

# 1. Beyond Energy Services and Technology Corp. General Terms and Conditions

***The following general terms and conditions of this proposed contract contain indemnity and choice of law provisions. Please read carefully.***

## 1. Acceptance.

By requesting Beyond's goods, equipment, or services, (Customer) voluntarily elects to enter into and be bound by these General Terms and Conditions ("Contract").

## 2. Definitions.

(a) "Customer" means the person, firm or other entity to which goods, equipment and/or services are supplied or provided.

(b) "Group" means either Beyond or Customer and its respective parents, affiliates, subsidiaries, and each of their respective officers, directors, contractors and subcontractors of any tier, consultants, agents, employees and invitees.

(c) "Claims" means damage, loss, liability, claims, demands and causes of action of every kind and character (including all costs and expenses thereof and reasonable attorney fees associated therewith).

## 3. Prices and Payment Terms.

Unless otherwise specified in writing by Beyond's authorized representative, the price quoted by Beyond for the sale or rental of goods, equipment and services shall be valid for 30 days after Beyond's quotation or acknowledgment of Customer's order for the goods, equipment and services, whichever occurs first, provided an authorization of Customer's order for the goods, equipment and services is accepted by Beyond within such 30-day time period. If Beyond does not receive the authorization within that time period, Beyond shall have the right to change the price for the goods, equipment and services to Beyond's price for the goods, equipment and services at the shipment date. All prices are exclusive of taxes and insurance, which Customer will pay. Terms are cash, net 30 days, Calgary, Alberta, unless Beyond has approved Customer's credit in writing prior to the sale. Terms of sale for credit-approved accounts are total invoice amount due at Beyond's office, Calgary, Alberta on or before the 30th day from the date of invoice. Customer shall pay interest on past due balances at the lesser of 1.5% per month or the maximum allowed by applicable state or federal law. If Customer's account becomes delinquent, Beyond shall have the right to revoke any and all previously applied discounts. Upon such revocation, the full invoice price without discount will become immediately due and owing and subject to collection. Customer hereby agrees to pay all fees directly or indirectly incurred in the collection of past due or delinquent accounts, including but not limited to agency and attorney's fees.

## 4. Taxes.

Customer shall pay any and all taxes or other levies (other than income taxes) imposed by any government, governmental unit or similar authority with respect to the charges made or payments received in connection with Beyond's goods, equipment or services.

## 5. Independent Contractor.

Beyond is and shall be an independent contractor with respect to the performance of the services set forth on this Contract, and neither Beyond nor anyone employed by Beyond shall be the agent, representative, employee or servant of Customer in the performance of such services or any part hereof. When Beyond's employees (defined to include Beyond's direct, borrowed, special, or statutory employees) are covered by the Alberta Workers' Compensation Act.

#### 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 Beyond with all necessary information to enable Beyond to perform its services safely and efficiently. Beyond's goods and equipment are designed to operate under conditions normally encountered in the well bore; however, if hazardous or unusual conditions exist, Customer shall notify Beyond in advance and make special arrangements for servicing such wells. The parties hereby agree that the fluids in the drilling rig's tanks, piping, valves and pumps and in the bore hole and reserve pit or frac tanks are not in Beyond's possession or control, and Beyond is not responsible for the same.

(b) Chemicals. The handling, transportation, treatment or disposal of any chemical, fluids, used or unused, or considered as waste or by-products, cuttings or cavings or other hazardous wastes (as defined pursuant to applicable law), resulting from or incidental to, Beyond's performance of its services hereunder ("Chemicals") become the sole responsibility of Customer when such Chemicals are returned to the surface of the land or sea from below the rotary table. Customer understands and agrees that the Chemicals are the property of Customer and that Customer is the owner of the Chemicals. Customer agrees that it will transport and dispose of any such Chemicals in accordance with all applicable federal, state and local laws and regulations. Customer hereby waives, releases and agrees to indemnify and not assert any claim or bring any cost recovery action against beyond group in connection with the use, generation, storage, transportation or disposal of chemicals under any common law theories or federal, state or local environmental laws or regulations, now existing or hereinafter enacted, without regard to the cause or causes thereof or the negligence of any party. In no event shall Beyond be considered the generator of Chemicals irrespective of any handling, transportation, treatment or disposal thereof provided by Beyond. Beyond shall not be responsible for the signing of manifests or for the storage, transportation or disposal of Chemicals.

