

BUSINESS LEASE

THIS AGREEMENT made between **Gary Waits and Wilma Waits**, (the Lessors) and **Pressure Trucks, Inc.**, (the Lessee), WITNESSETH:

For and in consideration of the covenants and agreements hereinafter contained, Lessor does hereby let, lease, and demise unto Lessee, and Lessee does hereby lease from Lessor, the following described premises in the City of Damascus, County of Van Buren, State of Arkansas:

**15110 Hwy 65 S.
Damascus, AR 72039
Consisting of approximately 7 acres
which consist of the gravel parking lot and buildings**

TO HAVE AND TO HOLD the same unto the Lessee and unto the Lessee's heirs, successors and assigns, together with all privileges and appurtenances thereunto belonging, for the term and under the conditions hereinafter set forth.

1. TERM. The term of this lease shall be for a period of five (5) years, beginning on July 1, 2012, and ending on June 30, 2017.

2. OPTION TO EXTEND. If the Lessee shall have fully performed every agreement and covenant on Lessee's part to have been kept and performed under the terms of this lease at the time of exercise and at the time of renewal, the Lessee is hereby granted the right and option to extend this lease, upon the same terms except the amount of rental, for an additional period of 12 months with the option being available for five (5) consecutive years, with such option to be exercised in writing by the Lessee not later than 30 days prior to the expiration of the basic or original term of this lease. Should the Lessee exercise the option here granted to extend this lease, the minimum or basic rental for the extended term of this lease shall increase by \$500 a month.

3. RENTAL. As rental for the premises, Lessee shall pay to Lessor rental in the amount of \$3,500 per month payable monthly in advance on or before the 1st day of each month during the term hereof. The first month shall be free of charge in exchange for Lessee cleaning and painting the premises.

\$250 of the rent shall be paid to a separate maintenance account held by Lessors for building maintenance and repair to building such as painting, leak repair, etc. said funds being accessible by the Lessee. Any unused money in said maintenance account at the end of the term of this Lease shall belong to Lessors.

Lessors agree to pay for insurance on the building (structure only, coverage up to \$250,000) up to the amount of \$2,500 a year and ad valorem taxes up to the amount of \$2,500 a year. If either amount exceeds \$2,500 a year, then the additional amount will be divided over a twelve month period and added to the monthly rental installment. Insurance and taxes to be reconciled at the end of each calendar year.

4. UTILITIES. Lessee shall be responsible for the prompt and full payment, as and when due, of all charges for water (including sewer taxes), electricity, gas, telephone and other utilities and permit fees consumed on the premises.

5. TAXES. Lessor shall pay all ad valorem taxes and assessments due to improvement districts or governmental bodies which may be levied, assessed or charged against the leased premises by reason of the real property and premises leased hereunder.

6. INSURANCE AND INDEMNITY AGAINST DAMAGE OR INJURY. Lessors agree to carry insurance on the building, fire and wind storm only, with no liability insurance. Lessee agrees to carry liability insurance on the property.

Lessee agrees to defend, indemnify, and hold harmless the Lessor against any claim, expense, loss or liability as a result of any breach by Lessee, Lessee's agents, servants, employees, customers, visitors, or licensees, of any covenant or condition of this lease, or as a result of Lessee's use or occupancy of the leased premises, or as a result of the carelessness, negligence, or improper conduct of Lessee, Lessee's agents, servants, employees, customers, visitors, or licensees. Lessee agrees to keep and maintain at all times during the term hereof, in full force and effect, with a company or companies acceptable to Lessor, insurance against third party liability by reason of Lessee's occupancy of the leased premises with limits of liability thereunder of not less than \$1,000,000 per person, \$2,000,000 per accident, and Lessor shall be a named insured in such policies.

7. REPAIRS. Lessors agree that they will keep and maintain the exterior of the building on the leased premises, including the roof, walls, and exterior plumbing, but excluding plate glass portions thereof, unless plate glass portion damage is caused by natural causes or a defect of manufacturing, in good condition and repair, and agree that if the roof or any part of the exterior walls or exterior plumbing of such building shall become defective or damaged at any time during the term hereof, upon notice from the Lessee, Lessors and Lessee will agree on who will make the necessary repairs. Repair costs will be paid by Lessors from the maintenance fund upon invoice by repairor. It is expressly understood and

agreed that the Lessors shall not be liable to Lessee for any damages the Lessee may sustain to Lessee's merchandise, business or personal records, equipment, or other property on or in the leased premises by reason of any such defective exterior roof, walls or exterior plumbing.

