

PLAINTIFF'S EXHIBIT

B&R-321

27-5435 EXXON COMPANY - U. S. A.

01-462-4-16

EXX 002075

21-2-3024A

# 27-5435

CONTRACT CHANGE ORDER

APPROPRIATION  
WORK REQUEST

Change Order 42, Issued May 22, 1974 to Contract G-00-5738-C  
Dated May 31, 1973 between Exxon Company, U.S.A. (a division of Exxon Corporation)  
and BROWN & ROOT, INC., Contractor.  
Unit, Equipment, or Facility Involved Dock 1 Line Relocation, Step 1 Project

Contractor is authorized and agrees to make the following additions to or deductions from the work provided under the above Contract, performance of and payment therefor, except as otherwise specified herein, to be subject to all terms and conditions of said Contract:

This Change Order provides for Exxon to reimburse Contractor for 'premium' payments only to employees who work on this Contract in excess of 40 hours per week. Straight-time payments for the excess hours are for Contractor's account.

Contractor shall submit payroll forms, properly approved by Exxon's representative, with its invoices for each employee working in excess of 40 hours per week.

ORIGINAL AMOUNT OF CONTRACT ..... \$ Unit Price  
ADDITION  
AMOUNT OF THIS ~~REDUCTION~~ ..... \$ Unit Price

IN WITNESS WHEREOF the parties hereto have executed this Change Order the day and year first above written.

ACCEPTED:

BROWN & ROOT, INC.

Exxon Company, U.S.A.  
(a division of Exxon Corporation)

By [Signature]

By \_\_\_\_\_

Contracting Engineer, Baytown Refinery

EHB:Ek (Title)  
cc: REKappler

EXX 002076

7-5435  
0110  
82

#27-5435

**Brown & Root, Inc.** Post Office Box Three, Houston, Texas 77001

March 12, 1974

Contract G --00-5738-C



Exxon Company, U. S. A.  
P. O. Box 4019  
Baytown, Texas 77520

Attention: Mr. E. H. Busby

Gentlemen:

☒ DERRICK  
☒ ZERR  
☒ KRENNALAYER  
☒ GUSSEY  
☒ DANCEN  
☒ DANKERLING  
☒ CANALAN  
☒ BILLY  
☒ JEFFREY

We will perform the additional work described by Design Change # 27 for a lump sum price of \$6,945.00 (SIX THOUSAND NINE HUNDRED FORTY-FIVE DOLLARS). This additional work will not necessitate an extension of days to the original contract schedule provided we are authorized to proceed immediately.

Allow eight weeks for delivery of structural steel.

Yours very truly,

BROWN & ROOT, INC.

*B. M. Holt*  
B. M. Holt

BMH/das

|                    |                 |
|--------------------|-----------------|
| Labor Plus 40%     | \$1,962.00      |
| Materials Plus 10% | 4,492.00        |
| Equipment Plus 35% | 500.00          |
| <b>Total</b>       | <b>6,954.00</b> |

|                                                   |                                    |
|---------------------------------------------------|------------------------------------|
| CONTRACT CHANGE ORDER NO. <u>35</u>               |                                    |
| CONTRACT NO. <u>00-5738-C</u> DATE <u>5/10/73</u> |                                    |
| ADDITION/DELETION \$ <u>6,954.00</u>              |                                    |
| EXXON COMPANY, U.S.A.                             |                                    |
| A DIVISION OF EXXON CORPORATION                   |                                    |
| APPROVED: <u>E. H. Busby</u>                      |                                    |
| DATE <u>3/12/74</u>                               |                                    |
| EXCERPTS <u>✓</u>                                 |                                    |
| PROJ. ENGINEER <u>E. H. Busby</u>                 | OWNER: <u>                    </u> |

EXX 002077

1-5437  
0-262  
Brown & Root, Inc. Post Office Box Three, Houston, Texas 77001

March 11, 1974



Contract G-00-5738-C

Exxon Company, U.S.A.  
P. O. Box 4019  
Baytown, Texas 77520

Attention: Mr. E. H. Busby

Gentlemen:

We will perform the additional work described by Design Change #26 for a lump sum price of \$5,731.00. This additional work will necessitate 0 days extension to the original contract schedule provided we are authorized to proceed immediately.

Yours very truly,

BROWN & ROOT, INC.

B. M. Holt  
B. M. Holt

|                           |       |             |
|---------------------------|-------|-------------|
| Labor Plus 40%            | ----- | \$ 2,833.00 |
| Materials Plus 10%        | ----- | \$ 1,860.00 |
| Sub-Contracts Plus 5%     | ----- | \$ 905.00   |
| Equipment Plus 35% F.O.G. | ----- | \$ 133.00   |

TOTAL ----- \$ 5,731.00

|                                    |                |
|------------------------------------|----------------|
| CONTRACT CHANGE ORDER NO.          | 3-1            |
| CONTRACT NO                        | G-00-5738-C    |
| DATE                               | 5/31/73        |
| ADDITION/DELETION                  | \$ 5,731.00    |
| EXXON COMPANY, U.S.A.              |                |
| A DIVISION OF CHEMICAL CORPORATION |                |
| APPROVED:                          | E. H. Busby    |
| DATE                               | 3/14/74        |
| EXCERPTS                           | ✓              |
| PROJ. ENG.                         | R. E. Kappeler |
| OWNER:                             | ✓              |

EXX 002078

#27-5435  
Brown & Root, Inc. Post Office Box Three, Houston, Texas 77001



March 8, 1974

Contract G-00-5738-C

Exxon Company, U.S.A.  
P. O. Box 4019  
Baytown, Texas 77520

☒ DERRICK  
☒ ZERR  
☒ KRAMALITZ  
☒ BUSBY  
☒ CAMDEN  
☒ STANLEY  
☒ CAMLAN  
☒ BELL  
☒ GRIFFIN

Attention: Mr. E. H. Busby

Gentlemen:

We will delete the work described by Design Change #29 for a lump sum deduction of \$36,600.00.

Yours very truly,

BROWN & ROOT, INC.

B. M. Holt  
B. M. Holt

BMH/dp

Deduction -> 2742  
3/11/74

|                                                      |
|------------------------------------------------------|
| CONTRACT CHANGE ORDER NO. <u>31</u>                  |
| CONTRACT NO. <u>G-00-5738-C</u> DATE: <u>5/31/73</u> |
| <del>REVISION</del> (DELETION) <u>\$36,600.00</u>    |
| EXXON COMPANY, U.S.A.<br>A DIV. OF EXXON CORPORATION |
| APPROVED: <u>[Signature]</u>                         |
| DATE: <u>3/11/74</u>                                 |
| EXCERPTS <u>1</u>                                    |
| PROJ. ENG. <u>R. E. Kappler</u> OWNER: _____         |

C.O. approved verbally by R. E. Kappler 3/11/74

EXX 002079

**Brown & Root, Inc.** Post Office Box Three, Houston, Texas 77001

February 25, 1974



Contract No. G-00-5738-C

Exxon Company, U. S. A.  
P. O. Box 4019  
Baytown, Texas 77520

Attention: Mr. E. H. Busby

Gentlemen:

☒ DERRICK  
☒ TANK  
☒ KRENN  
☒ DUFFY  
☒ LAMSON  
☒ STANLEY  
☒ CAHILLAN  
☒ BILLY  
☒ JAY

We will perform the additional work described by Design Change #24 for a lump sum price of \$6,456.00 (Six Thousand, Four Hundred Fifty Six Dollars). This additional work will necessitate 10 (Ten) working days extension to the original contract schedule provided we are authorized to proceed immediately.

Exxon Company, U. S. A. shall furnish 23 (Twenty-Three) each pressure gauges, per R. E. Kappler to R. W. Stephens.

Deleted insulation on pig trap for D.L. No. 66 and added insulation for instruments. No charge for insulation.

Yours very truly,

BROWN & ROOT, INC.

*B. M. Holt*  
B. M. Holt

BNH/glg

Labor Plus 40%  
Materials Plus 10%  
Sub-Contract Plus 5% (Painting)  
Equipment Plus 35% F.O.G.  
TOTAL

\$3,881.00  
2,377.00  
53.00  
145.00  
\$6,456.00

|                                        |                     |
|----------------------------------------|---------------------|
| CONTRACT CHANGE ORDER NO. <u>53</u>    |                     |
| CONTRACT NO. <u>G-00-5738-C</u>        | DATE: <u>3/5/74</u> |
| ADDITION / DELETION \$ <u>6,456.00</u> |                     |
| EXXON COMPANY, U.S.A.                  |                     |
| APPROVED: <u>[Signature]</u>           |                     |
| DATE: <u>3/5/74</u>                    |                     |
| EXCERPTS <u>[initials]</u>             | OWNER: _____        |

EXX 002080

27-5735  
ENB  
B

**Brown & Root, Inc.** Post Office Box Three, Houston, Texas 77001

March 04, 1974

Contract No. G-00-5738-C



Exxon Company, U. S. A.  
P. O. Box 4019  
Baytown, Texas 77520

Attention: Mr. E. H. Busby

Gentlemen:

- ☒ DERRICK
- ☒ ZERR
- ☒ KREANGLAWER
- ☒ DUFFY
- ☒ BACON
- ☒ CLAMBERSHIP
- ☒ CALANAN
- ☒ BILLY
- ☒ JEFFER

We will perform the additional work described by Design Change #25 for a lump sum price of \$5,876.00 (Five Thousand, Eight Hundred, Seventy Six Dollars). This additional work will not necessitate an extension of days to the original contract schedule provided we are authorized to proceed immediately.

Allow 10 weeks for delivery of fabricated galvanized structural steel.

Yours very truly,

BROWN & ROOT, INC.

*B. M. Holt*  
B. M. Holt

BMH/glg

|                            |            |
|----------------------------|------------|
| Labor Plus 40%             | \$1,508.00 |
| Materials Plus 10%         | 4,043.00   |
| Equipment Plus 35% F.O. G. | 325.00     |
| TOTAL                      | \$5,876.00 |

|                                        |                     |
|----------------------------------------|---------------------|
| CONTRACT CHANGE ORDER NO. <u>321</u>   |                     |
| CONTRACT NO. <u>G-00-5738-C</u>        | DATE: <u>3/1/74</u> |
| ADDITION/(DELETION) \$ <u>5,876.00</u> |                     |
| EXXON COMPANY, U.S.A.                  |                     |
| A DIVISION OF EXXON CORPORATION        |                     |
| APPROVED: <u>E. H. Busby</u>           |                     |
| DATE: <u>3/5/74</u>                    |                     |
| EXCERPTS <u>✓</u>                      |                     |
| PROJ. ENG: <u>E. Kappeler</u>          | OWNER: _____        |

EXX 002081

# Brown & Root, Inc. Post Office Box Three, Houston, Texas 77001

February 11, 1974



Contract No. G-00-5738-C

Exxon Company, U. S. A.  
P. O. Box 4019  
Baytown, Texas 77520

Attention: Mr. E. H. Busby

Gentlemen:

Enclosed are the field changes listed below. It is requested that a contract change order be issued accordingly.

☒ DERRICK  
☒ ZEPHYRUS  
☒ KREANNALMYER  
☒ HENRY  
☒ MASON  
☒ STANLEY  
☒ CAMPBELL  
☒ BERRY  
☒ GUY

| FIELD CHANGE | AMOUNT    | FIELD CHANGE | AMOUNT    |
|--------------|-----------|--------------|-----------|
| #32          | \$ 882.30 | #36          | \$ 849.67 |
| #33          | 2,045.28  | #37          | 669.64    |
| #34          | 705.66    | #38          | 2,072.51  |
| #35          | 505.42    | #39          | 886.56    |

Total This change \$8,617.04

Very truly, yours,

BROWN & ROOT, INC.

*B. M. Holt*  
B. M. Holt

BMH/gle

Attachment

|                                  |               |
|----------------------------------|---------------|
| CONTRACT CHANGE ORDER NO.        | 28            |
| CONTRACT NO. G-00-5738-C         | DATE: 5/31/73 |
| ADDITION (DELETION)              | \$ 8,617.04   |
| EXXON COMPANY, U.S.A.            |               |
| APPROVED: <i>E. H. Busby</i>     |               |
| DATE: 2/12/74                    |               |
| BY: <i>R. E. Kappeler</i> OWNER: |               |

EXX 002082

**Brown & Root, Inc.** Post Office Box Three, Houston, Texas 77001

February 15, 1974



Contract No. G-00-5738-C

Exxon Company, U. S. A.  
P. O. Box 4019  
Baytown, Texas 77520

Attention: Mr. E. H. Busby

Gentlemen:

☒ DERRICK *DD*  
☒ ZERR *DM*  
☐ KREA-ALMAYER *D*  
☐ DUFFY  
☐ DARTON *O*  
☐ FRANKENBERG  
☐ CAMPBELL  
☒ *Billy*  
☒ *Gay*

We will perform the additional work described by Design Change #23 for a lump sum price of \$17,044.00 (Seventeen Thousand, Forty Four Dollars). This additional work will not necessitate an extension of days to the original contract schedule provided we are authorized to proceed immediately.

We have not included any electrical work in our quotation above.

Yours very truly,

BROWN & ROOT, INC.

*B. M. Holt*  
B. M. Holt

BMH/glg

|                           |             |
|---------------------------|-------------|
| Labor Plus 40%            | \$ 9,179.00 |
| Materials Plus 10%        | 5,299.00    |
| Sub-Contracts Plus 5%     | 189.00      |
| Equipment Plus 35% F.O.C. | 2,377.00    |
| TOTAL                     | \$17,044.00 |

CONTRACT CHANGE ORDER NO. 29  
CONTRACT NO. G-00-5738-C DATE: 5/21/73  
ADDITION/DELETION \$ 17,044.00  
EXXON COMPANY, U.S.A.  
A DIVISION OF THE ESSEX CORPORATION  
APPROVED BY [Signature]  
DATE 2/27/74  
FOR THE RE Appley OWNER

*EJH*  
*2/27/74*

EXX 002083

**Brown & Root, Inc.** Post Office Box Three, Houston, Texas 77001

February 22, 1974



Contract No. G-00-5738-C

Exxon Company, U. S. A.  
P. O. Box 4019  
Baytown, Texas 77520

Attention: Mr. E. H. Busby

Gentlemen:

Enclosed are the field changes listed below. It is requested that a contract change order be issued accordingly.

☒ DERRICK *SD*  
☒ ZERR *E.H.*  
☐ KREAMALAYER *D*  
☐ DUNCEY  
☐ LAMSON *10*  
☐ CUMBERBURN  
☐ CAMPAN  
☒ *Bill*  
☒ *John*

| <u>FIELD CHANGE</u> | <u>AMOUNT</u> | <u>FIELD CHANGE</u> | <u>AMOUNT</u> |
|---------------------|---------------|---------------------|---------------|
| #40                 | \$1,905.10    | #43                 | \$1,374.42    |
| #41                 | 560.34        | #44                 | 404.31        |
| #42                 | 1,361.35      | #45                 | 934.57        |

Total This charge \$6,540.09.

Very truly yours,

BROWN & ROOT, INC.

*B.M. Holt*  
B. M. Holt

BMH/glg

Attachment

|                                                     |                      |
|-----------------------------------------------------|----------------------|
| CONTRACT CHANGE ORDER NO.                           | <u>30</u>            |
| CONTRACT NO. <u>G-00-5738-C</u>                     | DATE: <u>2/21/74</u> |
| ADDITION / <u>---</u>                               | \$ <u>6,540.09</u>   |
| EXXON COMPANY, U.S.A.                               |                      |
| APPROVED: <i>E.H. Busby</i>                         |                      |
| DATE: <u>2/22/74</u>                                |                      |
| EXCERPTS <u>---</u>                                 |                      |
| PREPARED BY: <i>R.E. Keppeler</i> OWNER: <u>---</u> |                      |

EXX 002084

542-0060

Appropriation 606-9352  
Work Request 1870-5000

# 27 5435

Contract No. G-00-5738-C

THIS CONTRACT, entered into this 31<sup>st</sup> day of May, 1973, by and between Exxon Company, U.S.A. (a division of Exxon Corporation), hereinafter referred to as "Exxon," and BROWN & ROOT, INC. hereinafter referred to as "Contractor," WITNESSETH:

That in consideration of the covenants and agreements set out herein and the payments provided for herein Exxon and Contractor agree as follows:

1. Contractor agrees to begin immediately and press with due diligence until completion in a careful and workmanlike manner, with the necessary labor, supervision, tools, equipment, and materials, furnished and maintained by Contractor at its own cost and expense except as hereinafter provided, certain work briefly described as follows:

Perform all work in accordance with the specifications and exhibits listed below, a copy of said specifications and exhibits and of each drawing and Baytown Engineering Standard referred to therein being attached hereto and made a part hereof.

| <u>Designation</u> | <u>Title</u>                                                                                                                   | <u>Date</u>     |
|--------------------|--------------------------------------------------------------------------------------------------------------------------------|-----------------|
| Specifications     | Job Specification for Line Relocations, Step 1, Dock 1, Exxon Company, U.S.A. (a division of Exxon Corporation) Baytown, Texas | April 9, 1973   |
| Addendum 1         | Job Specification for Line Relocations, Step 1, Dock 1                                                                         | April 26, 1973  |
| Addendum 2         | Job Specification for Line Relocations, Step 1, Dock 1                                                                         | May 9, 1973     |
| Exhibit "A"        | Line Relocations, Step 1                                                                                                       | April 9, 1973   |
| Exhibit "G"        | Price Stabilization                                                                                                            | August 10, 1972 |
| Clause (15)        | Inspection Clause - Case 1                                                                                                     | April 15, 1969  |

Contractor agrees to begin work immediately upon award of Contract, and will make every effort to complete the work within seven calendar months, which completion date shall be \_\_\_\_\_.

2. As consideration for the satisfactory performance and completion of this Contract by Contractor, Exxon agrees to pay Contractor the lump sum of ONE MILLION TWO HUNDRED FIFTY-TWO THOUSAND THREE HUNDRED TWENTY-SEVEN AND NO/100 (\$1,252,327.00) DOLLARS.

EXX 002085

3. Contractor shall comply with all of the terms and conditions contained in Exxon's publication entitled "Contractors' Responsibilities for Safety, Plant Protection, and Traffic Regulations," dated January 1, 1973, said publication being made a part of this contract by reference. Exxon will furnish copies of this publication to the Contractor. The rules and regulations contained in the "Contractors' Responsibilities" shall apply to all subcontractors and their employees as well as to the prime contractor and its employees. Before starting work under this Contract, Contractor shall obtain from Exxon copies of these regulations. Contractor shall notify its employees, its subcontractors, and the employees of its subcontractors of the provisions of said regulations and shall secure compliance therewith by all such parties; and Contractor shall not allow any of such persons to begin work inside Exxon's Baytown Refinery until such notification has been given them.

Said "Contractors' Responsibilities" are designed as minimum requirements for Contractor, and Contractor shall take any additional precaution necessary or proper under the circumstances to prevent injury or death to persons or damage to property. Neither compliance with such regulations by Contractor nor Exxon's approval of any actions or procedures of Contractor as provided therein shall relieve Contractor of its obligation always to use due care in performing work hereunder.

4. Although Contractor shall provide its own representative or representatives to supervise and inspect all materials and workmanship entering into this job, Exxon reserves the right to have an inspector on the job. Any material which Exxon considers unsatisfactory shall be removed and replaced at Contractor's expense. Neither inspection, waiving of inspection, nor acceptance by Exxon shall relieve Contractor of its obligation to furnish all materials and workmanship in accordance with specifications.

5. It is understood and agreed that all work performed by Contractor hereunder shall meet with the approval of Exxon's engineers or inspectors but that the detailed manner and method of doing same shall be under the control of Contractor, Exxon being interested only in the result obtained, and that Contractor is an independent contractor as to all work performed hereunder. In this connection, Contractor and Exxon agree as follows:

A. Contractor agrees to indemnify and hold Exxon harmless from all claims, actions, demands, loss and causes of actions arising:

(1) From injury, including death, to its employees and those of its subcontractors, except such as may result solely from the negligence or willful acts of Exxon or its employees.

(2) From (a) injuries to or deaths of persons, including employees and representatives of Exxon, which result in whole or in part from the willful acts or negligence of Contractor, its employees, agents, or subcontractors, or (b) damage to property of Exxon and all other persons, which results in whole or in part from the negligence or willful acts of Contractor, its employees, agents, or subcontractors, except that Contractor shall not be responsible for damage to Exxon's property resulting from fire or explosion.

(3) From damage to property or injury to or death of persons which result in whole or in part from willful acts or the negligence of Contractor, its employees, agents or subcontractors, in connection with the handling and use of utilities furnished by Exxon except that Contractor shall not be responsible or liable for such damage to Exxon's property resulting from fire or explosion.

B. In addition, Contractor agrees to carry insurance as follows:

(1) Workmen's Compensation Insurance in compliance with the Texas Employers' Liability Act and all amendments thereto.

(2) Comprehensive General Liability Insurance (including Contractors' Protective Liability when subcontractors are used), covering

(a) Bodily injury liability with a limit of not less than \$ 100,000 for one person injured or killed and, subject to such limit, \$ 100,000 for more than one person injured or killed in any one accident, and

(b) Property damage liability with limits of not less than \$ 100,000 for each accident, and \$ 100,000 aggregate.

(3) Automobile Liability Insurance on owned, non-owned and hired automotive equipment covering

(a) Bodily injury liability with a limit of not less than \$100,000 for one person injured or killed and, subject to such limit, \$300,000 for more than one person injured or killed in any one accident, and

(b) Property damage liability with limits of not less than \$50,000 for each accident.

C. Prior to commencing work hereunder, Contractor shall produce evidence in a form satisfactory to Exxon that all insurance required under this Contract is in force and carried with companies acceptable to Exxon and that such insurance will not be materially altered or canceled while the work covered hereby is in progress without a reasonable prior written notice to Exxon. Upon request of Exxon, Contractor shall furnish certified copies of all such insurance policies. Should Contractor at any time neglect, or refuse to provide, or should it cancel the insurance required herein, Exxon shall have the right to procure same and deduct the cost thereof from the consideration to be paid Contractor hereunder.

6. Contractor agrees to pay off and satisfy all claims for labor and material employed or used in anywise by it in connection with the work performed hereunder, and to permit no liens of any kind to be fixed upon or against the property of Exxon by Contractor's laborers, mechanics or materialmen, and agrees to indemnify, protect and save Exxon harmless from and against all such claims and liens.

7. Contractor agrees that if, in the opinion of Exxon, Contractor should fail at any time during the performance hereof, to provide the necessary labor, supervision, tools, equipment or materials for the prompt performance of the work herein contractor for, or should breach this Contract in whole or in part or fail to use due diligence in the performance thereof, or should not be performing this Contract in the manner herein provided, Exxon may, at its election, take over and perform or obtain another contractor to take over and perform all or any part of the work then remaining unperformed. In the event Exxon should exercise such right, it shall have the right to use all or any part of Contractor's tools or equipment then in use on the job but shall pay Contractor a reasonable rental for the use of such tools and equipment during the period use by Exxon and shall return same to Contractor upon the completion of the job in as good condition as when taken over by Exxon, ordinary wear and tear excepted. Should Exxon take over the completion of said job, or obtain another contractor to do so Exxon shall pay Contractor for the work then completed, subject to the later provisions hereof, unless the compensation for the completed work cannot be readily determined, in which latter event Exxon shall pay Contractor the full contract price less all costs and expenses incurred by it in the completion of the work.

8. Contractor agrees that upon the completion by it and acceptance by Exxon of the work herein contracted for it will furnish Exxon with proof satisfactory to the latter that all claims for labor and material have been satisfied and paid and that there are no unsatisfied claims for injuries to persons or property, and thereupon the amount due as herein provided shall be paid by Exxon to Contractor within 30 calendar days after receipt of final invoice, subject, however, to the right in Exxon to withhold payments in accordance with the provisions of Article 5469, Texas Revised Civil Statutes of 1925, and all amendments thereto or other provisions of law applicable. It is

agreed that upon request of Contractor and upon showing to the satisfaction of Exxon that all claims for labor and material and for damages to persons and property, as above provided, have been satisfied, Exxon, in the event it considers it safe to do so, will advance at approximately fifteen (15) day intervals up to ninety percent (90%) of the value of the work then completed, based upon estimates by Exxon's engineers or inspectors, in which event the balance will be paid upon completion and acceptance of the work and compliance with the terms and provisions hereof. Payment pursuant to the terms of this paragraph shall not preclude the right of Exxon from thereafter disputing any of the items involved.

