UNITED STATES BANKRUPTCY COURT 34-1 FIRED OF THER	7/23/10 Desc Main D N DISTRICT OF TEXAS	ocument PROOF OF CLAIM
Name of Debtor: TRIDIMENSION ENERGY L.P.		Case Number: 10-33565
NOTE: This form should not be used to make a claim for an administrative expense administrative expense may be filed pursuant to 11 U.S.C. § 503.	e arising after the commencement of th	
Name of Creditor (the person or other entity to whom the debtor owes money or propretation DRILLING COMPANY, LP	pperty):	☐ Check this box to indicate that this claim amends a previously filed
Name and address where notices should be sent:		claim.
c/o Daniel I. Morenoff, K&L Gates LLP; 1717 Main St., Ste. 2800; Dallas	, TX 75201	Court Claim Number:
Daniel Morenoff@klgates.com Telephone Number: 214.939.5500		Filed on:
Name and address where payment should be sent (if different from above):	RECEIVED	☐ Check this box if you are aware that
Name and address where payment should be sent (it different nom above).	RECLIVED	anyone else has filed a proof of claim
n/a	TUL 26 2010	relating to your claim. Attach copy of statement giving particulars.
Telephone number:	DMC CDOUD	Check this box if you are the debtor
	BMC GROUP	Or trustee in this case.
1. Amount of Claim as of Date Case Filed: (See Attachment)		5. Amount of Claim Entitled to
and the second s	icalaim is unresonad, do not	Priority under 11 U.S.C. §507(a). If
If all or part of your claim is secured, complete item 4 below; however, if all of you complete	i Cidilli 15 pilseculca, do not	any portion of your claim falls in
item 4.		one of the following categories, check the box and state the
If all or part of your claim is entitled to priority, complete item 5.		amount.
☐ Check this box if claim includes interest or other charges in addition to the princ	pal amount of claim. Attach itemized	Specify the priority of the claim.
statement of interest or charges.		☐ Domestic support obligations under
		11 U.S.C. §507(a)(1)(A) or (a)(1)(B).
2. Basis for Claim: (See Attachment) (See instruction #2 on reverse side.)		11 O.S.C. \$307(8)(1)(A) of (8)(1)(D).
3. Last four digits of any number by which creditor identifies debtor: 4db	1	☐ Wages, salaries, or commissions (up to \$10,950*) earned within 180 days
3a. Debtor may have scheduled account as:		before filing of the bankruptcy
(See instruction #3a on reverse side:)		petition or cessation of the debtor's business, whichever is earlier - 11
<ol> <li>Secured Claim (See instruction #4 on reverse side.) Check the appropriate box i property or a right of setoff and provide the requested</li> </ol>	f your claim is secured by a lien on	U.S.C. §507 (a)(4).
information.		☐ Contributions to an employee benefit
Nature of property or right of setoff: ☑ Real Estate ☐ Motor Vehicle ☑ Other	<del>i</del>	plan - 11 U.S.C. §507 (a)(5).
Describe:		☐ Up to \$2,425* of deposits toward
Value of Property: See Attachment Annual Interest	Rate: (See Attachment)	purchase, lease, or rental of property or services for personal, family, or
Amount of arrearage and other charges as of time case filed included in secu	red claim.	household use - 11 U.S.C. §507 (a)(7).
if any: (See Attachment) Basis for perfection: Filings in Appropriate		
Amount of Secured Claim: (See Attachment) Amount Unsecured: The		☐ Taxes or penalties owed to governmental units — 11 U.S.C. §507
the value of the Claimant's collateral is less than the full value of its claim.		(a)(8).
6. Credits: The amount of all payments on this claim has been credited for the pur	pose of making this proof of claim.	☐ Other – Specify applicable paragraph of 11 U.S.C. 8507 (a)( ).
7. Documents: Attach redacted copies of any documents that support the claim, su	ach as promissory notes, purchase	01 11 U.S.C. §307 (a)().
orders, invoices, itemized statements of running accounts, contracts, judgments, me You may also attach a summary. Attach redacted copies of documents providing e	vidence of perfection of	Amount entitled to priority:
a security interest. You may also attach a summary. (See definition of "redacted"	on reverse side.)	\$
DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY	BE DESTROYED AFTER	*Amounts are subject to adjustment on
SCANNING.	*	4/1/10 and every 3 years thereafter with respect to cases commenced on or after
If the documents are not available, please explain:		the date of adjustment.
Signature: The person filing this of	laim must sign it. Sign and print nar file this claim and state address and te	ne and title, if any, of the
from the notice address above. Attach	copy of power of attorney, if any.	
DATE: YELLY 22/10 HEATHER STICKEL!	MERCAEDIT COLLECT	7/O/Ci 18 U.S.C. 88 152 and 2521
V Penalty for presenting fraudulent claim: Fine of up to \$500,0	100 or imprisonment for up to 5 years, (	n noni: 10 0.3.0. 88 13% mid 33/1.

TriDimension

## Attachment "1"

## In re: TRIDIMENSION ENERGY L.P. Case No. 10-33565

The claimant is Precision Drilling Company, LP (the "<u>Claimant</u>" or "<u>Precision</u>"). Heather Stickel, the Claimant's Manager, Credit & Collections, is authorized to make this proof of claim (the "<u>Proof of Claim</u>") on behalf of the Claimant. The Claimant is represented in this case by K&L Gates LLP. The Claimant states as follows:

## A. Background

- 1. Precision is a provider of equipment, labor, and services in the oil and gas industry (collectively, "Services"). Precision provides Services at the wellhead.
- 2. By Permit No. 2010-OPD-011, dated July 27, 2009, the Mississippi Oil & Gas Board named Axis Onshore, LP ("Axis") as the operator of the Graves #37-1 1 Well, an oil well to be drilled by Axis as part of an eighty (80) acre unit located in Wilkinson County, Mississippi (the "Well").
- 3. Before filing its bankruptcy case, Axis contracted with Precision for the provision of Services at the Well. Axis and Precision entered into a "Daywork Drilling Contract U.S." governing the provision of the Services (the "Contract").¹ The Contract established the "Daywork Rates" that were the prices to be paid to Precision for the Services and the terms for the reimbursement of related costs. The Contract also established that payments for work and goods performed under the Contract "shall be due, upon presentation of invoice therefore[.]" Additionally, the Contract established that "[a]ny sum (including amounts ultimately paid with respect to a disputed invoice) not paid within [thirty (30)]

A copy of the Contract is attached as Exhibit "A".

<sup>&</sup>lt;sup>2</sup> Contract, Section 5.1.

- days [of invoicing] shall bear interest at the rate of one percent or the maximum legal rate, whichever is less, per month from the due date until paid."
- 4. After Axis contracted with Precision for the provision of the Services, Precision provided those Services at the Well. Precision presented a total of six invoices for those Services, with the first such invoice being dated October 14, 2009. Axis never disputed any of the first invoice or any of the other invoices related to the Services,<sup>3</sup> as the Contract allowed it to do only for a limited period of time. The total amount charged by Precision to Axis for the Services provided at the Well was \$1,346,204.08, with Axis making total payments of \$819,208.98, leaving a remaining balance of \$526,995.10 owed for the Services provided by Precision on behalf of Axis as the operator of the Well.
- 5. TriDimension Energy LP ("<u>TriDimension</u>"), effectively the parent-entity of Axis, apparently owns or leases the entire mineral interests in the eighty (80) acre unit which includes the Well.<sup>4</sup> Apparently, Axis was not a party to any written operating agreement with TriDimension limiting its agency on behalf of TriDimension.<sup>5</sup> Instead, at the execution of the Contract, Axis acted as an agent of TriDimension and any other parties owning or leasing the mineral interests in the eighty (80) acre unit which includes the Well (inclusive of the relevant Debtors, the "<u>Interest Holders</u>"). Axis did not disclose to Precision that it was

Nor did TriDimension (as defined, below). Copies of the related invoices (the "Invoices") are attached as Exhibit "B".

<sup>&</sup>lt;sup>4</sup> Axis's schedules and statement of financial affairs in this case indicate neither any Axis real property holdings nor a transfer of any such interests to another party. Alone among the Debtors, TriDimension indicates ownership of the Well in its schedules in this bankruptcy.

<sup>&</sup>lt;sup>5</sup> According to testimony at Axis's first meeting of creditors, Axis held no operating agreements executed by any of its affiliated companies. This testimony accords with Axis's failure to identify any such operating agreement (either for the Graves or with TriDimension) in its bankruptcy schedules.

acting as an agent for any party. Accordingly, it contracted for the Services for itself, while also binding the Interest Holders to the "Contract" under agency law principles.

- 6. On information and belief, Axis was authorized by the Interest Holders to contract with Precision for the provision of the Services to benefit the Well. The Interest Holders allowed Axis to act on their behalf. Those Interest Holders that are Debtors allowed Axis to represent itself as acting on behalf of their unified operation. As a result, the course of dealing among the Interest Holders and Axis was one in which Axis operated as the Interest Holders' (especially the Debtor-Interest Holders') agent. As a result, Axis's entry into the Contract was within the scope of its express or implied agency or the Debtors are estopped to deny that authority.
- 7. Precision provided the Services at the Well pre-petition. The Services were provided for Axis and the Interest Holders and Axis and the Interest Holders accepted the Services. On information and belief, the Interest Holders had reasonable notice that Precision expected to be paid for the Services, by Axis or, if it failed to pay Precision for the Services, by the Interest Holders. On information and belief, the Interest Holders had reasonable notice that Precision, and parties like it, could assert liens against the Interest Holders' interests in the underlying leases to secure any unpaid charges for Services provided at the Well.
- 8. Precision timely invoiced Axis pre-petition for the Services performed. Axis failed to pay for the Services performed before filing its bankruptcy. Between the provision of the Services and Axis's bankruptcy filing, interest accrued on the

amounts owing for the Services provided, under the terms of the relevant contracts. As of the Petition Date, the remaining balance owed Precision for the Services it performed at the Well was \$526,995.10 (exclusive of contractually owed interest).

- 9. At the Petition Date, Precision was entitled to payment for the Services rendered under the Contract, plus such interest as continues to accrue under the terms of the Contract.
- 10. Also pre-petition and in order to secure its lien for the above unpaid amounts, Precision properly filed a Notice of Lien with the Office of the Chancery Clerk of Wilkinson County, Mississippi, in compliance with the requirements of § 85-7-131 of the Mississippi Code of 1972, Annotated. A copy of the Notice of Lien, as recorded by the Chancery Clerk in Book No. 4, at Page 466, is attached to this Proof of Claim as Exhibit "C".

## B. Claims

## i. Vicarious Contractual Claim

- 11. The Claimant incorporates and re-alleges the matters set forth in paragraphs 1 through 10.
- 12. The Contract constitutes a contract between Axis and the Claimant, but not only a contract between Axis and the Claimant. Axis acted on its own behalf and, although not disclosed at the time to the Claimant, as the agent of the Interest Holders, including TriDimension. Axis acted as these parties' agent, whether by virtue of an actual agency agreement (written or oral) or by virtue of the manner of their course of dealing in entering the Contract with the Claimant.

- 13. Axis was authorized to act on behalf of the Interest Holders (including TriDimension), in so contracting with the Claimant. Contracting for the Services was within the scope of Axis's agency or authority.
- 14. Accordingly, for the purposes of the Contract, an agent-principal relationship exists between Axis and the Interest Holders (including TriDimension).
- 15. Accordingly, the Interest Holders (including TriDimension) are vicariously liable to the Claimant on the Contract, to the same extent that Axis is.
- 16. The Claimant performed its obligations under the Contract. Neither Axis, nor TriDimension or any other Interest Holder paid the properly invoiced prices for the Services when due. This failure of payment breached the Contract.
- 17. This breach has not been cured.
- 18. As a direct and proximate result of this breach of the Contract, the Claimant suffered and sustained injury.
- 19. The Claimant seeks appropriate judicial relief for these injuries, including, but not limited to, the recovery of monetary damages of: (a) the balances owed for Services provided at the Well; (b) such interest as accrued pre-petition and continues to accrue under the terms of the Contract post-petition on that balance; and (c) the Claimant's collection costs.
- 20. Accordingly, under the Contract, the Claimant is entitled to payment by TriDimension of no less than \$526,995.10, plus such interest as accrued prepetition and continues to accrue post-petition under the Contract, through the allowance and payment of the Claimant's claim, as well as the collection costs incurred related thereto.

## ii. Quantum Meruit

- 21. The Claimant incorporates and re-alleges the matters set forth in paragraphs 1 through 20.
- 22. The Claimant rendered valuable Services to Axis and the Interest Holders (including TriDimension).
- 23. Axis and the Interest Holders (or Axis on behalf of itself and the Interest Holders, including TriDimension) accepted the Services.
- 24. Axis and the Interest Holders (including TriDimension) were on reasonable notice at the provision of the Services that the Claimant expected to be paid for the Services, either by Axis or, should Axis fail to pay for the Services, by the Interest Holders (including TriDimension).
- 25. Despite the Claimant's provision of the Services, neither Axis nor the Interest Holders (including TriDimension) fully paid the Claimant for the Services prepetition. At the filing of this Proof of Claim, the Claimant has still not been fully paid for the Services.
- 26. Accordingly, the Interest Holders, including TriDimension, have been unjustly enriched by their receipt of the Services.
- 27. The Claimant is entitled to recover in quantum meruit the value of the Services unjustly received and retained by the Interest Holders, including TriDimension.
- 28. Specifically, the Claimant is entitled to recover from TriDimension in quantum meruit the value of the Services provided at the Well (totaling \$526,995.10 at their provision and an additional amount, reflecting the additional time-value enjoyed by TriDimension in having received the benefit of Services at their provision, but only paying the fair value for the Services through this case).

## iii. <u>Vicarious Liability: Alter Ego/Single Business Enterprise/Piercing of the Corporate Veil</u>

- 29. The Claimant incorporates and re-alleges the matters set forth in paragraphs 1 through 28.
- 30. While not all facts are yet clear, it is possible that TriDimension and Axis are alter egos, portions of the same unified business enterprise to a degree that justifies piercing Axis's corporate veil to make TriDimension liable for Axis's obligations to Precision and to make liens perfected against Axis's assets effective against those of TriDimension.
- In the Debtors' capital structure (which appears to have been in place since before Axis contracted with the Claimant for the Services), TriDimension owned and owns 99.99% of the equity of Axis. TriDimension and Axis share office space and personnel. They did not bother to document the terms of Axis's agreement to operate the Well for TriDimension through a written operating agreement. They made use of consolidated reporting for what they have testified was an "overall entity." While the two Debtors seem to have maintained separate books and records, including those for all transfers and obligations running between themselves, they never paid or offset any of those obligations.
- 32. Against this backdrop, Axis's actions in procuring the Services may have been undertaken as an instrumentality of the Debtor-Interest Holders (including TriDimension) and/or the Debtors as a whole. Although more discovery will be needed, it is possible that Axis's separate corporate existence from the other Debtors should be disregarded and all of the Debtors should be treated as one entity and assigned liability for the Debtors' obligations to Precision.

33. Precision expressly reserves the right to argue that, considering the totality of their dealings, the Debtors, operating as a single business enterprise, established a sufficient unity in their business dealings that treating Axis, separately, as the only party liable to the Claimant would work an injustice and frustrate the statutory purpose of the Mississippi legislature in creating a lien to protect mechanics and materialmen providing services to oil and gas wells from a decision not to pay for their services.

## iv. <u>Substantive Consolidation/Alter Ego Pursuant to Federal Common Law</u>

- 34. The Claimant incorporates and re-alleges the matters set forth in paragraphs 1 through 33.
- 35. Similarly, Precision expressly reserves the right to argue that the interrelationships between the Debtors set forth above demonstrate that there is and was at all material times a substantial identity between the Debtors. The Claimant dealt with the unified enterprise and did not rely on the separate credit of any unique Debtor in providing the Services. Given the identity of the Debtors and the Claimant's reliance thereon, it would cause harm to the Claimant to recognize their separate, formal forms and hold only Axis liable for the Claimant's claims.
- 36. Accordingly, Precision reserves its right to argue that the Court should exercise its equitable powers to substantively consolidate the Debtors for the purposes of holding each of them liable on the Claimant's claims.

## C. <u>Liens Securing Precision's Claims</u>

- 37. The Claimant incorporates and re-alleges the matters set forth in paragraphs 1 through 36.
- 38. Under Mississippi law, Precision's claims are secured by liens against: (a) Axis's interest and those of any and all non-operator Interest Holders (including TriDimension), in the Well, as well as in the mineral estate and the fixtures and equipment in the 80-acre producing unit assigned the Well by the Mississippi Oil and Gas Board.

## D. Notice of Perfection

- 39. The Claimant incorporates and re-alleges the matters set forth in paragraphs 1 through 38.
- 40. Contemporaneously with the filing of this Proof of Claim, Precision filed a Notice under 11 U.S.C. § 546(b) of Perfection of Statutory Liens to further perfect (to the extent necessary) its interest in the collateral subject to its statutory liens, including the mineral estates underlying the Well, to preserve such interest against any defense based on the passing of the statutory period for the filing of an enforcement action related to such interest, and to provide notice of such interest.

## E. Conclusion

41. Therefore, at the filing of this Proof of Claim, Precision is entitled to the allowance of a secured claim against TriDimension of no less than \$526,995.10.

<sup>&</sup>lt;sup>6</sup> See Miss. Code Ann. § 85-7-131 (2010).

**NOTES:** 

THE CLAIMANT RESERVES THE RIGHT TO AMEND, SUPPLEMENT OR WITHDRAW THIS PROOF OF CLAIM AS FURTHER RELEVANT INFORMATION BECOMES AVAILABLE. THE CLAIMANT SPECIFICALLY RESERVES ITS RIGHT TO AMEND THIS PROOF OF CLAIM TO REFLECT ITS ACTUAL COLLECTION COSTS AND INTEREST ACCRUING ON ITS CLAIM, EITHER PRE-PETITION OR POST-PETITION.

THE CLAIMANT RESERVES ALL RIGHTS, CLAIMS AND PRIVILEGES, INCLUDING, WITHOUT LIMITATION, THOSE OF SETOFF AND/OR RECOUPMENT THAT THEY MAY BE ENTITLED TO EXERCISE.

THE CLAIMANT BELIEVES THAT COPIES OF ALL DOCUMENTS REFERENCED IN THIS PROOF OF CLAIM ARE IN THE POSSESSION OF THE DEBTORS. TO THE EXTENT THAT COPIES OF THESE DOCUMENTS OR OF ADDITIONAL DOCUMENTS RELATED TO THE LIABILITY REPRESENTED HEREIN ARE REQUESTED BY THE DEBTORS, ADDITIONAL COPIES WILL BE PROVIDED.

## Case 10-33565-sgj11 Claim 34-1 Part 3 Filed 07/23/10 Desc Exhibit A - Contract Page 1 of 14

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NOTE: This form contract is a suggested guide only end use of this form or any variation thereof shall be at the sele discretion and risk of the user parties. Users | of the form contract or any portion or variation thereof are encouraged to seek the advice of counsel to ensure that their contract reflects the complete agreement of the parties and applicable law. The International Association of Drilling Contractors disclaims any liability wheleoever for loss or demages which may result from use of the form contract or portions or variations thereof. Computer generated form, reproduced under license from IADC.

