CUSTOMER NAM	AF.	Geological Survey of Slovak Republic	Quotation/Agr	eement No:		GSSR 10/04_purchase	
Mlynska dolina 1, 81704 Bratislava 11		COMMENCEMENT DATE:			01.01.2005		
		highona dointa 1, orror Dradolara 11					
SITE LOCATION: Dept. of Geophysics and Non-Renewable		AGREEMENT	DATE:		01.11.2004		
Energy Sources			Maintenance E	ffective Date		01.01.2005	
HOST NAME:			Lisence Fee ar	nd Services		104.600 \$	
HOST ID:			Software Maint	Software Maintenance Fee 2005		Included above	
Technical CONTA	ACT:	Dr. Igor Hrusecky	Software Maint	tenance Fee Ja	an 2006	16.600 \$	
TELEPHONE:		00421-2-5937 5111					
Upon execution o	of this Agreeme	ent by both parties, GeoQuest agrees to	Terms of Payment Total amount of 104.600 USD 30 days after receipt of invoice (March 2005).				
provide the Produ	uct(s) and Serv	rices listed below at the prices indicated. greement, are those of (a) the General	I otal amount of	104.600 050 30	days after receipt of	Involce (March 2000).	
Terms& Condition	overning this A	Software License Terms and Conditions	1				
and (c) the Softwa	are Maintenan	ce Terms and Conditions as attached.	Delivery Dates				
			Software Delive	ry and Licence	Key: after contract s	ignature	
]							
CUSTOMER:		Geological Survey of Slovak Republic	Company:		s, Zweigniederlassun	g Hannover der	
		Geological Survey of Slovak Republic		Schlumberger G		D 20605 Hannouor	
	GE	OLOGICALISURVEY Va 11		Karl-Wiechert A	liee 3	D-30625 Hannover	
		of SLOVAKIA	1	OILFIELD	SERVICES		
NAME(s):		Mlynská dolina 1	NAME7woignind	orlanguan.llana	Albrecht Glocke		
Title/Position	SK -	817 04 BRATISLAVA 11	NAME7weigniederlassung Hannover Oproveruger Glocke Title/Postuger			HUM	
	,		Nan-vylechert-Allee, 3, D-30825 Happoyer				
	1000			9/2(11/2402.468	Hax (49) 5/14-6462	42300	
Signature	2i an	427	Signature /		1-Nov-04		
Date c	24.11.0	2	Date		1-1404-0-4		
Software 8	Services	s Purchase			<u> </u>		
			Code Number	Cingle Unit	Total (USD)	Annual	
POS	NOS	Description	Code Multiper	Single Unit price (USD	10(a) (03D)	Maintenance	
	1			price (00D			
1	1 1	Petrel Geoscience Core	ACS3-B1	29.100 \$	29.100 \$	5.820 \$	
2		Seismic Interpretation (Petrel 2004)	ASIN-B1	10.000 \$	10.000 \$	2,000 \$	
3		3D Grid Depth Conversion	AGDC-B1	5.500 \$	5.500 \$	1.100 \$	
			AWCR-B1	5.500 \$	5.500 \$	1.100 \$	
4	1	Well Correlation	AFMD-B1	11.000 \$	11.000 \$	2.200 \$	
5	1	Facies Modeling	APHM-B1	12.000 \$	12.000 \$	2.400 \$	
6	1	Petrophysical Modeling Data Analysis	ADAS-B1	5.500 \$	5,500 \$	1.100 \$	
7	1	Surface Imaging (Satellite Images)	APFS-B1	4.400 \$	4.400 \$	880 \$	
		icence Fee/monthly maintenance	1		83.000 \$	16.600 \$	
		0 working days) Petrel Project assistance			30.000 \$		
1	2 weeks (1	o working days) Feller Floject assistance			ου.ουσ ψ		
1	High End P	PC with 2 screens			5.000 \$		
	•				16.600 \$	[	
<b></b>	Une year w	laintenance (2005)					
	Cubtotel	laintenance (2005)			134.600 \$		
	Subtotal				134.600 \$	and the second	
	Discount	Software and services			30.000 \$		
	Discount						
Notes	Discount Total Sof	Software and services tware and Services			30.000 \$		
1	Discount Total Sof Prices spe	Software and services tware and Services cified include 5% withholding tax	rt after delvery of i	hardware and lis	30.000 \$ 104.600 \$		
	Discount Total Sof Prices spe The trainin	Software and services tware and Services	rt after delvery of l	hardware and lis	30.000 \$ 104.600 \$		

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Oilfield Services, Zweigniederlassung Hannover der Schlumberger GmbH Karl-Wiechert Allee 3 D-30625 Hannover

Geological Survey of Slovak Republic Mlynska dolina 1 817 04 Bratislava Slovak Republic

Attn: Managing Director

August 17, 2004

# SUBJ: Quotation for Petrel software and expert consultancy

Dear Sir,

It is our pleasure to submit to you our offer for the deployment of the Petrel software as we have discussed in Bratislava on August 5 and 6. We understand that the commercial installation will be done in December 2004. Until then we will provide you with an evaluation License. This License will expire on Dec 31 2004. In case we come to a commercial agreement, SIS will support the use of an academic license for your personnel to prepare for courses in the University, which is free of charge. Taking in to account the particular situation of your organization we have offered you 3 options.

- 1. Purchase in January 2005
- 2. Lease purchase over 2 years
- 3. Lease purchase over 3 years

Regarding 2 and 3, you can terminate the contract 4 weeks in advance of each quarter. In case the term is completed the software remains with your organization and the year following the end of term, only the software maintenance needs to be paid to make sure that you have always access to the current releases.

Regarding option 2 and 3, we have included the expert support in the payments for the first 2 quarters assuming that this is the period where your users actually need the support. You find also a paragraph describing the reinterpretation of the seismic in order to come up with a reliable geological model.

I hope our offer meets you expectations and I am looking forward to further discussions.

