



THIS AGREEMENT CONTAINS INDEMNIFICATION PROVISIONS, RELEASE OF LIABILITY AND ALLOCATION OF RISK. BY EXECUTING THIS AGREEMENT AND/OR COMMENCING THE WORK, TEAM SNUBBING AND CUSTOMER AGREE TO BE BOUND BY ALL OF THESE PROVISIONS.

Team Snubbing Ltd., its sub-contractors, employees or affiliated companies, (collectively, “Team Snubbing”), hereby agrees to furnish to Customer (as defined below) the personnel, technical advice, recommendations, and services and to provide the equipment, materials, supplies, and labor set out in any Purchase Order (collectively, the “Work”), subject to and in consideration of the following terms and conditions (the “Agreement”):

1. Application of Agreement

1.1. “Claims” shall mean all awards, causes of action, claims, costs, expenses, damages, demands, judgments, liabilities and losses of every character, kind and nature including, without limitation, reasonable legal fees on a solicitor and client basis, court costs, fines, penalties and remedial obligations which arise out of or are related to, directly or indirectly, the subject matter or performance of this Agreement, the Work or anything ancillary thereto.

1.2. “Confidential Information” means information, data, technology, material or other property, of any kind and in whatever form pertaining to the Work that is confidential or proprietary to Team Snubbing. Confidential Information includes, but shall not be limited to, the following types of information and other information of a similar nature, whether or not reduced to writing: trade secrets, inventions, improvements, products, services, file data, specifications, know-how, processes, formulas, research and development procedures, marketing techniques and materials, marketing and development plans, pricing information, pricing policies, financial information, customer lists or customer preferences and business plans of Team Snubbing, the disclosure of which could be reasonably expected to materially adversely affect the Team Snubbing, or which the Team Snubbing, is obliged by contract or law to treat as confidential.

Confidential Information does not include information which is or becomes generally available to the public, other than as a result of a disclosure in violation of this Agreement, information which the Customer can conclusively establish was already lawfully in the possession of the Customer prior to hiring Team Snubbing to complete the Work, the disclosure of which is required by regulation or law, or which the Customer learns from a third party, who is not in violation of an agreement by disclosing such information

1.3. “Customer” shall mean the companies for whom Team Snubbing’s Work shall be provided.

1.4. “Customer Group” shall mean Customer, its parent, affiliates, subsidiaries, partners, joint owners, joint venturers and contractors (not including any member of Team Snubbing Group) and the directors, agents, representatives, employees, insurers, invitees, consultants and contractors of all of the foregoing.



- 1.5. “Intellectual Property” means any patents, industrial designs, technology, trade secrets, copyright or other intellectual property of Team Snubbing, provided by Team Snubbing pursuant to this Agreement
- 1.6. “Parties” shall mean Team Snubbing and the Customer.
- 1.7. “Purchase Order” means any authorization for the Work and all amendments thereto issued by Team Snubbing, orally or in writing, and agreed to by the Parties.
- 1.8. “Team Snubbing Group” shall mean Team Snubbing, its affiliates, subsidiaries, partners, joint owners, joint venturers, contractors and subcontractors and the directors, agents, representatives, employees, insurers, invitees and consultants of all of the foregoing.
- 1.9. Customer hereby engages Team Snubbing to perform and/or supply and Team Snubbing agrees to perform and/or supply the Work, as per the terms of this Agreement, which forms part of and is incorporated into any arrangement, oral or written, between the Parties. Subject to Section 14.9, if any provision of this Agreement is inconsistent with any other document related to or issued in response to the Work, this Agreement shall exclusively prevail. No variation of this Agreement shall be of effect unless expressly agreed to in writing by a duly authorized officer of Team Snubbing.

