# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment at Will statement and Disclaimer</td>
<td>3</td>
</tr>
<tr>
<td>Notice of Employer’s Right to Unilaterally change Handbook</td>
<td>3</td>
</tr>
<tr>
<td>Non-discrimination and Equal Employment Opportunity Policy</td>
<td>3</td>
</tr>
<tr>
<td>Employee Classifications</td>
<td>4</td>
</tr>
<tr>
<td>Absenteeism/Attendance policy</td>
<td>5</td>
</tr>
<tr>
<td>Discipline, Rules of Conduct, Termination</td>
<td>6</td>
</tr>
<tr>
<td>Policy against sexual harassment</td>
<td>7</td>
</tr>
<tr>
<td>Dress Code</td>
<td>9</td>
</tr>
<tr>
<td>Personnel Files</td>
<td>10</td>
</tr>
<tr>
<td>Drug and Alcohol Policy</td>
<td>10</td>
</tr>
<tr>
<td>Workplace Violence Policy</td>
<td>11</td>
</tr>
<tr>
<td>Leaves of absence</td>
<td>12</td>
</tr>
<tr>
<td>Payday</td>
<td>13</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>13</td>
</tr>
<tr>
<td>Deductions from pay</td>
<td>16</td>
</tr>
<tr>
<td>Company gas cards</td>
<td>16</td>
</tr>
<tr>
<td>Outside Activities</td>
<td>16</td>
</tr>
<tr>
<td>General Work Rules</td>
<td>16</td>
</tr>
<tr>
<td>Safety</td>
<td>18</td>
</tr>
<tr>
<td>Equipment &amp; Tools</td>
<td>19</td>
</tr>
<tr>
<td>Injuries</td>
<td>19</td>
</tr>
<tr>
<td>PPE</td>
<td>20</td>
</tr>
<tr>
<td>Driver Insurability</td>
<td>21</td>
</tr>
<tr>
<td>SOPs</td>
<td>21</td>
</tr>
<tr>
<td>REVISION 2</td>
<td></td>
</tr>
</tbody>
</table>
At Will Statement and Disclaimer

The policies and procedures set forth in this employee handbook are not a binding employment contract. This handbook provides general guidelines only and none of its provisions are contractual in nature. I understand that all employment with STOKER OILFIELD is “at will,” meaning that my employment may be terminated at any time, with or without notice, for any reason or no reason, by either STOKER OILFIELD or the employee.

This handbook is not a contract guaranteeing employment for any specific period of time. Either STOKER OILFIELD or the employee may end this relationship at any time, with or without cause, notice or reason. No manager, supervisor or representative other than STOKER OILFIELD’s president or chief operating officer has the authority to enter into any agreement guaranteeing you employment for any specific period of time or to make any written or oral promises, agreements or commitments contrary to this policy. Further, any employment agreement entered into by the president or chief operating officer will not be enforceable unless it is in writing.

This handbook replaces and supersedes all earlier STOKER OILFIELD personnel practices, policies and guidelines.

The policies set forth in this Handbook are intended to comply with all applicable federal, state, and local laws. To the extent local or state laws require greater employee benefits, those laws will be followed. If any of the policies in this Handbook conflict with federal, state, or local laws, we will follow those laws, not the Handbook.

Unilateral Change Disclaimer

The policies and procedures found in this employee handbook may change from time to time at the sole discretion of STOKER OILFIELD SERVICE. STOKER OILFIELD explicitly reserves the right to change or modify any of the provisions contained in these policies and procedures at any time, with or without advance notice.

Equal Employment Opportunity Policy

STOKER OILFIELD provides equal employment opportunity without regard to race, color, sex, religion, national origin, age or disability. STOKER OILFIELD conforms with all applicable federal and state laws, rules, guidelines and regulations and provides equal employment opportunity in all employment and employee relations.

STOKER OILFIELD assurs that all applicants for employment and all STOKER OILFIELD employees are given equal consideration based solely on job-related factors, such as qualifications, experience, performance and availability. Such equal consideration applies to all personnel actions, including but not limited to recruitment, selection, appointment, job assignment, training, transfer, promotion, merit increases, demotion, termination, pay rates and fringe benefits. STOKER OILFIELD reviews, evaluates and monitors all personnel matters to ensure that they are in accordance with this policy.
STOKER OILFIELD takes seriously and will investigate promptly and thoroughly all charges of alleged discrimination in employment, and informs STOKER OILFIELD employees of their rights in regard to equal employment.

STOKER OILFIELD requires its personnel to act in conformity with the principles outlined in this policy through strict adherence to the above statements and recognizes that the effective application of equal opportunity in employment must involve more than a non-discriminatory policy statement. STOKER OILFIELD recruits, hires, trains and promotes into all job levels the most qualified persons without regard to race, color, religion, sex, national origin, age or disability status. STOKER OILFIELD takes positive steps to eliminate any discrimination from its personnel practices, and creates an environment that encourages equal opportunity for all of its employees.

STOKER OILFIELD distributes information regarding equal employment opportunity through the employee handbook. EEO-related complaints may be made to the owners, Earl or Ash Stoker.

**Employee Classifications**

It is the intent of the company to clarify the definitions of employment classifications so that employees understand their employment status and benefit eligibility. **These classifications do not guarantee employment for any specified period of time nor do they obligate the company to provide the employee any set number of hours of work within a particular week. Accordingly, both the employee and the company may terminate the employment relationship at-will at any time.**

**Regular Full-Time**

These employees are not in a seasonal or temporary status and are expected to consistently work at least 40 hours per week throughout the year excluding any unpaid periods during a work day. Generally, they are eligible for company benefits, subject to the terms, conditions, and limitations of each benefit program.

**Regular Part-Time**

These employees are not in a seasonal or temporary status and are expected to consistently work less than 40 hours per week throughout the year excluding unpaid periods during a work day. Generally, they are not eligible for paid leave, paid holidays, paid sick leave, benefits (unless otherwise required by law), and other opportunities that may be available to regular fulltime employees.

