

Energy Services Group, Inc.

STANDARD TERMS AND CONDITIONS

1. Taxes & Fees - In addition to the Price herein provided, Buyer shall pay to Seller the amount of all federal, state and local governmental taxes, excises, fees or other charges (except taxes on or measured by the net income) that Seller may be required to pay with respect to the production, storage, withdrawal, sale or transportation of Product delivered hereunder or entering into the cost of the Product. Unless otherwise specifically quoted, all amounts due hereunder are payable in U.S. funds and shall be exclusive of any taxes (including without limitation any added value, use, sales, or similar tax) and any import duties or other charges imposed by the country of final destination upon shipment to any non-U.S. Buyer sites. Buyer shall pay any and all such taxes and duties and shall hold Seller harmless therefrom. However, if Seller, in its sole discretion, chooses to make any such payment, Buyer shall reimburse Seller in full. All transactions pursuant to this Agreement shall be considered taxable unless Buyer provides Seller with appropriate verification of exemption.

2. Payment Terms - Any Payment Terms set forth herein (other than cash payment on delivery) are subject to Buyer maintaining a credit arrangement that is acceptable to Seller. If Buyer becomes bankrupt or insolvent, Seller may forthwith terminate this Agreement, but such termination shall not prejudice Seller's rights to any amounts then due hereunder. If, in Seller's sole opinion, Buyer's financial responsibility shall become impaired or unsatisfactory during the term of this Agreement, Seller may require cash payment on delivery, or other satisfactory security on any shipments of Product. Failure of Buyer to pay any amount when due or to perform any of the terms of this Agreement, may, at the election of Seller, be deemed a breach of the entire Agreement and Seller may suspend deliveries hereunder until such payment has been made, or such terms have been performed, or Seller may immediately cancel this Agreement. No forbearance, course of dealing or prior payment shall affect these rights of Seller. Seller's acceptance of less than full payment shall not be a waiver of any of Seller's rights. All amounts owed hereunder that are not paid when due shall accrue interest at the rate of eighteen percent per annum, together with all costs of collection, including attorney's fees. Nothing herein contained shall limit the remedies of Seller in the event of a breach by Buyer.

3. Delivery - This is a shipment contract. Seller will arrange and/or provide for transportation to Buyer at Delivery Destination, unless Buyer otherwise directs. Product will be shipped under a straight bill of lading naming Buyer as consignee. Buyer shall be liable to the carrier for all demurrage charges made by the carrier for cars, trucks, or barges held by Buyer beyond the free unloading time. Buyer shall provide immediate access to its facility or third party's facility for all transportation vehicles and equipment delivering Product pursuant to this Agreement and Buyer shall have available, upon the arrival of such transportation vehicles and equipment, sufficient safe unloading facilities and qualified personnel necessary to supervise the safe, prompt and efficient unloading of Product. Liability of Seller ceases and title passes to Buyer when product is delivered and unloaded at the Buyer's Delivery Destination. The Product covered by this Agreement is sold on the basis of net weight as determined by Seller, which shall govern.

4. Remedies - Buyer's exclusive remedy in the event that any of the Product does not conform to the terms hereof shall be a replacement of the nonconforming Product. Only Product claimed to be nonconforming may be returned to Seller's Shipping Point at Seller's expense. Any nonconforming Product will be replaced with conforming Product within a reasonable time. Buyer expressly waives its rights to incidental or consequential damages, including cost of cover or cure, lost production and/or profit. In no event shall Buyer be entitled, at any time, to set off against any amount payable by Buyer in connection with this Agreement, any amount owed or allegedly owed by Seller to Buyer arising from this transaction or any other transaction between Seller and Buyer or its predecessors in interest. It is acknowledged that the Product sold is not so unique or the circumstances such that either party shall be entitled to the remedy of specific performance.