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Best regards

Schlumberger Information Solutions Oilfield Services, Zweigniederlassung Hannover, der Schlumberger GmbH, Karl-Wiechert -Allee 3, Third Floor D-30625 Hannover, Germany

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Albrecht Glocke



Petrel Offer Page 1 of 5

# Schlumbergen

#### Quotation

### Petrel Software and expert consultancy

### A.1 DESIGNATED SITE

The Geological Survey of the Slovak Republic

### A.2 SERVICES & PRICES

1. Quotation for purchase of licences as described, maintenance charges, Support services nd High end PC with two screens

ltem	Description	Qty.	List Price per Item
1	Petrel licence Consistion of:		83.000 \$
_	Core System (Petrel 2003)	1	
	Seismic Interpretation (Petrel 2003)	1	
	3D Grid Depth Conversion	1	
	Well Correlation	1	
	Facies Modeling	1	
	Petrophysical Modeling	1	
	Surface Imaging (Satellite Images)	1	
2	High -End PC, with two double screens	1	5.000 \$
3	Petrel expert consultancy	20	30.000 \$
4	Petrel maintenance per year (12 months)	1	16.600 \$
	Subtotal	1	134.600 \$
	Discount		-30.000 \$
	Total		104.600 \$

### 2. Terms of payment

Total	96.755 \$
Additional Discount	-7.845 \$
Option 1 Petrel Lisence, Maintenance for 2005, 20 days services in 2005 and PC: Payment in Januray 2005	104.600 \$

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Starting 2006 the maintenance charge is 16.600 USD per year.



Petrel Offer Page 2 of 5

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# Schlumberger

	and to down population	Gross Value Net Value
Option 2	Petrel Lisence, Maintenance for 2005, 10 days services in quarter 1 2005, 10 day in quarter 2, 2005, and PC streched over 8 quarters (2 years) Charge Q1 2005 (includes 10 days of expert support) Charge Q2 2005 (includes 10 days of expert support) Charge Q3 2005 Charge Q4 2005 Charge Q1 2006 Charge Q2 2006	Gross Value Net Value 26.400 \$ 25.080 \$ 26.400 \$ 25.080 \$ 11.400 \$ 10.830 \$
	Charge Q3 2006	11.400 \$ 10.830 \$
	Charge Q4 2006	121.200 \$ 115.140 \$
	Total in 2 years	

In case of choosing Option 2, SIS will grant an additional discount 5% on the quartly amount (see

NET VALUE). Starting 2007 the maintenance charge is 16.600 USD per year in case all installments have been

paid.

Option 3 Petrel Lisence, Maintenance for 2005, 10 days services in quarter 1 2005. 10 day in quarter 2, 2005, and PC streched

Total in 3 years	
Charge Q4 2007	137.800 \$
Charge Q3 2007	8.983 \$
Charge Q2 2007	8,983 \$-
Charge Q1 2007	8.983 \$
Charge Q4 2006	8.983 \$
Charge Q3 2006	8.983 \$
Charge Q2 2006	8.983 \$
Charge Q1 2006	8.983 \$
Charge Q4 2005	8.983 \$
Charge Q3 2005	8.983 \$
Charge Q1 2005 (includes 10 days of expert support) Charge Q2 2005 (includes 10 days of expert support)	8,983 \$
Charge Q1 2005 (includes 10 days of expert support)	23.983 \$
over 12 quarters ( )	23,983 \$
quarter 1 2005, 10 day in quarter 2, 2000, and over 12 quarters (3 years)	

Starting 2008 the maintenance charge is 16.600 USD per year in case all installments have been paid.

All prices are in USD and excluding any government taxes. The quarterly invoices will be issued in the month preceding the quarter to follow.

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## A.3 SERVICE PERIOD

N/A



Petrel Offer Page 3 of 5

### A.4 AVAILABILITY

The software will be made available at the Geological Survey of the Slovak Republic in Bratislava

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## A.5 ASSIGNED SERVICES PERSONNEL

SIS will provide expert level of consultancy, after agreement with the Geological Survey of Slovak Republic

## A.6 RECOMMENDATIONS FOR BUILDING PETREL STRUCTURAL MODEL FROM INTERPRETATION OF 2D SEISMIC LINES (ESB PROJECT)

- To be able to build a sensible 3D model, the fault interpretation methodology needs to be changed a little.
- The methodology needs to change from interpreting all faults on one seismic section to
  interpreting one single fault at a time on as many sections as possible. This methodology is
  necessary to get a true 3D overview of the fault geometry. The existing fault interpretations
  can of course be used for guidance.
- Interpret horizons with datum gabs at faults, and use those gabs as guidance for connecting the main faults between the seismic lines (Look at the interpretations in map-view ant try to connect the gabs representing the different fault lines by digitizing fault polygons) These polygons can in combination with horizons and interpreted fault sticks be used to build the fault model.
- Since Petrel only handles relative simple fault geometry, it is a good idea to build the fault model in stages, starting out with main faults first, and then builds the more complex faults into the model in stages of increasing complexity.

I do not expect you will be able to incorporate faults from the whole vertical extent of the seismic sections in one model. To be able to model the whole vertical extent of the field, I recommend, that you divide your model into two, three or more sub-models. It is a good idea to sub-divide using horizons as separators between the sub-models.

The main thought is to try to go from a 2D perspective, where each seismic line is interpreted separately, to a 3D perspective, where each seismic line represents a small slice of information, about the whole field. Then it is mission of the geologist to tie the information between the slices and to interpret what is happening in between the slices. I know that is it a big job to re-interpret the seismic lines, but it has to be done in order to build a consistent 3D model.

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Petrel Offer Page 4 of 5

# Schlumberger

Following is a price summary for requested software licenses. All prices are in USD and excluding any government taxes.

The proposal is valid until October 31st, 2004.

## A.7 TRAVEL AND ACCOMMODATIONS

N/A

### A.8 ACCEPTANCE

N/A

### A.9 TERMINATION

If Options 2 or 3 are chosen, termination is possible on a quarterly basis with one month termination period before the end of each quarter.

### A.10 TRANSFER OF SERVICE

N/A.