#### 6. Limited Warranty.

(a) Services. Beyond warrants that all services performed hereunder shall be performed in a good and workmanlike manner in accordance with good oilfield practices, and Beyond shall exercise diligence to ensure the correctness and safe transport of all samples, log, test, and other data. Beyond will give Customer the benefit of its best judgment based upon its experience interpreting information and making recommendations, either written or oral, as to logs, or tests, or other data, type or amount of material or service required or to be furnished, or manner of performance or in prediction of results. Beyond's recommendations or predictions are opinions only because of the impracticability of obtaining first-hand knowledge of the many variable conditions, the reliance on inferences, measurements, assumptions which are not infallible, and/or the necessity of relying on facts and supporting oilfield services furnished by others. Notwithstanding the foregoing, no warranty is given concerning, and beyond shall have no responsibility for, the accuracy or completeness of any log, test or other data, the design, engineering, performance, or effectiveness of products, materials, rentals or supplies used, recommendations given, or results of the services rendered. Beyond is not responsible for any loss or damage arising from the results and/or recommendations suggested by such work, nor are they intended to provide the basis for any decisions subsequently made by customer, which are and shall remain customer's sole responsibility. Beyond will not be responsible for accidental or intentional interception of or tampering with data or samples by others, nor does beyond guarantee the safe storage, the length of time of storage, or against the loss of any samples, digital tapes, optical logs, or prints, or other similar products or materials. Beyond's sole liability and Customer's exclusive remedy in any cause of action for breach of the foregoing warranties for services provided hereunder are expressly limited to, at Beyond's sole option: (i) replacement or re-performance of the defective part of the services, if practical, or (ii) refund to Customer the invoiced and paid portion of the defective portion of the services. Any warranty claim for services must be made prior to Beyond's departure from the well site.

(b) Goods and Rentals. Beyond warrants that products hereunder shall conform to the quality and specifications represented and specified in the applicable order. Beyond reserves the right, at its sole discretion, to use new, used, or refurbished parts in the assembly of its products. Beyond warrants all of its products to be free of defects in material and workmanship for (i) a period of twelve (12) months from the date of delivery to the location designated in the applicable order for products sold or (ii) the rental period for rentals. Beyond 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 rentals and other costs agreed upon in the applicable order. This warranty does not apply to: (i) rapidly wearing products; (ii) ordinary wear and tear; (iii) products that have been modified by anyone at Customer's request; (iv) goods supplied by Customer or purchased by Beyond at Customer's request; (v) abnormal well conditions; (vi) incorrect specifications provided by Customer; (vii) products damaged by aggressive fluids; (viii) consumables; (ix) improper handling, storage, application, or installation; (x) use of a product after Customer or its employees, contractors, subcontractors, or any other person or entity using the applicable product, has knowledge of a defect; (xi) operation, use or maintenance by Customer or anyone other than Beyond; (xii) situations arising from, or relating to, breach by Customer of its obligations in Section 6(a); (xiii) any products exported by Customer outside Canada; or (xiv) products that are damaged by other causes outside of Beyond's control including, but not limited to, force majeure events, vandalism, improper voltage supply, or use or handling of products by or on behalf of Customer in a manner inconsistent with Beyond's recommendations or (xv) specialty chemicals and fluids designated by Beyond. Beyond's sole liability and Customer's exclusive remedy under the foregoing warranty for products sold is expressly limited to the repair, replacement, or refund of an equitable portion of the purchase price, at Beyond's sole option, of products which prove to be defective within the warranty period as stated above. Any claim by Customer pursuant to Beyond's warranty shall be made immediately upon discovery and confirmed in writing within thirty (30) days after discovery of the defect with respect to which the claim is made; except in the case of specialty chemicals and fluids, Beyond shall be notified before Beyond departs from the well site. Beyond's sole liability and Customer's exclusive remedy in any cause of action for breach of the foregoing warranty for rentals provided hereunder are expressly limited to, at Beyond's sole option: (i) replacement of affected rentals or (ii) proportionate refund of the paid-rental price of the defective rentals; provided, Beyond is notified in writing within the rental period. Defective items must be held for inspection or returned to Beyond's original delivery point upon request at Customer's expense. Beyond shall have the right to inspect the products claimed to be defective and shall have the right to determine the cause of such defect. Products returned to Beyond for which Beyond provides replacement under this warranty shall become the property of Beyond. In no event shall Beyond 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.