**Temporary**

These employees are hired to fill temporary positions. These employees have no set number of weeks to work per year and do not have an expected average number of hours worked per work week. They are not eligible for paid leave, paid holidays, paid sick leave,
Attendance Policy

STOKER OILFIELD expects all employees to conduct themselves in a professional manner during their employment. This includes practicing good attendance habits. All employees should regard coming to work on time, working their shift as scheduled and leaving at the scheduled time as essential functions of their jobs, i.e., good attendance habits are an integral part of every employee’s job description.

Among other things, “good attendance habits” include the following:

- Appearing for work no later than the start of the shift;
- Being at your work station ready for work by the start of the shift;
- Remaining at your work station unless the needs of the job require being elsewhere, except during authorized breaks (including restroom breaks);
- Taking only the time normally allowed for breaks;
- Remaining at work during your entire shift, unless excused by a supervisor;
- Not leaving work until the scheduled end of your shift unless excused by a supervisor;
- Leaving promptly at the end of your shift unless you have been given advance permission by your supervisor or manager to work past that point; and
- Calling in and personally notifying your supervisor if you are going to be either absent or tardy, unless a verifiable emergency makes it impossible for you to do so.

Giving Notice of Absence or Tardiness

Under some circumstances, an employee’s absence or tardiness may be excused, but only if that employee gives proper notice of such a problem before the start of their shift. STOKER OILFIELD needs advance notice of attendance problems so that other arrangements can be made to cover an employee’s absence if necessary. “Proper notice” means that the employee will call STOKER OILFIELD at a designated telephone number prior to the start of the employee’s shift and personally notify their supervisor about the problem, unless a verifiable emergency makes it impossible to do so. If the supervisors or main office cannot be reached, leaving a voice mail will be acceptable.

It is not sufficient to call in and leave a message with a co-worker or someone else who is not in a supervisory position. If you fail to give proper notice of attendance problems in advance as explained in this policy, you may be subject to disciplinary action (see disciplinary policy), up to and possibly including discharge.

If you are absent without notice for two days in a row, you will be considered to have abandoned your job and STOKER OILFIELD will process your work separation as a voluntary resignation on your part.
Disciplinary Policy

Employee misconduct and/or unsatisfactory behavior will be documented by STOKER OILFIELD. The penalties for misconduct and/or unsatisfactory behavior will be documented on a form similar to the sample form below. Employees are required to sign all counseling statements for acknowledgement purposes. An employee’s signature does not equal agreement with the counseling statement, only acknowledgement. Employees will be able to document their statements on all counseling statements as well. FAILURE TO SIGN will result in further disciplinary action including possible termination.

The following progressive discipline will be followed unless an offense is so serious that it requires immediate dismissal.

1. Verbal Warning
2. Written Warning
3. Final Warning
4. Dismissal

Employee Counseling Statement

Employee Name: ____________________________________

Position: ________________________

Verbal Warning  Written Warning  Final Warning  Dismissal

Incident: Lateness / Leaving Early; Not Calling In When Absent / Late Excessive Absenteeism; Substandard Work Quality
Insubordination; Unsatisfactory Behavior Toward Co-workers / Others
Poor Work Performance; Unauthorized Absence From Work Area
Safety Violation; Substance Abuse While At Work
Other: __________________________________

Date of Incident: _____/_____/

Supervisor Statement: ______________________________________________________________________

Corrective Action: ______________________________________________________________________

Timetable for Improvement: Immediate  30 days  60 days

Consequences of Non-Improvement: Written Warning  Final Warning  Dismissal

Employee Statement:

Additional sheets attached.

I agree with this statement. Employee Signature ______________ Date: ______

I DISAGREE with this statement. Employee Signature ______________ Date: ______
Harassment Policy

STOKER OILFIELD is committed to providing a work environment which is free of unlawful harassment and intimidation. Company policy prohibits harassment because of sex (including sexual harassment, harassment due to pregnancy, childbirth or related medical conditions and gender harassment) and harassment because of race, religion, color, national origin, medical condition, physical or mental disability, age or any other basis protected by federal, state or local law, regulation, or ordinance. **ALL SUCH HARASSMENT IS ILLEGAL.**

STOKER OILFIELD’s anti-harassment policy applies to all individuals involved in the operation of the company, and prohibits unlawful harassment by an employee of STOKER OILFIELD including supervisors and co-workers, or by any vendors and/or independent contractors and their employees.

Non-employee violators of this policy are subject to expulsion from STOKER OILFIELD’s facilities when harassment occurs on company premises. STOKER OILFIELD may discontinue service to off-premises violators of this policy. Furthermore, STOKER OILFIELD may report violators to the appropriate authority for civil or criminal action.

STOKER OILFIELD prohibits retaliation of any kind against employees, who, in good faith, bring harassment complaints or assist in investigating such complaints.

A. Examples of Prohibited Unlawful Harassment

Prohibited unlawful harassment because of sex, race, religion, color, national origin, medical condition, physical or mental disability, age, marital status or any other protected basis includes, but is not limited to, the following behavior:

1. Verbal actions such as slurs, derogatory comments or jokes, epithets or unwanted sexual invitations, advances or comments;
2. Visual conduct such as sexually-oriented, pornographic and/or derogatory photographs, posters, drawings, cartoons, gestures, e-mail or Internet sites;
3. Physical actions such as unwanted touching, assault, blocking another’s way or interference with work because of sex, race or any other protected category;
4. Threats or demands to submit to sexual advances or requests as a condition of continued employment, offers of employment benefits in return for sexual favors, or to avoid some other negative employment action; and
5. Retaliation against any employee for making an allegation of harassment or for participating in such an investigation.