Petrel Offer Page 5 of 5

			Quotation/Agree	ment No:	G	SSR 10/04_Lease purchase	
USTOMER NAME:		ept. of Geophysics and Non-	COMMENCEME	NT DATE:		1.1.2005	
	R	enewable Energy Sources	AGREEMENT DATE:			1.11.2004	
		1	Expiry of Lease Term after 24 months			31.12.2006	
ITE LOCATION:	S	ee above	Termination option:		3	s months before payment date	
			Lisence Fee and	Condess 2005	r 2006	121 200 \$	
IOST NAME:			Lisence Fee and Software Maintenar	Sel Vices 2000 (	105	Included above	
IOST ID:			Software Maintena	1001 002004			
echnical CONTACT:		Dr. Igor Hrusecky	Software Mainte	nance Fee 2007		16 600 \$	
ELEPHONE:	C	0421-2-5937 5111	Terms of Paymer			26 400	
	Agrooment	by both parties, GeoQuest agrees to	1. Payment Feb 20	005		26 400	
			e 2. Payment May 2	005	•	_	
			3. to 8.Payment (A following Quarter	ug, Nov 2005 and	1 eacn (6)	11 400	
Conditions and, (b) the	Software Li Terms and (	cense Terms and Conditions, (c) the Conditions and (d) Software Lease Term				121 20	
and conditions as attac	hed.		Software Delievr	y and Licence Ke	ey: after contrac	t signature on a quartlerly bas	
						ung Hannover der Schlumber	
CUSTOMER:		Dept. of Geophysics and Non-		Oilfield Services, 2 GmbH	Weldulenenges	ang namoral ser series	
		•		Karl-Wiechert Alle	e 3	D-30625 Hannover	
		Renewable Energy Sources					
			NAME:	Al	brecht Glocke Mgr Sales	******	
NAME(s): Title/Position		••••••••••••••••••••••••	Title/Position		NUGI JUICS		
fillen ooklon							
			Signature				
Signature			Date	· · · · · · · · · · · · · · · · · · ·			
Date	ervices	Lease Purchase					
Soltwale & C	ier vioec				T +-1 (USD)	Annual Maintena	
POS	NOS	Description	Code Number	Single Unit	Total (USD)	Annaarmanica	
FOO	,			price (USD			
			ACS3-B1	29 100 \$	29 100 \$	58	
1	1	Petrel Geoscience Core	ASIN-B1	10 000 \$	10 000 \$		
2	1	Seismic Interpretation (Petrel 2004)	AGDC-B1	5 500 \$	5 500 \$	۶ <u>1</u> 1	
3	1	3D Grid Depth Conversion	AWCR-B1	5 500 \$	5 500 \$		
4	1	Well Correlation	AFMD-B1	11 000 \$	11 000 \$		
5	1	Facies Modeling	APHM-B1	12 000 \$	12 000 \$		
6	1	Petrophysical Modeling Data Analysis	ADAS-B1	5 500 \$	5 500	Ψ	
7	1	Surface Imaging (Satellite Images)	APFS-B1	4 400 \$	4 400	4	
°		icence Fee/monthly maintenance			83 000 30 000	<u>۹</u>	
	2 weeks (1)	0 working days) Petrel Project assistance	e .		5 000	1	
	High End F	PC with 2 screens			33 200		
	2 year Mali	ntenance (2005 & 2006)			151 200		
	Subtotal				30 000		
	Discount	Software and services			121 200		
	Total So	ftware and Services					
Notes							
1		ecified include 5% withholding tax ng session will be on request and should	I start after delvery of h	ardware and lisen	ce key.		
2	The trainir	net lisence will only be issued if the lease	e term is not discontin	ued			
3	Invoice ct	Irrency is USD					
		र्दे					
					7		

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1997 - 19			Quotation/Agree	mont No:		SSR 10/04_purchase		
CUSTOMER NAME	:	Dept. of Geophysics and Non-	COMMENCEME			1.1.2005		
		Renewable Energy Sources	COMMENCEME					
				ат <b>с</b> .		1.11.2004		
SITE LOCATION:		see above	AGREEMENT D			1.1.2005		
			Maintenance Eff			104 600 \$		
HOST NAME:			Lisence Fee and Software Mainter		<u>v</u> =	Included above		
HOST ID:						16 600 \$		
Technical CONTAC	CT:	Dr. Igor Hrusecky	Software Mainter	- · ·				
TELEDHONE.		00421-2-5937 5111		+	والمتحدثين والمتحدثين	[		
in a supportion of t	this Agreeme	nt by both parties, GeoQuest agrees to	Terms of Paymer	14 600 USD 30	days after receipt of i	nvoice (March 2005).		
the Broduc	t(c) and Serv	ices listed below at the phoes mulcated.	Total amount of T	1.000 000 000				
The sole terms gov	/eming this A	greement, are those of (a) the General						
Terms & Conditions	s and, (D) the re Maintenan	Software License Terms and Conditions ce Terms and Conditions as attached.	Delivery Dates	Delivery Dates				
and (c) the Soliwal	ie Mantenan		Software Delievr	y and Licence	Key: after contract si	gnature		
			Company:	Oilfield Services	s, Zweigniederlassung	g Hannover der		
CUSTOMER:		Dept. of Geophysics and Non-		Schlumberger (		D-30625 Hannover		
Kari-Wiechert Allee 3								
		Renewable Energy Sources						
			NAME: Albrecht Glocke					
NAME(s):	*******		Title/Position Mgr Sales					
Title/Position								
O'			Signature					
Signature			Date					
Date	Condes	es Purchase						
Software &	Service	S Fulchase		· · ·				
			Code Number	Single Unit	Total (USD)	Annual Maintenance		
POS	NOS	Description		price (USD				
				(-				
L		Petrel Geoscience Core	ACS3-B1	29100\$	29 100 \$	5 820 9		
1	1		ASIN-B1	10 000 \$	10 000 \$	2 000 \$		
2	1	Seismic Interpretation (Petrel 2004)	AGDC-B1	5 500 \$	5 500 \$			
3	1	3D Grid Depth Conversion			5 500 \$			
4	1	Well Correlation	AWCR-B1	5 500 \$	11 000 \$			
5	1	Facies Modeling	AFMD-B1	11 000 \$	12 000 \$			
6	1	Petrophysical Modeling	APHM-B1	12 000 \$				
7	1	Data Analysis	ADAS-B1	5 500 \$		1		
8	-1 - 1	Surface Imaging (Satellite Images)	APFS-B1	4 400 \$		,		
					83 000 \$	5 16 600		

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Subtotal Licence Fee/monthly maintenance 30 000 \$ 2 weeks (10 working days) Petrel Project assistance 5 000 \$ High End PC with 2 screens 16 600 \$ One year Maintenance (2005) 134 600 \$ Subtotal 30 000 \$ Discount Software and services 104 600 \$ Total Software and Services Notes Prices specified include 5% withholding tax 1

The training session will be on request and should start after delvery of hardware and lisence key. 2

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Invoice currency is USD З

# GENERAL TERMS AND CONDITIONS FOR PRODUCTS AND SERVICES

The following are the General Terms and Conditions under which Company sells, leases, and/or licenses Products and/or performs Services.