The foregoing warranties in this section 7 for services, products and rentals are in lieu of all other warranties, whether oral, written, express, implied, or statutory (including, but not limited to, compliance with any government request or regulatory requirement). Warranties of fitness for a particular purpose and merchantability shall not apply. Beyond's warranties and obligations, and customer's remedies, hereunder (except as to title) are solely and exclusively as stated herein, and customer, on behalf of itself and customer group, waives, to the fullest extent permitted by applicable law, any other representation, warranty, right, remedy, or cause of action arising from, or relating to, this contract. Section 7 applies to any entity or person who may buy, rent, acquire, or use the goods or services, including any entity or person who obtains the goods or services from customer, and such entity or person shall be bound by the limitations therein, including section 7. Customer agrees to provide such subsequent transferee conspicuous, written notice of this contract.

## 7. Indemnities.

(a) Personnel and Property.

1. Beyond shall be responsible for and hereby agrees to release, protect, defend, indemnify and hold harmless customer group and its insurers from and against 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 beyond group arising out of or in connection with this contract or the operations, services, rentals and sales provided hereunder.

2. Customer shall be responsible for and hereby agrees to release, protect, defend, indemnify and hold harmless beyond group and its insurers from and against 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 this contract or the operations, services, rentals and sales provided hereunder.

(b) Special Indemnity.

Notwithstanding anything to the contrary herein, customer assumes all liability for and agrees to release, protect, defend, indemnify, and hold beyond group and its insurers harmless from and against all claims brought by or on behalf of customer group, beyond group or third parties arising out of or in connection herewith for: (i) property damage, personal injury, death or loss that results from fire, explosion, blow-out, cratering, wild well, work performed to control a wild well, or uncontrolled pipeline flow and/or claims in connection with the use of and/or disposition of drilling, workover and/or completion fluids; (ii) property damage, personal injury, death, or loss that results from pollution, contamination, or radiation damage (including environmental pollution, contamination or damage), whether caused by customer's failure to properly handle, transport or dispose of any chemicals as required by section 6(b) hereof or otherwise, including containment, clean-up and remediation of the pollutant and contamination, whether or not required by an applicable federal, state or local law or regulation; (iii) property damage or loss that results from reservoir or underground damage, including loss of oil, gas, other mineral substances, or water or the well bore itself, and surface damage arising from subsurface or subsea damage; (iv) cost to control a wild well, underground or above the surface, including any re-drilling or reworking and related cleanup costs; (v) damage to property owned by, in the possession of, or leased by customer, and/or well owner, if different from customer (the term "well owner" shall include working and royalty interest owners or the owner of any oil/gas production facilities or pipelines, drilling rig/vessel, platform or other structure at the well site); (vi) subsurface trespass; or (vii) loss of or damage to beyond group's property, equipment, materials 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 beyond 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 an beyond employee, whether in an emergency or otherwise. With respect to (a) above, the property, equipment, materials and goods will be valued at their respective landed replacement cost and rental charges on the equipment lost or damaged in the hole shall continue to be paid up to and including the date on which beyond receives notice in writing of the loss or damage.

Beyond 's liability for pollution hereunder is expressly limited to pollution or contamination occurring and originating above the surface of the land or water (where such pollution or contamination has never been introduced into, nor is emanating from, the well) originating from beyond 's equipment or vessel(s), under beyond 's control, and resulting from beyond 's sole negligence.

(c) Application of Indemnities.

The assumption of liability and indemnities in paragraphs (a) and (b) above shall apply to any loss, damage, expense, injury, illness, death or claim arising out of or in connection with this contract or the goods and services provided hereunder, without regard to the cause(s) thereof including, without limitation, unseaworthiness, strict liability, ultrahazardous 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 the execution of this

contract, or the sole, joint, concurrent or gross, active or passive, negligence or other fault of the indemnified group.

(d) Anti-Indemnity and Insurance Savings Clause.

If any defense, indemnity or insurance provision contained in this Contract conflicts with, is prohibited by or violates public policy under any federal, state or other law determined to be applicable to a particular situation arising from or involving any services, equipment and/or products 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 conform with, not be prohibited by and avoid violating public policy under such applicable law.

8. Incidental or Consequential Damages.

It is expressly agreed that neither customer nor beyond shall be liable to the other party and its group for (and the parties shall release, protect, defend, indemnify and hold each other harmless from and against) any special, punitive, indirect, incidental or consequential damages or losses resulting from or arising, directly or indirectly, out of or in connection with the work or operations hereunder, including, without limitation, loss of use, loss of data, loss of assets (including but not limited to loss of or delay in production, or loss of samples), loss of profit, loss of business, or business interruption or downtime, and all without regard to the sole, joint, concurrent, gross, active or passive negligence or breach of duty (statutory or otherwise) of any party.

