







## TERMS

In consideration of the prices to be charged for our services, equipment and products as set forth in Consolidated Oil Well Services, Inc's (COWS) current Price Schedule, and for the performance of services and supplying of materials; customer agrees to the following terms and conditions.

Terms. Cash in advance unless satisfactory credit is established. On credit sales, invoices payable to P.O. Box 884, Chanute, KS 66720. Invoices payable within 30 days of invoice date. Charges subjected to interest after 30 days from invoice date. Interest will be charged at Maximum rate allowed by law. In the event it is necessary to employ an attorney to enforce collection of such account, customer agrees pay all collection costs and attorney's fees in the amount of 20% of said amount.

Any applicable federal, state or local sales, use, occupation, consumer's or emergency taxes shall be added to the quoted price.

A sales tax reimbursement of 2% is applied to chemical and product charges for all services performed on oil and gas wells in the State of Texas.

All process license fees required to be paid to others will be added to the scheduled prices.

All prices are subject to change without notice.

## SERVICE CONDITIONS

**Customer warrants that the well is in proper condition to receive the services, equipment, products, and materials to be supplied by COWS.**

**"The customer shall at all time have complete care, custody, and control of the well, the drilling and production equipment at the well, and the premises about the well. A responsible representative of the customer shall be present to specify depths, pressures, or materials used for any service which is to be performed."**

- (a) COWS shall not be responsible for, and customer shall secure COWS against any liability for damage to property of customer and of the well owner (if different from customer), unless caused by the willful misconduct or gross negligence of COWS; this provision applying to but not limited to sub-surface damage and surface damage arising from subsurface damage.
- (b) Customer shall be responsible for and secure COWS against any liability for reservoir loss or damage, or property damage resulting from sub-surface pressure, losing control of the well and/or a well blowout, unless such loss or damage is caused by the willful misconduct of gross negligence of COWS.

- (c) Customer shall be responsible for and secure COWS against any and all liability of whatsoever nature for damages as a result of a subsurface trespass, or an action in the nature thereof, arising from a service operation performed by COWS hereunder.
- (d) Customer shall be responsible for and secure COWS against any liability for injury to or death of persons, other than employees of COWS, or damage to property (including, but not limited to, injury to the well), or any damages whatsoever, irrespective of cause, growing out of or in any way connected with the use of radioactive material in the well hole, unless such damage shall be caused by the willful misconduct or gross negligence of COWS.
- (e) COWS makes no guarantee of the effectiveness of the products, supplies or materials, nor of the results of any treatment or services.
- (f) Because of the uncertainty of variable well conditions and the necessity of relying on facts and supporting services furnished by others, COWS is unable to guarantee the accuracy of any chart interpretation, research analysis, job recommendation or other data furnished by COWS. COWS personnel will use their best efforts in gathering such information and their best judgment in interpreting it, but customer agrees that COWS shall not be responsible for any damage arising from the use of such information except where due to COWS gross negligence or willful misconduct in the preparation or furnishing of it.

## WARRANTIES – LIMITATION OF LIABILITY

COWS warrants only title to the products, supplies and materials and that the same are free from defects in workmanship and materials. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED OR MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. COWS's liability and customer's exclusive remedy in any cause of action (whether in contract, tort, breach of warranty or otherwise) arising out of the sale or use of any products, supplies or materials is expressly limited to the replacement of such products, supplies or materials on their return to COWS or, at COWS's option, to the allowance to the customer of credit for the cost of such items. In no event, shall COWS be liable for special, incidental, indirect, punitive or consequential damages.

COWS personnel will use their best efforts in gathering such information and their best judgement in interpreting it, but Customer agrees that COWS shall not be liable for and CUSTOMER SHALL INDEMNIFY AGAINST ANY DAMAGED ARISING FROM THE USE OF SUCH INFORMATION, even if such is contributed by the COWS negligence or fault.