## 1.0 Definitions

**1.1** "Agreement" shall mean Company's Quotation to Customer, these GENERAL TERMS AND CONDITIONS FOR PRODUCTS AND SERVICES, SOFTWARE LEASE TERMS AND CONDITIONS, GTAP LEASE TERMS AND CONDITIONS and any addendum thereto.

**1.2** "Documentation" refers to manuals, handbooks, maintenance libraries, and other publications in whatever form listed in Company's Price List or supplied in connection with Products or Services.

**1.3 "Equipment"** refers to computer-related hardware and other equipment that is listed in Company's Quotation to Customer.

**1.4** "External Software" refers to stand-alone, off-the-shelf application software packages listed in Company's Quotation which are licensed or leased to Customer in accordance with the Agreement by the applicable third party software vendors. Such third party software vendors are third party beneficiaries to the Agreement with Customer and shall have the right to enforce the terms and conditions of the Agreement to the extent that they apply to External Software.

**1.5** "Intellectual Property" means all trademarks or trade names (whether common-law or registered), patents, mask works, patents, patent applications, copyrights (whether published or unpublished), trade secrets, know-how, designs, methods, processes, work-flow, inventions, proprietary information and transferable rights under written agreements relating to the Products and Services.

**1.6 "Party"** refers to Company or Customer; **"Parties"** refers to Company and Customer.

**1.7 "Products"** refers to items listed in Company's Quotation to Customer, including but not limited to Software and Equipment.

**1.8** "Proprietary Information" refers to, without limitation: Software(including all enhancements, updates, corrections, derivative works and other modifications thereto); Documentation, diagnostic software, equipment or other materials used by Company in the performance of installation, warranty work orservices; Equipment design information; Company supplied printed materials; visually transmitted information; and any modifications or components thereof, whether made by Company or Customer.

**1.9 "Quotation"** refers to Company's written quotation form or proposal or other document that lists the Products and/or Services to be provided to Customer by Company.

**1.10** "Services" refers to Company software maintenance services, equipment maintenance services, customer support services, data services, work flow analysis services, site assessment services, customer site data management services, reservoir studies and interpretive services, educational services (including training), and any other services identified in Company's Quotation to Customer.

**1.11 "Software"** refers to software identified in Company's Quotation to Customer including, without limitation, application software, systems software, External Software, microcode and firmware, and, where included, documentation and manuals related thereto. For Software, the term "purchase" or "sale" means "license" or "right to use".

**1.12** "Software License" or "Software Use" refers to the software license or right to use granted by Company in accordance with Company's Software License or Software Use Terms and Conditions. A Software License or Software Use shall provide only a possessory right to the tangible media upon which the Software is transferred to Customer and a nonexclusive right to use the Software listed in Company's Quotation to Customer in accordance with the Software License or Software Use Terms and Conditions. Company and its licensors shall retain ownership to all intellectual property rights in the Software, including patents and copyrights.

**1.13 "Supplemental Terms and Conditions"** shall mean any additional terms and conditions, or addendums thereto, that reference these General Terms and Conditions for Products and Services. Supplemental Terms and Conditions shall apply insofar as Company's Quotation involves the sale, lease, license or transfer of a particular Product or the performance of a particular Service as set forth in Company's Quotation.

## 2.0 Orders

Prices and fees for Products and Services will be as specified in accordance with Company's Quotation that is current at the time an order is accepted from Customer, or in the absence of a quotation, shall be at Company's then current standard prices and fees. Prices for Services provided under an accepted Quotation may be changed by Company effective January 1 of the next year, on thirty (30) days' written notice to Customer. Until agreement between Company and Customer is reached, original prices prevail.

### 3.0 Payment

**3.1** Purchase. For Product purchases, Customer shall make full payment within thirty (30) days after the date of shipment of the Products or within thirty (30) days of

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installation/acceptance of Products where installation services have been requested by Customer, provided Customer maintains credit arrangements satisfactory to Company. Customer shall make full payment for Services and other items described herein for which no "shipment" is involved within thirty (30) days after receipt of invoice. All payments shall be made in the currency set forth on the quotation (or in U.S. dollars if no other currency is indicated). Company may charge interest on all overdue amounts in accordance with Article 3.4, below.

**3.2** Lease. If the Quotation provides for a lease or rental to Customer of Products from Company, Company's standard Software Lease Terms and Conditions or Equipment Lease Terms and Conditions shall apply in addition to these General Terms and Conditions.

**3.3** Obligations. Customer agrees that should any portion of an invoice be disputed, Customer shall promptly pay the non-disputed portion. Within thirty (30) days of receipt of an invoice, Customer shall promptly notify Company of the reasons for disputing all or part of that invoice and Company shall promptly produce such evidence as it may have in support of the disputed amount. Having due regard to all the facts, the parties shall seek to reach agreement as to how much, if any, of such disputed amount should be paid. Payment of fees in one invoice shall not be set off or withheld against fees payable in connection with any other matter. Should any outstanding invoice remain unpaid beyond the stipulated time period, Company shall be entitled to cancel or suspend the provision of the Products or Services without incurring liability to Customer and without prejudice to any of Company's other rights hereunder.

**3.4** Interest on Late Payments. Company may at its absolute discretion charge interest, which Customer shall promptly pay, on all amounts not paid strictly in accordance with these Terms and the Service Order. Interest shall accrue at EURIBOR plus 2 (two) percent.

## 4.0 Taxes

Prices listed do not include any local, state, provincial, federal or national sales, use, excise, personal property, value added, import/export, or other similar taxes or duties, which may be assessed in connection with the Products or the provision of the Services, and Customer agrees to pay all such assessments. In the event Company must initially pay such assessments, Customer agrees to reimburse Company within thirty (30) days after receipt of Company's invoice. Taxes based upon Company's income shall be the sole responsibility of Company.

