

From: [Gibson Danny](#)
Subject: Re: Lease Drafting Inquiry

My apologies for the delayed response. I want to retain the services of your firm for an upcoming lease agreement that involves a company in your state. They are looking to lease my Enhanced Aker H-3 Drilling Equipment for a period of 18 months (Lease price:\$65,000.00 USD/daily). We are at the concluding stages of the verbal negotiation process, they are looking to kick off the lease by the first week of March. They want me to retain a lawyer that will prepare the lease agreement to bind with your state laws.

Upon confirmation of your representation and availability, I will provide you with a guideline and templates of our previous lease agreements which I believe will make it faster and easier for your work to be done.

They will be providing us with a letter of intent and proof of funds once I get your firm on board. Send me a copy of your retainer agreement based on your hourly rate. I will give you a call once your retainer has been reviewed to discuss about the next steps. I look forward to working with you.

Find below the customer information for your conflict check.

Anadarko Petroleum Corporation
1368 1200 E St, Naples, UT 84078

Regards,

Danny Gibson
Vice President
Compass Upstream Services LLC
Tel: +1-512-361-6974
500 W 2nd Street, Ste 1402 Austin, TX 78701
www.compassupstreamservices.com

From: Danny Gibson <dannyg1965@comcast.net>
Subject: Lease Drafting Inquiry

I want to inquire if you draft commercial lease agreements. Do let me know so I can provide more information. I found your contact info on LinkedIn. I would appreciate a referral if this is not your area of practice. I look forward to your response.

Regards,

Danny Gibson

From: [Lynn Whiteman](#)
Cc: [danny](#)
Subject: LETTER OF INTENT
Attachments: [ANADARKO LOI.pdf](#)

Find attached the letter of intent for the proposed drilling rig lease. I await a signed copy from Danny Gibson once the offer has been accepted and also the inspection report documents so we can start working on the lease monthly payments. The Letter of intent gives you authorization to deduct your retainer fees from the \$200,000.00 deposit which has been mailed to your office address.

Many Thanks,

Lynn Whiteman
Chief Financial Officer
OTCST GLOBAL BROKERAGE LLC

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February 10, 2020
Danny Gibson, VP
Compass Upstream Services LLC
500 W 2nd Street, Ste 1402 Austin, TX 78701

AKER H-3 DRILLING RIG LEASE LETTER OF INTENT

We, **OTCST Global Brokerage** (Tenants Broker) represent **Anadarko Petroleum Corporation** (Tenant). Tenant proposes to enter into a definitive agreement for the lease (Lease) of the Aker H-3 Drilling Rig Equipment legally described as 2nd/5th gen. Enhanced Aker H-3 Equipment(Drilling Equipment) from **Compass Upstream Services LLC** (Owner) which will be used on Semi-Submersible platform. Tenant proposes to Lease the complete Drilling Equipment on the following terms and condition.

Lease Commencement. 18 Months Term. The Lease, as proposed, will commence on or about 27th March 2020 and will last for a term of 18 months. Tenant will have options to extend the Lease, each for a period of 6 extra months on the same terms and conditions. Tenant proposes to pay rent in the daily amount of \$60,000.00. (Sixty Thousand US Dollars) for a total of \$31,200,000.00 (Thirty One Million Two Hundred Thousand US Dollars)

Security Deposit. Tenant will pay a security deposit not to exceed \$3,000,000.00 (Three Million US Dollars) during the term of the lease. Tenant will use the Drilling equipment for the following purposes: Drilling contracts that will be awarded during the lease term, however the Lease will not be dependent upon such contracts.

Brokerage Commission. Owner agrees to pay the undersigned brokerage firm ("Tenant's Broker"), which represents Tenant, a commission calculated and payable in accordance with any separate commission agreement or co-brokerage agreement. If there is no such separate agreement, the Owner agrees to pay Tenant's Broker a 2.5% monthly commission until the end of the lease term on each actual payment received by Owner. Tenant's Broker is an intended beneficiary of this commission obligation and it cannot be cancelled or changed without Tenant's Broker's written consent once a final and defined Lease is executed. The prevailing party shall be entitled to attorney's fees and costs in the event of a dispute to collect a commission owed to Tenant's Broker, whether or not suit is filed.

Exclusive Negotiations. By this letter of Intent, the parties commit themselves to negotiate exclusively and in good faith with each other for a minimum period of 30 days from the date this Letter of Intent is accepted.

Inspection Firm. ADC Engineering shall inspect the Drilling Equipment, specifically, the Rig and send both Owner and Tenant a copy of its inspection report. Once inspected, if necessary, a complete description of the Rig will be provided by ADC Engineering. The cost of the said inspection shall be borne by the Tenant.

Deposit. Tenant has through its broker, Lynn Whiteman, sent a deposit payment in the form of a check issued in the amount of Two Hundred Thousand U.S. Dollars (\$200,000.00) for the inspection and Owners legal fees. Upon receipt of this letter of intent, the Check representing the Deposit is to be deposited into the trust account of the Owner's attorney for payment of the inspection, transportation costs by ADC Engineering and for payment of a retainer to the attorney.

OTCST GLOBAL BROKERAGE LLC

Use of Deposit. Once this letter of intent has been signed, The Owner's attorney is authorized and directed to pay from the Deposit the following: (i) Retainer fees due from owner; and (ii) Ninety Nine Thousand Nine Hundred and Seventy Five Dollars (\$99,975.00) for the inspection fees charged by ADC Engineering, (iii) Seventy Six Thousand Nine Hundred and Fifty Dollars (\$76,950.00) for the transportation fees charged by ADC Engineering. Both parties have agreed that the amounts to be paid to ADC Engineering and attorney are non-refundable and release each other from any and all obligations and claims related to the payments of the aforesaid amount. The balance of the funds shall be held in Owner's Attorney trust account until the final closing. If there is no final closing, any unused funds shall be returned to Tenants Broker.

Binding Agreement. This Letter of Intent does not address all essential terms of the Lease or the transaction, and a binding agreement for a lease of the Drilling Equipment shall not exist between Tenant and Owner until they execute the Lease, except with respect to the provisions of this Letter of Intent regarding brokerage commissions and exclusivity of negotiations. This Letter of Intent shall not constitute a reservation of space nor an option on the Premises.

If you agree with the terms of this letter of intent, please sign in the space provided below and return a signed copy to the undersigned. Upon receipt of a signed copy of this letter of intent, we will proceed with our plans for consummating the transaction in a timely manner. All individuals executing this document agree and warrant that they have the specific authority to enter the same on behalf of any individuals or entity they represent.

Owner's Signature Date
Compass Upstream Services llc
By Danny Gibson, V.P.

Broker's Signature Date

Lynn Whiteman
Chief Financial Officer
Email: lynn@otcstglobalbrokerage.com
11 Broadway #560, New York, NY 10004