



Confidential Account Application and Terms & Conditions

SELECT ENERGY SERVICES, LLC (CREDITOR)
 515 Post Oak Blvd., Suite 200
 Houston, TX 77027
 Phone: 713.235.9500 Fax: 866.644.7415

*Applicant: Please complete the entire application to ensure timely processing.
 Signer attests they have authority to bind applicant to terms and conditions.
 Select Office: Send completed application to SES Credit email group.*

TO BE COMPLETED BY CUSTOMER:		Account Applying For:	Credit Account	Cash Account
Legal Company Name ("Customer"):		Name of Parent Company:		
Billing/Mailing Address:		City/State/Zip:		
Ph:	Fax:	Email:		
Type of Business:		Date Business Started:		
Business Operates as: Corporation Partnership Limited Liability Proprietorship Other: _____		Estimated Monthly Purchases:		Purchase Order No. Required?
List Name(s) of Owner(s) or Corporate Officers, Individual Titles:			EIN or Social Security Number(s):	
Tax Exempt?		If Tax Exempt, please attach a copy of your certificate to this application.		
A / P Contact & Telephone Number:				
BANK AND TRADE REFERENCES (Please attach an authorized current financial statement with the application.):				
We authorize Select Energy Services (Select) to contact the references and banks listed below. We understand that Select will use this information for the purposes of extending payment and credit terms for the purchases as stated on invoices from Select. The information contained herein will be held to strict confidences and used solely for the consideration of extension of credit to us.				
		Signed	Title	Date
Bank Name:		Account Number:		
Phone:	Fax:	Email:		
Trade Reference:				
Address:		City/State/Zip:		
Phone:	Fax:	Email:		
Trade Reference:				
Address:		City/State/Zip:		
Phone:	Fax:	Email:		
Trade Reference:				
Address:		City/State/Zip:		
Phone:	Fax:	Email:		
CUSTOMER HEREBY (i) VERIFIES THAT THE ABOVE CONFIDENTIAL ACCOUNT APPLICATION IS ACCURATE AND COMPLETE, AND (ii) ACKNOWLEDGES AND AGREES THAT ALL SERVICES PERFORMED BY CREDITOR AND ITS AFFILIATES SHALL BE GOVERNED BY THE TERMS AND CONDITIONS, ATTACHED AS EXHIBIT A (PAGES 2 AND 3 OF THIS DOCUMENT) AND INCORPORATED HEREIN BY THIS REFERENCE. SIGNER ATTESTS THEY HAVE AUTHORITY TO BIND APPLICANT TO TERMS AND CONDITIONS.				
		By: _____		Printed Name: _____
		Title: _____		Date: _____
PERSONAL GUARANTY:				
If required by Creditor, PERSONAL GUARANTY: In consideration of credit being extended to Customer, the undersigned ("Guarantor") joint and severally, unconditionally and irrevocably, personally guarantees to Creditor and its successors and assigns the full and punctual payment of any and all debts, obligations and liabilities of Customer to Creditor of any kind and nature, whether already existing or hereafter arising, and all credit, or other financial accommodations extended by Creditor, whether due or not due, and whether the obligations may be or hereafter become otherwise invalid or unenforceable (collectively, "Indebtedness"). No notice of the Indebtedness or extension of credit already or hereafter contracted by or extended to the Customer need be given to the Guarantor. Guarantor hereby expressly waives presentation, demands for performance, and notices of protest and dishonor, and notices of existence, creation, or incurring of new or additional Indebtedness. Guarantor waives all rights to require Creditor to (a) proceed against Customer; (b) proceed against and exhaust any security held from Customer, or (c) pursue any other remedy in Creditor's power whatsoever. Guarantor waives any defense based on or arising out of any defense of Creditor/Customer other than payment in full of the Indebtedness. Guarantor agrees to reimburse Creditor for all amounts incurred by Creditor in the collection and enforcement of this Guaranty. Guarantor shall remain liable hereon regardless of whether Customer or any other guarantor be found liable for any reason. Guarantor will pay Creditor the amount of an Indebtedness due and unpaid by Customer within five (5) days from any request by Creditor to pay such amount. This Guaranty shall be governed by the laws of the State of Texas. Guarantor acknowledges that in any enforcement action, venue will lie exclusively in Harris County, Texas. This Guaranty shall be binding upon the heirs, executors, assigns, and legal representatives of Guarantor.				
AGREED TO AND ACCEPTED BY:				
GUARANTOR: By: _____		Printed Name: _____		
Social Security # _____		Address: _____		

EXHIBIT A

TERMS AND CONDITIONS

The Terms and Conditions below contain indemnity provisions for damage to persons and property.