Revised April, 2003



# INTERNATIONAL ASSOCIATION OF DRILLING CONTRACTORS DRILLING BID PROPOSAL AND DAYWORK DRILLING CONTRACT - U.S.

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(U.S. Daywork Contract - Page 1)
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**EXHIBIT** 

# Case 10-33565-sgj11 Claim 34-1 Part 3 Filed 07/23/10 Desc Exhibit A - Contract Page 2 of 14

Revised April 2003

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(b) Contractor's cost of Insur (c) Contractor's cost of Mach (d) Contractor's cost of cale	rence premiums; <del>Including all taxes a</del> r	ad-fees <del>, the cost per</del>	gallanMACF belag 5			
(d) Contractor's cost a leate (e) If Operator requires Con	ring, when applicable tractor to increase or	thecases the number	er of Contractor's personn	mh.		
(i) Contractor's cost of open	e parla and oupples	with the understands	ng that euch spare parts o bor Statistics Oil Field ar	and supplies constituto	ebloom Dondynas Ede	ercent of
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(g) If there is any change in Engaged burden.	i legislation or regula	ntous in the eree in	which Contractor is work	jud ot ogyet nyloteseer	n, unusue) event that e	llers Contract
TIME OF PAYMENT						
Payment is due by Operator to Cont	ractor ea follows:					
	ig and alter work p	erformed at applicat	ola rates, and all other s	pplicable charges she	l ba dua, upon preser	ntation of invo
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(U.S. Daywork Contract - Page 2)
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Revised Acrd, 2001 work to be performed by Contractor hereunder at any time prior to reaching the specified depth, and even though Contractor has made no default harsender. In such event, Operator shall relimburse Contractor as set forth in Subparagraph 8,4 horsel.

(c) By Contractor: Notwithstanding the provisions of Peregraph 3 with respect to the depth to be defined, in the event Operator shall become insolvent, or ba edjudicated o bankrupt, or ble, by way of petition or anewer, a dabtor's pelition or other ploading seeking adjustment of Operator's debts, under any bankruptcy or debtor's relief laws now or hereafter prevailing, or if any such be filed against Operator, or in case a receiver be appointed of Operator or Operator's property, or any part thereof, or Operator's effairs the placed in the heads of a Creditor's Committee, or, following three business days prior written notice to Operator if Operator does not pay Contractor within the time specified in Subparagraph 5.2 all undispided items due and owing, Contractor may, at its option, (1) elect to terminate further performance of any work under this Contract and Contractor's right to compensation shall be as set forth in Subparagraph 6.4 hereof, or (2) auspend operations until payment is made by Operator in which event the standby time rate contained in Subparagraph 4.8 shall apply until payment is made by Operator and operations are resumed. In addition to Contractor's rights to suspend operations or terminate performance under this Peregraph, Operator haraby expressly agrees to protect, delend and indemnity Contractor from and egainst any claims, demands and causes of action, including all costs of defense, in favor of Operator, Operator's co-venturers, co-lessess and joint owners, or eny other peries crising out of any drilling commitments or obligations contained in any lease, farmout agreement or other agreement, which may be effected by such suspension of operations or termination of performance heraunder.

### 6.4 Early Termination Compensation:

(e) Prior to Commencement: In the event Operator terminates this Contract prior to commencement of operators, Prior to Commencement in the event Operator shell pay Contractor as Ilculdated damages and not as a penalty a sum equal to the standity time rela (Subparagraph 4.6) for a period of <u>five (5)</u> days or e-tump-eum-of-\$
until Contractor has another location evaliable for the rig, whichever is shoner. Operator exknowledges, egrees and subulates that, of the time this Contract is
executed: (1) the damages Contractor may suffer in the event Operator terminates that Contract to the commonement of operations on first well or eny
option yells are uncontain in nature and indeterminate in amount end; (2) the adjusted emount of illquidated damages for such early termination is e
reasonable estimate of the horm that would result to Contractor from such a termination.
(b) Prior to Spudding: if such termination occurs after commencement of operations but prior to the spudding of the well, Operator shall pay to Contractor the sum

of the following: (1) ell expenses reasonably and necessarily incurred and to be incurred by Contractor by reason of the Contract and by reason of the premature termination of the work, including the expense of driling or other crew members and supervision directly assigned to the rig; (2) ten percent (10%) of the emount of such relimbursable expenses; and (3) a sum calculated at the standay time rate for all time from the date upon which Contractor commences any operations harmunder down to such date subsequent to the date of termination as will efford Contractor reasonable time to dismantic its rig and equipment provided, however, if this Contract is for a term of more then one well or for a period of time, Operator shall pay Contractor, in addition to the above, the Force Majeure Rete, less any unnecessary labor, from that date subsequent to termination upon which Contractor completes dismanling its rig and equipment until the end of the term or <u>Contractor has another location available</u>

[br the rig or ten 119) days, which your is accord.

(a) Subsequent to epudding: if such termination occurs effor the epudding of the well, Operator shall pay Contractor (1) the amount for all applicable
rates and all other changes and reimbursaments due to Contractor; but in no event shall such sum, exclusive of reimbursaments due, be less than would have
been earned for ten (10) days at the applicable rate "Without Drill Pipe" and the actual amount due for drill pipe used in accordance with the above
releas; or (2) at the election of Contractor and in lieu of the toregoing, Operator shell pay Contractor for all expenses reasonably and necessarily incurred and to
be incurred by reason of this Contract and by reason of such prevalues termination plus a lump sum of \$ NA provided, however, If this Contract
ie-ler-e-term ei-mare-than-one-weil-er-fer-e-peried-ei-time, Operater-shall-pay-Gentretter-in-edeliten-te-the-abever-the-Force-Mojouro-Roto-less-eny-unnecessan,
labor from the date of termination until the end of the term or <u>Contractor has another focution available for the right for 100-days, which was the day of the term or contractor has another focution and the foreign of the term or contractor.</u>

Operator shall have the right to designate the points at which casing will be set and the manner of setting, cementing and tasting. Operator may modify the casing program, however, any such modification which meterially increases Contractor's hazards or costs can only be made by mutual consent of Operator and Contractor and upon agreement as to the additional compensation to be paid Contractor as a result thereof.

## 8. DRILLING METHODS AND PRACTICES:

- 8.1 Contractor shall maintain well control aquipment in good condition at all times and shall use all reasonable means to prevent and control fires and blowards and
- 8.2 Subject to the terms hareaf, and at Operator's cost, at all times during the drilling of the well, Operator shall have the right to control the mud program, and the drilling fluid must to of a type and have characteristics and be maintained by Contractor in accordance with the specifications shown in Exhibit "A".
- 8.3 Each party hereto agrees to comply with all laws, rules, and regulations of any federal, state or local governmental authority which are now or may become applicable to that party's operations covered by or entsing out of the performance of this Contract. When required by law, the terms of Exhibit "8" shall epply to this Contract. In the event eny provision of this Contract is inconsistent with or contrary to eny applicable federal, state or local law, rule or regulation, said provision shall be deemed to be modified to the extent required to comply with said law, rule or regulation, and as so modified said provision and this Contract
- 8.4 Contractor shall keep end furnish to Operator on occurate record of the work performed and formations drilled on the IADC-API Daily Drilling Report Form or other form acceptable to Operator. A legible copy of said form shall be furnished by Contractor to Operator.
- 8.6 If requested by Operator, Contractor shall furnish Operator with a copy of delivery tickets covering any material or supplies provided by Operator and received by Contractor.

## 9. INGRESS, EGRESS, AND LOCATION:

Operator hereby assigns to Contractor all necessary rights of ingress and agress with respect to the tract on which the well is to be located for the performance by Contractor of all work contemplated by this Contract. Should Contractor be dealed free access to the location for any reason not reasonably within Contractor's control, any time lost by Contractor as a result of such denial shall be paid for at the standby time rate. Operator agrees at all times to maintain the read and location in such a condition that will allow free access and movement to and from the drilling alle in an ordinarily equipped Highway type vahicle. If Contractor is required to use buildozers, tractors, four-wheel drive vehicles, or any other specialized bansportation equipment for the movement of necessary personnel, machinery, or equipment over occess made or on the drilling location, Operator shall furnish the same at its expense and without cost to Contractor. The ectual cost of repairs to any transportation equipment furnished by Contractor or its personnel demaged as a result of improperly maintained access roads or location will be charged to Operator. Operator shall relimburse Contractor for all amounts reasonably expended by Contractor for repelix antifor reinforcement of roads, bridges and related or similar facilities (public and private) required as a direct result of a dg move pursuant to performance hereunder. Operator shall be responsible for any costs associated with leveling the rig because of location setting.

## 10. SOUND LOCATION:

Operator shall prepare a sound focation adequate in size and capable of properly supporting the drilling rig, and shall be responsible for a casing and comenting

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Program adequate to prevent soil and subscill wash out. It is recognized that Operator has superior knowledge of the location and access notice to the location, and must advise Contractor of any subsurface conditions, or obstructions (including, but not limited to, mines, caverne, sink holes, streams, pipelines, power lines and communication lines) which Contractor might encounter while an route to the location or during operations hereunder. In the event subsurface conditions cause a cratering or shifting of the location surface, or it seabed conditions prove unsatisfactory to properly support the rig during marine operations hereunder, and loss or damage to the rig or its associated equipment results therefrom, Operator shell, without regard to other provisions of this Contract, including subperagraph 14.1 hereof, reimburse Contractor for all such loss or damage including removal of debrie and payment of Force Mejeure Rate during repair and/or demobilization it applicable. Operator's maximum exposure not to exceed \$100,000 dollers.

11. EQUIPMENT CAPACITY

Operations shall not be attempted under any conditions which exceed the capacity of the equipment specified to be used hereunder or where cannot or water depths are in excess of NA.

feet Without projudics to the provisions of Paragraph 14 hereunder, Contractor shall have the right to make

the final decision se to when an operation or etampted operation would exceed the capacity of specified equipment.

12. TERMINATION OF LOCATION LIABILITY:

When Centractor has concluded operations at the well location, Operator shall thereafter be lieble for denings to property, personal injury or death of any person which occurs as a result of conditions of the location and Contractor shall be relieved of such lieblility; provided, however, if Contractor shall subsequently recenter upon the location for any reason, including removal of the rig, any term of the Contract reliating to such recentry additing the subsequently recenter upon the location for any reason, including removal of the rig, any term of the Contract reliating to such recentry additing the such results and the reliable during such particular.

### 13. INSURANCE (See Page 4A)

During-the-life-of-thic-Centractor-Centractor-chail-at-Centractor-corporary-Incurance-company-or-companies-buthataset-to-da-business-in-tha bathe whore-the-work-in-the-amount-cet-forth-in-Exhibit-PAP, insuring-the liabilities-specificatly-assumed-by-Centractor-in-Regisph-4-o-celf-insurance-program;-Incurance-coverages-of-the-find-and-in-the-amount-cet-forth-in-Exhibit-PAP, insuring-the liabilities-specificatly-assumed-by-Centractor-in-Regisph-4-o-celf-insurance-chail-chail-program-in-the-came-the-came-insuring-make-or-malerially-changed-without-fen-(10)-days-prior-witten-notice-to-came-chail-not-came-chail-not-came-chail-not-provide-that-the-underwriters-waive-thich-registan-ogal-n

### 14. RESPONSIBILITY FOR LOSS OR DAMAGE, INDEMNITY, RELEASE OF LIABILITY AND ALLOCATION OF RISK:

14.1 Contractor's Surface Equipment Contractor shall essume liability at all times for damage to or destruction of Contractor's surface equipment, regardless of when or how such damage or destruction occurs, and Contractor shall release Operator of any liability for any such loss, except loss or damage under the provisions of Paragraph 10 or Subparagraph 14.3.

14.3 Contractor's Equipment - Environmental Loss or Damage: Notwithstanding the provisions of Subparagraph 14.1 above, Operator shall assume Hability at all times for damage to or destruction of Contractor's equipment resulting from the presence of H<sub>2</sub>S, CO<sub>3</sub> or other correstive elements that enter the defining fluids from subsumface formations or the use of correstive, destructive or phrastive additives in the drilling fluids.

14.4 Operator's Equipment Operator shall assume liability at all times for damage to or destruction of Operator's or its co-ventures', co-lossees' or joint owners' equipment, including, but not limited to, easing, tubing, well head equipment, and plottorm it applicable, regardless of when or how such damage or destruction occurs, and Operator shall release Contractor of any Hobility for any such less or damage.

14.6 The Hols: in the event the hale should be lest or demaged, Operator shall be solely responsible for such demage to or loss of the hole, including the casing thorain. Operator shall release Contractor and its suppliers, contractors and subcontractors of any tier of any liability for damage to or loss of the hole, and shall protect, detend and indemnity Contractor and its suppliers, contractors and subcontractors of any tier from and against any and all claims, liability, and expense relating to such damage to or loss of the hole.

14.8 Underground Damega: Operator shall release Contractor and its suppliers, contractors and subcontractors of any fier of any fishlity for, and shall protect, defend and indemnify Contractor and its suppliers, contractors and subcontractors of any tier from and against any and all claims, fishlity, and expanse resulting from operations under this Contract on account of injury to, destruction of, or loss or impairment of any property right in or to oil, gas, or other mineral substance or water, if at the time of the act or omission causing such injury, destruction, loss, or impairment, said substance had not been reduced to physical possession above the surface of the earth, and for any loss or damage to any formation, attent, or reservoir beneath the surface of the earth.

14.7 Inspection of Malerials Furnished by Operator. Contractor agrees to visually inspect of materials furnished by Operator before using some end to notify Operator of any apparent defects therein. Contractor shall not be liable for any loss or damago resulting from the use of materials furnished by Operator, and Operator shall release Contractor from , and shall protect, defend and indomnity Contractor from and against, any such liability.

14.8 Contractor's Indestinitication of Operator: Contractor shall release Operator of any liability for, and shall protect, defend and indennity Operator from and against all claims, demands, and causes of exten of every kind and character, without limit and without regard to the cause or causes thereof or the negligence of any party or parties, adding in connection harewith in favor of Contractor's employees or Contractor's exployees or Contractor's exployees or Contractor's index in the Contractor in the Contractor's Index in the Contractor in the Co

14.9 Operator's Indemnikation of Contractor. Operator shell release Contractor of any Rability for, and shell protect, detend and Indemnity Contractor from and against all claims, demands, and causes of action of every kind and character, without limit and without regard to the cause or causes thereof or the negligence of ony party or parties, arising in connection herewith in fevor of Operator's employees or Operator's contractors of any tier (inclusive of any againt, consultant or

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## ATTACHMENT TO DRILLING BID PROPOSAL AND DAYWORK DRILLING CONTRACT

### 13. INSURANCE

During the life of this Contract, Contractor and Operator shall each at their own sole respective expanse mainteln, with an insurance company or companies authorized to do business in the state where the work is to be performed or through a self-insurance program, insurance coverages of the kind and in the amounts set forth in Exhibit "A", insuring themselves as well as all liabilities specifically assumed by Contractor and Operator in Paragraph 14 of this Contract. The parties shall, if requested to do so by the other party, procure from the company or companies writing sald insurance a certificate or certificates that sald insurance is in full force and effect and that the same shall not be cenceled or materially changed without thirty (30) days prior written notice to the affected party. For liabilities assumed hereunder by each party, its respective insurance shall be endorsed to provide that the underwriters waive their right of subrogation against the other party. If requested, the party procuring such insurance shall promptly deliver complete and legible copies of all insurance policies, including all declarations, andorsements, and amendments thereto.

## 13.1 INSURANCE PROCUREMENT

The indemnity and indemnity-supporting obligations imposed by certain provisions of this Contract and other insurance procurement and maintenance obligations herein are distinct from, separate and apart from, and independent of each other. Fulfillment of the indemnity and indemnity-supporting insurance obligations required under certain provisions shall not satisfy insurance procurement obligations contained elsewhere, and vice versa.

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Subcordactor engaged by Operator) or their employees, or Operator's invitees, other than those parties identified in Subparagraph 14.8 on occount of bodily injury, don'th or damage to property. Operator's indumnity under this Paragraph shall be without regard to and without any right to contribution from any trisurance maintained by Contractor pursuant to Paragraph 13. If it is judicially detarmined that the monetary limits of insurance required hereunder or of the indemnities voluntarily assumed under Subparagraph 14.8 (which Contractor and Operator hereby agree will be supported either by available flability insurance, under which the insurar has no right of subrogation egainst the indemnities, or voluntarily self-insured, in part or which) exceed the maximum limits permitted under applicable isw, it is agreed that said insurance requirements or indemnities shall automatically be amended to contain to the maximum monetary limits permitted under auch low.

14.10 Liability for Wild Well: Operator shall be liable for the cost of regaliting control of any wild well, as well as for cost of ramoval of any debits and cost of property remedigition and restoration, and Operator shall release, protect, defend and indumnity Contractor and its suppliers, contractors and subcontractors of any the from and against any liability for such cost.

14.11 Pollution or Contamination: Natwithstanding envising to the contrary contained herein, except the provisions of Paragraphs 10 and 12, it is understood and agreed by and between Contractor and Operator that the responsibility for pollution or contamination shall be as follows:

(a) Contractor shall assume all responsibility for, including control and removal of, and shall protect, defend and indemnity Operator from and against all claims, demands and causes of action of every kind and character arising from pollution or contamination, which originates above the surface of the land or water from aprils of fuels, hubricants, motor oils, pipe dops, paints, solvents, ballast, blige and garbage, except unavolubble pollution from reserve pits, wholly in Contractor's possession and control and disputly associated with Contractor's equipment and facilities.

(i) Operator shall essume all responsibility for, including control and removal of, and shall protect, defend and indemnity Contractor and its suppliers, contractors and subcontractors of any tier from and egalist all civins, demands, and causes of action of every kind and cherecter erising directly or indirectly from all other politition or contamination which may occur during the conduct of operations hereunder, including, but not limited to, that which may result from fire, blowout, cratering, seepage or any other uncontrolled flow of oil, gas, water or other substance, as well as the use or disposition of all chilling fluids, including, but not limited to, oil emulsion, oil base or chamically treated chilling fluids, contaminated cuttings or cavings, lost circulation and fish recovery materials and fluids. Operator shall release Contractor and its suppliers, contractors and subcontractors of any lier of any flability for the foreasing.

(c) in the event a third party commits on act or omission which results in poliution or contamination for which either Contractor or Operator, for whom such party is performing work, is held to be legally fished, the responsibility therefor shall be considered, as between Contractor and Operator, to be the same as if the party for whom the work was performed had performed the same and all of the obligations respecting protection, delense, indomnity and limitation of responsibility and liability, as sat forth in (a) and (b) above, shall be specifically applied.