2. Representations, Warranties or Guarantees

- 2.1. Customer acknowledges and agrees that the Work provided by Team Snubbing is of such a nature that no certainty of result can be assured.
- 2.2. Team Snubbing expressly disclaims all conditions, warranties and guarantees, express or implied, including, without limitation, any implied warranties of merchantability and fitness for a particular purpose of any services, goods, materials, data, models, reports, summaries, opinions, drawings or products rendered by or used by Team Snubbing in the performance of the Work or sold by Team Snubbing to Customer. The sale of any goods, materials or products from Team Snubbing to Customer is done so on an “as is, where is” basis.
- 2.3. Any information whether provided orally or in writing to Customer by Team Snubbing including, but not limited to, any data, models, reports, summaries, opinions or drawings may be used by Customer solely for the purposes of the Work contemplated hereunder.

3. Confidentiality and Intellectual Property

- 3.1. All confidential information obtained by Customer from Team Snubbing and by Team Snubbing from Customer relating to the Work shall be considered confidential information of the disclosing party. Such information shall be used by the receiving party only for the purpose of carrying out the Work and the receiving party shall not disclose such information to any third party other than the receiving party’s representatives, except where disclosure is required by law.

3.2. All right, title and interest in and to any intellectual property used by Team Snubbing, or conceived, created, or otherwise developed by or on behalf of either of the parties, in relation to Team Snubbing's performance of the Work shall belong solely to Team Snubbing.

4. Location, Methods and Practices

4.1. Customer shall be solely responsible for obtaining all necessary permits or licenses for performance of the Work.

4.2. Customer acknowledges and agrees that, at all times, it has full care, custody and control of the location where the Work is to be performed. Customer shall ensure that it will have an agent or representative present at the well site to advise Team Snubbing on the well specifications and or limitations necessary to carry out the Work

4.3. Customer shall be responsible for preparing a sound location fully capable of supporting Team Snubbing's equipment.

4.4. Team Snubbing agrees to provide the equipment, materials, supplies, services, and labour specified to be provided by Team Snubbing to complete the Work, as described in and in accordance with the specifications set out in the applicable Purchase Order or discussions with customer representative. Customer agrees to provide the equipment, materials, supplies, services, and labour specified to be provided by Customer, as described in and in accordance with the specifications set out in the applicable Purchase Order, discussions with Team Snubbing, or similar document.

4.5. Both Customer and Team Snubbing agree to perform all operations in a good and workmanlike manner in accordance with good industry practices and all applicable laws.

4.6. Customer agrees to ensure that any and all Customer or third party equipment supplied by Customer used in relation to Team Snubbing's performance of this Agreement is properly certified and in good working condition in accordance with industry standards and all applicable laws.

4.7. Customer shall, at its sole cost and risk, provide for the transportation, storage, disposal and/or recycling of any materials, substances or products resulting from the Work that are deemed to be dangerous or hazardous by any municipal, territorial, provincial or federal regulation, order, statute or other applicable laws.

4.8. The Customer and Team Snubbing acknowledge and agree that Team Snubbing has not, will not and shall not be, become or be designated as prime contractor pursuant to occupational health and safety legislation by execution of this Agreement or otherwise.

5. Access

- 5.1. Customer shall secure and maintain rights of ingress and egress for Team Snubbing to and from the location where the Work is to be performed. Customer shall advise Team Snubbing of any limitations or restrictions affecting ingress and egress. Customer shall provide any utilities or site services that may be required for Team Snubbing to perform the Work.
- 5.2. When access to the location where the Work is to be performed is not granted or in the opinion of Team Snubbing is too difficult to be achieved with ordinary vehicular access, then all necessary work and expense required, including the repair or construction of roads or bridges or the furnishing of alternate means of transport, shall be undertaken by, and the cost borne solely by, Customer. Customer shall be liable to Team Snubbing for any loss or damages, howsoever arising, to equipment or materials belonging to Team Snubbing while they are under the care or control of Customer or being transported by Customer or by a carrier arranged by Customer.
- 5.3. Should Team Snubbing be denied free access to a well and/or service site for any reason not within control of Team Snubbing, Customer shall pay Team Snubbing during the time of such denial and delay at the full price as set out in Section 7 hereto.

