

TERMS AND CONDITIONS FOR PREMIER SAMPLE LIBRARY DATA

1. Definitions:
 - a. Customer shall mean the requesting person, firm or entity that enters into a Contract with Premier, as defined in section 3 below.
 - b. Data means the reservoir data including but not limited to data derived from cuttings, fluids, and other materials associated with the exploration for and production of hydrocarbons and other mineral substances as well as data points, databases, elements, records, documents, analyses, models, maps, tables, charts, and other data to which Customer has access using the Premier Sample Library or that is otherwise provided by Premier to Customer.
 - c. Membership shall mean membership to the PSL. An annual membership fee will apply to Customer for access to the PSL.
 - d. Premier shall mean the Premier Oilfield Group LLC and its subsidiaries, including Premier Sample Library.
 - e. Premier Sample Library or PSL means the core data and cuttings sample library currently located in Midland, Texas.
 - f. Sample shall mean the cuttings or core samples available from the PSL.
 - g. Terms shall mean these General Terms and Conditions for Data.
2. Acceptance: By requesting Premier to provide Data to Customer, as further described in the Order (as defined herein), Customer understands and agrees to be bound by these Terms.
3. Formation of Contract – The Customer may order Data from Premier (“Order”) by either, (i) Customer’s acceptance of a Premier offer (proposal), or (ii) Premier’s acceptance of a work, purchase or service order for the Data issued by Customer. In either case the Order is subject to the Terms and the Order together with the Terms forms the contract (“Contract”). The Contract constitutes the entire agreement between the parties and takes precedence over any and all previous verbal or written arrangements in connection with the Contract. In the event of a conflict between the terms of the Order and the Terms, the Terms shall prevail.
4. License: Premier grants Customer a non-exclusive, non-transferable, non-sublicensable license, solely for Customer’s internal use, to the Data provided under the Contract. Under this license, Customer will be permitted to:
 - (1) download and reproduce discrete elements of the Data,
 - (2) store the Data on computer systems controlled by Customer,
 - (3) manipulate, analyze, reformat, print, or display such Data.
5. Restrictions on use:
 - Samples will not be sent to any location other than Premier facilities (Midland, OKC, Houston, Denver, Tulsa) or facilities controlled by Premier for Customer viewing and/or selection.
 - Samples shall be analyzed by Premier according to the then current PSL Price List or pricing provided in the Order. Samples can be viewed and/or selected with a Customer or by a Premier employee at a Premier facility. Data generated from a Sample will be done using Premier laboratories.
 - Should Premier not have a specific measurement capability a preferred lab will be chosen by Premier – contracting with such lab will be done via Premier and be at Premier pricing. In the case where Premier agrees to send the Samples for analysis to an outside lab recommended by Customer, a 50% surcharge will apply. Agreement to use a Customer recommended lab shall be at Premier’s sole discretion.
 - Samples sent to outside labs will be relabeled to keep from having well locations and depths known at that company. No API information or well names will be supplied.
 - Samples and data generated from such will be owned by Premier. Data can be purchased or licensed by the Customer as discussed above subject to these Terms.
 - Sample data will have an option for a delay of data release subject to a surcharge on the analysis dependent on time:
 - 6 months for 25%
 - 12 months for 50%
 - 18 months for 75%
 - 24 months for 100%

Premier will not advertise the fact that data on the Samples has been acquired or is available so as to ensure data release is delayed for as long as possible. However, should another Customer approach Premier to obtain measurements from the same samples on the same well, or should there be a business need to include such data in a multi-client study or database for licensing, then Premier shall have the right at its sole option to rescind such “delay of release”. In such instances Premier will reimburse the Customer for the surcharge paid to the closest six months in the favor of the Customer.
6. Customer Rights: Customer may not assign or transfer any of its rights or obligations under the Contract without the express written consent of Premier. Such restriction will also apply in the case of a merger, or sale of all or substantially all of Customer’s assets relating to its business to which the Contract pertains.
7. Payment Terms – Customer shall pay Premier for the Data as provided for in the Order and in accordance with the terms of the Contract. Prices do not include sales, use, excise or similar taxes, or other taxes which Premier may be required to pay or collect. All such taxes in effect and/or hereafter levied which are applicable to the purchase of the Data shall be paid by Customer. Customer agrees to pay invoices within thirty (30) days of receipt by Customer. 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. Customer agrees to pay all fees directly or indirectly incurred in the collection of past due or delinquent accounts, including agency and attorney’s fees.
8. Warranty – Premier hereby represents and warrants that Premier has the authority to enter into this Contract and to grant Customer license to the Data herein. Premier further represents and warrants that Customer’s authorized use of the Data shall not constitute an infringement of any rights that may exist in any jurisdiction under patent law, copyright law, publicity rights law, moral rights law, trade secret law, trademark law, unfair competition law or other similar protections, whether or not such rights are registered or perfected (“IP Rights”) patent, copyright, or trade secret. **PREMIER MAKES NO OTHER WARRANTIES EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**
9. Transmission of Data – Each party shall transmit all data as accurately and securely as practicable, in accordance with current industry practice relevant at the time of transmission. Notwithstanding the forgoing, Premier shall not be responsible to Customer for the corruption of data, including without limitation the Data and Deliverables, during transmission or the accidental or intentional interception of such data by others.
10. Incidental or Consequential Damages - It is expressly agreed that neither Customer nor Premier shall be liable to the other party 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 this Contract, the Orders, the Service or operations

O: (713) 492-2057

www.pofg.com

**11335 Clay Road, Suite 180
Houston, TX 77041**



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, active or passive negligence or breach of duty (statutory or otherwise) of any party.

