

ROBERTSON GEOLOGGING LIMITED

UK SERVICE LOGGING: TERMS & CONDITIONS OF SUPPLY

1. INTERPRETATION

- 1.1 In these conditions:
- a. "Company" means Robertson Geologging Limited.
 - b. "Conditions" means these Terms and Conditions of Supply.
 - c. "Contract" means any contract between the Company and the Customer for the Supply of any Equipment and/or Services, incorporating these conditions.
 - d. "Customer" means the firm, individual, company or other party with whom the Company contracts.
 - e. "Services" means any service to be provided by the Company pursuant to the Contract, whether in relation to the supply of goods or otherwise and where the Contract is for or includes work or work and materials, the supply of labour.
 - f. "Acceptance of order form" means the Company's formal written acknowledgment of the Customer's order for the supply of the Services, which shall incorporate these Conditions.
 - g. "Equipment" means all equipment, goods, tools, materials and parts supplied and/or utilised by the Company in connection with the provision of the Services.
- 1.2 A reference to a particular law is a reference to it as it is in force for the time being taking account of any amendment, extension, application or re-enactment and includes any subordinate legislation for the time being in force made under it.
- 1.3 Words in the singular include the plural and in the plural include the singular.
- 1.4 A reference to one gender includes a reference to the other gender.
- 1.5 Condition headings do not affect the interpretation of these Conditions.
- 1.6 All quotations are made and all orders are accepted by the Company subject only to these Conditions, which shall prevail notwithstanding any other terms and conditions which the Customer may bring to the Company's notice. The placing of an order following any quotation shall not be binding on the Company unless and until accepted by the Company in writing on the Company's Acceptance of order form. Any statement or representation which is made or given prior to, or contemporaneously with, the date of the Contract is hereby expressly excluded.

2. PERFORMANCE

- 2.1 The Company will use its reasonable endeavours to comply with any date for the commencement and/or completion of the Services if any such date is stipulated in the Contract, but any such date shall constitute an estimate only and any failure to commence and/or complete the Services by any date stipulated in the Contract shall not constitute a breach of the Contract. Without prejudice to either this Condition 2.1 or Condition 7.1, in the event that any failure of the Equipment causes any delay in the performance of the Services, the Company will use its best efforts to promptly rectify such failure and the charges payable for the Company's engineer(s) and Equipment shall be suspended from the time of failure of the Equipment to the time that performance of the Services can be resumed and this shall constitute the entire liability of the Company in these circumstances. For the avoidance of doubt, the suspension of any applicable day rate for the Company's engineer(s) and Equipment shall be pro-rated for the period during which performance of the Services is suspended, so as not to unjustly enrich the Customer.

- 2.2 The Company will use its reasonable efforts to ensure that all Equipment is supplied in good condition and to undertake the work requested with reasonable skill and care; however, any particular results desired by the Customer are not be guaranteed by the Company and the Company reserves the right not to undertake any work if, in its reasonable opinion, prevailing conditions would render it inadvisable to do so.
- 2.3 During the performance of the Contract, the Company's engineers shall be considered to be under the control, direction and supervision of the Customer, the Customer shall retain complete control and supervision of the well area and the Customer shall be solely responsible for any loss or damage which occurs as a result of the Company's engineers following the Customer's instructions, except to the extent (if any) that the Company's engineers have acted negligently.

3. CHARGES

- 3.1 The Services shall be provided on a daily basis, such day to begin at midnight, and shall be subject to any minimum charge which may apply. The Company shall carry out the Services only during such working hours and on such working days as shall be agreed between the Company and the Customer. The day rate, if applicable in the absence of agreed rates, for the Company's engineers and Equipment shall be chargeable from the time of arrival of each on site until the time of departure from site and covers a maximum of 10 working hours within any single working day.
- 3.2 The Customer shall additionally:
- (a) reimburse any and all subsistence and accommodation costs reasonably incurred by the Company's engineer(s), at the fixed rate specified in the Contract;
 - (b) pay the cost of any variation or modification to the Services requested by the Customer and accepted by the Company; and
 - (c) pay any additional sums which, in the Company's reasonable discretion, are required due to any act, omission, fault or delay of or on behalf of, the Customer.

4. PAYMENT

- 4.1 Provided that the Customer has produced references which in the Company's opinion are satisfactory, then settlement terms will be net cash in sterling thirty (30) days from date of invoice. In all other cases, payments shall be made in advance upon submission by the Company of a pro-forma invoice. Where the Services are to be performed in instalments, the Customer shall pay for the Services provided monthly in arrears. Time for payment shall be of the essence. All payments shall be made in cleared funds in full without any deduction or right to set-off and irrespective of any claim asserted by the Customer.
- 4.2 Failure by the Customer to make any payment under the Contract by its due date shall entitle the Company to: (a) at its option, charge interest at the rate of 4% per annum above Barclays Bank PLC's base lending rate from time to time calculated on a daily basis, until payment in full is made (a part of a month being treated as a full month for the purpose of calculating interest); (b) charge the Customer with any costs incurred by the Company in the course of collecting outstanding monies due to the Company from the Customer; (c) set off any amount owed by the Company to the Customer against any amount owed by the Customer to the Company on any account whatsoever; and (d) suspend performance of the Services until full payment is received, without prejudice to any other remedy available to the Company. The Company reserves the right to claim interest under the Late Payment of Commercial Debts (Interest) Act 1998.