The operations, services, supplies, equipment, materials, personnel, or goods to be provided (collectively, and individually "Services") by Select Energy Services, LLC, or its affiliates and subsidiaries, whichever is applicable (collectively, and individually "Creditor") will be provided at the request of the entity identified as customer on the first page of this agreement ("Customer") in accordance with the following terms and conditions ("Terms and Conditions"):

1. Proof of Service. Creditor will furnish verification of proof of services performed to Customer's representative at the time of performance of the Services. Customer agrees to sign and return such verification within three (3) days of receipt. Customer's signature indicates acceptance of the Services.
2. Price and Payment. Customer will pay Creditor for the Services in accordance with Creditor's then current price list. In the event Creditor has agreed to charge Customer other than as set forth in such price list, the charges agreed upon by Creditor and Customer shall be those set forth in the field ticket signed by Customer. Customer shall pay all applicable taxes related to the Services performed. Customer shall pay Creditor in advance for the Services unless Creditor has approved credit prior to the performance of the Services. Credit terms for approved accounts require payment of the total invoiced amount on or before the 30th day from the date of the invoice. Past due accounts shall accrue interest on the balance due at the rate of 1½% per month or the maximum allowable under applicable state law if such law limits interest to a lesser amount. Customer shall be responsible for any fees incurred by Creditor in the collection of any amounts owed under these Terms and Conditions.
3. Credit Approval. The Services are subject to current credit approval. From time to time, Creditor may review Customer's creditworthiness. Customer agrees to provide Creditor with all credit information reasonably requested, and Customer represents and warrants to Creditor now, and each time Customer requests Services, that all information Customer has provided is true and correct, and Customer has not omitted any information necessary to make such information not misleading. Creditor may refuse a request for Services if Customer does not meet Creditor's current credit requirements.
4. Right to Revoke Credit. Creditor reserves the right at any time to revoke any credit extended to Customer because of Customer's failure to pay when due or for any other reason deemed good and sufficient by Creditor.
5. Time of Performance. Creditor shall use its best efforts to complete the Services within the time specified. Creditor shall not be liable for any loss or damage caused by delay in delivery irrespective of the cause thereof.
6. Customer acknowledges receipt of the following notice:
Notice: The Federal Equal Credit Opportunity Act prohibits creditors from discrimination against credit applicants on the basis of race, color, religion, national origin, age, sex, or marital status, the fact that all or part of the applicant's income is derived from a public assistance program, or the fact that the applicant has in good faith exercised any right under the Consumer Protection Act. The Federal Agency that administers compliance with this law concerning this creditor is the Federal Trade Commission, Pennsylvania and 6th Street, N.W., Washington, DC 20580.
7. Access to Well. Customer warrants that the well and/or service site shall be in proper condition to receive and accommodate Services. Upon Creditor's request, Customer will provide documentation to verify that the well and/or Service site is adequate to support the Services. Customer also warrants that Creditor's personnel and equipment will be able to safely access the well and service site and that any special equipment or road improvements required for such access shall be the responsibility of Customer, unless otherwise agreed to by the parties.
8. Chemical Handling. Customer agrees that all chemicals and fluids used in the performance of the Services, including any and all liabilities related thereto, shall be the sole responsibility of Customer. Customer agrees that for any waste created as part of the Services, Customer will be considered the "generator" for purposes of any such laws. Notwithstanding the foregoing, Customer agrees to comply with all federal, state, and local laws and regulations applicable to the transportation, storage, and handling of such chemicals.
9. Warranties. Creditor warrants that the Services shall (i) be free from defects in materials and workmanship, (ii) be performed in a good and workmanlike manner, in accordance with good oilfield servicing practices, (iii) and conform to the plans, specifications, and technical information provided in writing by Customer until the Services are accepted by Customer or Creditor's contractual obligations are met. In the event that Customer discovers a defect in the Services within the warranty period specified above, Customer shall notify Creditor of such defect. In the event that Creditor confirms that the Services are defective, Creditor's liability and Customer's exclusive remedy in any cause of action (whether in tort, contract, breach of warranty, or otherwise) arising out of the sale or use of any Services is expressly limited to, at Creditor's option, the replacement of such Services, products, supplies, or materials on their return to Creditor, or repay to Customer the full price paid by Customer for such defective part, repair, or product. In the case of products or parts not wholly of Creditor's manufacture, Creditor's liability shall be

