

TERMS AND CONDITIONS OF SALE

1. Scope of Application

These terms and conditions of sale ("T&C") shall apply to all sales of goods, including without limitation, tubular goods, couplings, and threaded connections ("Goods") provided by each undersigned supplier company (each respectively a "Supplier") and are binding on the buyer ("Buyer") and the Supplier. Any order placed with the Supplier shall constitute the acceptance by the Buyer of these T&C, which shall supersede the Buyer's own general terms and conditions of purchase. These T&C shall form, together with the order ("Order"), the entire contract between the Supplier and the Buyer ("Contract"). No amendment, changes or additional terms proposed by Buyer to these T&C shall be valid unless expressly accepted in writing by the Supplier and the Buyer. In no event shall Supplier be liable for Goods other than those it provides under a Contract. Additional Vallourec group affiliated entities may become a party to these T&C by providing written consent.

2. Orders

Orders shall become firm and definitive only after written acceptance and confirmation by the Supplier. The same rule applies to all amendments, changes and additional terms and conditions. In the event of any inconsistencies between these T&C and any particular conditions or Order agreed upon between the parties in writing, the particular conditions or Order shall prevail. An Order may not be cancelled by either party in whole or in part without the prior agreement in writing of the other party, including fair and reasonable compensation paid to the other party.

3. Prices - Payment Terms

Unless otherwise agreed in writing, prices between the Supplier and the Buyer are stated Ex Works, facility designated by Supplier (as per the then current version of Incoterms), plus any value added tax or other taxes, charges or duties, as may be applicable.

Unless otherwise stated, payment shall be made within 30 days from the date of invoice. No discount shall apply for early payment. The Buyer shall be discharged of its payment obligations only upon receipt in the bank account of the Supplier of all sums due.

If, in the Supplier's reasonable opinion, the Buyer's creditworthiness is or is likely to be compromised, the Supplier shall have the right to request advance payment of all sums due, or any guarantee necessary to secure the payment of the Goods.

4. Quality – Inspection - Acceptance

The Supplier warrants that the Goods shall conform to the agreed specifications and are free from defects. The Buyer is solely responsible for the choice of the Goods and their specifications. Deviations from measurements, weight, quantity and quality are permissible within the framework of applicable standards or customary practice.

If the parties have agreed that the Goods are to be inspected by the Buyer, or its customer, at the factory, the Supplier shall give reasonable notice to the Buyer that the Goods are ready for inspection. The Buyer is solely responsible for the appointment and shall bear the full cost of any inspector.

The Buyer shall inspect the Goods within a commercially reasonable period following delivery, failing which the Goods shall be deemed accepted (provided that such acceptance shall not prejudice Buyer's right to submit any claim to Seller for a breach of warranty under a Contract. Notwithstanding the inspection or acceptance of the Goods hereunder, Supplier shall be liable for any latent defects of the Goods. The Buyer shall notify the Seller in writing of any non-conformity of the Goods without undue delay. Each claim, if any, shall set forth all relevant available details. The Goods shall then be inspected jointly and the representatives of the Supplier shall be permitted to take such samples and make such investigations as the Supplier deems necessary.

5. Delivery – Transfer of Risks - Storage

All Goods shall be delivered Ex Works, facility designated by Supplier (as per current version of Incoterms in force at the date of entering into a Contract) and unpacked, unless otherwise agreed in writing. The risk of loss to the Goods shall pass to the Buyer upon delivery in accordance with the applicable Incoterm. The Buyer shall insure such risks accordingly. The Buyer shall be responsible for complying with all applicable laws and regulations concerning the importation, exportation, and use of the Goods. The Buyer shall be responsible for making any claim or reservation to the carrier within the applicable time limit.

Delivery dates are estimates only. If the Supplier is unable to deliver the Goods or to make the Goods available at the Supplier's factory on the agreed delivery dates, the Supplier shall promptly notify the Buyer of the delay. The Supplier and the Buyer shall discuss in good faith mutually acceptable revised delivery dates. The Supplier is entitled to make partial deliveries of the Goods, provided that all deliveries shall be made on or prior to any applicable shipment deadlines.

In the event that the Buyer fails to accept delivery of the Goods without good reason after having received the Supplier's ready for shipment notice, the Supplier shall have the right, but not the obligation, to complete delivery by transporting and placing the Goods in storage at the cost and risk of the Buyer and to invoice the Goods, transportation and storage costs to the Buyer.

