

CEMENT JOB REPORT



CUSTOMER Marathon Oil Company			DATE 25-JUL-08		F.R. # 1001345784		SERV. SUPV. ADAM R OBERHEU					
LEASE & WELL NAME 596-30C28 - API 05045150770000			LOCATION 31-5S-96W			COUNTY-PARISH-BLOCK Garfield Colorado						
DISTRICT Grand Junction			DRILLING CONTRACTOR RIG # H&P 324			TYPE OF JOB Long String						
SIZE & TYPE OF PLUGS		LIST-CSG-HARDWARE				PHYSICAL SLURRY PROPERTIES						
Cement Plug, Rubber, Top 4-1/2 in		Guide Shoe, Cement Nose, 4-1/2 in				SACKS OF CEMENT	SLURRY WGT PPG	SLURRY YLD FT³	WATER GPS	PUMP TIME HR:MIN	Bbl SLURRY	Bbl MIX WATER
		Float Collar, AI Flap, 4-1/2 - 8rd										
MATERIALS FURNISHED BY BJ												
Surebond II							9.1				30	
Claytreat Water							8.34				10	
Premium Lite HS						673	12.5	2.50	13.08		299.69	209.57
Claytreat Water							8.34				153.44	
Available Mix Water 1200 Bbl. Available Displ. Fluid 1200 Bbl.						TOTAL				493.13	209.57	
HOLE			TBG-CSG-D.P.				COLLAR DEPTHS					
SIZE	% EXCESS	DEPTH	SIZE	WGT.	TYPE	DEPTH	GRADE	SHOE	FLOAT	STAGE		
7.875		10021	4.5	11.6	CSG	9996	P-110	9996	9932			
LAST CASING			PKR-CMT RET-BR PL-LINER			PERF. DEPTH		TOP CONN		WELL FLUID		
SIZE	WGT	TYPE	DEPTH	BRAND & TYPE		DEPTH	TOP	BTM	SIZE	THREAD	TYPE	WGT.
9.625	36	CSG	3000	NO PACKER		0			4.5	8 RD	WATER BASED MU	8.8
DISPL. VOLUME		DISPL. FLUID		CAL. PSI	CAL. MAX PSI	OP. MAX	MAX TBG PSI		MAX CSG PSI		MIX WATER	
VOLUME	UOM	TYPE	WGT.	BUMP PLUG	TO REV.	SQ. PSI	RATED	Operator	RATED	Operator		
153.4	BBLS	Claytreat Water	8.34	2150					10690	8552	FRAC TANK	
Circulation Prior to Job												
Circulated Well: Rig <input checked="" type="checkbox"/> BJ <input type="checkbox"/>						Circulation Time: 2.5			Circulation Rate: 5 BPM			
Mud Density In: 8.8 LBS/GAL Mud Density Out: 8.8 LBS/GAL						PV & YP Mud In:			PV & YP Mud Out:			
Gas Present: NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> Units:						Solids Present at End of Circulation: NO <input checked="" type="checkbox"/> YES <input type="checkbox"/>						
Displacement And Mud Removal												
Displaced By: Rig <input type="checkbox"/> BJ <input checked="" type="checkbox"/>						Amount Bled Back After Job: 1.25 BBLS						
Returns During Job: <input type="checkbox"/> NONE <input type="checkbox"/> PARTIAL <input checked="" type="checkbox"/> FULL						Method Used to Verify Returns: VISUAL						
Cement Returns at Surface: <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO						Were Returns Planned at Surface: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES						
Pipe Movement: <input type="checkbox"/> ROTATION <input type="checkbox"/> RECIPROCATION <input type="checkbox"/> NONE <input type="checkbox"/> UNABLE DUE TO STUCK PIPE												
Centralizers: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES						Quantity:		Type: <input type="checkbox"/> BOW <input type="checkbox"/> RIGID				
Job Pumped Through: <input type="checkbox"/> CHOKE MANIFOLD <input type="checkbox"/> SQUEEZE MANIFOLD <input checked="" type="checkbox"/> MANIFOLD <input type="checkbox"/> NO MANIFOLD												
Plugs												
Number of Attempts by BJ: Competition:						Wiper Balls Used: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES Quantity:						
Plug Catcher Used: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES						Parabow Used: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES						
Was There a Bottom: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES						Top of Plug: FT			Bottom of Plug: FT			
Squeezes (Update Original Treatment Report for Primary Job)												
BLOCK SQUEEZE <input type="checkbox"/>		SHOE SQUEEZE <input type="checkbox"/>		TOP OF LINER SQUEEZE <input type="checkbox"/>		PLANNED <input type="checkbox"/>		UNPLANNED <input type="checkbox"/>				
Liner Packer: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES		Bond Log: <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES		PSI Applied:		Fluid Weight: LBS/GAL						
Casing Test (Update Original Treatment Report for Primary Job)												
Casing Test Pressure: PSI With LBS/GAL Mud						Time Held: Hours Minutes						
Shoe Test (Update Original Treatment Report for Primary Job)												
Depth Drilled out of Shoe: FT						Target EMW: LBS/GAL			Actual EMW: LBS/GAL			
Number of Times Tests Conducted:						Mud Weight When Test was Conducted: LBS/GAL						
EXPLANATION: TROUBLE SETTING TOOL, RUNNING CSG, ETC. PRIOR TO CEMENTING:												

