

Thank you for your interest in establishing credit with our company. Just as soon as we receive the attached Credit Request Forms and appropriate signatures, I will immediately confirm your credit status with **INROCK**[®]. *Please fax the completed forms to: 713-466-6815.*

Please note the middle of the page on the form **CREDIT REQUEST**. It is extremely important that your company provide the credit references that are of a sufficient amount to support the credit facility that you require from us. Please review or terms and Conditions attached at the end of this document.

We look forward to a mutually rewarding association with your company, not only on this project, but those that will be awarded to you in the future.

THANKS FOR CHOOSING INROCK[®]! Please let us know if we can be of any help for your next project.

CREDIT AGREEMENT

Terms:

INROCK®'s terms of payment are net thirty (30) days. All amounts for open credit and all other indebtedness will be due and payable at our offices in Houston, Harris County, Texas within thirty (30) days from the date of invoice. All accounts not so paid will be considered to be delinquent.

Delinquent accounts are by the terms of this agreement to bear interest at the fixed rate of 18% per annum (simple interest) from the date the account becomes delinquent. The interest will be charged by invoices issued monthly. Interest invoices will be due, and payable, upon receipt.

This agreement shall be governed by the substantive laws of Texas, regardless of whether the conflict of laws or provisions of said jurisdiction would result in the application of the substantive law of any other jurisdiction.

It is **NOT** our intention to establish revolving credit. Payment in full of all invoices is due thirty (30) days from date of the invoice, and therefore any delinquency could result in a curtailment of shipment of any, and/or, all goods.

This agreement must be accepted by an officer of the company requesting credit from INROCK®, and has the authority of bind said company to this agreement.

Please retain one (1) copy of this agreement for your file, and return the other copy to INROCK® .

Accepted By: _____

Company: _____

By: _____

Title: _____

Date: _____



Setting the standards
for superior performance

CREDIT REQUEST

Your Company Name: _____

Street Address and/or P. O. Box: _____

City, State, Zip Code: _____

Telephone: _____ Fax: _____ Cell: _____

Type of Business: (*Circle One*) Corporation Partnership Proprietorship Start Date: _____

Name of President, Owner, or Partner(s): _____

Bank References:

Bank	Address	City	State	Zip	Phone #	Fax # (required)	Account #
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1. _____

REFERENCES THAT ARE NEEDED AND IMPORTANT FOR QUICK CREDIT APPROVAL!

Ask your INROCK® representative for an estimated cost of your Drilling Tool(s) requirements so that we may better serve you with a quick reply to your credit request. Please send only those credit references that will monetarily support the amount of credit you are requesting.

Name	Address	City	State	Zip	Phone #	Fax # (required)	Account #
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1. _____

2. _____

3. _____

4. _____

5. _____

I (we) understand that the information furnished you on this page is for the purpose of obtaining credit from your firm; that I am (we are) authorized by my (our) firm accordingly; that all accounts shall be due and payable within thirty (30) days after the date of invoice; that all accounts or monies due you shall be payable in Houston, Harris County, Texas; and that I am (we are) authorized to bind my (our) firm accordingly.

Signature

Title

Date

INROCK®

COMPLETE PRODUCTS & SERVICES CHECKLIST

“You Supply the Rig.....We Supply the Rest”!!

DRILLING SYSTEMS

Project Planning & Feasibility
Time/Cost Estimates
Drilling Tool Selection
Field Supervision & Training
Directional Mud Motors
Drill Bits
Orientation Subs
Sonde Housings

Rock Reamers
Centralizers
Pull Back Swivels
Non-Mag Drill Collars
Jetting Assemblies
Cross-over Subs
Barrel Reamers
Fly Cutters

GUIDANCE SYSTEMS

Steering Tool Systems & Services
Magnetic Service Tracking
Field Technicians
Training & Supervision
Wireline Spiders
Running Gear & Accessories

EQUIPMENT SYSTEMS

Safety Tongs Power Tongs
Gearench Buk-Up Tongs

Day Rates—Monthly Leases—Purchase

DRILLING FLUIDS

Max Gel Hi-Yield 235 Bentonite
Smooth Bore Blended Hi-Yield Bentonite

Polymers, Detergents, Lubricants, Claybusters
Mud Testing Equipment and Supplies

For soft formation tools, drilling accessories and rig supplies contact:

DRILLERS SUPPLY INC. an INROCK® company

RamRod Drill Pipe
Drill Rods & Drill Pipe
Delta Blade Reamer
Hard Head

Texas Reamer
Drive Chucks & Kits
Starter Rods & Hex Collars
Jaw Dies

Website: www.drillers-supply.com

Phone: 713-466-7711

Fax: 713-466-7936

INROCK® TERMS, CONDITIONS AND INDEMNITY AGREEMENT

In consideration for INROCK® renting and delivering materials and equipment, customer agrees to abide by all terms and conditions as set out herein, and further agrees to incorporate all bid proposals and invoices into this agreement.