Contractor agrees that in the event any lien or liens are fixed or attempted to be fixed, secured or claimed against Exxon or Exxon's property by any person or firm, lumber dealer or corporation, artisan, laborer, mechanic or subcontractor who furnished services or materials in connection with the performance of this Contract, Contractor will, within ten (10) days following notification by Exxon that such lien or liens have been fixed or attempted to be fixed, secured or claimed, furnish Exxon a bond in an amount equal to twice the value of the lien or liens. Such bond shall be executed by a corporate surety authorized to do business under the laws of the State of Texas and shall comply in all respects with the requirements of Article 5472c, Vernon's Annotated Texas Statutes. Contractor further agrees to file such bond with the County Clerk of Harris County, Texas, and to take all steps necessary to assure that prompt notice of such filing is given to the obligees named therein. Contractor further agrees that the giving of such bond shall be in addition to any other rights of Exxon or obligations of Contractor under this Contract and shall in no way be construed as abrogating or qualifying such rights and obligations.

9. In the event there is a conflict between any of the provisions hereof and any of the proposals, general conditions, specifications, or any documents, agreements, or papers of any kind which have been incorporated herein by other provisions hereof, it is understood and agreed that the provisions hereof shall be controlling.

The making, execution and delivery of this Contract by the parties hereto have been induced by no representations, statements, warranties or agreements other than those herein expressed. This Contract embodies the entire understanding of the parties hereto and there are no further or other agreements or understandings, written or oral, except as mentioned herein.

10. In performing its obligations hereunder, Contractor shall comply with all applicable federal, state, and municipal laws, and all applicable orders, rules and regulations of constituted authority.

11. If Contractor fails or refuses to pay any taxes or governmental charges, state or federal, relating to the employees of Contractor, and Exxon may be required or deems it necessary to pay such taxes or charges, Contractor agrees to furnish Exxon with information required to enable it to make the necessary reports and to pay such taxes or charges. Contractor agrees to reimburse Exxon on demand at Houston, Texas, for all such taxes or governmental charges, state or federal, which Contractor fails or refuses to pay and which Exxon may be required or deems it necessary to pay. In addition, Exxon, at its election, is authorized to deduct all sums so paid for taxes and governmental charges from any payment due Contractor hereunder.

12. In connection with the work provided for hereunder, Contractor (1) guarantees and warrants all material and equipment fabricated by it against defects and agrees to replace, without cost to Exxon, any such material or equipment which may become defective within one (1) year from Exxon's acceptance of the work except when such defects are the result of corrosion, erosion, normal wear and tear; (2) guarantees its field workmanship and agrees without cost or charge to Exxon to replace or repair any defects in the work covered by this Contract resulting from its field workmanship if such defects are reported to Contractor within one year from date of Exxon's acceptance of the work; (3) will to the extent reasonably possible secure from the vendors of materials and equipment guarantees substantially the same as the guarantees of Contractor set out in (1) and (2) above.

13. In the event Exxon loans or furnishes tools or equipment to Contractor in connection with its work covered hereunder, Contractor agrees:

A. To make its own determination before commencing work that such tools and equipment are adequate for the safe performance of the work by Contractor;

B. That such tools or equipment will be loaned or furnished and accepted by Contractor without warranty or representation by Exxon as to their condition.

C. To return such tools or equipment to Exxon at the conclusion of such use in as good condition as when received, ordinary wear and tear excepted; and;

D. To indemnify and hold Exxon harmless from all claims, demands, causes of action, damages and injuries resulting from Contractor's use of said tools or equipment.

For the purpose of this paragraph 13, tools and equipment shall be defined to include scaffolds, lights, and all other types of apparatus, facilities or services which Exxon may loan or furnish. In addition, all of the provisions of this paragraph shall be applicable to any lighting or illumination loaned or furnished to Contractor by Exxon.

14. Exxon may from time to time, by written instructions or drawings issued to Contractor, require additional work and services directly in connection with or incidental to the work covered by this Contract; and Exxon may by such instructions or drawings, require Contractor to alter, change, accelerate, or omit any work covered by this Contract. In the event Exxon desires any such additions, changes, alterations, accelerations or omissions which will materially increase or decrease the total contract price referred to in paragraph 2 above, Contractor shall submit to Exxon an estimate of such increase or decrease. Should Exxon desire to proceed in accordance with such estimate, Exxon shall issue to Contractor a Contract Change Order describing the work to be added or deleted and the corresponding price addition or deduction therefor. If Contractor has not obtained a Contract Change Order, signed by Exxon's appointed representative, no claim for additional compensation will be allowed. The provisions of this Contract except as may be otherwise provided shall apply to all such additions, changes or alterations as if they were embodied in the original drawings and specifications.

15. Contractor shall procure Exxon's prior written approval as to any subcontract covering any portion of the work provided for hereunder. No such approval shall relieve Contractor from any of the obligations of this Contract, and, as between the parties hereto, Contractor shall be and remain liable as if no such subcontract had been made. No subcontract shall bind or purport to bind Exxon but shall contain a provision permitting assignment thereof by Contractor to Exxon.

16. Contractor agrees to hold in confidence any and all technical information disclosed to Contractor by Exxon, including technical information included in or on tracings, drawings, field notes, calculations, specifications, and engineering data, except:

A. Technical information which at the time of disclosure by Exxon to Contractor is in the public domain;

B. Technical information which, after disclosure by Exxon to Contractor, becomes part of the public domain by publication or otherwise; and

C. Technical information which Contractor can show was in Contractor's possession at the time of Exxon's disclosure to Contractor and was not acquired, directly or indirectly, from Exxon.

Contractor agrees that Contractor will not, without the written permission of Exxon, use the technical information which Contractor is required to keep confidential under this Contract for any purpose other than the accomplishment of work under this Contract.

17. If Contractor or Contractor's personnel make any inventions based upon technical information which Contractor is required to keep confidential under this Contract, Contractor shall promptly disclose said inventions to Exxon. Contractor agrees to grant and hereby grants to Exxon an irrevocable, nonexclusive, royalty-free license and the irrevocable right to grant nonexclusive licenses, without accounting therefor to Contractor, to use said inventions under Contractor's Patent Rights. The licensing right herein granted by Contractor to Exxon is assignable by Exxon to any of its Affiliates. For the purpose of this Contract only, the term "Contractor's Patent Rights" shall mean patents and patent applications based on inventions made by Contractor or Contractor's personnel which inventions are based upon information which Contractor is required to keep confidential under this Contract and which are conceived during the life of this Contract and two (2) years thereafter. The term "Affiliate," as used in this paragraph, shall mean and include any company of which Exxon Corporation now or hereafter owns or controls, directly or indirectly, fifty percent (50%) or more of the stock having the right to vote for directors thereof. For the purpose of this definition, the stock owned or controlled by Exxon Corporation shall be deemed to include all stock owned or controlled, directly or indirectly, by any other company of which Exxon Corporation owns or controls, directly or indirectly, fifty percent (50%) or more of the stock having the right to vote for directors thereof.

18. It is expressly understood by Contractor that Exxon accepts no obligation of confidence with respect to any information disclosed to Exxon by Contractor under this Contract unless specifically covered by a separate, written confidentiality agreement. In the absence of such separate confidentiality agreement, Contractor agrees that it will not place any restrictive notices on the tracings, drawings, field notes, specifications, and any other documents embodying engineering or professional data developed by Contractor for Exxon pursuant to this Contract and that Exxon is hereby authorized to nullify, obliterate, or otherwise remove any such restrictive clauses; and that Exxon shall be free to use or disclose any or all of the information contained therein to third parties without accounting to Contractor therefor.

19. It is understood and agreed that Exxon may, upon written notice to Contractor, terminate the work provided for hereunder. In the event of such termination, Contractor shall be reimbursed for actual costs incurred to the date of such notice of termination in connection with the execution of the described work, and for actual costs thereafter incurred by Contractor in connection with such termination, plus applicable overhead and a reasonable profit based on such costs. However, in no event shall such reimbursement include prospective profits for work unperformed.

20. Contractor's obligations under paragraphs 16 and 17 of this Contract shall survive any termination of this Contract.

21. It is agreed as a condition of the Contract as follows:

A. That in the performance of this Contract, Contractor shall not engage in any conduct or practice which violates any applicable law, order or regulation prohibiting discrimination against any person by reason of race, color, religion, national origin, sex or age.

B. This Contract is ☒ is not ☐ subject to the Equal Opportunity Supplement entered into between the parties pursuant to Executive Order 11246. This Supplement is:

☒ on file in this office

☐ attached hereto. Please sign and return to this office.

IN WITNESS WHEREOF, the parties hereto have executed this Contract in duplicate originals as of the day and year first above written.

BROWN & ROOT, INC.

By

E. M. P. W.  
VICE PRESIDENT

Exxon Company, U.S.A.  
(a division of Exxon Corporation)

By

O. W. Darnstedt  
VICE PRESIDENT - REFINING

STP 2 7/12

WLB:aj

CONTRACTOR'S ACKNOWLEDGMENT

STATE OF TEXAS X

COUNTY OF HARRIS X

Before me, the undersigned authority, on this day personally appeared E. M. ZERR known to me to be the person whose name is subscribed to the foregoing instrument as Vice President of Brown & Root, Inc., and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said Brown & Root, Inc.

Given under my hand and seal of office, this the 5<sup>th</sup> day of June, A. D., 1973.

C. E. Lutzinger  
Notary Public in and for  
Harris County, Texas

ACKNOWLEDGEMENT

STATE OF TEXAS     I

COUNTY OF HARRIS   I

Before me, the undersigned authority, on this day personally appeared F. D. Dennstedt known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated and as the act and deed of said Exxon Company, U.S.A. (a division of Exxon Corporation).

Given under my hand and seal of office, this the 31<sup>st</sup> day of MAY, A.D., 1973.

Lulla B. Hulsey

Notary Public in and for  
Harris County, Texas

LULLA B. HULSEY  
Notary Public in and for Harris County, Texas  
My Commission Expires June 1, 1973

27-5435  
Appropriation 606-9352  
Work Request 1870-5000

# 27-5435  
92  
Contract No. G-00-5738-C

THIS CONTRACT, entered into this 31<sup>st</sup> day of May, 1973, by and between Exxon Company, U.S.A. (a division of Exxon Corporation), hereinafter referred to as "Exxon," and BROWN & ROOT, INC. hereinafter referred to as "Contractor," WITNESSETH:

That in consideration of the covenants and agreements set out herein and the payments provided for herein Exxon and Contractor agree as follows:

1. Contractor agrees to begin immediately and press with due diligence until completion in a careful and workmanlike manner, with the necessary labor, supervision, tools, equipment, and materials, furnished and maintained by Contractor at its own cost and expense except as hereinafter provided, certain work briefly described as follows:

Perform all work in accordance with the specifications and exhibits listed below, a copy of said specifications and exhibits and of each drawing and Baytown Engineering Standard referred to therein being attached hereto and made a part hereof.

| Designation    | Title                                                                                                                          | Date            |
|----------------|--------------------------------------------------------------------------------------------------------------------------------|-----------------|
| Specifications | Job Specification for Line Relocations, Step 1, Dock 1, Exxon Company, U.S.A. (a division of Exxon Corporation) Baytown, Texas | April 9, 1973   |
| Addendum 1     | Job Specification for Line Relocations, Step 1, Dock 1                                                                         | April 26, 1973  |
| Addendum 2     | Job Specification for Line Relocations, Step 1, Dock 1                                                                         | May 9, 1973     |
| Exhibit "A"    | Line Relocations, Step 1                                                                                                       | April 9, 1973   |
| Exhibit "G"    | Price Stabilization                                                                                                            | August 10, 1972 |
| Clause (15)    | Inspection Clause - Case 1                                                                                                     | April 15, 1969  |

Contractor agrees to begin work immediately upon award of Contract, and will make every effort to complete the work within seven calendar months, which completion date shall be \_\_\_\_\_.

2. As consideration for the satisfactory performance and completion of this Contract by Contractor, Exxon agrees to pay Contractor the lump sum of ONE MILLION TWO HUNDRED FIFTY-TWO THOUSAND THREE HUNDRED TWENTY-SEVEN AND NO/100 (\$1,252,327.00) DOLLARS.

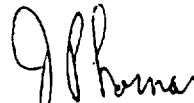
27-5435  
EXX 002094

OFFICE MEMO  
BROWN & ROOT, INC.

JULY 6, 1973

TO THOSE CONCERNED:

JOB NO. 27-5435 IS ASSIGNED TO COVER THE LINE RELOCATION, STEP 1, DOCK 1,  
FOR EXXON COMPANY - U. S. A. AT BAYTOWN, TEXAS.

  
J. P. LAMAR

JPL/nb

JOB TITLE: EXXON COMPANY - U. S. A. - LINE RELOCATION, STEP 1, DOCK 1,  
AT BAYTOWN, TEXAS.

(WORK TO BE PERFORMED BY THE L. J. DERRICK DEPARTMENT)

EXX 002095

REQUEST FOR ASSIGNMENT OF JOB NUMBER  
BROWN & ROOT, INC. AND ASSOCIATED COMPANIES

# 27-5435  
/

ACCOUNTING DEPARTMENT  
FROM: Industrial-Civil Division  
SUBJECT: JOB NUMBER ASSIGNMENT - Brown & Root, Inc. - Industrial-Civil  
(DATE) 5/31/73  
(DEPARTMENT)  
SUB-DIVISION: Industrial Work  
c/o Baytown Office

PLEASE ASSIGN A JOB NUMBER TO BE USED FOR RECORDING OF INCOME AND COSTS RELATING TO THE CONTRACT DETAILED BELOW:

OWNER: Exxon Company - U. S. A., Baytown, Texas  
PRIME CONTRACTOR: B&R, Inc.  
CONTRACT DATE: Unknown at present time  
DESCRIPTION OF WORK: Line Relocation, Step 1, Dock 1, at Baytown Plant.

TYPE OF CONTRACT: UNIT PRICE ( ), LUMP SUM ( ☒ ), FORCE ACCOUNT ( ), COST PLUS FEE ( )  
OTHER ( ), (EXPLAIN)

ESTIMATED COMPLETION DATE: December 1973 OR CONTINUOUS ( )

CONTRACT AMOUNT: \$ 1,252,327.00 ACTUAL ( ☒ ), ESTIMATED ( )

TERMS OF PAYMENT: PROGRESS BILLINGS - MONTHLY ( ), WEEKLY ( ), BIWEEKLY ( )  
SEMIMONTHLY ( ), REVOLVING FUND ( ), OTHER ( ), (EXPLAIN)

PERCENT RETAINED: 10 % OF Completed Amount  
OTHER ( ), (EXPLAIN)

TO BE COMPLETED ONLY FOR JOINT VENTURES:

PARTNERS AND PARTICIPATION:

SPONSOR: \_\_\_\_\_ %  
\_\_\_\_\_ %  
\_\_\_\_\_ %

ATTACH FINANCING CURVE OR CASH FORECAST:

JOB NUMBER ASSIGNED: 27-5435

(SIGNATURE OF EMPLOYEE REQUESTING JOB NUMBER)  
L. Mathews

CC ORIGINAL - ACCOUNTING  
DUPLICATE - RETAINED  
TRIPPLICATE - TREASURY/CREDIT  
QUADRUPLICATE - PURCHASING

FORM A-56

ACCOUNTING

EXX 002096

PLEASE RETURN TO  
**GENERAL  
ACCOUNTING  
DEPARTMENT**

**PLEASE**  
RETURN TO CONTRACT FILE SAME DAY WITHDRAWN;  
OR  
LOCK IN FIREPROOF FILE OVERNIGHT;  
AND  
RETURN PERSONALLY TO CONTRACT FILE AS SOON  
AS POSSIBLE.  
ADVISE FILE CUSTODIAN IF CONTRACT LEAVES  
YOUR POSSESSION.

27-5451

EXXON COMPANY U.S.A.

27-5451

01

EXX 002097

#27-5451  
Brown & Root, Inc. Post Office Box Three, Houston, Texas 77001

February 06, 1974



Contract No. C-00-5847-C

Exxon Company, U.S.A.  
P. O. Box 4019  
Baytown, Texas 77520

Attention: Mr. A. B. O'Brien

Gentlemen:

☒ DERRICK  
☒ ZERR  
☒ KREMER  
☒ DUFFY  
☒ LANTIER  
☒ STANLEY  
☒ CALHAN  
☒ [Signature]  
☒ [Signature]

We are pleased to offer the following unit prices in addition to the ones submitted in our original proposal.

| ITEM                       | HOURLY  | DAILY<br>(8Hrs) | WEEKLY<br>(40Hrs) | MONTHLY<br>(176 Hrs) |
|----------------------------|---------|-----------------|-------------------|----------------------|
| D-7 Dozer                  | \$12.00 | \$96.00         | \$480.00          | \$2,112.00           |
| 1 Cyd. Dragline (Model 41) | 8.00    | 64.00           | 320.00            | 1,408.00             |

Yours very truly,

BROWN & ROOT, INC.

*B. M. Holt*  
B. M. Holt

BMH/glg

|                                         |                                    |
|-----------------------------------------|------------------------------------|
| CONTRACT CHANGE ORDER NO. <u>5</u>      |                                    |
| CONTRACT NO. <u>C-00-5847-C</u>         | DATE: <u>2-20-74</u>               |
| ADDITION/(DELETION) \$ <u>11,520.00</u> |                                    |
| EXXON COMPANY, U.S.A.                   |                                    |
| A DIVISION OF EXXON CORPORATION         |                                    |
| APPROVED: <u>[Signature]</u>            |                                    |
| DATE: <u>2-7-74</u>                     |                                    |
| EXCERPTS <u>1/6</u>                     |                                    |
| PROJ. ENG. <u>[Signature]</u>           | OWNER: <u>                    </u> |

EXX 002098

## CONTRACT CHANGE ORDER

APPROPRIATION \_\_\_\_\_

WORK REQUEST \_\_\_\_\_

Change Order 3, Issued October 23, 1973 to Contract C-00-5847-CDated August 20, 1973 between Exxon Company, U.S.A. (a division of Exxon Corporation)and Brown & Root, Inc., Contractor.Unit, Equipment, or Facility Involved Wet Gas Scrubber

Contractor is authorized and agrees to make the following additions to or deductions from the work provided under the above Contract, performance of and payment therefor, except as otherwise specified herein, to be subject to all terms and conditions of said Contract:

Exxon will reimburse Contractor for two (2) hours straight time pay per man including field staff personnel, for idle time for each man who reports to jobsite and is then unable to work and is requested not to work because of inclement weather.

The Contractor represents that to the best of his knowledge and belief he is in complete compliance with applicable regulations of the Cost of Living Council. Further, the contractor warrants that the amounts invoiced under this contract will not exceed the lower of the contract price or the maximum levels established in accordance with applicable regulations of the Cost of Living Council.

|                                    |    |            |
|------------------------------------|----|------------|
| ORIGINAL AMOUNT OF CONTRACT        | \$ | Unit Price |
| ADDITION                           |    |            |
| AMOUNT OF THIS <del>REVISION</del> | \$ | Unit Price |

IN WITNESS WHEREOF the parties hereto have executed this Change Order the day and year first above written.

## ACCEPTED:

Brown & Root, Inc.By CE L. L. L. L.Project Manager

ABO: ma (Title)

(B.D.Wims)

Exxon Company, U.S.A.  
(a division of Exxon Corporation)

By C. B. L. L.Contracting Engineer  
Baytown Refinery

EXX 002099

THIS CONTRACT, entered into this 26<sup>th</sup> day of August, 1973, by and between Exxon Company, U.S.A. (a division of Exxon Corporation), hereinafter referred to as "Exxon," and BROWN & ROOT, INC. hereinafter referred to as "Contractor," WITNESSETH:

That in consideration of the covenants and agreements set out herein and the payments provided for herein Exxon and Contractor agree as follows:

1. Contractor agrees to begin immediately and press with due diligence until completion in a careful and workmanlike manner, with the necessary labor, supervision, tools, equipment, and materials, furnished and maintained by Contractor at its own cost and expense except as hereinafter provided, certain work briefly described as follows:

Perform all work in accordance with the specifications and exhibits listed below, a copy of said specifications and exhibits and of each drawing and Baytown Engineering Standard referred to therein being attached hereto and made a part hereof.

| Designation    | Title                                                                                                                   | Date          |
|----------------|-------------------------------------------------------------------------------------------------------------------------|---------------|
| Specifications | Specifications for Wet Gas Scrubber, FCCU No. 2, Exxon Company, U.S.A. (a division of Exxon Corporation) Baytown, Texas | July 31, 1973 |
| Exhibit "A"    | Wet Gas Scrubber, FCCU No. 2                                                                                            | July 31, 1973 |

Contractor agrees to start work on or about August 22, 1973, and to use its best effort to expedite completion of all work and agrees to cooperate fully with Exxon in its goal to complete all work no later than February 1, 1974, including working a second shift as required and to take any other reasonable actions whether foreseen or not on the effective date of this Contract.

2. As consideration for the satisfactory performance and completion of this Contract by Contractor, Exxon agrees to pay Contractor in accordance with the below listed schedules 30 days after receipt of invoice.

A. Wage Rate Schedule

| Classification           | \$ Per Hour   |          |
|--------------------------|---------------|----------|
|                          | Straight Time | Overtime |
| Field Superintendent     | 16.68         | 16.68    |
| Craft Superintendent     | 13.07         | 13.07    |
| General Foreman          | 10.69         | 16.03    |
| Craft Foreman            | 10.30         | 15.45    |
| Boilermaker              | 9.52          | 14.28    |
| Brickmason               | 9.83          | 14.74    |
| Carpenter                | 9.20          | 13.80    |
| Concrete Finisher        | 9.20          | 13.80    |
| Electrician              | 9.52          | 14.28    |
| Iron Worker - Structural | 9.36          | 14.04    |
| Iron Worker - Reinf.     | 9.20          | 13.80    |
| Laborer - Common         | 5.85          | 8.77     |
| Laborer - Semi-Skilled   | 6.63          | 9.94     |
| Millwright               | 9.52          | 14.28    |
| Operator                 | 9.36          | 14.04    |

A. Wage Rate Schedule (Continued)

| <u>Classification</u> | <u>\$ Per Hour</u>   |                 |
|-----------------------|----------------------|-----------------|
|                       | <u>Straight Time</u> | <u>Overtime</u> |
| Oiler                 | 7.80                 | 11.70           |
| Pipe Fitter           | 9.52                 | 14.28           |
| Instrument Fitter     | 9.52                 | 14.28           |
| Rigger                | 9.36                 | 14.04           |
| Truck Driver          | 7.41                 | 11.11           |
| Welder                | 9.52                 | 14.28           |
| Helper - All Crafts   | 7.02                 | 10.53           |
| Field Engineer        | 10.30                | 15.45           |
| Detailer              | 10.30                | 15.45           |
| Tool Room & Whse Man  | 7.80                 | 11.70           |
| Job Clerks            | 7.80                 | 11.70           |
| Safety Supervisor     | 9.20                 | 13.80           |

- NOTES: (1) The "Straight Time" per man-hour shall apply for all work performed up to and including forty (40) hours per working week per man.
- (2) The "Overtime" per man-hour rate shall apply for all work performed in excess of forty (40) hours per working week per man regardless of where prior time may have been worked, as long as it was for Contractor's account. However, no overtime shall be worked unless specifically requested and approved by Exxon.
- (3) The above rates for supervision and field labor include all direct labor costs; consumable supplies, as shown in Exhibit "C" entitled "Consumable Supplies," dated August 16, 1973; taxes; overhead, profit, chemical supplies; chemical toilets; offices and tool buildings; and tools having an initial cost of \$150 or less.
- (4) The following shift differential shall be added to the above rates for work performed on the second shift upon Exxon's request and/or prior approval. The first shift shall be from 7:30 A.M. to 4:00 P.M.
- Straight Time - \$0.24 per hour  
Overtime - \$0.36 per hour
- (5) The "Working Week" begins at midnight Sunday.
- (6) Any costs involved in obtaining welding procedures, welding procedure qualifications and welder qualifications will be reimbursed as a labor or material item (including time spent by welders making qualification tests), x-rays for quality controls, regardless of where work may be performed.
- (7) Purchasing, material take-off, pipe spooling and negotiation of sub-contracts will be reimbursable at a Detailer's rate when performed at jobsite.

