JOINT VENTURE AGREEMENT

THIS JOINT VENTURE AGREEMENT (this “Agreement”), is entered into as of [●], 2011, by and among:

(i) ESTRELLA OVERSEAS LIMITED, a company organized under the laws of British Virgin Islands (“Estrella”); and

(ii) SCIENTIFIC DRILLING INTERNATIONAL, INC., a company organized under the laws of Texas (“SDI”, and with Estrella, each a “Party”, and collectively, the “Parties”).

W I T N E S S E T H:

WHEREAS, SDI is an internationally-recognized supplier of quality directional drilling and wellbore navigation technologies.

WHEREAS, Estrella is recognized in the South American petroleum, mining, and geothermal markets as a reliable provider of quality drilling and workover rigs, rental tools, and project management and consulting.

WHEREAS, the Parties desire to enter into this Agreement to establish a joint venture to safely and profitably provide directional drilling, surveying and specialty services to the oil and gas as well as the geothermal industry in selected countries (the “Joint Venture”).

WHEREAS, the Parties desire to enter into this Agreement setting forth the terms and conditions that will govern their rights and obligations in the Joint Venture.

NOW THEREFORE, in consideration of the foregoing and the mutual promises, covenants and agreements of the Parties hereto, the Parties hereto hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1 Definitions. Capitalized terms used herein are used as defined in this Article I or as defined elsewhere in this Agreement.

“Affiliate” means, with respect to any Person, (i) any Person that Controls, is Controlled by, or is under common Control with such Person; (ii) any Party, director, officer, partner, manager or employee of such Person or of any Person that is an Affiliate under clause (i) above; or (iii) (a) any member of the immediate family of such Person or of any Person that is an Affiliate under clause (i) or (ii) above, or his or her lineal descendants, (b) any trust established for the benefit of such Person or of any Person that is an Affiliate under clause (i) or (ii) above or any Affiliate thereof, or (c) any executor or administrator of the estate of such Person or of any Person that is an Affiliate under clause (i) or (ii) above.

“Agreement” has the meaning set forth in the introductory paragraph to this Agreement.
“Business Day” means any day other than a Saturday, Sunday or a day on which banking institutions in New York City, United States of America, are authorized or obligated by law or executive order to close.

“Control” means, with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise.

“Estrella” has the meaning set forth in the introductory paragraph to this Agreement.

“Estrella Participation” means a 50% ownership percentage of Estrella in and to the Joint Venture.

“Gyro” means the directional drilling and wellbore navigation tool and technology produced and owned by SDI known as “Gyro Survey”.

“ICC” has the meaning set forth in Section 8.7(a).

“ICC Rules” has the meaning set forth in Section 8.7(a).

“Joint Venture” has the meaning set forth in the recitals to this Agreement.

“Joint Venture Entity” has the meaning set forth in Section 2.5.

“Legal Requirements” means any and all applicable (i) laws, ordinances and regulations, (ii) codes, standards, rules, requirements and criteria issued under any applicable laws, ordinances or regulations and (iii) judgments, orders, writs, directives, rulings, decisions, injunctions, decrees, settlement agreements or awards of any authority or arbitrator.

“MWD” means the directional drilling and wellbore navigation tool and technology produced and owned by SDI known as “Measurement-While-Drilling”.

“Necessary Action” means, with respect to a result required to be caused, all actions (to the extent such actions are permitted by applicable Legal Requirements) reasonably necessary to cause such result, which actions may include, without limitation, (i) executing agreements and instruments, and (ii) making, or causing to be made, with authorities or other Persons, all filings, approvals, registrations or similar actions that are required to achieve such result.

“Party” has the meaning set forth in the introductory paragraph to this Agreement.

“Person” means an individual, corporation, partnership, trust, limited liability company, unincorporated organization, joint stock company, joint venture, association or other entity, or any government, or any agency or political subdivision thereof or any branch of any legal entity.

“SDI” has the meaning set forth in the introductory paragraph to this Agreement.
“SDI Participation” means a 50% ownership percentage of SDI in and to the Joint Venture.