B. Sexual Harassment

STOKER OILFIELD seeks to assure that it maintains a workplace free of all types of unlawful harassment, including sexual harassment and intimidation. Sexual harassment is defined as “unwelcome” sexual advances, requests for sexual favors or other verbal or physical conduct of a sexual nature when:

1. Submission to such conduct is made either explicitly or implicitly a term or condition of an individual’s employment; or
2. Submission to or rejection of such conduct by an individual is used as a basis for employment decisions affecting such individuals; or
3. Such conduct has the purpose or effect of unreasonably interfering with an individual’s work performance or creating an intimidating, hostile or offensive working environment.

STOKER OILFIELD will not tolerate vulgar, abusive, humiliating or threatening language, practical jokes, or other inappropriate behavior in the workplace. STOKER OILFIELD will not tolerate the harassment of any employee or non-employee by another employee or non-employee, supervisor, manager or director for any reason. Harassment of a sexual nature is a violation of various state and federal laws which may subject the individual harasser to liability for any such unlawful conduct.

C. Procedure for Reporting Harassment

Any employee who believes that he or she is the victim of any type of harassment, including sexual harassment, should immediately report such actions to their supervisor. If an employee’s immediate supervisor is involved in the alleged harassment, it is unnecessary to make a report to that individual. Employees are encouraged to promptly report the alleged harassment within three calendar days of the offense. It is not necessary to file a formal complaint or grievance to complain of sexual harassment. STOKER OILFIELD takes all complaints seriously and handles complaints as promptly, thoroughly and confidentially as possible. STOKER OILFIELD will clearly inform the employee of his or her rights to assistance and how to preserve and protect those rights.

D. Investigating Alleged Harassment

STOKER OILFIELD will fully and completely investigate any report of alleged harassment and will take appropriate corrective action depending on the severity of the conduct. This can include disciplining or discharging any individual who is found to have violated this prohibition against harassment. The complaining employee will be informed of the action taken. An employee who engages in acts of harassment contrary to STOKER OILFIELD’s policy may be personally liable in any legal action brought against them.

Interviews, allegations, statements and identities will be kept confidential to the extent possible and allowed by law. However, STOKER OILFIELD will not allow the goal of confidentiality to be a deterrent to an effective investigation, and it may be necessary to reveal certain information to various state or federal agencies or courts.

Employees should also be aware that as an employer, STOKER OILFIELD has a duty to prevent and correct harassment even when the complaining employee asks that no action be taken and that the complaint be kept confidential.

No information related to the complaint or any investigation will be filed in the personnel files of the employees involved. Rather, these reports will be kept separately in the human resources department, and marked “confidential.” At the end of each inquiry, the investigator will prepare a report that sets forth the dates that various witnesses and parties were interviewed, summarizes witnesses’ statements, describes factual issues on which the parties disagree, offers the investigator’s conclusions, and outlines the actions taken by STOKER OILFIELD.
If the investigation reveals that the harassment occurred, STOKER OILFIELD will inform the parties that immediate and appropriate action, up to and including termination, will be taken. The discipline will be proportional to the severity of the conduct. The alleged harasser’s employment history and any similar complaints of prior unlawful harassment will be taken into consideration. Disciplinary measures may include counseling, sexual harassment or diversity training, suspension, transfer, demotion or discharge. These remedial measures are intended to place the complaining employee in the position which he or she would have been had the harassment not occurred.

Exercising rights under this policy does not in any way affect an employee’s right to seek relief through the Texas Commission on Human Rights, the Equal Employment Opportunity Commission, or a court of proper jurisdiction for any complaint for which a remedy is provided under federal or state law.

E. Retaliation

STOKER OILFIELD will not tolerate retaliation against any employee for making an allegation of harassment or for participating in such an investigation. Retaliation in any form is prohibited. Any employee who violates this policy is subject to disciplinary action up to and including dismissal. It is the responsibility of each STOKER OILFIELD employee to be aware of the details of the foregoing policy.

Dress Code Policy

As representatives of STOKER OILFIELD, employees should remember that their appearance is a direct reflection on the level of professionalism in the company. For this reason, all employees shall follow these basic minimum guidelines in regard to dress and personal appearance. Management may impose additional appropriate standards.

- Employees will wear provided uniforms.
- Visible body piercing (i.e., nose, eyebrow and tongue rings) and tattoos are not appropriate.
- Steel toed boots must be worn when on the work site.
- If an employee requires a reasonable accommodation regarding their dress for bona fide religious reasons, they should contact their supervisor. Unless an undue hardship would result, such an accommodation will be made.
- Employees who refuse to comply with STOKER OILFIELD’s reasonable standards of dress can be sent home to change into more appropriate attire. Repeated violation of this policy can lead to disciplinary action up to and including termination.

An employee who is in doubt about the appropriateness of a particular mode of dress should consult their supervisor in advance. Supervisors are charged with the responsibility of enforcing this policy.
Personnel Records Access Policy

STOKER OILFIELD maintains a personnel file for every employee. It is important that accurate, current records be maintained for benefits and employment purposes. Therefore, all employees are required to notify human resources immediately if there is any change in relevant personal or employment information such as changes in address, phone numbers, marital status, emergency contact, insurance beneficiary, number of dependents or legal name.

All information contained in the personnel file is the property of STOKER OILFIELD and is not available for review by anyone other than the employee, his or her supervisor, and the human resources department. Employees may examine their personnel files; however, these documents may not be removed from STOKER OILFIELD’s premises or be photocopied without the specific authorization.

If an employee believes that information in their personnel file is incorrect, they must submit a written request to change the information to the human resources department. If such a request is granted, the human resources department will make the change in the presence of the employee. If the request is denied, an employee can ask to place a statement of disagreement in the file. This statement of disagreement will become a permanent part of the employee’s file.

STOKER OILFIELD considers falsification of personnel records to be a serious offense, and upon discovery can lead to disciplinary action up to and including termination. STOKER OILFIELD retains all human resource records for seven years after an employee leaves employment.

