford Product warranties are the sole and exclusive warranties made by Weatherford with respect to Weatherford Products, and **CONTRACTOR HEREBY EXPRESSLY DISCLAIMS ANY AND ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR USE OR PURPOSE, OR REDHIBITION.** The foregoing warranties do not apply to Weatherford Products (i) that have been modified by Customer Group or Third Parties after delivery; (ii) subjected to improper handling, storage, installation, operation or maintenance by Customer Group or Third Parties; (iii) requiring replacement because of normal wear and tear; or (iv) the design of which were modified according to specifications furnished by Customer Group.
- 3.2 **Remedies for Breach of Weatherford Product Warranties.** Weatherford shall, at its sole cost and expense, repair or replace with products of like or comparable quality any Products not conforming to the Weatherford Product warranties specified in Section 3.1 above; *provided* Customer has notified Weatherford of the non-conformity within the one year warranty period specified above. The foregoing remedies of repair or replacement shall be the sole and exclusive obligations of Weatherford (and the sole and exclusive remedies of Customer) with respect to Products not conforming to the warranties specified in Section 3.1 above. Weatherford's responsibility to repair or replace Weatherford Products shall not exceed the Price of the Products or extend to any ancillary or related costs (including shipping, installation or removal) not included in the original Order.
- 3.3 **Service Warranties.** Weatherford does not guarantee the results of the Services it performs under any Order or represent that those Services will achieve Customer's intended objectives, but does represent and warrant to Customer that all Services performed by Weatherford shall be performed in a good and workmanlike manner, by duly trained and qualified personnel, and in accordance with standard industry practices and any Applicable Laws.
- 3.4 **Remedies for Breach of Service Warranties.** Weatherford shall replicate any Services not conforming to the warranties specified in Section 3.3 above if the Samples still in Weatherford's possession are sufficient therefore, or new Samples are supplied by Customer; *provided* Customer notifies Weatherford of the non-conformity within thirty (30) days of receiving the Report (as defined below). The foregoing remedy of replicating Services shall be the sole and exclusive obligation and responsibility of Weatherford (and Customer's sole and exclusive remedy) with respect to nonconforming Services, unless the Parties mutually determine that Weatherford's replication of the Services cannot or will not provide a commercially viable remedy, in which case Weatherford shall either refund or credit in full the Price paid by Customer for the nonconforming Services. **IN NO EVENT SHALL WEATHERFORD ASSUME ANY RESPONSIBILITY OR LIABILITY FOR RESAMPLING OR THE COST THEREOF.**
- 3.5 **Reports.** Upon request, Weatherford shall produce and deliver to Customer a written report reflecting the data from and results of its testing and analysis of the Sample(s) submitted by Customer ("Report"). In interpreting the results of its testing and analysis with respect to Customer's Sample(s) and producing the Reports, and in making any recommendations based upon its testing and analysis, Weatherford will give Customer the benefit of its best judgment based on its experience, but any interpretation of test or other data, and any recommendation(s) based upon such interpretations, are opinions based upon inferences from measurements and empirical relationships and assumptions which are not infallible, and with respect to which professional engineers and analysts may differ. Additional costs may be incurred by the Customer which are dependent upon the degree of reporting and/or interpretation. **ACCORDINGLY, WEATHERFORD CANNOT AND DOES NOT WARRANT THE ACCURACY, CORRECTNESS OR COMPLETENESS OF ANY SUCH INTERPRETATION OR RECOMMENDATION, AND SUCH INTERPRETATIONS AND RECOMMENDATIONS SHOULD NOT UNDER ANY CIRCUMSTANCES BE RELIED UPON BY CUSTOMER (OR ITS CLIENTS) AS THE SOLE OR PRIMARY BASIS FOR ANY ACTION, ACTIVITY OR BUSINESS DECISION TAKEN OR MADE BY CUSTOMER OR ITS CLIENTS.**

4. INDEMNITY; RELEASE; WAIVER

- 4.1 **Data Security and Storage.** All Reports (and any accompanying data and/or analysis) will be provided to Customer electronically in various formats including Excel and PDF formats. Weatherford does not encrypt its electronic communications and does not warrant against the accidental or intentional interception by Third Parties of any data or information transmitted between the Parties by email or other electronic means or against the corruption thereof during transmission. Weatherford shall exercise commercially reasonable efforts to preserve and protect electronic or digital data or information pertaining to the Work, but

unless otherwise specified in an Order, does not guarantee the length of time of storage of any such data or information. Customer may exercise the right to specify alternate forms of data delivery as long as this request is received in writing with sufficient time before expected date of data delivery.