CEMENT JOB REPORT



Problems Before Job (I.E. Running Casing, Circulating Well, ETC)

Problems During Job (I.E. Lost Returns, Equipment Failure, Bulk Delivery, Foaming, ETC)

Problems After Job (I.E. Gas at Surface, Float Equipment Failed, ETC)

PRESSURE/RATE DETAIL						EXPLANATION	
TIME HR:MIN.	PRESSURE - PSI		RATE BPM	Bbl. FLUID PUMPED	FLUID TYPE	SAFETY MEETING: BJ CREW <input checked="" type="checkbox"/> CO. REP. <input checked="" type="checkbox"/>	
	PIPE	ANNULUS				TEST LINES	4758 PSI
						CIRCULATING WELL - RIG	<input checked="" type="checkbox"/> BJ <input type="checkbox"/>
14:20						LEAVE YARD	
16:15						ARRIVE AT LOCATION	
16:30						PRE-RIG UP/ JSA MEETING	
17:45						SAFETY MEETING W/ RIG CREW, COMPANY MAN & CREW	
18:20	4758					PRESSURE TESTED LINES @ 4758 PSI	
18:24	166		4.5	30	SMS	PUMPED SUREBOND PRE-FLUSH	
18:35	165		4.5	10	H2O	PUMPED 10 BBL CLAYTREAT WATER SPACER	
18:40	262		4.9	20	CMT	BEGAN PUMPING CEMENT SLURRY	
18:57	272		4.8	80	CMT	PUMPING CEMENT SLURRY	
19:14	204		4.1	150	CMT	PUMPING CEMENT SLURRY	
19:31	68		2.5	225	CMT	PUMPING CEMENT SLURRY, HAD TO SLOW RATE DUE TO AIR PRESSURE	
19:39	116		3.3	240	CMT	PUMPING CEMENT SLURRY	
19:50	139		3.4	280	CMT	PUMPING CEMENT SLURRY---310 BBLS TOTAL	
20:05						WASH LINES & DROP PLUG	
20:10						BEGAN DISPLACEMENT	
20:12				3	H2O	PUMPED 3 BBLS, SHUT DOWN TO ENSURE PLUG AWAY	
20:16	127		5.4	10	H2O	PUMPING DISPLACEMENT	
20:22	131		5.4	40	H2O	PUMPING DISPLACEMENT	
20:28	146		5.4	70	H2O	PUMPING DISPLACEMENT	
20:32	154		5.4	90	H2O	PUMPING DISPLACEMENT	
20:34	522		5.4	105	H2O	CAUGHT PRESSURE @ 105 BBLS	
20:35	634		5.4	110	H2O	PUMPING DISPLACEMENT	
20:38	737		4.4	130	H2O	PUMPING DISPLACEMENT	
20:41	894		4.4	140	H2O	PUMPING DISPLACEMENT, SLOWED TO 2.3 BPM @ 145 BBLS	
20:43	1222		2.3	150	H2O	PUMPING DISPLACEMENT	
20:45	2107			152	H2O	BUMPED PLUG @ 2107 PSI---1275 PSI FINAL CIRCULATING	
20:51					H2O	BLED OFF PRESSURE----1.25 BBLS BACK, FLOATS HELD	
21:00						STOP SERVICE	