Drug-Free Workplace Policy – Drug/Alcohol Testing

It is the goal of STOKER OILFIELD to provide a safe and drug-free work environment for our employees. With this goal in mind and because of the serious safety and performance consequences of drug abuse in the workplace, we are establishing the following policy for current and future employees of STOKER OILFIELD. STOKER OILFIELD explicitly prohibits:

1. The use, possession, solicitation for, or sale of narcotics or other illegal drugs, alcohol, or prescription medication without a prescription on company or customer premises or while performing an assignment.
2. Being impaired or under the influence of legal or illegal drugs or alcohol away from STOKER OILFIELD or customer premises, if such impairment or influence adversely affects the employee’s work performance, the safety of the employee or of others, or puts at risk STOKER OILFIELD’s reputation.
3. Possession, use, solicitation for, or sale of legal or illegal drugs or alcohol away from STOKER OILFIELD or customer premises, if such activity or involvement adversely affects the employee’s work performance, the safety of the employee or of others, or puts at risk STOKER OILFIELD’s reputation.
4. The presence of any detectable amount of prohibited substances in the employee’s system while at work, while on the premises of the company or its customers, or while on company business. “Prohibited substances” include illegal drugs, alcohol, or prescription drugs not taken in accordance with a prescription given to the employee.
STOKER OILFIELD will conduct drug testing under the following circumstances:

1. **RANDOM TESTING:** Employees may be selected at random for drug testing at any interval determined by STOKER OILFIELD.

2. **FOR CAUSE TESTING:** STOKER OILFIELD may ask an employee to submit to a drug test at any time it appears that the employee may be under the influence of drugs or alcohol, including but not limited to the following circumstances: evidence of drugs or alcohol on or about the employee’s person or in the employee’s vicinity; unusual conduct on the employee’s part that suggests impairment or influence of drugs or alcohol; negative performance patterns or excessive and unexplained absenteeism or tardiness.

3. **POST ACCIDENT TESTING:** Any employee involved in an on-the-job accident or injury under circumstances that suggest possible use of drugs or alcohol in the accident or injury event may be asked to submit to a drug and/or alcohol test. “Involved in an on-the-job accident or injury” means not only the individual who was injured, but also any employee who potentially contributed to the accident or injury in any way.

If an employee is tested for drugs or alcohol outside of the employment context and the results indicate a violation of this policy, the employee may be subject to appropriate disciplinary action, up to and including discharge from employment with STOKER OILFIELD. In such a case, the employee will be given the opportunity to explain the circumstances prior to any final employment action becoming effective.

**A. Workplace Violence Policy**

STOKER OILFIELD will not tolerate violence in the workplace. “Workplace violence” is defined to include:

1. Physically aggressive, violent or threatening behavior, such as attempts to instill fear in others or intimidation;
2. Verbal or physical threats of any sort;
3. Any other conduct that suggests a tendency toward violent behavior. Such behavior includes, but is not limited to, excessive arguing, threats of sabotage of STOKER OILFIELD property, belligerent speech or a demonstrated pattern of insubordination and refusal to follow STOKER OILFIELD policies and procedures;
4. Causing physical damage to STOKER OILFIELD’s facilities or defacing company property; or
5. Carrying handguns of any type or kind while conducting STOKER OILFIELD business.

If any STOKER OILFIELD employee becomes aware of or observes any of the above-referenced behavior or actions by a co-worker, consultant, customer, third party vendor, visitor, or any other party, he or she should notify his/her supervisor immediately. Employees should notify their supervisor if they are aware of any restraining orders that are in effect, or of the existence of any other non-work-related situation with the potential to erupt into workplace violence.
All reports of violence in the STOKER OILFIELD workplace will be taken seriously and will be investigated thoroughly and promptly. To the extent possible, STOKER OILFIELD will keep the identity of the reporting employee confidential. However, under certain circumstances, STOKER OILFIELD may need to disclose the reporting employee’s identity (for example, to protect that individual’s safety). STOKER OILFIELD will not tolerate retaliation in any form against an employee who makes a report of workplace violence.

If, after a thorough investigation, STOKER OILFIELD determines that workplace violence has occurred, appropriate corrective action will be taken, and discipline will be imposed on the offending employee(s). The level of appropriate discipline will depend on the facts in each case, and may include oral or written warnings, reassignment of responsibilities, probation, suspension, or termination. If a non-employee is responsible for the violent activities, STOKER OILFIELD will take corrective action to ensure that such behavior is not repeated.

Concealed Weapons Policy
STOKER OILFIELD does not allow any job applicant, employee, contractor, subcontractor, or vendor to possess, use, conceal, carry or maintain a handgun on STOKER OILFIELD’s job sites. This includes any vehicle used or owned by STOKER OILFIELD. STOKER OILFIELD also prohibits the carrying of a concealed handgun on your person or property while you are rendering any services or attending any event or function relating to your employment with STOKER OILFIELD or conducting any business on the company’s behalf.

If STOKER OILFIELD has a reasonable suspicion at any time that a concealed handgun has been maintained, carried or stored in violation of this policy, STOKER OILFIELD reserves the right to conduct a reasonable search of the person, work area, personal items or any vehicle in the possession or subject to the control of such person to investigate whether or not a prohibited weapon is present. Any employee who witnesses the concealment or possession of a handgun or who witnesses a physical or verbal assault involving another person should report it to their supervisor immediately. Violating this policy or refusing to consent to a reasonable search conducted pursuant to this policy may lead to discipline up to and including termination. Compliance with this policy is also a term and condition of continued employment with STOKER OILFIELD.

No Fault Leave of Absence Policy
Any employee of STOKER OILFIELD who is absent from the workplace for more than one month will be terminated. No leave of absence may exceed one calendar month for any reason. This policy applies to all STOKER OILFIELD employees, regardless of the reason(s) for their absence from work. If a STOKER OILFIELD employee remains on leave of absence in excess of one month, they will be terminated, regardless of the reason for their absence.