“Services” means directional drilling, surveying and specialty services to the oil and gas as well as the geothermal industry.

“Technology” means all technology produced and owned by SDI that is associated with the Tools.

“Territory” means Colombia, Peru, Argentina, Bolivia, Ecuador, Paraguay and Chile, and such other countries in Central & South America that the Parties may agree to in the future.

“Tools” means the following directional drilling and wellbore navigation tools and technology produced and owned by SDI: (i) MWD kits, (ii) Gyro kits, (iii) such other tools and technology that are more fully described in Exhibit A, and (iv) such other tools and technology that the Parties may agree to in the future.

“US$” means the lawful currency of the United States of America.

Section 1.2 General Interpretive Principles. Whenever used in this Agreement, except as otherwise expressly provided or unless the context otherwise requires, any noun or pronoun shall be deemed to include the plural as well as the singular and to cover all genders. Unless otherwise specified, words such as “herein”, “hereof”, “hereby”, “hereunder” and words of similar import refer to this Agreement as a whole and not to any particular Section or subsection of this Agreement, and references herein to “Articles” or “Sections” refer to Articles or Sections of this Agreement. The headings in this Agreement are intended solely for convenience of reference and shall be given no effect in the construction or interpretation of this Agreement.

ARTICLE II
PURPOSE; CONTRIBUTIONS

Section 2.1 Purpose. The purpose of this Agreement is to set forth the terms and conditions pursuant to which the Parties shall pool certain capital and resources to safely and profitably provide Services in the Territory with the Tools and Equipment through a Joint Venture.

Section 2.2 Contributions by SDI. In consideration of the SDI Participation, SDI hereby agrees to contribute the following to the Joint Venture:

(a) SDI shall supply the Joint Venture with (i) Tools and Technology, (ii) specialized shop fixtures related to the Tools and Technology and (iii) spare parts and consumables related to the Tools and Technology, all in accordance with [a schedule to be agreed upon by the Parties] [the schedule set forth in Exhibit B herein]. SDI shall bear all costs for international transport and importation and exportation of the Tools and Technology an related products in each country of the Territory.
(b) SDI shall provide Estrella with (i) adequate training to field and maintenance personnel related to the use and maintenance of the Tools and Technology, (ii) sales and marketing support, training and marketing materials, (iii) technical support on an as needed basis, and (iv) trained field personnel to train Estrella personnel on site. All training shall be provided by personnel of SDI.

(c) If during the term of this Agreement any upgrade to the Tools and Technology kits becomes available, SDI shall promptly provide such upgrades to the Joint Venture.

Section 2.3 Contributions by Estrella. In consideration of the Estrella Participation, Estrella hereby agrees to contribute the following to the Joint Venture:

(a) Estrella shall make available its local operating capacity, field and market experience and related know how in the Territory as may be convenient for purpose of integrating the Tools and Technology in the provision of Services in the Territory.

(b) Use the Equipment and Technology in providing Services in the Territory.

(c) Estrella shall facilitate the exportation and importation of the Equipment into each country in the Territory.

(d) Estrella shall provide (i) facilities for local repair of the Tools and Technology, (ii) logistics know how and personnel, (iii) sales and marketing of the Tools and Technology, including sales personnel, (iv) translation of marketing material.

(e) All operating contracts for Services that include the Tools and Equipment shall be executed by Estrella. Estrella shall be responsible for all planning and execution of the Services and related invoicing and collection.

(f) Estrella shall provide personnel to be trained for field and maintenance.

(g) Local transport cots for Tools and Technology shall be borne by Estrella.

(h) Estrella will supply the needed workshop facilities to maintain the equipment per SDI’s standards. Estrella will also facilitate logistics of importing and setting up of the specialty shop fixtures.

(i) Estrella will supply trained technicians to maintain the SDI equipment while in Latin America. Under mutual agreement both Parties will make every effort to minimize the need to ship items back for repair.