Unless expressly agreed to in writing by Supplier, Supplier shall have no obligation to provide storage for the Goods. In the event Supplier supplies storage for the Goods at its own facilities, Supplier's Yard Movement and Storage Policy (Storage Policy) in effect at such time shall govern such storage, subject to the risk of loss provisions contained herein. Supplier shall consult with the Buyer prior to modifying its Storage Policy. Following such consultation, Supplier may modify its Storage Policy upon 30 days notice to Buyer. When Goods are stored for any reason, Buyer will be obligated to insure against any loss accordingly.

6. Intellectual Property Rights - Confidentiality

No Contract grants any right or license, and no other right or license is to be implied by, or inferred from, any provision of a Contract or by the conduct of the parties, with respect to any intellectual property right, including without limitation, drawings, specifications, plans, models, samples, process, trade secret, know-how, patents or design of either party. The Supplier or its affiliate shall remain the exclusive owner of all intellectual property rights relating to the Goods, or discovered by the Supplier as a result of, or incidental to, the performance of any Contract.

The Buyer shall keep as strictly confidential and shall not disclose to any third party, nor use for any purpose other than the proper performance of a Contract and resale of the Goods, any proprietary or confidential information of whatever nature regarding the Supplier and/or the Goods.

If the Goods are manufactured according to Buyer's design, Buyer shall defend, indemnify and hold harmless Supplier against any claims or liability for patent infringement related to such design.

The Supplier shall keep as strictly confidential and shall not disclose to any third party, nor use for any purpose other than the proper performance of a Contract, any proprietary or confidential information of whatever nature regarding the Buyer and/or its methods of doing business.

If the Goods are manufactured according to Supplier's design, Supplier shall defend, indemnify and hold harmless Buyer against any claims or liability for patent infringement related to such design.

7. Force Majeure

For the purposes of a Contract, an event of force majeure shall mean any unforeseeable circumstance due to any cause beyond the reasonable control of a party, (including, without limitation, flood, hurricane, tropical depression, governmental act or regulation, act of God, war, strike, lockout, labour interruption, shortage of labour, or serious accident, which the party could not have avoided through the exercise of due diligence and which occurs after the execution of a Contract and prevents the

party's performance of all or part thereof, provided however, that force majeure does not justify a suspension of payments for Goods already delivered.

The occurrence of an event of force majeure shall cause temporary suspension of the respective obligations of the parties for a period equal to the period of the continuing force majeure or the consequences thereof, without any liability or compensation to either party.

If any party's suspension of its obligations that arises from an event of force majeure continues for a period of more than 3 months then the other party shall have the right to terminate the Contract.

8. Warranty

With regard only to the Goods it has provided, each respective Supplier and manufacturer of Goods warrants that, for a period of (1) 12 months from installation or (2) 18 months from delivery of the Goods by Buyer to Buyer's customer, whichever occurs first ("Warranty Period") (provided, however, that the Warranty Period shall expire 30 months from delivery of the Goods to Buyer ("30 Month Storage Period") in the event that Buyer fails to deliver such Goods to its customer before expiration of the 30 Month Storage Period), the Goods shall be free from defects resulting from faults in material or workmanship and shall conform with the agreed specifications, provided that no warranty shall apply to the extent that the Goods are reused, and provided further that notwithstanding the Warranty Period set forth above for Goods, the warranty for threaded connections shall only survive for a period of 180 days from delivery. The warranty for Goods and threaded connections shall be void if there is a failure to comply with material handling procedures generally accepted within the industry, and such failure causes the warranty nonconformity. All Goods will, at the time of delivery or performance by Supplier, be free and clear of all claims, liens and other encumbrances of any kind. Supplier agrees that this warranty provided in this Article 8 shall survive acceptance of any Goods. Liability of the Supplier and the manufacturer of Goods under this warranty is limited to repair of, refund of the price paid for, the defective Goods, or delivery of replacement Goods at the agreed delivery point, at the Supplier's option and an amount to compensate any documented direct damages arising from any breach of Supplier's warranty provided such amount shall not exceed the warranty remedy amount provided by Manufacturer to Buyer Customer in Article 1 of Exhibit A.

The Supplier's warranty applicable to the original Goods or threaded connections shall also apply to the repaired or replaced Goods for the same period applicable under this Article 8 after completion of repair or replacement under this warranty.

The foregoing warranty shall not apply to normal wear and tear, damage caused by the Buyer or a third party, or any misuse of the Goods.