14.12 Consequential Damages: Subject to and without affecting the provisions of this Contract regarding the payment rights and obligations of the parties or the risk of loss, release and indemnity digits and obligations of the parties, each party shall at all times be responsible for and hold harmless and indemnity the other party from and against its own apacial, indirect or consequential damages, and the parties agree that special, indirect or consequential damages shall be deemed to include, without limitation, the following has of profit or revenue; costs and expenses resulting from husiness interruptions; loss of or delay in production) loss of or damages to the leasehold; loss of or delay in driving or operating rights; cost of or loss of use of property, equipment, materials and services, including without limitation those provided by contractors of every tier or by third parties. Operators shall at all times be responsible for and hold harmless and indemnity Contractor and its suppliers, contractors and subcontractors of eavy tier from and against all claims, demands and causes of action of every kind and character in connection with such special, indirect or consequential damages suffered by Operator's co-omers, co-veniumes, co-lossoos, farmors, farmees, partners and folia owners.

[See Page Ba)

4.13 Indemnity Obligation: Except as otherwise-expressly-limited in-thio-Contract, No-Intent-of-parties hereto-that of-rolessos, Indemnity-obligations and/or flabilities accumed by-cush parties under-terms of this Contract, Including, without limitation, Eubparagrapha-4.0-and-6.2(c), Paragrapha-10-and-42, and Subparagrapha-4.0-and-0.0(c), Paragrapha-10-and-0.0(c), 
## 18. AUDII

If any payment provided for increander is made on the basis of Contractor's costs, Operator shall have the right to earlie Contractor's books and records releting to such costs. Contractor agrees to maintain such books and records for a period of two (2) years from the date such costs were incurred and to make such books and records readily evaluation to Operator of any responsible time or times within the period.

## 16. NO WAIVER EXCEPT IN WRITING

It is fully uniconstood and agreed that none of the requirements of this Contract shall be considered as waived by either party unless the same is done in writing, and then only by the persons executing this Contract, or other duly authorized agent or representative of the party.

## 17. FORCE MAJEURE

Except as provided in this Paragraph 17 and without prejudice to the risk of lose, release and indemnity obligations under this Contract, each party to this Contract shall be excused from complying with the terms of this Contract, except for the payment of marker when due, if and for so long as such compliance is hindared or prevented by a Porce Majeure Event. As used in this Contract, "Proce Majeure Event" includes: acts of God, action of the elements, were (declared or undeclared), insurraction, revolution, reboillions or dvil ethis, piracy, civil war or hostic action, terrorist acts, ricts, strikes, differences with workman, acts of public enamies, tederal or state laws, rules, regulations dispositions or orders of any governmental authorities having jurisdiction in the premises or of any other group, organization or informal association (whether or not formally recognized as a government), hability to procure material, equipment, foul or necessary labor in the open market, acute and unusual labor or material, equipment or fuel shortages, or any other causes (except financial) beyond the control of either party. Neither Operator nor Contractor shall be required against its will to adjust any taker or similar dispulse except in accordance with applicable taw. In the event that officer party hereto is rendered unable, wholly or in part, by any of those causes to carry out its obligation under this Contract, it is agreed that such party shall give notice and detaile of Force Majeurs in writing to the other party as prosapity as possible effer its occurrence, in such cases, the obligations of the party ghing the notice and detail of force finance and under the confluence of any inability so caused except that Operator shall be obligated to pay to Contractor the Force Majeurs Rate provided for in Subparagraph 4.8 above.

## 18. GOVERNING LAW

## Case 10-33565-sgj11 Claim 34-1 Part 3 Filed 07/23/10 Desc Exhibit A - Contract Page 7 of 14

### ATTACHMENT TO DRILLING BID PROPOSAL AND DAYWORK DRILLING CONTRACT

14.13 Indemnity Obligation: EXCEPT AS OTHERWISE EXPRESSLY LIMITED HEREIN, IT IS THE INTENT OF THE PARTIES HERETO THAT ALL INDEMNITY OBLIGATIONS, RELEASES AND ASSUMPTIONS OF LIABILITIES BY SUCH PARTIES UNDER THE TERMS OF THIS CONTRACT, INCLUDING, WITHOUT LIMITATIONS, PARAGRAPHS 14.1 THROUGH 14.13 HEREOF, BE WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES THEREOF (INCLUDING PREEXISTING CONDITIONS), THE UNSEAWORTHINESS OF ANY VESSEL OR VESSELS, BREACH OF EXPRESS OR IMPLIED WARRANTIES, GROSS NEGLIGENCE, STRICT LIABILITY, OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, WHETHER SUCH NEGLIGENCE OR FAULT BE SOLE, JOINT OR CONCURRENT, ACTIVE OR PASSIVE (INCLUDING, WITHOUT LIMITATION, THE NEGLIGENCE, BREACH OF EXPRESS OR IMPLIED WARRANTIES, GROSS NEGLIGENCE, OR STRICT LIABILITY OF THE INDEMNIFIED PARTY OR PARTIES). The Indemnities, releases and assumptions of liability are reasonable legal expense extended by the parties hereto under the provisions of paragraphs 14.1 through 14.13 shall inure to the benefit of the party being indemnified, released or relieved of liability, its parent, holding and affiliated companies, non Operators and essigns, and their respective officers, directors, employaes, agents and servents. This agreement shall create no right of action in any person not a party hereunder or specifically Identified as an Indemnitiee hereto. If it is judically determined that the monetary limits of insurance requirements of indemnities within the insurer has no right of subrogation against the indemnitiees, or voluntarity solf-insured, in part or whole) exceed the maximum limits permitted under applicable law, it is agreed that said insurance requirements of indemnities shall automatically be amended to conform to the meximum monetary limits permitted under auch law. TO THE EXTENT THIS PROVISION MAY CONFLICT OR IS PERCEIVED TO CONFLICT WITH ANY OTHER PROVISIONS OF THIS CONTRACT, THESE INDEMNITY PROVISIONS SHALL PREVAIL AND ANY RIGHTS OR REMEDIES OTHERWISE AVAILABLE FOR ANY CAUSES OF ACTION, INCLUDING WARRANTY

Operator: _	Axis Onshore, LP
Ву:	Patrick S. Opeal
Name: _	Patrick S. O'Neal
Title:	C00
Contractor:	Precision Dilling Conneany LP
Ву:	29 Chaunt
Name	trano C. Burnett
Title:	Sr. Manager, Contracts/Marketing

## Case 10-33565-sgj11 Claim 34-1 Part 3 Filed 07/23/10 Desc Exhibit A - Contract Page 8 of 14

Review April 20
This Contract shell be construed, governed, interpreted, enforced and fligeted, and the relations between the parties determined in accordance with the law

## The State of Texas

### 19. INFORMATION CONFIDENTIAL:

Upon written request by Operator, Information obtained by Contractor in the conduct of drilling operations on this well, including, but not limited to, depth, formations paretrailed, the results of coring, testing and surveying, shall be considered confidential and shall not be divelged by Contractor or its employees, to env person, firm, or compretion other than Operator's designated representatives.

Either party may employ other contractors to perform any of the operations or services to be provided or performed by it according to Exhibit "A".

### 21. ATTORNEY'S FEES

If this Contract is placed in the hands of an alternay for collection of any sums due hereundar, or suit is brought on same, or sums due hereundar are collected through bankruptcy or erbitration proceedings, then the prevailing party shall be entitled to recover reasonable efformey's tess and costs.

### 22. CLAIMS AND LIFNS:

Contractor agrees to pay all veild claims for labor, material, services, and supplies to be furnished by Contractor hereunder, and agrees to allow no tion by such third parties to be fixed upon the lease, the well, or other property of the Operator or the lend upon which said well is located.

### 23. ASSIGNMENTS

Neither perty may essign this Contract without the prior written consent of the other, and prompt notice of any such intent to assign shell be given to the other party. In the event of such easignment, the easigning party shall remain liable to the other party as a guaranter of the performance by the easignae of the tarms of this Contract. If any assignment is made that materially alters Contractor's financial burden, Contractor's companiestion shall be adjusted to give offset to any increase or decrease in Contractor's operating costs,

### 24. NOTICES AND PLACE OF PAYMENT:

Notices, reports, and other communications required or permitted by this Contract to be given or earl by one party to the other shall be delivered by hand. malled, digitally transmitted or telecopiad to the eddress hereinsbove shown. All sums payable hereunder to Contractor shall be payable at its address hereinsbove show.

### 28. CONTINUING ORI IGATIONS:

Notwithstanding the termination of this Contract, the parties shall continue to be bound by the provisions of this Contract that reasonably require some action or forbeasance after such termination.

This Contract constitutes the full understanding of the parties, and a complete and exclusive statement of the terms of their agreement, and shall exclusively control and govern all work performed hereunder. All representations, offers, and undertakings of the parties made prior to the effective date hereaf, whether one or in writing, one morged herein, and no other contracts, agreements or work orders, executed prior to the execution of this Contract, shall be eny way modify, emend, eller or change any of the lerms or conditions sot out herein.

## 27. SPECIAL PROVISIONS:

- Operator to supply steem cleaner when oil base mud is in use.
- Contractor can provide a vixth men for \$760.00 per day, if requested by Operator.
- Operator agrees to comply with all Contractor's safety requirement
- Liens Operators indemnification of Contractor. Operator hereby agrees that he shall protect, defend, indemnify, and hold hermices Contractor and Contractors equipment from any and all liens or claims pre-existing this agreement which are stached to the drill alto tract and/or the cateling or prior oil, gas, and minerals lease, thereon. Operator further agrees that, in the event Contractor is prevented from removing his equipment from the location as a result of any pre-existing liens or claims, Operator will pay Contractor the applicable day rate under this agreement during the time Contractor is prevented from removing his equipment.
- 27.5 Notices and Place of Payment:

Financial Responsibility of Operator: Notwithstanding any undertailings herein stated, Contractor shall not be obligated in any manner to perform this contract untils.

- (a) funds sufficient to estary any and all payments (including any liens on drill afte or tease which may affect Contractor or Contractor's ocuprent) that may be due to Contractor under this contract have been placed in an escrew occount at least time (3) weeks prior to the exhabited commencement of operations. The amount of funds deposited must be self-actory to Contractor and made psychia to Contractor upon satisfactory completion of Contractor's obligations hereunder; or Contractor has been fundabled salisfactory avidence of Operator's financial responsibility and ability to maet Operator's financial responsibility and ability to maet Operator's financial responsibility and ability to maet Operator's financial responsibility.
- Operator agrees to reimburse Contractor for any Safety/Performance related bonus psyments to Contractor's employees that have been requested in writing by Operator. The emount to be reimbursed to Contractor will be the gross emount, also 30% for additional psyrolitax and benefit cost (burden). Any get psyment emounts requested by Operator will be grossed-up to determine actual gross amount of psyments, plus 30% burden. 27,6
- 27.7 For all walls drilled in the State of Mississippi, the monthly invoice amount will be grossed up to include the Contractor's gross receipts
- Right of First Refusel: II, efter termination of this Contract, but while the Bubject rig remains stacked on location, Contractor should be approached by enother concerning the securing of such rig, Operator shall have the right of first refusal to enter Into a contract with Contractor for the securing of such rig upon such terms and conditions to be multiply agreed upon by Operator and Contractor. 27.B
- Subsequent Operations: After reaching the Objective Depth, Operator shell have a period of twenty-one (21) days to evaluate the well through a drill atom to the state of the 27.9
- Standby Rate for Orth Stem Test: Notwithstanding enything contained to the contrary in Peregraph 4 hereof, unless the rig to otherwise released by Operator, Contractor shall be paid a rate of \$6,000 dollars per twenty-four (24) hour period during the time in which the well to being tested as described in Peregraph 27.9 and the rig is not manned or being utilized.
- Upon execution of contract and prior to rig move to the Graves #1 location, Axis Onshore, LP is to pay a deposit of \$440,000 (25 days @ \$13,000 = \$328,000, plus a mobilization rate of \$118,000) to Precision Drilling Company LP. Payment is to be submitted by wire transfer per wiring instructions from Precision. 27.11

(U.S. Daywork Contract - Page 0)
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# Case 10-33565-sgj11 Claim 34-1 Part 3 Filed 07/23/10 Desc Exhibit A - Contract Page 9 of 14

	Lativest that your	
28. <i>F</i>	acceptance of contracti	
	The foregoing Contract, including the provisions relating to indomnity, release of liability and ellocation of risk of Subparagraphs 4.9 and 8.3(c),	
Perag	raphs 10 end 12, and Subparagraphs 14.1 through 14.12, is acknowledged, agraed to and accepted by Operator this 1 day of 14.14.141.5 20. 09.	1
	OPERATOR: Axis Onshore, LP	1
	By: Latrick S. O'Perl	
	Title: C O O	
10 and	The foregoing Contract, including the provisions relating to indemnity, release of liability and allocation of risk of Subperagraphs 4.8, 0.3(q), Paragraphs d 12, and Subparagraphs 14.1 through 14.12, is echnowledged, agreed to and accepted by Contractor this day of <u>August</u> , 20 <u>08</u> is the effective date of this Contract, subject to dig evaluability, and subject to dig of its terms and provisions, with the understanding that it will not be no operator until Operator has noted its acceptance, and with the further understanding that unless said Contract is thus executed by Operator	l
within	n <u>ten (10)</u> days of the above dele Contractor shall be in no manner bound by its signature therete.	١
	CONTRACTOR: Precision Drilling Company LP  By: Larry C. Burnett Jac July Williams  Title: Sr. Manager, Contract Marketing	 

## Case 10-33565-sgj11 Claim 34-1 Part 3 Filed 07/23/10 Desc Exhibit A - Contract Page 10 of 14

Revised April, 2003 **EXHIBIT "A"** To Daywork Contract deted August 20th 20 08 Operator Axia Onshore, LP Contractor Procision Drilling Company LP Well Name and Number \_\_\_ Graves #1\_ SPECIFICATIONS AND SPECIAL PROVISIONS 1. CASING PROGRAM (See Perograph 7) As specified by Operator Weight Wait on Coment Conductor Surface lbs/ft. Protection lbs/ft lbs/fL Production ln. lbs/ft. hrs Lines lbs/fL lbs//L 2. MUD CONTROL PROBRAM (See Subparegraph 8.2) As specified by Operator Type Mud Other mud specifications 3. INSURANCE (See Paragraph 13) covering all of Contractor's employees working under this Contract. 3.2 Commercial (or Comprehensive) General Liability insurance, including contractual obligations as respects this Contract and proper coverage for all other obligations essumed in this Contract. The limit shall be \$\_\_1,000,000 \_\_\_\_ combined single limit per occurrence for Bodily injury and Property Demane. \* 3.3 Automobile Public Liability Insurance with limits of 8 1.000.000 for the death or injury of each person and \$\_\_\_\_\_1,000,000 eccident, and Automobile Public Liability Property Demaga Insurance with limits of \$ 1,000,000 \_\_ for each accident. 3.4 In the event operations are over water, Contractor shall corry in addition to the Statutory Workers' Compensation insurance, andorsements covering liability under the Longshoremen's & Harbor Workers' Compensation Act and Maritime Hability Including maintenance and cure with limits of 6\_NA\_ for each death or injury to one person and S\_\_\_NA\_\_ . for any one accident. 3.6 Other Insurance: \$8,000,000 Excess Limit.
\$1,000,000 combined should limit for bodily injury or property demand yet occurrence and \$1,000,000 annual augregate per opility. 4. EQUIPMENT, MATERIALS AND SERVICES TO BE FURNISHED BY CONTRACTOR: The mechinery, equipment, tools, meteriels, supplies, instruments, services and labor herdinater listed, including any transportation required for each items, shall be provided at the well location at the expense of Contractor unless otherwise noted by this Contract. Complete drilling rig, designated by Contractor as its Rig No. 102 \_\_, the major items of equipment being: Drewworks: Make and Model Engines: Make, Model, and H.P. No. on Ria Pumpe: No. 1 Make, Size, and Power No. 2 Make, Size, and Power Mud Mixing Pump: Make, Size, and Power Ballers: Number, Meke, H.P. and W.P. Derrick or Most: Make, Size, and Capacity\_ Substructure: Size end Capacity\_ Rotary Orive: Type \_ Drill Plos: Sixe 4 1/2 15,000

(V.S. Daywork Contract - 'Exhibit A' - Page 1)
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18 Ea. - 8": 24 Ea. - 8-1/2"

Drill Collers: Number and Size \_\_

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# Case 10-33565-sgj11 Claim 34-1 Part 3 Filed 07/23/10 Desc Exhibit A - Contract Page 11 of 14

6

	Size	Series or Test Pr.	Meka & Model	Number
Perng	Inventory			
	losing Unit: coumulator:			
DIUIF. N	Commission.			
	Dantck timbers.	ound stall sealons season the base		
	Conventional offit Indicat	e and ddill collere specilled above. pr.		
	Circulating mud pits.			
4.6				
4.7 4.8	•	and chemicals,		
4.9		do inspected drill collars as apacified in 4.	f prior to spudding.	
4.10				
4,11				
4.13				
4.14				
4,16				
4,18				
4.17				
		SERVICES TO BE FURNISHED BY OPERA		A war and they required for a set thouse when the
				transportation required for such items, shall
		expense of Operator unless otherwise noted by		
5.1	Furnish and maintain ad	equate roedway and/or canal to location, right	-of-way, including rights-of-way for fuel and	i water lines, river crossings, highway
5.2	crossings, gates and cat Stake location, dear and	ne goards. I grade location, and provide turnaround, inclu	ding surfacing when necessary.	
	Test tanks with pipe and			
•	Mud storage tanks with			
	Separator with pipe and	fillings. onnect and disconnect mud lank, tast tank, ar	nd mild noe samprohit	
5.7		clean test tanks and mud gas deparator.	to time and administra	
		tost circulation materials and other additives.		
	Pipe and connections to			
	Labor to lay, bury and re			
	Contract lishing tool sen	emer cultars, stabilizers and special tools.		
		eds, core barrets and wire line core catchers II	required.	
6.14	Conventional core bits,	core catchers and core barrels.		
	Clamend core berrel will			
	<ul> <li>Cement and cementing</li> <li>Electrical wireline loggin</li> </ul>			
	Directional, calipar, or o			
	Gun or jet partorating sa			
	Explosives and shooting	i davices. Hillo fracturing, acidizing and other related seri	vices.	
	Equipment for drift stem			
	Mud logging services,			
6,24 6.25	Sidewall coring service.  Welding service for walk	ling bottom joints of casing, guide shoe, float	stipe, float collar and in connection with in:	stalling of well head equipment if required.
8,21	Gasing, tulting, liners, s	creen, fixet collers, guide and float shows and	associated equipment.	
6.27	Casing scratchers and o	æntralizers. and all equipment to be installed in or on well	or on the ammises for use in connection w	Ath testing, completion and operation of wall.
6.20	) Special or added storeg	e for mud and chemicals.	of our did broninger (or open in politication in	
5.30	Casinghead, API sailes	, to conform to that shown for the blowout pre-	venters specified in Subparegraph 4.1 abo	WB,
5.31	Blowout preventer testir	to packall and testing services.	niliai fort	
5.32 5.32	Z Replacement of 80P N 3 Cashon Thread Protecto	ibbers, elements end seals, if required, after it rs and Casing Lubricania.	ing tear	
		nent as necessary or as required by law.		
	5 Site suptic systems.			
6.30	Inspection and rea	ned to dill callere is responsibility of Oper Tepedo in dill ledere se responsibility of Operato	or, normal wear and lear excluded.	
	7IOSPACTION AND TO		STATE OF THE PART NOT THE WOMEN'S WATER	
£ 91	•			
0.4	·			
5.4	4			,
5.4	5			
5.A	6 7			
	9			

## Case 10-33565-sgj11 Claim 34-1 Part 3 Filed 07/23/10 Desc Exhibit A - Contract Page 12 of 14

## 6. EQUIPMENT, MATERIALS AND SERVICES TO BE FURNISHED BY DESIGNATED PARTY:

Rovisod April, 2003

The machinery, equipment, tools, meterials, supplies, instruments, services, and lebor listed as the following numbered tiams, including any transportation required for such items unless otherwise specified, shell be provided at the well location and at the expense of the perty hereto as designated by an X mark in the appropriate column.