Section 2.4 Additional Contributions. Each Party acknowledges and agrees that the other Party owns certain property, equipment, facilities, personnel, and such other resources that could be useful to carry out the purposes of this Agreement. If at any time additional resources are needed from the Parties in order to carry out the purpose of this Agreement, the Parties may mutually agree to provide such additional property, equipment, facilities, personnel, or such other necessary resource.
Section 2.5 **Joint Venture Entity.** The Parties may decide to set up a separate entity in a jurisdiction to be agreed upon, to act as vehicle for the Joint Venture (the “Joint Venture Entity”).

**ARTICLE III**  
**TOOLS**

Section 3.1 **Ownership of Tools.**

(a) Ownership of the Tools will be held by an offshore entity to be defined, which shall be owned by SDI.

(b) The Tools will be preferentially leased to the local operating entity of Estrella or the Joint Venture Entity whenever tax efficient.

(c) Alternatively, the SDI offshore owner of the Tools will sell the Tools on an extended payment terms to the local Estrella operating entity. The local Estrella operating entity will agree to pay the commercial value of the Tools per the formula outlined in 4.3. Prior to the Tools being fully paid, the local entity will sell the Tools back to the SDI offshore owner for the remaining value that is owed, or at its direction, sell it to a local operating company owned by the Joint Venture Entity.

Section 3.2 **Initial Tool Plan.** SDI will provide 2 (two) MWD and 1 (one) Gyro survey kits complete with spare parts. Gyro kits will be supplied capable of running memory and wireline modes. Exact Tool kits (redundancy, upgrade kits, spares and shop supplies) shall be mutually agreed by the Parties. The Tool kits will include running gear, adequate redundancy and support materials. An agreed upon minimum stock of shop supplies and spares will be deployed concurrently with the Tool kits.

Section 3.3 **Short Term Tool Supply Goals.** Additional Tool kits and materials will be supplied under mutual agreement at any time based on market and strategic demands. Additional Tools are to be supplied by SDI subject to the Tool fleets that are currently deployed meeting the accepted target utilization rates (evaluated on a rolling quarterly basis) which shall initially be as follows: (i) Gyro kits: 12 revenue days / month *(based on sensor packages)* and (ii) MWD kits: 10 revenue days / month.

Section 3.4 **Long Term Tool Supply Goal.** The Parties agreed that the long term Tool supply schedule is intended to be as follows: (i) Gyro kits: 2 in Argentina, 0 in Bolivia, 1 in Chile, 2 to 3 Colombia, 2 in Perú and 1 in Central America; and (ii) MWD kits: 4 to 6 in Argentina, 2 in Bolivia, 2 to 4 in Chile, 6 to 8 in Colombia, 4 in Perú and 4 in Central America. The Parties agree to work towards meeting such goals, provided, however, that the failure to meet the long term goals set forth herein shall not subject any of the Parties to liabilities.

Section 3.5 **Supply of Spare Parts, Consumables and Services.** Spare parts will be provided and sold at the internal pricing levels that SDI maintains plus shipping and import duties. An agreed stock of initial spare parts will be allocated to each operating facility. The primary shipment of spare parts, and only the shipment payment, will be made as consumed. All
subsequent shipments will be charged when shipped. Both Parties agree that the materials and supply costs represent an important factor in the economic viability of the Joint Venture. Both Parties agree to establish a **KPI** based upon the following materials and supply costs: (i) Gyro kits: [●] and (ii) MWD kits: USD 20 per hour below rotary table including importation costs.

**ARTICLE IV**  
**REVENUE SHARING AND REPORTING**

Section 4.1 **Pricing.** The pricing of Services shall be set by market conditions and shall be decided and negotiated by Estrella with each customer.

Section 4.2 **Payment.** If Services of the Joint Venture are provided by Estrella and billed and collected by Estrella, Estrella shall pay SDI upon client payment of the relevant invoice.

Section 4.3 **Revenue.**

(a) The Parties hereby agree that all revenues will be split between SDI and Estrella on all Services where the Tools and Technology is used in accordance with their Participating Interest.