B. Construction Equipment, Less Operator

| Description                                                 | Hourly  | Daily<br>(8 Hrs.) | Weekly<br>(40 Hrs.) | Monthly<br>(176 Hrs.) |
|-------------------------------------------------------------|---------|-------------------|---------------------|-----------------------|
| 1/2 Ton Pickup or Light Car                                 | \$ 1.25 | \$10.00           | \$ 50.00            | \$ 220.00             |
| 2 Ton Winch Truck                                           | 2.35    | 18.80             | 94.00               | 413.60                |
| 2 Ton Winch Truck with Float                                | 3.55    | 28.40             | 142.00              | 624.80                |
| 2 Ton Flat Bed Dump Truck                                   | 2.35    | 18.80             | 94.00               | 413.60                |
| 125-190 CF Air Compressor                                   | 2.35    | 18.80             | 94.00               | 413.60                |
| Combination Backhoe &<br>Front End Loader                   | 8.25    | 66.00             | 330.00              | 1,452.00              |
| 200 Amp Gasoline Driven<br>Welding Machine                  | 1.00    | 8.00              | 40.00               | 176.00                |
| Driven Welding Machine                                      | 1.00    | 8.00              | 40.00               | 176.00                |
| 300 Amp Diesel Driven<br>Welding Machine                    | 1.35    | 10.80             | 54.00               | 237.60                |
| Gradall Track Model 600                                     | 16.50   | 132.00            | 660.00              | 2,904.00              |
| Gradall Track Model 800                                     | 21.00   | 168.00            | 840.00              | 3,696.00              |
| 1 Ton Air Tugger                                            | 2.00    | 16.00             | 80.00               | 352.00                |
| 2 Ton Air Tugger                                            | 2.25    | 18.00             | 90.00               | 396.00                |
| Erection Crane Model 70 D                                   | 27.00   | 216.00            | 1,080.00            | 4,752.00              |
| Erection Crane Model 6                                      | 14.00   | 112.00            | 560.00              | 2,464.00              |
| Personnel Bus                                               | 2.35    | 18.80             | 94.00               | 413.60                |
| 12-14 Ton Hydraulic Crane<br>Galion Model 150 A or<br>Equal | 13.50   | 108.00            | 540.00              | 2,376.00              |

- NOTES:
- (1) The above rental rates are to be paid for equipment, furnished by Contractor with Exxon's prior approval, that is on the site, is required and is suitable for the work regardless of whether equipment is actually working 100% of the time, except equipment rates shall only be billable for the actual number of hours used on the second shift. The billing rate for the second shift shall be based on the same rate that the same piece of equipment is billed for on the first shift.
  - (2) The above equipment rates include all maintenance, fuel, lubricants, overhead, profit and taxes.
  - (3) Transportation costs of construction equipment will be paid for at invoice price to Contractor plus 10% from Houston, Texas, to jobsite and return, and roundtrip from other locations with Exxon's prior approval.
  - (4) Exxon will reimburse Contractor for third party rental equipment furnished bare by Contractor with Exxon's prior approval at invoice cost to Contractor plus a fee of 45% for all maintenance, fuels, lubricants, overhead, taxes and profit. Fully operated third party rental equipment furnished by Contractor with Exxon's prior approval will be paid for at invoice cost to Contractor plus 10%.
  - (5) Small tools with an initial cost of over \$150 per tool will be paid for at a rate of \$4.00 per tool per shift. Such tools include, but are not limited to cutting rigs, chain hoists, ratchet hoists.
  - (6) Any miscellaneous items of material or special construction equipment such as scaffolding, including boards will be paid for at invoice cost (rental or purchase) plus a fee of 10%.
  - (7) In the event the above listed supervisors and/or administrators who are assigned to this project and who are ordinarily and regularly assigned a pickup or car, such pickup or car would be assigned to the project along with the individual and reimbursed at quoted rate.

C. Materials

All materials, including form lumber and accessories, fire extinguisher refills, nails, drill bits, grinding discs, paving breaker points, miscellaneous welding supplies, welding rod and wire, acetylene, argon, oxygen and items required for temporary lighting, requested by Exxon and furnished by Contractor, plus applicable transportation charges to jobsite will be paid for at invoice price, plus a markup of 10% for overhead and profit. Excluded specifically are small tools costing \$150.00 or less and consumable supplies as shown in Exhibit "C," dated August 16, 1973. (Invoice cost is defined as the net price after all trade discounts, allowances, credits, salvage and commission, but not cash discounts which accrue to Contractor have been subtracted from gross invoice prices.) All such discounts and credits shall be extended to Exxon even though Contractor, through negligence, does not take advantage of such items. Circumstances beyond Contractor's control which prevent taking advantage of such discounts, etc., shall be reviewed with Exxon.

Contractor shall buy all material tax free for resale to Exxon. Exxon will accrue and pay all Texas use taxes on such materials under its Direct Payment Exemption Certificate No. 30001650008.

D. Subcontracts

Contractor will be reimbursed for payments made under subcontracts entered into with Exxon's prior approval covering materials and services in connection with the work, plus a fee of 10%.

SUPPORT DATA FOR INVOICES

A. Labor

A special payroll form covering a 1-week period will be furnished by Exxon to assist Contractor in preparation of invoices. All invoices rendered shall be supported by this special form.

Detailed instructions for preparation of the form will be furnished to Contractor before work begins.

B. Equipment and Tool Rental

A special equipment rental report form covering a calendar week will be furnished by Exxon to assist Contractor in preparation of invoices. All invoices covering equipment and tool rental shall be supported by this special form.

Detailed instruction for preparation of the form will be furnished to Contractor before work begins.

AUDIT CLAUSE

Exxon's duly authorized representatives shall have access, at all reasonable times, to all Contractor's personnel, books, records, correspondence, instructions, plans, drawings, receipts, vouchers and memoranda of every description pertaining to work under Contract for the purpose of auditing and verifying costs of work upon prior notice to Contractor's project manager. Exxon's representatives shall have the right to reproduce any of the aforesaid documents. Contractor shall preserve all of the aforesaid documents for a period of two years after the completion and acceptance or termination of work.

3. Contractor shall comply with all of the terms and conditions contained in Exxon's publication entitled "Contractors' Responsibilities for Safety, Plant Protection, and Traffic Regulations," dated January 1, 1973, said publication being made a part of this contract by reference. Exxon will furnish copies of this publication to the Contractor. The rules and regulations contained in the "Contractors' Responsibilities" shall apply to all subcontractors and their employees as well as to the prime contractor and its employees. Before starting work under this Contract, Contractor shall obtain from Exxon copies of these regulations. Contractor shall notify its employees, its subcontractors, and the employees of its subcontractors of the provisions of said regulations and shall secure compliance therewith by all such parties, and Contractor shall not allow any of such persons to begin work inside Exxon's Baytown Refinery until such notification has been given them.

Said "Contractors' Responsibilities" are designed as minimum requirements for Contractor, and Contractor shall take any additional precaution necessary or proper under the circumstances to prevent injury or death to persons or damage to property. Neither compliance with such regulations by Contractor nor Exxon's approval of any actions or procedures of Contractor as provided therein shall relieve Contractor of its obligation always to use due care in performing work hereunder.

4. Although Contractor shall provide its own representative or representatives to supervise and inspect all materials and workmanship entering into this job, Exxon reserves the right to have an inspector on the job. Any material which Exxon considers unsatisfactory shall be removed and replaced at Contractor's expense. Neither inspection, waiving of inspection, nor acceptance by Exxon shall relieve Contractor of its obligation to furnish all materials and workmanship in accordance with specifications.

5. It is understood and agreed that all work performed by Contractor hereunder shall meet with the approval of Exxon's engineers or inspectors but that the detailed manner and method of doing same shall be under the control of Contractor, Exxon being interested only in the result obtained, and that Contractor is an independent contractor as to all work performed hereunder. In this connection, Contractor and Exxon agree as follows.

A. Contractor agrees to indemnify and hold Exxon harmless from all claims, actions, demands, loss and causes of actions arising:

(1) From injury, including death, to its employees and those of its subcontractors, except such as may result solely from the negligence or willful acts of Exxon or its employees.

(2) From (a) injuries to or deaths of persons, including employees and representatives of Exxon, which result in whole or in part from the willful acts or negligence of Contractor, its employees, agents, or subcontractors, or (b) damage to property of Exxon and all other persons, which results in whole or in part from the negligence or willful acts of Contractor, its employees, agents, or subcontractors, except that Contractor shall not be responsible for damage to Exxon's property resulting from fire or explosion.

(3) From damage to property or injury to or death of persons which result in whole or in part from willful acts or the negligence of Contractor, its employees, agents or subcontractors, in connection with the handling and use of utilities furnished by Exxon except that Contractor shall not be responsible or liable for such damage to Exxon's property resulting from fire or explosion.

B. In addition, Contractor agrees to carry insurance as follows:

(1) Workmen's Compensation Insurance in compliance with the Texas Employers' Liability Act and all amendments thereto.

(2) Comprehensive General Liability Insurance (including Contractors' Protective Liability when subcontractors are used), covering

(a) Bodily injury liability with a limit of not less than \$ 100,000 for one person injured or killed and, subject to such limit, \$ 100,000 for more than one person injured or killed in any one accident, and

(b) Property damage liability with limits of not less than \$ 100,000 for each accident, and \$ 100,000 aggregate.

(3) Automobile Liability Insurance on owned, non-owned and hired automotive equipment covering

(a) Bodily injury liability with a limit of not less than \$100,000 for one person injured or killed and, subject to such limit, \$300,000 for more than one person injured or killed in any one accident, and

(b) Property damage liability with limits of not less than \$50,000 for each accident.

C. Prior to commencing work hereunder, Contractor shall produce evidence in a form satisfactory to Exxon that all insurance required under this Contract is in force and carried with companies acceptable to Exxon and that such insurance will not be materially altered or canceled while the work covered hereby is in progress without a reasonable prior written notice to Exxon. Upon request of Exxon, Contractor shall furnish certified copies of all such insurance policies. Should Contractor at any time neglect, or refuse to provide, or should it cancel the insurance required herein, Exxon shall have the right to procure same and deduct the cost thereof from the consideration to be paid Contractor hereunder.

6. Contractor agrees to pay off and satisfy all claims for labor and material employed or used in anywise by it in connection with the work performed hereunder, and to permit no liens of any kind to be fixed upon or against the property of Exxon by Contractor's laborers, mechanics or materialmen, and agrees to indemnify, protect and save Exxon harmless from and against all such claims and liens.

7. Contractor agrees that if, in the opinion of Exxon, Contractor should fail at any time during the performance hereof, to provide the necessary labor, supervision, tools, equipment or materials for the prompt performance of the work herein contractor for, or should breach this Contract in whole or in part or fail to use due diligence in the performance thereof, or should not be performing this Contract in the manner herein provided, Exxon may, at its election, take over and perform or obtain another contractor to take over and perform all or any part of the work then remaining unperformed. In the event Exxon should exercise such right, it shall have the right to use all or any part of Contractor's tools or equipment then in use on the job but shall pay Contractor a reasonable rental for the use of such tools and equipment during the period use by Exxon and shall return same to Contractor upon the completion of the job in as good condition as when taken over by Exxon, ordinary wear and tear excepted. Should Exxon take over the completion of said job, or obtain another contractor to do so Exxon shall pay Contractor for the work then completed, subject to the later provisions hereof, unless the compensation for the completed work cannot be readily determined, in which latter event Exxon shall pay Contractor the full contract price less all costs and expenses incurred by it in the completion of the work.

8. Contractor agrees that upon the completion by it and acceptance by Exxon of the work herein contracted for it will furnish Exxon with proof satisfactory to the latter that all claims for labor and material have been satisfied and paid and that there are no unsatisfied claims for injuries to persons or property, and thereupon the amount due as herein provided shall be paid by Exxon to Contractor within 30 calendar days after receipt of final invoice, subject, however, to the right in Exxon to withhold payments in accordance with the provisions of Article 5469, Texas Revised Civil Statutes of 1925, and all amendments thereto or other provisions of law applicable. It is

agreed that upon request of Contractor and upon showing to the satisfaction of Exxon that all claims for labor and material and for damages to persons and property, as above provided, have been satisfied, Exxon, in the event it considers it safe to do so, will advance at approximately fifteen (15) day intervals up to ninety percent (90%) of the value of the work then completed, based upon estimates by Exxon's engineers or inspectors, in which event the balance will be paid upon completion and acceptance of the work and compliance with the terms and provisions hereof. Payment pursuant to the terms of this paragraph shall not preclude the right of Exxon from thereafter disputing any of the items involved.

Contractor agrees that in the event any lien or liens are fixed or attempted to be fixed, secured or claimed against Exxon or Exxon's property by any person or firm, lumber dealer or corporation, artisan, laborer, mechanic or subcontractor who furnished services or materials in connection with the performance of this Contract, Contractor will, within ten (10) days following notification by Exxon that such lien or liens have been fixed or attempted to be fixed, secured or claimed, furnish Exxon a bond in an amount equal to twice the value of the lien or liens. Such bond shall be executed by a corporate surety authorized to do business under the laws of the State of Texas and shall comply in all respects with the requirements of Article 5472c, Vernon's Annotated Texas Statutes. Contractor further agrees to file such bond with the County Clerk of Harris County, Texas, and to take all steps necessary to assure that prompt notice of such filing is given to the obligees named therein. Contractor further agrees that the giving of such bond shall be in addition to any other rights of Exxon or obligations of Contractor under this Contract and shall in no way be construed as abrogating or qualifying such rights and obligations.

9. In the event there is a conflict between any of the provisions hereof and any of the proposals, general conditions, specifications, or any documents, agreements, or papers of any kind which have been incorporated herein by other provisions hereof, it is understood and agreed that the provisions hereof shall be controlling.

The making, execution and delivery of this Contract by the parties hereto have been induced by no representations, statements, warranties or agreements other than those herein expressed. This Contract embodies the entire understanding of the parties hereto and there are no further or other agreements or understandings, written or oral, except as mentioned herein.

10. In performing its obligations hereunder, Contractor shall comply with all applicable federal, state, and municipal laws, and all applicable orders, rules and regulations of constituted authority.

11. If Contractor fails or refuses to pay any taxes or governmental charges, state or federal, relating to the employees of Contractor, and Exxon may be required or deems it necessary to pay such taxes or charges, Contractor agrees to furnish Exxon with information required to enable it to make the necessary reports and to pay such taxes or charges. Contractor agrees to reimburse Exxon on demand at Houston, Texas, for all such taxes or governmental charges, state or federal, which Contractor fails or refuses to pay and which Exxon may be required or deems it necessary to pay. In addition, Exxon, at its election, is authorized to deduct all sums so paid for taxes and governmental charges from any payment due Contractor hereunder.

12. In connection with the work provided for hereunder, Contractor (1) guarantees and warrants all material and equipment fabricated by it against defects and agrees to replace, without cost to Exxon, any such material or equipment which may become defective within one (1) year from Exxon's acceptance of the work except when such defects are the result of corrosion, erosion, normal wear and tear; (2) guarantees its field workmanship and agrees without cost or charge to Exxon to replace or repair any defects in the work covered by this Contract resulting from its field workmanship if such defects are reported to Contractor within one year from date of Exxon's acceptance of the work; (3) will to the extent reasonably possible secure from the vendors of materials and equipment guarantees substantially the same as the guarantees of Contractor set out in (1) and (2) above.

13. In the event Exxon loans or furnishes tools or equipment to Contractor in connection with its work covered hereunder, Contractor agrees:

A. To make its own determination before commencing work that such tools and equipment are adequate for the safe performance of the work by Contractor,

B. That such tools or equipment will be loaned or furnished and accepted by Contractor without warranty or representation by Exxon as to their condition.

C. To return such tools or equipment to Exxon at the conclusion of such use in as good condition as when received, ordinary wear and tear excepted; and,

D. To indemnify and hold Exxon harmless from all claims, demands, causes of action, damages and injuries resulting from Contractor's use of said tools or equipment.

For the purpose of this paragraph 13, tools and equipment shall be defined to include scaffolds, lights, and all other types of apparatus, facilities or services which Exxon may loan or furnish. In addition, all of the provisions of this paragraph shall be applicable to any lighting or illumination loaned or furnished to Contractor by Exxon.

14. Exxon may from time to time, by written instructions or drawings issued to Contractor, require additional work and services directly in connection with or incidental to the work covered by this Contract, and Exxon may by such instructions or drawings, require Contractor to alter, change, accelerate, or omit any work covered by this Contract. In the event Exxon desires any such additions, changes, alterations, accelerations or omissions which will materially increase or decrease the total contract price referred to in paragraph 2' above, Contractor shall submit to Exxon an estimate of such increase or decrease. Should Exxon desire to proceed in accordance with such estimate, Exxon shall issue to Contractor a Contract Change Order describing the work to be added or deleted and the corresponding price addition or deduction therefor. If Contractor has not obtained a Contract Change Order, signed by Exxon's appointed representative, no claim for additional compensation will be allowed. The provisions of this Contract except as may be otherwise provided shall apply to all such additions, changes or alterations as if they were embodied in the original drawings and specifications.

15. Contractor shall procure Exxon's prior written approval as to any subcontract covering any portion of the work provided for hereunder. No such approval shall relieve Contractor from any of the obligations of this Contract, and, as between the parties hereto, Contractor shall be and remain liable as if no such subcontract had been made. No subcontract shall bind or purport to bind Exxon but shall contain a provision permitting assignment thereof by Contractor to Exxon.

16. Contractor agrees to hold in confidence any and all technical information disclosed to Contractor by Exxon, including technical information included in or on tracings, drawings, field notes, calculations, specifications, and engineering data, except:

A. Technical information which at the time of disclosure by Exxon to Contractor is in the public domain;

B. Technical information which, after disclosure by Exxon to Contractor, becomes part of the public domain by publication or otherwise; and

C. Technical information which Contractor can show was in Contractor's possession at the time of Exxon's disclosure to Contractor and was not acquired, directly or indirectly, from Exxon.

Contractor agrees that Contractor will not, without the written permission of Exxon, use the technical information which Contractor is required to keep confidential under this Contract for any purpose other than the accomplishment of work under this Contract.

17. If Contractor or Contractor's personnel make any inventions based upon technical information which Contractor is required to keep confidential under this Contract, Contractor shall promptly disclose said inventions to Exxon. Contractor agrees to grant and hereby grants to Exxon an irrevocable, nonexclusive, royalty free license and the irrevocable right to grant nonexclusive licenses, without accounting therefor to Contractor, to use said inventions under Contractor's Patent Rights. The licensing right herein granted by Contractor to Exxon is assignable by Exxon to any of its Affiliates. For the purpose of this Contract only, the term "Contractor's Patent Rights" shall mean patents and patent applications based on inventions made by Contractor or Contractor's personnel which inventions are based upon information which Contractor is required to keep confidential under this Contract and which are conceived during the life of this Contract and two (2) years thereafter. The term "Affiliate," as used in this paragraph, shall mean and include any company of which Exxon Corporation now or hereafter owns or controls, directly or indirectly, fifty percent (50%) or more of the stock having the right to vote for directors thereof. For the purpose of this definition, the stock owned or controlled by Exxon Corporation shall be deemed to include all stock owned or controlled, directly or indirectly, by any other company of which Exxon Corporation owns or controls, directly or indirectly, fifty percent (50%) or more of the stock having the right to vote for directors thereof.

18. It is expressly understood by Contractor that Exxon accepts no obligation of confidence with respect to any information disclosed to Exxon by Contractor under this Contract unless specifically covered by a separate, written confidentiality agreement. In the absence of such separate confidentiality agreement, Contractor agrees that it will not place any restrictive notices on the tracings, drawings, field notes, specifications, and any other documents embodying engineering or professional data developed by Contractor for Exxon pursuant to this Contract and that Exxon is hereby authorized to nullify, obliterate, or otherwise remove any such restrictive clauses; and that Exxon shall be free to use or disclose any or all of the information contained therein to third parties without accounting to Contractor therefor.

19. It is understood and agreed that Exxon may, upon written notice to Contractor, terminate the work provided for hereunder. In the event of such termination, Contractor shall be reimbursed for actual costs incurred to the date of such notice of termination in connection with the execution of the described work, and for actual costs thereafter incurred by Contractor in connection with such termination, plus applicable overhead and a reasonable profit based on such costs. However, in no event shall such reimbursement include prospective profits for work unperformed.

20. Contractor's obligations under paragraphs 16 and 17 of this Contract shall survive any termination of this Contract.

21. It is agreed as a condition of the Contract as follows:

A. That in the performance of this Contract, Contractor shall not engage in any conduct or practice which violates any applicable law, order or regulation prohibiting discrimination against any person by reason of race, color, religion, national origin, sex or age.

B. This Contract is ☒ is not ☐ subject to the Equal Opportunity Supplement entered into between the parties pursuant to Executive Order 11246. This Supplement is:

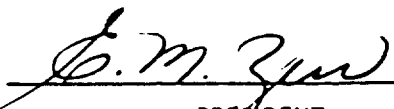
☒ on file in this office

☐ attached hereto. Please sign and return to this office.

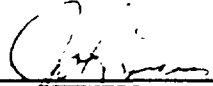
C. The Contractor represents that to the best of his knowledge and belief he is in complete compliance with applicable regulations of the Cost of Living Council. Further, the Contractor warrants that the amounts invoiced under this Contract will not exceed the lower of (1) the contract price or (2) the maximum levels established in accordance with applicable regulations of Cost of Living Council.

IN WITNESS WHEREOF, the parties hereto have executed this Contract in duplicate originals as of the day and year first above written.

BROWN & ROOT, INC.

By   
VICE PRESIDENT

Exxon Company, U.S.A.  
(a division of Exxon Corporation)

By   
Manager  
Baytown Refinery

ABO:aJ

## CONTRACTOR'S ACKNOWLEDGMENT

STATE OF TEXAS I

COUNTY OF HARRIS I

Before me, the undersigned authority, on this day personally  
appeared E. M. ZERR known to me to be the  
person whose name is subscribed to the foregoing instrument as  
VICE PRESIDENT of Brown & Root, Inc.  
and acknowledged to me that he executed the same for the purposes and  
consideration therein expressed, in the capacity stated, and as the act  
and deed of said Brown & Root, Inc.

Given under my hand and seal of office, this the 21<sup>ST</sup>  
day of August, A. D., 19 73.

CE. L. L. L. L.

Notary Public in and for

Harris County, Texas

ACKNOWLEDGEMENT

STATE OF TEXAS     I

COUNTY OF HARRIS   I

Before me, the undersigned authority, on this day personally appeared [Signature] known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated and as the act and deed of said Exxon Company, U.S.A. (a division of Exxon Corporation).

Given under my hand and seal of office, this the 21<sup>st</sup> day of August, A.D., 19 71.

[Signature]

Notary Public in and for  
Harris County, Texas

ANNELISA M. JONES  
Notary Public in and for Harris County, Texas  
My Commission Expires June 1, 19 72

EXX 002111

OFFICE MEMO  
BROWN & ROOT, INC.

SEPTEMBER 5, 1973

TO THOSE CONCERNED:

JOB NO. 27-5451 IS ASSIGNED TO COVER THE INSTALLATION OF THE WET GAS  
SCRUBBER 2ND ATTENDANT FACILITIES AT FCCU #2 FOR EXXON COMPANY, U. S. A.  
IN BAYTOWN, TEXAS.

  
J. P. LAMAR

JPL/nb

JOB TITLE: EXXON COMPANY, U. S. A. - INSTALL WET GAS SCRUBBER 2ND ATTENDANT  
FACILITIES AT FCCU #2 IN BAYTOWN, TEXAS.

(WORK TO BE PERFORMED BY THE L. J. DERRICK DEPARTMENT)

EXX 002112

REQUEST FOR ASSIGNMENT OF JOB NUMBER  
BROWN & ROOT, INC. AND ASSOCIATED COMPANIES

#27-5451

TO: ACCOUNTING DEPARTMENT  
FROM: Industrial-Civil Division  
SUBJECT: JOB NUMBER ASSIGNMENT - Brown & Root, Inc. Industrial-Civil  
DATE: 8/20/73  
SUB-DIVISION: Industrial Work  
o/o Baytown Office

PLEASE ASSIGN A JOB NUMBER TO BE USED FOR RECORDING OF INCOME AND COSTS RELATING TO THE CONTRACT DETAILED BELOW:

OWNER: Exxon Company, U. S. A. - Baytown, Texas  
PRIME CONTRACTOR:  
CONTRACT DATE: 8/20/73  
DESCRIPTION OF WORK: Wet Gas Scrubber 2nd Attendant Facilities at FCCU #2 at Baytown Plant

TYPE OF CONTRACT: UNIT PRICE ( ☒ ), LUMP SUM ( ), FORCE ACCOUNT ( ), COST PLUS FEE ( )  
OTHER ( ), (EXPLAIN:)

ESTIMATED COMPLETION DATE: February 1974 OR CONTINUOUS ( )

CONTRACT AMOUNT: \$ Approx. \$600,000.00 ACTUAL ( ), ESTIMATED ( ☒ )

TERMS OF PAYMENT: PROGRESS BILLINGS - MONTHLY ( ), WEEKLY ( ☒ ), BIWEEKLY ( )  
SEMIMONTHLY ( ), REVOLVING FUND ( ), OTHER ( ), (EXPLAIN:)

PERCENT RETAINED: None % OF  
OTHER ( ), (EXPLAIN:)

TO BE COMPLETED ONLY FOR JOINT VENTURES:

PARTNERS AND PARTICIPATION:

SPONSOR: \_\_\_\_\_ %  
\_\_\_\_\_ %  
\_\_\_\_\_ %

ATTACH FINANCING CURVE OR CASH FORECAST:

8 NUMBER ASSIGNED: 27-5451

CC ORIGINAL - ACCOUNTING  
DUPLICATE - RETAINED  
TRIPPLICATE - TREASURY/CREDIT  
QUADRUPLICATE - PURCHASING

SIGNATURE OF EMPLOYEE REQUESTING JOB NUMBER  
Mathews

FORM A 14

ACCOUNTING

EXX 002113

27-5471 EXXON COMPANY, U.S.A.  
CONTRACT FILES

EXX 002114

**Brown & Root, Inc.** Post Office Box Three, Houston, Texas 77001

March 20, 1974

Contract G-00-5951-C

Exxon Company, U.S.A.  
P. O. Box 4019  
Baytown, Texas 77520

Attention: Mr. A. B. O'Brien

Gentlemen:

We will perform the additional work described by Design Change #1 for a lump sum price of \$2,225.00 (TWO THOUSAND TWO HUNDRED TWENTY-FIVE DOLLARS). This additional work will not necessitate an extension of days to the original contract schedule provided we are authorized to proceed immediately.