BUMPED PLUG	PSI TO BUMP PLUG	TEST FLOAT EQUIP.	BBL.CMT RETURNS/ REVERSED	TOTAL BBL. PUMPED	PSI LEFT ON CSG	SPOT TOP OUT CEMENT	Service Supervisor Signature:
<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	2107	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	0	492	0	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	



CUSTOMER (COMPANY NAME) Marathon Oil Company					CREDIT APPROVAL NO. A10011074084		PURCHASE ORDER NO. 4800005769		CUSTOMER NUMBER 20055468 - 00233694		INVOICE NUMBER 1415404			
MAIL INVOICE TO :					STREET OR BOX NUMBER ATTN: A/P P.O.BOX 22165		CITY Tulsa		STATE Oklahoma		ZIP CODE 74121-2165			
DATE WORK COMPLETED		MO. 07	DAY 25	YEAR 2008	BJ REPRESENTATIVE ADAM R OBERHEU		WELL API NO: 05045150770000		WELL TYPE : New Well					
BJ SERVICES DISTRICT Grand Junction					JOB DEPTH (ft) 9,996		WELL CLASS : Gas							
WELL NAME AND NUMBER 596-30C28					TD WELL DEPTH (ft) 10,021		GAS USED ON JOB : No Gas							
WELL LOCATION :		LEGAL DESCRIPTION 31-5S-96W			COUNTY/PARISH Garfield		STATE Colorado		JOB TYPE CODE : Long String					
PRODUCT CODE		DESCRIPTION				UNIT OF MEASURE		QUANTITY		LIST PRICE UNIT		GROSS AMOUNT	PERCENT DISC.	NET AMOUNT
100121		Silica Flour				lbs		11710		0.450		5,269.50	60%	2,107.80
100275		Sodium Metasilicate				lbs		117		3.320		388.44	60%	155.38
100283		R-3				lbs		176		2.980		524.48	60%	209.79
100295		Cello Flake				lbs		168		4.140		695.52	60%	278.21
121110		Cement Plug, Rubber, Top 4-1/2 in				ea		1		122.250		122.25	60%	48.90
398244		Premium Lite High Strength				sacks		673		44.000		29,612.00	60%	11,844.80
398308		Surebond II Spacer				gals		1260		2.710		3,414.60	60%	1,365.84
424509		FP-13L				gals		4		152.000		608.00	60%	243.20
428086		BA-59				lbs		176		29.100		5,121.60	60%	2,048.64
488013		CD-32				lbs		293		10.750		3,149.75	60%	1,259.90
488015		FL-52				lbs		410		21.800		8,938.00	60%	3,575.20
488137		Claytreat 3C				gals		8		111.250		890.00	60%	356.00
499634		Kol Seal				lbs		2019		0.960		1,938.24	60%	775.30
499680		Static Free				lbs		14		32.400		453.60	60%	181.44
		SUB-TOTAL FOR Product Material										61,125.98	60.00%	24,450.40
ARRIVE LOCATION :		MO. 07	DAY 25	YEAR 2008	TIME 16:15	SERVICE ORDER: I AUTHORIZE WORK TO BEGIN PER SERVICE INSTRUCTIONS IN ACCORDANCE WITH THE TERMS AND CONDITIONS PRINTED ON THE LAST PAGE OF THIS FORM AND REPRESENT THAT I HAVE AUTHORITY TO ACCEPT AND SIGN THIS ORDER.				SERVICE RECEIPT: I CERTIFY THAT THE MATERIALS AND SERVICES LISTED WERE RECEIVED AND ALL SERVICES PERFORMED IN A WORKMANLIKE MANNER.				
CUSTOMER REP. MAC HANSEN					CUSTOMER AUTHORIZED AGENT				X CUSTOMER AUTHORIZED AGENT					
SEE LAST PAGE FOR GENERAL TERMS AND CONDITIONS									X BJ SERVICES APPROVED					