(b) In Service contracts where there is a single revenue stream for both directional drilling (motor, jars, stabilizers and personnel) and MWD, the revenue will be split as follows: 60% shall correspond to Estrella and shall be applied to directional drilling and 40% shall correspond to the Joint Venture and will be split between SDI and Estrella in accordance with their Participating Interest.

(c) Distribution of revenues shall be made in a tax efficient structure to be agreed upon by the Parties for each country of the Territory.

Section 4.4 **Lost in Hole.** In the event a Tool is “lost in hole”, Estrella will repay SDI for the SDI “lost in hole” list price value of the Tools (including any shipping and import costs paid by SDI for the Tools lost). Estrella will markup “lost in hole” pricing quoted to customers for each market to cover landed costs and taxes for the revenue generated by the event. Any additional “lost in hole” charge obtained from the client above and beyond the SDI list price (landed cost) will be split between SDI and Estrella in accordance with their Participating Interest.

Section 4.5 **Discounts.** In the event that the Joint Venture members decide to discount operating costs or “lost in hole” charges to a customer, the Parties will agree how to share that discount given the causes, needs and strategic reasons for such discount.

Section 4.6 **Reporting and Planning.** Estrella will supply financial reports on the Joint Venture performance on a monthly basis. Estrella will provide input into the annual forecasts and budget process for Revenue, Tool requirements and comply with other reasonable SDI reporting requirements.

Section 4.7 **Commercial Terms.** All commercial terms set forth in this
Agreement shall be reviewed and revised by the Parties every six months.

**ARTICLE V**

**MANAGEMENT COMMITTEE AND OPERATING OFFICER**

Section 5.1  **Management Committee.**

(a) The Parties shall set up a Management Committee for the Joint Venture.

(b) Each Party shall be entitled to designate an equal amount of members of the management committee.

(c) The management committee shall resolve all necessary actions to be taken by the Joint Venture that this Agreement does not specifically contemplate that are to be decided by one of the Parties. Decisions of the management committee shall be binding to the Parties.

(d) Any and all matters subject to consideration and approval of the management committee shall be resolved with the consent or vote of the majority of the members.

Section 5.2  **Operating Officer.** The day to day affairs of the Joint Venture will be managed by an SDI employee who will devote 100% of his business time to the Joint Venture and whose costs will be paid by the Parties in accordance with their Participating Interest.

**ARTICLE VI**

**EXCLUSIVITY**

Section 6.1  **Exclusivity.**

(a) The Parties hereby agree not to enter into an agreement with any third party for the purposes of setting up a Joint Venture to provide the Services with the Tools and Technology in the Territory.

(b) SDI agrees not to provide the Tools to any third party other than Estrella for use in providing Services in the Territory.

(c) Subject to SDI being able to meet annual budgeted Tool supply commitments, Estrella agrees not to use any tool that competes with the Tools when providing Services in the Territory.

(d) Estrella may continue to operate existing MWD kits in the Market, with SDI kits having first priority for work. Estrella will commit to not purchase or obtain additional MWD kits from other suppliers subject to SDI being able to meet annual budgeted Tool supply commitments.

(e) Estrella continuing to operate vertical monitoring technology shall not be deemed a breach of this Section 6.1.
The exclusivity set forth in this Section 6.1. shall be limited to the Territory and for Services provided to the oil and gas and geothermal entities, and shall therefore not apply to countries outside of the Territory or to other industries (including, but not limited to, the mining industry).

Section 6.2  Duration. The exclusivity set forth in Section 6.1 shall immediately terminate upon termination of this Agreement.

ARTICLE VII
TERM, TERMINATION AND UNWINDING

Section 7.1  Term. This Agreement shall be effective as of the date hereof and shall continue to be in full force and effect until terminated in accordance with the terms of this Article VII.

Section 7.2  Termination by Mutual Agreement. The Parties may terminate this Agreement at any time under mutual consent, under terms and conditions to be agreed at the time of termination.

Section 7.3  Termination Without Cause.

(a) Either Party may terminate this Agreement without cause by providing a ninety (90) day prior written notice to the other Party, provided, however, that given the strategic nature of the Joint Venture, the Parties agree that it may take up to one year to fully liquidate and unwind the Joint Venture.

