



900 N. Squirrel Rd, Suite 210, Auburn Hills, MI 48326

DRILLING SERVICES AGREEMENT TERMS AND CONDITIONS

This quotation is based upon MERSINO providing the above scope in compliance with the specifications of the project. However, at no time, unless indicated above, should the contractor assume that we are quoting the entire project specification. Our compliance with the contract documents relates only to the very specific scope of work delineated above.

The drilling services are provided by MERSINO on a rental basis; the drill rig is rented by the day and provided with an operator and oiler. MERSINO will invoice all use taxes applicable to the equipment rented for this project. Any responsibility not expressly assumed by MERSINO in this quotation should be considered the responsibility of the contractor/owner. This quotation does not include the cost for any site-specific safety training classes that may be required or special PPE gear for our employees, unless otherwise stated above. Any costs incurred relative to these items will be invoiced at a time and materials basis. Any pricing that is quoted as a "per foot" price refers to the amount of service installed, NOT the footage of the trench or cut.

The contractor will be responsible for any use of the annular excavation that is provided by MERSINO. No specific dewatering service has been provided with this quotation. The ownership of the project belongs with the contractor. This quotation does not include P.E. stamped designs, unless stated in the proposal above. Also, unless otherwise stated, no provision is included for well abandonment. Should well abandonment be required, it can be provided at an additional cost. This proposal assumes unrestricted pumping for the duration of the project. Should restrictions limitations on the volume and /or rate of pumped water be imposed, the impact on the functionality of the dewatering system is unknown. Should such a restriction be imposed, the impacts of the restriction on the dewatering system shall in no way be the responsibility of MERSINO and MERSINO cannot warrant any outcome, desired level of dewatering, desired depth of the water table, or adequacy of the system proposed or installed.

No guarantee is implied or expressly made in this quotation as to the productivity of the drilled well. MERSINO will not be held responsible for testing or damages, nor for the pumping, filtration, monitoring or disposal of impacted water or soil on this project. Furthermore, MERSINO bears no responsibility for the drying up of any existing water wells in the area, or damage to existing structures due to the dewatering process. Any soils removed or disturbed during MERSINO's scope of work are not considered debris/rubbish. The Contractor agrees and promises that it shall indemnify and hold MERSINO harmless from any and all claims, liability, damage, or loss, including reasonable attorney fees arising out of the Contractor's use of the equipment. The Contractor shall also have the entire risk of loss of, damage to, or destruction of the equipment from all causes whatsoever during the term of this lease and thereafter until the equipment has been demobilized from the project site. Further, it is the responsibility of the contractor to secure the jobsite and the equipment supplied by MERSINO from risk of floods. MERSINO does not accept back charges as a result of mechanical failures. MERSINO does accept the responsibility to address and repair any system experiencing mechanical failures, or to replace down equipment, as rapidly as possible.

Field Service Visits: If Lessee does not elect to hire Lessor for pump watch services, field service occurrences will be billed to the Lessee as a time and material expense. (Portal to Portal) This includes, but is not limited to, cleaning of clogged intake screens and/or volutes, Venturi/compressor issues caused by cavitation and/or improper operation of the pump, fuel issues, dead batteries, replacement or repair of customer damaged equipment, etc. Scheduled preventative maintenance and/or service calls due to failure of Lessor's equipment due to inadequate maintenance by Lessor is included in rental price and therefore not billed separately.

Prices are based upon unrestricted operations. MERSINO shall not be held liable for any costs due to strikes, delays, changed project conditions and/or any other unforeseen conditions. Should the quantity of drilling services be substantially reduced, MERSINO reserves the right to withdraw this proposal, and will provide a new quotation based upon the revised quantities. The Contractor agrees to pay interest at a monthly rate of 1.5% (18% per annum) on unpaid balances that exceed 30 days from invoice date. MERSINO shall receive final payment, including any retainage, within 90 days of completion of MERSINO's work. Contractor agrees that payment from Owner is not a condition precedent to Contractor's obligation for final payment to MERSINO.