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PRODUCT CODE		DESCRIPTION				UNIT OF MEASURE		QUANTITY		LIST PRICE UNIT		GROSS AMOUNT		PERCENT DISC.		NET AMOUNT	
A152		Personnel Surcharge - Cement Svc				ea		1		145.500		145.50		0%		145.50	
M100		Bulk Materials Service Charge				cu ft		1370		3.410		4,671.70		60%		1,868.68	
R798		Automatic Density System				job		1		1,250.000		1,250.00		60%		500.00	
					SUB-TOTAL FOR Service Charges						6,067.20		58.56%		2,514.18		
F021A		Cement Pump Casing, 9001 - 10000 ft				8hrs		1		10,050.000		10,050.00		60%		4,020.00	
F038		Cement Pump Casing, Additional Hrs				hrs		3		775.000		2,325.00		60%		930.00	
H9985		High Pressure Hose				ea		1		500.000		500.00		0%		500.00	
J050		Cement Head				job		1		515.000		515.00		60%		206.00	
J225		Data Acquisition, Cement, Standard				job		1		1,335.000		1,335.00		60%		534.00	
J390		Mileage, Heavy Vehicle				miles		140		7.400		1,036.00		60%		414.40	
J391		Mileage, Auto, Pick-Up or Treating Van				miles		140		4.200		588.00		60%		235.20	
K371		Field Storage Bin, Up To 5 Days				job		1		1,035.000		1,035.00		60%		414.00	
					SUB-TOTAL FOR Equipment						17,384.00		58.27%		7,253.60		
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J401		Bulk Delivery, Dry Products				ton-mi		2939		2.470		7,259.33	60%	2,903.73
		SUB-TOTAL FOR Freight/Delivery Charges										7,259.33	60.00%	2,903.73
		FIELD ESTIMATE										91,836.51	59.58%	37,121.91
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BJ Services
CONDITIONS OF CONTRACT
Effective 08/19/96

CUSTOMER AND BJ SERVICES AGREE THAT THE SERVICES DESCRIBED ON THE FACE OF THIS SERVICE ORDER AND FIELD RECEIPT ARE TO BE PERFORMED SUBJECT TO AND IN CONSIDERATION OF THE FOLLOWING TERMS AND CONDITIONS:

1. CUSTOMER. For the purpose of this contract, the term Customer shall include agents, subsidiaries, joint venturers and partners of customers.
2. WELL CONDITION. Customer warrants that the well described on the face of this service order and field receipt is in proper condition to receive the products, supplies, materials, and services described herein.
3. INDEPENDENT CONTRACTOR. BJ Services is and shall be an independent contractor with respect to the performance of this contract and neither BJ Services nor anyone employed by BJ Services shall be the agent, representative, employee or servant of Customer in the performance of this contract or any part hereof.
4. PRICE. Customer agrees to pay BJ Services for the products, supplies, materials, and services described herein in accordance with BJ Services' current price list. In the event that BJ Services has agreed to charge Customer other than as set forth in such price list, the charges agreed upon by Customer and BJ Services shall be those set forth on the face of this service order and field receipt and the agreement of Customer thereto shall be conclusively established by its execution of the receipt set forth on the face of this service order and field receipt.
5. TERMS. Cash in advance unless BJ Services has approved credit prior to the sale. Credit terms for approved accounts are total invoice amount due on or before the 30th day from the date of the invoice at the address set forth therein. Past due accounts shall pay interest on the balance due at the rate of 1½% per month or the maximum allowable under applicable state law if such law limits interest to a lesser amount. In the event it is necessary to employ a third party to effect collection of said account, Customer agrees to pay all fees of such third party directly or indirectly incurred for such collection.
6. TAXES. Customer agrees to pay all taxes based on or measured by the charges set forth on the face of this service order and field receipt.
7. AMENDMENTS AND MODIFICATIONS. No field employee of BJ Services shall be empowered to alter the terms and conditions of this contract and BJ Services shall not be bound by any changes or modifications in this contract unless made in writing by a duly authorized executive officer of BJ Services. By requesting the goods and services set forth herein, Customer agrees to all the terms and conditions contained on both sides of this service order and field receipt, which constitutes the entire agreement between the parties, unless Customer and BJ Services have entered into a master service agreement or master work contract applicable to the services performed and products, supplies and materials furnished by BJ Services hereunder, in which event any term or provision of this service order and field receipt in conflict with the provisions thereof shall be deemed invalid to such extent. Subject only to the preceding sentence BJ Services hereby objects to any term of any purchase order, delivery ticket or receipt or other document that varies from or conflicts with the terms of this contract.
8. SEVERABILITY. It is understood and agreed by Customer and BJ Services that any term or provision of this contract prohibited by law shall be deemed invalid to the extent of such prohibition and shall be modified to the extent necessary to conform to such rule of law. Any term or provision of this contract not deemed invalid and modified pursuant to the preceding sentence shall remain in full force and effect without regard to such invalidity and modification.
9. LIMITED WARRANTY. BJ SERVICES WARRANTS ONLY TITLE TO PRODUCTS, SUPPLIES AND MATERIALS FURNISHED PURSUANT TO THIS CONTRACT AND THAT THE SAME WILL CONFORM TO THE DESCRIPTION SPECIFIED HEREIN AND 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. BJ SERVICES' LIABILITY AND CUSTOMERS EXCLUSIVE REMEDY IN ANY CAUSE OF ACTION (WHETHER IN CONTRACT, TORT, BREACH OR WARRANTY OR OTHERWISE) ARISING OUT OF THE SALE OR USE OF ANY PRODUCTS, SUPPLIES OR MATERIALS IS EXPRESSLY LIMITED TO THE REPLACEMENT OF SUCH PRODUCTS, SUPPLIES OR MATERIALS OR, AT BJ SERVICES' OPTION, TO THE ALLOWANCE TO THE CUSTOMER OF CREDIT FOR THE COST OF SUCH ITEMS. BJ SERVICES MAKES NO WARRANTIES FOR ANY EQUIPMENT, MATERIALS OR PRODUCTS MANUFACTURED BY THIRD PARTIES, BUT WILL PASS ON TO CUSTOMER ALL WARRANTIES OF THE MANUFACTURERS OF SUCH EQUIPMENT, MATERIALS OR PRODUCTS. BJ SERVICES IS UNABLE TO, AND DOES NOT, GUARANTEE THE ACCURACY OF ANY JOB RECOMMENDATION, RESEARCH ANALYSIS, DATA INTERPRETATION, OR OTHER INFORMATION FURNISHED TO CUSTOMER BY BJ SERVICES IN VIEW OF THE UNCERTAINTY OF WELL CONDITIONS AND THE RELIANCE BY BJ SERVICES AND CUSTOMER UPON INFORMATION AND SERVICES FURNISHED BY THIRD PARTIES. THEREFORE, NO WARRANTY EXPRESS OR IMPLIED IS GIVEN CONCERNING THE EFFECTIVENESS OF THE PRODUCTS, SUPPLIES OR MATERIALS USED, RECOMMENDATIONS GIVEN, OR SERVICES PERFORMED BY BJ SERVICES. CUSTOMER AGREES THAT BJ SERVICES SHALL NOT BE RESPONSIBLE FOR ANY DAMAGES ARISING FROM THE USE OF DATA FURNISHED BY BJ SERVICES. CUSTOMER ACCEPTS FULL RESPONSIBILITY FOR RETURNING THE WELL DESCRIBED ON THE FACE OF THIS SERVICE ORDER AND FIELD RECEIPT TO PRODUCTION. BJ SERVICES DOES NOT GUARANTEE THE EFFECTIVENESS OF THE PRODUCTS, SUPPLIES OR MATERIALS FURNISHED PURSUANT TO THIS CONTRACT NOR THE RESULTS OF ANY TREATMENT OR SERVICE IT PERFORMS HEREUNDER.
10. FORCE MAJEURE. Any delays or failure by BJ Services in the performance of this contract shall be excused if and to the extent caused by war, fire, flood, strike or other labor trouble, accident, riot, acts of God, or any other cause beyond the reasonable control of BJ Services.
11. CHEMICAL DISPOSAL. Customer agrees that all chemicals used in performance of this contract which are not removed from the location of the well by BJ Services shall be disposed of by Customer in accordance with all applicable federal, state and local laws and regulations.