(b) In the event SDI was the Party that terminating the Agreement without cause, then (i) the obligations set forth in Section 6.1 shall continue to apply to SDI (and not to Estrella) for a period of twelve (12) months from the date of termination, (ii) SDI shall continue to supply the Tools and Technology and related support by means of providing a license to Estrella for a period of eighteen (18) months for Estrella to be permitted to continue to operate the Tools and Technology already deployed in the Territory and SDI shall continue to provide repair and maintenance support for the Tools and Equipment deployed.

(c) In the event Estrella was the Party that terminating the Agreement without cause, then SDI may, at its sole discretion, require that Estrella repatriate (outside customs, enroute to Houston, Texas, in industry standard operating and packing conditions) all Tool kits and equipment that had been supplied by SDI in connection with this Agreement.

Section 7.4  Termination For Non-Performance. Either Party may terminate this Agreement for non-performance of the other Party. For purposes thereof, the non-breaching Party shall send a notice of the perceived non-performance to the other Party allowing fifteen (15) days for initial response and action plan and with a further forty five (45) days to cure the non-performance. Should the non-performance not be resolved in the given time period either Party can terminate this Agreement with thirty (30) days notice to the other Party under the following stipulations:

(a) In the event Estrella was the Party that terminating the Agreement for
SDI’s non-performance, then (i) the obligations set forth in Section 6.1 shall continue to apply to SDI (and not to Estrella) for a period of twelve (12) months from the date of termination, and (ii) SDI shall continue to supply the Tools and Technology and related support by means of providing a license to Estrella for a period of twelve (12) months for Estrella to be permitted to continue to operate the Tools and Technology already deployed in the Territory and SDI shall continue to provide repair and maintenance support for the Tools and Equipment deployed.

(b) In the event SDI was the Party that terminating the Agreement for Estrella’s non-performance, then SDI may, at its sole discretion, require that Estrella repatriate (outside customs, enroute to Houston, Texas, in industry standard operating and packing conditions) all Tool kits and equipment that had been supplied by SDI in connection with this Agreement.

Section 7.5 Termination For Cause. Either Party may terminate this Agreement in the event that the other Party commits an act to wilfully damage the other Party, or violates the core tenants of this Agreement with a thirty (30) day prior written notice.

(a) In the event Estrella was the Party that terminating the Agreement for cause, then (i) the obligations set forth in Section 6.1 shall continue to apply to SDI (and not to Estrella) for a period of thirty six (36) months from the date of termination, and (ii) SDI shall continue to supply the Tools and Technology and related support by means of providing a license to Estrella for a period of twenty four (24) months for Estrella to be permitted to continue to operate the Tools and Technology already deployed in the Territory and SDI shall continue to provide repair and maintenance support for the Tools and Equipment deployed.

(b) In the event SDI was the Party that terminating the Agreement for cause, then SDI may, at its sole discretion, require that Estrella repatriate (outside customs, enroute to Houston, Texas, in industry standard operating and packing conditions) all Tool kits and equipment that had been supplied by SDI in connection with this Agreement.

Section 7.6 Unwinding for sale, or under mutual consent.

(a) Dutch Auction. At any time, by mutual consent of the Parties, the Parties may conduct a Dutch Auction of the Joint Venture to sell the SDI Participating Interest and the Estrella Participating Interest. The winning bidder will be bound by the conditions stipulated in section 7.3.

(b) Acquisition of either Party. At any time, by mutual consent of the Parties, one of the Parties may acquire the other Party’s Participating Interest in terms and conditions to be agreed upon.

ARTICLE VIII
MISCELLANEOUS

Section 8.1 Press Release / Marketing. In the event that either Party requires or desires to release information into the public domain, press releases, publications etc., such release will require mutual consent. The Party requesting consent will request in writing permission to release the material. The other Party will be required to provide consent (with
modifications if required) within five (5) business days or consent will be considered to have been granted.