		To Be Provided By and
	Item	At The Expense Of Operator Contractor
6.1	Cellar and Runways	X
6.2	Ditches and sumps	<u> </u>
6.3 6.4	Fuel (booted et	X
6.6	Males of source Including provided possible	<u></u>
8.6	Water at source, including required permits	X
6,7	Weter lines, including required permits	X
8.8	Weter storage tankscopedty per rig inventory.	
8.9	Polable water for crews	
6.10	Labor to operate water well or water puttip	
6.11	Maintenance of water well, if required	X
6.12	Water Pump	X
6.18	Fuel for water pump	X
6.14	Male for engines and boilers, or motors and mud pumps	X
0.16	Transportation of Contractor's property:	· · · · · · · · · · · · · · · · · · ·
	Мото іп	· x
	Move out	x
6.16	Materials for "boxing in" rig and demick	x
0.17	Special strings of driff pipe and driff collars as follows:	
	Any drill pipe smaller or larger then 4 1/2"	<u> </u>
	Any drill collare smaller or larger then 6%" or 8" - nominal	
6.18	Kelly joints, cubs, elevatore, tonge, slips and BOP rema for use with special	
•	dilli pipe	x
0.19	Orlii pipe protectors for Kelly Joint and each Joint	
	of drill pipe running inside of Surface Casing as required,	·
6.20	for use with normal strings of drill pipe	x
	Inside of Protection Casing	X
6.21	Rels of panetration recording device M.D. Totoo EDR	×
6,22	Extra labor for running and camenting casing (Casing crews)	X
B.23	Casing looks	<u> </u>
B,24	Power casing longs	X
8,25	Laydown and pickup machine	
6.26		X
6.27	Tiking tools	X
•	Power tubing long	X
6.28	Crew Boots, Number NA	NA NA
6.29	Sorvice Barge	NA NA
6.30	Service Tug Boat	NA NA
8.31	Rat Hole	X
6.32	Mouse Hole	X
6.38	Reserva Pila	X
8.94	Upper Kelly Cock	X
8,35	Lower Kelly Velve	X
6.26	Orli) Pipe Selety Velve	x
6.37	Inside Blowout Preventer	X
8.38	Drilling hole for or driving for conductor pipe	X
9.39	Changes, cost of bonds for public roads	· X
6.40	Portable Tollet	×
6.41	Trash Recepiade	X
6.42	Linear Motion Shale Shaker per rig Inventory	x
6,43	Shele Sheker Screens	
6.44	Myd Cleaner	<u>x</u>
6.45	Mud/Gas Baperator per rig Inventory	X
0.48 8.48		X
	Desander per rig inventory	
6,47	Desiliter par rig inventory	
6.48	Degasser per rig inventory.	X
6.48	Centilingo	<u> </u>
9.50	Rotating Head	X
6.61	Rotofing Head Rubbers	X
8.62	Hydraulic Adjustable Choke	x
3.53	Pit Volume Totalizer	x
8,64	Communication, typenhone & fax mechine for rig use only	x
3.95	Porkliff, capacity	X
3.68	Corrosion inhibitor for protecting drill string	X
3. <b>\$</b> 7	Represent of B.O.P. rubbers & seals if required efter initial test	<del>X</del>
3.5B	Sewer system for PD trailers (2)	
6. <b>5</b> 9	Cellot covers	X
		<u>X</u>
6.60 6.61	Fuel for bollers and heaters (where applicable)  Meintenance charge for bollers and heaters at \$25 per hour when in use	x
-101	(Appearance creating not porters and usamite at \$70 bat uppl. when in first	^

(U.S. Daywork Contract - "Exhibit A" - Page 3)
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Ravised April, 2003

7. OTHER PROVISIONS:

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## Case 10-33565-sgj11 Claim 34-1 Part 3 Filed 07/23/10 Desc Exhibit A - Contract Page 14 of 14

Revised April, 2003

## EXHIBIT "B" (See Subparegraph 8.3)

The following clauses, when required by lew, ere incorporated in the Contract by reference as if fully set out:

- (1) The Equal Opportunity Clause prescribed in 41 CFR 60-1.4.
- (2) The Affirmative Action Clause prescribed in 41 CFR 80-250.4 regarding veterans and veterans of the Visinam era.
- The Affirmative Action Clause for handicapped workers prescribed in 41 CFR 80-741A.
- (4) The Certification of Compilance with Environmental Laws prescribed in 40 CFR 15.20.

(U.S. Ceywork Contract - "Exhibit B" - Page 2)

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## Case 10-33565-sgj11 Claim 34-1 Part 4 Filed 07/23/10 Desc Exhibit B - Invoices Page 1 of 16



## Precision Drilling Company, LP

## INVOICE

Axis Onshore LP 16610 Dallas Parkway Suite 2500 Dallas, TX 75248-2681 INVOICE NO: 1042 INVOICE DATE: 28-Jan-2010 CONTRACT #: 01094db1 RIG NO: 102 JOB NO: 002 WELL NAME: Graves #1

COUNTY:

Wilkinson

LOCATION: SPUD DATE:

11-Sep-2009 06:00

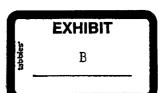
RELEASE DATE: 06-Dec-2009 06:00

Third Party Charges on the above referenced well as follows:

D. J. Fontenot, Inv. 0739 dated 10/02/09	As Per Attached	\$ 1,026.25
D. J. Fontenot, Inv. 0740 dated 10/02/09	As Per Attached	\$ 781.25
10% Handling Charge	1 As Per Contract	\$ 180.75
	SUB-TOTAL	\$ 1,988.25
	TOTAL INVOICE	\$ 1.988.25

PLEASE REMIT PAYMENT TO: Precision Drilling Company, LP P.O. Box 202695 Dallas, Texas 75320-2695 Precision Drilling Company, LP 10370 Richmond Avenue, Suite 600 Houston, Texas, 77042 713-435-6100

Prepared By: Charlene Strickland



## Case 10-33565-sgj11 Claim 34-1 Part 4 Filed 07/23/10 Desc Exhibit B - Invoices Page 2 of 16



## Precision Drilling Company, LP

## INVOICE

Axis Onshore LP 16610 Dallas Parkway Suite 2500 Dallas, TX 75248-2681 INVOICE NO: 878
INVOICE DATE: 29-Dec-2009
CONTRACT #: 01094db1
RIG NO: 102
JOB NO: 002
WELL NAME: Graves #1

COUNTY: Wilkinson

LOCATION: SPUD DATE:

**SPUD DATE:** 11-Sep-2009 06:00 **RELEASE DATE:** 06-Dec-2009 06:00

Charges on the above referenced well for Daywork and OBM for December 2009 as follows:

 Daywork
 132 Hour(s) @ \$13,000.00 per 24 hours (1 Day R/D billed on LS Invoice 484)
 \$ 71,500.00

 Oil Base Mud - Crew
 55 Men @ \$20.00 per man per day
 \$ 1,100.00

 3.5% Mississippi Gross Receipts Tax
 1 As per Contract
 \$ 2,541.00

 SUB-TOTAL TOTAL INVOICE
 \$ 75,141.00

## Case 10-33565-sgj11 Claim 34-1 Part 4 Filed 07/23/10 Desc Exhibit B - Invoices



Precision Drilling Company, LP Page 3 of 16

INVOICE NO: 878 RIG NO: JOB NO:

102 002

## Axis Onshore LP

Daywork

Date	Move	Daywork	Turnkey	Other	Billable Repair	Non- Billable	Total	Description
01-Dec-2009		24.00					24.00	
02-Dec-2009		24.00					24.00	
03-Dec-2009		24.00					24.00	
04-Dec-2009		24.00					24.00	
05-Dec-2009		24.00					24.00	
06-Dec-2009	·	12.00					12.00	RELEASED RIG @ 0600 HRS 12/06/09
Total	0,00	132.00	0.00	0.00	0.00	0.00	132.00	

Case 10-33565-sgj11 Claim 34-1 Part 4 Filed 07/23/10 Desc Exhibit B - Invoices



# Precision Drilling Company, LP

INVOICE NO: RIG NO: 878

RIG NO: 102 JOB NO: 002

Axis Onshore LP

## **Additional Charges**

	Oil Base Mud - Crew	
01-Dec-2009		11.00
02-Dec-2009		11.00
03-Dec-2009		11.00
04-Dec-2009		11.00
05-Dec-2009		11.00
Total		66.00

## Case 10-33565-sgj11 Claim 34-1 Part 4 Filed 07/23/10 Desc Exhibit B - Invoices Page 5 of 16



## Precision Drilling Company, LP

## INVOICE

Axis Onshore LP 16610 Dallas Parkway Suite 2500 Dallas, TX 75248-2681

**INVOICE NO: INVOICE DATE:**  778 15-Dec-2009 01094db1

**CONTRACT #:** RIG NO: JOB NO:

WELL NAME:

102 002

Graves #1

**COUNTY:** 

Wilkinson

LOCATION:

SPUD DATE: **RELEASE DATE:** 

11-Sep-2009 06:00

Charges on the above referenced well for Daywork and OBM for November 2009 as follows:

Daywork Oil Base Mud - Crew 3.5% Mississippi Gross Receipts Tax

717.5 Hour(s) @ \$13,000.00 per 24 hours

388,645.83

329 Men @ \$20.00 per man per day

6,580.00

1 As Per Contract

13,832.90 409,058.73

SUB-TOTAL **TOTAL INVOICE** 

409,058.73

## Case 10-33565-sgj11 Claim 34-1 Part 4 Filed 07/23/10 Desc Exhibit B - Invoices



# Precision Drilling Company, LP Page 6 of 16

INVOICE NO:

778

RIG NO: JOB NO: 102 002

Axis Onshore LP

## Daywork

Date	Move	Daywork	Turnkey	Other	Billable Repair	Non- Billable	Total	Description
01-Nov-2009		25.00					25.00	TIME CHANGE
02-Nov-2009		24.00					24.00	
03-Nov-2009		24.00					24.00	
04-Nov-2009		16.50			4.00	3.50	24.00	MUD PUMP MODULE REPAIR
05-Nov-2009		24.00					24.00	
06-Nov-2009		24.00					24.00	
07-Nov-2009		24.00					24.00	
08-Nov-2009		24.00					24.00	
09-Nov-2009		24.00					24.00	
10-Nov-2009		24.00					24.00	
11-Nov-2009		24.00					24.00	
12-Nov-2009	_	24.00		,			24.00	
13-Nov-2009		24.00					24.00	
14-Nov-2009		24.00					24.00	
15-Nov-2009		24.00					24.00	
16-Nov-2009		24.00					24.00	
17-Nov-2009		24.00					24.00	
18-Nov-2009		24.00					24.00	
19-Nov-2009		24.00					24.00	
20-Nov-2009		24.00					24.00	
21-Nov-2009		24.00					24.00	
22-Nov-2009		24.00					24.00	
23-Nov-2009		24.00					24.00	
24-Nov-2009		24.00		•			24.00	
25-Nov-2009		24.00					24.00	
26-Nov-2009		24.00					24.00	

## Case 10-33565-sgj11 Claim 34-1 Part 4 Filed 07/23/10 Desc Exhibit B - Invoices



# Precision Drilling Company, LP

INVOICE NO: RIG NO: 778 102

JOB NO:

002

## Axis Onshore LP

Daywork

Date	Move	Daywork	Turnkey	Other	Billable Repair	Non- Biliable	Total	Description
27-Nov-2009		24.00					24.00	
28-Nov-2009		24.00				·	24.00	
29-Nov-2009		24.00					24.00	
30-Nov-2009		24.00					24.00	
Total	0.00	713.50	0.00	0.00	4.00	3.50	721.00	

# Case 10-33565-sgj11 Claim 34-1 Part 4 Filed 07/23/10 Desc Exhibit B - Invoices Page 8 of 16 INVOICE NO: 778



RIG NO: JOB NO:

102 002

Axis Onshore LP

## **Additional Charges**

	Ofi Base Mud - Crew
01-Nov-2009	11.00
02-Nav-2009	11.00
03-Nov-2009	11,00
04-Nov-2009	11.00
06-Nov-2009	11.00
08-Nov-2009	11.00
07-Nov-2009	11.00
08-Nov-2009	11.00
09-Nov-2009	11.00
10-Nov-2009	11,00
11-Nov-2009	11.00
12-Nov-2009	11,00
13-Nov-2009	11.00
14-Nov-2009	11.00
18-Nov-2009	11.00
16-Nov-2009	11.00
17-Nov-2008	11,00
18-Nov-2009	11.00
19-Nov-2008	11.00
20-Nov-2009	11.00
21-Nov-2009	11.00

PLEASE REMIT PAYMENT TO: Precision Drilling Company, LP P.O. Box 202695 Dallas, Texas 75320-2695

Precision Drilling Compeny, LP 10370 Richmond Avenue, Suite 600 Houston, Texas, 77042 713-435-6100

Prepared By: Robin Lyons

# Case 10-33565-sgj11 Claim 34-1 Part 4 Filed 07/23/10 Desc Exhibit B - Invoices Page 9 of 16 INVOICE NO: 778 RIG NO: 102



**RIG NO:** 

102

JOB NO: 002

Axis Onshore LP

## **Additional Charges**

	Oil Base Mud - Graw
22-Nov-2009	10,00
23-Nov-2009	11.00
24-Nov-2009	11.00
25-Nov-2009	11.00
28-Nov-2009	11.00
27-Nov-2009	11.00
28-Nov-2009	11.00
29-Nov-2009	11.00
30-Nov-2009	11.00
Total	329.00

Case 10-33565-sgj11 Claim 34-1 Part 4 Filed 07/23/10 Desc Exhibit B - Invoices Page 10 of 16



## Precision Drilling Company, LP

## INVOICE

Axis Onshore LP 16610 Dallas Parkway Suite 2500 Dallas, TX 75248-2681 INVOICE NO: INVOICE DATE: CONTRACT #: 542 06-Nov-2009 01094db1

RIG NO: JOB NO: 102 002

WELL NAME:

Graves #1

COUNTY: LOCATION: Wilkinson

SPUD DATE:

11-Sep-2009 06:00

**RELEASE DATE:** 

Charges on the above referenced well for Daywork, OBM and the 3.5% Mississippi Gross Receipts Tax for Ootober 2009 as follows:

Daywork

744 Hour(s) @ \$13,000.00 per 24 hours

\$ 403,000.00

Oll Base Mud - Crew

88 Men @ \$20.00 per man per day

\$ 1,760.00

3.5% Mississippi Gross Receipts Tax

1 As Per Contract

\$ 14,166.60 \$ 418,926.60

SUB-TOTAL TOTAL INVOICE

418,926.60 418,926.60

# Case 10-33565-sgj11 Claim 34-1 Part 4 Filed 07/23/10 Desc Exhibit B - Invoices Page 11 of 16 INVOICE NO: 542



RIG NO: 102 JOB NO: 002



Daywork

Date	Move	Daywork	Turnkey	Other	Billable Repair	Non- Billable	Total	Description
01-Oct-2009		24.00					24.00	
02-Oct-2009		24.00					24.00	
03-Oct-2009		24.00					24.00	
04-Oct-2009		24.00					24.00	
05-Oct-2009		24.00					24.00	
06-Oct-2009		24.00					24.00	
07-Oct-2009		24.00					24.00	
08-Oct-2009		24.00					24.00	
09-Oct-2009		24.00					24.00	
10-Oct-2009		24.00					24.00	
11-Oct-2009		24.00					24.00	
12-Oct-2009		24.00					24.00	
13-Oct-2009		24.00					24.00	
14-Oct-2009		24.00					24.00	
15-Oct-2009	·	24.00					24,00	
16-Oct-2009		24.00					24.00	
17-Oct-2009		24.00					24.00	
18-Oct-2009		24.00					24.00	
19-Oct-2009		24.00					24.00	
20-Oct-2009		24.00		•			24,00	
21-Oct-2009	·	23.00			1.00		24.00	TOP DRIVE - REPAIR
22-Oct-2009		24.00					24.00	
23-Oct-2009		24.00					24.00	
24-Oct-2009		24.00					24.00	
25-Oct-2009		24.00					24.00	
26-Oct-2009		24.00					24.00	

Case 10-33565-sgj11 Claim 34-1 Part 4 Filed 07/23/10 Desc Exhibit B - Invoices

Precision Drilling Company, LP

INVOICE NO: RIG NO:

642 102

JOB NO: 002

Axis Onshore LP

Daywork

Date	Move	Daywork	Turnkey	Other	Billable Repair	Non- Billable	Total	Description
27-Oct-2009		24.00					24.00	
28-Oct-2009		20.50			3,50		24.00	MP - POOH & C/O MODULE; TIH
29-Oct-2009		24.00					24.00	
30-Oct-2009		24.00					24.00	
31-Oct-2009		23.50			0.50		24.00	MP - WORK ON BOTH PUMPS W/WELDER
Total	0.00	739.00	0.00	0.00	5.00	0.00	744.00	

# 10-33565-sgj11 Claim 34-1 Part 4 Filed 07/23/10 Desc Exhibit B - Invoices Precision Drilling Company, LP INVOICE NO: 542 Case 10-33565-sgj11



RIG NO:

102

JOB NO:

002

## Axis Onshore LP

### **Additional Charges**

	Oil Base Mud - Crew
24-Oct-2009	11,00
25-Oct-2009	41,00
28-Oct-2009	11.00
27-Oct-2009	11.00
28-Oct-2009	11.00
29-Oct-2009	11.00
30-Oct-2009	11,00
31-Oct-2009	11.00
Tola)	00.88

Case 10-33565-sgj11 Claim 34-1 Part 4 Filed 07/23/10 Desc Exhibit B - Invoices Page 14 of 16



## **Precision Drilling Company, LP**

## INVOICE

Axis Onshore LP 16610 Dallas Parkway Suite 2500 Dallas, TX 75248-2681 INVOICE NO: INVOICE DATE:

483

01-Nov-2009

CONTRACT #:

102

RIG NO: JOB NO:

002

WELL NAME:

Graves #1

COUNTY:

Wilkinson

LOCATION:

SPUD DATE:

11-Sep-2009 06:00

**RELEASE DATE:** 

Charges for the replacement cost for items lost in hole or damaged beyond repair in the drilling of the above referenced well (tax, surcharge on steel & freight included):

6-8" Drill Collars

As Per Attached

57,673.43

3.5 % Mississippi Gross Receipts Tax

1 As Per Contract

2,018.57

\$

SUB-TOTAL TOTAL INVOICE

\$ 59,692.00 \$ **59,692.00**  Case 10-33565-sgj11 Claim 34-1 Part 4 Filed 07/23/10 Desc Exhibit B - Invoices Page 15 of 16



## Precision Drilling Company, LP

### INVOICE

Axis Onshore LP 16610 Dallas Parkway Suite 2500 Dallas, TX 75248-2681 INVOICE NO: INVOICE DATE: CONTRACT #:

14-Oct-2009 01094db1

RIG NO: JOB NO:

102 002

484

WELL NAME: Graves #1

COUNTY:

Wilkinson

LOCATION:

VVIIKINSON

SPUD DATE: RELEASE DATE: 11-Sep-2009 06:00

Charges on the above referenced well for Mobilization, Daywork and 3.5% Mississippi Gross Receipts Tax for September 2009 as follows:

 Lump Sum Mobilization
 1 As Per Contract (8-Days MI-RU)
 \$ 115,000.00

 Daywork
 468 Hour(s) @ \$13,000.00 per 24 hours
 \$ 253,500.00

 3.5% Mississippi Gross Receipts Tax
 1 As Per Contract
 \$ 381,397.50

 SUB-TOTAL TOTAL INVOICE
 \$ 381,397.50

10-33565-sgj11 Claim 34-1 Part 4 Filed 07/23/10 Desc Exhibit B - Invoices Precision Drilling Company, LP Page 16 of 16 INVOICE NO: 484 Case 10-33565-sgj11



RIG NO:

102

JOB NO:

002

Axis Onshore LP

### Daywork

Date	Move	Daywork	Turnkey	Other	Billable Repair	Non- Billable	Total	Description
11-Sep-2009		12.00					12.00	ON DAYWORK @ 0600 HOURS 9/11/09
12-Sep-2009		24.00					24.00	
13-Sep-2009		24.00					24.00	
14-Sep-2009		24.00					24.00	
15-Sep-2009		24.00					24.00	
16-Sep-2009		24.00					24.00	
17-Sep-2009		24.00					24.00	
18-Sep-2009		24.00					24.00	
19-Sep-2009		24.00					24.00	
20-Sep-2009		24.00					24.00	
21-Sep-2009		24.00					24.00	
22-Sep-2009		24.00			·		24.00	
23-Sep-2009		24.00			0.50		24.50	TOP DRIVE - C/O CYLINDER FOR LINK TILT
24-Sep-2009		23.50					23.50	
25-Sep-2009		23.50			0.50	•	24.00	SCR - T/S GEN; C/O BAD FUSES IN BREAKER
26-Sep-2009		24.00					24.00	
27-Sep-2009		24.00					24.00	
28-Sep-2009		24.00					24.00	
29-Sep-2009		24.00					24.00	
30-Sep-2009		24,00					24.00	
Total	0.00	467.00	0.00	0.00	1.00	0.00	468.00	

THIS INSTRUMENT WAS PREPARED BY: Butler, Snow, O'Mara, Stevens & Cannada, PLLC Attention: Ronald G. Taylor (MSB No. 7992) Post Office Box 6010 Ridgeland, MS 39158-6010 (601) 948-6711

INDEXING INSTRUCTIONS: Real property located in Section 37, Township 2 North, Range 1 East, Wilkinson County, Mississippl.

### NOTICE OF LIEN

TO ALL PERSONS HAVING AN INTEREST HEREIN, please be advised as follows:

Pursuant to §85-7-131 of the Mississippi Code of 1972, Annotated, PRECISION DRILLING COMPANY LP, a Texas limited partnership ("Precision"), does hereby give notice of lien in its favor against that certain real property interest lying and being situated in Wilkinson County, Mississippi, more particularly described as follows, to-wit:

Graves No. 37-1 1 Well (API No. 23157219930000), located in Section 37, Township 2 North, Range 1 East, Wilkinson County, Mississippi.

Said lien arises under and by virtue of the terms and provisions of the aforesaid statute, as a result of amounts due to Precision by **AXIS ONSHORE**, **LP**, a Louisiana limited partnership ("Axis"), which amounts grow out of that certain Daywork Drilling Contract – U.S., between Precision and Axis, a copy of which is attached as **Exhibit A** (the "Contract"), whereby Precision furnished certain equipment, labor and services on various dates commencing on September 11, 2009 and ending on December 6, 2009, and which said equipment, labor and services were used by or on behalf of Axis in the drilling and development of the above-described well. Certain information not relevant to said lien has been redacted from the Contract.

Under and by virtue of the provisions of said §85-7-131, this Notice has been filed in the Office of the Chancery Clerk of Wilkinson County, Mississippi, in

EXHIBIT

C

447

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the book provided in said office, as a part of the land records of said County, and entitled "Notice of Construction Liens," on the date shown hereinafter. No suit has been filed to enforce said lien. The Contract is being filed and recorded as **Exhibit A** to this Notice of Lien.

The amount of the indebtedness hereinabove described by virtue of which this said lien is imposed and impressed on the aforesaid property is Five Hundred Twenty-Six Thousand Nine Hundred Ninety-Five and 10/100 United States Dollars (\$526,995.10 U.S.), as evidenced by the Statement of Account and Invoices attached as Exhibit B.

PRECISION DRILLING COMPANY, LP

Name: Heather Stickel

Title: Manager, Credit & Collections

## 468

STATE OF TEXAS

### **COUNTY OF HARRIS**

Personally appeared before me, the undersigned authority in and for the said County and State, on this  $\underline{\mathcal{SPL}}$  day of May, 2010, within my jurisdiction, the within named **Heather Stickel**, who acknowledged that she is the Manager, Credit & Collections of **PRECISION DRILLING COMPANY**, **LP**, a Texas limited partnership, and that for and on behalf of the said limited partnership, and as its act and deed, she executed the above and foregoing Notice of Lien, after first having been duly authorized by said limited partnership so to do.

NOTARY PUBLIC

My commission expires:

August 30,200

D KATHLEEN PAYNE
Notery Public, State of Texas
My Commission Expires
August 30, 2010

Date of Filing: May , 2010

# W

# **EXHIBIT A**

# DAYWORK DRILLING CONTRACT - U.S.

See attached copy.

# Case 10-33565-sgj11 Claim 34-1 Part 5 Filed 07/23/10 Desc Exhibit C - Filed Notice of Lien Page 5 of 37

MO

01094-102

NOTE: This form contract is a suggested guide only and use of this form or any vertellors thereof shall be at the across discretion and risk of the user parties. Users of the form contract or any portion or vertellors thereof are encouraged to seek the advice of counsel to ensure that that contract inflocts the complete agreement of the parties and applicable law. The International Association of Ording Contractors disclaims any liability whethever for toos or damages which may result from use of the form contract or portions or variations thereof. Computer generated team, reproduced under ticenso form IACO.

Royhod April, 2003



# INTERNATIONAL ASSOCIATION OF DRILLING CONTRACTORS DRILLING BID PROPOGAL AND DAYWORK DRILLING CONTRACT - U.S.

	Nr. 62011 O'Neil PH1 (713) 449-7888
	submit bid on the dilling contract form for performing the work cutlined below, upon the terms and for the conditional set forth, with the understanding that
the l	id is accepted by
	trument will considute o Contract between us. Your bid should be mailed or delivered not later than
o ute	ollowing address:
	THIS CONTRACT CONTAINS PROVISIONS RELATING TO INDEMNITY, RELEASE OF LIABILITY, AND ALLOCATION OF RISK SEE PARAGRAPHS 4.9, 8.3(c), 10, 12, AND 14
	ontract is made and onlared into on the date handballer and forth by and between the parties harein designated as "Operator" and "Contractor".  PERATOR:  Axis Onshore, LP
	Addressi 16610 Dallas Perkway, Sulte 2500 Dallas, Texes 76249
	CONTRACTOR: Precision Drilling Company LP
	Address: 10370 Richmond Avenue, Sullis 600 Houston, Texas 77042
N OI	NSDERATION of the mutual promises, conditors and agreements hards consisted and the specifications and specific provisions so i forth to Exhibit "A" and Exhibit
,B, e	sched herelo and mede a part hereof (the "Contract"), Operalor organes Contractor as an independent contractor to drift the harcinoster designated well or will be
Ran	of all or gos on a Doywork Bests.
per d apora Nabil Nabil	rposes hered, the term "Daywork" or "Daywork Basto" massa Contractor shot furnish equipment, labor; and perform services as herein provided, for a specified sum y, under-like-disculent-cuparvision-and-control of-Derator-Gentratus Law-cuppleyec-agent-consultant-or-extender-ageged-by-Operator-Control-diffing leas). When apparating on a Daywork Basta, Contractor shall be fully pelid of the application rates of payment and assumes only the abilityations and loss stated herein. Except for such obligations and liabilities specifically assumed by Contractor, Operator shall be acidly responsible and assumes by for all consequences of operations by both parties while on a Daywork Boela, including results and all other data or Babilistos incurred in or incident to operations.
1.	LOCATION OF WELL:
	ond Number Graves # 1
	County Wilkinson state: Mississippi Name:
	and description: Sec. 37 - T2N - R1E
	1.4 Artititional Well Locations or Amea: NA
I am	one described above are for wall and Contract Identification only and Contractor essumes no liability wholscover for a proper survey or location stake on Operator's
lease	100 00001000 00010 100 100 100 100 100
2.	COMMENCEMENT DATE: Contractor agrees to use reasonable alloris to commence apprehens for the dialing of the well by the
er .	ions completion of correct project or as coon as rig is evolutio. If Operator or Contractor is not ready to epud within thirty (30) days of the above
com	rencoment date or completion of current project, then the operating day rate will be subject to renggolization.
3.	DEPTH: 2.1 Wolf Dopth; The well(s) shall be delied to a depth of approximately feet, or to the
	tion, whichover is despor, but the Contractor slids not be required horsunder to drill sold well(s) below a maximum depth of real, unless
	actor and Operator mutually agree to drill to a greater dopth.
4.	DAYWORK RATES: Contractor shoth bu podd at the following relea for the work performed herelander.
per c	4.1 Mobilization: Operator shell pay Contractor is lump sum mobilization for of \$\frac{116,000}{216,000} = a mobilization day rate of \$\frac{N}{A}\$  by: This sum shell be due and protein in hid of the fine of of giged up or positioned of the west clie masy to great, Aboilization shell includes move in, if giup, &  www. Any delays associated withis the readiness of location, weather, or sorvices will be the responsibility of Operator and with be before by Operator and gr.
4,9	rain. Any unays esactions with the reachiness recessery for correct or evercome such delays. erein; including cost for odditional arense, dozore, and/or tracks necessery to correct or evercome such delays.
	4.2 Demobilization: Operator akeli pay Contractor o demobilization too of 9 <u>*60,000</u> or o demobilization day rate during lear down of A por day, provided however that no demobilization too ahali too poyable if the Contract is terminated due to the total leas or destruction.
6 <u>1</u>	dg. Damobilization shell include: move off and stack. • The demobilization fee is applicable only if Contractor dges not have one into Customer (graing)
to n	ovb to, or is not allowed to clack on location.  4.5 Moving Rate: During the time the rigis in transit to or from a drill site, or between drill cites, commencing on NA
Con	ractor a sum of 8 NA per (wenty-four (24) hour day.
	4.4 Operating Day Rates For work performed per treatly-four (24) hour day with five (6) man crew the operating day rate shall be
	Depth Intervals
	s perday 6 perday
	s porday s parday
_	P
	Operator's utili pipe \$ 13,000* per doy. "This rate includes a top drive.
The	

(U.S. Daywork Control - Page 1)
Copyright © 2003 Internetional Association of Drilling Contractors

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# Case 10-33565-sgj11 Claim 34-1 Part 5 Filed 07/23/10 Desc Exhibit C - Filed Notice of Lien Page 6 of 37

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	ova column With Dill Pipa					• • •		
	nit Dali Pipa" plua compensa	illon for any ddil plp	e ectually used at the re	les specified that	sized ari no batuqınco ,wo	of the maximum ddil pip	e in use at any	
oma curup ea	ch twenty-four hour day.		DRILL PIPE RATE P	ER 24-HOUR DA	Y			
Simi	ght Hole	مداة	Grade		ectional or ebts Deviated Hole	Size	Grada	
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\$	per ft.			8	par ft.			•
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patuson bet ot	e hundred feet.				•			
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	In use, provided, however, D							
	in use of all times when on I					• -		
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	ime operations but Contact				•	-	•	•
	ng Fluid Rotes: When dilli						t not limited to,	
Al-based mud	or potessium chieride, ere kr	usa, Oparalor shall	pay Contractor in addition	in to the operalin	g rela specified ebave:			
(0)	\$ 20.00 per mai	per day for Opolita	ctor's rig-sile personnel,				•	1
. (6)	Cost of ell lebos, material	edditional operating and services plus	) rale; and up to 48 hour	J eten gniferago s	o clasn ifg and related equip	ment.		ľ
4.8 Fo	vo Majauro Rate: \$ 11.5				as been so to or Y termon left botteq sucuettr	en (7) days	ed or cannot be	ŀ
	to conditions of Force M							•
	rig in eccordance with Oper							
4.9 Rel	imbursabia Costa: Operato	r shall raimburso C	contractor for the costs o	of material, equip	ment, work or services wh	ich ere to be fumlahed	by Operator os	
rovided for he	min but which for convenien	a ore actually funds	thed by Contractor of Op	erelore request,	ptuspe	reent for such cost of h	andiling, When,	1
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	r purposes of the Indomni					•	•	
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Payment	la due by Operator to Contra	ctores follows;						
6.1 Paya	ent for mobilization, drilling	and other work pe	entormed el epplicoble r	atas, end all oth	er applicable chargon shall	be due, upon present	ation of involce	
terefer, upon e	completion of mobilization, d	emobilization, rig rol	lease or et the end of the	month in Which	such work was partormed o	r olher charges are lacu	ned, whichever	
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6.2 Dispi	rted involces and Late Pays	nents Operalor sha	li pay eli involces willin ,	30	days alter receipt excep	that II Operator dispu	iles en involco	1
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		(U.B. Daywork Control	a - Pege 2) Sation of Odlikus Conicac		Form p	ovided by Forms On-A-	Disk .	

Revised And, 1004 work to be performed by Contractor hereunder at any time prior to reaching the specified depth, and even though Contractor has made no detault hereunder. In such event, Operator shall reimburse Contractor as set forth in Bubparagraph 8.4 horsef.

(o) By Contractor: Notwithstanding the provisions of Peregreph 3 with respect to the depth to be drilled, in the event Operator shall become insolvent, or be edjudicated e bankrupt, or file, by way of pesilon or enswer, e debtore pelifon or other pleading secking adjustment of Operators debts, under any bankruptcy or debtors miles laws now or hereafter prevailing, or it any sect to filed egainst Operator, or in case a receiver to appointed of Operator or Operator's property, or any part thereof, or Operator's elitains be placed in the hands of a Graditor's Commisson, or, following three business days prior writing mylice to Operator if Operator does not pay Commercian within the time specified in Subparagraph 5.2 oil undisputed Roma due and owing, Contractor may, at its option, (1) elect to terminate further performance of any work under this Contract and Contractor's right to compensation shall be easet forth in Subparagraph 6.4 hardef, or (2) suspend operations until payment (a made by Operator in which evant the standby timo rota contained in Subparagraph 4.0 shat apply until paymont to mado by Operator and operations are resumed. In addition to Contractor's Aghts to suspend operations or terminate performance under this Peragraph, Operator hereby expressly agreed to protect, defend and indemnity Contractor from and agoinst any claims, demends and causes of ection, including all abste of defense, in favor of Operator, Operator's co-venturers, co-lessees and joint owners, or ony other parties existing out of any drilling commitments or obligations contained in any lease, farmout agreement or other agreement, which may be effected by such suspension of operations or termination of performance horeunder.

#### 9.4 Borty Termination Compensations

(e) Prior to Commencement of operator is the event Operator laminates this Contract prior to commencement of operations / hereunder, Operator shall pay Contractor as

of the following: (1) ell expenses reasonably and necessarily incurred and to be incurred by Contractor by reason of the Contract and by reason of the premature termination of the work, including the expense of drilling or other crew members and supervision directly assigned to the rig; (2) ten percent (10%) of the amount of such relimbureable expensos; and (3) a sum calculated at the standby time rate for all time from the date upon which Contractor commences any operations hereunder down to such date subsequent to the date of lamination as wid effect Contractor reasonable time to dismand its de and equipment provided, however, if this Contract is for a term of more then one well or for a period of time, Operator shall pay Contractor, in addition to the above, the Force Mejeuro Rata, leas any unnecessary lebot, from that date subsequent to termination upon which Controlor completes dismanting its rig and equipment until the end of the termination upon which Controlor completes dismanting its rig and equipment until the end of the termination has another location available.

(a) Subsequent to appendings if such termination occurs often the speeding of the well, Operator shall pay Contractor (1) the amount for all applicable
rates and all other charges and reimbursaments due to Contractor, but in no event shall such such such or minibursaments due, to less than would have
connearmed for ten (10) days at the epplicable rate "Without Drill Pipe" and the actual amount due for drill pipe used in eccordance with the above
rates; or (2) at the election of Contractor and in few of the foregoing, Operator shall pay Contractor for all expenses reasonably and necessarily incurred and to
to incurred by reason of this Contract and by reason of such promotive loratination plus a lump ourn of \$ <u>NA</u>
le-lar-e-larm-et-mare-livar-eno-weil-er-for-e-period-er-luxor. Operater-shall-pay-Gentraster, in-addition-to-the-ebove, the-Force-Waleure-Rote-leco-casy-unnecessory
labor from the dale of temballon wall-the and of the temor <u>. Contractor has an older leasting a wallable for the artificity (36), it year which by ario sconer.</u>

Operator shall have the right to designate the points at which casing will be set and the manner of satting, commenting and testing. Operator may modify the casing program, however, any such modification which materially increases. Contractor's hazards or costs can only be made by multual consent of Operator and tractor and lugar egreement as to this additional compensation to be paid Contractor as a result thereof. 🔧

#### DRILLING METHODS AND PRACTICES:

- 8.1 Contractor shall maintain wall control equipment in good condition at all times and shall use all reasonable means to prevent and control times and blowards and to protect the hole.
- 8.3 Subject to the terms hereof, and at Operator's cost, at all times during the drilling of the wall, Operator shall have the right to control the mud program, and the chilling fulld must to of a type and have characteristics and be metalized by Contractor in accombance with the specifications shown in Exhibit "A".
- 6.3 Each party herelo agrees in compty with all texts, rules, and regulations of any federal, state or local governmental authority which are now or may become applicable to that party's operations covered by or entend out of the performance of this Combact. When required by law, the terms of Exhibit "B" shall epply to this Contract. In the event any provision of this Contract is inconsistent with or contrary to any applicable federal, state or local item, rule or regulation, said provision shall be deemed to be modified to the extent required to comply with said law, rule or regulation, and as so modified said provision and this Contract shall continue in Iuli torce and effect.
- 6.4 Contractor shall keep and furnish to Operator an accurate record of the work performed and formations diffed on the IADD-API Daily Drilling Report Form or other form acceptable to Operator. A legible copy of eald form shall be furnished by Contractor to Operator.
- 8.6 It requested by Operator, Contractor shall furnish Operator with a copy of delivery tickets covering any materials or supplies provided by Operator and received by Go

#### B. INGRESS, EGRESS, AND LOCATION:

Operator hereby assigns to Contractor all necessary rights of Ingress and agress will respect to the bact on which the well is to be located for the performance by Contractor of ell work contemplated by this Contract. Should Contractor be desired free access to the location for any meson not reasonably within Contractor's control, any time lost by Contractor as a result of such doniel shall be pold for at the standby time rate. Operator agrees at all times to maintain the read and tecedion In such a concilion that will allow the access and movement to any from the drilling allo in an ordinarity equipped highway type vehicle. If Contractor is required to use buildowns, tractors, four-wheel drive vehicles, or any other specialized transportation equipment for the movement of accessery personnel, machinery, or equipment over occess roads or on the drilling location, Operator shall furnish the same at its expense and without cost to Contractor. The actual cost of repairs to any transportation equipment furnished by Contractor or its personnel damaged as a result of improperty metablicad access reads or location will be charged to Operator chell mimbline Confector for all amounts reasonably expended by Contractor for repairs endfor reinforcement of roads, bridges and related or similar to childes (public and private) required as a direct result of a rig move pursuant to performance horsunder. Operator shall be responsible for any costs associated with leveling the de because of location satisfies.