11. Limitation of Liability – Notwithstanding anything to the contrary herein, Premier’s liability arising from or in connection with this Contract (whether for indemnity, breach of contract, negligence, misrepresentation or otherwise) shall not in any circumstance exceed the full value of the consideration owed to Premier under the Contract and Customer shall release, protect, defend, indemnify, and hold harmless Premier from and against any and all Claims in excess thereof.
12. Insurance - Each party agrees to support the obligations it assumes hereunder, by obtaining at its own cost, adequate insurance for the benefit of the other party. To the extent each party assumes liability hereunder, such insurance shall waive subrogation against the other party and its insurers and name the other party as additional insured(s) and loss payee, and to the same extent such coverage shall be primary to that carried by the other party.
13. Confidentiality - Customer agrees that it will hold in strict confidence the Data and/or any other information designated by Premier in writing as confidential, and it will not disclose such confidential information to any third party without written authorization from Customer or except as required by law or legal process.
14. Intellectual Property – Customer shall release, protect, defend, indemnify, and hold harmless Premier from all Claims for infringement of any U.S. patent, license, trade secret, copyright, and/or any other such intellectual property arising out of this Contract.
15. Termination – If Customer becomes insolvent, makes a general assignment for the benefit of its creditors, applies for or consents to the appointment of a receiver, trustee, or liquidator of all or substantially all of its assets, has an involuntary petition in bankruptcy filed against it which is not dismissed within forty-five (45) days, fails to pay its debts and obligations as they become due, commits any breach of the Contract or any other contract between the parties, or if Premier reasonably believes that any of the above events is likely to occur, Premier may, without prejudice to any of its other rights, immediately terminate this Contract without liability for termination by notice in writing to the Customer.
Any termination of this Contract shall be without prejudice to the accrued rights of the parties existing on the date of such termination, and the continuation in force of all provisions of this Contract intended to survive such termination.
16. Force Majeure - The consequences, direct or indirect, of labor troubles, Acts of God, fires, accidents, floods, named tropical storms, hurricanes, hostilities, shortage of transportation, failure or suspension or curtailment of production due to shortage of labor or supply of raw materials, or other economic factors, government acts or requirements and any and all like or different causes beyond the control of the parties hereto (“Force Majeure Event”) shall excuse performance, except payment, by either party to the extent by which performance is prevented thereby. If a party is rendered unable, wholly or in part, by a Force Majeure Event to perform, that party will give written notice detailing such Force Majeure event to the other party as soon as reasonably possible. If a Force Majeure event continues without interruption for thirty (30) days, either party may cancel the applicable Order by giving written cancellation notice to the other party.
17. Choice of Law - This Contract, including all matters relating to the validity, construction, performance, and enforcement thereof, shall be governed by the laws of the State of Texas, without reference to any conflict of laws principles that would require application of the substantive laws of another jurisdiction. The parties specifically agree to bring any and all legal action(s) regarding interpretation, enforcement, and/or any other aspect of this Contract in the federal or state courts of Houston, Harris County, Texas.
18. General Provisions - If any part of this Contract contravenes any applicable statutes, regulations, rules, or common law requirements, then, to the extent of and only to the extent of such contravention, such part shall be severed from this Contract and deemed non-binding while all other parts of this Contract shall remain binding. No modification of this Contract shall be of any force or effect unless in writing and signed by an authorized signatory of both parties and expressly identified as a modification to this Contract. This Contract constitutes the entire understanding between the parties with respect to its subject matter and supersedes and cancels all prior agreements, negotiations, understandings (written or oral), and discussions of the parties in relation to its contents. Failure to enforce any or all of the terms and conditions of this Contract in a particular instance or instances shall not constitute a waiver thereof or preclude subsequent enforcement thereof. Reference to the singular includes a reference to the plural and vice versa. Reference to one gender includes reference to the other gender. The headings, sub-headings, and other subdivisions of this Contract are inserted for convenience only. The parties do not intend them to be an aid in legal construction. The provisions of this Contract which by their nature are intended to survive the termination or expiry of this Contract will remain in full force and effect after said termination or expiry. The Contract has been carefully read by the parties, the contents hereof are known and understood and it is freely entered into by the parties. This Contract shall not be construed against the party responsible for drafting any section alleged to be ambiguous or uncertain.