5. Warranty - Seller warrants that Product delivered hereunder meets Seller's then existing specifications for the Product referenced hereinabove as of the date of shipment of Product, which specifications are available to Buyer from Seller upon request. Seller shall replace nonconforming Product as set forth hereinabove and this replacement shall constitute a fulfillment of all liabilities of Seller with respect to the quality of the Product. This is Seller's sole warranty with respect to Product. ALL OTHER WARRANTIES, OTHER THAN TITLE, EITHER EXPRESS OR IMPLIED, WHETHER ARISING UNDER LAW OR EQUITY OR CUSTOM OF TRADE, WHETHER WRITTEN, ORAL OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE EXCLUDED FROM THIS AGREEMENT.

6. Shipments by Installments - Buyer shall have the right to specify the dates upon which goods are to be shipped by Seller. Buyer shall provide Seller a written order by facsimile transmission or by mail which allows Seller a reasonable time for preparing the shipment and which specifies the date Buyer desires the shipment to be made. The Product sold by Seller to Buyer shall be ordered and shipped in fairly equal installments throughout the term of this Agreement as specified hereinabove in the Delivery Schedule. In the event Buyer fails to order Product for any period set forth in the Delivery Schedule, Seller shall be relieved of its obligation to ship those installments of Product. In the event that the Quantity provided for in this Agreement is related to Buyer's requirements, Buyer shall purchase such requirements exclusively from Seller during the term of this Agreement; provided, however that Buyer shall in all events be required to purchase during the term of this Agreement not less than any minimum amount hereinabove specified and Seller shall in no event be required to sell during the term of this Agreement more than the maximum amount hereinabove specified. Non-delivery or a nonconforming delivery of any installment of Product shall not be a breach of this Agreement on the part of Seller except as to that installment and shall not relieve Buyer from furnishing shipping instructions or from accepting the balance of the Product for the remaining term of this Agreement.

7. Inspection - Buyer shall inspect the Product for quantity and quality as soon as it has been delivered to Buyer. Buyer shall promptly provide Seller with written notice of all claims for shortage or nonconformity of Product before the Product has been used or changed in any way from the original condition as shipped, but in no event more than three (3) days after the Product has been delivered to Buyer. Failure to make any claim within such time shall constitute an irrevocable acceptance of the Product and an admission that the Product fully complies with all the terms of this Agreement.

8. Use of Product - Buyer acknowledges that under some circumstances the Product can be irritating or hazardous to human health. Buyer assumes all risks and liability for the use, storage, and handling of Product delivered hereunder and agrees to indemnify and hold Seller harmless from all liability and costs, including claims by Buyer and any third parties (including, without limitation, Buyer's employees and customers) relating directly or indirectly to the purchase, shipment, use, storage or handling of Product, regardless of whether Product is used in combination with other articles or substances or in any manufacturing process, except to the extent that such claims arise from Seller's gross negligence. Buyer acknowledges that it has received and is familiar with Seller's labeling and literature concerning Product delivered hereunder and will forward such information to its employees who handle, process or sell such Product and to customers of such Product, if any. Buyer agrees that Product purchased from Seller will not knowingly be resold or given in sample form to persons using or proposing to use Product for purposes contrary to safe usage of the Product or prohibited by law, but will be sold or given as samples only to persons who, in the opinion of Buyer, can handle, use and dispose of Product safely.

9. Force Majeure - Neither party shall be liable for its failure to perform hereunder due to any contingency beyond its reasonable control, whether or not foreseeable, including: acts of God, fires, explosions, storms, earthquakes, floods, drought, accidents, sabotage, blockade, embargo, war (whether or not declared and whether or not the United States is a participant), riots, terrorist acts, labor disputes or shortages, strikes, governmental laws, ordinances, orders, rules and regulations (including, but not limited to, priorities, requisitions, allocations and price adjustment restrictions), shortage of, or inability to obtain supplies, utilities, Product, raw materials, materials or equipment, failure or delay of transportation, and any other similar or different contingency. The party whose performance is prevented by any such contingency shall have the right to omit during the period of such contingency all or any portion of the quantity

deliverable during such period, whereupon the total quantity deliverable under this Agreement shall be reduced by the quantity so omitted. If, for any reason, Seller is unable to supply the total demand from all Seller's customers for Product, Seller shall have the right to allocate its available supply among its customers, whether contract or non-contract, in such manner as it, in its judgment, deems fair and equitable. In no event shall Seller be obligated to purchase material from others in order to enable it to deliver Product to Buyer hereunder.