1. As a Service Contractor, INROCK®'s personnel will provide suggestions to make recommendations, in good faith, in order to assist in maximizing customer's performance. It is understood that it is the customer's responsibility at all times for any and all decisions relative to the production of the job. Customer understands that INROCK® is merely assisting in the use of the rented equipment and hold INROCK® harmless for any damages attributable to decisions made, whether that decision was made in whole or in part based upon the recommendations of INROCK®.
2. Customer shall make payment to INROCK® for services and materials at the rates and under the conditions set forth in this agreement including any bid proposals or invoices sent to Customer. Customer represents to INROCK® that it is solvent and able to pay its obligations hereunder when due. All payments shall be in United States dollars payable at Houston, Texas. INROCK® shall bill Customer at the address specified in its order on the completion of the work on a particular project, or monthly if the duration exceeds one month, and Customer shall pay INROCK® within thirty (30) days of date of invoice. Customer promises to pay INROCK® the full amount of the invoice together with interest on such amount outstanding from time to time thereon, which interest will accrue from thirty (30) days after the date of the invoice until paid at a rate of ten percent (10%) per annum. Any dispute over payment of sums due INROCK® shall be litigated in the District or County Courts of Houston, Harris County, Texas, and Customer agrees that venue is proper in Houston, Harris County, Texas. Customer's obligation for payment will commence when equipment departs INROCK®'s primary place of business and continue on a daily basis until returned to its place of business in Houston, Texas. Customer shall be liable for and agrees to pay the reasonable expense incurred by INROCK® in enforcing its rights and remedies, in retaking, holding, testing, repairing, improving, selling, leasing or disposing of the material or equipment covered hereby, or like expenses, including, without limitation, attorneys' fees and legal expenses incurred by INROCK®.
3. In the event of a breach of any term or condition set out in this agreement, including the non-payment of any sums that become due and owing, INROCK® will have the right, but not the obligation, to make demand upon the General Contractor, Sub-Contractor, and/or the owner/lessee/easement holder of the property for satisfaction of all amounts due hereunder, and shall be entitled to any and all mechanic and material man lien rights against real property as provided by law. Without waiver or limitation of any other right of INROCK® herein, in the event of any default by Customer in any of its obligations, Customer shall at its own expense return all equipment to INROCK® principal place of business. Acceptance of any returned equipment will, in no way, alter or affect the rights and remedies of INROCK® under this agreement or as provided by law.
4. The tools and equipment of INROCK® are supplied to Customer at the request of Customer with the understanding that Customer is in complete control and custody of said equipment and that no other third party is in possession of same without the written consent of INROCK®. Customer agrees not to sub-lease, assign, convey or pledge said equipment to any third party or entity without the prior written consent of INROCK®. Customer shall be responsible for equipment repair, maintenance, spare parts and supplies used in normal operations and agrees to promptly pay upon being billed. Customer shall be responsible for all transportation charges to and from such facility, including import/export charges and taxes, if applicable. In the event Customer desires to return any of the materials and equipment in new condition sold to Customer, which INROCK® in its sole discretion may or may not accept, Customer agrees to pay ten percent (10%) restocking charge based upon the original invoiced amount for such returned items.