The scope of work included in D.C. #1, consists of the following listed items:

- A. Delete three each drilled foundations
- B. Add two each hand dug foundations
- C. Revise Pipe Support No. PS-23

Yours very truly,

BROWN & ROOT, INC.

*B. M. Holt*  
B. M. Holt

|                                           |                   |
|-------------------------------------------|-------------------|
| Labor Plus 40%                            | \$1,862.00        |
| Materials Plus 10%                        | 249.00            |
| Equipment Plus 35% F.O.G.                 | 164.00            |
| <b>TOTAL</b>                              | <b>\$2,275.00</b> |
| Credit For Three Each Drilled Foundations | 50.00             |
| <b>TOTAL</b>                              | <b>\$2,225.00</b> |

|                                                      |
|------------------------------------------------------|
| CONTRACT CHANGE ORDER NO. <u>1</u>                   |
| CONTRACT NO. <u>G-00-5951-C</u> DATE: <u>11/7/74</u> |
| ADDITION/(DELETION) \$ <u>2,225.00</u>               |
| EXXON COMPANY, U.S.A.                                |
| A DIVISION OF EXXON CORPORATION                      |
| APPROVED: <u>[Signature]</u>                         |
| DATE: <u>3/27/68</u>                                 |
| EXCERPTS <u>[Signature]</u>                          |
| PROJ. ENG. <u>[Signature]</u> OWNER: _____           |

EXX 002115

27-5471

Appropriation 1-9149  
Work Request 1966-5000

Contract No. G-00-5951-C

THIS CONTRACT, entered into this 7th day of January 19 74, by and between Exxon Company, U.S.A. (a division of Exxon Corporation), hereinafter referred to as "Exxon," and BROWN & ROOT, INC. hereinafter referred to as "Contractor," WITNESSETH:

That in consideration of the covenants and agreements set out herein and the payments provided for herein Exxon and Contractor agree as follows:

1. Contractor agrees to begin immediately and press with due diligence until completion in a careful and workmanlike manner, with the necessary labor, supervision, tools, equipment, and materials, furnished and maintained by Contractor at its own cost and expense except as hereinafter provided, certain work briefly described as follows:

Perform all work in accordance with the specifications and exhibits listed below, a copy of said specifications and exhibits and of each drawing and Baytown Engineering Standard referred to therein being attached hereto and made a part hereof.

| Designation    | Title                                                                                                                                               | Date              |
|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| Specifications | Specifications for Offsite Piping and Pipe Supports Baytown Fuels Expansion, Exxon Company, U.S.A. (A Division of Exxon Corporation) Baytown, Texas | November 27, 1973 |
| Exhibit "A"    | Offsite Piping and Pipe Supports                                                                                                                    | November 27, 1973 |

Contractor agrees to begin work immediately upon award of Contract, and will make every effort to complete the work on or before June 4, 1974.

2. As consideration for the satisfactory performance and completion of this Contract by Contractor, Exxon agrees to pay to Contractor the lump sum price of THREE HUNDRED THIRTY THOUSAND TWO HUNDRED FIFTEEN AND NO/100 (\$330,215.00) DOLLARS. Invoices will be paid 30 days after receipt of invoice.

The contractor represents that to the best of his knowledge and belief he is in complete compliance with applicable regulations of the Cost of Living Council. Further, the contractor warrants that the amounts invoiced under this contract will not exceed the lower of the contract price or the maximum levels established in accordance with applicable regulations of the Cost of Living Council.

EXX 002116

3. Contractor shall comply with all of the terms and conditions contained in Exxon's publication entitled "Contractors' Responsibilities for Safety, Plant Protection, and Traffic Regulations," dated May 1, 1973, said publication being made a part of this contract by reference. Exxon will furnish copies of this publication to the Contractor. The rules and regulations contained in the "Contractors' Responsibilities" shall apply to all subcontractors and their employees as well as to the prime contractor and its employees. Before starting work under this Contract, Contractor shall obtain from Exxon copies of these regulations. Contractor shall notify its employees, its subcontractors, and the employees of its subcontractors of the provisions of said regulations and shall secure compliance therewith by all such parties; and Contractor shall not allow any of such persons to begin work inside Exxon's Baytown Refinery until such notification has been given them.

Said "Contractors' Responsibilities" are designed as minimum requirements for Contractor, and Contractor shall take any additional precaution necessary or proper under the circumstances to prevent injury or death to persons or damage to property. Neither compliance with such regulations by Contractor nor Exxon's approval of any actions or procedures of Contractor as provided therein shall relieve Contractor of its obligation always to use due care in performing work hereunder.

4. Although Contractor shall provide its own representative or representatives to supervise and inspect all materials and workmanship entering into this job, Exxon reserves the right to have an inspector on the job. Any material which Exxon considers unsatisfactory shall be removed and replaced at Contractor's expense. Neither inspection, waiving of inspection, nor acceptance by Exxon shall relieve Contractor of its obligation to furnish all materials and workmanship in accordance with specifications.

5. It is understood and agreed that all work performed by Contractor hereunder shall meet with the approval of Exxon's engineers or inspectors but that the detailed manner and method of doing same shall be under the control of Contractor, Exxon being interested only in the result obtained, and that Contractor is an independent contractor as to all work performed hereunder. In this connection, Contractor and Exxon agree as follows:

A. Contractor agrees to indemnify and hold Exxon harmless from all claims, actions, demands, loss and causes of actions arising:

(1) From injury, including death, to its employees and those of its subcontractors, except such as may result solely from the negligence or willful acts of Exxon or its employees.

(2) From (a) injuries to or deaths of persons, including employees and representatives of Exxon, which result in whole or in part from the willful acts or negligence of Contractor, its employees, agents, or subcontractors, or (b) damage to property of Exxon and all other persons, which results in whole or in part from the negligence or willful acts of Contractor, its employees, agents, or subcontractors, except that Contractor shall not be responsible for damage to Exxon's property resulting from fire or explosion.

(3) From damage to property or injury to or death of persons which result in whole or in part from willful acts or the negligence of Contractor, its employees, agents or subcontractors, in connection with the handling and use of utilities furnished by Exxon except that Contractor shall not be responsible or liable for such damage to Exxon's property resulting from fire or explosion.

B. In addition, Contractor agrees to carry insurance as follows:

(1) Workmen's Compensation Insurance in compliance with the Texas Employers' Liability Act and all amendments thereto.

(2) Comprehensive General Liability Insurance (including Contractors' Protective Liability when subcontractors are used), covering

(a) Bodily injury liability with a limit of not less than \$ 100,000 for one person injured or killed and, subject to such limit, \$ 100,000 for more than one person injured or killed in any one accident, and

(b) Property damage liability with limits of not less than \$ 100,000 for each accident, and \$ 100,000 aggregate.

(3) Automobile Liability Insurance on owned, non-owned and hired automotive equipment covering

(a) Bodily injury liability with a limit of not less than \$100,000 for one person injured or killed and, subject to such limit, \$300,000 for more than one person injured or killed in any one accident, and

(b) Property damage liability with limits of not less than \$50,000 for each accident.

C. Prior to commencing work hereunder, Contractor shall produce evidence in a form satisfactory to Exxon that all insurance required under this Contract is in force and carried with companies acceptable to Exxon and that such insurance will not be materially altered or canceled while the work covered hereby is in progress without a reasonable prior written notice to Exxon. Upon request of Exxon, Contractor shall furnish certified copies of all such insurance policies. Should Contractor at any time neglect, or refuse to provide, or should it cancel the insurance required herein, Exxon shall have the right to procure same and deduct the cost thereof from the consideration to be paid Contractor hereunder.

6. Contractor agrees to pay off and satisfy all claims for labor and material employed or used in anywise by it in connection with the work performed hereunder, and to permit no liens of any kind to be fixed upon or against the property of Exxon by Contractor's laborers, mechanics or materialmen, and agrees to indemnify, protect and save Exxon harmless from and against all such claims and liens.

7. Contractor agrees that if, in the opinion of Exxon, Contractor should fail at any time during the performance hereof, to provide the necessary labor, supervision, tools, equipment or materials for the prompt performance of the work herein contracted for, or should breach this Contract in whole or in part or fail to use due diligence in the performance thereof, or should not be performing this Contract in the manner herein provided, Exxon may, at its election, take over and perform or obtain another contractor to take over and perform all or any part of the work then remaining unperformed. In the event Exxon should exercise such right, it shall have the right to use all or any part of Contractor's tools or equipment then in use on the job but shall pay Contractor a reasonable rental for the use of such tools and equipment during the period use by Exxon and shall return same to Contractor upon the completion of the job in as good condition as when taken over by Exxon, ordinary wear and tear excepted. Should Exxon take over the completion of said job, or obtain another contractor to do so Exxon shall pay Contractor for the work then completed, subject to the later provisions hereof, unless the compensation for the completed work cannot be readily determined, in which latter event Exxon shall pay Contractor the full contract price less all costs and expenses incurred by it in the completion of the work.

8. Contractor agrees that upon the completion by it and acceptance by Exxon of the work herein contracted for it will furnish Exxon with proof satisfactory to the latter that all claims for labor and material have been satisfied and paid and that there are no unsatisfied claims for injuries to persons or property, and thereupon the amount due as herein provided shall be paid by Exxon to Contractor within 30 calendar days after receipt of final invoice, subject, however, to the right in Exxon to withhold payments in accordance with the provisions of Article 5469, Texas Revised Civil Statutes of 1925, and all amendments thereto or other provisions of law applicable. It is

agreed that upon request of Contractor and upon showing to the satisfaction of Exxon that all claims for labor and material and for damages to persons and property, as above provided, have been satisfied, Exxon, in the event it considers it safe to do so, will advance at approximately fifteen (15) day intervals up to ninety percent (90%) of the value of the work then completed, based upon estimates by Exxon's engineers or inspectors, in which event the balance will be paid upon completion and acceptance of the work and compliance with the terms and provisions hereof. Payment pursuant to the terms of this paragraph shall not preclude the right of Exxon from thereafter disputing any of the items involved.

Contractor agrees that in the event any lien or liens are fixed or attempted to be fixed, secured or claimed against Exxon or Exxon's property by any person or firm, lumber dealer or corporation, artisan, laborer, mechanic or subcontractor who furnished services or materials in connection with the performance of this Contract, Contractor will, within ten (10) days following notification by Exxon that such lien or liens have been fixed or attempted to be fixed, secured or claimed, furnish Exxon a bond in an amount equal to twice the value of the lien or liens. Such bond shall be executed by a corporate surety authorized to do business under the laws of the State of Texas and shall comply in all respects with the requirements of Article 5472c, Vernon's Annotated Texas Statutes. Contractor further agrees to file such bond with the County Clerk of Harris County, Texas, and to take all steps necessary to assure that prompt notice of such filing is given to the obligees named therein. Contractor further agrees that the giving of such bond shall be in addition to any other rights of Exxon or obligations of Contractor under this Contract and shall in no way be construed as abrogating or qualifying such rights and obligations.

9. In the event there is a conflict between any of the provisions hereof and any of the proposals, general conditions, specifications, or any documents, agreements, or papers of any kind which have been incorporated herein by other provisions hereof, it is understood and agreed that the provisions hereof shall be controlling.

The making, execution and delivery of this Contract by the parties hereto have been induced by no representations, statements, warranties or agreements other than those herein expressed. This Contract embodies the entire understanding of the parties hereto and there are no further or other agreements or understandings, written or oral, except as mentioned herein.

10. In performing its obligations hereunder, Contractor shall comply with all applicable federal, state, and municipal laws, and all applicable orders, rules and regulations of constituted authority.

11. If Contractor fails or refuses to pay any taxes or governmental charges, state or federal, relating to the employees of Contractor, and Exxon may be required or deems it necessary to pay such taxes or charges, Contractor agrees to furnish Exxon with information required to enable it to make the necessary reports and to pay such taxes or charges. Contractor agrees to reimburse Exxon on demand at Houston, Texas, for all such taxes or governmental charges, state or federal, which Contractor fails or refuses to pay and which Exxon may be required or deems it necessary to pay. In addition, Exxon, at its election, is authorized to deduct all sums so paid for taxes and governmental charges from any payment due Contractor hereunder.

12. In connection with the work provided for hereunder, Contractor (1) guarantees and warrants all material and equipment fabricated by it against defects and agrees to replace, without cost to Exxon, any such material or equipment which may become defective within one (1) year from Exxon's acceptance of the work except when such defects are the result of corrosion, erosion, normal wear and tear; (2) guarantees its field workmanship and agrees without cost or charge to Exxon to replace or repair any defects in the work covered by this Contract resulting from its field workmanship if such defects are reported to Contractor within one year from date of Exxon's acceptance of the work; (3) will to the extent reasonably possible secure from the vendors of materials and equipment guarantees substantially the same as the guarantees of Contractor set out in (1) and (2) above.

13. In the event Exxon loans or furnishes tools or equipment to Contractor in connection with its work covered hereunder, Contractor agrees:

A. To make its own determination before commencing work that such tools and equipment are adequate for the safe performance of the work by Contractor;

B. That such tools or equipment will be loaned or furnished and accepted by Contractor without warranty or representation by Exxon as to their condition.

C. To return such tools or equipment to Exxon at the conclusion of such use in as good condition as when received, ordinary wear and tear excepted; and;

D. To indemnify and hold Exxon harmless from all claims, demands, causes of action, damages and injuries resulting from Contractor's use of said tools or equipment.

For the purpose of this paragraph 13, tools and equipment shall be defined to include scaffolds, lights, and all other types of apparatus, facilities or services which Exxon may loan or furnish. In addition, all of the provisions of this paragraph shall be applicable to any lighting or illumination loaned or furnished to Contractor by Exxon.

14. Exxon may from time to time, by written instructions or drawings issued to Contractor, require additional work and services directly in connection with or incidental to the work covered by this Contract; and Exxon may by such instructions or drawings, require Contractor to alter, change, accelerate, or omit any work covered by this Contract. In the event Exxon desires any such additions, changes, alterations, accelerations or omissions which will materially increase or decrease the total contract price referred to in paragraph 2 above, Contractor shall submit to Exxon an estimate of such increase or decrease. Should Exxon desire to proceed in accordance with such estimate, Exxon shall issue to Contractor a Contract Change Order describing the work to be added or deleted and the corresponding price addition or deduction therefor. If Contractor has not obtained a Contract Change Order, signed by Exxon's appointed representative, no claim for additional compensation will be allowed. The provisions of this Contract except as may be otherwise provided shall apply to all such additions, changes or alterations as if they were embodied in the original drawings and specifications.

15. Contractor shall procure Exxon's prior written approval as to any subcontract covering any portion of the work provided for hereunder. No such approval shall relieve Contractor from any of the obligations of this Contract, and, as between the parties hereto, Contractor shall be and remain liable as if no such subcontract had been made. No subcontract shall bind or purport to bind Exxon but shall contain a provision permitting assignment thereof by Contractor to Exxon.

16. Contractor agrees to hold in confidence any and all technical information disclosed to Contractor by Exxon, including technical information included in or on tracings, drawings, field notes, calculations, specifications, and engineering data, except:

A. Technical information which at the time of disclosure by Exxon to Contractor is in the public domain;

B. Technical information which, after disclosure by Exxon to Contractor, becomes part of the public domain by publication or otherwise; and

C. Technical information which Contractor can show was in Contractor's possession at the time of Exxon's disclosure to Contractor and was not acquired, directly or indirectly, from Exxon.

Contractor agrees that Contractor will not, without the written permission of Exxon, use the technical information which Contractor is required to keep confidential under this Contract for any purpose other than the accomplishment of work under this Contract.

17. If Contractor or Contractor's personnel make any inventions based upon technical information which Contractor is required to keep confidential under this Contract, Contractor shall promptly disclose said inventions to Exxon. Contractor agrees to grant and hereby grants to Exxon an irrevocable, nonexclusive, royalty-free license and the irrevocable right to grant nonexclusive licenses, without accounting therefor to Contractor, to use said inventions under Contractor's Patent Rights. The licensing right herein granted by Contractor to Exxon is assignable by Exxon to any of its Affiliates. For the purpose of this Contract only, the term "Contractor's Patent Rights" shall mean patents and patent applications based on inventions made by Contractor or Contractor's personnel which inventions are based upon information which Contractor is required to keep confidential under this Contract and which are conceived during the life of this Contract and two (2) years thereafter. The term "Affiliate," as used in this paragraph, shall mean and include any company of which Exxon Corporation now or hereafter owns or controls, directly or indirectly, fifty percent (50%) or more of the stock having the right to vote for directors thereof. For the purpose of this definition, the stock owned or controlled by Exxon Corporation shall be deemed to include all stock owned or controlled, directly or indirectly, by any other company of which Exxon Corporation owns or controls, directly or indirectly, fifty percent (50%) or more of the stock having the right to vote for directors thereof.

18. It is expressly understood by Contractor that Exxon accepts no obligation of confidence with respect to any information disclosed to Exxon by Contractor under this Contract unless specifically covered by a separate, written confidentiality agreement. In the absence of such separate confidentiality agreement, Contractor agrees that it will not place any restrictive notices on the tracings, drawings, field notes, specifications, and any other documents embodying engineering or professional data developed by Contractor for Exxon pursuant to this Contract and that Exxon is hereby authorized to nullify, obliterate, or otherwise remove any such restrictive clauses; and that Exxon shall be free to use or disclose any or all of the information contained therein to third parties without accounting to Contractor therefor.

19. It is understood and agreed that Exxon may, upon written notice to Contractor, terminate the work provided for hereunder. In the event of such termination, Contractor shall be reimbursed for actual costs incurred to the date of such notice of termination in connection with the execution of the described work, and for actual costs thereafter incurred by Contractor in connection with such termination, plus applicable overhead and a reasonable profit based on such costs. However, in no event shall such reimbursement include prospective profits for work unperformed.

20. Contractor's obligations under paragraphs 16 and 17 of this Contract shall survive any termination of this Contract.

21. It is agreed as a condition of the Contract as follows:

A. That in the performance of this Contract, Contractor shall not engage in any conduct or practice which violates any applicable law, order or regulation prohibiting discrimination against any person by reason of race, color, religion, national origin, sex or age.

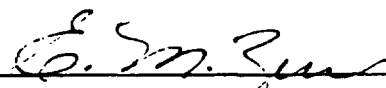
B. This Contract is ☒ is not ☐ subject to the Equal Opportunity Supplement entered into between the parties pursuant to Executive Order 11246. This Supplement is:

☒ on file in this office

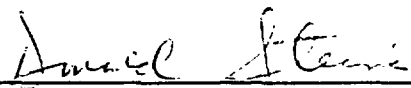
☐ attached hereto. Please sign and return to this office.

IN WITNESS WHEREOF, the parties hereto have executed this Contract in duplicate originals as of the day and year first above written.

BROWN & ROOT, INC.

By   
VICE PRESIDENT

Exxon Company, U.S.A.  
(a division of Exxon Corporation)

By   
Administrative Manager  
Baytown Refinery

ABO:me  
(EWBradley)

## CONTRACTOR'S ACKNOWLEDGMENT

STATE OF TEXAS I

COUNTY OF HARRIS I

Before me, the undersigned authority, on this day personally  
appeared E. M. ZERR known to me to be the  
person whose name is subscribed to the foregoing instrument as  
VICE PRESIDENT of BROWN & ROOT, INC.,  
and acknowledged to me that he executed the same for the purposes and  
consideration therein expressed, in the capacity stated, and as the act  
and deed of said BROWN & ROOT, INC.

Given under my hand and seal of office, this the 7<sup>TH</sup>  
day of January, A. D., 19 74.

A. V. Armstrong  
Notary Public in and for  
Harris County, Texas

## ACKNOWLEDGEMENT

STATE I

COUNTY OF HARRIS I

Before me, the undersigned authority, on this day personally appeared Donald Stone known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated and as the act and deed of said Exxon Company, U.S.A. (a division of Exxon Corporation).

Given under my hand and seal of office, this the 27th day of January, A.D., 1974.

Amelia H. Davis  
Notary Public in and for  
Harris County, Texas

**AMELIA H. DAVIS**  
Notary Public in and for Harris County, Texas  
My Commission Expires June 1, 1975

EXX 002124

OFFICE MEMO  
BROWN & ROOT, INC.

FEBRUARY 22, 1974

TO THOSE CONCERNED:

JOB NO. 27-5471 IS ASSIGNED TO COVER THE CONSTRUCTION OF OFFSITE  
PIPING AND PIPE SUPPORTS FOR EXXON COMPANY, U.S.A. IN BAYTOWN, TEXAS.

  
J. P. LAMAR

JPL/nb

JOB TITLE: EXXON COMPANY, U.S.A. - CONSTRUCT OFFSITE PIPING AND PIPE  
SUPPORTS IN BAYTOWN, TEXAS.

(WORK TO BE PERFORMED BY THE L. J. DERRICK DEPARTMENT)

EXX 002125

#27-5471

1/7/74  
DATE:  
Industrial-Civil  
DEPARTMENT:

EXX 002126

PLEASE RETURN TO  
GENERAL  
ACCOUNTING  
DEPARTMENT

01-463-1-11

27-5487 EXION COMPANY, U.S.A. 27-5487

PLEASE  
RETURN TO CONTRACT FILE SAME DAY WITHDRAWN  
OR  
LOCK IN FIREPROOF FILE OVERNIGHT,  
AND

Appropriations 1-9140 and 58-9141  
Work Requests 1966-5000 and 1968-5000

*Handwritten:* 27-5487  
Contract # G-00-6062-C

THIS CONTRACT, entered into this \_\_\_\_\_ day of \_\_\_\_\_ 19 74, by and between  
Exxon Company, U.S.A. (a division of Exxon Corporation), hereinafter referred to as "Exxon," and  
BROWN & ROOT, INC.  
hereinafter referred to as "Contractor," WITNESSETH:

That in consideration of the covenants and agreements set out herein and the payments provided for herein  
Exxon and Contractor agree as follows:

1. Contractor agrees to begin immediately and press with due diligence until completion in a careful and  
workmanlike manner, with the necessary labor, supervision, tools, equipment, and materials, furnished and  
maintained by Contractor at its own cost and expense except as hereinafter provided, certain work briefly described  
as follows:

Perform all work in accordance with the specifications and exhibits  
listed below, a copy of said specifications and exhibits and of each drawing  
and Baytown Engineering Standard referred to therein being attached hereto and  
made a part hereof.

| Designation    | Title                                                                                                                                                                                 | Date           |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Specifications | Specifications for Offsite Facilities<br>Associated with Hydrofining Unit 6 and<br>Refinery Slop System, Exxon Company, U.S.A.<br>(A Division of Exxon Corporation) Baytown,<br>Texas | March 25, 1974 |
| Exhibit "A"    | Hydrofining Unit 6 and Slop System Offsite                                                                                                                                            | March 25, 1974 |

Contractor agrees to begin work immediately upon award of Contract,  
and will make every effort to complete the work within 200 working days, which  
completion date shall be March 1, 1975.

2. As consideration for the satisfactory performance and completion of this  
Contract by Contractor, Exxon agrees to pay Contractor the lump sum of ONE MILLION  
NINE HUNDRED TWENTY-THREE THOUSAND EIGHT AND NO/100 (\$1,923,008.00) DOLLARS.  
Invoices will be paid 30 days after receipt of invoice.

It is understood that the above lump-sum price is based on current quoted  
unit material costs and is subject to escalation based on actual costs at time of  
purchase. For calculating escalation, Contractor shall furnish Exxon copies of  
files showing unit costs used in estimating project and copies of purchase orders  
as they are placed for materials used on the project.

The Contractor represents that to the best of his knowledge and belief  
he is in complete compliance with applicable regulations of the Cost of Living  
Council. Further, the Contractor warrants that the amounts invoiced under this  
Contract will not exceed the lower of (1) the Contract price or (2) the maximum  
levels established in accordance with applicable regulations of the Cost of  
Living Council.

3. Contractor shall comply with all of the terms and conditions contained in Exxon's publication entitled "Contractors' Responsibilities for Safety, Plant Protection, and Traffic Regulations," dated May 1, 1973, said publication being made a part of this contract by reference. Exxon will furnish copies of this publication to the Contractor. The rules and regulations contained in the "Contractors' Responsibilities" shall apply to all subcontractors and their employees as well as to the prime contractor and its employees. Before starting work under this Contract, Contractor shall obtain from Exxon copies of these regulations. Contractor shall notify its employees, its subcontractors, and the employees of its subcontractors of the provisions of said regulations and shall secure compliance therewith by all such parties; and Contractor shall not allow any of such persons to begin work inside Exxon's Baytown Refinery until such notification has been given them.

