PLAINTIFF'S EXHIBIT
CHV-688

SPECIFICATION NO. EP-358-N
INSULATION AND WEATHERCOATING FOR VAC FLASHER PIPING

SECTION 1 - GENERAL REQUIREMENTS

1.0 SCOPE OF WORK

1.1 CONTRACTOR shall provide all materials, utilities, tools, construction equipment, labor, including supervision and inspection, and all items of a consumable nature that are required for the insulation and weathercoating of piping, valves, and fittings in the Vacuum Flasher. at the Chevron U.S.A. Inc., El Paso Refinery as detailed by this specification, including the drawings and other attachments listed in the appendix, except as otherwise provided in Section 1.2 below.

This work includes but is not limited to:

(A) Insulation in accordance with Standard Drawings GA-N99783-3 and GB-N99993-0 of all lines shown on drawings listed in the appendix.

(B) Insulation work shall include all valves, flanges and fittings associated with piping on drawings listed in the appendix.

(C) Insulation shall be N6 (1" thick) on piping 2" and below; N7 (1 1/2" thick) on 3" and 4" piping; N8 (2" thick) on 6" and larger piping. All insulation shall be Hydrous Calcium Silicate Johns-Manville Thermo-12 (asbestos-free) or COMPANY approved equal.

(D) Weathercoating shall be 0.016" thick corrugated aluminum pipe jacket with moisture barrier backing manufactured by Childers Mfg. or COMPANY approved equal.

(E) CONTRACTOR will clean up and dispose of daily, all debris and trash created by the work being done.

1.2 In addition, CONTRACTOR shall provide all items of material to be incorporated into the facility.

2.0 WORK, MATERIAL AND UTILITIES BY COMPANY OR OTHERS

2.1 Work by Others

The following items of work related to the Facility will be performed for COMPANY by others:

(A) COMPANY will fabricate and install all new and replacement piping.

(B) COMPANY will provide a site within the Refinery for trash disposal.

3.0 SEQUENCE OF WORK

The sequence of work shall be as mutually agreed between the COMPANY and CONTRACTOR and shall be consistent with the facing sheet of the Agreement.

4.0 INTENT

The Facility shall be complete in every respect, constructed in accordance with generally accepted, current good practices of the several trades involved and the detailed requirements of this Specification and ready to operate in the manner expressed or implied herein, regardless of whether or not full details of such completeness or practices are contained herein.

5.0 COMPANY REVIEW AND APPROVAL

COMPANY's review of, approval of, or agreement to the performance of certain items of work or the provisions of certain material shall in no way relieve CONTRACTOR of full responsibility for the performance of such work, or for the adequacy of such material. All such reviews, approvals or agreements shall be obtained through COMPANY's Construction Representative, or in a manner previously approved in writing by COMPANY's Construction Representative.

SECTION 2 - GENERAL CONDITIONS AND PERFORMANCE OF WORK

6.0 PRECEDENCE

6.1 As used in the standard specification attached hereto: (a) "Purchaser" shall mean COMPANY' (b) "Supplier" or "Vendor" shall mean CONTRACTOR; and (c) "Purchaser's Inspector" shall mean COMPANY Construction Representative.

6.2 Unless other wise expressly provided in this Specification, (a) any data, specification, material, and work or any other matter which is covered by this Agreement which the standard specifications require to be provided by COMPANY shall instead be provided by CONTRACTOR; (b) any provisions of the standard specifications requiring COMPANY to inspect certain material or work shall mean that COMPANY has an option, rather than the obligation, to so inspect such material or work; (c) any warranty or guarantee provisions contained in the standard specifications shall be of no effect and the warranty and guarantee provisions of this Specification, if any, shall apply; and (d) any item of material, work, inspection or testing to be furnished at extra expense to COMPANY pursuant to the standard specifications shall be furnished under this Specification at no increase in CONTRACTOR's compensation.

All provisions in the standard specifications concerning compensation of payment to CONTRACTOR in case of delay shall be of no effect, and the provisions of the Terms and Conditions and of this Specification shall apply.

In the engineering instructions, reference to COMPANY's personnel shall be of no effect, and CONTRACTOR's personnel shall perform all activities which are to be performed under the engineering instructions, except as otherwise provided elsewhere in this Specification.

Where standard specifications on materials contain sections covering COMPANY's normal requirement for purchasing and field erection, these sections shall be of no effect except as otherwise expressly stated in this Specification.

7.0 FIELD REPRESENTATIVES

7.1 COMPANY's Representative

COMPANY will maintain a Representative in the field pursuant to Section 3.0 of Refinery Instruction No. 1404, General Instructions to Contractors Working Within the Refinery, attached.