12. LIABILITY AND INDEMNITY OBLIGATIONS.

(A) BJ SERVICES SHALL PROTECT, DEFEND, INDEMNIFY, HOLD HARMLESS AND RELEASE CUSTOMER, ITS PARENT, SUBSIDIARY AND AFFILIATED COMPANIES AND ITS AND THEIR OFFICERS, DIRECTORS AND EMPLOYEES ("CUSTOMER GROUP") FROM AND AGAINST ALL CLAIMS, DEMANDS, LOSSES, LIABILITIES, PENALTIES, COSTS, EXPENSES (INCLUDING REASONABLE ATTORNEYS' FEES) AND CAUSES OF ACTION OF EVERY KIND AND CHARACTER (COLLECTIVELY, "CLAIMS") ARISING IN FAVOR OF (I) BJ SERVICES' EMPLOYEES OR THE EMPLOYEES OF BJ SERVICES' SUBCONTRACTORS ON ACCOUNT OF BODILY INJURY, DEATH OR DAMAGE TO PROPERTY OR (II) BJ SERVICES ON ACCOUNT OF DAMAGE TO BJ SERVICES' PROPERTY, EXCEPT AS OTHERWISE PROVIDED BELOW, INCLUDING, IN EACH CASE, CLAIMS CAUSED BY THE SOLE, JOINT AND/OR COMPARATIVE NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT OF CUSTOMER GROUP.

(B) CUSTOMER SHALL PROTECT, DEFEND, INDEMNIFY, AND HOLD HARMLESS AND RELEASE BJ SERVICES, ITS PARENT, SUBSIDIARY AND AFFILIATED COMPANIES AND ITS AND THEIR OFFICERS, DIRECTORS AND EMPLOYEES ("BJ SERVICES GROUP") FROM AND AGAINST ALL CLAIMS ARISING IN FAVOR OF (I) CUSTOMER'S EMPLOYEES OR THE EMPLOYEES OF CUSTOMER'S OTHER CONTRACTORS OR THEIR SUBCONTRACTORS ON ACCOUNT OF BODILY INJURY, DEATH OR DAMAGE TO PROPERTY, OR (II) CUSTOMER ON ACCOUNT OF LOSS OR DAMAGE TO CUSTOMER'S PROPERTY, EXCEPT AS OTHERWISE PROVIDED BELOW, INCLUDING, IN EACH CASE, CLAIMS CAUSED BY THE SOLE, JOINT AND/OR COMPARATIVE NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT OF BJ SERVICES GROUP.

(C) CUSTOMER SHALL PROTECT, DEFEND, INDEMNIFY, HOLD HARMLESS AND RELEASE BJ SERVICES GROUP FROM AND AGAINST ANY CLAIMS FOR POLLUTION OR CONTAMINATION, INCLUDING THE CLEANUP OR REMOVAL THEREOF ARISING OUT OF OR CONNECTED WITH THE PERFORMANCE BY BJ SERVICES OF SERVICES FOR THE CUSTOMER (AND NOT ASSUMED BY BJ SERVICES IN THE FOLLOWING SENTENCE) INCLUDING BUT NOT LIMITED TO CLAIMS THAT MAY RESULT FROM WELL FIRE, BLOWOUT, CRATERING, SEEPAGE OR ANY OTHER UNCONTROLLABLE FLOW OF OIL, GAS, WATER OR OTHER SUBSTANCES, INCLUDING CLAIMS CAUSED BY THE SOLE, JOINT AND/OR COMPARATIVE NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT OF BJ SERVICES GROUP. BJ SERVICES SHALL PROTECT, DEFEND, INDEMNIFY, HOLD HARMLESS CUSTOMER GROUP FROM AND AGAINST ANY CLAIMS FOR POLLUTION OR CONTAMINATION, INCLUDING THE REMOVAL THEREOF, ORIGINATING ABOVE THE SURFACE OF THE EARTH FROM SPILLS, LEAKS OR DISCHARGES OF FUELS, LUBRICANTS, MOTOR OILS, PIPE DOPE, PAINT, SOLVENTS, SLUDGE OR GARBAGE IN THE POSSESSION AND CONTROL OF BJ SERVICES AND ASSOCIATED WITH CONTRACTORS' EQUIPMENT AND FACILITIES, EXCEPTING ANY POLLUTION IN RESERVE PITS FROM FLOWBACK INCIDENT TO B.J. SERVICES' OPERATIONS.