Decisions regarding STOKER OILFIELD employees who are covered by the Americans with Disabilities Act (the ADA) and require as a reasonable accommodation of leave longer than one consecutive month will be made based on medical documentation provided by the employee’s healthcare provider; such decisions will be made on a case by case basis. Before returning to work after a medical leave of absence, all STOKER OILFIELD employees must provide written certification from their physician that they have been medically released to return to work. This policy does not apply to employees who must report for military duty. Military orders must
satisfactorily be supplied to the employer before returning to work. This policy does not apply to those employees who must report for jury duty.

Payday

Payday will be every week. Payday will be on the Friday at the end of the work day following the end of the pay period. Checks will be made available prior to Friday only after with authorization from the direct supervisor. If there is an error in the employee’s check, it will be corrected on the next payroll. Any employee who leaves employment involuntarily (laid off, discharge, fired) will be paid within six days of discharge. An employee who leaves employment voluntarily (quits, retires, resigns) will be paid the payday following resignation.

If the employee believes an error has been made on his or her paycheck, he/she should contact payroll. If the employee’s paycheck is short because he/she was not paid for regular or overtime hours, a holiday, vacation, or bereavement pay, corrections will be made and an adjustment will be issued promptly. If a shortage is due to employee error, the amount underpaid will be included in the next regular paycheck, if possible. If the employee receives more money in his or her paycheck by mistake, the next paycheck will be adjusted to pay back the amount in error.

Salary Advances

Employees are NOT permitted to draw on salary in advance of regular payday and NO personal loans will be given. NO EXCEPTIONS!

Hours Worked

Hours worked are defined as only productive hours worked. Non-productive paid hours (vacation, holiday, sick time) DO NOT count toward overtime pay computation. Only productive hours worked count toward overtime computation.

Employee Benefits

STOKER OILFIELD offers the following benefits to full time (40+ hours of work per week) employees:

1. Vacation Pay

Full time employees are eligible for paid vacation. Stoker Oilfield Service, Ltd. offers seven days after one year of service and increases that number by one vacation day for every year of service after that up to 15 days. This vacation time may be taken day by day or all at once. Vacation pay may be carried over from year to year if not used. To prevent any hardships on a replacement, please notify the office as soon as possible so that arrangements for the absence can be made. Employees also have the option of pay in lieu of their vacation time. After one year of service, vacation time is accrued per pay period. After one year of service, employees may use their vacation time/pay in lieu of as it is accrued.

1 YEAR = 7 DAYS (56 HRS)
2 YEARS = 8 DAYS (64 HRS)
3 YEARS = 9 DAYS (72 HRS)
4 YEARS = 10 DAYS (80 HRS)
2. Sick Leave
Full time employees accrue one sick day every four months of service, which may be used for personal illness and personal business. Sick leave days earned may be carried over from year to year if not used.

3. Holiday Pay
Salaried employees will be expected to work their scheduled work days. Work loads on New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, and Christmas should be minimal, but are subject to the supervisor’s discretion and are dependent on the company’s contractual requirements. When worked, salaried employees will be paid double time on Thanksgiving and Christmas.

Hourly paid employees will be paid for 8 hours of pay on Thanksgiving and Christmas Day. On the following holidays: New Years Day, Memorial Day, Independence Day, and Labor Day, hourly paid employees may choose to either have the day off with no pay or work and be paid time and a half.

Any excused (this includes vacation and sick days) or unexcused missed days of work the immediate work day before or after the above six holidays will result in a loss of any overtime/holiday pay for both salaried and hourly paid employees.

4. Worker’s Compensation
All employees are covered under STOKER OILFIELD’s workers compensation plan for all work related injuries. Employees are covered by Workers’ Compensation for injuries that are sustained on the job or a job-related illness according to the laws of the state in which the employees work. If any such injury occurs, no matter how small, prompt reporting to the employee’s supervisor is required in order for the employee to qualify for Workers’ Compensation insurance coverage. The employee must provide his or her supervisor with as many details as possible about how, when and where the accident happened and if there were any witnesses. In the event of an on-the-job injury or accident, even if the employee considers it insignificant, the employee must also immediately report the injury to management. Management will determine if the employee should submit to drug/alcohol screening. Failure to follow these procedures may result in disciplinary action and/or denial of the employee’s Workers’ Compensation claim. Workers’ Compensation benefits are not available for injuries that occur during an employee’s voluntary participation in any off-duty recreational, social, or athletic activity.

Where medical care is required for on-the-job injuries, employees initially must go to one of the designated medical facilities listed on our bulletin boards. In an emergency, an employee may go directly to the closest hospital’s emergency room. Employees returning to work after being absent due to an on-the-job injury must report to their supervisor prior to beginning work and must bring a physician’s clearance for returning to duty.
5. Safety Awards
All full time employees that receive no safety violations within a year’s time period are eligible for a safety award. Eligible employees will be given a voucher to purchase work boots of their choice from the selected vendors each year on their hire date.

6. Bonus
A safety award may also be given at the end of the year in the form of a bonus. This is dependent on the amount of worker’s compensation funds that are refunded, if any, for the company’s safety record. The amount of each employee’s bonus is up to the discretion of the company. Length of employment, safety record, and employee performance will all be taken into account.

7. Simple IRA
All full time employees after one year of service are eligible to participate in STOKER OILFIELD’s Simple IRA contribution plan. STOKERSTOKER OILFIELD will match up to three percent of an employee’s contributions into the company’s simple IRA plan.

8. Overtime Pay
Hourly, non-exempt full time paid employees will be paid overtime according to the Fair Labor Standards Act. Time and one half will be paid for all hours worked over 40 hours in a seven day work week. (Note: Working unauthorized overtime is subject to disciplinary measures.)

Salaried employees will be paid time and one half for working unscheduled work days. Extra ticketed work will be paid on an hourly per rate basis. Extra ticketed work must be turned in during the pay period in which it was performed in order to be paid out.

9. Paid Lunch
Hourly paid, non-exempt full time employees are given one half hour lunch break each work day, which is to be taken in the middle of the work shift.