## 5.0 Shipment

**5.1** Shipment. Prices exclude shipping charges. Products will be shipped FOB point of origin. Title to Products shall pass to Customer in the country of origin, provided, however, where the Products are leased to Customer title shall remain in the name of Company. Customer will be responsible for shipping charges and for

GENERAL TERMS AND CONDITIONS FOR PRODUCTS AND SERVICES Page 3 of 10

procuring insurance, unless otherwise specified. Customer shall assume all risks of loss upon Company's delivery to the carrier.

**5.2** Security Interest. Company retains title to and a security interest in Equipment as security for Customer's payment for the Equipment until the purchase price for the Equipment has been paid in full. Customer agrees to execute such documents as Company may reasonably require to perfect and further evidence this security interest.

## 6.0 Installation

**6.1** Equipment. Company shall install Equipment if the price includes installation or if Customer separately purchases installation services.

**6.2** Software. Software shall be installed onto Customer's servers and/or computers in accordance with the applicable Software License Terms and Conditions or Software Use Terms and Conditions or Software Lease Terms and Conditions. Unless Company installation services have been ordered and agreed upon, Customer shall perform such installation.

**6.3** Customer Responsibilities. Customer shall provide the necessary environment and electrical power supply connections as specified by Company and the equipment manufacturer and shall be responsible for transporting the Equipment to its location within Customer's facility.

## 7.0 Cancellation Charges

**7.1** Equipment. In the event Customer cancels an order for Equipment, Customer shall pay within thirty (30) days thereafter a cancellation and restocking charge in the amount of ten percent (10%) of the total price for the canceled Equipment. No cancellation by Customer will be accepted after the date of shipping, or for Equipment being specially developed for Customer once development has commenced. For Equipment ordered from Company suppliers on behalf of Customer, the "date of shippent" shall be the date Equipment is shipped from the Company supplier(s).

**7.2** Services. In the event Customer cancels an order for Services, Customer shall pay within thirty (30) days thereafter all previously unbilled costs and expenses incurred by Company (including labor and materials) prior to receipt of notice of cancellation, plus a cancellation charge in the amount of the lesser of: (a) ten percent (10%) of the total contract price for the Services; or (b) fifty percent (50%) of the difference between the total contract price for the Services less any amounts previously paid by Customer for the Services. No cancellation by Customer will be accepted after the date of completion of the Services. All amounts paid by Customer prior to notice of cancellation are non-refundable and are not subject to offset.

## 8.0 Warranty

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8.1 Equipment Warranty.

**8.1.1** Equipment sold is warranted to be in good and serviceable condition. The warranty period for Equipment shall be as specified in Company's Quotation, or for a period of ninety (90) days if no such warranty period is specified. The warranty period begins on the date installation is completed or upon delivery if the Equipment is installed by Customer. If Company is prevented from installing the Equipment by causes beyond its control for more than thirty (30) days from the date of delivery, the warranty period will commence on the thirtieth (30th) day after delivery.

**8.1.2** Equipment may also be warranted by the third party supplier. Company's sole liability and Customer's sole remedy for breach of this warranty is limited at Company's sole option to either: (a) the repair or replacement of the defective Equipment or part, or (b) the refund of the purchase price of the defective Equipment which is returned by Customer at Customer's cost to the location specified by Company.

8.2 Software Warranty. Software is warranted in accordance with Company's Supplemental Software License or Software Use or Software Lease Terms and Conditions, as applicable.

**8.3** Service Warranty. Where Services for Products are being purchased by Customer, as set forth in the Agreement, Company will use reasonable efforts to provide such Services pursuant to Article 9 below and the applicable Supplemental Terms and Conditions for the particular service(s) purchased by Customer, subject to Customer's fulfillment of its obligations under the Agreement.

**8.4** Limitations. Company's sole responsibility under these warranties shall be to provide the Products and/or Services described in the Agreement with Customer. Warranties do not apply to: (a) any products other than Products or Services listed in the Agreement with Customer; or (b) conditions resulting from improper use or storage of the Products or operation of the Products outside the specified environmental conditions; or (c) conditions resulting from causes external to the Products after delivery; or (d) conditions resulting from modifications to the Products other than modifications made by Company or Company's service vendor; or (e) conditions resulting from Customer's movement of the Products; or (f) Products from which Company's or Company's service vendor's serial numbers have been removed; or (g) use of Software with operating system software versions other than Company-designated versions.

8.5 Disclaimer of Warranties. Except as expressly stated herein, COMPANY MAKES NO WARRANTIES, EXPRESS, IMPLIED, OR STATUTORY, WITH RESPECT TO THE PRODUCTSOR SERVICES PROVIDED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Customer shall at all times be respon-

sible for product(s) or results or interpretations produced by Customer and for providing back-up for all software applications and data files stored in the Products.

## 9.0 Services

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Supplemental Terms and Conditions. To the extent the Agreement with Customer includes Customer's purchase of software maintenance, hardware maintenance, onsite support or other miscellaneous services, the applicable Supplemental Terms and Conditions for the particular service(s) shall apply to Company's performance of such services in addition to these General Terms and Conditions.

# 10.0 Ownership and Protection of Proprietary Information

10.1 Except for those limited licenses or rights to use that may be granted under applicable Supplemental Terms and Conditions, Company grants no title or license or right to use to Proprietary Information or Intellectual Property, which remains the exclusive property of Company and, where applicable, Company's third party licensors. Customer agrees to secure properly such Proprietary Information and to keep it confidential and not to use the Proprietary Information or Intellectual Property in any manner, except as provided in these General Terms and Conditions or under applicable Supplemental Terms and Conditions, or make it available to third parties without Company's prior written consent. Customer shall disclose the Proprietary Information only to its employees on a need-to-know basis. Customershall maintain adequate internal procedures, including appropriate binding agreements with Customer's employees, to protect the Proprietary Information in the same manner as Customer protects Customer's own confidential proprietary infor-mation. Upon any cancellation or termination of this Agreement Customer agrees to return or destroy, at Company's direction all such Proprietary Information. The provisions of this Article 10.1 shall survive any cancellation or termination of this Agreement.