5. DRAWINGS AND SPECIFICATIONS

Unless it is expressly stipulated in the Contract that any figures or statements in the Contract (or in any of the Company's catalogues, sales literature or in any relevant drawings or other documents supplied by the Company in relation to the supply of the Services) are guaranteed to be accurate and precise, any and all such figures and statements shall be deemed to be approximate only.

6. THE PARTIES' RESPECTIVE OBLIGATIONS

- 6.1 The Customer shall inform the Company of all health and safety rules and regulations that apply at the site and shall be solely responsible (at its own cost) for (a) obtaining and maintaining all necessary third party consents and approvals to enable the Services to be performed (b) preparing and maintaining a site free of obstacles and hazards for the supply of the Services and for reinstating the site thereafter (c) ensuring that all boreholes for which Services are required are suitable for such operations and that they remain at all times in the custody of the Customer and (d) ensuring the safety of any person present on the site during the performance of the Services.
- 6.2 The Customer shall ensure the provision free of charge of unencumbered access to the site, safe and secure storage of all Equipment on site and all facilities and services at the site which are necessary for the performance of the Services. All Equipment supplied, utilised and stored on site shall at all times be at the sole risk of the Customer (including liability for consequential or indirect loss).
- 6.3 If the Company's performance of its obligations under the Contract is prevented, delayed, suspended or otherwise adversely affected by any act or omission of the Customer, its agents, subcontractors, consultants or employees, (or by anything otherwise beyond the control of the Company, e.g. industrial action) the Company shall not be liable for any costs, charges or losses sustained or incurred by the Customer arising directly or indirectly from such prevention or delay and the Customer shall be solely liable for any additional costs incurred by the Company arising therefrom.
- 6.4 The Customer shall hold the Company harmless and keep the Company indemnified in full against all direct, indirect or consequential liabilities (all three of which terms include, without limitation, loss of profit, loss of business, depletion of goodwill and like loss), loss, damages, injury, costs and expenses (including legal and other professional fees and expenses) awarded against or incurred or paid by the Company as a result of or in connection with any claim made against the Company in respect of any liability, loss, damage, injury, cost or expense sustained by any third party to the extent that such liability, loss, damage, injury, cost or expense arises directly or indirectly from the Customer's fraud, negligence, failure to perform or delay in the performance of any of its obligations under the Contract, subject to the Company confirming such costs, charges and losses to the Customer in writing.
- 6.5 The Customer shall not without the prior written consent of the Company (and then not without paying the Company a sum equivalent to 15 % of the then current annual remuneration of the Company's employee, consultant or subcontractor) at any time from the date of the Contract to the earlier of the expiry of 6 months after the last date of supply of the Services or the termination of the Contract, solicit the services of any person who is or has been engaged as an employee, consultant or subcontractor of the Company in the provision of the Services.
- 6.6 Where the Customer requires the Company to make any interpretation of results or findings, the Company will utilise its best judgment and experience in so doing, but the Company cannot guarantee the accuracy and correctness of any interpretation or computation made from the logs, and shall not, without prejudice to the generality of the provisions of Condition 7, be held liable for any losses, costs, damages or expenses, incurred or sustained by the Customer, resulting from an interpretation or computation made by or on behalf of the Company.

- 6.7 Where auxiliary transport, vessels, drilling platforms, generators, compressors or like plant or any equipment is provided by the Customer for efficient conduct of a survey, the Customer shall be liable for all insurance and damages in relation thereto; with respect to the provision of the Services during any period in which a survey is not possible, standby rates shall apply in respect thereof.
- 6.8 Notwithstanding any express or implied conditions herein to the contrary, but without prejudice to the generality of the provisions of Condition 7, the Company:
- (a) will not accept liability for claims for loss, damage and expenses, resulting from any sub-surface damage to any wells or bores, or for any consequences of performance or attempts to perform the services (including but not limited to well collapse, gas escape or explosion, blowout, well fluid, losses or groundwater contamination); and
 - (b) shall not be liable for property or site access damage, or restitution claims, or for claims for damages caused by hoist cable and well head equipment used in the supply of the Services.
- 6.9 The Customer acknowledges its awareness of the potentially hazardous nature of radioactive sources, and logging sondes containing them and agrees that, without prejudice to the generality of the provisions of Condition 7, the Company shall not be held liable or responsible for any loss or damage arising from the usage of sources or tools containing them, including but not limited to the well or borehole, or any damage whatsoever arising from or in any way connected with the use of radioactive materials in the borehole or on the site. The Customer further acknowledges that should a radioactive source be lost in a borehole, the Customer shall be responsible for the arrangement and the cost of its recovery and that special precautions must be taken in any "fishing" operations, so that the container of the sources will not be damaged and that the radioactive source if not recovered must be isolated by the Customer by cementing it in place or by other appropriate means and that the Customer must comply with any and all directions of the relevant competent authority in the territory in which the radioactive source shall have been lost. Recovery of sondes, tools or instruments and their cables used by the Company during the performance, or attempts to perform survey work, shall be at the cost of the Customer and if not recoverable their replacement costs shall be chargeable to and on demand paid by the Customer to the Company.

