



WORK ORDER CONTRACT AND PRE-TREATMENT DATA

ATTACH TO
INVOICE & TICKET NO. 152642

FORM 1218-B (4-78)

A Division of Halliburton Company
OIL FIELD, CALIFORNIA 94503

DISTRICT 1110000

DATE 6/13/84

TO: HALLIBURTON SERVICES YOU ARE HEREBY REQUESTED TO FURNISH EQUIPMENT AND SERVICEMEN TO DELIVER AND OPERATE
THE SAME AS AN INDEPENDENT CONTRACTOR TO: PEPPER ENERGY (CUSTOMER)
AND DELIVER AND SELL PRODUCTS, SUPPLIES, AND MATERIALS FOR THE PURPOSE OF SERVICING

WELL NO. 1 LEASE EUSTACE SEC. _____ TWP. _____ RANGE _____

FIELD _____ COUNTY _____ STATE N.M. OWNED BY _____

THE FOLLOWING INFORMATION WAS FURNISHED BY THE CUSTOMER OR HIS AGENT

FORMATION NAME	TYPE	NEW USED	WEIGHT	SIZE	FROM	TO	MAX. ALLOW. P.S.I.
FORMATION THICKNESS _____ FROM _____ TO _____							
PACKER: TYPE _____ SET AT _____							
TOTAL DEPTH _____ MUD WEIGHT _____							
BORE HOLE _____							
INITIAL PROD: OIL _____ BPD, H ₂ O _____ BPD, GAS _____ MCF							
PRESENT PROD: OIL _____ BPD, H ₂ O _____ BPD, GAS _____ MCF							
PERFORATIONS							
PERFORATIONS							
PERFORATIONS							

PREVIOUS TREATMENT: DATE _____ TYPE _____ MATERIALS _____

TREATMENT INSTRUCTIONS: TREAT THRU TUBING ☐ ANNULUS ☐ CASING ☐ TUBING/ANNULUS ☐ HYDRAULIC HORSEPOWER ORDERED _____

ILLEGIBLE

CUSTOMER OR HIS AGENT WARRANTS THE WELL IS IN PROPER CONDITION TO RECEIVE THE PRODUCTS, SUPPLIES, MATERIALS, AND SERVICES

THIS CONTRACT MUST BE SIGNED BEFORE WORK IS COMMENCED

As consideration, the above-named Customer agrees:

- To pay Halliburton in accord with the rates and terms stated in Halliburton's current price lists.
- Halliburton shall not be responsible for and Customer shall secure Halliburton 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 Halliburton, this provision applying to but not limited to subsurface damage and surface damage arising from subsurface damage.
- Customer shall be responsible for and secure Halliburton against any liability for reservoir loss or damage, or property damage resulting from subsurface pressure, losing control of the well and/or a well blowout, unless such loss or damage is caused by the willful misconduct or gross negligence of Halliburton.
- Customer shall be responsible for and secure Halliburton against any and all liability of whatsoever nature for damages as a result of subsurface trespass, or an action in the nature thereof, arising from a service operation performed by Halliburton hereunder.
- Customer shall be responsible for and secure Halliburton against any liability for injury to or death of persons, other than employees of Halliburton, 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 Halliburton.
- Halliburton makes no guarantee of the effectiveness of the products, supplies or materials, nor of the results of any treatment or service.
- Customer shall, at its risk and expense, attempt to recover any Halliburton equipment, tools or instruments which are lost in the well and if such equipment, tools or instruments are not recovered, Customer shall pay Halliburton its replacement cost unless such loss is due to the sole negligence of Halliburton. If Halliburton equipment, tools or instruments are damaged in the well, Customer shall pay Halliburton the lesser of its replacement cost or the cost of repairs unless such damage is caused by the sole negligence of Halliburton. In the case of equipment, tools or instruments for machine operations, Customer shall, in addition to the foregoing, be fully responsible for loss of or damage to any of Halliburton's equipment, tools or instruments which occurs at any time after delivery to Customer at the landing well, returned to the landing, unless such loss or damage is caused by the sole negligence of Halliburton.
- Exclusion of the uncertainty of variable well conditions and the necessity of relying on facts and supporting services furnished by others. Halliburton is unable to guarantee the accuracy of any information, research, analysis, job recommendation or other data furnished by Halliburton. Halliburton personnel will use their best efforts in gathering such information and their best judgment in interpreting it, but Customer agrees that Halliburton shall not be responsible for any damages arising from the use of such information except where due to Halliburton's gross negligence or willful misconduct in the preparation or furnishing of it.
- Halliburton 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, OF MERCHANTABILITY, FITNESS OR OTHERWISE WHICH EXTEND BEYOND THOSE STATED IN THE IMMEDIATELY PRECEDING SENTENCE. Halliburton's liability and Customer's exclusive remedy in any use of such products, supplies or materials shall be limited to the replacement of such products, supplies or materials on their return to Halliburton or, at Halliburton's option, to the allowance to the Customer of credit for the cost of such items. In no event shall Halliburton be liable for special, incidental, indirect, punitive or consequential damages.
- Includes payment NET by the 20th of the following month after date of invoice. Upon Customer's default in payment of Customer's account by the last day of the month following the month in which the invoice is dated, Customer agrees to pay interest thereon after default at the highest lawful contract rate applicable but never to exceed 12% per annum. In the event it becomes necessary to employ an attorney to enforce collection of said account, Customer agrees to pay all collection costs and attorney fees in the amount of 20% of the amount of the unpaid account.
- This contract shall be governed by the law of the state where services are performed or equipment or materials are furnished.
- Halliburton shall not be bound by any changes or modifications to this contract, except where such change or modification is made in writing by a duly authorized executive officer of Halliburton.

I HAVE READ AND UNDERSTAND THIS CONTRACT AND REPRESENT THAT I AM AUTHORIZED TO SIGN THE SAME AS CUSTOMER'S AGENT

SIGNED Bill Williams CUSTOMER

DATE _____

TIME _____ A.M. P.M.