Lessors agree to be responsible for the maintenance and normal operating condition of all heating, electrical and air conditioning equipment and interior plumbing on the premises, including any other existing interior fixtures that are presently located on the premises at the time of the lease, said maintenance will be paid from the maintenance fund. Lessee shall maintain and keep the driveway, parking lot, and all exterior grounds of the premises in as good repair as when the premises were received, or in their highest state of repair during the lease term, ordinary wear and tear and casualties beyond Lessee's control alone excepted, and Lessee shall return the leased premises at the expiration or termination of this lease in good order and condition, excepting only ordinary wear and tear and casualties beyond Lessee's control. Lessee shall be responsible for repair of all damages caused by it or its employees, contractors, or agents.

8. ALTERATIONS. Lessee shall have the right and privilege to make, at Lessee's expense, ordinary repairs and alterations to the leased premises; provided, however, no alterations or changes of a structural nature shall be made without the prior written consent of Lessor. Lessee shall waive their right to file any and all laborer's or materialmen's liens against the Lessor for said renovation or alterations.

9. FIXTURES. All trade fixtures installed by Lessee or acquired by Lessee independently of this lease shall remain Lessee's property and may be removed by Lessee at the expiration of this lease; provided, however, Lessee shall restore the leased premises and repair any damage thereto caused by such removal.

10. ACCEPTANCE OF PREMISES. It is expressly understood and agreed by the Lessee that it is leasing the demised premises in its current condition and that if the plumbing or electrical wiring proves to be inadequate for its purposes that it may, at its own expense, have such required additional plumbing and electrical wiring installed.

11. UNTENANTABILITY. Should the improvements on the leased premises, or any part thereof, be rendered unfit for occupancy for the purposes for which they are hereby let, by reason of fire, windstorm, or other act of nature or unavoidable casualty, the rentals hereinabove stipulated to be paid by the Lessee, or such proportion thereof as is related to that portion of the

improvements on the premises rendered untenable by reason of such damage, shall be remitted and abated by Lessor while the same remains unfit for occupancy and until the premises involved shall have been repaired or returned to tenable condition. Provided, however, Lessor or Lessee may, upon the occurrence of any such casualty, elect to terminate this lease if the cost of replacing or repairing the improvements so damaged upon the premises equals or exceeds fifty per cent (50%) of the property damage insurance coverage maintained by Lessor thereon. Lessor shall in no way be liable or responsible for any damage to any property of the Lessee in or about the leased premises by reason of flood, water, fire, windstorm or other casualty or act of nature.

12. **WARRANTIES OF TITLE.** Lessor hereby warrants and covenants with and unto Lessee that it has an absolute and indefeasible title to the leased premises, and that Lessor will, during the term hereof and the full performance by Lessee of Lessee's obligations and covenants hereunder, defend the same and hold harmless the Lessee against the lawful claims of any and all persons whomsoever.

13. **CONDUCT OF BUSINESS AND USES.** The leased premises are leased to Lessee for the purpose of carrying on the business of operating oil and gas field services and maintenance garage and related uses, and Lessee covenants and agrees with and unto Lessor that the premises will be used for those purposes and those related to them and no other, except with the prior written consent of Lessor. Lessee covenants and agrees that Lessee will not do or permit to be done anything in, upon, or about the leased premises that increases the hazard of fire beyond that which exists by reason of the uses and occupancy of the premises for the purposes mentioned. Lessee agrees to pay to Lessor, on demand, any increases in fire insurance premiums on the improvements and building which Lessor may be required to pay thereon by reason of any other use by the Lessee of the premises, and Lessee will not do or permit to be done anything within Lessee's control which would make the leased premises, or the improvements thereon, uninsurable in whole or in part. Lessee agrees that Lessee will not commit waste nor permit waste to be committed or done upon the leased premises. Lessee shall dispose of all oil and other hazardous wastes according to State and Federal regulations and maintain and provide Lessor with proof of said disposal.