THE SUPPLIER'S AND MANUFACTURER'S OBLIGATION UNDER THIS ARTICLE SHALL BE THE BUYER'S SOLE AND EXCLUSIVE REMEDY WITH RESPECT TO DEFECTIVE GOODS AND THE SUPPLIER AND MANUFACTURER GIVE NO OTHER WARRANTY OR GUARANTEE, EXPRESS OR IMPLIED, INCLUDING (WITHOUT LIMITATION) ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND ALL WARRANTIES, CONDITIONS OR OTHER TERMS IMPLIED BY STATUTE OR COMMON LAW ARE HEREBY DISCLAIMED TO THE FULLEST EXTENT PERMITTED BY LAW.

If the Buyer resells the Goods to any third party ("Buyer Customer"), the Buyer is authorized, and shall cause the terms of Exhibit A ("Manufacturer's Warranty and Limitations") to apply to the resale of Goods to Buyer Customer without reservation. If and to the extent Buyer extends any express warranty to any Buyer Customer regarding the Goods beyond the Manufacturer's Warranty and Limitations or for a term beyond the Warranty Period in this Section 8 ("Additional Warranties"), Buyer shall indemnify the Supplier and manufacturer in respect of all claims arising from such Additional Warranties. Seller and manufacturer make no warranty for: (1) Goods (excluding threaded connections) delivered to Buyer Customer more than 30 months after Goods are delivered to Buyer; and (2) Threaded connections after the expiration of 180 days from delivery to Buyer. Any warranty offered to Buyer Customer after such time will be considered an Additional Warranty.

9. Limitation of Liability

The Supplier and manufacturer shall in no case have any liability for indirect, incidental, consequential, special, exemplary, punitive or other damages (including, without limitation, costs, expenses, fees (including legal fees), loss of use, loss of profit, loss of data, loss of well, loss of production, delayed production or business interruption), whether or not foreseeable at the effective date of a Contract, or for any infringement of intellectual property rights of third parties except as provided in Section 6 above.

10. Indemnification

The Supplier shall defend, indemnify and hold the Buyer's Group harmless from and against any loss, liability, damage, claim, cost, legal and other expenses resulting from (i) bodily injury to, or sickness or death of any director, employee or servant who is a member of the Supplier's Group, or (ii) damage to Supplier's Group's property (real or personal), regardless of the cause of such injury, loss or damage.

The Buyer shall defend, indemnify and hold the Supplier's Group harmless from and against any loss, liability, damage, claim, cost, legal and other expenses resulting from (i) bodily injury to, or sickness or death of any director, employee or servant who is a member of the Buyer's Group, or (ii) damage to Buyer's Group's property regardless of the cause of such injury, loss or damage.

The indemnities given above in this clause shall apply irrespective of cause and notwithstanding the negligence or breach of duty (whether statutory or otherwise) of the indemnified party or any other entity or party and shall apply irrespective of whether any claim is based in tort, under contract or otherwise at law.

The Supplier shall defend, indemnify and hold the Buyer's Group harmless from and against any loss, liability, damage, claim, cost, legal and other expenses resulting from personal injury including death or disease or loss of or damage to the property of any Third Party to the extent that any such injury, loss or damage is caused by the negligence or breach of duty (whether statutory or otherwise) of Supplier's Group.

The Buyer shall defend, indemnify and hold the Supplier's Group harmless from and against any loss, liability, damage, claim, cost, legal and other expenses resulting from personal injury including death or disease or loss of or damage to the property of any Third Party to the extent that any such injury, loss or damage is caused by the negligence or breach of duty (whether statutory or otherwise) of Buyer's Group.

Buyer and Supplier agree that the voluntary and mutual indemnity agreements in this Article will be supported by liability insurance or qualified self insurance obtained for the benefit of the indemnitee with types and minimum limits not less than three million dollars (\$ 3,000,000) but such insurance shall not limit the parties' indemnity obligations except to the extent mandated by applicable law.

For the purposes of this clause, "Buyer's Group" means Buyer, its co-venturers, its and their respective affiliates and its and their respective directors, officers and employees (including agency personnel), but shall not include any member of the Supplier's Group. "Supplier's Group" shall mean Supplier, its subcontractors, its and their affiliates, its and their respective directors, officers and employees (including agency personnel), but shall not include any member of the Buyer's Group, and "Third Party" shall mean any party which is not a member of the Buyer's Group or the Supplier's Group.