Said "Contractors' Responsibilities" are designed as minimum requirements for Contractor, and Contractor shall take any additional precaution necessary or proper under the circumstances to prevent injury or death to persons or damage to property. Neither compliance with such regulations by Contractor nor Exxon's approval of any actions or procedures of Contractor as provided therein shall relieve Contractor of its obligation always to use due care in performing work hereunder.

4. Although Contractor shall provide its own representative or representatives to supervise and inspect all materials and workmanship entering into this job, Exxon reserves the right to have an inspector on the job. Any material which Exxon considers unsatisfactory shall be removed and replaced at Contractor's expense. Neither inspection, waiving of inspection, nor acceptance by Exxon shall relieve Contractor of its obligation to furnish all materials and workmanship in accordance with specifications.

5. It is understood and agreed that all work performed by Contractor hereunder shall meet with the approval of Exxon's engineers or inspectors but that the detailed manner and method of doing same shall be under the control of Contractor, Exxon being interested only in the result obtained, and that Contractor is an independent contractor as to all work performed hereunder. In this connection, Contractor and Exxon agree as follows:

A. Contractor agrees to indemnify and hold Exxon harmless from all claims, actions, demands, loss and causes of actions arising:

(1) From injury, including death, to its employees and those of its subcontractors, except such as may result solely from the negligence or willful acts of Exxon or its employees.

(2) From (a) injuries to or deaths of persons, including employees and representatives of Exxon, which result in whole or in part from the willful acts or negligence of Contractor, its employees, agents, or subcontractors, or (b) damage to property of Exxon and all other persons, which results in whole or in part from the negligence or willful acts of Contractor, its employees, agents, or subcontractors, except that Contractor shall not be responsible for damage to Exxon's property resulting from fire or explosion.

(3) From damage to property or injury to or death of persons which result in whole or in part from willful acts or the negligence of Contractor, its employees, agents or subcontractors, in connection with the handling and use of utilities furnished by Exxon except that Contractor shall not be responsible or liable for such damage to Exxon's property resulting from fire or explosion.

B. In addition, Contractor agrees to carry insurance as follows:

(1) Workmen's Compensation Insurance in compliance with the Texas Employers' Liability Act and all amendments thereto.

(2) Comprehensive General Liability Insurance (including Contractors' Protective Liability when subcontractors are used), covering

(a) Bodily injury liability with a limit of not less than \$100,000 for one person injured or killed and, subject to such limit, \$100,000 for more than one person injured or killed in any one accident, and

(b) Property damage liability with limits of not less than \$100,000 for each accident, and \$100,000 aggregate.

(3) Automobile Liability Insurance on owned, non-owned and hired automotive equipment covering

(a) Bodily injury liability with a limit of not less than \$100,000 for one person injured or killed and, subject to such limit, \$300,000 for more than one person injured or killed in any one accident, and

(b) Property damage liability with limits of not less than \$50,000 for each accident.

C. Prior to commencing work hereunder, Contractor shall produce evidence in a form satisfactory to Exxon that all insurance required under this Contract is in force and carried with companies acceptable to Exxon and that such insurance will not be materially altered or canceled while the work covered hereby is in progress without a reasonable prior written notice to Exxon. Upon request of Exxon, Contractor shall furnish certified copies of all such insurance policies. Should Contractor at any time neglect, or refuse to provide, or should it cancel the insurance required herein, Exxon shall have the right to procure same and deduct the cost thereof from the consideration to be paid Contractor hereunder.

6. Contractor agrees to pay off and satisfy all claims for labor and material employed or used in anywise by it in connection with the work performed hereunder, and to permit no liens of any kind to be fixed upon or against the property of Exxon by Contractor's laborers, mechanics or materialmen, and agrees to indemnify, protect and save Exxon harmless from and against all such claims and liens.

7. Contractor agrees that if, in the opinion of Exxon, Contractor should fail at any time during the performance hereof, to provide the necessary labor, supervision, tools, equipment or materials for the prompt performance of the work herein contractor for, or should breach this Contract in whole or in part or fail to use due diligence in the performance thereof, or should not be performing this Contract in the manner herein provided, Exxon may, at its election, take over and perform or obtain another contractor to take over and perform all or any part of the work then remaining unperformed. In the event Exxon should exercise such right, it shall have the right to use all or any part of Contractor's tools or equipment then in use on the job but shall pay Contractor a reasonable rental for the use of such tools and equipment during the period use by Exxon and shall return same to Contractor upon the completion of the job in as good condition as when taken over by Exxon, ordinary wear and tear excepted. Should Exxon take over the completion of said job, or obtain another contractor to do so Exxon shall pay Contractor for the work then completed, subject to the later provisions hereof, unless the compensation for the completed work cannot be readily determined, in which latter event Exxon shall pay Contractor the full contract price less all costs and expenses incurred by it in the completion of the work.

8. Contractor agrees that upon the completion by it and acceptance by Exxon of the work herein contracted for it will furnish Exxon with proof satisfactory to the latter that all claims for labor and material have been satisfied and paid and that there are no unsatisfied claims for injuries to persons or property, and thereupon the amount due as herein provided shall be paid by Exxon to Contractor within 30 calendar days after receipt of final invoice, subject, however, to the right in Exxon to withhold payments in accordance with the provisions of Article 5469, Texas Revised Civil Statutes of 1925, and all amendments thereto or other provisions of law applicable. It is

agreed that upon request of Contractor and upon showing to the satisfaction of Exxon that all claims for labor and material and for damages to persons and property, as above provided, have been satisfied, Exxon, in the event it considers it safe to do so, will advance at approximately fifteen (15) day intervals up to ninety percent (90%) of the value of the work then completed, based upon estimates by Exxon's engineers or inspectors, in which event the balance will be paid upon completion and acceptance of the work and compliance with the terms and provisions hereof. Payment pursuant to the terms of this paragraph shall not preclude the right of Exxon from thereafter disputing any of the items involved.

Contractor agrees that in the event any lien or liens are fixed or attempted to be fixed, secured or claimed against Exxon or Exxon's property by any person or firm, lumber dealer or corporation, artisan, laborer, mechanic or subcontractor who furnished services or materials in connection with the performance of this Contract, Contractor will, within ten (10) days following notification by Exxon that such lien or liens have been fixed or attempted to be fixed, secured or claimed, furnish Exxon a bond in an amount equal to twice the value of the lien or liens. Such bond shall be executed by a corporate surety authorized to do business under the laws of the State of Texas and shall comply in all respects with the requirements of Article 5472c, Vernon's Annotated Texas Statutes. Contractor further agrees to file such bond with the County Clerk of Harris County, Texas, and to take all steps necessary to assure that prompt notice of such filing is given to the obligees named therein. Contractor further agrees that the giving of such bond shall be in addition to any other rights of Exxon or obligations of Contractor under this Contract and shall in no way be construed as abrogating or qualifying such rights and obligations.

9. In the event there is a conflict between any of the provisions hereof and any of the proposals, general conditions, specifications, or any documents, agreements, or papers of any kind which have been incorporated herein by other provisions hereof, it is understood and agreed that the provisions hereof shall be controlling.

The making, execution and delivery of this Contract by the parties hereto have been induced by no representations, statements, warranties or agreements other than those herein expressed. This Contract embodies the entire understanding of the parties hereto and there are no further or other agreements or understandings, written or oral, except as mentioned herein.

10. In performing its obligations hereunder, Contractor shall comply with all applicable federal, state, and municipal laws, and all applicable orders, rules and regulations of constituted authority.

11. If Contractor fails or refuses to pay any taxes or governmental charges, state or federal, relating to the employees of Contractor, and Exxon may be required or deems it necessary to pay such taxes or charges, Contractor agrees to furnish Exxon with information required to enable it to make the necessary reports and to pay such taxes or charges. Contractor agrees to reimburse Exxon on demand at Houston, Texas, for all such taxes or governmental charges, state or federal, which Contractor fails or refuses to pay and which Exxon may be required or deems it necessary to pay. In addition, Exxon, at its election, is authorized to deduct all sums so paid for taxes and governmental charges from any payment due Contractor hereunder.

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13. In the event Exxon loans or furnishes tools or equipment to Contractor in connection with its work covered hereunder, Contractor agrees:

A. To make its own determination before commencing work that such tools and equipment are adequate for the safe performance of the work by Contractor;

B. That such tools or equipment will be loaned or furnished and accepted by Contractor without warranty or representation by Exxon as to their condition.

C. To return such tools or equipment to Exxon at the conclusion of such use in as good condition as when received, ordinary wear and tear excepted; and;

D. To indemnify and hold Exxon harmless from all claims, demands, causes of action, damages and injuries resulting from Contractor's use of said tools or equipment.

For the purpose of this paragraph 13, tools and equipment shall be defined to include scaffolds, lights, and all other types of apparatus, facilities or services which Exxon may loan or furnish. In addition, all of the provisions of this paragraph shall be applicable to any lighting or illumination loaned or furnished to Contractor by Exxon.

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A. Technical information which at the time of disclosure by Exxon to Contractor is in the public domain;

B. Technical information which, after disclosure by Exxon to Contractor, becomes part of the public domain by publication or otherwise; and

C. Technical information which Contractor can show was in Contractor's possession at the time of Exxon's disclosure to Contractor and was not acquired, directly or indirectly, from Exxon.

Contractor agrees that Contractor will not, without the written permission of Exxon, use the technical information which Contractor is required to keep confidential under this Contract for any purpose other than the accomplishment of work under this Contract.

17. If Contractor or Contractor's personnel make any inventions based upon technical information which Contractor is required to keep confidential under this Contract, Contractor shall promptly disclose said inventions to Exxon. Contractor agrees to grant and hereby grants to Exxon an irrevocable, nonexclusive, royalty-free license and the irrevocable right to grant nonexclusive licenses, without accounting therefor to Contractor, to use said inventions under Contractor's Patent Rights. The licensing right herein granted by Contractor to Exxon is assignable by Exxon to any of its Affiliates. For the purpose of this Contract only, the term "Contractor's Patent Rights" shall mean patents and patent applications based on inventions made by Contractor or Contractor's personnel which inventions are based upon information which Contractor is required to keep confidential under this Contract and which are conceived during the life of this Contract and two (2) years thereafter. The term "Affiliate," as used in this paragraph, shall mean and include any company of which Exxon Corporation now or hereafter owns or controls, directly or indirectly, fifty percent (50%) or more of the stock having the right to vote for directors thereof. For the purpose of this definition, the stock owned or controlled by Exxon Corporation shall be deemed to include all stock owned or controlled, directly or indirectly, by any other company of which Exxon Corporation owns or controls, directly or indirectly, fifty percent (50%) or more of the stock having the right to vote for directors thereof.

18. It is expressly understood by Contractor that Exxon accepts no obligation of confidence with respect to any information disclosed to Exxon by Contractor under this Contract unless specifically covered by a separate, written confidentiality agreement. In the absence of such separate confidentiality agreement, Contractor agrees that it will not place any restrictive notices on the tracings, drawings, field notes, specifications, and any other documents embodying engineering or professional data developed by Contractor for Exxon pursuant to this Contract and that Exxon is hereby authorized to nullify, obliterate, or otherwise remove any such restrictive clauses; and that Exxon shall be free to use or disclose any or all of the information contained therein to third parties without accounting to Contractor therefor.

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20. Contractor's obligations under paragraphs 16 and 17 of this Contract shall survive any termination of this Contract.

21. It is agreed as a condition of the Contract as follows:

A. That in the performance of this Contract, Contractor shall not engage in any conduct or practice which violates any applicable law, order or regulation prohibiting discrimination against any person by reason of race, color, religion, national origin, sex or age.

B. This Contract is ☒ is not ☐ subject to the Equal Opportunity Supplement entered into between the parties pursuant to Executive Order 11246. This Supplement is:

☒ on file in this office

☐ attached hereto. Please sign and return to this office.

IN WITNESS WHEREOF, the parties hereto have executed this Contract in duplicate originals as of the day and year first above written.

Brown & Root, Inc.

By *B. J. Dornick*  
*Sr. Gr. Vice* PRESIDENT

Exxon Company, U.S.A.  
(a division of Exxon Corporation)

By *J. D. Dornick*  
Vice President

*EHB*  
EHB:fg  
(E. W. Bradley)

## CONTRACTOR'S ACKNOWLEDGMENT

STATE OF TEXAS I

COUNTY OF HARRIS I

Before me, the undersigned authority, on this day personally appeared L. J. Derrick known to me to be the person whose name is subscribed to the foregoing instrument as Sr. Corp. Vice President of Brown & Root, Inc., and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said Brown & Root, Inc.

Given under my hand and seal of office, this the 20<sup>th</sup> day of May, A. D., 19 74

H. O. Gray  
Notary Public in and for

Harris County, Texas

## ACKNOWLEDGEMENT

STATE OF TEXAS I

COUNTY OF HARRIS I

Before me, the undersigned authority, on this day personally appeared F. D. Denstedt known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated and as the act and deed of said Exxon Company, U.S.A. (a division of Exxon Corporation).

Given under my hand and seal of office, this the 15<sup>th</sup> day of May, A.D., 1974.

Edith E. Frick

Notary Public in and for  
Harris County, Texas

EDITH E. FRICK  
Notary Public in and for Harris County, Texas  
My Commission Expires June 1, 1975

EXX 002136

OFFICE MEMO  
BROWN & ROOT, INC.

JUNE 10, 1974

TO THOSE CONCERNED:

JOB NO. 27-5487 IS ASSIGNED TO COVER THE INSTALLATION OF THE HYDROFINING  
UNIT NO. 6 FOR EXXON COMPANY, U. S. A. AT BAYTOWN, TEXAS.

  
J. P. LAMAR

JPL/1a

JOB TITLE: EXXON COMPANY, U. S. A. - INSTALL THE HYDROFINING UNIT NO. 6  
AT BAYTOWN, TEXAS.

(WORK TO BE PERFORMED BY THE L. J. DERRICK DEPARTMENT)

EXX 002137

REQUEST FOR ASSIGNMENT OF JOB NUMBER  
BROWN & ROOT, INC. AND ASSOCIATED COMPANIES

Bob Barr  
#27-5487

TO: ACCOUNTING DEPARTMENT  
M. Industrial-Civil Division Brown & Root, Inc. Industrial-Civil  
SUBJECT: JOB NUMBER ASSIGNMENT - (COMPANY) (DEPARTMENT)  
SUB-DIVISION: Industrial Work  
c/o Bobby Holt, Baytown Office

May 22, 1974  
(DATE)

PLEASE ASSIGN A JOB NUMBER TO BE USED FOR RECORDING OF INCOME AND COSTS RELATING TO THE CONTRACT DETAILED BELOW:

OWNER: Exxon Company, U. S. A., Baytown, Texas  
PRIME CONTRACTOR: Brown & Root, Inc.  
CONTRACT DATE: Unknown at Present  
DESCRIPTION OF WORK: Install Hydrofining Unit 6 - Offsites - At owner's Baytown, Texas  
Refinery

TYPE OF CONTRACT: UNIT PRICE ( ), LUMP SUM ( ☒ ), FORCE ACCOUNT ( ), COST PLUS FEE ( )  
OTHER ( ), (EXPLAIN)

ESTIMATED COMPLETION DATE: March 1975 OR CONTINUOUS ( )

CONTRACT AMOUNT: \$ ~~1,923,008.00~~ 1,525,214 ACTUAL ( ☒ ), ESTIMATED ( )

TERMS OF PAYMENT: PROGRESS BILLINGS - MONTHLY ( ☒ ), WEEKLY ( ), BIWEEKLY ( )  
SEMIMONTHLY ( ), REVOLVING FUND ( ), OTHER ( ), (EXPLAIN)

PERCENT RETAINED: 10 % OF Completed Amount & Billed  
OTHER ( ), (EXPLAIN)

TO BE COMPLETED ONLY FOR JOINT VENTURES:

PARTNERS AND PARTICIPATION:

SPONSOR: \_\_\_\_\_ %  
\_\_\_\_\_%  
\_\_\_\_\_%

ATTACH FINANCING CURVE OR CASH FORECAST:

NUMBER ASSIGNED: 27-5487

(SIGNATURE OF EMPLOYEE REQUESTING JOB NUMBER)  
Mathews

CC ORIGINAL - ACCOUNTING  
DUPLICATE - RETAINED  
TRIPPLICATE - TREASURY/CREDIT  
QUADRUPLICATE - PURCHASING

FORM A-58

ACCOUNTING

EXX 002138

27-5491

EXXON COMPANY, U. S. A.  
BAYTOWN, TX.  
CONTRACT FILES

EXX 002139

OFFICE MEMO  
BROWN & ROOT, INC.

JUNE 10, 1974

TO THOSE CONCERNED:

JOB NO. 27-5491 IS ASSIGNED TO COVER THE CONSTRUCTION OF SITE WORK, FIREWALLS  
AND ROADS FOR EXXON COMPANY, U.S.A. AT THE HYDROFINING UNIT NO. 6 IN BAYTOWN, TEXAS.



J. P. LAMAR

JPL/1a

JOB TITLE: EXXON COMPANY, U.S.A. - CONSTRUCTION OF SITE WORK, FIREWALLS AND  
ROADS AT THE HYDROFINING UNIT NO. 6 IN BAYTOWN, TEXAS.

(WORK TO BE PERFORMED BY THE L. J. DERRICK DEPARTMENT)

EXX 002140

REQUEST FOR ASSIGNMENT OF JOB NUMBER  
BROWN & ROOT, INC. AND ASSOCIATED COMPANIES

#27-5491

May 30, 1974

TO ACCOUNTING DEPARTMENT  
FROM Industrial-Civil Division  
SUBJECT JOB NUMBER ASSIGNMENT - Brown & Root, Inc. Industrial-Civil

SUB-DIVISION: Civil Work  
c/o Paving Department

PLEASE ASSIGN A JOB NUMBER TO BE USED FOR RECORDING OF INCOME AND COSTS RELATING TO THE CONTRACT DETAILED BELOW:

OWNER Exxon Company, U. S. A., Baytown, Texas

PRIME CONTRACTOR:

CONTRACT DATE:

DESCRIPTION OF WORK: Site Work, Firewalls and Roads reference Owner's Hydrofining Unit No. 6  
(Offsites) Project (B&R Job No. 27-5487), Baytown, Texas Refinery.

TYPE OF CONTRACT: UNIT PRICE ( ), LUMP SUM ( XX ), FORCE ACCOUNT ( ), COST PLUS FEE ( )

OTHER ( ), (EXPLAIN)

ESTIMATED COMPLETION DATE June 1975 OR CONTINUOUS ( )

CONTRACT AMOUNT: \$ 397,794.00 ACTUAL ( XX ), ESTIMATED ( )

TERMS OF PAYMENT: PROGRESS BILLINGS - MONTHLY ( XX ), WEEKLY ( ), BIWEEKLY ( )

SEMIMONTHLY ( ), REVOLVING FUND ( ), OTHER ( ), (EXPLAIN)

\*\*\* Paving Dept to Cross Charge B&R Baytown Office for this work.

PERCENT RETAINED: None % OF

OTHER ( ), (EXPLAIN)

TO BE COMPLETED ONLY FOR JOINT VENTURES:

PARTNERS AND PARTICIPATION:

SPONSOR

ACH FINANCING CURVE OR CASH FORECAST:

JOB NUMBER ASSIGNED: 27-5491

SIGNATURE OF EMPLOYEE REQUESTING JOB NUMBER

Chase/Matthews/Dale Gray

CC ORIGINAL - ACCOUNTING  
DUPLICATE - RETAINED  
TRIPPLICATE - TREASURY/CREDIT  
QUADRUPLICATE - PURCHASING

FORM A 56

ACCOUNTING

EXX 002141

**Brown & Root, Inc.** Post Office Box Three, Houston, Texas 77001



August 30, 1974

Dashiel Corporation  
6161 Washington Avenue  
Houston, Texas 77007

Attention: Mr. V. H. Howard

Re: Subcontract No. 34-1202-0281  
Testing Services  
Exxon Company, U.S.A.  
Baytown, Texas

Gentlemen:

We enclose herewith one fully executed copy of Subcontract No. 34-1202-0281 dated May 22, 1974, for your permanent file.

Yours very truly,

BROWN & ROOT, INC.

J. M. Frankl  
Subcontracts Manager

JMF/RU/bc

Enclosure

bcc: Messrs. J. P. Lamar (w/original)  
D. H. Dodd (2 w/2 copies)  
A. M. Billingsley (w/attachment)  
Garland Armon  
Bill Willis

THIS COPY FOR

EXX 012583



# BROWN & ROOT, INC.

## SUBCONTRACT

Job Number 34-1202

Subcontract No. 34-1202-0281

MP/bc

THIS AGREEMENT, made this 22nd day of May, 19 74  
by and between BROWN & ROOT, INC., a Texas Corporation, 4100 Clinton Drive, Houston, Texas, (P. O.

Box 3; 77001) hereinafter called the "General Contractor", and Dashiel Corporation  
6161 Washington Ave., Telephone: (713) 869-4878  
(Name, Street Address and Telephone Number)

a TEXAS CORPORATION with principal offices at  
(Give State of incorporation and whether a corporation, partnership, or proprietorship)  
Houston, State of Texas 77007

hereinafter called the "Subcontractor", WITNESSETH

WHEREAS, General Contractor has entered into a general contract with  
Exxon Company, U.S.A., hereinafter  
(Name of Owner)

called the "Owner", for the construction of fuels expansion project  
(Nature of construction under General Contract)

at Baytown, Texas  
(City) (State)

WHEREAS, Subcontractor desires to perform that portion of the work as required by the general contract, which is described below as "The Sublet Work";

NOW THEREFORE, it is mutually agreed by and between General Contractor and Subcontractor as follows:

### I. SPECIAL CONDITIONS

1. The Sublet Work consists of: Furnishing all labor, equipment, tools, supervision and other things necessary to perform testing operations on electrical systems, and the calibration and setting of relays and high potting cables according to Owner's Specification No's. BTAD 16-131 and BP16-13-1 which are attached hereto, and as further specified herein.

Subcontract No. 34-1202-0281

2. The price for the Sublet Work shall be: A total lump sum which is not to exceed TWELVE THOUSAND AND NO/100 DOLLARS (\$12,000.00) excluding all applicable sales/use taxes.

The above maximum price and any other authorized work shall be based on firm unit rates as specified in Special Condition No. 5(a) herein.

3. The time of completion of the Sublet Work shall be as provided in paragraph 4 of the General Conditions but not later than as specified by General Contractor's Project Manager

4. The payment and performance bonds provided for in the General Conditions must be delivered before any work is performed by Subcontractor hereunder and no payment becomes due Subcontractor until such delivery, unless delivery at this time is expressly waived. Immediate Delivery of Bonds are: Waived XXX; Required \_\_\_\_\_

5. Other special provisions of this subcontract are: (a)

Firm Unit Prices for Sublet Work Shall Be As Follows:

1. Normal eight (8) hour day, Monday thru Friday, with a four (4) hour minimum. . \$25.00/Hr.
2. Overtime shall be based for hours worked after 40 hours, or over 8 hours per day . . . . . \$37.50/Hr.

Above rates specified in Items 1 and 2 include test truck, test equipment, high voltage test equipment, relay test equipment, precision instruments, and written reports, but shall not include double test equipment or oil trailer. Subcontractor classes this Baytown project as being within his metropolitan area and no travel time shall be charged.

3. Double test equipment. . . . . \$30.00/Day
4. Oil trailer with vacuum pump, oil filter and oil storage bladder . . . . . \$35.00/Day
5. Set of three (3) oil filters . . . . . \$35.00/Set
6. Laboratory oil testing, including collection in metropolitan area:
  - (A.) One (10 to nine (9) samples . . . . . \$25.00/Each
  - (B.) Ten (10) or more samples . . . . . \$20.00/Each

7. Above unit prices include Subcontractor furnishing General Contractor with written reports at no additional charge.

Continued on Page 3 —

**EXX 012585**

Subcontract No. 34-1202-0281

I.5(a) (Cont'd.)

Above unit prices are firm for the duration of project and are not subject to escalation.

(b)

Subcontractor shall furnish sufficient labor and equipment on the jobsite when ordered in advance by General Contractor's Job Superintendent and Subcontractor shall assume full responsibility that materials and equipment furnished meet the required conditions of the job.

(c)

General Contractor's or Owner's representative shall have access to the work at all times.

(d)

Payment will be made only for those units entered daily on a written report acceptable to both General Contractor and Subcontractor and signed by authorized representatives of Subcontractor and General Contractor.

(e)

Exxon Chemical, Exxon or ER&E "Contractor's Responsibilities for Safety, Plant Protection and Traffic Regulations" for contractors, Subcontractors and suppliers at Baytown Refinery, Baytown Chemical Plants and Baytown Facilities Exxon Research and Engineering Co. dated May 1, 1973 hereby becomes a part of this Subcontract.