- 4.2 **On-Site Work.** When Weatherford's Services under an Order involve Work to be performed on a Work Site:
- (a) Weatherford shall Indemnify Customer Group from and against all Claims arising out of, resulting from, or relating to (i) bodily injury or death or (ii) damage to or loss of property suffered by any Weatherford Group member arising out of or in connection with Work performed by Weatherford under any Order;
 - (b) Customer shall Indemnify Weatherford Group from and against all Claims arising out of, resulting from, or relating to (i) bodily injury or death or (ii) damage to or loss of property suffered by any Customer Group member arising out of or in connection with Work performed by Weatherford under any Order;
 - (c) Each Party shall, to the full extent of its liability under Applicable Law, be and remain responsible for, and shall Indemnify the other Party and all members of its Group from and against, any and all Claims resulting from or with respect to (i) bodily injury or death suffered by any Third Party, or (ii) damage to or loss of property suffered or sustained by any Third Party; and
 - (d) Customer shall obtain all permits, licenses easements, rights of way and/or other authorizations ("Authorizations") from Customer's client, governmental agencies, and the owner(s) and/or operator(s) of the Work Site as may be necessary in connection with the Work to be performed by Weatherford under an Order, and shall advise Weatherford as to any areas for which Authorizations have been obtained, if any. Weatherford shall not perform (or be required to perform) Work in any area requiring Authorizations until Customer has notified Weatherford that Customer has obtained such Authorizations as it deems necessary for Weatherford to proceed with the Work. Customer shall Indemnify Weatherford from and against any and all Claims relating to Customer's failure to obtain any necessary Authorizations.
- 4.3 **On-Site Core and Fluid Sample Collection.** Notwithstanding the provisions of Section 4.2(a) above, if the Services under an Order involve downhole sample collection, Customer shall pay or reimburse Weatherford for any loss of or damage to Weatherford tools, including loss or damage that (a) occurs while Weatherford's tools are in the hole, or in the drill string below the level of the rotary table; (b) results from the flow or existence of any substance from or in the reservoir or well (including corrosion, erosion, embrittlement or abrasion caused by the nature of any well effluent); or (c) occurs while Weatherford's tools are in the care, custody and control of Customer or any member of Customer Group. Unless a replacement price for the Weatherford tools is stipulated in the applicable Order, the replacement price shall be the Weatherford's published price (or the list price, if purchased from a Third Party), new, plus applicable taxes and the cost of shipping the replacement tools to the Weatherford's designated location. Save and except for normal wear and tear, Customer shall reimburse Weatherford for the cost of repairing damaged tools, including costs of inspection and of shipping the damaged tools to and from the place of repair.
- 4.4 **Consequential Damages Waiver.** Notwithstanding any provision of these Terms and Conditions to the contrary, neither Party shall be liable to the other Party (or the other Party's Group) for, and each Party hereby releases and agrees to Indemnify the other Party from and against, any and all Claims for Consequential Damages, REGARDLESS OF THE CAUSE OR CAUSES THEREOF, INCLUDING THE SOLE, JOINT OR CONCURRENT NEGLIGENCE (IN ANY AMOUNT), GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, STRICT LIABILITY, BREACH OF WARRANTY, BREACH OF DUTY (STATUTORY OR OTHERWISE), BREACH OF CONTRACT, OR ANY OTHER LEGAL FAULT, LIABILITY, OR RESPONSIBILITY OF ANY MEMBER OF CUSTOMER GROUP OR WEATHERFORD GROUP. "Consequential Damages" means any and all indirect, incidental, special, punitive, exemplary, or consequential damages or losses of any nature whatsoever (whether or not foreseeable), including damages or losses for lost product or production, lost profit or revenue, loss of data, reservoir loss or damage, lost business, loss of or inability to use property and equipment, losses from business interruptions, losses resulting from failure to meet other contractual commitments/deadlines, or losses from downtime of rigs, vessels or facilities. Notwithstanding the foregoing, "Consequential Damages" does not mean or include damages for breach of Article 6 or Third Party Claims for which a Party is entitled to Indemnification under these Terms and Conditions.
- 4.5 **Express Negligence.** **SUBJECT ONLY TO LIMITATIONS IMPOSED BY APPLICABLE LAW OR PUBLIC POLICY, THE INDEMNITIES SET FORTH IN THIS ARTICLE ARE INTENDED TO BE ENFORCEABLE AGAINST THE PARTIES IN ACCORDANCE WITH THE EXPRESS TERMS AND SCOPE THEREOF, NOTWITHSTANDING TEXAS' EXPRESS NEGLIGENCE RULE OR ANY SIMILAR DIRECTIVE THAT WOULD PROHIBIT OR OTHERWISE LIMIT INDEMNITIES BECAUSE OF THE NEGLIGENCE OR OTHER FAULT OR STRICT LIABILITY OF ANY OF THE INDEMNIFIED PARTIES. THE INDEMNITIES SET FORTH IN THIS ARTICLE SHALL APPLY REGARDLESS OF WHETHER THE CLAIM OR LOSS IS CAUSED BY THE SOLE, JOINT, CONTRIBUTORY OR CONCURRENT NEGLIGENCE (IN ANY AMOUNT), GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, STRICT LIABILITY, PRODUCTS LIABILITY, BREACH OF WARRANTY, BREACH OF CONTRACT, BREACH OF STATUTE OR OTHER FAULT OR FORM OF LIABILITY OF ANY MEMBER OF WEATHERFORD GROUP, CUSTOMER GROUP, OR A THIRD PARTY, OR ANY PRE-EXISTING CONDITION.**

