

POLICY AND RESPONSIBILITIES

POLICY STATEMENT

E & B Oilfield Services Inc. has a long-standing commitment to maintaining the highest standards for employee safety and health. The use of controlled substances and the misuse of alcohol are contrary to these high standards. The use or possession of illegal controlled substances or alcoholic beverages while on Company property, or in any Company vehicle, or on Company time, including breaks or lunch, paid or unpaid, on any shift, is strictly prohibited.

This program applies to both drug and alcohol abuse, and as such, all requirements and responsibilities outlined in this program are applicable in all aspects of abuse to either substance.

DOT Compliance

E & B Oilfield Services Inc. is aware that it is ultimately responsible for meeting the requirements of Parts 40 and 199. The DOT authorizes transportation employers to use a service agent(s) to perform tasks necessary to comply with the Plan. The Company understands that, under the DOT regulations, it is responsible for the actions of its service agents. The Company is responsible for developing and implementing a successful and comprehensive DOT workplace drug and alcohol program. Components of the Company's program include clear policies, provisions for education and training, drug and alcohol testing, and when needed, referral for evaluation, education, and treatment. David Abegglen will ensure that all covered employees are aware of the provisions and coverage of the Plan.

RESPONSIBILITIES OF KEY PERSONNEL

E & B Oilfield Services Inc. will convey to responsible individuals, the Designated Employer Representative (DER), and affected supervisors, that the privacy and confidentiality of any covered employee subject to the Plan must be maintained to the best of their ability at all times.

The DER is:

- The key employee for the Company's drug and alcohol program functions. As such, the DER has the knowledge and authority to make decisions about the testing process and answer questions about it.
- Not a service agent.
- One or more employees of the Company that are assigned to ensure adequate coverage on all shifts and at all locations.
- Responsible for the preparation of the Plan, as well as providing oversight and evaluation on the Plan.

- Responsible for reviewing all adverse personnel action or discipline applied under the Plan for consistency and conformance to Human Resources policies and procedures.
- Responsible for scheduling random, return-to-duty, and follow-up testing, as applicable
- Authorized to receive and maintain, in a secure file system, all drug and alcohol testing results.
- Responsible for providing answers to employee questions regarding the testing program, and information on the resources available for drug and alcohol counseling.
- Responsible for overseeing the employee assistance program (EAP).

Note: Appendix B contains the name, address, and phone number of the DER(s).

E & B Oilfield Services Inc. supervisors are responsible for observing the performance and behavior of employees that is suggestive enough to lead to the reasonable suspicion/cause for drug and/or alcohol testing. David Abegglen will ensure that all supervisors who will determine whether an employee must be drug tested and/or alcohol tested based on reasonable suspicion/cause are trained in the “signs and symptoms” of each substance. The supervisor may be required to obtain an opinion from a second supervisor before initiating a reasonable suspicion/cause test. The initiating supervisor is required to document a reasonable-suspicion/cause event.

RESPONSIBILITY OF COVERED EMPLOYEES

Each covered employee must comply with the requirements of the Plan, and the DOT drug and alcohol rules it pertains to, in order to remain eligible to work in a DOT safety-sensitive position. Each covered employee has the responsibility to read, be knowledgeable of, and comply with, the requirements of the Plan, and Parts 40 and 199. Committing a DOT violation will result in the employee’s immediate removal from the covered function, and remain so until successfully completing the DOT return-to-duty conditions of Part 40. The Plan describes circumstances for being tested, violations, prohibited conduct, and their subsequent consequences. The Plan describes what is available to each covered employee as services (e.g., EAP) in such cases where the employee has a potential problem with drugs or alcohol prior to a drug or alcohol test.

It is a condition of employment for all covered employees to sign the Acknowledgement/Receipt Form (Appendix A). In doing so, the employee agrees to comply with the drug and alcohol program requirements of E & B Oilfield Services Inc. and the requirements of the Plan. Failure to comply with this condition may result in disciplinary action up to and including termination.

USE OF SERVICE AGENTS

Compliance

E & B Oilfield Services Inc. may contract with service agents to accomplish many of the requirements of Parts 40 and 199. If said agents are used, records of the names and addresses of service agents that are under contract will be maintained and available for review. Contracts will contain a provision that the service agent will comply with Parts 40 and 199 in the services provided. The work of any service agent providing services to E & B Oilfield Services Inc. will be open to inspection by the Company. The service agent must allow access to property and records by the operator, the Administrator, and if the operator is subject to the jurisdiction of a state agency, a representative of the state agency for the purpose of monitoring the operator's compliance with the requirements of Part 199. No service agent will serve as a DER for E & B Oilfield Services Inc..

Public Interest Exclusion

E & B Oilfield Services Inc. will not use a service agent against whom a Public Interest Exclusion (PIE) has been issued. The Company will stop using the services of a service agent no later than 90 days after the DOT has published the decision in the Federal Register or posted on its website that a PIE has been issued. The Company may apply to the ODAPC Director for an extension of 30 days if it is demonstrated that a substitute service agent cannot be found within 90 days.

Consortium/Third Party Administrator

The Company may employ the service of a Consortium/Third Party Administrator (C/TPA) to assist the DER with overall program management and consultation on any program issue. While the C/TPA will not serve as the DER, the C/TPA may support the DER by explaining the regulations and offering guidance on program-compliance issues.

CRITICAL SERVICE AGENT POSITIONS

E & B Oilfield Services Inc. recognizes the significance of critical service agent positions within the DOT drug and alcohol program. The Company understands the importance of each service agent meeting their initial qualifications, as applicable, and then maintaining compliance throughout the conduct of their program functions, all in accordance with Part 40 and Part 199 requirements. The Company will ensure that the following critical positions meet DOT rule requirements:

- Medical Review Officer (MRO) (§40.121 and §199.109(b))
- Substance Abuse Professional (SAP) (§40.281)
- Urine Specimen Collector (§40.33)
- Screening Test Technician (§40.213)
- Breath Alcohol Technician (§40.213)

"NON-DOT" TESTING PROGRAM

The Company may implement an additional drug and/or alcohol testing program, referred to as a "non-DOT program." Any additional testing program would be completely independent of the DOT testing program. Such a testing program would be developed under the Company's own authority and kept separate from the DOT program. All DOT testing would be accomplished first; the Company's non-DOT program would commence afterwards. The non-DOT program would use different forms and not use the Federal Custody and Control Form or the DOT Alcohol Testing Form. The non-DOT program: could test different people, could test for different drugs, and could test for different reasons. If E & B Oilfield Services Inc. decides to implement its own non-DOT testing program, the Company will define the program and notify all employees through a Non-DOT Program Plan.