(f)

Subcontractor must furnish his own warehousing and miscellaneous workmen's supplies.

(g)

All inquiries the Subcontractor may have concerning this Subcontract must be made through the General Contractor's Project Manager and not directly to the Owner.

(h)

Subcontractor shall contact the General Contractor's Project Manager to schedule and coordinate this Subcontract.

(i)

Two copies of the General Contractor's "Affidavit for Subcontractors" (Form P-7) are attached. Subcontractor shall execute and return one copy with his final or retainage invoice.

— Continued on Page 3A —

EXX 012586

Subcontract No. 34-1202-0281

(j)

Before commencing work and before this Subcontract becomes effective, the Subcontractor shall furnish the General Contractor with his Certificate of Insurance.

## II. GENERAL CONDITIONS

1. Subcontractor represents that he is familiar with the physical conditions and availability of labor and materials in the area of the Sublet Work and all other items affecting the performance of the Sublet Work.
2. Subcontractor agrees to perform the Sublet Work in a careful and workmanlike manner, in accordance with the best construction practices and this Subcontract, and to furnish all supervision, labor, supplies, tools, equipment, facilities, storage, and materials (except as Owner or General Contractor specifically agrees herein to furnish) and all other things and services necessary or desirable to perform the Sublet Work.
3. General Contractor agrees to pay Subcontractor for the performance of the Sublet Work the amount specified in Paragraph 2 of Section I, and to make partial payments monthly to Subcontractor within fifteen (15) days after Subcontractor's invoices, approved by General Contractor's field representative, are received by General Contractor, except that General Contractor shall retain ten percent (10%) of the amount of each partial payment on the Sublet Work, until final completion of Subcontractor's work, and the balance shall be paid within thirty (30) days after final completion and acceptance of Subcontractor's work by Owner, upon a proper invoice submitted by Subcontractor accompanied by an affidavit that all bills for labor, materials, taxes, services and other costs of the Sublet Work have been paid and indemnifying General Contractor and Owner therefrom and a release by Subcontractor of any further claims against General Contractor and Owner. Payment of any partial payment may be withheld until Subcontractor furnishes satisfactory proof of payment of all bills for labor, materials, taxes, services and other expenses in connection with the Sublet Work, and that all claims for changes or extra work have been settled. Until final completion and delivery of the Sublet Work, to the extent required by applicable law, all funds paid to Subcontractor shall be held in Trust for application solely to payment of laborers, materialmen, fabricators, subcontractors and others furnishing elements of the Sublet Work. Subject to performance by General Contractor of its obligations hereunder, title to all materials, components, fabricated items, and work in process intended for the Sublet Work, and the beneficial interest in all purchase orders or subcontracts therefor, shall vest in Owner immediately upon delivery to the job site, or identification to this Subcontract, or commencement of fabrication in Subcontractor's or a supplier's shop, or award of a purchase order or subcontract; provided, that this provision shall not relieve Subcontractor of the absolute duty to complete and deliver the Sublet Work in good condition, and to comply with all other obligations hereunder. All payments hereunder may be made by General Contractor's affiliated company and all such payments shall be considered as payment hereunder.
4. Subcontractor agrees to commence the Sublet Work immediately when instructed and to prosecute same in coordination with the work of others and with sufficient equipment, supervision and manpower to insure completion of each part of the Sublet Work within the time of completion herein provided, so as not to cause damage or delay in the work of others. Subcontractor shall perform the Sublet Work at the times, and in the sequence directed by General Contractor, or Owner, from time to time; and, in the absence of such instructions from General Contractor or Owner, at the times, and in the sequence reasonably necessary to avoid delay in the performance of the work required by the General Contract at whatever rate of progress General Contractor may make in performing the work directly or through other Subcontractors. In the event Subcontractor be delayed by the Owner, General Contractor, or another contractor performing work on the project, or by the ordering of extra work or by force majeure, General Contractor shall owe Subcontractor only an extension of time, and then only if written request therefor is made by Subcontractor within forty-eight (48) hours from the beginning of the delay.
5. If any part of Subcontractor's work depends for proper execution or results, upon the work of any other contractor or Supplier, Subcontractor shall inspect the work of the other contractor or Supplier and promptly report to General Contractor any defects in such work, or the performance thereof that adversely affects the proper execution, and the obtaining of the desired results of the Sublet Work. Subcontractor's failure to inspect and report any such defects shall constitute an acceptance of the other contractor's or materialmen's work as fit and properly performed. Subcontractor shall endeavor to settle by agreement or arbitration, all claims asserted by any other subcontractor, materialman, or other person arising from Subcontractor's own acts or omissions, or in any manner relating to the performance of the Sublet Work; and in the event General Contractor or Owner shall be sued on any such claim, Subcontractor shall defend such suit, and pay or satisfy any judgment rendered therein against General Contractor, or Owner, and pay all costs, including attorney's fees incurred by General Contractor or Owner.
6. Subcontractor shall, at its own expense, procure all required permits and licenses, and pay all fees and charges, and give all notices necessary and instant to the due and lawful prosecution of the Sublet Work. Subcontractor shall comply with the requirements of any deeds and rights-of-way easement restrictions, and any permit requirement, and any instructions or regulations of any local, state or federal governmental agency or authority, and with the requirements of any one having the right to control how any portion of the Sublet Work is to be performed; provided, however, that the Sublet Work shall be performed to the satisfaction of the General Contractor and Owner.
7. Owner and General Contractor shall have the right to enter upon the site of the Sublet Work for the purposes of inspection, accounting, and performing such collateral work as Owner or General Contractor may desire. Subcontractor agrees to furnish all facilities deemed necessary by the General Contractor and Owner for the proper inspection of the Sublet

— Continued on Page 5 —

EXX 012588

Work and to account to the Owner and General Contractor for any materials furnished by Owner or General Contractor which are being handled by Subcontractor. Subcontractor agrees to carry out such tests as are required by the General Contractor to determine if the sublet work is being properly performed. Subcontractor shall protect the Sublet Work and bear and be liable for all loss or damage of any kind, including damage by the elements or otherwise to the Sublet Work or to materials or other items furnished by Owner, or General Contractor to Subcontractor, which may happen at any time prior to the time that Owner formally accepts the Sublet Work. Subcontractor shall warrant the Sublet Work to be free from defects in material and workmanship and agrees to make good at Subcontractor's own expense any such defects or any failure to perform satisfactorily, which are discovered within one (1) year from the time of acceptance by Owner of all the sublet work, or within one year from the time of commissioning by Owner of the Systems or Work to which the Sublet work relates, whichever is later. In the event of any such defects, Subcontractor agrees to consult promptly with General Contractor or Owner to arrive at a satisfactory procedure, which, if possible, will enable the work to be kept in operation pending the correction of such defects.

8. Subcontractor agrees to indemnify and to save General Contractor and Owner harmless from and against all claims, suits (including counsel fees and other expenses of suit) whether groundless or not, judgements and awards on account of any damage to property or injury (including death) to person (including any damage or injury to the property or person of any employee of Subcontractor, General Contractor, or Owner) which may be caused or alleged to have been caused in whole, or in part by, or which may occur or be alleged to have occurred in connection with the performance of or while Subcontractor is performing the Sublet Work; provided that Subcontractor does not hereby assume responsibility for the sole negligence of General Contractor.

9. Subcontractor, notwithstanding the provisions of Paragraph 8, assumes all risks of loss or damage to Subcontractor's tools, equipment, or property from any cause, including the sole or concurring negligence of Owner, General Contractor, or any other Subcontractor performing work in connection with the work described in the General Contract. In the event General Contractor or Owner loans or furnishes tools or equipment to Subcontractor or permits Subcontractor aboard their vessels in connection with the Sublet Work, Subcontractor agrees (a) to make its own determination before commencing work that such vessels are seaworthy and such tools and equipment are adequate for the safe performance of the work by Subcontractor; (b) that such tools, equipment or vessel are loaned or furnished and accepted by Subcontractor without warranty or representation by General Contractor or Owner as to their condition; (c) to return such vessels, tools and equipment to General Contractor or Owner at the conclusion of such use in same condition as when received, ordinary wear and tear excepted; and (d) to indemnify and hold General Contractor and Owner harmless from all claims, demands, causes of action, damages and injuries from Subcontractor's use of said vessels, tools and equipment, including any claims, demands, causes of action, damages or injuries resulting from or alleged to result from the sole or concurring negligence of General Contractor, or Owner, or from the inadequacy or unseaworthiness of said vessels, tools and equipment for the performance of the Sublet Work. The assumption of risks and the indemnities in this paragraph 9 do not extend to the gross negligence or willful acts of the indemnitee.

10. In the event after seven (7) days written notice from General Contractor to Subcontractor, pointing out generally any deficiencies either in respect to the nature of the Sublet Work or in respect to the promptness with which the Sublet Work is being performed, Subcontractor has not corrected such deficiencies to the satisfaction of the individual in charge of this job for General Contractor in the field, General Contractor shall have the right to supplement the work of Subcontractor or to take over completely the performance of the remainder of the Sublet Work, either with his own forces, or by contract with others. Subcontractor grants General Contractor the option to use all or any part of Subcontractor's tools, equipment, machinery, materials, and supplies then in use in performing the Sublet Work and in the event General Contractor elects to use all or any part thereof, no rental shall be paid or given therefor, and no credit accrues therefrom, except insofar as the lack of any rental charge thus reduces the cost of completing the Sublet Work. Subcontractor also expressly waives any claim which he could assert in connection therewith, for use of such equipment in whole or in part on other projects and any profits anticipated thereon during the period such equipment or any portion thereof are so utilized by General Contractor in accordance with this provision. In the event the cost of supplementing or completing the Sublet Work is more than the amount of money Subcontractor is entitled to on the price basis provided herein, Subcontractor agrees to pay to General Contractor upon demand the amount of such excess cost, and in the event such cost of supplementing or completing the Sublet Work is less than the amount of money Subcontractor is entitled to on the price basis specified herein, General Contractor agrees to pay Subcontractor upon demand the amount of such difference between price and cost; provided, that if General Contractor shall supplement or complete the work with his own forces, General Contractor may charge Subcontractor with an additional ten (10%) percent of the cost thereof. This right may be exercised from time to time as deemed proper and may be exercised even prior to the time specified for completion of the Sublet Work, and such exercise shall not be treated as a repudiation of this Subcontract, or interference with the Subcontractor in the performance of the Sublet Work, and the exercise of such rights shall not be regarded as relieving Subcontractor of his duties in respect to the performance of the Sublet Work; nor shall the exercise or non-exercise of such right prejudice any other remedy the General Contractor or Owner may have, including, without limitation, those specified in the General Contract. Subcontractor agrees that the decision of the Project Manager in exercising the rights provided for herein shall be final and conclusive, but if Subcontractor objects and disputes the judgment of the Project Manager he may appeal therefrom, within said 7 day period, to an executive officer of General Contractor designated by the President of General Contractor and the written decision of that designated officer after hearing Subcontractor shall be final absent actual fraud. Subcontractor agrees to cooperate fully with General Contractor and not to complain thereafter of the manner or cost of supplementing or completing the Sublet Work.

11. The employees, representatives and agents of Owner and General Contractor shall not have the power to waive any obligations of the agreement between the parties for the performance by the Subcontractor of the Sublet Work in a careful and workmanlike manner as provided herein. No waiver by the Owner or General Contractor of any breach by the Subcontractor of this Subcontract, or of any term or condition thereof (whether such waiver be expressed or implied), shall be deemed to constitute a waiver of or consent to any subsequent breach of the same, or of any other term or condition of this contract.

12. In the performance of the Sublet Work the Subcontractor is an independent contractor with the right to supervise, manage and control the performance of the details thereof, General Contractor and Owner being interested only in the results of the same and being entitled to inspect the performance of the Sublet Work by Subcontractor only to the extent necessary to assure such results.

13. Subcontractor shall not subcontract the Sublet Work or any portion thereof, nor assign any portion of the monies due or to become due under the Subcontract, without the written consent of General Contractor, and any attempt at such Subcontract or assignment without such consent shall be void. No subcontract shall relieve Subcontractor of his responsibility hereunder.

14. All written notices between the parties shall be by mail, properly stamped, addressed and delivered to the postal authorities, and any such notice shall be effective at midnight of the day during which the notice is so mailed. Such notices shall be directed to the address shown on page one of this Subcontract, unless written notice has been given of a new address.

15. Subcontractor shall comply with all applicable laws, ordinances, rules and regulations of any governmental agency having jurisdiction, and with all terms and conditions of applicable permits, certificates, leases, restrictions, easements or dedications, and Subcontractor shall indemnify and hold harmless General Contractor and Owner from any fine, penalty, loss, damage or expense resulting from Subcontractor's failure to comply therewith. Subcontractor shall certify that all work is performed in compliance with the provisions of the Fair Labor Standards Act.

16. Subcontractor shall carry and maintain throughout the life of this Subcontract, at its own expense, insurance in not less than the amounts and coverage herein specified, and shall furnish certificates of such insurance in duplicate to General Contractor before commencing work. Certificates shall bear statements of insurers to the effect that insurance shall not be cancelled, reduced, nor allowed to expire, except upon thirty (30) days written notice delivered to General Contractor by registered mail. In the event Subcontractor sublets any part of the Sublet Work, it shall be the duty of the Subcontractor to require that every such Subcontractor comply with the insurance and other requirements of this Subcontract. Insurance shall be placed with companies acceptable to General Contractor and Owner. Subrogation against General Contractor, Owner and other contractors performing work in connection with the work described in the General Contract is hereby waived by Subcontractor and the policies shall be endorsed accordingly. The minimum insurance shall be the following amounts and coverage:

a. Workmen's Compensation  
Employer's Liability

(If marine operations are involved, endorsements shall include U. S. Long-shoremen's and Harbor Worker's Compensation Act, Outer Continental Shelf Operations and, subject to minimum limits of \$250,000 per person and \$500,000 per accident, Amendments to Coverage B Endorsement-Maritime (including liability for disease and wages, maintenance and cure).

Statutory  
\$100,000 per person/accident

b. Comprehensive General Liability, including coverage for liability assumed under this Subcontract and completed operations:

|                       |                          |
|-----------------------|--------------------------|
| Bodily Injury .....   | \$100,000 per person     |
|                       | \$300,000 per occurrence |
| Property Damage ..... | \$100,000 per occurrence |

c. Comprehensive Automobile Liability:

|                       |                          |
|-----------------------|--------------------------|
| Bodily Injury .....   | \$100,000 per person     |
|                       | \$300,000 per occurrence |
| Property Damage ..... | \$100,000 per occurrence |

d. If Marine vessels are involved:

|                                          |                                                   |
|------------------------------------------|---------------------------------------------------|
| Hull Insurance .....                     | Full Value of Vessel                              |
| Protection and Indemnity Insurance ..... | Full Value of Vessel but not less than \$500,000. |

General Contractor and Owner shall be named as Assureds under such Hull and P&I, with respect to operations performed under this Subcontract.

e. Other:

17. There shall be no change in the unit prices, if any, described in paragraph 2 of Section I of this Subcontract, due to any variances between estimated and actual quantities of the Sublet Work, and there shall be due and owing from General Contractor only such sums as result from the application of the unit prices, if any, described in that paragraph, to the quantities of the Sublet Work performed, for which General Contractor received payment from the Owner.

18. Subcontractor shall keep the premises under his control neat and orderly at all times and shall remove all trash and debris daily and at the end of the contract.

19. Subcontractor agrees to furnish payment and performance bonds within ten days should General Contractor so request in writing, whether before commencing the Sublet Work or at any time before completing the Sublet Work. Such bonds shall be in form and with corporate sureties satisfactory to General Contractor, and in such amount as may be specified by General Contractor as adequate to cover performance of the Sublet Work, and any damages that may result from the breach of this subcontract. If immediate delivery is required by the Special Provisions, Subcontractor shall pay the premium; If immediate delivery is waived by the Special Provisions, General Contractor shall pay the normal premium, if the bond is required by General Contractor at a later date.

20. Subcontractor shall conform to the highest standards of safety practices in performance of the Sublet Work and shall conform to all safety practices and requirements of Owner or General Contractor. The Subcontractor warrants that any and all work performed and/or equipment delivered to General Contractor or Owner or its designee under this subcontract shall comply with all requirements of the Occupational Safety and Health Act of 1970, as the same may be amended from time to time and including all regulations adopted pursuant to such Act, and shall comply with all requirements of any applicable health or safety statute or regulation of any state or local government agency having jurisdiction in the location to which such equipment is to be shipped or such work is to be performed pursuant to this agreement. Subcontractor shall be solely responsible for compliance with all such laws or regulations without relying upon enforcement thereof by, or instruction of, Owner, Engineer or General Contractor and shall promptly report in full to General Contractor any safety or health inspections by governmental authorities.

21. The entire agreement between the parties with respect to the work on this project is expressed in this written Subcontract, and it is agreed that this Subcontract has not been based upon any oral representation, promises or statements of any one representing General Contractor or Owner, and that this agreement is therefore based entirely upon the written documents constituting this Subcontract between the parties, and supersedes all proposals and negotiations not expressly set forth herein. It is further agreed that this agreement shall not be changed, modified, abrogated or superseded by any subsequent agreement unless it be in writing and signed by both parties. In the event a Purchase Order, Work Order or other similar document is utilized in conjunction with this Subcontract, it is understood that any printed provisions of such other document have no application and that the printed provisions of this Subcontract form are controlling, but the typewritten or handwritten provisions of such other document shall constitute a part hereof and shall be construed with all of the printed, typewritten and handwritten provisions hereof. Any requirement shown on the drawings, but omitted from the specifications, or any requirement shown in the specifications but omitted from the drawings shall be considered as being required under this agreement as if set forth in both.

22. Should there at any time appear to be variation, contradiction or want of agreement in description, dimensions or quantities of the Sublet Work, Subcontractor agrees to refer immediately the matter to the General Contractor for decision before proceeding with the Sublet Work in respect of which the said variation, contradiction or want of agreement exists.

The true intention and meaning of the Subcontract shall imply that the Subcontractor will in all respects, supply, construct and complete the Sublet Work in a workmanlike manner fully satisfying the intended function of the sublet work to the satisfaction of General Contractor. All work which is manifestly necessary to carry out the intent of the drawings and specifications pertaining to the Sublet Work or which is customarily done in performing this type of work for the Owner or General Contractor shall be performed by the Subcontractor as a part of the Sublet Work.

23. General Contractor may at any time by a "Change Order" in writing, signed by General Contractor's authorized representative, and without notice to the sureties on any bond, change or issue additional instructions, change or issue additional specifications and plans, and change, omit or require extra or additional work to be performed by Subcontractor. In such event, General Contractor will have full authority to specify the amount and kind of work to be done, or omitted, the materials to be used, and the equipment to be furnished as fully as though such changes had been set forth in this subcontract. When any change order shall authorize extra or additional work, Subcontractor shall make every effort to complete the sublet work as changed within the time originally agreed upon for completion, the time for completion not being extended unless expressly extended by General Contractor in writing. The General Contractor is authorized to make changes in the work which do not significantly increase the cost of the sublet work without the Subcontractor being entitled to any additional compensation therefor. If such change orders significantly increase or decrease the cost of the sublet work to Subcontractor, there shall be an increase or decrease in the consideration to subcontractor (1) in accordance with the unit prices specified in this subcontract agreement or, if General Contractor agrees that the unit prices are not applicable, either (2) pursuant to a lump sum proposal acceptable to General Contractor or (3) by the actual direct cost to Subcontractor of such change in the sublet work plus ten percent thereof, which costs directly related thereto will be supported by approved payrolls and paid invoices on additions to the sublet work and by agreed estimates of labor and materials deleted for decreases in the sublet work. Subcontractor further agrees that no extra work, or changes in the Sublet Work, or in the Subcontract will be recognized or paid for, unless agreed to in writing and approved by General Contractor and Owner, before such work is done or such changes are made.

24. Subcontractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, or sex. Subcontractor agrees that it will comply with all applicable Federal, State and local Fair Employment Practices Act, or similar Act, Rules and Regulations, and whether or not applicable will comply with the Federal Civil Rights Act of 1964. The terms and provisions of Executive Order 11246 and any Executive Order modifying or superseding same, are incorporated herein with respect to any Sublet Work subject thereto.

25. Regardless of any provision hereof or of any approval hereof the Owner is not a party to this Subcontract and the Subcontractor agrees that the Owner is under no obligation to Subcontractor.

26. Subcontractor agrees to indemnify and save General Contractor and Owner harmless from claims growing out of patent infringements or claims thereto pertaining to the use of any tools, construction equipment or construction processes or technique by Subcontractor in the performance of the Sublet Work.

27. Subcontractor undertakes, on behalf of itself, its related companies and its or their employees, contractors, suppliers and agents, not to disclose to any third party or utilize except in connection with the performance of the Sublet Work, without Owner's prior written consent, any details of "know-how" and specialist or technical information pertaining to the work (whether or not the property of Owner) which may come into its or their possession in the course of or in connection with the performance of the Sublet Work, provided, however, that the foregoing shall not apply to "know-how" and specialist or technical information which (i) was in the public domain prior to its or their receipt thereof in the course of or in connection with the performance of the Sublet Work or which subsequently becomes part of the public domain by publication or otherwise except by its or their wrongful act, (ii) was in its or their possession prior to its or their receipt thereof in the course of or in connection with the performance of the Sublet Work or (iii) are the same as information received by it or them from a third party having no obligation to Owner of secrecy with respect thereto.

28. All disputes, controversies or claims arising out of, relating to, or in connection with the Subcontract or the breach thereof, including, but not by way of limitation, any dispute as to the amount due Subcontractor by General Contractor, shall be finally settled by arbitration in accordance with the Rules of Conciliation and Arbitration of the American Arbitration Association by the arbitrators appointed in accordance with such Rules. The arbitration shall be held at a location at General Contractor's option. Judgment upon the award rendered may be entered in any Court having Jurisdiction or application may be made to such Court for a judicial acceptance of the award and an order of enforcement, as the case may be. This clause shall be construed under the laws of the sites of performance of the major portion of the Sublet Work.

29. Wherein any Certificate or Progress Payment invoice of which Subcontractor has received Payment there has been included the value of any unfixed materials, equipment or other items intended for or placed on the site of the work, such items shall become the property of Owner (for loss or damage to which Subcontractor shall be solely responsible) and such items shall not be removed except for use upon the Sublet Work without the written authority of the General Contractor. moreover, construction plant and equipment brought onto the site for the purpose of performing the Sublet Work shall not be removed therefrom until completion of the Sublet Work without the written consent of the General Contractor.

Subcontract No. 34-1202-0281

30. The Subcontractor shall be responsible for the correctness of the positions, levels and dimensions of the Sublet Work according to this Subcontract and the written instructions of the General Contractor, notwithstanding that the Subcontractor may have been assisted by the General Contractor or any other Contractor in setting out the same; and if at any time during the performance of the Sublet Work any error shall appear or arise therein, the Subcontractor shall, on being required to do so by the General Contractor, remove and change the Sublet Work to the satisfaction of General Contractor.

31. Except as otherwise expressly provided, this Subcontract shall be construed under the laws of the State of Texas.

32. This Subcontract consists of Pages 1, 2, 3, 3A, 4, 5, 6, 7,8, and 9.

**BROWN & ROOT, INC.**  
(General Contractor)

APPROVED:

\_\_\_\_\_  
(Owner)

By: \_\_\_\_\_

(Title) \_\_\_\_\_

Date: \_\_\_\_\_

By: *J. M. Franklin*

for D. E. Newton, Jr.

(Title) Director of Purchasing

Dashiell Corporation

(Subcontractor)

By: *V. P. Allen*

(Title) V.P.

EXX 012593

Contract File  
34-1202

**Brown & Root, Inc.** Post Office Box Three, Houston, Texas 77001

September 17, 1974



Atlantic, Gulf & Pacific Company  
2801 So. Post Oak Rd., Suite 394  
Houston, Texas 77027

Re: Subcontract No. 34-1202-0380  
Dredging Work  
Exxon Company, U.S.A.  
Baytown, Texas

Gentlemen:

We enclose herewith one fully executed copy of Subcontract  
No. 34-1202-0380 dated September 10, 1974, for your permanent  
file.

Yours very truly,

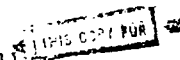
BROWN & ROOT, INC.

J. M. Franki  
Subcontracts Manager

JMF/GK/dc

Enclosure

bcc: Messr. W. B. Stuessy (w/original)  
D. H. Dodd (2 w/2 copies)  
J. E. Woodward  
A. M. Billingsley



EXX 012568



# BROWN & ROOT, INC.

## SUBCONTRACT

Job Number 34-1202

Subcontract No. 34-1202-0380

RU/bc

THIS AGREEMENT, made this 10th day of September, 1974  
by and between BROWN & ROOT, INC., a Texas Corporation, 4100 Clinton Drive, Houston, Texas, (P. O.