5. CONFIDENTIAL INFORMATION; INTELLECTUAL PROPERTY

5.1 Confidential Information.

- (a) Each Party receiving Confidential Information (the “Receiving Party”) from the other Party (the “Disclosing Party”) warrants and agrees that throughout the performance of Work under an Order, and for a period of five (5) years thereafter, it shall maintain and safeguard the confidentiality of such Confidential Information, handling and treating it with at least the same degree of care (and affording it the same protections) the Receiving Party observes and provides for its own confidential, proprietary and trade secret information, and in all events with at least a reasonable standard of care. As used in these Terms and Conditions, the term “Confidential Information” shall mean and include only confidential, non-public information provided by the Disclosing Party that describes, pertains or relates to the Work or the performance thereof (including information with respect to the Work Site) or to the tools, equipment, processes or technologies employed in performing the Work. Confidential Information shall not include information which is independently developed by a Party, without reliance upon or reference to the Confidential Information of the other Party.
- (b) Nothing herein shall in any way restrict or impair a Party’s right to use or disclose any Confidential Information of the other Party which (i) is or becomes generally available in the public domain through no wrongful act or unauthorized disclosure of the Receiving Party, (ii) was lawfully in the Receiving Party’s possession prior to being provided to the Receiving Party, or (iii) is independently made available to the Receiving Party as a matter of right by a Third Party without obligations of secrecy.
- (c) If a Party receives a request or order to disclose any of the other Party’s Confidential Information under the terms of a subpoena, decree or order issued by a court, tribunal, or by a governmental body, that Party shall promptly notify the other Party of the existence, terms and circumstances surrounding the request or order and reasonably assist the Disclosing Party in seeking a protective order at Disclosing Party’s election. If, in the written opinion of the Receiving Party’s legal counsel, disclosure of the Disclosing Party’s Confidential Information is required to avoid sanction or penalty, said counsel shall exercise reasonable efforts, with the cooperation of the Disclosing Party if necessary, to obtain an order or other reliable assurance that confidential treatment will be accorded to the disclosed Confidential Information of the Disclosing Party.