6. Allocation of Risk and Liability

- 6.1. Subject to Sections 5.2, 6.3 and 6.4, Team Snubbing acknowledges and agrees that it shall release and that it shall defend, indemnify and hold harmless Customer from and against any and all Claims of every kind and character arising out of any personal injury, illness or death of, or damage to property provided pursuant to the Work of any member of Team Snubbing Group.
- 6.2. Customer acknowledges and agrees that it shall release and that it shall defend, indemnify and hold harmless Team Snubbing Group from and against any and all Claims of every kind and character arising out of any personal injury, illness or death of, or damage to property of any member of Customer Group.
- 6.3. Customer shall assume all liability for and shall defend, indemnify and hold Team Snubbing Group harmless in respect of Claims for loss of or damage to Team Snubbing Group's equipment while such equipment is below ground. When such equipment is lost or destroyed in such manner, Customer shall be liable for and shall pay Team Snubbing the full replacement value of the lost or destroyed equipment.
- 6.4. In regards to any Work, Customer and Team Snubbing agree that, notwithstanding any other provision hereof to the contrary, Customer shall be solely liable for and shall release, defend, indemnify and hold Team Snubbing Group harmless in respect of Claims of any person, including, without limitation, the Team Snubbing Group, Customer Group or any third party arising from:
- 6.4.1. damage to any roads, access ways, utilities or bridges related to the Team Snubbing Group's access, ingress or egress to the location where the Work is to be performed;

- 6.4.2. damage to or loss of any reservoir, production formation, well or borehole, or any injury to, destruction of, loss of, or impairment of any property right in or to oil, gas or other mineral substance or water;
 - 6.4.3. a blowout or other loss of well control including, without limitation, loss of or damage to real or personal property, injury or illness or death of any person not in Team Snubbing Group, pollution (including control and removal thereof), and the cost of killing, controlling, redrilling and/or reworking the well;
 - 6.4.4. any fishing or recovery operation conducted or required to be conducted in order to dislodge or recover any downhole equipment on a well for which Team Snubbing has or is providing equipment or has otherwise conducted Work, whether the need to perform such fishing operation results from or is attributable in any way to the actions or inaction of Team Snubbing or any other cause whatsoever;
 - 6.4.5. damage to tubing strings, downhole tools, downhole equipment, surface equipment, surface tools, casing strings, that is attributable in any way to the actions or inaction of Team Snubbing or any other cause whatsoever;
 - 6.4.6. all pollution, hazardous substances, environmental damage or similar matter of any kind, including control and removal thereof: (i) emanating from or occurring below the surface of the ground; and/or (ii) occurring on or above the surface of the ground, except to the extent that such arises or results from spills, leaks, discharges or releases of substances originating from Team Snubbing Group's equipment while in the care, custody and control of Team Snubbing Group; and
 - 6.4.7. the cratering or shifting of the surface of the location where the Work is to be performed.
- 6.5. Each party's release and its defence, indemnity and hold harmless obligations under this Section 6 will apply even if the liability and Claims are caused by the sole, concurrent, active or passive or gross negligence, fault or strict liability of the other party or of any member of such other party's group or any other cause whatsoever.
- 6.6. Notwithstanding any other provision hereof to the contrary, both parties waive and release all claims against the other party for indirect or consequential damages suffered by the other including, without limitation, claims for indirect or consequential damages involving loss of profits, loss of business or indirect economic loss. For greater certainty, any amounts awarded in respect of third party claims for which a party is indemnified hereunder shall not be deemed to be indirect or consequential damage.
- 6.7. Both parties acknowledge and agree that this Agreement contractually allocates certain of the risks, responsibilities, and potential losses or liabilities associated with the Work and that such allocation shall prevail in the place and stead of any other allocation of risks, responsibilities,

and potential losses or liabilities that might be made on the basis of any other theory of legal liability notwithstanding the breach or alleged breach by either party of any provision of this Agreement not included in this Section 6.

- 6.8. Customer understands and agrees that if Team Snubbing is found liable to Customer for loss or damage due to performance or non-performance of Work by Team Snubbing or anything ancillary thereto, Team Snubbing's liability shall be limited to the total sum paid by Customer to Team Snubbing for Work for that particular job, and this liability shall be exclusive.