limited to the extent of its recovery from the manufacturer of such products or parts under its liability to Creditor. Creditor shall not be liable for any damages, claims, losses, or expenses of Customer resulting from such defects or for damages resulting from delays, loss of use, or other direct, indirect, incidental, punitive, or consequential damages of any kind. Creditor will not be responsible for (i) failures of Services which have been in any way tampered with or altered by anyone other than an authorized representative of Creditor, (ii) failures due to lack of compliance with recommended maintenance procedures, and (iii) products requiring replacement due to normal wear and tear. **EXCEPT FOR THE WARRANTIES EXPRESSLY STATED ABOVE, THERE ARE NO OTHER WARRANTIES AND NONE SHALL BE IMPLIED BY LAW INCLUDING THOSE OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**

10. Indemnification.
10.1 For purposes of this Section 10, the following definitions shall apply: "Creditor Group" means Select Energy Services, LLC, its parent company, subsidiary and affiliated companies, and its and their officers, directors, employees, contractors, subcontractors, and invitees. "Customer Group" means Customer, its parent (if any), subsidiary and affiliated companies, co-owners, co-venturers, partners and any entity with whom Customer has an economic interest with respect to the Services, including Customer's customer and its and their officers, directors, employees, contractors (not including Creditor), subcontractors, and invitees.
- 10.2 **CREDITOR AGREES TO PROTECT, DEFEND, INDEMNIFY, AND HOLD HARMLESS CUSTOMER GROUP FROM AND AGAINST ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION OF EVERY KIND AND CHARACTER, ARISING IN CONNECTION WITH THE SERVICES, ON ACCOUNT OF BODILY INJURY, ILLNESS, OR DEATH OF ANY MEMBER OF CREDITOR GROUP OR DAMAGE TO OR LOSS OF PROPERTY OF ANY MEMBER OF CREDITOR GROUP.**
- 10.3 **CUSTOMER AGREES TO PROTECT, DEFEND, INDEMNIFY AND HOLD HARMLESS CREDITOR GROUP FROM AND AGAINST ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION OF EVERY KIND AND CHARACTER, ARISING IN CONNECTION WITH THE SERVICES, ON ACCOUNT OF BODILY INJURY, ILLNESS, OR DEATH OF ANY MEMBER OF CUSTOMER GROUP OR DAMAGE TO OR LOSS OF PROPERTY OF ANY MEMBER OF CUSTOMER GROUP.**
- 10.4 **CREDITOR SHALL ASSUME ALL RESPONSIBILITY FOR CONTROL AND REMOVAL OF AND SHALL PROTECT, DEFEND, AND INDEMNIFY CUSTOMER GROUP FROM AND AGAINST ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION OF EVERY KIND OF CHARACTER ARISING FROM POLLUTION OR CONTAMINATION WHICH ORIGINATES ABOVE THE SURFACE OF THE LAND OR WATER FROM THE PROPERTY AND EQUIPMENT OF ANY MEMBER OF CREDITOR GROUP MAINTAINED IN CREDITOR GROUPS' SOLE CARE, CUSTODY, AND CONTROL, AND ARISING FROM THE PERFORMANCE OF THE SERVICES. CUSTOMER SHALL ASSUME ALL RESPONSIBILITY FOR CONTROL AND REMOVAL OF AND SHALL PROTECT, DEFEND, AND INDEMNIFY CREDITOR GROUP FROM AND AGAINST ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION OF EVERY KIND AND CHARACTER ARISING DIRECTLY OR INDIRECTLY FROM ALL EXISTING POLLUTION AND FROM ALL OTHER POLLUTION OR CONTAMINATION INCLUDING, BUT NOT LIMITED TO, POLLUTION RESULTING FROM FIRE, BLOWOUT, CRATERING, SEEPAGE, OR OTHER UNCONTROLLED FLOW OF OIL, GAS, OR OTHER SUBSTANCE.**
- 10.5 **CUSTOMER SHALL RELEASE, PROTECT, DEFEND, AND INDEMNIFY CREDITOR GROUP FROM AND AGAINST ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION OF EVERY KIND AND CHARACTER IN THE EVENTS OF: (I) LOSS OR DAMAGE TO ANY GEOLOGICAL FORMATION, STRATA, OR OIL OR GAS RESERVOIR, OR MINERAL OR WATER RESOURCE BENEATH THE SURFACE OF THE LAND OR WATER, (II) LOSS OR DAMAGE TO HOLE(S) OR WELL(S), (III) IMPAIRMENT OF PROPERTY RIGHTS OR OTHER INTERESTS IN OR TO OIL, GAS, MINERAL OR WATER RESOURCES, AND (IV) REGAINING CONTROL OF ANY WILD WELL OR OUT OF CONTROL WELL, UNDERGROUND OR ABOVE THE SURFACE, INCLUDING REMOVAL OF WRECK AND DEBRIS AND REMEDIATING ENVIRONMENTAL DAMAGE.**
- 10.6 **WAIVER OF CONSEQUENTIAL DAMAGES. NOTWITHSTANDING ANY PROVISION TO THE CONTRARY, CUSTOMER AND CREDITOR FURTHER AGREE THAT NEITHER PARTY SHALL BE LIABLE TO THE OTHER OR EACH OTHER'S RESPECTIVE GROUP FOR ANY CONSEQUENTIAL, INCIDENTAL OR INDIRECT DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFIT, LOSS OF PRODUCTION, REVENUE, OR ANTICIPATED BUSINESS (COLLECTIVELY, "LOSSES"). CUSTOMER AGREES TO**