5.2 **Intellectual Property Rights.** Unless otherwise agreed in writing, a Party’s Intellectual Property (as defined below), and any development, enhancement, improvement, or derivative thereof (regardless of inventorship), shall be and remain the property of that Party. To the extent any Intellectual Property of a Party (and/or any enhancement, improvement, or derivative thereof) is incorporated into or necessary for the performance of any Work, that Party grants the other Party only a non-exclusive, non-transferrable, non-sub-licensable, revocable, royalty-free, right and license to use such Intellectual Property incorporated into the Work solely for the purpose of performing or using such Work, as applicable. Except as expressly stated herein, neither Party shall have any right or license to use (directly or indirectly) any of the other’s Intellectual Property. “Intellectual Property” means all copyrights, patents, trade secrets, proprietary software or firmware or other intellectual property rights associated with or incorporated in any ideas, concepts, know-how, techniques, processes, reports, or works of authorship owned, developed or created by a Party, and expressly includes, as to Weatherford, any of the foregoing used or included in any Products or Services. If Weatherford and Customer or their respective employees jointly develop any Intellectual Property which is not an enhancement, improvement or derivation of either Party’s Intellectual Property (“Joint IP”), the Joint IP shall be owned by Weatherford.

5.3 **Injunctive Relief.** The Parties agree that money damages are not a sufficient remedy for any breach or threatened breach of this Article 5. Accordingly, each Party is entitled to seek specific performance, injunctive or other equitable relief to enforce the provisions of this Article, without posting bond and without waiving any other remedies at law or in equity. In the event of such an action, the prevailing Party shall be entitled to recover its reasonable attorney’s fees and costs of litigation.

6. INSURANCE

6.1 **Insurance in Support of Indemnities.** In support of their respective indemnity obligations under these Terms and Conditions, and not as a separate obligation therefrom, the Parties each agree to procure and maintain throughout the Term, at their sole expense, insurance policies of the following types (and in coverage amounts not less than the minimum limits specified) (the “Policies”), *provided* that Weatherford shall be entitled to self-insure any of its Indemnity or other obligations hereunder:

- (a) Statutory Workers’ Compensation Insurance complying with applicable state laws and Employer’s Liability Insurance covering all of the Party’s employees, with liability limits of \$1,000,000.00 per occurrence.
- (b) Comprehensive or Commercial General Liability Insurance (including contractual liability for the Party’s obligations to Indemnify the other Party) with combined single limits of not less than \$1,000,000.00 per occurrence and in the aggregate, to include Bodily Injury and Property Damage, specifically including the Party’s Contractual Liability.
- (c) Comprehensive or Commercial Automobile Liability Insurance covering all owned, non-owned, and hired automobiles used by it in connection with the Work, if any, with a combined minimum limit of \$1,000,000 each occurrence for Bodily Injury and Property Damage.

- (d) Excess Liability Insurance over that required in Paragraph (a), (b) and (c) above, with minimum limits of \$4,000,000.00 per occurrence and in the aggregate, specifically including the Party's Contractual Liability.
- (e) In the event Services are to be performed are over water, the respective employer shall carry in addition to the Statutory Workers' Compensation Insurance, endorsements covering liability under the Longshoreman and Harbor Workers' Compensation Act, with Outer Continental Shelf Lands Act Extension and Maritime Liability including wages, transportation, maintenance and cure with limits of \$1,000,000.00 for death or injury to one person and \$1,000,000.00 for any one accident, and endorsed to provide that a claim "in rem" shall be treated as a claim "in personam."
- (f) If Weatherford provides Work involving well(s) that Customer operates, Customer shall procure and maintain throughout the Term, at its sole expense, a Control of Well Policy that covers the cost of regaining control of a wild well, pollution, stuck drill stem, and evacuation expense.

The Parties agree that the insurance coverages specified above represent minimum requirements, are not to be construed to void or limit the indemnities contained herein, and are not a limitation on the insurance coverage a Party may elect to provide.