7. Pricing and Payment

- 7.1. The prices will be those as set by Team Snubbing for the specified Work, as applicable. Team Snubbing reserves the right to change the prices at any time unless otherwise specified in a Purchase Order. Notwithstanding any other provision hereof or any provision of a work order to the contrary, Team Snubbing will charge and Customer will be liable for all charges relating to equipment, materials, supplies, labour and services provided in connection with any Work and the same shall be considered to be in use and charges will apply at all times when on location or until released by Customer.
- 7.2. In addition to charges for the Work, Customer will be responsible for any related mileage, shipping, handling, stand-by, rentals, taxes (sales, use or occupation), and other costs.
- 7.3. Payment terms are net sixty (60) days from date of invoice or upon request for payment by Team Snubbing, whichever is earlier.
- 7.4. Interest shall be charged at twenty four percent (24%) per annum on all overdue accounts and, where necessary, all costs of collection of overdue accounts shall be payable by Customer including any legal fees and disbursements on a solicitor and client basis.
- 7.5. Where it is necessary for Team Snubbing to utilize outside suppliers or contractors in connection with providing the Work, including obtaining necessary permits, Customer will be responsible for all costs related to such supplier and/or contractor, including any relevant shipping and handling charges.
- 7.6. All permits and third party charges shall be charged to Customer at cost plus fifteen percent (15%). Unless otherwise agreed and stated as per individual quotes or similar documents.

8. Taxes

- 8.1. In addition to Section 7, all applicable taxes of whatever nature, including without limitation, all sales tax, goods and services tax, and value added tax will be invoiced to Customer and will be Customer's responsibility.
- 8.2. If Team Snubbing or Team Snubbing's supplier is obligated to pay any taxes, Customer will be responsible for reimbursing Team Snubbing for this amount
-

9. Termination/Cancellation

9.1. Team Snubbing reserves the right to terminate the Work at any time in its sole discretion. Customer shall pay Team Snubbing its prevailing charges for the Work performed up to the date of termination and for any costs and expenses incurred or arising in connection with such termination including, without limitation, demobilization costs.

10. Insurance

10.1. As a separate and independent obligation and without limiting the indemnity obligation of a Party or its insurers, at any and all times while Work is being provided by Team Snubbing, each Party (each herein referred to as the (“Insuring Party”) shall, at its sole expense, carry insurance in the types and minimum amounts as follows:

10.1.1. Workers’ Compensation Insurance in full compliance with all applicable State, Provincial, Territorial and Federal laws and regulations, including Occupational Disease coverage in accordance with the laws in the jurisdiction(s) in which the Work is performed, in which the employee is hired, and in which the employee resides. Workers’ Compensation coverage must be in place for all employees, owners and directors of the Insuring Party who will in any way be involved in the performance or supervision of the Work under this Agreement;

Contingent Employers' Liability Insurance with limits of not less than CAD \$2,000,000.00 per occurrence covering injury or death to any employee;

10.1.2. Comprehensive General Liability Insurance on an occurrence basis, including contractual liability, sudden and accidental pollution, and products liability/completed operations coverage, including without limitation insurance for the indemnity agreements set forth in the Agreement, with limits of not less than CAD \$2,000,000 combined single limit with respect to bodily injury, sickness or death, or loss of or damage to property in any one occurrence;

10.1.3. Automobile Liability Insurance covering owned, non-owned, hired and all vehicles used by Customer and Team Snubbing, with limits of not less than CAD \$2,000,000 per occurrence covering bodily injury and for loss of or damage to property; and

10.1.4. Excess Liability Insurance over that required in Sections 10.1.2, 10.1.3 and 10.1.4 with minimum limits of CAD \$3,000,000, and specifically including the Insuring Party’s contractual liability.

10.2. To the extent of the liabilities and indemnities assumed by Customer hereunder, all insurance policies of Customer shall name Team Snubbing and each member of Team Snubbing’s Group as “Additional Insureds”, and such insurance shall be specified as primary regardless of any other insurance carried by Team Snubbing’s Group. All such insurance shall provide for a

waiver of subrogation in favour of Team Snubbing and each member of Team Snubbing's Group.