Accrued Leave Upon Separation Policy

STOKER OILFIELD does not pay accrued vacation or sick leave to employees who are separated from employment. Any unused paid vacation or sick leave is forfeited upon an employee’s work separation. However, unused vacation leave may be paid out under the following circumstances:

1. If an employee is involuntarily separated from employment with STOKER OILFIELD for economic reasons as part of a company re-organization or a reduction in the workforce, the employee will receive the full balance of accrued, but unused vacation leave.
2. If an employee voluntarily resigns from employment giving at least two weeks’ advance written notice, the employee will receive the full balance of accrued, but unused vacation leave.
3. Any payment made under this provision will be subject to set-offs and deductions for any amounts due or owing pursuant to legal requirements and to the wage deduction authorization agreement signed by the employee.

Unused vacation pay will not be paid out to employees involuntarily separated from employment due to being fired.
**Wage Deduction**

Before an expensive piece of equipment is checked out to an employee, the employee will sign a form acknowledging receipt and promising return of the item in good condition. Equipment damaged or not returned will result in a deduction from pay for the going rate of the equipment signed out.

**Company Equipment**

Company equipment (vehicles, tools, supplies, etc.) are for company use only. Company equipment is not to be used for personal use.

**Company Gas Cards**

Company gas cards are to be used exclusively for fueling of company vehicles and equipment to conduct company business. Each vehicle has an assigned gas card and pin number. Mileage needs to be entered each time a fuel purchase is made for a company vehicle. Repeated failure to correctly enter the gas mileage will result in disciplinary action. If a fuel card is lost, stolen, or damaged, report it right away to the office manager so that the old card can be deactivation and a new card ordered. Fuel reports are reviewed daily. Unauthorized purchases will result in immediate termination.

**Outside Activities**

The activities of any employee, whether on or off the job, which, in the judgment of the company, may interfere with an employee’s proper performance or attendance on the job, will not be tolerated. Within the limits prescribed by federal and state law, such activities may subject an employee to the company’s disciplinary procedures, up to and including immediate termination.

Certain activities which obviously are not proper for employees include, but are not limited to: (1) the use of the company's time, facilities, equipment, or supplies to engage in another business or occupation; and (2) participating in any outside activity which results in lost time from work, causes distractions from work or unsatisfactory work performance, or creates an appearance of a conflict with the best interest of the company.
General Work Rules

Rules of Conduct

Stoker Oilfield expects employees to comply with common and acceptable standards of behavior, to perform their job duties in an acceptable manner and to abide by all of the company's policies and procedures. Conduct that interferes with operations discredits STOKER OILFIELD. Employees are expected to conduct themselves in a professional and businesslike manner with a positive attitude when representing the STOKER OILFIELD. Inappropriate behavior may result in discipline, up to and including immediate termination of employment. Types of behavior and conduct considered inappropriate include, but are not limited to, the following:

- Theft or misappropriation of merchandise, cash, or other assets belonging to the company, its employees or its customers;
- Dishonesty, including falsification of any paperwork, or furnishing the company with false or incomplete information;
- Willful or neglectful damage to or misuse and abuse of company property, vehicles, tools, equipment or the property of employees, or customers;
- Possession, sale, consumption of or being under the influence of intoxicants or illegal, non-prescribed drugs;
- Gambling, fighting, disorderly conduct, conduct which violates common decency (including obscene or abusive language) and other conduct tending to reflect unfavorably on the company;
- Engaging in horseplay, scuffling, etc.;
- Insubordination, deliberate disregard for rules, lying to a supervisor, or refusal to follow management’s instructions;
- Unexcused absence or excessive absences, including late arrival or early departure, absence from work without notifying the company, failure to return to work promptly upon expiration of leave of absence, or excessive tardiness;
- Abandonment of employment as evidenced by two or more consecutive work days/shifts of unauthorized absences;
- Performing unauthorized work;
- Violating safety laws, regulations, and policies;
- Violating company discrimination, harassment, or retaliation policies;
- Violating company smoking policy;
- Making, publishing, or repeating false, vicious or malicious statements concerning the company, its employees, or any of its customers;
- Failure to meet reasonable standards of efficiency and productivity, or otherwise unsatisfactory job performance and/or repeated substandard work;
- Excessive break time or repeatedly attending to personal affairs on work time;
- Sleeping or giving the appearance of sleeping during the time in which the employee is supposed to be working;
- Committing fraud with regard to any records (including time records/sheets, expense accounts, etc.).
● Failure to prepare and submit required reports and/or records in a timely manner;
● Violation of the company's safety, fire prevention, health policies or practice;
● Failing to notify the company of an accident as soon as possible; and
● Abuse of phone or other communication systems for unauthorized personal use.

The above list is not a limitation on the company’s right to terminate its employees. The company maintains the right to terminate an employee at any time.

Safety Program

Introduction

Each employee should be knowledgeable of the Safety Rules and be familiar with the health work practices that must be followed prior to performing their job. All employees shall be responsible for giving safety primary consideration when making daily business decisions. All employees are responsible for:

- Having a thorough knowledge of the hazards associated with each operation
- Communicating rules and setting a strong example for other employees
- Ensuring that all injuries and unsafe conditions are reported immediately
- Promptly correcting unsafe conditions
- Performing every job safely for the benefit of self and co-workers; This includes the use of required personal protective equipment and safety equipment/devices, as well as safe work practices

Communication

1. Immediately report all injuries and/or incidents, no matter how small, to your supervisor. If necessary, the injury should be examined and/or treated at the nearest appropriate medical facility/clinic.
2. All fires, leaks, and spills must be reported immediately to your supervisor.
3. Immediately report any unsafe condition, act or practice to your supervisor.
4. Unsafe equipment should be removed from service.