- 6.2 **Certificates of Insurance.** None of a Party's Policies shall be cancelled or materially modified or amended without advance written notice to the other Party. Notice of cancellation of any of the Policies required by the provisions of Section 6.1 above shall be subject to ACCORD 25 Certificate of Liability standards and will be delivered in accordance with policy provisions. Upon request, a Party shall deliver to the other Party certificates of insurance showing the Policies are in full force and effect.
- 6.3 **Additional Insureds; Waiver of Subrogation.** To the extent of their express obligations to Indemnify the other Party under these Terms and Conditions, each Party shall arrange for any of their respective Policies covering or supporting their Indemnity obligations under these Terms and Conditions to contain provisions whereby their insurers (a) waive their rights of subrogation against the other Party Group, and the other Party's respective insurers and (b) name the other Party (and member(s) of its Group) as an additional insured under its Policies (except Workers Compensation and Employer's Liability).
- 6.4 **Texas Oilfield Anti-Indemnity Act.** In order to comply with the Texas Oilfield Anti-Indemnity Act (TOAA) or any similar legislation in other jurisdictions regarding indemnification for a Party's sole or concurrent negligence, each Party agrees to carry insurance or provide self-insurance of the types and in the minimum amount of \$500,000, or as specified in Section 6.1 above, whichever is greater, and in equal amounts, regarding any mutual indemnity obligations assumed by the Parties, and each Party agrees that the maximum limit of such insurance carried in equal amounts shall be the lower of the maximum limit carried by either Party, as long as such amount is in excess of the minimum amount specified. Each Party shall support any unilateral indemnity assumed with liability insurance coverage in the stated amounts. If a Party does not carry insurance in the minimum amounts specified, then it is agreed that the Party has self-insurance as stated in the TOAA and the mutual indemnification amount shall be the maximum limit carried by the other Party. If these Terms and Conditions are subject to the indemnity limitations in Chapter 127 of the Texas Civil Practices and Remedies Code, then it is agreed that the Indemnification obligations herein are limited to the extent allowed by law, and each Party covenants to support this indemnity obligation by liability insurance coverage.

7. LAWS AND REGULATIONS

- 7.1 **Trade Compliance.** Each Party shall comply with all Applicable Laws (including import, export, export control, antiboycott, and sanctions laws) and shall not, directly or indirectly, sell, provide access to, export, re-export, transfer, divert, loan, lease, consign, transship (including a stop in port), transport, or otherwise dispose of any Weatherford product, material, software (including source code), or technology (collectively "Weatherford Items") to, via, or for (i) any entity known to be headquartered in, or owned or controlled by a national of any country subject to comprehensive sanctions applicable to Weatherford, as of the date of the Order or in the future, including currently Cuba, Iran, North Korea, Sudan, and Syria, (ii) any other individual or entity identified on a denied or restricted party list applicable to Weatherford, or (iii) any activity or end-use restricted by Applicable Laws without first obtaining all required government authorizations and written permission of the other Party. Customer shall complete Weatherford's end-use, end-user, end-destination documentation when requested. Notwithstanding anything to the contrary in these Terms and Conditions, neither Party shall be required to take any action prohibited or penalized by, or to refrain from taking any action required under, the laws of any applicable domestic or foreign jurisdiction relating to international boycotts. Either Party shall have the right, in its sole discretion, to immediately suspend performance or to terminate any Order if (i) applicable comprehensive sanctions are imposed, or (ii) the other Party is designated as or determined to be a denied or restricted party under Applicable Law.
- 7.2 **Ethics and Anticorruption.** Each Party agrees, on behalf of itself and its Party Group, to comply with the U.S. Foreign Corrupt Practices Act of 1977, the UK Bribery Act of 2010, and/or any Applicable Laws related to anti-corruption, anti-kickbacks, and anti-money laundering. Neither Party shall make facilitating or grease payments with regards to the Work.
- 7.3 **Termination and Indemnification.** If a Party is required by the other Party to engage in any act that violates this Article 7, that Party may immediately terminate any Order and will not be in breach or default. Each Party further agrees to Indemnify the other Party for all Claims arising from that Party's violation of this Article.

8. ASSIGNMENT AND SUBCONTRACTING

Weatherford may assign any Order to an Affiliate, or subcontract the Work (or any portion thereof) to be performed, but shall not assign an Order to any Third Party without Customer's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed. No Order nor any rights or interest therein shall be assigned by Customer without the prior written consent of Weatherford. Subject to the foregoing, these Terms and Conditions shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assignees.