**10.2** Nothing in these General Terms and Conditions shall impose an obligation of confidentiality on Customer with respect to Proprietary Information which is: (a) rightfully in Cus tomer's possession in a substantially complete and tangible form prior to the time it is received from Company, (b) hereafter furnished to others by Company without restrictions on disclosure and use, (c) hereafter furnished to Customer by a third party as a matter of right and without restriction on disclosure or use, or (d) independently developed by Customer without breach of these Terms and Conditions.

**10.3** While providing Products or Services to Customer, Company may develop additional expertise, know-how and other intellectual property which are Company's exclusive property and which Company may freely utilize in providing services for its other customers. Except where expressly and specifically indicated in writing, and in exchange for appropriate payment, Company does not develop any intellectual property (including copyrights, patents, know-how, and expertise) for ownership by Customer under the Agreement with Customer, and Company retains sole ownership of any such items created during the course of providing Products and/or Services hereunder.

## 11.0 Default and Remedies

## 11.1 Customer Default

**11.1.1** Customer shall be in default for failure to meet its payment obligations. Customer shall have thirty (30) days to cure such default after notice by Company. However, Company has the right to charge Customer interest in accordance with Article 3.4, above. Company's right to require interest shall not foreclose Company from any other remedy provided by these General Terms and Conditions, any applicable Supplemental Terms and Conditions, or applicable law.

**11.1.2** Customer shall be in default for its failure to perform any material obligation under, or for any material breach of, the Agreement, these General Terms and Conditions, or any applicable Supplemental Terms and Conditions. In the event of such breach, Company may, at its option, suspend the provision of any goods or services to Customer called for by this Agreement or, upon written notice to Customer, terminate this Agreement and/or any Supplemental Terms and Conditions that are applicable to the goods and/or services being provided to Customer under this Agreement.

**11.1.3** The parties agree that a default caused by an unauthorized disclosure or use of the Proprietary Information could cause Company irreparable harm. Accordingly, the parties agree that Company will be entitled to seek timely injunctive relief to prevent Customer from completing any unauthorized disclosure or use.

**11.2** Company Default. Should Company default under these Terms and Conditions, Customer shall give Company thirty (30) days' written notice to enable – Company to cure such default. If Company fails to cure such default within said thirty (30) day period, Customer shall have the right to pursue all available remedies at law or equity.

# 12.0 Patent and Copyright Indemnity

**12.1** Company shall defend, or at its option settle, any claim, proceeding or action brought against Customer based upon a claim that a Product supplied by Company or a Service performed by Company constitutes a infringement of a patent or copyright issued under the laws of the country of original delivery or intended destination (as identified by Customer in the Agreement), and Company shall pay those costs and damages finally awarded against Customer in any such action or proceeding which result from any such claim, provided always that Company shall have no liability under this Article: (a) unless Company is notified promptly in writing by Customer of each notice and communication regarding such claim, is given the complete authority, information and assistance necessary for such defense, and is given sole control of the defense of any action on such claim and of all negotiations for its settlement or compromise, or (b) if Customer makes any admission regarding infringement.

**12.2** Should a Product or Service become, or in Company's opinion be likely to become, the subject of a claim of infringement or the like under such patent or copyright laws, Customer shall permit Company, at Company's option, to either: (a) procure for Customer the right to continue using the Product or Service, (b) replace or modify the Product or Service so that it becomes non-infringing (provided the same level of functionality is maintained), or (c) accept the return of the Product and grant Customer a credit for the then depreciated value of the infringing Product, which for the purposes of this Article shall be presumed to depreciate by one-fifth (1/5) of its purchase price per year. If the infringing Product is leased or rented to Customer, or is a Service agreement and Customer's sole remedy in such case shall be the return by Company of any payments made by Customer for periods after such termination.

**12.3** Company shall have no liability or obligation to Customer under this Article 12 for any patent or copyright infringement or claim thereof based upon: (a) Company's compliance with Customer's specifications, where such specifications require Company to modify a Product or Service; (b) the combination of the Product or Service with other items or services not furnished or approved in writing by Company: (c) any unauthorized addition to or modification of the Product, or alteration of the Services at the request of Customer: or (d) any use of the Product in the performance of a method or process (practice of a process), except where such practice is solely completed by or within the Product, provided that once Company becomes aware it shall inform Customer as soon as possible of a potential infringement caused by any event under (a) to (d). Customer shall defend and hold Company harmless against any expense, judgment or loss for alleged infrin-gement of any patent, copyright or other proprietary right which results from a claim based upon (a), (b), (c), or (d).

## 13.0 Limitations on Liabilities and Remedies

Company's liability for any breach of the Agreement with Customer and these General Terms and Conditions and any applicable Supplemental Terms and Conditions, or for personal injury (including death) or property damage arising from the use or installation of the Products or the performance of Services, shall not exceed the aggregate purchase price or license or usage fees paid, or lease payments made, for the Products or Services and IN NO EVENT SHALL COMPANY BE LIABLE FOR SPECIAL, PUNITIVE, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING ANY DAMAGES RESULTING FROM LOSS OF USE, LOSS OF DATA, LOSS OF PROFIT, OR LOSS OF BUSINESS WHETHER ARISING OUT OF OR IN CONNECTION WITH THE PERFORMANCE OF THE PRODUCTS OR SERVICES OR ANY OTHER MEANS, AND REGARDLESS OF THE FORM OF ACTION UPON WHICH A CLAIM FOR SUCH DAMAGES MAY BE BASED, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT PRODUCT LIABILITY OR ANY OTHER LEGAL OR EQUITABLE THEORY. THESE LIMITATIONS SHALL APPLY EVEN IF ANY LIMITED REMEDY FAILS IN ITS ESSENTIAL PURPOSE. CUSTOMER SHALL PROTECT, INDEMNIFY, HOLD HARMLESS AND DEFEND COMPANY OF AND FROM ANY LOSS, COST,

## DAMAGE, OR EXPENSE, INCLUDING ATTORNEYS' FEES, ARISING FROM ANY CLAIM ASSERTED AGAINST COMPANY THAT IS IN ANY WAY ASSOCIATED WITH THE MATTERS SET FORTH IN THIS ARTICLE

## 14.0 Force Majeure

Neither party shall be responsible for delays or failures in performance resulting from events or circumstances beyond the control of such party. Such events shall include but not be limited to acts of God, strikes, lockouts, riots, acts of war, epidemics, governmental acts or regulations, fires, communication line failures, power failures, and earthquakes. Force Majeure cannot be used to excuse or delay any payment obligation.