INDEMNIFY AND HOLD CREDITOR GROUP HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS FOR SUCH LOSSES ASSERTED BY MEMBERS OF CUSTOMER GROUP. CREDITOR AGREES TO INDEMNIFY AND HOLD CUSTOMER GROUP HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS FOR SUCH LOSSES ASSERTED BY MEMBERS OF CREDITOR GROUP.

10.7 EXCEPT AS OTHERWISE EXPRESSLY LIMITED BY THESE TERMS AND CONDITIONS OR BY LAW, ALL RELEASES, INDEMNITY OBLIGATIONS AND OTHER LIABILITIES ASSUMED UNDER THESE TERMS AND CONDITIONS SHALL BE WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES, INCLUDING, WITHOUT LIMITATION, PREEXISTING CONDITIONS, UNSEAWORTHINESS, STRICT LIABILITY, WILLFUL MISCONDUCT, AND THE SOLE, JOINT, GROSS, OR CONCURRENT NEGLIGENCE OF ANY PARTY.

10.8 IF THE TEXAS OILFIELD ANTI-INDEMNITY STATUTE, V.T.C.A., CIVIL PRACTICE AND REMEDIES CODE 127.000 ET SEQ, AND ITS AMENDMENTS (THE "STATUTE") APPLY TO THIS AGREEMENT, THE MUTUAL INDEMNIFICATION CONTAINED IN THIS AGREEMENT SHALL BE SUPPORTED BY THE LIABILITY INSURANCE OR QUALIFIED SELF-INSURANCE WHICH EACH PARTY AS INDEMNITOR AGREES HAS BEEN OBTAINED FOR THE BENEFIT OF THE OTHER PARTY AS INDEMNITEE. EACH PARTY SHALL PROVIDE SAID LIABILITY INSURANCE OR QUALIFIED SELF-INSURANCE COVERAGES (UNDER WHICH INSURER HAS NO RIGHT OF SUBROGATION AGAINST THE INDEMNIFIED PARTY) IN THE MINIMUM AMOUNT OF \$10,000,000 TO SUPPORT ITS INDEMNITY OBLIGATIONS UNDER SECTIONS 10.2 AND 10.3.