9. Insurance.

Each party, as indemnitor, agrees to support the indemnity obligations it assumes under Section 8, by obtaining at its own cost, adequate insurance for the benefit of the other party as indemnitee, 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, 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 Beyond.

10. Limitation of Liability.

Notwithstanding anything to the contrary herein, except as provided under Section 8(a)1, Beyond's liability arising from or in connection with this Contract (whether for indemnity, breach of contract, negligence, misrepresentation, or otherwise) shall not in any circumstances exceed the full value of the consideration owed to Beyond under this Contract.

11. Shipments, Title and Risk of Loss.

(a) Unless otherwise agreed, Shipments are made Ex Works (EXW) Beyond's premises. Unless otherwise agreed to between the parties, title to and risk of loss for products sold will pass to Customer upon delivery to and receipt by carrier. Customer will pay or reimburse Beyond for all freight, preparation, and in-transit insurance costs from the time of delivery. Customer agrees that title to and risk of loss for goods will pass to and remain with Customer, even if Beyond agrees to store the products at a Beyond location until Customer requests delivery.

(b) The time, method, place or medium of payment will not in any way limit Beyond 's rights in and to the goods until payment has been received in full. On all orders, Beyond shall retain a security interest in the goods to the extent of any unpaid balance of the purchase price therefor. Customer will execute and deliver to Beyond such instruments as Beyond requests to perfect such security interest. Customer grants Beyond permission to enter onto Customer's premises (whether locked or otherwise) to repossess such goods. Beyond retains title, for security purposes only, to all goods sold or rented hereunder, until fully paid.

(c) Any claims for shortages or damages suffered in transit shall be submitted by Customer directly to the carrier. Shortages or damages must be acknowledged and signed for at the time of delivery. While Beyond will use reasonable commercial efforts to maintain the delivery date(s)

quoted by Beyond, all shipping dates are approximate and not guaranteed. Beyond shall not be responsible for non-delivery, nonperformance or delays occasioned by any causes beyond Beyond's reasonable control, including without limitation, delays of vendors or carriers, fires, strikes, war, floods, acts of God, acts of Customer, weather, sabotage, restrictions, allocations, governmental actions or material shortages. Any delays so occasioned shall effect a corresponding extension of Beyond's delivery or performance dates which are, in any event, understood to be approximate. Beyond reserves the right to make partial shipments.

(d) In the case of a sale or rental of fluids, title and risk of loss of such fluids will transfer to Customer upon: delivery at the well site, delivery to Customer's carrier, or upon blending, whichever occurs first. Title and risk of loss of rented fluids will transfer back to Beyond upon Beyond's written acceptance per specification set forth in the applicable order; however, if the specifications are not met, Customer shall pay Beyond the full price for the rented fluids as would be applicable in the case of a sale of same. For purposes of clarity, ownership and risk of any waste or by-products resulting from Beyond rented fluids transferred back to Beyond remain with Customer in accordance with the terms of Section 6(b) above.

## 12. Intellectual Property.

Beyond owns all rights to the proprietary intellectual property embodied in its goods and services or which are created in the course of providing such goods and services to Customer. Beyond does not transfer any ownership rights in such intellectual property to Customer. Beyond warrants that the goods sold or rented, except as are made specifically for Customer according to Customer's specifications, do not infringe any valid Canadian patent or copyright in existence as of the date of shipment. Beyond agrees to assume the defense of any litigation in a Canadian court of competent jurisdiction for infringement of any Canadian patent brought against the Customer provided (i) the Customer is a named party to the litigation, (ii) the litigation is commenced within 18 months of the purchase or rental of goods from Beyond, (iii) the Customer's account with Beyond is paid in full, (iv) the goods are produced entirely according to Beyond's design and instructions, (v) the Customer notifies Beyond in writing of the suit within 10 days after the service of process, and (vi) Beyond is given control of and cooperation in the defense of such suit, including the right to defend, settle and make changes in the goods for the purpose of avoiding infringement. Beyond's prints and drawings (including underlying technology) given by Beyond to Customer in connection with this agreement are the property of Beyond. Beyond retains all rights, including exclusive rights of use, licensing and sale. Beyond will not be liable for infringement that arises: (i) out of Customer's use of Beyond products or services in combination with products or services not provided by Beyond; (ii) where Beyond goods or services have been specially modified, designed and/or manufactured to meet Customer's specifications; (iii) out of unauthorized additions or modifications to Beyond goods or services; or (iv) where Customer's use of Beyond goods or services do not correspond to Beyond published standards or specifications.