Box 3; 77001) hereinafter called the "General Contractor", and Atlantic, Gulf & Pacific Company

2801 So. Post Oak Rd., Suite 394 Telephone: (713) 621-2890

(Name, Street Address and Telephone Number)

a West Virginia Corporation with principal offices at

(Give State of incorporation and whether a corporation, partnership, or proprietorship)

Houston, State of Texas 77027

hereinafter called the "Subcontractor", WITNESSETH

WHEREAS, General Contractor has entered into a general contract with

Exxon Company, U.S.A.

(Name of Owner)

, hereinafter

called the "Owner", for the construction of refinery facilities expansion

(Nature of construction under General Contract)

at Baytown Texas

(City)

(State)

WHEREAS, Subcontractor desires to perform that portion of the work as required by the general contract, which is described below as "The Sublet Work";

NOW THEREFORE, it is mutually agreed by and between General Contractor and Subcontractor as follows:

### I. SPECIAL CONDITIONS

1. The Sublet Work consists of: Furnishing all equipment, labor and materials required to perform all the work necessary for the dredging excavation of a new channel and basin area in the north side of Mitchell Bay, Harris County, Texas, transportation and disposal of dredged material to Alexander Island, Harris County, Texas, dikes devised for dewatering dredged materials, all in accordance with the specifications herein and as shown on the Contract Drawings:

C-603-01, C-603-02, and C-603-03 - "Access Channel to Houston Ship Channel."  
C-603-04 and C-603-05 - "Additional Channel dredging for dock extension."

All work to be performed in this Subcontract shall be in accordance with the General Contractor's Technical Specifications and Drawings submitted to Subcontractor by General Contractor's Request for Proposal No. JEW-33-74, dated May 8, 1974 and all attachments thereto, and as may be otherwise required herein.

Subcontract No. 34-1202-0380

2. The price for the Sublet Work shall be: for the unit prices stated in the Pricing Schedule attached and entitled Attachment "A" which is made a part hereof as though it were written herein. Pricing as it appears in Attachment "A" will become applicable to work under this Subcontract or to the separate Subcontract for Maintenance dredging at existing Owner docks, as and when required for the instances stated therein, such as to perform more work or less work at General Contractor's option. The unit prices for maintenance dredging at existing Owner docks are to apply to the separate contract which is to be performed in conjunction with the construction dock dredging.

It is agreed that the quantity of Maintenance dredging may be altered by Owner but will be performed at the prices stated in Attachment "A".

All applicable State and Local Sales and Use Taxes are included in the prices stated herein.

3. The time of completion of the Sublet Work shall be as provided in paragraph 4 of the General Conditions but not later than within 30 days after notice to commence operations, as scheduled by the General Contractor's Project Manager.

4. The payment and performance bonds provided for in the General Conditions must be delivered before any work is performed by Subcontractor hereunder and no payment becomes due Subcontractor until such delivery, unless delivery at this time is expressly waived. Immediate Delivery of Bonds are: Waived x x x; Required       

5. Other special provisions of this subcontract are: ~~xxx~~

A copy of Special Provisions (1 page) as revised May 1, 1974, is attached hereto and becomes a part of this Subcontract as though they were printed herein.

6. Owner's Audit Rights - Owner's duly authorized representatives shall have access, at all reasonable times, to all Subcontractor's personnel, job descriptions, employment and qualification records, books, records, correspondence, instructions, plans, drawings, receipts, vouchers, data stored in computers and memoranda of every description pertaining to work under this Subcontract for the purpose of auditing and verifying Cost of Work or for any other reasonable purpose. Owner's representatives shall have the right to reproduce any of the aforesaid documents. Subcontractor shall preserve, and shall cause its lower-tier subcontractors to preserve, all the aforesaid documents for a period of two years after completion and acceptance or termination of Work.

— Continued on Page 3 —

EXX 012570

Subcontract No. 34-1202-0380

7. Subcontractor shall furnish the following equipment:

- (a) The steam powered hydraulic dredge "Baltimore" will be used for the dredging.
- (b) Dredge "Baltimore" contains a 27" discharge with 4800 H.P. on Main Pump, 800 H.P. on Cutter.

8. Employee Parking - With further reference to Special Condition #7, it is agreed that the area to be assigned for Subcontractor's employee parking will be in the vicinity of the South Entrance Gate to the Refinery; and that Subcontractor will be responsible for transporting personnel from the parking area to the work site by means of Subcontractor owned vehicles.

9. Modifications to Section II, "General Conditions", of this Subcontract - The following modifications of each of the General Conditions as referenced are hereby agreed to:

- (a) It is the General Contractor's intent that final payment will be made to the Subcontractor under General Condition 3, promptly after 31 days following final satisfactory acceptance of all work required herein.
- (b) In conjunction with General Condition 4, the stand-by rate as defined herein shall be applicable to delays caused as a direct result of General Contractor or Owner. The stand-by time charges will not apply to mechanical breakdowns of Subcontractor's equipment or by violations of regulations, either Exxon or governmental.

10. Prosecution of the Dredging Operations:

General:

- (a) It is agreed that the effective time of Subcontractor's mobilization and move-in of dredge equipment, work forces to commence work shall be no later than four (4) weeks after notification of award of this Subcontract.
- (b) All dredging shall be conducted to the lines and grades shown on the Contract Drawings. No underdredging will be accepted. An overdredge allowance of 2'0" will be allowed. The Subcontractor performing the dredging work included in this section shall provide and maintain adequate ranges, targets, buoys or other means of orientation for the work. Elevation datum and triangulation points of basic reference for location of the work lines shall be provided by the General Contractor's Engineer.
- (c) Subcontractor shall take all precautions not to damage the existing dock structure by dredging operations. Any damage to the existing structure resulting from such operations shall be to the Subcontractor's account.
- (d) Subcontractor shall take all precautions necessary to maintain the existing outlines of the Houston Ship Channel and slips at the Owner's dock facility; maintenance dredging to restore existing dredging disturbed as a result of this work will be to Subcontractor's account.

Subcontract No. 34-1202-0380

- (e) Subcontractor shall assume full responsibility for the proper performance of the dredging operations and shall conform to the directions of the engineers of the Harris County Houston Ship Channel Navigation District in all matters relating to the deposit of the spoil material on Alexander Island. Subcontractor will be responsible for the proper use, construction, and maintenance of levees, dikes, and drains necessary in connection with this work. Subcontractor agrees to indemnify and hold harmless the General Contractor and Owner from any and all claims, demands, and causes of action of any nature arising out of operations conducted by Subcontractor, its agents, or employees in connection with the deposit of spoil on Alexander Island.
- (f) Subcontractor shall furnish complete operating manpower for dredging, for the maintenance of the dikes and spillways on Alexander Island, and the personnel to monitor and maintain the dredge discharge pipeline.
- (g) Subcontractor shall prosecute the work in an orderly manner to completion. Principles of fire and accident prevention shall be employed in the work at all times. Adequate lights, markers, or other warning devices as required by the existing official regulations must be displayed.
- (h) Subcontractor shall comply with all applicable safety requirements of the State of Texas, OSHA, Owner and the General Contractor.

Shipping: Subcontractor shall conduct the work in such a manner as to obstruct navigation as little as possible. Should the Subcontractor plant make difficult or endanger the passage of vessels, said plant shall be promptly moved upon the approach of vessels.

Character of Materials:

- (a) The materials to be excavated are described by the locations and logs of recent borings shown on the Contract Drawings. Subcontractor shall be responsible for verifying such information or conducting further investigations to satisfy himself of existing conditions.
- (b) Materials such as scrap, rope, wire cable, timber, buoy anchors, and other debris shall be removed by the Subcontractor who shall also remove any debris due to his own operations.

Disposal of Excavated Material: The material excavated shall be transported via a submerged discharge line across the Houston Ship Channel and deposited in the designated disposal areas on Alexander Island at such locations as designated by Port of Houston Authority representative. All confining dikes shall be constructed to provide necessary stability. Subcontractor shall provide and maintain spillways and weirs to properly handle effluent as necessary. Subcontractor shall provide the necessary effluent line arrangement to allow the material to be deposited in the disposal areas. Subcontractor shall provide General Contractors' Project Manager a drawing showing the layout of discharge pipe arrangement, together with proper approvals by Port of Houston Authority Officials.

Quantity Measurement:

- (a) All sounding operations pertaining to this Subcontract, shall be the responsibility of the Subcontractor and shall be made using a Lead line technique.

Subcontract No. 34-1202-0380

- (b) Twenty-four (24) hours notice shall be given to the General Contractor before any soundings are taken, to allow witness of the work.
- (c) Prior to the beginning of excavation, the dredge area shall be sounded using a grid system of 10 foot intervals on 50 foot stations for the construction dock dredgings.
- (d) Upon completion of the work, soundings shall again be performed using the same methods as the initial measurement. The Subcontractor shall prepare before and after dredge cross-sections, make volume computations and submit same to the General Contractor for review and approval for payment.

Communication: Subcontractor shall provide two-way radio communication between dredge control room and Owner's Dock coordinator office.

Reports:

- (a) Subcontractor shall furnish three (3) copies of a daily "Simplified Dredger's Form" showing the Cubic Yards of Material removed. The form for, providing the daily dredge report must contain the General Contractor's designated field representative's signature for each daily report.
- (b) Additionally, prior to the third day of each month a report must be submitted by the Subcontractor denoting the amount of material dredged during the preceding month. This report is to be sent as follows:

3 copies      Mr. J. E. Woodward, Project Manager  
Brown & Root, Inc.  
P. O. Box 4321  
Baytown, Texas 77520

1 copy      Mr. J. M. Johnson, Enviromental Eng. Sec. Supervisor  
Exxon Company, U.S.A.  
Baytown, Texas 77520

Permits:

Dredging

- (a) Application for dredging permits has been made to all governmental agencies having jurisdiction over this operation. The Owner will furnish to the Subcontractor the necessary dredging permits.
- (b) Subcontractor shall notify the District Office, Corps of Engineers, of the intent to dredge five (5) days prior to start of work.

Submerged Discharge Line

- (a) Application for and acquisition of the permits necessary to install and license to use the submerged discharge line across the Houston Ship Channel to Alexander Island will be the responsibility of the Subcontractor.
- (b) It is understood that said application will be made promptly and under no circumstances shall its acquisition delay work.

Subcontract No. 34-1202-0380

Payment: Payment will be made in the following manner:

- (a) 90% of lump sum price quoted for mobilizations and move in when complete.
- (b) 90% of lump sum price quoted for laying and maintaining submerged discharge line when dredging begins on a unit price basis.
- (c) 90% of unit price quoted per cubic yard when an area is complete and sounding can be made.
- (d) 90% of stand-by time when invoiced, if such time has had General Contractor's prior approval.
- (e) 90% of lump sum price quoted for demobilization and "move out" when complete.
- (f) 90% of lump sum price quoted for Levee Repairs for Spoil Disposal on Alexander Island when move out is complete.
- (g) Remaining monies owned the dredging Subcontractor when the General Contractor verifies that the contract is complete and in accordance with Paragraph 9 (a), modification to Section II, General Condition 3.

Subcontractor's invoice shall be mailed to:

Brown & Root, Inc.  
P. O. Drawer 4321  
Baytown, Texas 77520  
Attn: Mr. J. E. Woodward, Project Manager

11. Work and Assistance to be Furnished by General Contractor - In addition to these requirements set forth in Special Provisions of this Subcontract, the following will be provided by General Contractor at no additional cost to Subcontractor:

- (a) Arrangements for deposition of the spoil on Alexander Island are being handled by the Owner.
- (b) General Contractor to provide Jobsite space near construction dock for Subcontractor's office and electric power, 115 V. for same.

12. Subcontractor must furnish his own office and miscellaneous supplies.

13. All inquiries the Subcontractor may have concerning the Construction dock dredging must be made through the General Contractor's Project Manager and not directly to the Owner.

14. Subcontractor shall contact the General Contractor's Project Manager to schedule and coordinate this Subcontract.

15. Before commencing work and before this Subcontract becomes effective, the Subcontractor shall furnish the General Contractor with his Certificate of Insurance.

16. "Contractor's Responsibilities for Safety, Plant Protection and Traffic Regulations" is attached hereto and is made a part hereof.

— Continued on Page 3D —

EXX 012574

Subcontract No. 34-1202-0380

17. Exxon Research and Engineering Company (ER&E) has been retained by the Owner for overall project management. Thus, the Subcontractor is expected to cooperate with ER&E representatives in the course of performing this work.

18. The attached sheet entitled "Equal Opportunity Clause" hereby becomes a part of this Subcontract.

— Continued on Page 4 —

**EXX 012575**

Attachment "A" to Paragraph 2 of I Special Conditions

Pricing Schedule - Firm for Duration of Subcontract Dredging

- |                                                                                                                                         |              |
|-----------------------------------------------------------------------------------------------------------------------------------------|--------------|
| 1. Mobilization                                                                                                                         | \$ 15,000.00 |
| 2. Laying & Maintaining submerged line across<br>Houston Ship Channel - Lump Sum                                                        | \$ 7,200.00  |
| 3. Demobilization                                                                                                                       | \$ 10,000.00 |
| 4. Standby Rate - \$400.00 per hour                                                                                                     |              |
| 5. Unit Price per cubic yard -                                                                                                          |              |
| a. Basic Proposal,<br>150' wide construction dock channel dredging<br>@ \$0.7967 cubic yard                                             |              |
| b. Alternate No. I for wider channel<br>dredging to accommodate an additional<br>150 feet of construction dock<br>@ \$0.7502 cubic yard |              |
| c. Lead line soundings at 10 foot intervals<br>on 50 foot stations for all construction<br>dock dredging - No Charge                    |              |
| 6. Levee Repairs for Spoil Disposal - Lump Sum                                                                                          | \$ 12,500.00 |
| 7. Maintenance dredging at existing Exxon dock<br>(applicable to separate contract)<br>Unit Price @ \$0.5284 cubic yard                 |              |

## II. GENERAL CONDITIONS

1. Subcontractor represents that he is familiar with the physical conditions and availability of labor and materials in the area of the Sublet Work and all other items affecting the performance of the Sublet Work.

2. Subcontractor agrees to perform the Sublet Work in a careful and workmanlike manner, in accordance with the best construction practices and this Subcontract, and to furnish all supervision, labor, supplies, tools, equipment, facilities, storage, and materials (except as Owner or General Contractor specifically agrees herein to furnish) and all other things and services necessary or desirable to perform the Sublet Work.

3. General Contractor agrees to pay Subcontractor for the performance of the Sublet Work the amount specified in Paragraph 2 of Section I, and to make partial payments monthly to Subcontractor within fifteen (15) days after Subcontractor's invoices, approved by General Contractor's field representative, are received by General Contractor, except that General Contractor shall retain ten percent (10%) of the amount of each partial payment on the Sublet Work, until final completion of Subcontractor's work, and the balance shall be paid within thirty (30) days after final completion and acceptance of Subcontractor's work by Owner, upon a proper invoice submitted by Subcontractor accompanied by an affidavit that all bills for labor, materials, taxes, services and other costs of the Sublet Work have been paid and indemnifying General Contractor and Owner therefrom and a release by Subcontractor of any further claims against General Contractor and Owner. Payment of any partial payment may be withheld until Subcontractor furnishes satisfactory proof of payment of all bills for labor, materials, taxes, services and other expenses in connection with the Sublet Work, and that all claims for changes or extra work have been settled. Until final completion and delivery of the Sublet Work, to the extent required by applicable law, all funds paid to Subcontractor shall be held in Trust for application solely to payment of laborers, materialmen, fabricators, subcontractors and others furnishing elements of the Sublet Work. Subject to performance by General Contractor of its obligations hereunder, title to all materials, components, fabricated items, and work in process intended for the Sublet Work, and the beneficial interest in all purchase orders or subcontracts therefor, shall vest in Owner immediately upon delivery to the job site, or identification to this Subcontract, or commencement of fabrication in Subcontractor's or a supplier's shop, or award of a purchase order or subcontract; provided, that this provision shall not relieve Subcontractor of the absolute duty to complete and deliver the Sublet Work in good condition, and to comply with all other obligations hereunder. All payments hereunder may be made by General Contractor's affiliated company and all such payments shall be considered as payment hereunder.

4. Subcontractor agrees to commence the Sublet Work immediately when instructed and to prosecute same in coordination with the work of others and with sufficient equipment, supervision and manpower to insure completion of each part of the Sublet Work within the time of completion herein provided, so as not to cause damage or delay in the work of others. Subcontractor shall perform the Sublet Work at the times, and in the sequence directed by General Contractor, or Owner, from time to time; and, in the absence of such instructions from General Contractor or Owner, at the times, and in the sequence reasonably necessary to avoid delay in the performance of the work required by the General Contract at whatever rate of progress General Contractor may make in performing the work directly or through other Subcontractors. In the event Subcontractor be delayed by the Owner, General Contractor, or another contractor performing work on the project, or by the ordering of extra work or by force majeure, General Contractor shall owe Subcontractor only an extension of time, and then only if written request therefor is made by Subcontractor within forty-eight (48) hours from the beginning of the delay.

5. If any part of Subcontractor's work depends for proper execution or results, upon the work of any other contractor or Supplier, Subcontractor shall inspect the work of the other contractor or Supplier and promptly report to General Contractor any defects in such work, or the performance thereof that adversely affects the proper execution, and the obtaining of the desired results of the Sublet Work. Subcontractor's failure to inspect and report any such defects shall constitute an acceptance of the other contractor's or materialmen's work as fit and properly performed. Subcontractor shall endeavor to settle by agreement or arbitration, all claims asserted by any other subcontractor, materialman, or other person arising from Subcontractor's own acts or omissions, or in any manner relating to the performance of the Sublet Work; and in the event General Contractor or Owner shall be sued on any such claim, Subcontractor shall defend such suit, and pay or satisfy any judgment rendered therein against General Contractor, or Owner, and pay all costs, including attorney's fees incurred by General Contractor or Owner.

6. Subcontractor shall, at its own expense, procure all required permits and licenses, and pay all fees and charges, and give all notices necessary and instant to the due and lawful prosecution of the Sublet Work. Subcontractor shall comply with the requirements of any deeds and rights-of-way easement restrictions, and any permit requirement, and any instructions or regulations of any local, state or federal governmental agency or authority, and with the requirements of any one having the right to control how any portion of the Sublet Work is to be performed; provided, however, that the Sublet Work shall be performed to the satisfaction of the General Contractor and Owner.

7. Owner and General Contractor shall have the right to enter upon the site of the Sublet Work for the purposes of inspection, accounting, and performing such collateral work as Owner or General Contractor may desire. Subcontractor agrees to furnish all facilities deemed necessary by the General Contractor and Owner for the proper inspection of the Sublet

— Continued on Page 5 —

EXX 012577

Work and to account to the Owner and General Contractor for any materials furnished by Owner or General Contractor which are being handled by Subcontractor. Subcontractor agrees to carry out such tests as are required by the General Contractor to determine if the sublet work is being properly performed. Subcontractor shall protect the Sublet Work and bear and be liable for all loss or damage of any kind, including damage by the elements or otherwise to the Sublet Work or to materials or other items furnished by Owner, or General Contractor to Subcontractor, which may happen at any time prior to the time that Owner formally accepts the Sublet Work. Subcontractor shall warrant the Sublet Work to be free from defects in material and workmanship and agrees to make good at Subcontractor's own expense any such defects or any failure to perform satisfactorily, which are discovered within one (1) year from the time of acceptance by Owner of all the sublet work, or within one year from the time of commissioning by Owner of the Systems or Work to which the Sublet work relates, whichever is later. In the event of any such defects, Subcontractor agrees to consult promptly with General Contractor or Owner to arrive at a satisfactory procedure, which, if possible, will enable the work to be kept in operation pending the correction of such defects.

8. Subcontractor agrees to indemnify and to save General Contractor and Owner harmless from and against all claims, suits (including counsel fees and other expenses of suit) whether groundless or not, judgments and awards on account of any damage to property or injury (including death) to person (including any damage or injury to the property or person of any employee of Subcontractor, General Contractor, or Owner) which may be caused or alleged to have been caused in whole, or in part by, or which may occur or be alleged to have occurred in connection with the performance of or while Subcontractor is performing the Sublet Work; provided that Subcontractor does not hereby assume responsibility for the sole negligence of General Contractor.

9. Subcontractor, notwithstanding the provisions of Paragraph 8, assumes all risks of loss or damage to Subcontractor's tools, equipment, or property from any cause, including the sole or concurring negligence of Owner, General Contractor, or any other Subcontractor performing work in connection with the work described in the General Contract. In the event General Contractor or Owner loans or furnishes tools or equipment to Subcontractor or permits Subcontractor aboard their vessels in connection with the Sublet Work, Subcontractor agrees (a) to make its own determination before commencing work that such vessels are seaworthy and such tools and equipment are adequate for the safe performance of the work by Subcontractor; (b) that such tools, equipment or vessel are loaned or furnished and accepted by Subcontractor without warranty or representation by General Contractor or Owner as to their condition; (c) to return such vessels, tools and equipment to General Contractor or Owner at the conclusion of such use in same condition as when received, ordinary wear and tear excepted; and (d) to indemnify and hold General Contractor and Owner harmless from all claims, demands, causes of action, damages and injuries from Subcontractor's use of said vessels, tools and equipment, including any claims, demands, causes of action, damages or injuries resulting from or alleged to result from the sole or concurring negligence of General Contractor, or Owner, or from the inadequacy or unseaworthiness of said vessels, tools and equipment for the performance of the Sublet Work. The assumption of risks and the indemnities in this paragraph 9 do not extend to the gross negligence or willful acts of the indemnitee.

10. In the event after seven (7) days written notice from General Contractor to Subcontractor, pointing out generally any deficiencies either in respect to the nature of the Sublet Work or in respect to the promptness with which the Sublet Work is being performed, Subcontractor has not corrected such deficiencies to the satisfaction of the individual in charge of this job for General Contractor in the field, General Contractor shall have the right to supplement the work of Subcontractor or to take over completely the performance of the remainder of the Sublet Work, either with his own forces, or by contract with others. Subcontractor grants General Contractor the option to use all or any part of Subcontractor's tools, equipment, machinery, materials, and supplies then in use in performing the Sublet Work and in the event General Contractor elects to use all or any part thereof, no rental shall be paid or given therefor, and no credit accrues therefrom, except insofar as the lack of any rental charge thus reduces the cost of completing the Sublet Work. Subcontractor also expressly waives any claim which he could assert in connection therewith, for use of such equipment in whole or in part on other projects and any profits anticipated thereon during the period such equipment or any portion thereof are so utilized by General Contractor in accordance with this provision. In the event the cost of supplementing or completing the Sublet Work is more than the amount of money Subcontractor is entitled to on the price basis provided herein, Subcontractor agrees to pay to General Contractor upon demand the amount of such excess cost, and in the event such cost of supplementing or completing the Sublet Work is less than the amount of money Subcontractor is entitled to on the price basis specified herein, General Contractor agrees to pay Subcontractor upon demand the amount of such difference between price and cost; provided, that if General Contractor shall supplement or complete the work with his own forces, General Contractor may charge Subcontractor with an additional ten (10%) percent of the cost thereof. This right may be exercised from time to time as deemed proper and may be exercised even prior to the time specified for completion of the Sublet Work, and such exercise shall not be treated as a repudiation of this Subcontract, or interference with the Subcontractor in the performance of the Sublet Work, and the exercise of such rights shall not be regarded as relieving Subcontractor of his duties in respect to the performance of the Sublet Work; nor shall the exercise or non-exercise of such right prejudice any other remedy the General Contractor or Owner may have, including, without limitation, those specified in the General Contract. Subcontractor agrees that the decision of the Project Manager in exercising the rights provided for herein shall be final and conclusive, but if Subcontractor objects and disputes the judgment of the Project Manager he may appeal therefrom, within said 7 day period, to an executive officer of General Contractor designated by the President of General Contractor and the written decision of that designated officer after hearing Subcontractor shall be final absent actual fraud. Subcontractor agrees to cooperate fully with General Contractor and not to complain thereafter of the manner or cost of supplementing or completing the Sublet Work.

11. The employees, representatives and agents of Owner and General Contractor shall not have the power to waive any obligations of the agreement between the parties for the performance by the Subcontractor of the Sublet Work in a careful and workmanlike manner as provided herein. No waiver by the Owner or General Contractor of any breach by the Subcontractor of this Subcontract, or of any term or condition thereof (whether such waiver be expressed or implied), shall be deemed to constitute a waiver of or consent to any subsequent breach of the same, or of any other term or condition of this contract.

12. In the performance of the Sublet Work the Subcontractor is an independent contractor with the right to supervise, manage and control the performance of the details thereof, General Contractor and Owner being interested only in the results of the same and being entitled to inspect the performance of the Sublet Work by Subcontractor only to the extent necessary to assure such results.

13. Subcontractor shall not subcontract the Sublet Work or any portion thereof, nor assign any portion of the monies due or to become due under the Subcontract, without the written consent of General Contractor, and any attempt at such Subcontract or assignment without such consent shall be void. No subcontract shall relieve Subcontractor of his responsibility hereunder.

