



The following terms and conditions are a part of this Agreement:

1 Trade-In: Purchaser shall deliver the Trade-In, if any, described on the reverse side hereof to REICHdrill LLC on or before taking delivery of the equipment sold herein. PURCHASER hereby represents and warrants to REICHdrill LLC that such Trade-In will, at the time of delivery to REICHdrill LLC, become the property of REICHdrill LLC free of all liens, security interests, encumbrances, and interests of any nature and that such Trade-In will be free of all defects, except as disclosed in writing to REICHdrill LLC on or prior to the date hereof, PURCHASER agrees to indemnify and hold REICHdrill LLC

harmless against all liabilities, losses, damages, and costs (including reasonable attorney's fees) incurred by REICHdrill LLC arising from the falsity or breach of the foregoing representations and warranties.

2 Start-Up Services: Start-up services are not included. In the event PURCHASER desires "Start-up" services, PURCHASER shall pay for such services at REICHdrill LLC's rate then in effect for such services plus any traveling and other costs incurred by REICHdrill LLC in providing such services.

3 Manufacturer's Warranty for New Equipment: PURCHASER shall be entitled to the benefits of the manufacturer's warranty, if any, extended to first users of new equipment sold herein. PURCHASER hereby acknowledges receipt of a copy of any such manufacturer's warranty for new equipment.

4 Warranty Services for New Equipment: REICHdrill LLC, at its option, may provide parts and services to fulfill a warranty claim of PURCHASER under the manufacturer's warranty described in paragraph 3 above. In the event any such warranty claim of PURCHASER is rejected by the manufacturer or REICHdrill LLC is not otherwise reimbursed by the manufacturer for such parts and services, PURCHASER shall pay REICHdrill LLC for such parts and services at REICHdrill LLC's rates then in effect. PURCHASER shall be liable for the transportation costs of any parts provided to PURCHASER pursuant to a warranty claim.

5 Exclusive Warranty as to Services: REICHdrill LLC warrants that all services provided hereunder will be completed in a workmanlike manner according to REICHdrill LLC's standard practices, subject to the following: Any alleged defect in services must be reported to REICHdrill LLC in writing as soon as possible after discovery of such

defect, but in no event later than ninety (90) days from the date of completion of service or REICHdrill LLC shall have no liability hereunder. REICHdrill LLC shall be given a reasonable opportunity to cure any such defect. REICHdrill LLC shall not be liable for any improper use or lack of maintenance of any equipment serviced hereunder. The obligation of REICHdrill LLC to PURCHASER regarding defects in services rendered herein shall be limited to cure by REICHdrill LLC or return of any amounts paid for services herein, as determined by REICHdrill LLC, and in no event shall REICHdrill LLC be liable for special or consequential damages (including without limitation, business interruption, and injury to persons or property), or other expenses which may arise in connection with such service. This warranty is expressly made in lieu of any and all other warranties expressed or implied.

6 EXCLUSION OF WARRANTIES BY REICHdrill LLC AS TO NEW AND USED EQUIPMENT-LIMITATION OF REMEDIES: REICHdrill LLC makes no warranty either expressed or implied regarding any new or used equipment sold herein, including without limitation, the condition of the equipment, its merchantability, or its fitness, adaptability or suitability for any particular purpose, and as to any such new or used equipment, PURCHASER buys the equipment from REICHdrill LLC, "as is". The foregoing shall not limit the liability of the manufacturer of new equipment sold herein under the warranties of such manufacturers as described in paragraph 3 above. REICHdrill LLC shall not be liable for any liability, loss or damage incurred by PURCHASER direct or indirect or consequential (including but not limited to business interruption and injury to persons or property) resulting from non-delivery of late delivery, defective condition, failure or faulty operation, non-merchantability, non-suitability, or use of any of the equipment sold herein.

7 Deliveries: The time and manner of delivery of any equipment or service sold herein shall be in accordance with the normal operating procedures of REICHdrill LLC and subject to delay for the causes set forth in paragraph 8 below. REICHdrill LLC shall not be liable to PURCHASER for any loss, costs or damages incurred by PURCHASER as a result of delayed delivery by REICHdrill LLC

8 Inability to Perform: REICHdrill LLC shall not be liable for any delay or failure in performing any of its obligations hereunder, when any such delay or failure is occasioned by any causes or contingencies beyond its reasonable control, including but not limited to acts of God, fires, floods, explosions, war, act of public enemy, strikes, lockouts, labor or employment difficulties, epidemics, embargoes, supplies, fuel, power or common carrier transportation equipment, physical breakdown of any part of REICHdrill LLC's plant, machinery, or equipment and/or failure of performance by any supplier of equipment to REICHdrill LLC. In case of any such causes or contingencies, REICHdrill LLC shall have the right to cancel all or any part of this Agreement without any liability on its part.

9 Permits and Licenses: PURCHASER shall, at its own cost and expense, apply for and obtain all necessary permits and

licenses which may be required in connection with the operation of the equipment sold hereunder.

10 Delivery: All equipment is sold F.O.B. REICHdrill LLC's offices in Philipsburg, Pennsylvania or F.O.B. location (an REICHdrill LLC's option). PURCHASER shall take delivery of all equipment at such locations and be responsible for any shipping charges from such locations. PURCHASER shall be liable for payment upon notification by REICHdrill LLC that the equipment is ready for pick-up as time is of the essence.

11 Acceptance in Pennsylvania: This Agreement shall not become effective until it is signed by PURCHASER and delivered

To REICHdrill LLC at its offices in Philipsburg, Pennsylvania and accepted by an officer of REICHdrill LLC at such offices in Pennsylvania.

12 Taxes: PURCHASER shall be responsible for any Federal Excise or Use Tax and Sales and Use taxes of any state arising from the sale described herein.

13 Miscellaneous: This writing contains the entire Agreement between REICHdrill LLC and PURCHASER with respect to the equipment and services sold herein and is the complete and exclusive statement of the terms thereof and no additional representations, warranties, agreements, or modifications have been made or will be binding on REICHdrill LLC except insofar as the same are consented to by REICHdrill LLC in writing. The invalidity of any provisions of this Agreement shall not affect the validity of the remainder of any such provision or the remaining provisions of this Agreement. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Delaware. The appropriate district or circuit court in New Castle County, Delaware, shall have exclusive jurisdiction to resolve any and all claims or disputes arising out of this Agreement and the transactions completed herein. This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, heirs, and legal representatives.

14 Cancellation: Should PURCHASER cancel any or all portions of this contractual Agreement, Product Proposal, Purchase order or Sales order; PURCHASER hereby acknowledges that it shall pay an amount to REICHdrill LLC equal to a minimum of twenty percent (20%) of the contract price of the cancelled portion of the Agreement as liquidated damages for cancellation. PURCHASER agrees that the amount of these liquidated damages is reasonable in light of the anticipated or actual harm, which would be caused by such cancellation, the difficulties of proof of loss, and the inconvenience or nonfeasibility of REICHdrill LLC, otherwise obtaining an adequate remedy.