### 10. SOUND LOCATION:

Operator shall propere a sound tocation adequate in size and capable of property supporting the drilling rig, and shall be responsible for a casing and comenting

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program adequate to prevent soil and subsoil wash out. It is recognized that Operator has superior knowledge of the location and access notice to the location, and must advise Contractor of any subsurface conditions, or obstructions (lackding, but not limited to, mines, caverna, olick holes, streams, pipelines, power lines and communication lines) which Contractor might encounter while on notice to the location or during operations hereunder, in the overst subsurface conditions course o cratering or athliting of the location surface, or it realed conditions prove unsatisfactory to properly support to origiduring markine operations hereunder, and loss or damage to the rig or its associated equipment results therefrom, Operator shall, without regard to other provisions of this Contract including Subprograph 14.1 hereof, reimburge Contractor for all such loss or damage including removal of dabris and payment of Porce Majoure Rate during repeir and/or damabilization (tapplicable Operator's maximum exposure not to exceed \$100,000 dollors.

#### 11. EQUIPMENT CAPACITY

#### 12. TERMINATION OF LOCATION LIABILITY:

When Contestor has concluded operations at the wall location, Operator shall thereafter he liable for damage to properly, personal injury or dooth of any person which occurs as a result of conditions of the location and Contractor shall be relieved of such liability, provided, however, if Contractor shall subsequently reserver upon the location for any reason, including removal of the tig, any term of the Contract relating to such reserve scale for the period of the tig, any term of the Contract relating to such reserve applicable during such parted.

#### 13. INSURANCE (See Page 4A)

Duting-the-life-of-this-Contract,-Contracts retail of Contracts re-expense maintain, with an insurance-company-or-companies out instead-to-do-business-lab dub-whose the work-to-to-be-periment of though or existing property in the contract of the work-to-to-be-periment of the contract of the work-to-to-be-periment of the contract of the work-to-the-do-business of the work-to-the-do-business of the contract of the work-to-the-do-business of the order of the work-to-the-do-business of the order or orde

#### 14. RESPONSIBILITY FOR LOSS OR CAMAGE, INDEMNITY, RELEASE OF LIABILITY AND ALLOCATION OF RISK!

14.1 Contractor's Surface Equipment Contractor shall assume fieldity at all times for densing to an destruction of Contractor's surface equipment, regardless of whose or how such damage or destruction occurs, and Contractor shall release Operator of any Hability for any such loss, except loss or domage under the provisions of Pensyraph 10 or Subparagraph 14.3.

14.2 Contractor's in-Hole Equipment Operator shall assume UsbEty et all times for damage to ar destruction of Contractor's in-hole equipment, including, but not limited to, drill pipe, drill colors, and leaf joints, and Operator shall reinhourse Contractor for the value of any such less or damage; the value to be determined by ogreement between Contractor and Operator as overall report casts or \_\_100\_\_\_\_\_\_percent of content new replacement cost of such equipment delivered |

to the well she or like kind if ogned to or befor then the inspected duality of the opplications.

14.3 Contractor's Equipment - Environmental Loss or Demogra Nativitationaling the provisions of Subparagraph 14.1 shave, Operator shall essume Hability of all lines for demagn to or destruction of Contractor's equipment resulting from the presence of H.S., CO, or other correstive elements that enter the chilling fluids from substances formations or the issued of corrective, destructive or abrasive additives in the chilling fluids.

14.4 Operator's Equipment: Operator shall assume habitity at all times for damage to or descuration of Operator's or its co-ventuars's or lessess' or joint ensures' equipment, including, but not italised to, easing, taking, well head equipment, and platform if applicable, regardless of when or how such damage or destruction occurs, and Operator shall release Contractor of any liability for any such loss or damage.

14.6 The Hele: In the event the hole should be jest or demoged, Operator shall be solely responsible for such damage to or less of the hole, including the costing therein. Operator shall release Contractor and his suppliers, contractors and subcontractors of any der of any dishility for damage to or less of the hole, and shall protect, defend and indemnity Contractor and its suppliers, contractors and subcontractors of any der from and against any and all claims, fieldity, and expanse relating to such damage to or less of the hole.

14.0 Underground Damager Operator shall release Contractor and its suppliers, contractors and subcantractors of any first of any liability for, and shall protect, defend and laderantly Contractor and its suppliers, contractors of any for from and against only and all testins, fieldlifty, and expense resulting from operations under this Contract on occumify flying to, destruction of, or loss or impalment of any properly right in or to all, gas, or other mineral substance or water, it at the time of time act or omission occurring such highly, destruction, loss, or impalment, said substance had not been reduced to physical possorsion above the surface of time earth, and for any loss or change to any formation, street, or reservoir beneath the surface of the earth.

14.7 Inspection of Materials Furnished by Operator. Contractor agrees to Visually Inspect all materials furnished by Operator before using some and to notify Operator of any opportunit defects therein. Contractor shall not be liable for any loss or standing from the use of materials furnished by Operator, and Operator shall release Contractor from, and shall protect, defend and indemnity Contractor from and against, any such liability.

14.8 Contractor's indemnification of Operator Contractor shall release Operator of any liability for, and shall protect defend and indemnity Operator from and against all deline, demands, and causes of action of evary kind and charactor, without limitend without regard to the causes or consequence or too negligence of any party or parties, criticage in coancellon humbit in fover of Contractor's employees or Contractor's subcontractors of any tier (action of timy agent or consultant engaged by Contractor's indemnity under this Paragraph Contractor's indemnity under this Paragraph about one without one right to contractor's indemnity under this Paragraph shall be without regard to and without one right to contribution from any insurance maintained by Operator pursuant to Paragraph 13. If it is judicially determined that the monetary limits of insurance required horounder or of the indemnities voluntarily assumed under Subparagraph 14.0 (which Contractor and Operator horeaby that the appropriate either by overlable hability insurance, under which the insurer has no right of subragation against the indemnities, or voluntarily soft-insured, in part or whole exceed the maximum monotary limits permitted under such law.

14.9 Operator's Indomnification of Contractor Operator shall relace Contractor of any liability for, and shall protect, defend and indomnify Contractor from and against oil stains, demands, and causes of action of every kind and character, without finition without regard to tild cause or causes thereof or the negligence of ony party or parties, adains in connection herewith in favor of Operator's employees or Operator's contractors of any fier finitesive of any organi, cansuland or

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(U.S. Daysork Contract - Page 4)
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# Case 10-33565-sgj11 Claim 34-1 Part 5 Filed 07/23/10 Desc Exhibit C - Filed Notice of Lien Page 9 of 37

# ATTACHMENT TO DRILLING BID PROPOSAL AND DAYWORK DRILLING CONTRACT

#### 19. INSURANCE

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During the life of this Contract, Contractor and Operator shall each at their own sole respective expense meintain, with an insurance company or companies authorized to do business in the state where the work is to be performed or through a self-insurance program, insurance coverages of the kind and in the amounts set forth in Exhibit "A", insuring themselves as well as all flabilities specifically assumed by Contractor and Operator in Paragraph 14 of this Contract. The pariles shall, if requested to do so by the other party, procure from the company or companies writing said insurance a certificate or certificates that said insurance is in full force and effect and that the same shall not be canceled or metorially changed without thirty (30) days prior written notice to the affected party. For itabilities assumed hereunder by each party, its respective insurance shall be endorsed to provide that the underwriters waive their right of subrogation against the other party. If requested, the party procuring such insurance shall promptly deliver complete and legible copies of all insurance policies, including all declarations, andorsements, and amendments thereto.

#### 13.1 INSURANCE PRODUREMENT

The Indemnity and Indemnity-supporting obligations imposed by certain provisions of this Contract and other insurance procurement and maintenance obligations herein are distinct from, separate and apart from, and independent of each other. Fulfillment of the indemnity and indemnity-supporting insurance obligations required under certain provisions shall not eatisfy insurance procurement obligations contained elsewhere, and vice versa,

Subcontractor engaged by Operator) or their employees, or Operator's invitees, other than those parties identified in Subparagraph 14.5 on occount of boddy Injury, death or than those parties identified by Operator's Indownity under this Peregraph shall be without regard to and without any right to condition from any insurance mentalined by Contractor pursuant to Peregraph 13. If it is judicially determined that the monetary finite of insurance required hereunder or of the indomnities voluntarily essumed under Subparagraph 14.9 (which Contractor and Operator hereby agree will be supported other by evaluable habifly insurance, under which the insurar has no right of subrogation against the indomnities, or voluntarily solvinated, in part or whole) exceed the meadnum limits permitted under epplicable law, it is agreed that insurance requirements or Indomnities shall automatically be amended to conform to the maximum monstery limits permitted under such (aw,

14.10 Liability for Whit Wall: Operator shall be liable for the cost of regalating control of any wild well, as well as for cost of removal of any debits and cost of property remediation and restaution, and Operator shall release, protect, defend and indemnify Contractor and its suppliers, contractors and subcontractors of any the from and against any liability for such cost.

14.11 Policition or Contaminations Notwithstanding envisions to the contrary contained bards, except the provisions of Paragraphs 10 and 12, it is understood and egreet by and between Contractor and Operator that the responsibility for policion or contamination shall be as follows:

(a) Contractor shall eastime all responsibility for, including control and removal of, and shall product, delend and indemnity Operator from and against all claims, demands and causes of action of every kind and character arising from poliution or contamination, which originates above the surface of the land or water from apills of first, labelcants, many oils, pipe dops, paints, solvents, heliast, bigo and garbage, extept unavoldable poliution from reserve pits, wholly in Contractor's possession and control and theory associated with Contractor's equipment and belifies.

(b) Operator shall assume all responsibility for, including control and emovel of, and shall protect, delend and indemnity Contractor and its suppliers, contractors and subcontractors of any tier from and eyelast all chains, domands, and causes of action of every find and character arteing directly or indirectly from all other pollution or contamination which may occur during the conduct of operators hereunder, including, but not limited to, that which may result from time, blowers, cartesing, seepage or any other uncontrolled flow of oil, gas, water or other substance, as well as the use or disposition of all indiag fluids, including, but not limited to, oil canniston, oil base or chamically vested draing fluids, contaminated cuttings or cavings, lost circulation and lish recovery materials and fluids. Operator shall release Contractors and its suppliers, contractors and subcontractors aftery tier of any liability for the foregoing.

(c) in the event a third party commits on act or omission which results in polition or communication for which either Contractor or Operator, for whom such party is performing work, is held to be legally libits, the responsibility therefor shall be considered, as between Contractor and Operator, to be the same as if the party for whom the work was performed had performed the same and all of the obligations respecting protection, defense, indumnity and finitizion of responsibility and liability, as set forth in (a) and (b) above, shall be specifically applied.

14.12 Consequential Danages: Euițiect to and Without dilecting the provisions of this Contract regarding the payment rights and obligations of the parties each party shell at all times to responsible for and hold harmless and indumnity the other party from and eighbut its own apositi, indirect or consequential damages, and the parties agree that the own apositi, indirect or consequential damages which is demand to include, without limitation, the followings loss of profit or reversing costs and expanses resulting from business informations of eduly in production loss of or dumny in the loss chiefly fosts of or daily in operation of parties, costs of use of property, equipment, metabase and services, including without limitation those provided contractors or extecontractors of every fier or by third parties. Operator shall et all times be responsible for and hold harmless and indumnity Contractor and its suppliers, conductors and subcontractors of any first men and against all claims, domands and causes of action of every kind and charactor in connection with such special, indirect or consequential damages sufficed by Operator's co-owners, co-verticers, co-basees, farmors, farmes, perhams and juid owners.

[56 Page 51]

14.13 Indemnity Obligation:

14.13 Intermity Obligation: Exceptes a Universe expressly-Amiliest (n-thio-Demicrat-Ho-tho-Intert-of-parties-here to that ell-releases-indemnity-obligations and/or-Robbildos-sessmed by such-parties-under-amo-of-thio-Contract-naturity, without-limit don, Eubparagrapha-4.0 and 4.3(e), Paragrapha-4.0 and 4.3 and 6.0 apparagrapha-4.4 and 4.4 are through-4.4 and 6.0 apparagrapha-4.0 and 4.4 are through-4.4 are throu

#### 16. AUDIT

If any payment provided for increment is made on the basis of Contractor's costs, Operator shall have the right to event Contractor's books and records retailing to such costs. Contractor agrees to maintain such books and records for a period of two (2) years from the data such costs were incurred and to make such books and records resulty evellable to Operator of any research time or times within the period.

#### 16. NO WAIVER EXCEPT IN WAITING

it is fully understood and agreed that none of the equinements of this Contract shall be considered as walved by either party unless the same is done in writing, and then only by the parsons executing this Contract, or other duly authorized agent or representables of the party.

#### 17. Force Majeure

Except as provided in this Peregreph 17 and without projudice to the false, release and indemnity obligations under this Contract, each party to this Contract, except for the payment of markes when due, if and for so long as such compliance is hindered or prevented by a Porce Majeure Event. As used in this Contract, "Porce Majeure Event" includes: ects of God, action of the elements, were (dedored or undeclared), insureation, revolution, robellions or civil strite, pirely, eith war or hesito ection, formula outs, rices, strikes, difference with workman, acts of public enemies, federal or state laws, rates, regulations dispositions or codes of any governmental authorities having jurisdiction in the provises or of any other group, organization or informal essociation (whether or not formally recognized as a government), inability to procure material, equipment, fuel or necessary lober to the open market, acute and unusual labor or material, equipment or fuel shortages, or any other causes (except financial) beyond the central of either party. Nather Operator nor Contractor shall be required applies the will to adjust only lober or similar dispulse sexcept the accordance with applicable law, in the owner that other party them is rendered unable, wholly or in part, by any of these excepts or carry out its obligation under this contract, it is agreed that each party shall give notice and details of Force Majoura in writing to the other party or promptly as possible effect its occurrence. In such cause, the obligations of the party giving the notice shall be suspended during the continuance of any Inability so caused except that Operator shall be obligated to pay to Contractor the Force Majoura Rate provided for in Subparagraph 4.8 above.

#### 18. GOVERNING LAW!

(U.S. Daywork Contract - Page 6)

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# ATTACHMENT TO DRILLING BID PROPOSAL AND DAYWORK DRILLING CONTRACT

14.13 Indemnity Obligation: EXCEPT AS OTHERWISE EXPRESSLY LIMITED HEREIN, IT IS THE INTENT OF THE PARTIES HERETO THAT ALL INDEMNITY OBLIGATIONS, RELEASES AND ASSUMPTIONS OF LIABILITIES BY SUCH PARTIES UNDER THE TERMS OF THIS CONTRACT, INCLUDING, WITHOUT LIMITATIONS, PARAGRAPHS 14.1 THROUGH 14.13 HEREOF, BE WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES THEREOF (INCLUDING) PREEXISTING CONDITIONS), THE UNSEAWORTHINESS OF ANY VESSEL OR VESSELS, BREACH OF EXPRESS OR IMPLIED WARRANTIES, GROSS NEGLIGENCE, OR FAULT BE SOLE, JOINT OR CONCURRENT, ACTIVE OR PASSIVE (INCLUDING, WITHOUT LIMITATION, THE NEGLIGENCE OR FAULT BE SOLE, JOINT OR CONCURRENT, ACTIVE OR PASSIVE (INCLUDING, WITHOUT LIMITATION, THE NEGLIGENCE, BREACH OF EXPRESS OR IMPLIED WARRANTIES, BREGLIGENCE, OR STRICT LIABILITY OF THE INDEMNIPIED PARTY OR PARTIES). The Indemnities, releases and assumptions of liability and reasonable legal expense extended by the parties hereto under the provisions of paragraphs 14.1 through 14.13 shall have to the benefit of the party being indemnified, released or relieved of liability, its parent, holding and affiliated companies, non Operators and assigns, and thair respective officers, directors, employees, signals and servents. This agreement shall create no right of action in any person not a party hereunder or specifically identified as an indemnities voluntarily assumed hereunder (which Contractor and Operator hereby agree will be supported either by available liability insurance, under which the insurer has no right of subrogation against the indemnities, or voluntarity self-insured, by part or whole) exceed the maximum limits permitted under applicable law, it is agreed that self insurance requirements or indemnities and insurance requirements or indemnities and submitted and applicable law, it is agreed that self insurance requirements or indemnities of the maximum limits permitted under applicable law, it is agreed that self insurance requirements or indemnities of the maximum limits permitted under applica

Operator:	Axis Onshore, LP
By:	Patrick S. O'red
Name;	Patrick S. ONeal
Title:	Coo
Contractor	: Precipion Dilling Corposity LP
By:	Balbunet
Name /	tarp/C, Burneti
Title	Sr. Manager Confronts/Marketing

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Radiced April, 2009
This Contract shall be construed, governed, interpreted, enforced and Digoted, and the relations between the parties determined in accordance with the laws

#### of The State of Texas

#### 18. INFORMATION CONFIDENTIAL:

Upon writish request by Operator, information obtained by Contractor in the conduct of drilling operations on this well, including, but not limited to, dopth, formations penetrated, the results of coring, testing and surveying, shall be considered confidential and shall not be divulged by Contractor or its employees, to any parson, firm, or corporation other than Operator's designated representatives.

#### 20. SUBCONTRACTS:

Althor party may employ other contractors to perform any of the operations or services to be provided or performed by it according to Exhibit "A".

