AMENDMENT NO. 3 CONTRACT NO. 455-20-1031C FOR WELL PLUGGING & RELATED SERVICES BETWEEN THE RAILROAD COMMISSION OF TEXAS AND FREDDY'S WELL SERVICE, INC.

THIS AMENDMENT NO. 3 to Contract No. 455-20-1031C ("Contract") is entered into by and between the State of Texas, acting through the Railroad Commission of Texas ("RRC"), located at 1701 N. Congress Ave., Austin, Texas and Freddy's Well Service, Inc., ("Contractor"), located at 190 Old Goliad Road, Victoria, Texas 77905 (individually, "Party"; collectively, "Parties").

WHEREAS, SECTION 7.06. of the Contract provides the Parties may amend the Contract through written agreement; and

WHEREAS, on August 26, 2021, the Parties executed Amendment No. 1 to the Contract to modify section 2.01. Contract Award., subparagraph (a.) to exercise renewal option one (1) of three (3) to continue the Contract through August 31, 2022, and to modify section 3.01. CONTRACT LIMIT, FEES AND EXPENSES. changing the not-to-exceed amount of the Contract from TWO MILLION DOLLARS AND ZERO CENTS (\$2,000,000.00) to TWO MILLION SEVEN HUNDRED FIFTY THOUSAND DOLLARS AND ZERO CENTS (\$2,750,000.00), as approved by the Executive Director on August 26, 2021.

WHEREAS, on March 30, 2022, the Parties executed Amendment No. 2 to the Contract to modify section 3.01. CONTRACT LIMIT, FEES AND EXPENSES. changing the not-to-exceed amount of the Contract from TWO MILLION SEVEN HUNDRED FIFTY THOUSAND DOLLARS AND ZERO CENTS (\$2,750,000.00) to THREE MILLION DOLLARS AND ZERO CENTS (\$3,000,000.00), as approved by the Executive Director on March 30, 2022.

WHEREAS, the Parties desire to further amend the Contract terms to their mutual benefit to reflect changed circumstances.

NOW, THEREFORE, the Parties agree to amend the Contract as follows:

I. **SECTION 2.01. CONTRACT AWARD**., subparagraph (a.) is deleted in its entirety and replaced with the following:

"This Contract shall be effective as of the date of the last Party's signature to the original Contract and shall continue through August 31, 2023 (the initial term of the Contract plus the exercised optional renewal term two of three; collectively, "Contract Term") unless terminated earlier as provided in RFQ No. 455-20-1031 Part III and/or section **2.02 TERMINATION.**, set forth below.

This Contract may be extended only through written amendment to the Contract, fully executed prior to the expiration of the Contract Term in effect prior to execution of the applicable Amendment to the Contract.

RRC reserves the right to renew the Contract for one (1) additional, one-year renewal term remaining of the original three (3) one-year renewal terms."

II. SECTION 3.01. CONTRACT LIMIT AND FEES AND EXPENSES., is deleted in its entirety and replaced with the following:

"CONTRACT LIMIT, FEES AND EXPENSES. The total amount of fees to be paid by RRC to Contractor under the Contract through the Contract Term shall not exceed FOUR MILLION ONE HUNDRED TWENTY FIVE THOUSAND DOLLARS AND ZERO CENTS (\$4,125,000.00), the total of which includes the current NTE amount of THREE MILLION DOLLARS AND ZERO CENTS (\$3,000,000.00), as approved by the Executive Director on March 30, 2022, plus the addition of ONE MILLION ONE HUNDRED TWENTY FIVE THOUSAND DOLLARS AND ZERO CENTS (\$1,125,000.00), as approved by the RRC Commissioners on June 28, 2022."

Except as expressly amended above, all provisions of the Contract, as amended, remain in full force and effect. In the event of a conflict among provisions of the Contract, the order of precedence shall be: this Amendment No. 3; then Amendment No.1; and then the original Contract in accordance with section **1.03**. **ORDER OF PRECEDENCE.**, therein.

IN WITNESS WHEREOF, the Parties hereto have made and executed this Amendment No.3 to the Contract to be effective as of the date of the last Party's signature hereto. By signatures below, each signatory represents and warrants that they have the authority to amend the Contract on behalf of the respective Party.

RAILROAD COMMISSION OF TEXAS

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Executive Director

Date of Execution: <u>8/18/2022</u>

RRC use only belowsthis line.		
RRC use only below, this line. Division Director: \wp		
Chief Operating Officer: <u>K</u>		
Director of Operations: †		
Office of General Counsel: \square		
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FREDDY'S WELL SERVICE, INC.

RichardeF409Pes, Owner

Date of Execution: <u>8/16/2022</u>