9. FORCE MAJEURE

Neither Party shall be considered in breach of the Agreement (excluding Customer's obligation to pay Weatherford for Work) if prevented from performing due to a Force Majeure Event (defined below). If a Force Majeure Event preventing performance of Work continues for more than thirty (30) days, either Party may terminate the effected Order by giving five (5) days written notice to the other Party. Weatherford shall be paid for all Work provided and/or performed to the date of termination and any other reasonable costs incurred as a result of such termination (including Weatherford's standard personnel and equipment stand-by charges). A "Force Majeure Event" is an act or event that (i) renders it wholly or partially impossible for the affected Party to perform its obligations under these Terms and Conditions or any Order or delays such affected Party's ability to do so, (ii) is beyond the affected Party's reasonable control, (iii) is not due to the affected Party's fault or negligence, and (iv) could not have been avoided by the affected Party's exercise of reasonable diligence.

10. GOVERNING LAW; VENUE; JURY WAIVER; ATTORNEYS' FEES

10.1 Governing Law; Venue; Jury Waiver. These Terms and Conditions and all Orders shall be governed, construed and interpreted in accordance with the laws of the State of Texas, which shall apply without regard to any choice of laws or conflict of laws provisions which would direct the application of the laws of another jurisdiction. Venue for any litigation filed with respect to these Terms and Conditions, any Order, or any Work performed thereunder shall be exclusive in the courts, state or federal, sitting in Houston, Harris County, Texas. **TO THE EXTENT ALLOWED BY THE GOVERNING LAW, EACH PARTY HEREBY WAIVES ALL RIGHTS TO A JURY TRIAL WITH RESPECT TO ANY LITIGATION INVOLVING THESE TERMS AND CONDITIONS OR ANY ORDER.** Nothing herein shall prohibit a Party from availing itself of a court of competent jurisdiction for injunctive relief.

10.2 Attorneys' Fees. If a Party institutes suit to enforce any right or obligation against the other arising from or incidental to these Terms and Conditions or an Order, the prevailing Party shall be entitled to recover, in addition to damages or other relief awarded, reasonable attorney's fees, court costs, fees of testifying experts or consultants, and other expenses related thereto.

10.3 Waiver of Sovereign Immunity. If Customer is owned, directly or indirectly, in whole or in part, by any country or sovereign, or is an authority or agency of any country or sovereign, then CUSTOMER HEREBY WAIVES ANY AND ALL RIGHTS AND IMMUNITIES, INCLUDING WITHOUT LIMITATION, ANY IMMUNITIES FROM LAWSUITS, CLAIMS, PREJUDGMENT SEIZURE, ARREST OR ATTACHMENT IT MAY HAVE UNDER THE FOREIGN SOVEREIGN IMMUNITIES ACT OF 1976 (28 USC SECTION 1602, ET SEQ.), AS AMENDED, OR ANY SIMILAR STATUTE, LAW, RULE OR REGULATION OF ANY COUNTRY OR SOVEREIGN.

11. SEVERABILITY; NO ORAL MODIFICATION, WAIVER OF TERMS

11.1 Severability. If any provision of these Terms and Conditions are found to be inconsistent with or contrary to Applicable Law or public policy, same shall be deemed to be modified to the extent required to comply with Applicable Law or public policy (it being the intention of the Parties to enforce to the fullest extent all terms of these Terms and Conditions) and as so modified, these Terms and Conditions shall continue in full force and effect. If such provision cannot be modified automatically, the Parties shall attempt to agree on a conforming modification. If such provision cannot be modified to comply with Applicable Law, then said provision shall be deemed to be deleted and the remaining terms and conditions shall continue in full force and effect.

11.2 No Oral Modification, Waiver of Terms. No amendments or modifications shall be effective unless in writing signed by an authorized officer of each Party. No waiver by a Party of any of the terms, provisions, or conditions hereof shall be effective unless said waiver shall be in a writing signed by an authorized officer of the Party against whom the waiver is sought to be enforced. The failure of either Party to enforce any term, provision or condition of these Terms and Conditions shall in no manner affect the right to enforce the same at a later time, and the waiver by either Party of any breach of any term, provision or condition in these Terms and Conditions shall not be construed to be a waiver by such Party of any subsequent or succeeding breach of such term, provision or condition or a waiver by such Party of any breach of any other term, provision or condition.

12. ACKNOWLEDGEMENT AND ACCEPTANCE

In accepting Work from Weatherford, Customer shall be deemed to have accepted these Terms and Conditions. Customer acknowledges that Weatherford may periodically revise and post updates to these Terms and Conditions, and that any future Orders will be subject to the most recently posted version of the Terms and Conditions.