Section 8.2 Notices. Any notice, request or other communication to be given or made under this Agreement to the Parties hereto shall be in writing. Such notice, request or other communication shall be deemed to have been duly given or made when it shall be delivered by hand, international courier (confirmed by facsimile), or facsimile (with a hard copy delivered within five (5) Business Days) to the Party to which it is required or permitted to be given or made at such Party’s address specified below or at such other address as such Party shall have designated by notice to the Party given or making such notice, request or other communication.

(i) If to Estrella, to:
Carlos Pelligrini 1023, Piso 1
(C1009ABU) Ciudad de Buenos Aires, Argentina
Attention: Warren Michael Levy
Facsimile: +54 (11) 5217 5250

(ii) If to SDI, to:
[●]
Attention: [●]
Facsimile: [●]

Section 8.3 Counterparts. This Agreement may be executed in any number of counterparts, one for each Party, each of which shall be deemed an original, but all of which together shall constitute a single instrument. It is also agreed and understood that this Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective heirs, representatives, executors, successors, and assigns, and that the Agreement shall not have any effect unless and until it has been executed by all Parties hereto. This Agreement may be executed by facsimile and such execution shall be treated for all purposes as an original provided that a hard copy is delivered within five (5) Business Days.

Section 8.4 Severability. In the event that any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby as long as the remaining provisions do not fundamentally alter the relations among the Parties hereto.

Section 8.5 No Set-Off. All obligations hereunder shall be satisfied in full without set-off, defense or counterclaim.

Section 8.6 Governing Law. This Agreement shall be governed in all respects, including validity, interpretation and effect, by the laws of [●], without regard to conflict of law principles.

Section 8.7 Adjudication and Consent to Jurisdiction.

(a) Any controversy, claim or dispute between the Parties, directly or
indirectly, concerning this Agreement or the breach hereof or the subject matter hereof, including questions concerning the scope and applicability of this arbitration clause, shall be finally settled by arbitration under the Rules of Arbitration of the International Chamber of Commerce (the “ICC” and the “ICC Rules”) by one or more arbitrators appointed in accordance to the ICC Rules, with the arbitration taking place in [●] in the English Language.

(b) The award of the arbitrators shall be the sole and exclusive remedy between the Parties hereto regarding any claims, counterclaims, issues, or accountings presented to the arbitrators, irrespective of the magnitude thereof.

(c) The claimant in the proceedings shall appoint one arbitrator, the respondent shall appoint one arbitrator, and the two arbitrators shall select the third, who shall be the chairman, all pursuant to the ICC Rules. If the two arbitrators cannot agree upon the third arbitrator within fifteen (15) calendar days after the two arbitrators have been appointed under the ICC Rules, upon request by either the claimant or the respondent, the third shall be selected by the tribunal according to the ICC Rules.

(d) The Parties hereto shall facilitate the arbitration and agree to (and the tribunal shall have the authority to require the Parties hereto to) (i) make available to each other and to the arbitrators for inspection and extraction all documents, books, records and personnel under their control as the tribunal shall determine to be relevant to the dispute, which items shall be confidential; (ii) conduct arbitration hearings to the greatest extent possible on successive, contiguous days; and (iii) observe strictly the time periods established by the ICC Rules or by the tribunal for the submission of evidence and briefs.

(e) Any monetary award of the arbitrators shall be made and payable in [●] according to the instructions of the Party entitled to payment, in freely transferable dollars free of any tax and deductions. Any such monetary payment shall include interest from the date of any breach or any violation of this Agreement. The arbitrators are not empowered to award punitive or exemplary damages, and each Party waives any right to recover any such damages. The arbitrators shall fix an appropriate rate of interest from the date of the breach or other violation to the date when the award is paid.

(f) Any decision or award of the arbitration tribunal shall be based upon the provisions of this Agreement and the Law applicable to this Agreement, shall state the reasons for the decision and shall be final and binding upon the Parties to the arbitration proceeding. The Parties hereby waive to the fullest extent permitted by law any rights to appeal or to review such award by any court or tribunal, except for their right to request the annulment of any part of such award made in respect of matters not subject to arbitration. Except in connection with any requirement by a court in enforcement proceedings, the award and the arbitration proceedings shall be kept confidential by the Parties.

