



HSE/ OPERATIONAL ZERO TOLERANCE POLICY

X-DRILL has an HSE/ Operational Zero Tolerance Policy for any personnel that are not committed to following the company's Quality Management System (QMS) / Policies / Procedures and Instructions from Supervisors / Management.

- We believe that the proper enforcement of disciplinary measures for violations or any disregard for X-Drill's Policies, Procedures or Instructions will reduce the likelihood of accidents, incidents and other unplanned events.
- X-Drill expects managers to administer immediate disciplinary actions for unacceptable behavior, safety violations, disregard for instructions, insubordination or any other action or behavior contrary to the wellbeing of the employee, his work mates or X-Drill Property.
- Additionally, X-Drill managers shall adopt a Zero Tolerance standard for all violations of this Zero Tolerance Policy. Depending on the severity of the violation X-Drill has the right to terminate an employee immediately for such violations.
- We expect our supervisors to lead safe and efficient operations and to exercise good judgment in holding their team members accountable for safe behaviors.
- At X-Drill safety begins at the highest level, filtering down through all levels of the company. All team members share equal responsibility for working smart and safely as a condition of their continued employment at X-Drill. All team members have the responsibility to ensure, and the right to request safe work conditions.
- We care about the wellbeing of people, the condition of our property and the safe / efficient operations that we have agreed to provide to our clients. At X-Drill we place a safe work environment, and adherence to Policies, Procedures and Instructions as our core to our values.
- The most desirable outcome to X-Drill is that every team member goes home to their loved ones in the same condition they came to work.

Steve Meheen
CEO June • 2015

A handwritten signature in blue ink, appearing to read 'Steve Meheen'.