Personnel Actions

1. Do not operate equipment that you have not been trained to operate.
2. Be alert to all warning signs and take appropriate precautions.
3. Horseplay or fighting is strictly prohibited.
4. The driver and all passengers, while in a company vehicle, must wear seatbelts. The driver is responsible for ensuring that passengers are wearing seatbelts prior to putting the vehicle in motion. Mobile phones should not be used while driving. Adopt defensive driving techniques, ensure the vehicle is in satisfactory operating conditions and obey all traffic regulations.
5. The use, possession, transportation or sale of alcohol, illegal drugs, or unauthorized explosives is prohibited on any company location or in any company vehicle.
6. Anyone reporting for work under the influence of alcoholic beverages, non-prescription drugs or controlled substances will subject to disciplinary action up to and including termination.
7. Smoking is prohibited on any company location.
8. When using stairways, use the handrail and take one step at a time.
9. When lifting loads use proper techniques, such as bending at the knees.
10. Erect barricades around areas of hazardous work.
11. Climbing or standing on equipment, piping, or valves is not permitted.
12. Walking on tank roofs is prohibited except in designated walking areas and where fall protection is used.
13. Advise your supervisor of any medications used which may affect your job performance.

Equipment and Tools

   1. Use only proper tools and equipment for each job and make sure these are maintained in good working condition.
   2. Fire extinguishers, self contained breathing apparatus, eyewash kits, first aid kits, and all other emergency equipment must be maintained in good working condition, inspected regularly, and kept clear of any obstruction/material storage.
   3. Operation of equipment having a “Danger, Do Not Operate” tag is prohibited.
   4. All operating machinery and electrical switch gear must have all required safety guards, switches, and alarms in place and functional.
   5. Do not distract or interrupt an operator working with or near moving machinery.

Housekeeping

   1. Always keep the work area clean and debris free.
   2. Return tools and materials to the proper storage area when not in use.
   3. Keep storage areas clean and orderly.
   4. Repair leaks and clean up spills promptly.

Injury, Illness, and Vehicle Incident Guidelines

   1. All on the job injuries, work related illnesses, and vehicle incidents must be reported as soon as possible to the immediate supervisor and the appropriate reports completed for distribution. Injury report forms and vehicle incident report forms kept in each company vehicle.
   2. When an accident results in a major injury or a fatality, all activities within that particular area must be suspended immediately; machinery and equipment must not be moved, adjusted or interfered with except for the purpose of freeing or removing casualties.
   3. Always get immediate first aid and medical attention for any injury.
   4. All damage to company vehicles must be reported to you supervisor.
   5. Do not argue or assume blame for the accident as these matters will be determined by the authorities and insurance company.
6. Obtain the names of those involved; driver license numbers; vehicle license plate numbers; insurance coverage information; names of personnel responding to the scene; names and phone numbers of witnesses; any details regarding the incident; if possible, take pictures
7. Report all vehicle accidents to the proper authorities and cooperate with their investigation.

First Aid/ Emergency Response

1. First aid kits are located in each company vehicle.
2. In case of an emergency, call 911
3. Poison Control call 800 764 7661

Fire Prevention Guidelines

1. Report and repair all gas leaks immediately.
2. Use gasoline for motor fuel only. Using gasoline as a cleaning agent is forbidden.
3. Transport gasoline only in approved, vented containers.
4. Fire extinguishers should be accessible, properly maintained, and inspected monthly.

Hazardous Materials

Hazardous materials are used safely and effectively in oil and gas operations every day. The key to preventing serious accidents and injuries is the knowledge of the properties, handling and storage of these materials.

Personal Protective Equipment

Potential hazards should be identified before every task begins. Employees should be aware of the properties of all liquids, gasses or materials, which are present at the work site. Each task should be analyzed to determine the appropriate protective equipment and then this equipment used in the completion of the job. All employees are required to wear hard hats, steel toed boots and safety glasses when outside of the vehicle on field locations.

Head Protection
Personnel should wear hard hats wherever head injury hazards exist and in all designated operations areas. Hard hats should not be painted or covered with stickers. The hard hat exterior and extension should be cleaned and regularly inspected for visible cracks or defects.

Eye/Face Protection
All personnel must wear safety glasses with side shields when outside of the vehicle.

Hearing Protection
All personnel must wear hearing protection in any work area that requires your voice to raise above a normal level.
Hand Protection
All personnel must wear cloth gloves when handling pipe.

Foot Protection
All personnel must wear steel toed boots on all outside field locations. Tennis or canvas type shoes or sandals are prohibited.

Driver Insurability

- All drivers must maintain a clean driving record.
- All drivers must be insurable and have a valid driver’s license at any time they are performing driving duties.
- Any driver who becomes uninsurable agrees to be reassigned to other duties, which may result in a reduction in pay, or the driver may be terminated from employment at the company’s option.
- All drivers must report and turn in any documentation on any accidents or violations in which they are involved in as a driver as soon as possible; failure to report and turn in documentation such incidents promptly will result in disciplinary action, up to and possibly including discharge.

Standard Operating Procedures

Pumper Guidelines

Pumper Responsibilities

- Facilitating and supervising daily production, conditioning, and selling of oil and gas. This includes, but is not limited to gauging tanks, calling in oil, working oil, reading meters, replacing charts, filling oil reservoirs, troubleshooting problems, and reporting production.

- Assuring all facilities and dependent systems are operating properly. This includes, but is not limited to daily inspection of all beam pumping units, water and oil tank batteries, flowlines, separators, heater treaters, saltwater disposal systems, compressors, and surface pumps.

- Packing and cleaning of stuffing boxes
- Installing repair clamps on flowline leaks
- Remediating small leaks
Gauging Tank Batteries

- When gauging a tank, remember that most of the time the first tank is on the left regardless of the ladder position.
- Check the tank numbers on the gauge sheet and record the gauge in the proper tank slot; tanks may look the same, but can hold a different amount of oil; the strap may be different.
- Gauge the production tank every day.
- Read the gas meters every day.
- Read the water meters every day and reset if applicable.
- Always gauge both tanks when:
  1. Swapping a tank
  2. When there is a run
  3. When pulling tank bottoms
  4. If the well has been hot oiled
- Fax all gauge sheets daily. All pumpers are issued a fax machine if needed.
- Turn in to a supervisor all run and water tickets every four days (when all four days are filled on the gauge sheet).
- Always start on a new set of gauge sheets on the 2nd of each month (even if there is still space on the gauge sheet being utilized). This denotes the beginning of a new report period and must be separate from the previous month’s production report.