7. WARRANTIES AND LIMITATION OF LIABILITY

- 7.1 Other than where expressly accepted by the Company in these Conditions, all conditions, warranties and liabilities whatsoever, whether express or implied, statutory or otherwise, (save for the conditions implied by section 2 of the Supply of Goods and Services Act 1982) are hereby expressly excluded to the fullest extent permitted by law and the Company shall be under no liability whatsoever for any loss or damage of whatsoever kind, howsoever caused or arising, including but without being limited to any direct, indirect or consequential loss or damage, lost profits, loss of use or other economic loss, damages for failure to meet any deadline or performance date, redrilling expenses, well control expenses, subsurface damage, wreck or debris removal expenses, loss of hole, reservoir or formation damage, pollution damage or any time, labour or productivity lost due to any absence of, injury of, or illness of any engineer supplied by the Company, provided that nothing herein contained shall be construed so as to exclude or limit the liability of the Company for fraudulent misrepresentation, nor for the negligence or wilful default of the Company or its servants or agents insofar as the same results in death or personal injury.
- 7.2 Subject to Condition 7.1, the Company's total liability in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the Contract shall be limited to the Contract price.

8. CONFIDENTIALITY

The Customer shall keep in strict confidence all technical or commercial know-how, specifications, processes or initiatives which are of a confidential nature and have been disclosed to the Customer by the Company, its employees, agents, consultants or subcontractors and any other confidential information concerning the Services or the Company's business which the Customer may obtain and the Customer shall not use any such information for any purpose other than to perform its obligations under the Contract.

9. TERMINATION

If at any time the Customer shall commit a breach of any obligation arising hereunder, or default in making any payment within 7 days of the due date, or become insolvent, be subject to a petition in bankruptcy filed by or against him or be placed under the control of a receiver, liquidator or committee of creditors, then the Company may terminate the Contract by written notice. The Customer shall have thirty (30) days to correct the default (if the default is capable of remedy), failing which termination shall take effect at the end of the thirty (30) day period. All sums payable to the Company under the Contract shall become due immediately on its termination, despite any other provision. No forbearance or indulgence granted by the Company to the Customer shall in any way limit the rights of the Company under these Conditions.

10. VARIATION

No variation of the Contract or these Conditions shall be valid unless it is in writing and signed by or on behalf of each of the parties.

11. FORCE MAJEURE

The Company shall have no liability to the Customer under the Contract if it is prevented from, or delayed in performing, its obligations under the Contract or from carrying on its business by acts, events, omissions or accidents beyond its reasonable control, including (without limitation) strikes, lock-outs or other industrial disputes (whether involving the workforce of the Company or any other party), failure of a utility service or transport network, act of God, war, riot, civil commotion, malicious damage, compliance with any law or governmental order, rule, regulation or direction, accident, breakdown of plant or machinery, fire, flood, storm or default of any suppliers or subcontractors.

12. GENERAL

The Customer shall not be entitled to assign the Contract or any part of it without the prior written consent of the Company. In the event of any dispute arising out of the Contract, the parties hereto undertake to make every effort to reach an amicable settlement. Failing such settlement, the dispute shall be referred to the Arbitration in London of a single Arbitrator to be agreed upon by the parties hereto and the decision of such Arbitrator will be final and binding upon both parties. These Conditions shall be subject to and construed under English Law and the parties hereby submit to the exclusive jurisdiction of the English courts for that purpose. If any provision of these Conditions is declared void or unenforceable by a court of competent jurisdiction with respect to particular circumstances, such provision shall remain in force and effect in all other circumstances. If any provision is declared entirely void and unenforceable by a court of competent jurisdiction, all other provisions in these Conditions shall remain in full force and effect. All communications between the parties about the

Contract shall be in writing and delivered by hand or sent by pre-paid first class post or sent by fax or sent electronically via email, in each case to such person at such address as shall be notified by the parties to each other.