14. **SIGNS AND ADVERTISING.** No sign, picture, advertisement, or notice except on the glass of the doors or windows shall be displayed on any part of the outside of such building or on or about the premises hereby demised without the previous consent, in writing, of the Lessor, and the Lessor may remove the same without notice to the Lessee and at the Lessee's expense. Upon termination of this

lease, Lessee will remove any sign, advertisement or notice painted on or affixed to the leased premises, and restore the place it occupied to the condition which existed as of the date this lease takes effect.

15. DEFAULT. Lessee shall be in default under the provisions of this lease agreement upon the happening of any of the following events or conditions:

(a) Failure to pay the rentals provided herein at the times, in the amounts and in the manner set forth or within ten days after the date the same become due;

(b) Failure to keep or perform any of the covenants on the part of the Lessee herein to be kept or performed;

(c) Should the Lessee become insolvent, or become bankrupt, either voluntary or involuntary, or make any assignment for the benefit of creditors, or if a receiver be appointed for the benefit of Lessee's creditors, or if a receiver be appointed for Lessee to take charge of and manage Lessee's affairs, or if any levy of execution against the Lessee remains unsatisfied for a period of ten days from and after the levy of the same.

16. REMEDIES IN THE EVENT OF DEFAULT. In the event of a default by Lessee, during the term hereof, Lessor may, at Lessor's option, declare this lease thereupon terminated, and Lessor shall have the right to enter upon and take possession of the leased premises, either with or without notice, and to evict and expel Lessee and any or all of Lessee's property, belongings, and effects therefrom, without legal process and without thereby being guilty of any manner of trespass either at law or in equity which remedy is in addition to any other remedies of Lessor either at law or in equity, including, without limitation, the collection of delinquent rents, possession of the leased premises, damages for breach of this agreement by Lessee, or otherwise. No delay in or failure to exercise any of the options herein granted to Lessor by reason of a default shall be a waiver thereof, and the waiver on one occasion of a default shall not be deemed a waiver of Lessor's right to exercise its remedies by reason of the same or a similar default at any later occasion.

17. WAIVER OF SUBROGATION. Lessor and Lessee and all parties claiming under them hereby mutually release and discharge each other from all claims and liabilities arising from or caused by any hazard covered by insurance on the leased premises, or covered by insurance in connection with the property or activities conducted on the leased premises, regardless of the cause of the damage or loss.

18. ASSIGNMENT AND SUBLETTING. Lessee shall not assign this lease, nor sublet the leased premises or any part thereof, without the prior consent in writing of Lessor. The consent by Lessor to a particular assignment or subletting shall not be construed to relieve Lessee from the obligation to obtain the consent in writing of Lessor on any other or future assignment or subletting.

19. CONDEMNATION. In the event all or any part of the leased premises should be subjected to eminent domain proceedings, and if pursuant thereto an amount of the leased premises shall be condemned so as to render the residue inadequate for Lessee's purposes as herein set forth, Lessee shall have the option to terminate and cancel this lease by giving written notice of such intention to Lessor. If any such taking shall not render the residue of the leased premises wholly inadequate for Lessee's purposes as herein set forth, Lessee's rentals hereunder shall be reduced in the proportion which the value of the property taken bears to the whole value of the leased premises with improvements. In any such condemnation proceedings, all damages allocable to full fee simple ownership of the leased premises shall be payable to Lessor, and any damages for loss of leasehold interest, including the unamortized portion of the value involved in such condemnation of any non-removable fixture placed on the leased premises by Lessee with Lessor's approval shall be payable to Lessee.

20. SURRENDER OF POSSESSION. At the end of the term of this lease, or upon earlier termination by Lessor in accordance with the options herein reserved, Lessee agrees to surrender possession of the leased premises without demand. Should Lessee fail so to do, Lessee shall be responsible in addition to the damages generally recoverable by Lessor by reason of any breach by Lessee, for all damages Lessor may sustain, including claims made by any succeeding tenant against Lessor which are founded upon delay or failure in delivering possession of the leased premises to such succeeding tenants. Lessee hereby waives any and all notice to which Lessee may otherwise be entitled under the laws of the State of Arkansas as a prerequisite to a suit against Lessee for the unlawful detention of the leased premises.

21. BINDING EFFECT. This agreement shall inure to the benefit of and be binding upon the parties hereto, their respective successors, legal representatives, heirs and assigns, except as expressly limited otherwise herein.

22. TIME OF ESSENCE. The time of the making of the payments and of the keeping of the covenants herein are of the essence of this agreement and the parties hereto so agree.