10.9 IF THE LOUISIANA OILFIELD INDEMNITY ACT RECOGNIZED IN MARCEL V. PLACID OIL CO., 11 F.3D 563 (5TH CIR. 1994) APPLY TO THIS AGREEMENT, CUSTOMER AND CREDITOR AGREE TO THE FOLLOWING:

(A) IF REQUESTED BY A PARTY AND BY SEPARATE ENDORSEMENT TO ONE OR MORE OF THE PRIMARY AND EXCESS CGL POLICIES, EACH PARTY AGREES TO ALLOW THE OTHER PARTY AND ITS GROUP TO BE GRANTED A WAIVER OF SUBROGATION AND TO BE ADDED AS ADDITIONAL INSURED IN ACCORDANCE WITH THIS AGREEMENT IN THE AMOUNT OF \$10,000,000 TO COVER CLAIMS FOR BODILY INJURY OR DEATH AGAINST THE OTHER PARTY AND ITS GROUP ARISING OUT OF PERFORMANCE OF THESE TERMS.

(B) IF A PARTY REQUESTS SUCH COVERAGE, THE OTHER PARTY WILL ADVISE ITS INSURER(S) AND THE INSURER(S) SHALL PRESENT THE PARTY WITH AND INVOICE FOR SUCH SEPARATE ENDORSEMENT. EACH PARTY SHALL BE RESPONSIBLE FOR AND SHALL PAY THE PREMIUM DIRECTLY TO SUCH INSURER(S) UPON THE RECEIPT OF SUCH INVOICE.

(C) IN THE EVENT A PARTY HAS ELECTED TO OBTAIN SUCH ENDORSEMENT, THE OTHER PARTY'S INSURER(S) WILL ADVISE THE PARTY OF THE AMOUNT TO RENEW SUCH ENDORSEMENT AND THE PARTY SHALL HAVE THE SAME RIGHTS REGARDING THE RENEWAL OF SUCH ENDORSEMENT.

10.10 THIS SECTION 10 SHALL SURVIVE THE TERMINATION OR EXPIRATION OF THIS AGREEMENT.

11. Insurance. To support the indemnification provisions herein but as a separate and independent obligation, Customer shall maintain the following types and limits of insurance:

11.1 Workers Compensation Insurance with statutory limits, and Employer's Liability Insurance with a limit of \$1,000,000 each occurrence, both coverages to be endorsed as required under any state or federal statute;

11.2 Commercial Automobile Liability Insurance covering all vehicles used in the operations of Customer with a limit of \$1,000,000 combined single limit per occurrence for bodily injury and property damage each accident, such policy to be endorsed with MCS-90 when hazardous material transportation is involved;

11.3 Commercial General Liability (CGL) Insurance (including, but not limited to, contractual liability) with combined bodily personal injury and property damage limits of \$1,000,000 each occurrence. Customer shall carry Excess Liability (or Umbrella) coverage that will "drop down" over each claim if such limit becomes exhausted.

Upon Creditor's request, Customer shall furnish evidence satisfactory to Creditor that the insurance required by the Terms and Conditions is in effect. To the maximum extent permitted by applicable law and underwriters at interest, all insurance policies maintained and required by this Section 11 shall name Creditor as additional insured with applicable waivers of subrogation to the extent of its liabilities assumed under this agreement.