- 10.3. Upon written request from Team Snubbing, Customer shall provide Team Snubbing with certificates evidencing insurance coverage as specified in Section 10.1 and each policy shall require that the insurer provide Team Snubbing with at least thirty (30) days prior written notice of any cancellation of such policy.
- 10.4. Any and all deductibles in the above described insurance policies shall be assumed by and for the account of the Customer.

11. Modification of Orders

- 11.1. Taken with this Agreement, orders for Work received from Customer constitute the complete and final agreement between Team Snubbing and the Customer. Each order for Work shall be governed by this Agreement and each such order shall constitute a separate agreement between Team Snubbing and Customer. The parties may agree to a change in the scope of services or equipment supplied under an order, provided however that no purchase order or other document provided by Customer will be interpreted as modifying or superseding this Agreement or any of the terms and conditions contained herein and this Agreement shall exclusively prevail.

12. Force Majeure

- 12.1. Team Snubbing shall not be liable for delay or non-performance due to governmental regulations, strikes, hostile actions, weather, acts of God, or any other cause beyond the reasonable control of Team Snubbing (referred to herein as "Force Majeure"). Lack of finances shall not be considered a Force Majeure. Force Majeure shall not excuse or suspend any obligation for payment.

13. Privacy

- 13.1. The Customer and Team Snubbing acknowledge and confirm that both parties are responsible for compliance at all times with applicable privacy laws which govern the collection, use and disclosure of personal information acquired by or disclosed to one another and/or the Operator pursuant to or in connection with this Agreement (the "Disclosed Personal Information"). The Customer and Team Snubbing shall at all times keep strictly confidential all Disclosed Personal Information provided to it, and shall instruct those employees of the Customer and Team Snubbing responsible for processing such Disclosed Personal Information to protect the confidentiality of such information in a manner consistent with the obligations of the Customer and Team Snubbing hereunder.
- 13.2. The Customer and Team Snubbing agree that they shall promptly notify the other party of any loss of or unauthorized access to or disclosure of the Disclosed Personal Information, and of all inquiries, complaints, requests for access, and claims of which the Customer or Team

Snubbing is made aware in connection with the Disclosed Personal Information. The Customer and Team Snubbing shall fully co-operate and any authorized authority charged with enforcement of applicable privacy laws, in responding to such inquiries, complaints, requests for access, and claims.

14. General

- 14.1. Customer and Team Snubbing agree and acknowledge that in performing the Work, Team Snubbing is and shall be an independent contractor and nothing contained herein shall be interpreted as to make Team Snubbing an agent, representative, partner or joint venture participant of Customer or any other entity. Neither Team Snubbing nor anyone at the direction of Team Snubbing shall be deemed to be an employee of Customer in the performance of this Agreement.
- 14.2. Neither party hereto may assign any of its rights or obligations hereunder without the written consent of the other party, such consent not to be unreasonably withheld.
- 14.3. Where headings are used in this Agreement they are provided for convenience only and are not to be used or construed for the purpose of interpreting any provision herein.
- 14.4. Each of the parties will execute and deliver all such further documents and do such other things as the other party may reasonably request to give full effect to, better evidence, or perfect the full intent and meaning of this Agreement.
- 14.5. This Agreement shall be governed by and construed in accordance with the laws in the Province of Alberta without regard to any conflict of laws principles and the parties agree that any dispute hereunder shall be brought in the courts of the Province of Alberta.
- 14.6. If any of the provisions of this Agreement are determined to be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions shall not in any way be affected or impaired.
- 14.7. Failure of Team Snubbing to enforce any of the above terms and conditions shall not prevent subsequent enforcement of such term or condition or be deemed a waiver of any subsequent breach.
- 14.8. All provisions that by their nature are intended to survive, including, without limitation, Sections 3, 6, 7 and 10, shall survive any expiration or termination of this Agreement.
- 14.9. If there is a master service agreement in place between Team Snubbing and Customer, this Agreement shall not apply and the terms of the master service agreement shall govern.