## 15.0 Arbitration

Any controversy or claim arising out of or relating to the Products or Services covered in the Agreement with Customer, or any breach thereof, shall be settled by arbitration to be held in the English language in Vienna at Rules of Arbitration of the International Chamber of Commerce (for contracts outside the United States). Austrian law shall be the substantive law. Any judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereover. Any judgement upon the award rendered by the Arbitrator(s) may be entered by the Arbitrator(s) may be entered by the Arbitrator(s) may be entered in any court having jurisdication thereover. Any award rendered by the Arbitrator(s) may include costs against either Party, but under no circumstances are the Arbitrator(s) authorized or empowered to award special, punitive or multiple damages against either Party.

## 16.0 Assignment

No rights or obligations under the Agreement with Customer shall be assigned by Customer without the express written consent of Company (such consent not to be unreasonably withheld by Company), and provided that the assignee is identified to Company and that the assignee agrees to strictly abide by all the terms and conditions of the Agreement. Company may assign its rights and obligations under the Agreement to any Schlumberger affiliated company or to its successor in interest in the event of a merger, corporate reorganization, or sale of all or substantially all of its assets relating to its business to which the Agreement pertains.

## 17.0 Export Administration Act

Regardless of any disclosure by Customer to Company of the contemplated ultimate destination of the Products, Customer shall not export or re-export, directly or indirectly, any Product (or the "direct product" of any Software Product) without first obtaining an export (or re-export) license from the Department of Commerce or other agency of the United States Government, as required.

## 18.0 Publicity and Public Disclosures

GENERAL TERMS AND CONDITIONS FOR PRODUCTS AND SERVICES Page 9 of 10

Customer shall not, without obtaining Company's prior written approval, use any Company or Schlumberger trade names, trade marks, service marks, company names or other trade designations in any Customer press releases, advertising literature, or corporate information disclosures (including without limitation financial reports and government regulated information disclosures).

## **19.0 Miscellaneous Provisions**

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Company's acceptance of Customer's order will form an agreement subject only to Company's Quotation, these General Terms and Conditions, and any Supplemental Terms and Conditions and is expressly conditional on Customer's assent to this Agreement, the General Terms and Conditions and applicable Supplemental Terms and Conditions. This Agreement supersedes any previous or contemporaneous communications, representations, or agreements by either Company or Customer, whether verbal or written, including any terms and conditions on Customer's order. Customer has not relied upon any representations, oral or written, except as are made in this agreement. Any modification or amendment to this Agreement must be in writing and signed by the authorized representatives of Company and Customer. The unenforceability of any provision hereunder shall have no effect upon the remaining provisions, which shall continue in full force and effect.

## End of General Terms and Conditions for Products and Services

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### SOFTWARE LEASE TERMS AND CONDITIONS

### These Terms and Conditions are in addition to the General Terms and Conditions entered into between Company and Customer

### 1.0 Lease

Company hereby leases to Customer and its associated Proprietary information as set forth in Company's written Quotation to Customer, in accordance with these Software Lease Terms and Conditions. This Lease shall commence upon Company's delivery of Software to Customer and shall continue for the term of the lease specified in the written Quotation unless terminated by default or cancellation. Company (and/or Company's licensor(s), when applicable) shall at all times retain title to all rights to Intellectual Property in and to the Software and Proprietary Information, including all components, additions, modifications and updates. Where title to certain Software is retained by Company's licensors, Company represents that it has the authority to lease such Software to Customer.

### 2.0 Lease Termination

Subject to the right to cure for non-payment, Company shall have the right, immediately upon any default by Customer, to pursue all available remedies at law or equity, and may terminate the Agreement with Customer and/or this Lease. Upon termination of this Lease, Customer shall discontinue all use of the Software and return the Software and Proprietary Information to Company, including all copies. If Customer ceases to operate for any reason, including but not limited to bankruptcy or dissolution, and the Software is not transferred in accordance with Article 16 of the Company's General Terms and Conditions, Customer shall return the Software to Company. Customer shall, upon Company's request, certify that all such Software, Proprietary Information and copies have been returned to Company.

#### 3.0 Use

3.1 For purposes of this Lease, the term "use" shall be limited to the processing of information and the process of copying, recording, or transcribing Software. Use does not include modifying Software in any way, creating derivative versions thereof, reverse assembling, reverse compiling, or reverse engineering Software or distributing it to other parties or making it available for any use, directly or indirectly, by another person, any such utilization of Software being hereby expressly prohibited.

3.2 Customer shall identify in writing the computers, servers, and workstations, and locations where the Software will be used. Software shall be used solely in conjunction with the foregoing computers, servers, and workstations, at authorized locations, and accessed by only the agreed number of sets for which Customer is authorized as set forth in the Quotation to Customer. A Customer-designated computer or server is the processor or equipment configuration on which the Software is first installed pursuant to the license or usage grant. Once installed, Software my be moved from one Customer-designated computer or server to a different computer or server within the same authorized location only after giving notice to Company and receiving approval in writing to do so. A Customer-designated workstation includes all workstations on a Local Area Network that are physically located within one thousand (1000) meters of a Customer-designated server. Customer understands that the Software will only operate properly on the types of computer equipment using the operating system version(s), as identified by Company in its published technical specifications.

3.3 Authorized use of the Software shall be restricted to the processing or interpretation by Customer of geoscience, reservoir, and production related data owned or licensed by Customer in connection with: (a) oil, gas and other natural resource development ventures where Customer is active as operator or partner; and (b) evaluations for Customer's internal use of such ventures in which Customer contemplates becoming active as operator or partner. 3.4 Storage media that Customer receives from Company may contain certain software that is not covered in Company's Quotation. If Customer desires to obtain a right to use such separate software, Customer must obtain the appropriate rights to use such separate software from Company and pay the appropriate fees. Customer agrees to comply with and not deliberately modify or make inoperable any feature that is incorporated in the Software to prevent access to unlicensed software. Customer acknowledges that Software and Equipment may now or in the future contain security devices for the protection of Software.