#### 21. ATTORNEYS FEEB

If this Control is placed in the hands of an allomay for collection of any sums due haraunder, or suit is brought on same, or sums due heraunder are collected through benkruptcy or entituation proceedings, then the preveiling party shall be entitled to recover reasonable attempts tase and costs.

Contractor agrees to pay all valid claims for labor, material, services, and supplies to be furnished by Contractor hereunder, and agrees to ellow no lien by such third parties to be lived upon the lease, the well, or other property of the Operator or the land upon which said well is besited.

Neither purty may essign this Contract without the prior written consent of the other, and prompt notice of any such intent to easign shall be given to the other party. In the event of such easignment, the easigning party shall remain liable to the other party as a guaranter of the performance by the easignes of the tame of this Contract. If any exaignment is made that materially allors Contractors financial burden, Contractors compensation shall be edjusted to give effect to any increase or decrease in Contractor's normaling costs.

#### 24. NOTICES AND PLACE OF PAYMENT:

Notices, reports, and other communications required or permitted by this Contract to be given or sent by one party to the other shall be delivered by hand, malled, digitally transmitted or telecopied to the eddress hereinabove shown. All sums psyable hereunds; to Contractor shall be psyable at its address hereinabove shown unites otherwise specified hornin.

#### 25. CONTINUING OFFIGATIONS:

Notwithstanding the termination of this Contract, the parties shall continue to be bound by the provisions of this Contract that researchly require some action or

This Contract constitutes the full understanding of the parties, and a complete and exclusive statement of the terms of their agreement, and stati exclusively control and govern all work performed harmunder. All representations, oftens, and undertakings of the parties made prior to the effective date harmos, who first ordi or in writing, one marged herein, and no other contracts, agreements or work orders, executed prior to the execution of this Contract, shall in any way modify, emend, eller or change any of the terms or conditions set out hards.

#### 27. SPECIAL PROVISIONS:

- 27.1 Operator to supply steam cleaner when oil base mud is in use.
- Contractor con provide a sixth man for \$750.00 per day, if requested by Operator.
- Operator agrees to comply with all Contractor's safety requirements.
  - Liens Operators indomnification of Contractor. Operator homby agrees that he shell protect, defend, indemnify, and hold harmless Contractor and Contractor's equipment from any and all liens or claims pro-existing this agreement which ere attached to the drill site tract moder the existing or prior oil; gas; and minorals base; horson. "Operator higher agrees that, in the event Contractor is prevented from minoring his equipment from the faction as a result of any pro-existing litens or claims, Operator vill pay Contractor his applicable day rate under this agreement during the time Contractor is prevented from removing his equipment.

#### Notices and Place of Payments

Phancial Responsibility of Operator. Notwithstanding any undertakings herein stated, Contractor shall not be obligated in any manner to perform this contract until:

- (e) funds sufficient to ealisty any end all payments (including any lions on drill sits or foese which may offect Contractor or Contractor's caulpinonit) that may be sure to Contractor under this contract have been placed in an excrew account at least three (3) weeks prior to the scheduled commensement of operations. The amount of funds deposited must be satisfactory to Contractor and made psychloto Contractor upon satisfactory completion of Contractor's obligations hereunder or product to Contractor and substantial establishments and satisfactory explained in the product of the product of Contractor's obligations hereunder of the product of Contractor and made in the contractor and satisfactory exidence of Operator's financial responsibility and ability to meet Operatory and financial responsibility and ability and
- Operator egrees to reimburse Contractor for any Salety/Performance related bonus payments to Contractor's employees that have been equested in writing by Operator. The empart to be reimbursed to Contractor will be the gross amount, plus 30% for additional payroll tax and benefit cost (burden). Any <u>net</u> payment encounts requested by Operator will be grossed-up to determine actual gross amount of payments, plus 50% burden.
- For all wells delied in the State of Mississippi, the monthly invoice emount will be grossed up to include the Contractor's gross receipts
- Right of First Robest: If, efter termination of this Contract, but white the Bubject rig remains absend on tocation, Contractor should be approached by prother concerning the securing of such rig, Operator shell have the right of first releast to enter into a contract with Contractor for the securing of such rig upon such terms and conditions to be multisly agreed upon by Operator and Contractor.
- Subsequent Operations: After respling the Objective Depth, Operator shall have a patied of twenty-one (21) days to evaluate the well through a drill atom test utilizing Controller's drill atom or Operator's production exting. After respling the Objective Depth, but in no even later than twenty-one (21) days therefrom, Operator shall have the option to other (a) reliase the flag (b) cause Controller to face the well and conduct other facilities for your completion of the well or (c) cause Controller to resume operations for the drilling of a lateral or horizontal (a) (hough the existing well bere. In the event Operator elects to resume operations for the drilling of a lateral or horizontal (a) Operator shall commence such drilling operations of the natural conduction of Operator and the earns turns and conditions of this control.
- Standby Rote for Orli Stem Test: Notwithetanding engining contained to the contrary in Paragraph 4 hereof, unless the rig to etherwise released by Operator, Contractor should be paid a rate of \$8,000 delians per twenty-four (24) hour period during the time in which the well to being tested as described in Paragraph 27,5 and should be not meaned or being utilized. 27.10
- Upon exception of contract and prior to fig mave to the Graves At location, Axis Onshore, LP is to pay a deposit of \$440,000 (28 days @ \$13,000 = \$325,000, plus a mobilization rels of \$115,000 to Precision Orlilling Company LP. Payment is to be submitted by wire transfer perwinning instructions from Precision. 27.11

# Case 10-33565-sgj11 Claim 34-1 Part 5 Filed 07/23/10 Desc Exhibit C - Filed Notice of Lien Page 13 of 37

yrr

28. ACCEPTANCE OF CONTRACTI	Revised April, 2003	
The foregoing Contract, including the provisions of	olating to indomnity, release of Hability and ellocation of risk of Subporagraphs 4.9 and 8.3(d),	
Paragraphs 10 and 12, and Subparagraphs 14.1 through 14.	12, is ecknowledged, egreed to end accepted by Operator Into 12 day of 144.1415 17, 20 09	
OPERATOR	Axis Onshore, LP	
Ву	Patrick S. O'Med	
Title	_ <u> </u>	
The foregoing Contract, including the provisions role	ting to Indemnity, release of fishilly and elicention of risk of Subparagraphs 4.9, 0.3(c), Paragraphs	
10 and 12, and Subperagraphs 14.1 through 14.12, is ectno	wiedged, egreed to and eccepted by Contractor this	
which is the effective date of this Contract, subject to rig	ovaliobility, and subject to all of its terms and provisions, with the understanding that it will not be	
binding upon Operator until Operator has noted its accept	tence, and with the further understanding that unless sold Contract is thus executed by Operator	
within <u>(en (10)</u> days of the edges data Contractor st	all be in no menner bound by its signature thereto.	
CONTRACTOR	Precision Drilling Company(P)	
Ву	: Lany C. Burnett AM JULIUW	
פשוד	: Sr. Manager, Contracts Marketing	

(U.S. Daywork Content: - Page 7) Copyright © 2008 International Association of Uniting Contractors Form provided by Forms On-A-Disk (214) 340-9428 • FormsOnADisk.com

#### Case 10-33565-sgj11 Claim 34-1 Part 5 Filed 07/23/10 Desc Exhibit C - Filed Notice of Lien Page 14 of 37

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Revised April, 2003 **EXHIBIT "A"** To Daywork Contract dated \_\_\_\_August 20th \_\_\_ 20 \_\_09 Operator Axis Onshore, LP Contractor Precision Drilling Company LP Well Name and Number \_\_\_ Graves #1 SPECIFICATIONS AND SPECIAL PROVISIONS 1. CASING PROGRAM (See Persgraph 7) As specified by Operator Welt on Cement Time Conductor Surface Protection ibs/ft hra in. Iba/N. hrs Production In. Ibs/it. Liner ín. fbafft. 2. MUD CONTROL PROGRAM (See Subparagraph 6.2) . As specified by Operator Type Mud 3. INSURANCE (See Paragraph 13) covering all of Contractor's employees working under this Contract. 3.2 Commercial (or Comprehensive) General Liebility Insurance, including contractual obligations as cospects this Contract and proper coverage for all other obligations assumed in this Contract. The limit shall be 5\_\_\_\_1.000,000\_ \_combined single limit per occurrence for Bodily bijury and Property Demage. 3.3 Automobile Public Liability Insurance with limits of 5 1,000,000 \_ for the death or injury of each person and S\_\_ \_\_foresch acoldent. 3.4 In the event operations are over water, Contractor chall cony in addition to the Statutory Workers' Companisation insurance, environments cavaring liability under the Longshorements & Harbor Worksre' Compensation Act and Maritime liability (notuding maintenance and cure with limite of \$ NA \_\_ for any pas secident. for each doath or billing to one person and \$ NA 3.6 Other Insurance: \$8,000,000 Ercess Limit.
• \$1,000,000 combined single limit for bodity injury or property bemode per cachimone and \$1,000,000 annual eggregate not policy. 4. EQUIPMENT, MATERIALS AND SERVICES TO BE FURNISHED BY CONTRACTOR: The mechinery, equipment, tools, meterials, supplies, instruments, services and labor hereinafter listed, including any transportation required for such lams, shall be provided at the well tocation at the expense of Contractor unless otherwise noted by this Contract. 4.1 Orilling Rig Complete chilling rig, designated by Contractor as its Rig No. \_\_\_\_\_ 102\_\_\_\_\_ the major items of equipment being: Drawworks: Make and Model Engines: Make, Model, and H.P. No. on Rig Pumpe: No. 1 Make, Size, and Power No. 2 Make, Size, and Fawa Mud Mixing Pump: Make, Size, and Power Bollers; Number, Make, H.P. and W.P. Danick or Mast: Make, Bize, and Capacity.

(U.S. Daywork Contract - "Exhibit A" - Pago 1) Copyright © 2003 Informational Association of Drilling Contractors

18,000

. N.; Bizo:

Substructure: Size and Capacity\_ Rotary Orive: Type ... Drill Pipe: Sizo\_

4 1/3

\_\_ la. . Orli Dollars: Number and Sixo 18 Fa. - 8": 24 Fa. - 8-1/2"

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# Case 10-33565-sgj11 Claim 34-1 Part 5 Filed 07/23/10 Desc Exhibit C - Filed Notice of Lien Page 15 of 37

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Blowaut Pr	Sire	Series or Test Pr.	Maka & Model	Number
Pardo	inventory			
TENTIN	11170111037			
B.O.P. C	icalng Unit			
	ocemulator:			
4.2	Danick Embers.		•	
		pe and drill collers specified above.	•	
	Conventional drift indical Circulating mud pile.	w.		,
	Necessary pipe racks or			
	Normal storage for mud Shale Shaker.	and chemicals,		•
4.9		ide inspecied ddil collers en epecified in	4.1 prior to soudding.	
4.11 4.12				
		,		
4.14 4.18			······································	
4.1B				
4.17				, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,
		BERVICES TO BE FURNISHED BY OPE		
			as and labor hereinafter Roled, including any t	ransportation required for such licine, shall t
providad a		passe of Operator unlass otherwise noted		
6.1	Funish and maintain ad crossings, gates and cal	lequate medway end/or const to location, rig His outrois	fit-of-way, including rights-of-way for fuel and t	water linea, dver crossings, highway
6.2		d grade localion, and provide burnaround, in	cluding surfacing when necessary.	
	Test tonks with pipe and		•	
	Mud storego tenko with Separator with pipe and		•	
8.8	Labor and materials to o	connect and disconnect mud lauk, lest lank,	and mud gas separator.	
		clean test tanks and mud gas separator.		
	Pipe and connections for	, kel circulation materiale and other additive or og circulating lines.	<b>3</b> ,	
5.40	Labor to lay, bury and re	scover oil circulating lines.		
		amer cutters, stabilizers and special tools.		•
	Contract fishing tool eer Wise tine core bits or he	ads, core barrets and wire line core exicher	s if required.	
B.14	Conventional core blia,	core catchers and core barrels.	·	
	Clampad core barrel will Cement and comenting			
	Ejectrical Wielina loggin			
	Directional, calipsu, or o			
	Gun or jet perforating sa Explosives and a hoofing			
		rulio fracturing, acidizing and other related s	enices.	
	Equipment for drill stem	terling.		
	Mud logging services.  Sidewaii coring service.			
6,25	Wolding service for well	ding botlom joints of casing, guide shoe, fo	al shoe, float collar and in connection with fast	elling of well head equipment if required.
6.27	Casho semichers and a	creep, Nost collers, guide and Nout shuts a caniminus.		
6.28	Well head connections	w no so ni belisteni ed ci inomqirpe lia bne	ell or on the promises for use in connection with	n testing, completion and operation of well.
		p for mud and chemicals. : to conform to that shown for the blowout t	myonicus specifical in Subparagraph 4.1 above	3,
		ng packoff end lesting services,		•
		old seminaris and seals, if required, site	r initial lest	
		ore and Casing Lubricento, mant as necessary or as required by law.		
8.38	Site supão systems.			
5.38 # ~~	Inspection and m	<u>ao to vilital angeer at ereliga libb to vieg</u>	eretor. Ster. normal wear and tear excluded.	
	Inspection and Jo		COMMENCE OF THE POSITION	
5,39				
8,42	!			
6.44 6.45				
8.4				<del></del>
	' <del></del>			
5.49				

# 481

8. EQUIPMENT, MATERIALS AND SERVICES TO HE FURNISHED BY DESIGNATED PARTY)

The machinary, equipment, looks, meterials, supplies, instruments, services, and labor field so the following numbered liems, including any transpartation required for such flams unlose otherwise specified, shall be provided at the wall location and at the expense of the party hardle as designated by an X mark in the opproprieto column.

		To Bo)	Provided By and
	llem	Operator	o Expense Of Contractor
6.1 6.2	Celar and Runways	х	
6.2 8.3	Olches and supply	X	
6.4	Fuel Lines (length on location only )	X	
0.5	Water of source, including required permits	X	X
6,8	Water well, including required permits	X .	· · · · · · · · · · · · · · · · · · ·
6.7	Water (nee, including required permits	X	
6.B	Weter storage tankscapadly per rig inventory		X
6.9 6.10	Polable water for craws	X	
9.10 9.11	Labor to operate water wall or water pump	<del></del>	. <u> </u>
3.12	Metalenance of water web, if required, manufacture and manufacture water Pemp manufacture programmes and manufacture and manuf	X	· · · · · · · · · · · · · · · · · · ·
9.13	Pua) for water pump	<del>x</del>	
3.14	Mats for engines and ballers, or maters and mud pumps,	· · · · · · · · · · · · · · · · · · ·	X
9.16	Transportation of Contractor's property:		***************************************
	Mays In ministration of the control	•	. <u> </u>
3,18	Move on a superior to do and do able		. <u> </u>
5.17	Materials for "boding in" rig and demick		· <u> </u>
	Any drill pipo smaller or larger than 4 1/2"	X	
•	Any drill collars smaller or Jargar than 6% or 8" - nominal	X	
.18	Kolly Joints, subs, elevators, tongs, elips and BOP rems for use with special		
•	dri) clos	x	
3.19	Dill pipe protectors for Kelly John and each join! of dill pipe conning (nelde of Surface Cesing as required,	***************************************	
•	tot are Airn total at chalde of duli bibe	x	4
.20	Drill pipe pentactors for Kelly Joint and drill pipe senging		·····
	Inside of Protection Cooling Commencement Co	X	
21	Rate of penetration recording device M.D. Totoo EDR		X
.22	Extra labor for renning and cementing casing (Casing crews)	X	
.23 7.4	Cosing louis	X	
24 25	Powercasing tongs.	X	<del></del>
26	Loydown and pickup machina	X	
27	Tubing tools	<u>x</u>	
<b>.</b> 28	Crew Boots, Number NA	- NA	NA NA
.29	Service Barge,	NA	NA
26	Service Tug Bost	NA NA	NA
31	Ral Hola	X	
22	Моцев Нова политичности поставления политичности поставления поста	X	
ವಿಶ	Reserve Pilo	X	
24	_Upper,Kally,Cock ,		x
38	Lower Kelly Volve		X
3G	Drill Pips Salety Velve		X
<i>2</i> 7	instito Blowout Preventer		<u> </u>
.70 .49	Drilling hale for or driving for conductor pipe	X	<del></del>
40	Charges, cost of bonds for public made	<u>X</u>	<del></del>
41	Тизь песерасы женен жен ж	x	****
42	Linear Motion Shale Sheker per rig (nventory	<del></del>	X
43	Shalo Shaker Screens	x	
44	Mud Cleaner	<del></del>	
46	Mud/Ges Separator par rig Inventory	······	X
48	Dasander per rig inventory	<del></del>	×
47	Dooliter per rig inventory	Na.	X
de	Degassor por ng Inventory		X
Ð	Centifuge	x	
60	Robling Head	Х	
61	Robbing Read Rubbers.	X	
E2	Hydreutio Adjustable Choke	x	
E3	PR Volume Tolsinger	X	
54	Communication, type <u>phone &amp; fax muchine for riq use only</u>		X
88	Porklift, cappelly	X	<del></del>
56 67	Corresion (naibitor for protecting drill string, and a start balls of the least string and a start balls of the string of the least string of the	<u>X</u>	· · · · · · · · · · · · · · · · · · ·
67 58	Replocement of B.O.P. rubbers & seels if required ofter initial test Sewer system for PO trailers (2)	<del></del>	
59	Collar covers	x	
.60 .60	Fuel for baltare and heaters (where expired bla)		
.61	Mobilinence cherge for bollers and heaten at \$20 per hour when in use	<del></del>	-
	Auto		

Case 10-33565-sgj11 Claim 34-1 Part 5 Filed 07/23/10 Desc Exhibit C - Filed Notice of Lien Page 17 of 37

Ravised April, 2003

7. OTHER PROVISIONS:

480

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Ravised April, 2003

#### EXHIBIT "B" (Sao Gubponegroph 8,8)

The following clauses, when required by law, ere incorporated in the Contract by reference as if fully sai out

- (1) The Equal Opportunity Clouse prescribed in 41 CFR 60-1.4.
- (2) The Affirmative Action Clause prescribed in 41 OFR 60-250.4 regarding valueous and valueous of the Visinam era.
- (8) The Allemetive Action Clause for handloopped workers prescribed in 41 OFR 60-741.4.
- (4) The Certification of Compilance with Environmental Laws prescribed in 40 OFR 15.20.

(U.S. Daywek Contract - 'Eutrith B' - Paga 2)
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# **EXHIBIT B**

# STATEMENT OF ACCOUNT AND INVOICES

See attached copies.