(g) To the extent any Party may, in any action or proceeding arising out of or relating to this Agreement be entitled under applicable law to require or claim that such Party post security for costs or take similar action, such Party hereby irrevocably waives and agrees not to claim the benefit of such entitlement.
(h) The institution of any arbitration proceeding hereunder shall not relieve
the Parties from continuing to perform all of their respective obligations under this Agreement.

Section 8.8 No Third Party Rights; Assignment. This Agreement is intended
to be solely for the benefit of the Parties hereto and is not intended to confer any benefits upon,
or create any rights in favor of, any other Person. All rights and obligations hereunder and under
any agreements and documents executed and delivered in connection herewith shall not be
assignable, except with the consent of all Parties.

Section 8.9 Waivers and Amendments. No modification of or amendment to
this Agreement shall be valid unless in a writing signed by the Parties hereto referring
specifically to this Agreement and stating the Parties’ intention to modify or amend the same.
Any waiver of any term or condition of this Agreement must be in a writing signed by the Party
sought to be charged with such waiver referring specifically to the term or condition to be
waived, and no such waiver shall be deemed to constitute the waiver of any other breach of the
same or of any other term or condition of this Agreement.

Section 8.10 Headings. The headings in this Agreement are for purposes of
reference only and shall not be considered in construing this Agreement.

Section 8.11 Specific Performance. The Parties hereto agree that the obligations
imposed on them in this Agreement are special, unique and of an extraordinary character, and
that, in the event of breach by any Party, the other Parties shall be entitled to specific
performance and injunctive and other equitable relief; and the Parties hereto further agree to
waive any requirement for the securing or posting of any bond in connection with the obtaining
of any such injunctive or other equitable relief.

Section 8.12 Further Assurances. Without limiting the generality of the
foregoing, each Party to this Agreement agrees to take all Necessary Actions to ensure that the
provisions of this Agreement are implemented. From time to time, at the reasonable request of
any other Party hereto and without further consideration, each Party hereto shall execute and
deliver such additional documents and take all such further action as may be necessary or
appropriate to consummate and make effective, in the most expeditious manner practicable, the
transactions contemplated by this Agreement.

Section 8.13 Confidentiality.

(a) Each Party hereby acknowledges that some of the information related to
the each Party’s finances, plans, clients, suppliers, technology, know-how, intellectual property,
rights over process, formulae and commercial secrets as may exist from time to time
(collectively, the “Confidential Information”) is valuable, special and constitutes a unique asset
of each Party. Each Party agrees that it shall not (and shall cause its Affiliates, directors, officers,
employees and agents not to) disclose any Confidential Information to any Person (other than to
its counsel, advisors, employees and officers on a need to know basis and specifying the
confidential nature of such information), nor shall such Party make use of any such Confidential
Information for its own purposes or for the benefit of any Person (except the Company) under
any circumstances.
(b) Notwithstanding the foregoing, each Party receiving Confidential Information shall have no obligations under paragraph (a) above with respect to Confidential Information which is (i) already known to such Party on a non-confidential basis at the time of disclosure by the Company, (ii) in the public domain or (iii) required to be disclosed by applicable law; provided, however, that the Company is given prior notice of the disclosure of Confidential Information pursuant to this paragraph (b) to the extent such prior notice is reasonably possible.

(c) Notwithstanding the foregoing each Party may provide Confidential Information to any of its advisors or consultants; provided, however, that, in each instance, the disclosing Party shall require the recipient of Confidential Information to enter into an agreement with such Party on substantially the terms of this Section 8.13.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]
IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

ESTRELLA OVERSEAS LIMITED

By: _________________
Name: ____________________
Title: ____________________

SCIENTIFIC DRILLING INTERNATIONAL, INC.

By: _________________
Name: ____________________
Title: ____________________
EXHIBIT A

TOOLS AND TECHNOLOGY

[●]