COMPANY DOES NOT GUARANTEE RESULTS. ALL INTERPRETATIONS USING THE 3.5 PRODUCTS, AND ALL RECOMMENDATIONS OR RESERVOIR DESCRIPTIONS BASED UPON SUCH INTERPRETATIONS, ARE OPINIONS BASED ON INFERENCES FROM MEASUREMENTS AND EMPIRICAL RELATIONSHIPS AND ON ASSUMPTIONS WHICH INFERENCES AND ASSUMPTIONS ARE NOT INFALLIBLE, AND WITH RESPECT TO WHICH COMPETENT SPECIALISTS MAY DIFFER. IN ADDITION, SUCH INTERPRETATIONS, RECOMMENDATIONS AND RESERVOIR DESCRIPTIONS MAY INVOLVE THE OPINION AND JUDGMENT OF CUSTOMER. CUSTOMER HAS FULL RESPONSIBILITY FOR ALL INTERPRETATIONS, RECOMMENDATIONS AND RESERVOIR DESCRIPTIONS UTILIZING THE PRODUCTS. COMPANY CANNOT AND DOES NOT WARRANT THE ACCURACY, CORRECTNESS OR COMPLETENESS OF ANY INTERPRETATION, RECOMMENDATION OR RESERVOIR INTERPRETATION, CIRCUMSTANCES SHOULD ANY UNDER NO DESCRIPTION. RECOMMENDATION OR RESERVOIR DESCRIPTION BE RELIED UPON AS THE SOLE BASIS FOR ANY DRILLING, COMPLETION, WELL TREATMENT, PRODUCTION OR OTHER FINANCIAL DECISION, OR ANY PROCEDURE INVOLVING ANY RISK TO THE SAFETY OF ANY DRILLING VENTURE, DRILLING RIG OR ITS CREW OR ANY OTHER INDIVIDUAL. CUSTOMER HAS FULL RESPONSIBILITY FOR ALL SUCH DECISIONS AND FOR ALL DECISIONS CONCERNING OTHER PROCEDURES RELATING TO THE DRILLING OR PRODUCTION OPERATION. CUSTOMER AGREES THAT COMPANY SHALL HAVE NO LIABILITY TO CUSTOMER OR TO ANY THIRD PARTY FOR ANY ORDINARY, SPECIAL, OR CONSEQUENTIAL DAMAGES OR LOSSES WHICH MIGHT ARISE DIRECTLY OR INDIRECTLY BY REASON OF CUSTOMER'S USE OF THE PRODUCTS. CUSTOMER SHALL PROTECT, INDEMNIFY, HOLD HARMLESS AND DEFEND COMPANY OF AND FROM ANY LOSS, COST, DAMAGE, OR EXPENSE, INCLUDING ATTORNEY'S FEES, ARISING FROM ANY CLAIM ASSERTED AGAINST COMPANY THAT IS IN ANY WAY ASSOCIATED WITH THE MATTERS SET FORTH IN THIS SOFTWARE LEASE.

3.6 Software is leased for use is the country where first delivered and may not be transferred outside such country without Company's prior written consent.

### 4.0 Copying Software

Customer is encouraged to duplicate Software and Customer's data maintained by such Software FOR BACKUP PURPOSES ONLY to protect against the loss of Customer's data. Customer may make archival copies of the Software as provided by applicable national copyright law and under international treaties. Customer agrees not to copy or reproduce Software or any portion thereof for any other purpose. Customer shall reproduce all copyright, patent, and proprietary rights notice(s) as a part of the informational content of any copy of the Software in any form. In the case of disk, tape, or other storage media, Customer shall reproduce such notice(s) in a visually legible form on the exterior of the media or first page of the printed volume. Customer is hereby granted the right to make a reasonable number of printed copies of user documentation and help files contained in the distribution media with the Software for its own use only, provided that such printed copies bear Company's original copyright notice. Customer's use of such printed copies shall be subject always to the terms and conditions of the Agreement and this Software Lease.

### 5.0 Software Warranty

5.1 Subject in all cases to Article 5.3 and 5.4, below, the Company warrants during the term of the Software Lease that when operated on computer systems that comply with Company's published technical specifications: (a) the Software shall function substantially in accordance with published Company product specifications at the time the order is accepted; and (b) the Software will recognize, process and use dates properly both before, during and after 31<sup>st</sup> December 1999.

5.2 Company shall make its good faith efforts to correct defects in the Software that prevent the substantial use of the Software in accordance with Company's product specifications where such defects are brought to its attention during the Lease. Such corrections shall be made in accordance

with Article 6, below. Due to the complex nature of Software, Company does not warrant that Software is error free or that all errors will be corrected.

5.3 The warranty provisions contained herein shall not apply to the extent that any error or failure in the Software is caused, directly or indirectly, by failures in hardware, software, or firmware products, or data supplied by:

- (a) Customer
- (b) A third-party; or
- (c) Company, unless such hardware, software or firmware is the subject of a current warranty from Company.

5.4 External Software. Company does not warrant the form or content of External Software or related documentation, which Company provides "as is". Any applicable third party vendor's warranties for External Software (including any applicable century date compliance warranty) supplied by Company to Customr hereunder will be passed through to the Customer as the end user.

### 6.0 Maintenance

6.1 Company shall provide Maintenance Services for the Leased Software during the term of this Lease. Maintenance Services for the Leased Software includes:

- (a) Company's good-faith efforts to correct errors in program codes and procedural documents supplied with the Leased Software where such errors are brought to Company's attention during the term of this Lease;
- (b) Company designated standard Leased Software release enhancements and improvements;
- (c) One set of the appropriate documentation and/or Updates and one set of media with each Leased Software release; and
- (d) Telephone access to Company's Customer Support staff for reporting Leased Software malfunctions and to obtain assistance in the use of the Leased Software.

6.2 All maintenance modifications made to the Leased Software shall be in computer readable form that will be sent to Customer via mail or courier or electronically, such shipment method to be selected by Company. Customer will be responsible for loading such media according to Company's instructions.

6.3 All Leased Software maintenance performed by Company will be made without regard for any modifications made to the Leased Software or Equipment by Customer.

### End of Software Lease Terms and Conditions

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