11. Applicable Law – Arbitration

These T&C and any Contract shall be governed in accordance with the laws of Texas unless otherwise agreed in writing. The provisions of the United Nations Convention on Contracts for the International Sale of Goods adopted in Vienna on April 11, 1980 shall not apply to any order or Contract. Disputes shall be finally settled by an arbitration panel, in accordance with the latest current version of the Rules of Arbitration of the International Chamber of Commerce by three arbitrators appointed in accordance with the said Rules. Arbitration proceedings shall be conducted in Houston,

Texas, and in the English language. The decision of the arbitrators shall be final, binding and enforceable upon the parties and judgment upon any award rendered by the arbitrators may be entered in any court having jurisdiction thereof. In the event that the failure of the Supplier or the Buyer to comply with the decision of the arbitrators requires either party to apply to any court for enforcement of such award, the non-complying party shall be liable to the other for all cost of such litigation including attorneys' fees.

12. Miscellaneous

The Supplier shall be entitled, without prejudice to its other rights and remedies, either to terminate any Contract or pending orders or to suspend any deliveries if the Buyer becomes insolvent, files for bankruptcy, becomes the subject of an involuntary bankruptcy proceeding which continues undismissed for 60 days or enters into any arrangement or agreement (including a voluntary arrangement or agreement) with its creditors, or has passed a resolution for voluntary winding up.

The Buyer shall be entitled, without prejudice to its other rights and remedies, either to terminate or suspend any Contract or pending orders if the Seller (i) breaches a material term of a Contract, (ii) fails to deliver Goods in accordance with a Contract or (iii) becomes insolvent, files for bankruptcy, becomes the subject of an involuntary bankruptcy proceeding which continues undismissed for 60 days or enters into any arrangement or agreement (including a voluntary arrangement or agreement) with its creditors, or has passed a resolution for voluntary winding up. In the event that Buyer terminates a Contract pursuant to this Article 12, Buyer, without prejudice to any other rights and remedies that Buyer may have, shall have the right: (i) to reject any Goods, in which case Buyer shall be relieved from liability for any payments to Seller herefor; (ii) to recover from Seller all payments for undelivered, returned or rejected Goods (including, without limitation, all payments for freight, storage, handling and other expenses incurred by Buyer in connection therewith; and (iii) to purchase goods similar to Goods elsewhere and charge Seller with any loss, cost and expense incurred by Buyer in connection therewith.

The Buyer shall not sub-contract or assign all or any part of its rights or obligations under a Contract to any third party. The Supplier shall not sub-contract or assign all or any part of its rights or obligations under a Contract to any third party, provided that Supplier shall have the right to subcontract all or part of the performance of a Contract by its affiliates or subsidiaries on the condition that Supplier shall remain liable for any failure of its affiliates or subsidiaries to perform a Contract in accordance with its terms.

Any failure by either party to enforce any provision of these T&C shall not be deemed to be a waiver of such provision.

The Buyer represents that it conducts its business according to ethical rules which are not less favourable than Vallourec's Code of Ethic and will visit Vallourec group's website periodically in order to be updated with the latest Vallourec's requirements.

If any provision of these T&C or any Contract is found to be void, invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall not impair or affect the remaining provisions of these T&C or any Contract or the validity or enforceability of such provision in any other jurisdiction.

[Execution on following pages]

V&M STAR, A PARTNERSHIP WITH
GENERAL AND LIMITED PARTNERS, LP

Joel C. Mastervich

Name: Joel Mastervich, President & COO

Date: 7-25-12

PREMIER PIPE, LLC

Scott Dubois

Name: Scott Dubois, President & COO

Date: 6-20-12

VALLOUREC & MANNESMANN
USA CORPORATION

Edouard Guinotte

Name: Edouard Guinotte, President

Date: 7/17/12

VAM USA, LLC

James Herald

Name: James Herald, President

Date: 7/14/12

V&M DEUTSCHLAND, GMBH

Norbert Keusen

Name: Norbert Keusen, Officer

Date: 10/26/12

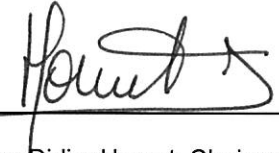
V&M FRANCE



Name: Vallourec & Mannesmann Tubes, SAS
duly represented by Philippe Crouzet
as Chairman

