STANDARD TERMS AND CONDITIONS

IT IS RECOGNIZED THAT CONDITIONS IN AND ABOUT ANY WELL OR WORK MAY INVOLVE HAZARDS TO LIFE AND PROPERTY AND OBSTACLES TO THE FUNCTIONING OF PRODUCTS AND THE PERFORMANCE OF SERVICES, AND THAT SUCH CONDITIONS ARE NOT AND NEVER HAVE BEEN SUBJECT TO INSPECTION OR CONTROL BY PEAK COMPLETION TECHNOLOGIES, INC. “THE COMPANY”.

IT IS THEREFORE AGREED THAT:

1.) The Company warrants only that products or parts therefore, sold or rented to Customers shall be free from defects in materials and workmanship and not that they will accomplish any particular result. Liability under this warranty shall be limited to replacement of or credit for defective equipment or parts.

2.) Services rendered by the Company, in connection with the rental or sale of its products, consist only of technical advice as to make-up, inspection and operation or use. When any such services are rendered, Customer will retain full custody, control and supervision of the work of the well and the conduct of operation thereof, and a representative of Customer shall be present with full authority to direct operations.

3.) The Company will exert its best efforts to render other services offered by it as requested. No guarantee or representation is made as to results, and charges will be made regardless of results obtained. The Company reserves the right to remove equipment and personnel from the well at any time if in its opinion well or other conditions make such action advisable.

4.) Customer will hold the Company harmless from any and all liability or claim of liability to any person, firm or corporation for damage to person or property arising out of or in connection with the use of equipment sold or rented hereunder or the rendering of services hereunder, except for damage caused by willful fault or gross negligence of the Company.

5.) The Company will hold Customer harmless from all damage and from any liability to others for or in connection with damage caused by willful fault or negligence of the Company except in cases where concurrent or contributory fault of Customer or Customer’s agents, servants, employees or contractors shall have contributed to such damage.

6.) The Company will hold Customer harmless from any liability or injury to employees of the Company except in cases where such injury results from the fault of Customer or Customer’s agents, servants, employees or contractors.

7.) The Company will defend at its own cost and expense any suit charging patent infringement in the rental or use of any unaltered rental products, and will pay judgment awarded by court against Customer as a result of any such suit, provided Customer is using the product in a manner prescribed by the Company and notifies the Company promptly of such suit and tenders the defense thereof to the Company.

8.) Product not sold to Customer will remain the property of the Company, may not be repaired or modified without the Company’s consent. If lost or damaged beyond ordinary wear and tear, such products will be charged for as provided in the Company’s current schedule. Any equipment belonging to the Company in Customer’s possession may be repossessed by the Company upon sixty (60) days notice.

9.) The entire liability of the Company, including express and implied warranties, in connection with its products or services is set forth above, and no one is authorized to waive or amend the same in particular.

10.) Prices, rates or terms are subject to change without notice. Equipment manufactured by others will be sold, rented or used by the Company under these terms and conditions except where inconsistent with the manufacturer’s terms and conditions, when the latter shall prevail.

11.) The sale of Products shall not, by implication or otherwise convey any license under any patent, trade secret or other intellectual property relating to the Products or compositions thereof.

12.) Customer shall not cause or permit anyone to: (i) analyze, examine, reverse engineer, perform any qualitative or quantitative analysis, or in any other manner seek to discover the contents, composition or make-up of any of the Products (ii) reveal to any third party, any of the specifications or characteristics of the Products; or (iii) communicate any specifications or characteristics of the Products as being specifications or characteristics of any products, materials or work, performed, sold or furnished by the company.

13.) These terms and conditions shall be deemed separable; and if any portion thereof is held to be invalid for any reason, the remainder shall not be deemed invalid but shall remain in full force and effect.

14.) The parties acknowledge that this Agreement shall be deemed (i) to have been made and entered into in, and (ii) to be performed, in whole or in part in, the State of Texas, USA. The parties therefore stipulate and agree that (i) this Agreement shall be governed by and construed according to the laws of the State of Texas; (ii) any action related to or arising from this Agreement may be brought only in a local, state or federal court for Midland, Texas, and the parties each consent to the jurisdiction of any local, state or federal court for Midland, Texas, and waive any objection to such jurisdiction over any action related to or arising from this Agreement. Any final judgment of any such courts may then be enforced by appropriate courts elsewhere. Any export of the Products from the U.S. shall be subject to U.S. law, and Buyer shall comply therewith and shall not export, re-export or trans-ship Products in violation of U.S. law.

15.) All of the preceding terms and conditions shall apply between the Company or any affiliate of the Company and any service company, operator, or other party or parties, selling, renting, or using the Company’s products, parts thereof, or services furnished hereunder.

TERMS OF PAYMENT – 30 days NET. Interest chargeable thereafter at the greater of 1.5% per month (18% per annum) or the highest rate permitted by applicable law.

SHIPPING DATES – All statements of date of shipment are estimates. We use our best efforts to ship within the time estimated, but the shipment of any order may be delayed by causes beyond our control.

TAXES AND OTHER CHARGES – Any tax based on or measured by the charges or collection for the sale or rental of products or the rendering of services, import duties, documentation charges, freight charges and transfer fees shall be added to the stated price.

CANCELLATION AND RETURNS – Orders for products of special design, size or materials are not cancelable after receipt at our factories. Special prices will be charged for altered equipment or products made to customer specifications. Credit will not be allowed for products returned without prior written authority.