## 13. Additional Terms for Rented Goods.

(a) Transportation, Installation and Operation of Rented Goods. Unless otherwise agreed, Customer is responsible for transportation of the goods to and from the rig location, the installation of the goods at the rig location, the operation of the goods at the rig location, and the removal of the goods from the rig location at the end of the rental term. Beyond shall provide a service technician to advise Customer regarding initial installation and operation for the fee set forth in the current rental price list. Customer shall provide labor and supplies necessary for installation. Customer shall operate the goods in a careful and proper manner, shall permit the goods to be operated only by competent and qualified persons, and shall observe and comply with all laws, ordinances and regulations relating to the possession, installation and operation of the goods. Safety signs and markings necessary or desirable for the operation of the goods shall be the responsibility of Customer.

(b) Maintenance Service for Rented Goods. Beyond will provide a service technician to maintain and repair the goods. Customer shall provide, at its cost, all over water transportation, meals and room expense on over water rigs for Beyond's technicians. An excess mileage charge will

be paid by Customer based upon the current rental price list for trips to remote rig sites. Customer will be charged for all parts.

(c) Identification of Rented Goods. If at any time Beyond supplies Customer with labels, plates or other markings stating that the goods are owned by Beyond, Customer shall affix and keep the same in a prominent place on the goods. Customer shall not alter, disfigure or cover any marks or identification displayed on the goods.

(d) Modifications to Rented Goods. Customer shall obtain the written approval of Beyond prior to making any modifications to the goods. Customer shall perform the modifications in a workmanlike manner. All approved and completed modifications shall become part of the goods, and title thereto shall vest to Beyond.

14. Miscellaneous.

Beyond 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 Beyond. This Contract represents a final and complete agreement between Beyond and Customer with respect to the goods, equipment and services, and supersedes any prior agreement or understanding between Beyond and Customer, except for any Master Service Agreement or Master Operating Agreement between Beyond and Customer which, with respect to services provided by Beyond to Customer hereunder, will control over this Contract. This Contract may not be modified in any other way except in writing signed by an authorized Beyond representative. No conditions, usage of trade, course of dealing, understanding or agreement purporting to modify this Contract shall be binding unless hereafter made in writing and signed by the party to be bound, and no modification shall be applicable to this agreement by Beyond's receipt, acknowledgment, or acceptance of purchase orders, sales tickets, rental tickets, ship tickets, or other documentation containing terms at variance with or in addition to those herein. No waiver by either party with respect to any breach or default or of any right or remedy, and no course of dealing, shall be deemed to constitute a continuing waiver of any other breach or default or of any other right or remedy, unless such waiver be expressed in writing and signed by the party to be bound. Where any work is to be provided in a geographic location covered by General Maritime Law, General Maritime Law shall apply and shall govern the validity, interpretation, and performance of this Contract and any applicable orders. In those instances, where General Maritime Law does not apply, the laws of Canada shall apply and govern the validity, interpretation, and performance of this Contract and any applicable orders. The parties agree that the law of the selected jurisdiction shall apply exclusive of any principles of conflicts of laws that would require application of the substantive laws of another jurisdiction. Any suit or proceeding hereunder shall be brought exclusively in state or federal courts located in Calgary, Alberta. Each party consents to the personal jurisdiction of the state and federal courts of said county and waives any objection that such courts are an inconvenient forum or venue. References in this Contract to any act, law, statute, rule, or regulation shall be deemed to include references to such as the same may be amended, replaced or reenacted from time to time. Notwithstanding the above, all applicable federal environmental laws or regulations shall apply. Customer and Beyond agree that the proper venue for all actions arising in connection herewith shall be only in Alberta, and the parties agree to submit to such jurisdiction. Should any clause, sentence, or part of this Contract be held invalid, such holding shall not invalidate the remainder, and the Contract 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. No action, regardless of form, arising out of transactions relating to this Contract, may be brought by either party more than 2 years after the cause of action has accrued. The Convention for the International Sales of Goods shall not apply to this Contract. Customer shall not assign its rights or delegate its duties or any interest herein without Beyond's prior written consent.