

POLICY

E & B Oilfield Services Inc. has adopted this policy to inform employees of the Drug, Alcohol and Contraband Policy. This ensures the safety and health of the employees.

Kirk Duncan is responsible for ensuring that the following policy is enforced.

DRUG AND ALCOHOL TESTING

It is the policy of E & B Oilfield Services Inc. that drug and alcohol testing will occur at pre-employment, post-accident, or at random, and will be conducted by only a laboratory certified by the U.S. Department of Health and Human Services (HHS) under the National Laboratory Certification Program (NLCP).

Employees with unacceptable test results will not be allowed to work at the worksite or facility.

Pre-Employment Testing Procedures

Any offer of employment is deemed conditional upon the potential employee having a negative test result for drugs.

Pre-employment drug testing will be scheduled by the hiring supervisor directly with the third-party service provider immediately upon acceptance by the candidate of a conditional offer of employment. Testing will be done in a location most likely to ensure timely receipt of the results. Pre-employment test results will be reported by the Medical Review Officer.

Reasonable-Suspicion Testing Procedures

Any competent person may require any employee to be tested for Alcohol or Drugs and will tell the employee beforehand why the test is being requested. Any employee who refuses a request to be tested is in breach of this policy and may be subject to disciplinary action that may include termination of employment.

When testing for either alcohol or drugs is to occur, Kirk Duncan will direct the employee to a sample collection site designated by a third-party service provider and provide transportation to the site. At E & B Oilfield Services Inc.'s discretion, a qualified technician may be brought to the worksite to conduct the testing.

Post-Incident Testing Procedures

In the event of an accident, injury, or other work-related incident, the employee(s) involved will be required to submit to a drug and alcohol test to determine if the incident is a result of impairment.

Any employee who refuses a request to be tested is in breach of this policy and may be subject to disciplinary action that may include termination of employment

Reasonable-Cause Testing Procedures

When a competent person deem it to be necessary, the employee(s) who has shown reasonable cause (or reasonable suspicion) will submit a drug and alcohol test to ensure that they are not under the influence and do not have any type of prohibited drug in their system. Any employee who refuses a request to be tested is in breach of this policy and may be subject to disciplinary action that may include termination of employment.

Random Drug and Alcohol Testing

E & B Oilfield Services Inc. will conduct a number of random tests each calendar year that meet or exceed 25% of employees.

E & B Oilfield Services Inc. may use a third-party administrator to manage all aspects of the random testing program.

All employees will be placed into a random selection pool. Employees will remain in the random selection pool at all times, regardless of whether or not they have been previously selected for testing. The selection of employees will be made by using a computer-based, scientifically valid method (e.g., random number generator or equivalent random selection method) that is matched with an employee's social security number or employee ID number.

All employees will have an equal chance of being selected for testing.

Random testing will occur quarterly. Before selection, Kirk Duncan will ensure that the random testing pool has been updated to include all current employees.

The number of tests to be conducted will be based on the number of employees at the beginning of each quarter's test cycle. The random selection procedure will compile a list of employees to be tested in each testing cycle. The number of employees selected will be sufficient to meet the minimum number of required tests. The selected employee list will be kept in a secure location until the time of testing, at which the list will be provided to the appropriate supervisor, who will, in turn, notify the employee(s) to report for testing.

Random testing is unannounced, and employees are notified that they have been selected for testing only after they have reported for duty on the day of collection. Specimen collection will be conducted on different days of the week throughout each test cycle to prevent employees from matching their drug-use patterns to the schedule for collection. Random drug tests are normally unobserved by the collector. However, provisions will be available at the collection site for a directly observed collection to take place will circumstances require such action.

Once notified by the appropriate Company official, employees will be instructed to report immediately to the collection site.

CONTRABAND POLICY

E & B Oilfield Services Inc. is committed to providing a safe, healthy and productive work environment. Consistent with this commitment, it is the intent of the Company to maintain a contraband-free workplace. Contraband refers to any item that, relating to its nature, is illegal or unauthorized by the Company to possess while at the workplace. This includes prohibited items such as firearms, knives, explosives, ammo and any other dangerous items.

Prohibited Conduct

The Company expressly prohibits employees from engaging in the following activities when they are on duty or conducting Company business or on Company premises (whether or not they are working):

- The use, abuse or being under the influence of alcohol, illegal drugs, or other impairing substances.
- The possession, sale, purchase, transfer, or transit of any illegal or unauthorized drug, including prescription medication that is not prescribed to the individual, or drug-related paraphernalia.
- The illegal use or abuse of prescription drugs, firearms, knives, explosives, ammo, etc.

While the use of marijuana has been legalized under some state laws for medicinal and/or recreational uses, it remains an illegal drug under federal law. The Company does not discriminate against employees solely based on their lawful off-duty use of marijuana. You may not consume or be under the influence of marijuana while on duty or at work. If you have a valid prescription for medical marijuana, refer to the Company Disability Accommodation Policy for additional information.

Nothing in this policy is meant to prohibit your appropriate use of over-the-counter medication or other medication that can legally be prescribed under both federal and state law, if it does not impair your job performance or safety or the safety of others. If you take over-the-counter medication or other medication that can legally be prescribed under both federal and state law to treat a disability, inform your manager if you believe the medication may impair your job performance, safety, or the safety of others or if you believe you need a reasonable accommodation before reporting to work while under the influence of that medication.

Violations

Violation of this policy may result in disciplinary action, up to and including termination of employment. It is the responsibility of all E & B Oilfield Services Inc. employees to maintain a healthy and safe work environment, report any health or safety hazards, and follow the Company's health and safety rules. Failure to do so may result in disciplinary action, up to and including termination of employment. The Company also requires that all occupational illnesses or injuries be reported to your manager as soon as reasonably possible and that an occupational illness or injury form be completed on each reported incident.