7.2 CONTRACTOR's Construction Representative

CONTRACTOR shall maintain a Construction Representative in the field at all times who shall act in full charge of CONTRACTOR's work and maintain field liaison between CONTRACTOR and COMPANY's Construction Representative.

8.0 OTHER CONTRACTS

COMPANY reserves the right to let other contracts or perform other services in connection with CONTRACTOR's work hereunder. CONTRACTOR shall afford others equitable opportunities for the introduction and storage of their materials and the execution of their work and shall properly coordinate its work with theirs.

9.0 WORK WEEK AND OVERTIME

CONTRACTOR shall pursue to field construction work on a 40-hour per week work schedule in accordance with Section 5.0 of Refinery Instruction No. 1404, General Instruction to Contractors Working Within the Refinery, attached

10.0 PLANT REGULATIONS

Prior to the commencement of work, CONTRACTOR shall become familiar with the plant regulations specified in the attached Refinery Instruction No. 1404, General Instructions to Contractors Working Within the Refinery and the following regulations. CONTRACTOR shall be responsible for compliance with these regulations during the execution of his work.

10.1 Electrical Safety Requirements

CONTRACTOR shall provide and use ground fault circuit interrupters for personnel protection at all construction sites (including areas inside existing plants) on all 120 volt single phase 15 and 20 amper receptacle outlets.

Hubbell type GFP or Porta-Power Pak Inc. Model 72 series are typical of acceptable portable receptacle units.

Ground fault circuit interrupters shall not be used in areas where flammable vapors are present.

It is essential that the polarity of the conductors in all cords, plugs and receptacles supplying single pole portable ground fault circuit interrupter units be properly maintained to insure proper operation of the units.

10.2 Work Space and Storage Area

COMPANY will assign space in the general vacinity of the CONTRACTOR's work for CONTRACTOR's office, work space and storage area.

11.0 TEMPORARY CONSTRUCTION FACILITIES

11.1 CONTRACTOR shall provide and install all necessary temporary facilities including, but no limited to, tool rooms, locker rooms, toilets, office and storehouse. All temporary installations shall be subject to approval by COMPANY prior to installation.

11.2 In addition, CONTRACTOR shall provide all necessary temporary equipment and material including, but not limited to, shoring, concrete forms, bracing, ladders, scaffolding, staging, drop cloths and tarpaulins.

11.3 CONTRACTOR shall maintain all temporary facilities, material and equipment in a safe and adequate manner and remove them immediately upon completion of the work requiring their presence.

12.0 DRAWINGS AND DIMENSIONS

COMPANY will provide to CONTRACTOR two copies of all pertinent standard drawings, standard specifications, reference drawings, and construction drawings.

13.0 INSPECTION AND TESTING

13.1 General

CONTRACTOR shall be solely responsible for thorough craft inspection during construction and for the quality of the work. COMPANY will make such inspection as COMPANY may desire in order to check the progress and quality of the work, to see that CONTRACTOR's employees are properly qualified in their respective crafts, that workmanship is of an acceptable grade, and that all requirements of this Specification are being met. Such inspection or any other inspection or testing by COMPANY shall in no way relieve CONTRACTOR of full responsibility for the work hereunder.

14.0 INSULATION

14.1 Insulation

All insulation work shall be by CONTRACTOR and installed in accordance with Standard Drawings GA-N99783-3 and GB-N99993-0 and as directed by our COMPANY Representative. All insulation materials will be furnished by CONTRACTOR. CONTRACTOR shall be responsible for relaying all technical questions pertaining to insulation work to COMPANY for resolution.

15.0 CLEANING UP

During the performance of the work, CONTRACTOR shall keep a reasonable degree of order by disposing of accumulated rubbish and waste material and, at the completion of the work, the site shall be cleared of all debris, left-over tools, comsumable supplies, and material which may have accumulated in the performance of the work. Where the CONTRACTOR, after due notice, fails to keep the area of his work reasonably clean and safe, or fails to clean this area at the completion of the work, COMPANY may perform this work; the cost of such work shall be for CONTRACTOR's account and may be deducted from the sums due or to become due CONTRACTOR.

16.0 COMPLETION

The work will be considered "complete" when CONTRACTOR has performed all work expressly stated or implied in this Specification.

17.0 DRAWINGS AND SPECIFICATIONS

The following Engineering Instructions and Standard Specifications further detail the work covered by this specification.

Construction Drawings PC-02-20993, Sheets 69 through 72
" , Sheet 86
" , Sheet 89
" , Sheet 90

Standard Drawings GA-N99783-3 Standard Insulation for Hot Piping
GB-N99993-0 Standard Insulation Item Numbers

Refinery Instruction 1404 - Instruction to Contractors Working Within the Refinery