10. Price Increase - Seller may increase the price of Product at any time. Buyer's failure to give Seller written notice of objection thereto prior to the effective date of such change shall indicate acceptance of such change. If Seller receives from Buyer written notice that Buyer is unwilling to accept such increase, Seller may, at its option, terminate this Agreement by written notice to Buyer. In the event Seller is prevented from increasing any price in effect hereunder by any governmental law, order, regulation or ruling, then Seller, at its option, by giving Buyer at least thirty (30) days notice, may terminate this Agreement.

11. Assignment and Delegation - This Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of each of the parties hereto, however, neither party shall assign this Agreement or any right or obligation hereunder without the prior written consent of the other party, except that such consent shall not be required in the event of an assignment by Buyer or Seller to a successor in interest by reason of a merger, reorganization, consolidation or sale of all or substantially all of its assets.

12. Governing Law and Venue - This Agreement shall be deemed to have been made and executed in the State of Texas and shall be construed and interpreted in accordance with the laws of the State of Texas. Any dispute arising under this Agreement shall be resolved in federal or state courts located in Tarrant County, Texas, and the parties hereto consent to the personal jurisdiction of said courts.

13. Notices - All notices and consents required or permitted to be given hereunder shall be in writing directed to the party at its address first herein specified, or at such other addresses as it may have substituted therefore by notice so given to the other. Such notice and consents shall be sent by certified United States Mail, return receipt requested, and shall be effective when deposited in the United States Mail.

14. Waiver - Either party's waiver of any breach or failure to enforce any of the terms and conditions of this Agreement at any time shall not be in any manner a limit or waiver of such party's right thereafter to enforce or compel strict compliance with every term and condition of the Agreement.

15. Entire Agreement - This Agreement contains all of the representations and agreements between the parties hereto and is intended to be the final expression of their Agreement, notwithstanding any representation, course of conduct or performance or statement to the contrary heretofore made.

16. Modification - No modifications of this Agreement or waiver of the terms and conditions thereof shall be binding unless in writing and signed by an authorized representative of the party to be bound thereby, nor shall it be affected by the acknowledgment or acceptance of purchase order forms containing other or different terms or conditions whether or not signed by an authorized representative of Seller and whether or not such purchase order forms specifically reference this Agreement.

17. Acceptance - This Agreement shall be effective from date of shipment unless written notice is provided by Buyer objecting to all or part of this Agreement. Seller shall provide written notice within thirty (30) days (unless waived in writing by Seller) and signed by an authorized representative of Seller. Acceptance means Buyer agrees with its exact terms without qualification and Seller will not be bound by any different terms and conditions in any other communication.

18. Seller's Agents - Buyer acknowledges that it has been advised that no agent, employee or representative of Seller has any authority to bind Seller to any affirmation, promise, representation or warranty, and, unless such affirmation, promise, representation or warranty is specifically set forth in this Agreement, it does not form a basis of this bargain and shall not be enforceable against Seller.

19. Renewal of Term - It is expressly agreed that the term of this Agreement is for the time period specified on the signature page.

20. Alternative Dispute Resolution - If a dispute arises out of or relates to this Agreement, or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation before resorting to arbitration. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules, and the judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. All arbitration proceedings pursuant to this Section 20 shall be conducted in Tarrant County, Texas.

21. Construction of this Agreement - This Agreement shall not be construed more strictly against any party hereto, regardless of what party is responsible for the drafting or preparation of this Agreement. The parties hereto confirm and acknowledge that they are knowledgeable about commercial contracts, understand the provisions of this Agreement, are equally sophisticated and are dealing with each other at arm's length.

22. Attorneys' Fees. The parties hereto agree that if and as often as this Agreement is placed in the hands of an attorney for collection or enforcement, the aggrieved party shall be entitled to court costs and reasonable attorneys' fees to be paid by the defaulting party.