(D) CUSTOMER SHALL PROTECT, DEFEND, INDEMNIFY, HOLD HARMLESS AND RELEASE BJ SERVICES GROUP FROM AND AGAINST ANY AND ALL CLAIMS ARISING IN FAVOR OF CUSTOMER OR ANY THIRD PARTY INCLUDING, BUT NOT LIMITED TO, ANY GOVERNMENTAL ENTITY OR PARTY FOR WHOM CUSTOMER IS ACTING (INCLUDING CUSTOMER'S CO-WORKING INTEREST OWNERS) FOR ALL DAMAGES OR LOSSES RESULTING FROM PRODUCTS, SERVICES OR EQUIPMENT PROVIDED BY BJ SERVICES ON ACCOUNT OF (I) LOSS OF THE HOLE, (II) DAMAGE OR INJURY TO ANY DOWNHOLE PROPERTY OR ANY PROPERTY RIGHT IN OR TO OIL, GAS OR OTHER SUBSTANCES OR WATER (III) LOSS OR DAMAGE TO, OR CONTAMINATION OF, ANY FORMATIONS, STRATA OR RESERVOIRS BENEATH THE EARTH'S SURFACE, (IV) SUBSURFACE TRESPASS OR (V) ANY OTHER SIMILAR LOSSES OR DAMAGES, AND WITHOUT REGARD TO THE NEGLIGENCE OF ANY PARTY OR PARTIES, INCLUDING, IN EACH CASE, CLAIMS CAUSED BY THE SOLE JOINT AND/OR COMPARATIVE NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT OF BJ SERVICES GROUP.

(E) CUSTOMER WILL ASSUME LIABILITY FOR BJ SERVICES' EQUIPMENT WHICH MAY BE LOST OR DAMAGED IN THE HOLE, REGARDLESS OF ANY NEGLIGENCE OF ANY PARTY, AND WILL AT ITS OWN EXPENSE AND RISK ATTEMPT TO RECOVER SUCH EQUIPMENT. THE VALUE OF ANY UNRECOVERABLE, LOST OR DAMAGED EQUIPMENT SHALL BE REIMBURSED BY CUSTOMER AT THE FAIR MARKET VALUE ON THE DATE OF LOSS OF SUCH EQUIPMENT, BUT IN NO EVENT AT A VALUE LESS THAN 50% OF THE THEN CURRENT REPLACEMENT COST.

(F) BJ SERVICES AND CUSTOMER AGREE TO SUPPORT THEIR INDEMNITY OBLIGATIONS HEREIN BY FURNISHING LIABILITY INSURANCE COVERAGE OR QUALIFIED SELF INSURANCE IN AN AMOUNT OF NO LESS THAN \$2,000,000. HOWEVER BJ SERVICES AND CUSTOMER AGREE AND INTEND THAT, TO THE FULLEST EXTENT ALLOWED FROM TIME TO TIME BY APPLICABLE LAW, THEIR RESPECTIVE INDEMNITIES UNDER THESE TERMS AND CONDITIONS ARE TO APPLY WITHOUT LIMIT, AND ARE NOT TO BE LIMITED TO THE AMOUNT OF INSURANCE EITHER OF THEM MAY FROM TIME TO TIME MAINTAIN OR AGREE TO MAINTAIN. IF IT SHOULD BE DETERMINED THAT THE INDEMNITY OBLIGATIONS ASSUMED HEREUNDER THAT ARE TO BE SUPPORTED EITHER BY INSURANCE OR SELF INSURANCE EXCEEDS THAT WHICH IS PERMITTED UNDER APPLICABLE LAW, THEN SUCH INDEMNITIES SHALL AUTOMATICALLY BE AMENDED TO CONFORM TO THE MONETARY LIMITS PERMITTED UNDER SUCH LAW.

13. CONFIDENTIAL INFORMATION. Customer and BJ Services will use their best efforts to maintain the confidentiality of all records and proprietary information obtained by either party in the performance of any services by BJ Services. Such information will not be disclosed by either party to its employees unless it is necessary in order to perform or evaluate such services, or to any third parties without the prior consent of the other party.

14. WAIVER. (A) Neither BJ Services nor Customer will be liable to the other for special, incidental, indirect or consequential damages resulting from or arising out of the products or equipment provided or the services performed by BJ Services hereunder, including but not limited to, loss of profit or revenue or business interruption losses, whether or not arising under an alleged breach of warranty or caused by the sole, joint and/or comparative negligence, strict liability or other fault of either party. (B) Customer represents that it is a business consumer purchasing products and services from BJ Services for commercial use, that it has experience in business matters that enable it to evaluate the merits and risks of the purchase of such products and services, and that it is not in a significantly disparate bargaining position. Customer waives the provisions of the Texas Deceptive Trade Practices Act (other than section 17), as from time to time amended.

15. GOVERNING LAW. This contract shall be governed by the law of the State of Texas.