12. Rental Equipment. Notwithstanding any contrary provision in these Terms and Conditions, in the event that Customer rents equipment from Creditor that does not include any of Creditor's personnel to operate, Customer will upon delivery by Creditor to Customer's location or pick up by Customer (as applicable, herein called "Delivery") and continuing until such time as the equipment is returned to Creditor's yard or picked up by Creditor at Customer's location (as applicable, herein

called "Return"), such equipment shall be deemed to be in the care, custody, and control of Customer. Risk of loss or damage to such equipment shall pass to Customer upon its Delivery and shall remain with Customer until its Return, unless otherwise provided in this Section. Notwithstanding anything to the contrary herein, during this period, Customer shall assume all obligations and liabilities concerning the equipment, and for its safe use, maintenance, operation, condition, and storage, including without limitation, liability, for (A) the loss, theft, vandalism, destruction, or damage to the equipment (or any part thereof), and (B) all other risks and liabilities, including without limitation, the death of or injury to any person or property of operator or another, arising from the use, operation, condition, possession or storage of the equipment from any cause whatsoever; except, Creditor shall be responsible for the risk of loss related to the equipment while such equipment is within its custody and possession, during the performance of any related services conducted on the equipment when such equipment is being rented to Customer. Customer shall pay Creditor the replacement value of the new equipment of like quality for any equipment which is lost, stolen, destroyed, vandalized, or damaged.

13. Force Majeure. Except the obligation to make payments when due, neither Creditor nor Customer shall be liable nor deemed to be in breach of this agreement for any delay or failure in performance resulting from the acts of God, civil or military authority, material change of law, any governmental action, acts of public enemy, war, accidents, fires, explosions, earthquakes, floods, failure of transportation, national strikes, acute or unusual labor, material or equipment shortages, or any similar or dissimilar cause beyond the reasonable control of either party. The party so affected shall, as soon as such a clause or event occurs, promptly notify the other party in writing concerning the cause and the estimated effect and take reasonable measures with proper dispatch to remedy the condition. In the event Customer declares a force majeure occurrence, Creditor shall be compensated at the standard daily rate for the equipment and personnel that are standing idle as a consequence of the force majeure occurrence until Customer terminates the work order or work resumes.

14. Dispute Resolution. Creditor and Customer shall use reasonable efforts to resolve any dispute that may arise under this agreement through good faith negotiations. Each party shall nominate a senior representative of its management to meet at any mutually agreed upon location to resolve such dispute. In the event that negotiations do not result in a mutually acceptable resolution, the dispute shall be handled in accordance with Section 15.

15. Governing Law. This agreement shall be governed by the laws of the State of Texas, without regard to its conflicts of law provisions. Subject to Section 14, the parties agree to submit to the exclusive jurisdiction of the federal or state courts located in Houston, Harris County, Texas with respect to any and all disputes that arise out of, or are related in any way to, the subject matter of this agreement. This Section 15 shall survive the termination or expiration of this agreement.

16. Independent Contractor. Creditor shall be an independent contractor with respect to the Services performed, and neither Creditor nor anyone employed by Creditor shall be deemed for any purpose to be the employee, agent, servant, borrowed servant, or representative of Customer.

17. Amendments and Modifications. No field employee of Creditor shall be empowered to alter these Terms and Conditions. Any attempt by Customer to vary the terms hereof, through a work order, purchase order, inspection report, or other document, shall be deemed void unless this provision is expressly referenced and specifically waived in writing by an authorized representative of each party. No amendment or modification of this agreement shall be effective unless it is in writing and signed by an authorized representative of each party. If Creditor and Customer enter into a master service agreement applicable to the Services performed hereunder, then any term or condition herein which conflicts with the provisions of such master service agreement shall be deemed invalid.

18. Severability. In the event any provision of these Terms and Conditions is inconsistent with, or contrary to, any applicable law, rule, or regulation, the provision shall be deemed modified to the extent required to comply, and the remaining terms, as modified, shall remain in full force and effect.

19. Waiver. A waiver on the part of either party of any breach of any term, provision, or condition of this agreement shall not constitute a precedent and not bind either party hereto to a waiver of any succeeding or other breach of the same or any other term, provision or condition of this agreement.

20. Entire Agreement. The Confidential Account Application, these Terms and Conditions, and any other verification of proof of service documents contain the entire agreement (collectively, this "agreement") of the parties with regard to the subject matter hereof and supersedes any prior communications, commitments, representations or warranty, or contracts between the parties relating to the subject matter hereof and thereof.