23. NOTICES. Any notice called for or permitted under the terms hereof may be given in writing and sent by ordinary mail to the last address of the party to whom the notice is to be given as designated by such party in writing. Lessor designates their address as 15202 Hwy. 65 South, Damascus AR 72039. Lessee hereby designates its address as 333 Rose Bud Rd Quitman, Ar. 72131. Any notice so given shall be deemed given when posted. Designations of address may be changed by written notice given by ordinary mail from either party to the other.

24. GUARANTEE FOR PIT CLEAN UP. At all times, Lessee will maintain the pit and premises in accordance with all ADEQ and other government regulations. Upon termination of the lease, upon Lessors' decision, Lessee will either leave the pit open or will close the pit at its expense with an inspection by ADEQ being required and ADEQ must deem the pit abandonable. The Undersigned Rick Thone personally guarantees and assumes all liability of the costs of cleaning the pit located on the leased premises in the event of Lessee's insolvency or bankruptcy.

29th IN WITNESS WHEREOF, the parties have hereunto set their hands this June day of June, 2012.

LESSORS: Gary Waits
Gary Waits

Wilma Waits
Wilma Waits

LESSEE: Rick Thone
Manager, Pressure Trucks, Inc.

GUARANTOR OF PIT CLEAN UP:
Rick Thone
Rick Thone

ACKNOWLEDGMENT

STATE OF ARKANSAS

COUNTY OF VAN BUREN *(mk) Faulkner*

On this 20th day of June, 2012, before me, the undersigned, a Notary Public within and for the County and State aforesaid, duly commissioned and acting appeared in person the within named Gary Waits and Wilma Waits, husband and wife, to me known to be the persons whose names are subscribed to the foregoing document and stated that they had executed the same for the consideration and purposes therein mentioned and set forth.

OFFICIAL SEAL
MELINDA K. KUNERT
NOTARY PUBLIC, ARKANSAS
FAULKNER COUNTY
COMMISSION #12373741
MY COMMISSION EXP. 9-20-2019

Melinda K. Kunert
Notary Public

My commission expires: 9/20/19

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CORPORATE ACKNOWLEDGMENT

STATE OF ARKANSAS
COUNTY OF Faulkner

On this 20th day of June, 2012, before me, the undersigned, Notary Public, duly commissioned, qualified and acting, within and for this County and State, appeared in person the within named Rick Thone, to me personally well known, who stated that he/she was the President of Pressure Trucks, Inc., and executed and delivered the foregoing instrument for the consideration, uses and purposes therein mentioned and set forth.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this 20th day of June, 2012.

Melinda K. Kunert
Notary Public

My Commission Expires: 9/20/19

OFFICIAL SEAL
MELINDA K. KUNERT
NOTARY PUBLIC, ARKANSAS
FAULKNER COUNTY
COMMISSION #12373741
MY COMMISSION EXP. 9-20-2019

ACKNOWLEDGMENT

STATE OF ARKANSAS

COUNTY OF Faulkner

On this 29th day of June, 2012, before me, the undersigned, a Notary Public within and for the County and State aforesaid, duly commissioned and acting appeared in person the within named Rick Thone, to me known to be the person whose name is subscribed to the foregoing document and stated that he had executed the same for the consideration and purposes therein mentioned and set forth.

OFFICIAL SEAL
MELINDA K. KUNERT
NOTARY PUBLIC, ARKANSAS
FAULKNER COUNTY
(SEAL) COMMISSION #12373741
MY COMMISSION EXP. 9-20-2019
My commission expires:

Melinda K. Kunert
Notary Public

9/20/19

Blevins, Terri

From: Ungerank, Ralph
Sent: Friday, August 03, 2012 1:57 PM
To: Blevins, Terri
Subject: FW: Permit 4984-W
Attachments: img002.pdf

[Can you put this on the web? 4984-wr-2](#)

From: Don L. Potter [\[mailto:donp@tcworks.net\]](mailto:donp@tcworks.net)
Sent: Friday, August 03, 2012 1:49 PM
To: Ungerank, Ralph
Subject: Permit 4984-W

Colby,

Attached is the complete lease agreement for the referenced Permit.

Thanks

Don L. Potter, P.E.
Cell (501)514-4370
Enjoy today - tomorrow is not promised!