

TERMS AND CONDITIONS

ACCEPTANCE & CONSIDERATION & TERM: By authorizing Cascade Drilling, LP and its affiliated companies (Cascade) to commence work, Client agrees to these terms and conditions and Cascade agrees to perform work and/or extend credit in exchange.

PAYMENT & INTEREST: Invoices will be submitted by Cascade once a month with payment due from Client within 30 days of the invoice date. Interest at the rate of 1½% per month (18% per annum) will be charged on the principal amount owing after the due date.

ATTORNEYS' FEES & COSTS: The prevailing party shall be entitled to recover all of its costs, fees and expenses incurred in any dispute regarding collecting the balance due, enforcing the terms and conditions, or pertaining to Cascade's work. Such fees and expenses shall include attorneys' fees, recording fees, and title report fees whether or not legal proceedings are instituted, and if instituted, shall include all other costs, fees expenses and, including without limitation, court costs and expert witness fees incurred in the trial/arbitration, appellate proceedings, and post-judgment.

DISCLAIMER OF WARRANTY: Cascade will exercise reasonable skill and judgment in performing its work. All express or implied guarantees, representations and warranties, including, without limitation, any implied warranty of merchantability, fitness for a particular purpose, whether written or oral, are hereby excluded and are expressly disclaimed by Cascade. Cascade does not warrant any specific results of any kind. To the extent an implied guarantee, representation, or warranty, cannot be excluded, CASCADE'S LIABILITY, IF ANY, IS LIMITED TO THE AMOUNT PAID BY CLIENT TO CASCADE, AND SHALL IN NO EVENT EXCEED THAT AMOUNT.

LIMITATION OF LIABILITY: Cascade shall not be liable to Client or any other party for damages of any type, including, but not limited to, indirect, consequential, incidental, special, or punitive damages, whether arising out of contract, negligence, tort, warranty, strict liability or any other legal theory. CASCADE'S LIABILITY, IF ANY, IS LIMITED TO THE AMOUNT PAID BY CLIENT TO CASCADE, AND SHALL IN NO EVENT EXCEED THAT AMOUNT.

NOTICE OF CLAIM: Any and all claims related to or arising from Cascade's work shall be made in writing to Cascade within one (1) year after Cascade's completion of its work. Any subsequent claims are waived.

DELAYS/CONDITIONS BEYOND CASCADE'S CONTROL: Cascade shall not be liable for delays in performance beyond Cascade's control, including, but not limited to, acts of third parties, inability to obtain permits, fire, earthquake, flood, windstorm or other natural disasters, labor stoppages, lockouts, strikes or other differences with employees, war, riot, embargoes, or stoppages created by any government agency or authority. Cascade's liability, if any, is limited as provided in the limitation of liability provision.

JOB SITE SAFETY: Cascade is not responsible for providing safety monitoring for the site on behalf of Client or any other trade on site. If Cascade observes that safety monitoring is not being performed in strict compliance with the site-specific health and safety plan, applicable federal, state or local laws, and/or as contractually required, Cascade may cease operations and go on standby until safety monitoring is resumed. Cascade shall be entitled to an equitable adjustment in its contract price, including standby time, and for time to perform its work.

INFORMATION: Client has superior knowledge of the job site, site history, access routes to the job site, known or suspected contaminants, surface and subsurface conditions, etc. The Client is obligated to advise Cascade of all or any conditions that may affect Cascade's work. Client agrees to provide Cascade with such specifications, plans, site history information, reports, studies or other information on surface and subsurface conditions as will be reasonably required by Cascade for safe, proper and timely performance of its work. Client shall locate all underground utilities and structures. Client shall obtain all necessary permits and rights-of-way and indemnify, defend, and hold Cascade harmless for its failure to do so and for claims of trespass or damage to property, including underground utilities or structures, which arise out of the performance of Cascade's work.

DISPOSAL: Cascade is not, and has no authority to act as, a handler, generator, operator, treater, storer, transporter or disposer of hazardous waste, substances, pollutants or contaminants found or identified at the site. Cascade shall have no responsibility for the transportation, storage, treatment or disposition of contaminated or potentially contaminated waste materials of any kind which are directly or indirectly generated from Cascade's performance of work. Client or its agents shall be responsible for the disposal of any such waste materials.

CHANGED CONDITIONS: The discovery of any hazardous waste, substance, pollutant, contaminant, underground obstruction, condition or utilities on or under the job site which were not brought to the attention of Cascade prior to Cascade commencing work, and which create health and safety risks, or requires Cascade to perform work outside the original scope or beyond its capabilities, will constitute a materially different site condition entitling Cascade to immediately terminate its work (and to receive payment for all work performed up to and including the date of termination). If Cascade elects to continue its work, it is entitled to receive an equitable adjustment in its contract price, including standby time, and for time to perform its work.

INDEMNIFICATION: Client agrees to indemnify, defend, and hold Cascade and its agents harmless from and against any and all claims, demands, causes of action (including third party claims for contribution or indemnification), liability and costs (including attorneys' fees and other costs of defense) which result from (i) any release or threatened release of any substance (whether hazard or not); (ii) any claim that Cascade, or any of its subcontractors was a "generator" or "transporter" of hazardous waste or an "operator" of the job site (as such terms are used or defined under local, state or federal laws or regulations); or (iii) any negligent or wrongful act or omission of Client or others under Client's control, except the duty to indemnify, defend, and hold harmless shall not apply to the extent any demand or cause of action results solely from Cascade's negligence or willful misconduct.

INCORPORATION CLAUSE: All work performed by Cascade is subject to these terms and conditions. All terms and conditions contained in Cascade's bids, proposals, and invoices, as now exist and as may be modified, are expressly incorporated herein by this reference and made a part of the terms and conditions.

INTEGRATION: The terms and conditions stated herein constitute the entire understanding of the parties relating to Cascade's work. All previous proposals, offers, and other communications relative to the work, oral or written, are hereby superseded. Any additional or conflicting provision(s) contained in any purchase order, acknowledgment, contract, or other form of the Client is hereby expressly objected to by Cascade and shall not modify these terms and conditions.

APPLICABLE LAW/JURISDICTION & VENUE: Any lawsuit to collect the balance due, enforce the terms and conditions, or that pertains to Cascade's work shall be governed by the laws of the State of Washington, USA. Client agrees that if a lawsuit or action is necessary that it shall be brought in Superior Court for King County, Washington. In the event that such lawsuit or action includes enforcement of a real property lien, such action shall be brought in the county and state in which the real property is located.

SEVERABILITY: If any of these terms and conditions are determined to be invalid or unenforceable, such determination shall not affect the validity and enforceability of the remaining terms and conditions.