5. Neither INROCK® nor its employees shall have any liability whatsoever to whomsoever for injury to or illness or death of any employee of Customer, its customers, contractors or sub-contractors (other than INROCK®), however caused, which may arise through the negligence or other legal fault of INROCK® or its employees. This includes any loss, damage, liability, suit, claim or expense as a result of such injury, illness or death and customer agrees to indemnify and hold INROCK® harmless from any and such claims.
6. The parties agree that INROCK® will not be liable to Customer for injury to Customer's business or property, arising out of the failure or defectiveness of any item furnished by INROCK® pursuant to this Agreement, including all cases in which the defect, or the resultant injury results from, the design, manufacture, distribution, or operation of any item supplied under this Agreement, or from the failure of INROCK® to provide timely warnings concerning the items supplied under this Agreement whether that failure or defectiveness is the sole or contributory cause of the resultant injury. INROCK® shall not be liable for, and shall be saved and held harmless by Customer from and against any and all suits, actions, damages, or liability of any character, type, or description, including all expenses of litigation, court costs, and attorney's fees for injury or death to any person, or injury to any property, received or sustained by any person or person or property, arising out of, or occasioned by the performance of Customer under this Agreement, including claims and damages arising in whole or in part from the negligence of INROCK®.
7. Customer has sole liability for, and must reimburse INROCK® for all expenses, losses, fines and penalties of every type, including reasonable attorney's fees, imposed by any governmental or regulatory agency or entity by virtue of Customer's use or operation of any leased property, or because of the failure by Customer to perform any of the terms and conditions states herein. Customer will pay INROCK® either the costs of repair or, if the equipment is not repairable or lost, the replacement value of INROCK®'s tools and equipment lost, or in any other way not returned to INROCK® in conformity with this agreement (including cost of transportation, custom fees, insurance and other related costs).
8. Customer hereby assigns and conveys to INROCK® any and all right, title and interest that may exist in any entitlement to proceeds under any Payment and Performance Bonds which may be issued to any General Contractor or Sub-Contractor in connection with work performed where INROCK®'s equipment is used or any other bonds insuring customer which may exist regardless of where INROCK®'s equipment is used. Customer further hereby assigns unto INROCK® any and all interest in and to any casualty or general liability insurance benefits, which may exist in connection with loss or damage to this equipment, including loss of business profit.
9. Customer shall employ and have absolute control, supervision, and responsibility over any operations or users of the property. Customer must use the leased property in a careful and proper manner. Customer agrees that the leased property will be used in accordance with any applicable vendors or manufacturer's manuals or instructions, by competent and fully qualified personnel only. Customer agrees to reimburse INROCK® in full for all damages to the property arising from any misuse or negligence act by Customer, its employees or its agents. Customer shall not permit any leased property to be operated or used in violation of any applicable federal, state, or local statute, law ordinance, rule, or regulation relating of the possession, use or maintenance of the property. Customer will indemnify and hold Customer harmless from all liabilities, fines, forfeitures, or penalties for violations of any statute, law, ordinance, rule or regulation of any duly constituted public authority.
10. This Agreement constitutes a lease of the property and is not a sale or the creation of a security interest in the leased property. INROCK® at all times retains sole ownership and title to the leased property, and Customer does not have and will not, at any time, acquire any right, title, or interest in the property, except the right to possession and use as provided for in this Agreement. INROCK® shall not be liable to Customer and Customer shall indemnify and hold INROCK® harmless from and against any claims for any special, indirect or consequential losses or damages resulting from, or arising out of this Contract, including but not limited to, loss of business profits, business interruptions, breach of contract or otherwise, however same may have been caused.

11. INROCK® HEREBY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY WITH RESPECT TO THE EQUIPMENT CONVEYED UNDER THIS AGREEMENT AS DESCRIBED IN BUSINESS AND COMMERCE CODE SECTION 2.314, AND CUSTOMER EXPRESSLY DISCLAIMS THAT IT HAS CONTRACTED FOR OR RECEIVED ANY WARRANTY OF MERCHANTABILITY WITH RESPECT TO THE EQUIPMENT UNDER THIS AGREEMENT. INROCK® EXPRESSLY DISCLAIMS THE WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, AS DESCRIBED IN BUSINESS AND COMMERCE CODE SECTION 2.315, AND CUSTOMER EXPRESSLY DISCLAIMS THAT IT HAS CONTRACTED FOR OR RECEIVED ANY WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THOSE EQUIPMENT. THE EQUIPMENT UNDER THIS AGREEMENT IS DELIVERED "AS IS" AND THERE ARE NO WARRANTIES THAT EXTEND BEYOND THE DESCRIPTION ON THE FACE OF THIS AGREEMENT.
12. INROCK® warrants that the equipment furnished under Contract will conform to INROCK®'s published specifications in effect at the time, and be in good working order. In the event any article provided by INROCK® is defective upon delivery, INROCK® will repair or replace the part or parts shown to be defective. The above right to return the equipment for replacement equipment shall be the exclusive remedy of Customer. It is in lieu of all obligations or liabilities on the part of INROCK® for damages including, but not limited to consequential damages in connection with the delivery, repair, use, or performance of the equipment.
13. Customer acknowledges that the equipment supplied by INROCK® was manufactured by an unrelated third party and INROCK® makes no representation as to its merchantability or fitness for a particular purpose. Customer agrees that any and all claims for damages occasion by the defective product will be made against the manufacture of this product and customer will make no demand upon INROCK® for payment of said sums, and will further agree to indemnify and hold INROCK® harmless from any and all claims associated with any alleged product defect.
14. Customer shall not create or permit any liens to be imposed upon any equipment leased to Customer and Customer agrees to indemnify and hold INROCK® harmless from all liens created on the tools and equipment rented hereunder. Customer will pay all reasonable fees associated with obtaining possession of said equipment, including rental charges accrued during the recovery process. Should Customer violate any terms of this agreement, become bankrupt, insolvent, be placed in receivership or should any creditor or other person or entity attach or levy on INROCK®'s equipment, INROCK® shall immediately have the right, but not the obligation, without notice, to enter any premises where the equipment may be found, to retake and remove same and will not be liable for any consequential damage or loss as a result thereof. Customer agrees to maintain insurance in full force and effect against loss, theft, damage, or destruction of the leased property.

Agreed and Accepted on this _____ day of _____, 20____.

Customer

Name of Project Owner

Name of General Contractor

By: _____

Title: _____

Location of Equipment

Name of Construction Project