Jackson 5120498v2

# Precision Drilling Company LP Statement of Account

## Axis Onshore LP As of April 28, 2010

Date	Number		Amount	Current	30-60	60-90
2/15/2010	1128(Int Credit)		-4,208.98			
8/19/2009	AXIS DWNPYMT		-440,000.00			
10/16/2009	AXIS DWNPYMT		-100,000.00			
10/16/2009	AXIS DWNPYMT		-75,000.00			
10/30/2009	AXIS DWNPYMT		-200,000.00			
10/14/2009		484	381,397.50			
11/1/2009		483	59,692.00			
11/6/2009	(	542	418,926.60			
12/15/2009	•	778	409,058.73			
12/29/2009	•	878	75,141.00			
1/28/2010	•	1042	1,988.25			
Total			526,995.10	0.00	0.00	0.00

488

90+

-4,208.98 -440,000.00 -100,000.00 -75,000.00 -200,000.00 381,397.50 59,692.00 418,926.60 409,058.73 75,141.00 1,988.25 **526,995.10** 



## Precision Drilling Company, LP

## INVOICE

Axis Onshore LP 16610 Dallas Parkway Suite 2500 Dallas, TX 75248-2681

**INVOICE NO:** 1042 **INVOICE DATE:** 28-Jan-2010 **CONTRACT#:** 01094db1 RIG NO: 102 JOB NO: 002 WELL NAME: Graves #1

COUNTY: LOCATION: Wilkinson

SPUD DATE: RELEASE DATE: 06-Dec-2009 06:00

11-Sep-2009 06:00

Third Party Charges on the above referenced well as follows:

D. J. Fontenot, Inv. 0739 dated 10/02/09	As Per Attached		\$ 1,026.25
D. J. Fontenot, Inv. 0740 dated 10/02/09	As Per Attached		\$ 781.26
10% Handling Charge	1 As Per Contract		\$ 180.75
		SUB-TOTAL	\$ 1,988.25
•		TOTAL INVOICE	\$ 1,988.25



# **Precision Drilling Company, LP**

### INVOICE

Axis Onshore LP 16610 Dallas Parkway Suite 2500 Dallas, TX 75248-2681 INVOICE NO: 878
INVOICE DATE: 29-Dec-2009
CONTRACT #: 01094db1
RIG NO: 102
JOB NO: 002
WELL NAME: Graves #1

COUNTY: LOCATION: Wilkinson

SPUD DATE: 11-Sep-2009 08:00 RELEASE DATE: 06-Dec-2009 06:00

Charges on the above referenced well for Daywork and OBM for December 2009 as follows:

 Daywork
 132 Hour(s) @ \$13,000.00 per 24 hours (1 Day R/D billed on LS Invoice 484)
 \$ 71,500.00

 Oil Base Mud - Crew
 55 Men @ \$20.00 per man per day
 \$ 1,100.00

 3.5% Mississippi Gross Receipts Tax
 1 As per Contract
 \$ 2,541.00

 8UB-TOTAL TOTAL INVOICE
 \$ 75,141.00

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Precision Drilling Company, LP

INVOICE NO:

878 102

RIG NO: 102 JOB NO: 002

Axis Onshore LP

Daywork

Date	Move	Daywork	Turnkey	Other	Billabie Repair	Non- Billable	Total	Description
01-Dec-2009		24.00					24.00	
02-Dec-2009		24.00					24.00	
03-Dec-2009		24.00					24.00	
04-Dec-2009		24.00					24,00	
05-Dec-2009		24.00					24.00	
08-Dec-2009		12.00					12.00	RELEASED RIG @ 0800 HRS 12/08/09
Total	0.00	132.00	0.00	0.00	0.00	0.00	132.00	



# Case 10-33565-sgj11 Claim 34-1 Part 5 Filed 07/23/10 Desc Exhibit C - Filed Notice of Lien Page 25 of 37



# Precision Drilling Company, LP

INVOICE NO: RIG NO: JOB NO:

878 102 002

Axis Onshore LP

**Additional Charges** 

		Oil Bass Mod - Crew	
01 Dec-2009	•		11.00
02-Dec-2009			11.00
03-Dec-2009			11.00
04-Dec-2009			11.00
05-Dec-2009			11.00
Total			68.00

PLEASE REMIT PAYMENT TO: Prediston Drilling Company, LP P.O. Box 202896 Dallas, Texas 76320-2696 Precision Drilling Company, LP 10370 Richmond Avenue, Sulte 600 Houston, Texas, 77042 713-435-6100 Prepared By: Kay Boudreaux



## **Precision Drilling Company, LP**

### INVOICE

Axis Onshore LP 16610 Dallas Parkway Suite 2500 Dallas, TX 75248-2681

INVOICE NO: 778 **INVOICE DATE:** 15-Dec-2009 **CONTRACT #:** 01094db1 **RIG NO:** 102 JOB NO: 002 WELL NAME: Graves #1

COUNTY: LOCATION: SPUD DATE: Wilkinson

**RELEASE DATE:** 

11-Sep-2009 06:00

Charges on the above referenced well for Daywork and OBM for November 2009 as follows:

Daywork 717.5 Hour(s) @ \$13,000.00 per 24 hours 388,645.83 Oli Base Mud - Crew 329 Men @ \$20,00 per man per day 6,580.00 3.5% Mississippi Gross Receipts Tax 1 As Per Contract 13,832.90 SUB-TOTAL 409,058.73 409,058.73 **TOTAL INVOICE** 

Case 10-33565-sgj11 Claim 34-1 Part 5 Filed 07/23/10 Desc Exhibit C - Filed Notice of Lien Page 27 of 37



# Precision Drilling Company, LP

INVOICE NO:

RIG NO: JOB NO: 778 102 002

Axis Onshore LP

Daywork

Date	Move	Daywork	Turnkey	Other	Billable Repair	Non- Billable	Total	Description
01-Nov-2009		25.00					25.00	TIME CHANGE
02-Nov-2009	~~~	24.00					24.00	
03-Nov-2009		24.00					24.00	
04-Nov-2009		16.60			4.00	3,50	24.00	MUD PUMP MODULE REPAIR
05-Nov-2009		24.00					24.00	
06-Nov-2009		24.00					24.00	
07-Nov-2009		24.00					24,00	
08-Nov-2009		24.00					24,00	
09-Nov-2009		24,00					24.00	
10-Nov-2009		24.00					24.00	
11-Nov-2009		24.00					24,00	
12-Nov-2009		24.00					24.00	
13-Nov-2009		24.00					24.00	
14-Nov-2009		24,00					24.00	
15-NoV-2009		24.00				,	24,00	
18-Nov-2009		24.00					24,00	
17-Nov-2009		24.00					24.00	
18-Nov-2009		24,00					24.00	
19-Nov-2009		24.00					24.00	
20-Nov-2009		24.00					24.00	
21-Nov-2009		24.00					24.00	
22-Nov-2009		24.00					24.00	
23-Nov-2009		24.00					24.00	
24-Nov-2009		24,00					24.00	
25-Nov-2009		24.00					24.00	
28-Nov-2009		24.00					24.00	

PLEASE REMIT PAYMENT TO: Precision Drilling Company, LP P.O. Box 202695 Dallas, Texas 75320-2695

Precision Drilling Company, LP 10370 Richmond Avenue, Sulte 600 Houston, Texas, 77042 713-495-6100 Prepared By: Robin Lyons

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# Precision Drilling Company, LP

INVOICE NO:

778

RIG NO: JOB NO: 102 002

Axis Onshore LP

Daywork

Date	Move	Daywork	Turnkey	Other	Billable Repair	Non- Billable	Total	Description
27-Nov-2009		24.00					24.00	
28-Nov-2009		24.00					24.00	
29-Nov-2009		24.00					24.00	
30-Nov-2009		24.00	<del> </del>				24.00	
Total	0.00	713.50	0.00	0.00	4.00	3.50	721.00	

YOU

# Case 10-33565-sgj11 Claim 34-1 Part 5 Filed 07/23/10 Desc Exhibit C - Filed Notice of Lien Page 29 of 37

# Precision Drilling Company, LP

INVOICE NO:

778 102

RIG NO: JOB NO:

002

Axis Onshore LP

### **Additional Charges**

	Off Basts Marif - Crew
01-Nov-2009	11.00
02-Nov-2009	11.00
03-Nov-2009	11.00
04-Nov-2009	11.08
05-Nov-2009	11.0D
06-Nov-2009	11.00
07-Nov-2009	11.00
08-Nov-2009	11.00
OB-Nov-2009	11.00
10-Nov-2008 '	11.00
1+Nov-2009	11.00
12-Nov-2009	11.00
13-Nov-2009	11.00
14-Nov-2009	11.00
16-Nov-2009	11.00
16-Nov-2008	11.00
17-Nov-2009	11.00
18-Nov-2009	11.00
18-Nov-2009	11.00
20-Nov-2009	11,00
21Nov-2009	11.00

PLEASE REMIT PAYMENT TO: Precision Drilling Company, LP P.O. Box 202695 Dallas, Texas 75320-2695 Precision Drilling Company, LP 10370 Richmond Avenue, Suite 600 Houston, Texas, 77042 713-435-6100

Prepared By: Robin Lyons

# Claim 34-1 Part 5 Filed 07/23/10 Desc Exhibit C - Filed Notice of Lien Page 30 of 37 Case 10-33565-sgj11



# Precision Drilling Company, LP

INVOICE NO:

778 102

Axis Onshore LP

RIG NO: JOB NO: 002

## **Additional Charges**

	Of Base Mud-Crew
22-Nov-2009	10,00
28-Nov-2009	11.00
24 Nov-2009	11.00
25-Nov-2009	11.00
28-Nov-2008	11.00
27-Nov-2008	11.00
28-Nov-2008	11.00
29-Nov-2008	11,00
30-Nov-2009	11,00
Total	329.00

PLEASE REMIT PAYMENT TO: Precision Drilling Company, LP P.O. Box 202695 Dallas, Texas 75320-2695

Precision Drilling Company, LP 10370 Richmond Avenue, Suite 60D Houston, Texas, 77042 713-435-6100

Prepared By: Robin Lyons





Dallas, TX

75248-2681

Axis Onshore LP

16610 Dallas Parkway Suite 2500

## Precision Drilling Company, LP

INVOICE

INVOICE NO: INVOICE DATE:

542 06-Nov-2009

CONTRACT #:

01094db1 102

JOB NO: WELL NAME:

002 Graves #1

COUNTY:

Wilkinson

LOCATION: SPUD DATE:

11-Sep-2009 06:00

**RELEASE DATE:** 

Charges on the above referenced well for Daywork, OBM and the 3.5% Mississippi Gross Receipts Tax for October 2009 as follows:

Daywork

744 Hour(s) @ \$13,000.00 per 24 hours

\$ 403,000.00

Oil Base Mud - Crew

88 Men @ \$20.00 per man per day

\$ 1,760.00

3.5% Mississippi Gross Receipts Tax

1 As Per Contract

\$ 14,166.60

SUB-TOTAL TOTAL INVOICE

\$ 418,926.60 \$ 418,926.60 Case 10-33565-sgj11

Claim 34-1 Part 5 Filed 07/23/10 Desc Exhibit C - Filed Notice of Lien Page 32 of 37



# Precision Drilling Company, LP

INVOICE NO: RIG NO:

542 102

JOB NO:

002

Axis Onshore LP

Daywork

Date	Move	Daywork	Turnkey	Other	Billable Repair	Non- Billable	Total	Description
01-Oct-2009		24.00					24.00	
02-Oci-2009		24,00					24,00	
03-Oct-2009		24.00		<del></del>			24.00	
04-Oct-2009		24.00	:				24.00	
05-Oct-2009		24.00					24.00	
06-Od-2009		24.00					24.00	
07-Ool-2009		24.00					24.00	
08-Oct-2009		24.00		***************************************			24.00	
09-Oct-2009		24.00					24.00	
10-Oct-2009		24.00					24.00	
11-Oci-2009		24.00	·				24.00	
12-Oct-2009		24.00					24.00	
13-Oot-2009		24.00					24.00	
14-Oct-2009		24.00					24.00	
15-Oct-2009		24.00					24.00	
16-Oct-2009		24.00					24.00	
17-Oct-2009		24,00					24.00	
18-Oct-2009		24.00					24.00	
19-Oct-2009		24.00					24.00	
20-Ool-2009		24.00			•		24.00	
21-Oct-2009	•	23.00			1.00		24.00	TOP DRIVE - REPAIR
22-Oct-2009		24.00					24.00	
23-Oct-2009		24.00					24.00	
24-Oct-2009		24.00					24.00	
25-Oct-2009		24.00					24.00	
28-Oct-2009		24.00	-				24.00	

PLEASE REMIT PAYMENT TO: Precision Drilling Company, LP P.O. Box 202695 Dallas, Texas 75320-2895

Precision Drilling Company, LP 10370 Richmond Avenue, Suite 600 Houston, Texas, 77042 713-435-6100

Prepared By: Kay Boudreaux

Case 10-33565-sgj11 Claim 34-1 Part 5 Filed 07/23/10 Desc Exhibit C - Filed Notice of Lien Page 33 of 37



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# Precision Drilling Company, LP

INVOICE NO:

642

RIG NO: JOB NO: 102 002

Axis Onshore LP

Daywork

Date	Move	Daywork	Tumkey	Other	Billable Repair	Non- Billable	Total	Description
27-Oct-2009		24,00					24.00	
28-Oct-2009		20,50			3.60		24.00	MP - POOH & C/O MODULE; TIH
29-Oct-2009		24.00					24.00	
30-Oct-2009		24.00					24.00	·
31-Oot-2009		23.60			0.50		24.00	MP - WORK ON BOTH PUMPS WWELDER
Total	0.00	739.00	0.00	0.00	5.00	0.00	744.00	

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# Case 10-33565-sgj11 Claim 34-1 Part 5 Filed 07/23/10 Desc Exhibit C - Filed Notice of Lien Page 34 of 37



# Precision Drilling Company, LP

INVOICE NO:

542 102

RIG NO: JOB NO:

002

Axis Onshore LP

### **Additional Charges**

	_	
	Oil Base Mud - Craw	
24-Onl-2009		11.00
26-Oct-2009		11,00
26-Ool-2009		11.00
27-001-2009		11,00
26-Oct-2009		11.00
29-Oct-2009		11,00
30-Oul-2009		17,00
31-Oct-2009		11.00
Total		88.00



## **Precision Drilling Company, LP**

## INVOICE

Axis Onshore LP 16610 Dallas Parkway Sulte 2500 Dallas, TX 75248-2681

Case 10-33565-sgj11

INVOICE NO: INVOICE DATE:

483 01-Nov-2009

CONTRACT #: RIG NO:

102 002

JOB NO: WELL NAME:

Graves #1

COUNTY: LOCATION: Wilkinson

SPUD DATE:

11-Sep-2009 06:00

**RELEASE DATE:** 

Charges for the replacement cost for items lost in hole or damaged beyond repair in the drilling of the above referenced well (tax, surcharge on steel & freight included):

6-8" Drill Collars

As Per Attached

57,673.43

3.5 % Mississippi Gross Receipts Tax

1 As Per Contract

2,018.57

SUB-TOTAL TOTAL INVOICE

\$ 69,692.00 \$ **69,692.00** 

Prepared By: Kay Boudreaux



## Precision Drilling Company, LP

### INVOICE

Axis Onshore LP 16610 Dallas Parkway Suite 2500 Dallas, TX 75248-2681 INVOICE NO: 484
INVOICE DATE: 14-Oct-2009
CONTRACT #: 01094db1
RIG NO: 102
JOB NO: 002
WELL NAME: Graves #1

COUNTY:

WilkInson

LOCATION: SPUD DATE:

**RELEASE DATE:** 

UD DATE: 11-Sep-2009 06:00

Charges on the above referenced well for Mobilization, Daywork and 3.5% Mississippi Gross Receipts Tax for September 2009 as follows:

 Lump Sum Mobilization
 1 As Per Contract (8-Days Mi-RU)
 \$ 115,000.00

 Daywork
 468 Hour(s) @ \$13,000.00 per 24 hours
 \$ 253,500.00

 3.5% Mississippi Gross Receipts Tax
 1 As Per Contract
 \$ 12,897.50

 SUB-TOTAL TOTAL INVOICE
 \$ 381,397.50

# Claim 34-1 Part 5 Filed 07/23/10 Desc Exhibit C - Filed Notice of Lien Page 37 of 37 gnCase 10-33565-sgj11



## Precision Drilling Company, LP

INVOICE NO: RIG NO: JOB NO:

484 102 002

Axis Onshore LP

Daywork

Date	Move	Daywork	Turnkey	Other	Bijiable Repair	Non- Billable	Total	Description
11-8ep-2009		12.00			***************************************		12.00	ON DAYWORK @ 0800 HOURS 9/11/09
12-Sep-2009		24.0D		-			24.00	•
13-Sep-2009		24.00					24.00	
14-Sep-2009		24.00				***************************************	24.00	
15-Sep-2009		24.00					24.00	
16-Sep-2009		24,00			,		24.00	
17-Sep-2009	1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1	24,00					24.0D	
18-Sep-2009		24.00					24.00	
19-Sep-2009		24.00					24,00	
20-Sep-2009		24,00					24.0D	
21-Sep-2009		24.00		***************************************		<del></del>	24.00	
22-Sep-2009		24.00					24.00	·
23-6ep-2009		24.00			0.60		24.60	TOP DRIVE - C/O CYLINDER FOR LINK TILT
24-Sep-2009		23.50					23.6D	
26-Sep-2009		23.50			0.60	•	24.00	SCR - T/8 GEN; C/O BAD FUSES IN BREAKER
28-8ep-2009		24.QD					24.00	
27-Sep-2009		24.00					24,00	
28-Sep-2009	,	24,QD					24.00	
29-Sep-2009		24.00					24.00	
30-8ep-2009		24,00					24.00	
Total	8.00	407.00	0.00	0.00	1.00	0.00	468.00	

PLEASE REMIT PAYMENT TO: Precision Drilling Company, LP P.O. Box 202696 Dallas, Texas 76320-2695

Precision Drilling Company, LP 10370 Richmond Avenue, Sulte Houston, Texes, 77042 713-438-8100

Prepared By: Kay Boudreaux

Page 2 of 2

WILKINSON COUNTY WISSISSIPPI

# Northern District of Texas Claims Register

10-33565-sgi11 TriDimension Energy, L.P.

Judge: Stacey G. Jernigan

Chapter: 11

Office: Dallas

Last Date to file claims: 07/28/2010

Trustee:

Last Date to file (Govt):

Creditor: (13331510)Claim No: 34 Status: Precision Drilling Company, Original Filed Filed by: CR LP Date: 07/23/2010 Entered by: Morenoff, Daniel CO William B. Finkelstein Original Entered Modified: and Daniel I. Date: 07/23/2010 K & L Gates LLP Dallas, TX 75201

Secured claimed: \$526995.10

Total claimed: \$526995.10

History:

<u>Details</u> 34-1 07/23/2010 Claim #34 filed by Precision Drilling Company, LP, total amount claimed:

\$526995.1 (Morenoff, Daniel)

Description: Remarks:

# **Claims Register Summary**

Case Name: TriDimension Energy, L.P. Case Number: 10-33565-sgj11

Chapter: 11
Date Filed: 05/21/2010
Total Number Of Claims: 1

	Total Amount Claimed	Total Amount Allowed
Unsecured		
Secured	\$526995.10	
Priority		
Unknown		
Administrative		
Total	\$526995.10	\$0.00