Unit Inspection

- All pumping units are to be inspected daily (gear box, drive sheave, belts, jack shafts, cement blocks, wrist pin nuts).
- Always check well after it is hot oiled to make sure the casing valve is open.
- Report any red level problems (i.e. unit is down) to a supervisor immediately.

REPORTING PROBLEMS AND MALFUNCTIONS

Malfunctions to leases and units are classified into three levels: red, yellow, and green.

- **Red level malfunctions** are described as major costly deficiencies that affect daily production for any lease. They are, but are not limited to: active or repaired spills or leaks larger than three barrels, Rail Road Commission notices of any kind, problems that require an electrician, pumping units down, disposals down, transfer pumps down, consecutive unexplainable drops in production of gas and oil, rejected loads, ran over tanks and the compressor being down for any time. Once a red level malfunction is discovered, pumpers should take whatever safe, immediate actions necessary to prevent any further damage to property or equipment. Pumpers are then responsible to investigate the problem and have a full understanding of what took place. What caused the malfunction and how do we fix it? When the pumper has gathered all information, he can report on what happened. All red level malfunctions will be reported to supervisors immediately.
• **Yellow level malfunctions** are any conditions to equipment that have the potential to become a red level malfunction in the near future (week or more). Diagnosing yellow level malfunctions requires pumpers to be perceptive and look into the reasons for problems that occur. Senior pumpers are experts at this and should be utilized as resources.

• **Green level malfunctions** are conditions that affect the appearance and anything that can be considered long term preventive maintenance of a lease. **All yellow and green level malfunctions will be reported to supervisors weekly per disposition sheet.**

**Company Truck**

• Pumpers are responsible for ensuring the company truck they are utilizing receives oil changes regularly.
• Pumpers are also responsible for keeping their vehicle up to inspection status (tires, lights, etc.) and acquiring each year a new inspection sticker.
• When fueling, always record the mileage/odometer reading.
• Keep the vehicle fuel card in a secure place. Call the office manager immediately if there are any problems, if the card is lost, or stolen.
• Only employees are authorized and insured to drive the company truck.
• Company trucks and truck phones are for company use only (no personal use allowed). Company vehicles are to be used for company business and for travel to and from work (from residence listed as permanent home address). Failure to comply with this policy may lead to discipline up to and including termination for a first offense.

**Phone**

• All pumpers are issued a cell phone for company use.
• Personal calls resulting in overage charges will result in a wage deduction.
• Personal text messaging resulting in overage charges will result in a wage deduction.

**Supplies**

All supplies are for company use only. When running low on supplies, notify the proper personnel. Contact the office manager for more gauge sheets, tickets, safety glasses, ear plugs, and gloves. Contact your supervisor for all other supply issues.
Roustabout Pusher Guidelines

Pusher Responsibilities

Insure the following tasks are properly carried out by the roustabout crew:

- Clean oil affected areas on leases.
- Unscrew or tighten pipes, casing, tubing, and pump rods.
- Bolt together pump and engine parts.
- Walk flow lines to locate leaks.
- Move pipes to and from locations.
- Dismantle and repair oil field machinery.
- Dig drainage ditches around wells and storage tanks.
- Cut down and remove trees and brush on leases in order to reduce fire hazards.

Additional Responsibilities include:

- Tracking the roustabout crew’s hours worked on the weekly timesheet
- Completing the weekly vehicle maintenance checklist.
- Creating daily work tickets for each repair/task completed.
- Ordering the parts and materials necessary to complete repairs and tasks.
- Supervising the crew and ensuring each repair/task is completed safely and properly.

Company Truck

- Pushers are responsible for ensuring the company truck they are utilizing receives oil changes regularly.
- Pushers are also responsible for keeping their vehicle up to inspection status (tires, lights, etc.) and acquiring each year a new inspection sticker(s).
- When fueling, always record the mileage/odometer reading.
- Keep the vehicle fuel card in a secure place. Call the office manager immediately if there are any problems, if the card is lost, or stolen.
- Only employees are authorized and insured to drive the company truck.
- Company trucks and truck phone are for company use only (no personal use allowed). Failure to comply with this policy may lead to discipline up to and including termination for a first offense.

Phone

- All pushers are issued a cell phone for company use.
- Personal calls resulting in overage charges will result in a wage deduction.
- Personal text messaging resulting in overage charges will result in a wage deduction.

Supplies

All supplies are for company use only. When running low on supplies, notify the proper personnel. Contact the office manager for more time sheets, tickets, safety glasses, ear plugs, and gloves. Contact your supervisor for all other supply issues.
Acknowledgement and Receipt of Employee Handbook Form

RECORD OF RECEIPT OF EMPLOYEE HANDBOOK

I _________________________________ acknowledge receiving the STOKER OILFIELD employee policy handbook. I CLEARLY UNDERSTAND THAT THIS POLICY HANDBOOK DOES NOT CREATE A CONTRACT FOR EMPLOYMENT WITH STOKER OILFIELD, AND THAT STOKER OILFIELD MAY CHANGE OR MODIFY THE POLICIES AND PROCEDURES IN THIS HANDBOOK AT ANY TIME, WITH OR WITHOUT PRIOR NOTICE. I HAVE READ AND UNDERSTOOD THE POLICIES OUTLINED IN THE STOKER OILFIELD HANDBOOK, AND AGREE TO BE BOUND BY THE COMPANY’S RULES AND REGULATIONS DURING MY EMPLOYMENT WITH THE COMPANY. I UNDERSTAND THAT VIOLATING THE POLICIES AND RULES SET OUT IN THIS HANDBOOK MAY LEAD TO DISCIPLINE, UP TO AND INCLUDING TERMINATION.

__________________________                                             _____________________
EMPLOYEE SIGNATURE                       DATE