



AND ASSOCIATES, LTD.

GEOLOGICAL CONSULTING / SURFACE LOGGING SERVICES

1-800-578-1006 • 24 Hour Answering Service (432) 563-8851

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Re: COST PROPOSAL FOR MUD LOGGING SERVICES: Two-Man Crew with Fully Computerized (SLIC®) Logging Unit. One well, [REDACTED], located in [REDACTED], Texas. The drilling contractor is to be determined. Estimated spud and logging dates to be determined. The logging interval is from base of intermediate casing, ~3500', to PTD, ~7800'.

Dear [REDACTED],

Thank you for giving Selman & Associates, Ltd. this opportunity to again be of service to you and [REDACTED]

Since our company has rendered mud logging services, we have loggers currently on our staff with experience in the area. Our loggers have experience in Carbonates and Clastics, describing shows and significant knowledge of all logging operations including drilling operations and how these influence protecting the integrity of the data set. Our safety rating with ISNetworld is an "A". With that in mind, I would like to propose the following rate:

- [REDACTED] / day Fully Computerized (SLIC®) Two-Man Logging Services including / work/living quarters, communication service and personal H₂S equipment
- **Five (5) day minimum / well will apply**
- [REDACTED] / day Geosteering
- [REDACTED] / well Crew Mobilization
- [REDACTED] / well Rig Up
- [REDACTED] / well Rig Down
- [REDACTED] / day / man Oil Base Mud, if applicable
- [REDACTED] / mile from Midland, TX
- Color and/or Black & White Final Log Prints at Cost
- [REDACTED] Standby during any logging interval
- [REDACTED] Standby between wells, if applicable
- Free Internet Log Delivery
- Free WITSend® - *The WITSend® system allows you to view graphical and digital "real time" streaming well data from our website literally from anywhere the internet is accessible.*
- Free Rig in Your Pocket™ - *Powerful mobile app that lets you check the status of your wells, view your surface log and "real-time" data streaming with our service from the palm of your hand. Free download from the App Store.*
- Free Selman Photo Log with 4 picture tracks showing *White Light, Fluorescence, Post Solvent Cut and Post Solvent Residual Cut of each sample.*
- Free Selman LogIt® Viewing software downloadable from our website that has many, many features used to open our Selman mud logs files via email or web delivery.

(432) 563-0084
P. O. Box 61150
Midland, TX 79711

(361) 888-7564
4833 Saratoga #624
Corpus Christi, TX 78413

(307) 382-5692
P. O. Box 2993
Rock Springs, WY 82902

- Free Selman Oil Index Calculation (*Wetness, Character and Balance Ratio*) provided in the Selman Gas Ratio Log and LAS file.
- Free TVD (True Vertical Depth) Log to compliment the MD (Measure Depth) Log.
- 2 Final Field Logs at TD on location included
- Sample show description (including stain, cut and fluorescence) included
- SampleCam® pictures, UV and white light, of all samples included
- Rock lithology description (10 ft cutting samples frequency based upon ROP utilizing the "Humble board method", 1 dry cut set boxed and labeled) included
- Hydrocarbon gas detection including Total Gas, C-1, C-2, C-3, IC-4 and NC-4 inline integration of chromatogram components included
- Emailed daily reports including updated mud log in scales of your choice and morning report included
- WITS type data exchange capability included
- WITSML sending capability included
- [REDACTED] will provide depth with workstation, WITS, power, potable water and sewer ("Trailer Row"). Any services provided by Selman & Associates will be invoiced to [REDACTED] at cost plus 15%.
- Distribution of samples will be required within seven (7) days of TD or samples will be sent to the International Sample Library of Midland.
- Our services will be rendered pursuant to the Terms and Conditions set forth in the hereto attached Exhibit "A".

[REDACTED], we look forward to putting our expertise to work for you and [REDACTED]. If you wish for us to render the referenced services under the Terms and Conditions set forth in this proposal, please sign and return a copy of this proposal to our offices via email. If you have any questions, feel free to call me at (432) 563-0084.

Accepted and Agreed to:
 Selman & Associates, Ltd.
 By: Selman, L.L.C., General Partner

Accepted and Agreed to:

[REDACTED]



Tom Selman
 Vice President

By: _____

Title: _____

Website: selmanlog.com
Email: tselman@selmanlog.com

Date: _____

EXHIBIT "A"

TERMS AND CONDITIONS

- Logging Day** The Start Logging Day begins when the client requests our crews to be on location. A Logging Day is defined as the 24-hour period between midnight and midnight, or any portion thereof.
- Stand By** Consists of a 24-hour period of consecutive 24-hour periods, where Selman & Associates, Ltd. is released from duties at wellsite by client. It is client's responsibility to call in ample time for return travel, etc.
- Utilities** It is the client's responsibility to provide all electrical power, potable water and sewer.
- Office / Living Quarters** Customer will provide office / living quarters trailer skid / wheeled when applicable on "trailer row" on extended stay jobs.
- Location Access** It is the client's responsibility to maintain conditions to gain access to and from the location. If it becomes necessary to obtain a barge, bulldozer or other special equipment, arrangement and expense will be the obligation of the client.
- Client Mileage** Defined when Selman & Associates, Ltd. personnel are requested by the client to provide daily telephone reports, run errands, deliver samples, etc.
- Insurance** General Liability Insurance is maintained at customary limits. Selman & Associates, Ltd. personnel are covered by Workman's Compensation Insurance.
- Terms** Net cash payable at P. O. Box 61150 • Midland, Texas 79711, 14 days from invoice date for 1% discount otherwise 30 days from invoice date. Invoicing is submitted the 15th and last day of month or at well TD. Prices are subject to change without notice. A 1.5% service charge per month on unpaid invoices. All attorney fees and collection costs will be paid by the client if suit is required to collect on an invoice. Selman & Associates, Ltd. will use its best effort to furnish its clients with accurate information and interpretations relating to logs and evaluations reported by Selman & Associates, Ltd. personnel.

Selman & Associates, Ltd. however, cannot and does not guarantee the accuracy of such information and interpretations, and shall not be responsible or liable for liabilities incurred by the customer resulting from same.