Date: _____

VALLOUREC MANNESMANN
OIL & GAS FRANCE, SAS



Name: Didier Horner, Chairman

Date: _____

EXHIBIT A

MANUFACTURER'S WARRANTIES AND LIMITATIONS

[Premier Pipe LLC] [Insert name of the Distributor] ("Distributor") hereby disclaims any and all liability to any party ("Buyer") that acquires from Distributor any goods, including without limitation, tubular goods, couplings, and threaded connections ("Goods") manufactured or supplied by: V&M Star, a partnership with general and limited partners, L.P. Vallourec & Mannesmann USA Corporation, VAM USA, LLC, V&M Deutschland GmbH, V&M France, Vallourec Mannesmann Oil & Gas France, SAS, or any other Vallourec group affiliated entity, and their respective parents, subsidiaries and affiliates (each respectively a "Manufacturer") other than the Distributor's obligation to pass on the rights provided by the Manufacturer under the following representations and warranties regarding such Goods.

1. Warranty

With regard only to the Goods it has provided, each respective Manufacturer warrants to Buyer that, for a period of (1) 12 months from installation, or (2) 18 months from delivery, whichever occurs first, the Goods shall be free from defects resulting from faults in material or workmanship and shall conform with the agreed specifications in the purchase order between Distributor and Manufacturer, provided that no warranty shall apply to the extent that the Goods are reused, and provided further that the and no warranty applies to Goods or threaded connections delivered to Buyer more than 30 months from the date delivered by Manufacturer to Distributor. Notwithstanding the warranty for Goods set forth above, the warranty for threaded connections shall only survive for a period of 180 days from the date delivered by Manufacturer to Distributor. The warranty for Goods and threaded connections shall be void if there is a failure to comply with material handling procedures generally accepted by the industry and such failure causes the warranty nonconformity. Liability of the Supplier and Manufacturer is limited to repair of, refund of the price paid for, the defective Goods, or delivery of replacement Goods at the agreed delivery point, at the Manufacturer's option and an amount to compensate any documented direct damages directly arising from any breach of Manufacturer's warranty provided such amount shall not exceed fifty percent (50%) of the value of the Manufacturer's Goods in Buyer's purchase order to Distributor containing the defective Goods, but in no event shall Manufacturer's liability exceed \$ 2,000,000.

The Manufacturer's warranty applicable to the original Goods and threaded connections shall also apply to the repaired or replaced Goods for the same period applicable under this Section 1 after completion of repair or replacement under this warranty.

The foregoing warranty shall not apply to normal wear and tear, damage caused by the Buyer or a third party, or any misuse of the Goods.

THE DISTRIBUTOR'S AND MANUFACTURER'S OBLIGATION UNDER THIS ARTICLE SHALL BE THE BUYER'S SOLE AND EXCLUSIVE REMEDY WITH RESPECT TO DEFECTIVE GOODS AND THE DISTRIBUTOR AND MANUFACTURER GIVE NO OTHER WARRANTY OR GUARANTEE, EXPRESS OR IMPLIED, INCLUDING (WITHOUT LIMITATION) ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND ALL WARRANTIES, CONDITIONS OR OTHER TERMS IMPLIED BY STATUTE OR COMMON LAW ARE HEREBY DISCLAIMED TO THE FULLEST EXTENT PERMITTED BY LAW.

2. Limitation of Liability

The Distributor and Manufacturer shall in no case have any liability for indirect, incidental, consequential, special, exemplary, punitive or other damages (including, without limitation, costs, expenses, fees (including legal fees), loss of use, loss of profit, loss of data, loss of well, loss of production, delayed production, all subsurface damage, subsurface damage resulting from subsurface activities, damage from burning of hydrocarbons, whether to

property or persons, including without limitation loss, costs or expenses arising from pollution, contamination, fire, blow out, cratering, seepage, loss of control of well, reservoir damage or any other uncontrolled flow of oil, gas, water or other substance, or business interruption), whether or not foreseeable at the effective date of the contract between Distributor and Buyer, or for any infringement of intellectual property rights of third parties.

Any order placed with the Distributor for Goods produced by the Manufacturer shall constitute acceptance by the Buyer of these **MANUFACTURER'S WARRANTIES AND LIMITATIONS**, which shall supersede the Buyer's own general terms and conditions of purchase that conflict with the terms and conditions of these **MANUFACTURER'S WARRANTIES AND LIMITATIONS**. Buyer and Distributor acknowledge that Manufacturer is intended to benefit from the provisions of these terms and conditions of sale and is a third party beneficiary.