



ANNEX DT-2

“GENERAL AND PARTICULAR SPECIFICATIONS”

[...]

4.-SCOPE OF WORK AND CONTRACTOR’S OBLIGATIONS

4.1- DRILLING WORKS

4.1.1- The **CONTRACTOR** must carry out, at its sole expense, all the Works to carry out the comprehensive drilling works of the wells, all of them in accordance with the standards and best practices of the Oil Industry, as well as with the specifications of the Contract. **PEP** shall deliver to the **CONTRACTOR** the user’s bases or the well’s basic information at least fifteen (15) days prior to the beginning of the drilling of the well and the **CONTRACTOR** shall prepare and submit to **PEP’s** representative personnel, for its approval, the detailed program of the comprehensive drilling works at least eight (8) days prior to the beginning of the drilling of each one of the wells.

4.1.2 [...]

4.1.3.- The **CONTRACTOR’S** obligations pursuant to this Chapter shall include, but not be limited to, the following:

- a.- Drill the development wells object of this contract in the locations indicated by **PEP**.
- b.- **PEP** may, if it deems it convenient, complete the well with its own resources or with third parties.
- c.- Dismantle, mobilize and install the drilling equipment assigned to the project, for the drilling of the wells designated in this Contract;
- d.- Provide drilling equipment manned by the **CONTRACTOR** or by **PEP’s** personnel, including the operation, all peripheral equipment and the

R-0021-ENG

maintenance thereof, the water required for its operation, the treated water for the engines and the fuels, greases and lubricants required for the **CONTRACTOR's** drilling equipment.

e.- Mobilize and demobilize the **CONTRACTOR's** equipment, materials and spare parts necessary to perform the Comprehensive works set forth in this Annex DT-2, all this at the site of the work;

f.-Supply the materials and works including, but not limited to, drill bits, bottom-gear, downhole motors and MWD equipment for drilling, drilling fluids, final disposal of cuttings using applicable technologies authorized by the competent authorities and the taking of geophysical logs in open hole and cased hole as well as their processing and evaluation according to the specifications of this Annex DT-2; carry out the introduction and cementing works up to the last drill casing; TR's headers.

g.- Execute at **PEP's** instruction, the Complementary Drilling Works specified in this Annex DT -2.

[...]

4.2.- COMPLETION WORKS

4.2.1.- SCOPE OF THE GLOBAL ACTIVITIES FOR THE WELL COMPLETION

4.2.1.1.- Once the drilling works have been completed, the **CONTRACTOR** must perform, at its sole expense, the Completion works of the wells, in accordance with the standards and best practices of the Oil Industry, as well as with the Contract Specifications. The **CONTRACTOR's** obligations under this Chapter shall include, but not be limited to, the following:

a. Perform completion work on drilled wells, in accordance with the provisions of this Chapter; Mobilize and demobilize the fracturing units, testing, measuring and cleaning units, as well as the equipment and spare parts necessary to provide the work established in this Chapter;

- b. Supply the water required for its activities.
- c. Provide all the equipment, personnel, design, operative direction, materials, fluids, underpinner and works required to carry out the works in accordance with the provisions of this Chapter; and carry out the necessary laboratory analysis for the compliance of its obligations according to this Chapter. **PEP** may, through itself or with a third party, carry out the hydraulic fracturing works in the designated wells.
- d. **PEP** or a third party may shoot the specified intervals. The **CONTRACTOR** shall verify the effectiveness of the same by means of an admission test and shall carry out the hydraulic fracturing works with underpinner in the intervals designated by **PEP** and shall carry out the cleaning works (reconnaissance of the interior depth of the well), measurement and production tests of the wells, all of this according to the provisions of this Chapter.

[...]