14. All written notices between the parties shall be by mail, properly stamped, addressed and delivered to the postal authorities, and any such notice shall be effective at midnight of the day during which the notice is so mailed. Such notices shall be directed to the address shown on page one of this Subcontract, unless written notice has been given of a new address.

15. Subcontractor shall comply with all applicable laws, ordinances, rules and regulations of any governmental agency having jurisdiction, and with all terms and conditions of applicable permits, certificates, leases, restrictions, easements or dedications, and Subcontractor shall indemnify and hold harmless General Contractor and Owner from any fine, penalty, loss, damage or expense resulting from Subcontractor's failure to comply therewith. Subcontractor shall certify that all work is performed in compliance with the provisions of the Fair Labor Standards Act.

16. Subcontractor shall carry and maintain throughout the life of this Subcontract, at its own expense, insurance in not less than the amounts and coverage herein specified, and shall furnish certificates of such insurance in duplicate to General Contractor before commencing work. Certificates shall bear statements of insurers to the effect that insurance shall not be cancelled, reduced, nor allowed to expire, except upon thirty (30) days written notice delivered to General Contractor by registered mail. In the event Subcontractor sublets any part of the Sublet Work, it shall be the duty of the Subcontractor to require that every such Subcontractor comply with the insurance and other requirements of this Subcontract. Insurance shall be placed with companies acceptable to General Contractor and Owner. Subrogation against General Contractor, Owner and other contractors performing work in connection with the work described in the General Contract is hereby waived by Subcontractor and the policies shall be endorsed accordingly. The minimum insurance shall be the following amounts and coverage:

- |                                                                                                                                                                                                                                                                                                                                                                   |                               |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| a. Workmen's Compensation                                                                                                                                                                                                                                                                                                                                         | Statutory                     |
| Employer's Liability                                                                                                                                                                                                                                                                                                                                              | \$100,000 per person/accident |
| (If marine operations are involved, endorsements shall include U. S. Long-shoremen's and Harbor Worker's Compensation Act, Outer Continental Shelf Operations and, subject to minimum limits of \$250,000 per person and \$500,000 per accident, Amendments to Coverage B Endorsement-Maritime (including liability for disease and wages, maintenance and cure). |                               |
| b. Comprehensive General Liability, including coverage for liability assumed under this Subcontract and completed operations:                                                                                                                                                                                                                                     |                               |
| Bodily Injury .....                                                                                                                                                                                                                                                                                                                                               | \$100,000 per person          |
|                                                                                                                                                                                                                                                                                                                                                                   | \$300,000 per occurrence      |
| Property Damage .....                                                                                                                                                                                                                                                                                                                                             | \$100,000 per occurrence      |
| c. Comprehensive Automobile Liability:                                                                                                                                                                                                                                                                                                                            |                               |
| Bodily Injury .....                                                                                                                                                                                                                                                                                                                                               | \$100,000 per person          |
|                                                                                                                                                                                                                                                                                                                                                                   | \$300,000 per occurrence      |
| Property Damage .....                                                                                                                                                                                                                                                                                                                                             | \$100,000 per occurrence      |

— Continued on Page 7 —

EXX 012579

d. If Marine vessels are involved:

|                                          |                                                   |
|------------------------------------------|---------------------------------------------------|
| Hull Insurance .....                     | Full Value of Vessel                              |
| Protection and Indemnity Insurance ..... | Full Value of Vessel but not less than \$500,000. |

General Contractor and Owner shall be named as Assureds under such Hull and P&I, with respect to operations performed under this Subcontract.

e. Other:

17. There shall be no change in the unit prices, if any, described in paragraph 2 of Section I of this Subcontract, due to any variances between estimated and actual quantities of the Sublet Work, and there shall be due and owing from General Contractor only such sums as result from the application of the unit prices, if any, described in that paragraph, to the quantities of the Sublet Work performed, for which General Contractor received payment from the Owner.

18. Subcontractor shall keep the premises under his control neat and orderly at all times and shall remove all trash and debris daily and at the end of the contract.

19. Subcontractor agrees to furnish payment and performance bonds within ten days should General Contractor so request in writing, whether before commencing the Sublet Work or at any time before completing the Sublet Work. Such bonds shall be in form and with corporate sureties satisfactory to General Contractor, and in such amount as may be specified by General Contractor as adequate to cover performance of the Sublet Work, and any damages that may result from the breach of this subcontract. If immediate delivery is required by the Special Provisions, Subcontractor shall pay the premium; If immediate delivery is waived by the Special Provisions, General Contractor shall pay the normal premium, if the bond is required by General Contractor at a later date.

20. Subcontractor shall conform to the highest standards of safety practices in performance of the Sublet Work and shall conform to all safety practices and requirements of Owner or General Contractor. The Subcontractor warrants that any and all work performed and/or equipment delivered to General Contractor or Owner or its designee under this subcontract shall comply with all requirements of the Occupational Safety and Health Act of 1970, as the same may be amended from time to time and including all regulations adopted pursuant to such Act, and shall comply with all requirements of any applicable health or safety statute or regulation of any state or local government agency having jurisdiction in the location to which such equipment is to be shipped or such work is to be performed pursuant to this agreement. Subcontractor shall be solely responsible for compliance with all such laws or regulations without relying upon enforcement thereof by, or instruction of, Owner, Engineer or General Contractor and shall promptly report in full to General Contractor any safety or health inspections by governmental authorities.

21. The entire agreement between the parties with respect to the work on this project is expressed in this written Subcontract, and it is agreed that this Subcontract has not been based upon any oral representation, promises or statements of any one representing General Contractor or Owner, and that this agreement is therefore based entirely upon the written documents constituting this Subcontract between the parties, and supersedes all proposals and negotiations not expressly set forth herein. It is further agreed that this agreement shall not be changed, modified, abrogated or superseded by any subsequent agreement unless it be in writing and signed by both parties. In the event a Purchase Order, Work Order or other similar document is utilized in conjunction with this Subcontract, it is understood that any printed provisions of such other document have no application and that the printed provisions of this Subcontract form are controlling, but the typewritten or handwritten provisions of such other document shall constitute a part hereof and shall be construed with all of the printed, typewritten and handwritten provisions hereof. Any requirement shown on the drawings, but omitted from the specifications, or any requirement shown in the specifications but omitted from the drawings shall be considered as being required under this agreement as if set forth in both.

22. Should there at any time appear to be variation, contradiction or want of agreement in description, dimensions or quantities of the Sublet Work, Subcontractor agrees to refer immediately the matter to the General Contractor for decision before proceeding with the Sublet Work in respect of which the said variation, contradiction or want of agreement exists.

The true intention and meaning of the Subcontract shall imply that the Subcontractor will in all respects, supply, construct and complete the Sublet Work in a workmanlike manner fully satisfying the intended function of the sublet work to the satisfaction of General Contractor. All work which is manifestly necessary to carry out the intent of the drawings and specifications pertaining to the Sublet Work or which is customarily done in performing this type of work for the Owner or General Contractor shall be performed by the Subcontractor as a part of the Sublet Work.

23. General Contractor may at any time by a "Change Order" in writing, signed by General Contractor's authorized representative, and without notice to the sureties on any bond, change or issue additional instructions, change or issue additional specifications and plans, and change, omit or require extra or additional work to be performed by Subcontractor. In such event, General Contractor will have full authority to specify the amount and kind of work to be done, or omitted, the materials to be used, and the equipment to be furnished as fully as though such changes had been set forth in this subcontract. When any change order shall authorize extra or additional work, Subcontractor shall make every effort to complete the sublet work as changed within the time originally agreed upon for completion, the time for completion not being extended unless expressly extended by General Contractor in writing. The General Contractor is authorized to make changes in the work which do not significantly increase the cost of the sublet work without the Subcontractor being entitled to any additional compensation therefor. If such change orders significantly increase or decrease the cost of the sublet work to Subcontractor, there shall be an increase or decrease in the consideration to subcontractor (1) in accordance with the unit prices specified in this subcontract agreement or, if General Contractor agrees that the unit prices are not applicable, either (2) pursuant to a lump sum proposal acceptable to General Contractor or (3) by the actual direct cost to Subcontractor of such change in the sublet work plus ten percent thereof, which costs directly related thereto will be supported by approved payrolls and paid invoices on additions to the sublet work and by agreed estimates of labor and materials deleted for decreases in the sublet work. Subcontractor further agrees that no extra work, or changes in the Sublet Work, or in the Subcontract will be recognized or paid for, unless agreed to in writing and approved by General Contractor and Owner, before such work is done or such changes are made.

24. Subcontractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, or sex. Subcontractor agrees that it will comply with all applicable Federal, State and local Fair Employment Practices Act, or similar Act. Rules and Regulations, and whether or not applicable will comply with the Federal Civil Rights Act of 1964. The terms and provisions of Executive Order 11246 and any Executive Order modifying or superseding same, are incorporated herein with respect to any Sublet Work subject thereto.

25. Regardless of any provision hereof or of any approval hereof the Owner is not a party to this Subcontract and the Subcontractor agrees that the Owner is under no obligation to Subcontractor.

26. Subcontractor agrees to indemnify and save General Contractor and Owner harmless from claims growing out of patent infringements or claims thereto pertaining to the use of any tools, construction equipment or construction processes or technique by Subcontractor in the performance of the Sublet Work.

27. Subcontractor undertakes, on behalf of itself, its related companies and its or their employees, contractors, suppliers and agents, not to disclose to any third party or utilize except in connection with the performance of the Sublet Work, without Owner's prior written consent, any details of "know-how" and specialist or technical information pertaining to the work (whether or not the property of Owner) which may come into its or their possession in the course of or in connection with the performance of the Sublet Work, provided, however, that the foregoing shall not apply to "know-how" and specialist or technical information which (i) was in the public domain prior to its or their receipt thereof in the course of or in connection with the performance of the Sublet Work or which subsequently becomes part of the public domain by publication or otherwise except by its or their wrongful act, (ii) was in its or their possession prior to its or their receipt thereof in the course of or in connection with the performance of the Sublet Work or (iii) are the same as information received by it or them from a third party having no obligation to Owner of secrecy with respect thereto.

28. All disputes, controversies or claims arising out of, relating to, or in connection with the Subcontract or the breach thereof, including, but not by way of limitation, any dispute as to the amount due Subcontractor by General Contractor, shall be finally settled by arbitration in accordance with the Rules of Conciliation and Arbitration of the American Arbitration Association by the arbitrators appointed in accordance with such Rules. The arbitration shall be held at a location at General Contractor's option. Judgment upon the award rendered may be entered in any Court having Jurisdiction or application may be made to such Court for a judicial acceptance of the award and an order of enforcement, as the case may be. This clause shall be construed under the laws of the sites of performance of the major portion of the Sublet Work.

29. Wherein any Certificate or Progress Payment invoice of which Subcontractor has received Payment there has been included the value of any unfixed materials, equipment or other items intended for or placed on the site of the work, such items shall become the property of Owner (for loss or damage to which Subcontractor shall be solely responsible) and such items shall not be removed except for use upon the Sublet Work without the written authority of the General Contractor, moreover, construction plant and equipment brought onto the site for the purpose of performing the Sublet Work shall not be removed therefrom until completion of the Sublet Work without the written consent of the General Contractor.

Subcontract No. 34-1202-0380

30. The Subcontractor shall be responsible for the correctness of the positions, levels and dimensions of the Sublet Work according to this Subcontract and the written instructions of the General Contractor, notwithstanding that the Subcontractor may have been assisted by the General Contractor or any other Contractor in setting out the same; and if at any time during the performance of the Sublet Work any error shall appear or arise therein, the Subcontractor shall, on being required to do so by the General Contractor, remove and change the Sublet Work to the satisfaction of General Contractor.

31. Except as otherwise expressly provided, this Subcontract shall be construed under the laws of the State of Texas.

32. This Subcontract consists of Pages 1, 2, 3, 3A, 3B, 3C, 3D, 4, 5, 6, 7, 8, and 9.

**BROWN & ROOT, INC.**  
(General Contractor)

By: *D. E. Newton, Jr.*  
D. E. Newton, Jr.  
(Title) Director of Purchasing

Atlantic, Gulf and Pacific Company  
(Subcontractor)

By: *[Signature]*  
(Title) Vice President

APPROVED:

\_\_\_\_\_  
(Owner)

By: \_\_\_\_\_

(Title) \_\_\_\_\_

Date: \_\_\_\_\_

EXX 012582

*Contract 34-1202-0392*

**Brown & Root, Inc.** Post Office Box Three, Houston, Texas 77001

October 25, 1974



Houston Shell & Concrete Company  
5111 Woodway  
Houston, Texas 77001

Attention: Mr. Harmon "Loose" Carswell

Re: Subcontract No. 34-1202-0392  
Concrete Batch Plant  
Exxon Company, U.S.A.  
Baytown, Texas

Gentlemen:

We enclose herewith one fully executed copy of Subcontract Number 34-1202-0392 dated September 20, 1974, for your permanent file.

You will note our insurance coverage requirements and instruct your agent to provide us with a current Certificate of Insurance before commencing work.

Yours very truly,

BROWN & ROOT, INC.

ORIGINAL SIGNED BY  
J. M. FRANKI  
J. M. Franki  
Subcontracts Manager

JMF/MP/dc

Enclosure

bcc: Messrs. W. B. Stuessy (w/original)  
D. H. Dodd (2 w/2 copies)  
Garland Ormand  
Doug Baugh

RECEIVED COPY FOR

EXX 012554



# BROWN & ROOT, INC.

## SUBCONTRACT

Job Number 34-1202

Subcontract No. 34-1202-0392

MP/bc

THIS AGREEMENT, made this 20th day of September, 1974  
by and between BROWN & ROOT, INC., a Texas Corporation, 4100 Clinton Drive, Houston, Texas, (P. O.

Box 3; 77001) hereinafter called the "General Contractor", and Houston Shell & Concrete Company  
5111 Woodway Telephone: (713) 621-8510  
(Name, Street Address and Telephone Number)

a Delaware Corporation with principal offices at  
(Give State of incorporation and whether a corporation, partnership, or proprietorship)

Houston, State of Texas 77001  
hereinafter called the "Subcontractor", WITNESSETH  
WHEREAS, General Contractor has entered into a general contract with Exxon Company, U.S.A.

Refinery Facilities Expansion, hereinafter  
(Name of Owner)  
called the "Owner", for the construction of Refinery Facilities Expansion

(Nature of construction under General Contract)  
at Baytown, Texas  
(City) (State)

WHEREAS, Subcontractor desires to perform that portion of the work as required by the general contract, which is described below as "The Sublet Work";

NOW THEREFORE, it is mutually agreed by and between General Contractor and Subcontractor as follows:

### I. SPECIAL CONDITIONS

1. The Sublet Work consists of: Furnish all equipment, concrete materials, labor, transportation, and supervision to install and operate a plantsite concrete batching plant for the purpose of supplying concrete and other materials hereinafter described in accordance with specifications and requirements of General Contractor in connection with construction of the above-described project. Also, Subcontractor will make available his separate facilities, located at Cedar Bayou, Baytown, Texas, to augment, if necessary, for the purpose of furnishing an uninterrupted concrete supply to the jobsite at any demand level, in the event of failure of the basic plantsite batching plant.

The production from the concrete batch plant will conform to the following Standards and Specifications:

- (a) ER&E Basic Practice BP-4-1-1
- (b) Baytown Engineering Standard, BTES 4-6-1.1A, Pages 1-5
- (c) Baytown Engineering Standard, BTES 4-6-1.12C, Pages 1-3.
- (d) ASTM Specification for Ready-Mixed Concrete, C-94-72, Pages 54-57.
- (e) Fluor Engineers and Constructors, Inc. Specification for Concrete Construction, No. SP-448500-10-1, Rev. 5, Pages 1-6.

— Continued on Page 2 —

EXX 012555

Subcontract No. 34-1202-0392

## 2. The price for the Sublet Work shall be:

- (a) For the unit prices stated in the two page Pricing Schedule attached which exclude any applicable state and local sales or use taxes, and titled Attachment "A", which is made a part hereof as though it were written herein.
- (b) The prices shown in Attachment "A" are subject to escalation, up to but not exceeding ten percent (10%), on January 1, 1975 and thereafter on January 1, each year, until completion of this Subcontract; provided Subcontractor's costs of labor, transportation and/or material shall be increased from causes beyond the control of Subcontractor; however, that (1) the Subcontractor's percentage margin of profit calculated in its original bid shall not be increased and (2) the General Contractor may require the Subcontractor to provide written evidence of any claimed cost increases of labor, transportation and/or material.
- (c) The Attachment "A" Pricing Schedule sets forth and will apply to concrete deliveries originating from Subcontractor's:
  - (1) Cedar Bayou, Baytown Plant or from
  - (2) Jobsite portable concrete batch plant.
  - (3) It is agreed that Subcontractor will provide concrete to all subcontractors of General Contractor in the refinery under the Pricing Schedule when acceptable to those subcontractors, unless the nature of the pours is such that special pricing would normally apply.

3. The time of completion of the Sublet Work shall be as provided in paragraph 4 of the General Conditions but not later than the completion date for the Refinery Facilities Expansion

4. The payment and performance bonds provided for in the General Conditions must be delivered before any work is performed by Subcontractor hereunder and no payment becomes due Subcontractor until such delivery, unless delivery at this time is expressly waived. Immediate Delivery of Bonds are: Waived XXX; Required                     .

5. Other special provisions of this subcontract are: ~~FOR~~

- (a) Subcontractor will have the right to supply concrete from the onsite batch plant to others under contract to Owner at Owner's refinery, with General Contractor's permission.
- (b) Copy of Special Provisions (1 Page) as revised May 1, 1974, is attached hereto and becomes a part of this Subcontract as though they were printed herein.
- (c) Subcontractor to Furnish and Maintain:
  - (1) An onsite fully equipped semi-automatic type batching plant, having a capacity of at least 110 cubic yards per hour, which will be assembled and erected on General Contractor's designated site, located within Exxon's expansion of refinery facilities at Baytown, Harris County, Texas.
  - (2) Six (6) in-transit mixing trucks with a capacity of eight (8) cubic yards, with hydraulic and expandable chutes. These trucks will have radio communication with on-site batching plant.
  - (3) Such additional in-transit mixing trucks which may be needed to meet delivery demands of the project.
  - (4) Towing facilities are to be provided on each truck and General Contractor's representative is to have the authority to perform the towing service when necessary; without any liability therefore accruing to the General Contractor.
  - (5) A cement storage silo of appropriate capacity is considered a part of the Batch Plant requirement.
  - (6) A water storage tank with a capacity of 10,000 gallons.

— Continued on Page 3 —

EXX 012556

Subcontract No. 34-1202-0392

- (7) Stockpile of all concrete materials will be located on the jobsite designated area adjacent to the entire concrete Batch Plant.
  - (8) All deliveries of stockpile materials must be accomplished by truck. The truck-hauling route into and out of the plant site must be coordinated with General Contractor's representative.
  - (9) Subcontractor agrees to provide own telephone service.
  - (10) Subcontractor agrees to keep the Batching Plant premises under his control neat and orderly at all times; and shall remove all trash and debris daily.
  - (11) Subcontractor agrees to provide a full-time supervisor at the jobsite who will be in complete charge of Subcontractor's full operation.
  - (12) An authorized representative of the Subcontractor must maintain **constant** contact with General Contractor's Project Manager or his designated representative, to schedule and coordinate upcoming pours, remedy any complaints such as scheduling trucks on the Jobsite, leaking chutes, truck breakdowns and any other problems associated with maintaining efficient production.
  - (13) An auxiliary back-up batch plant, 200 cubic yards per hour, to furnish such additional concrete supply as may be required to support onsite demand on the highest priority basis (from Subcontractor's Cedar Bayou Plant.)
  - (14) Subcontractor shall furnish a numbered delivery ticket with each delivery and have same signed by an authorized representative of General Contractor.
  - (15) Subcontractor agrees to deliver as small an amount as one-fourth cubic yard and for one-fourth cubic yard price.
  - (16) Subcontractor agrees to make no charges except for materials at the unit prices as contained on the Pricing schedule.
  - (17) Subcontractor must furnish his own office and miscellaneous supplies.
6. Subcontractor to commence stockpiling of materials and Batch Plant erection, upon six (6) weeks notice from the General Contractor. After six (6) weeks notice has been given, General Contractor will inspect Subcontractor's Batch Plant, which must be capable of operation at full capacity.
7. Subcontractor's Invoicing under the Pricing Schedule will include the following separate cost items applicable to each invoice:
- (a) Amount included for cement.
8. All inquiries the Subcontractor may have concerning the concrete supply operations must be made through the General Contractor's Project Manager and not directly to the Owner.
9. Subcontractor shall contact the General Contractor's Project Manager to schedule and coordinate this contract.
10. Before commencing work and before this Subcontract becomes effective, the Subcontractor shall furnish the General Contractor with his Certificate of Insurance.
11. Exxon Research and Engineering Company (ER&E) has been retained by the Owner for overall project management. Thus, the Subcontractor is expected to cooperate with ER&E representatives in the course of performing this work.
12. General Contractor shall determine when the continued operations of the on-site Batch Plant would be uneconomical to the over-all project. When this determination is made, six (6) weeks notice will be given to the Subcontractor to discontinue the on-site Batch Plant operation and make future deliveries from Subcontractor's Cedar Bayou Plant.

Subcontract No. 34-1202-0392

13. When the General Contractor notifies the Subcontractor that the Jobsite batching plant is no longer required, then Subcontractor agrees to promptly dismantle and remove his equipment from the Jobsite and shall remove all stockpiles, underground facilities, slabs, buildings and debris at no additional cost to the General Contractor.

14. General Contractor to Furnish and Provide:

- (a) A suitable graded location at the Owner's Jobsite.
- (b) Water and electric power for operation of the Batch Plant.
- (c) A testing laboratory service to obtain samples and to make tests as required by the specifications.
- (d) A designated dumping area for surplus and reject concrete.

15. For purposes of determining the approximate quantity requirements under this Subcontract, it is estimated that 82,000 cubic yards may be delivered. The obligation of Subcontractor is to supply whatever quantity is required for the project and the obligation of General Contractor is to pay the applicable unit prices for the quantity actually furnished; the estimate of quantity is not to be considered an obligation.

16. Owner's Audit Rights

OWNER's duly authorized representative shall be furnished documentation reasonably requested necessary to authenticate Subcontractor's price adjustments instituted pursuant to Special Conditions I, Para. 2, (b) of this Subcontract.

17. Subcontractor agrees that neither it nor any of the parties contracting to assist Subcontractor in the performance of the work shall have any lien on or against the property of the Owner or the funds to be paid General Contractor by Owner, and that General Contractor shall have no liability or responsibility for payment of any bills, wages or other obligations of Subcontractor otherwise than to pay once the agreed unit price of the concrete actually delivered in accordance with the terms hereof.

18. Subcontractor will be free to select his own brand of cement and aggregate sources, within the limits of the Specifications previously referenced and attached hereto; provided that certificates of material meeting the standards for approval, as well as the requirements for preparation and test of mix designs which are furnished each time there is a change, either in aggregate or cement type.

19. Subcontractor is responsible for the ready-mixed concrete, only to the extent provided by furnishing component materials in accordance with the specifications in Para. I, 1(a) thru (e) and for mixing and furnishing materials in accordance with mixes designed by the designated testing laboratory. Subcontractor's responsibility does not include method of pouring selected by General Contractor or the mix design itself.

20. Subcontractor agrees to make available his equipment and materials for testing, sampling and measuring by a Testing Laboratory designated by General Contractor.

21. Subcontractor agrees to work such hours as may be necessary to accomplish the work at the times required by General Contractor. General Contractor agrees to give adequate advance notice to Subcontractor of the need for concrete for pours in order for Subcontractor to schedule his work force in an efficient manner, to the extent that circumstances permit.

22. "Contractor's Responsibilities for Safety, Plant Protection and Traffic Regulations", is attached hereto and is made a part hereof.

Subcontract No. 34-1202-0392

23. The attached sheet entitled "Equal Opportunity Clause" hereby becomes a part of this Subcontract.

24. General Condition II, paragraph 3 relative to retainage shall not apply to this Subcontract.

25. General Condition II, paragraph 7 is modified to provide that Subcontractor shall warrant that the ready-mixed concrete shall be free from defects in component materials and agrees to make good at Subcontractor's own expense any such defects which are discovered by the General Contractor during the test period.

26. General Condition II, paragraph 10 is modified to provide that, in the event of Subcontractor's failure to perform in a manner acceptable to the General Contractor, Subcontractor agrees to remove his plant, equipment and materials from the jobsite and to allow General Contractor to replace plant, equipment and materials by a new Subcontractor for performance of this concrete supply. This provision in no way is intended to permit operation of Subcontractor's equipment by another operator.

## II. GENERAL CONDITIONS

1. Subcontractor represents that he is familiar with the physical conditions and availability of labor and materials in the area of the Sublet Work and all other items affecting the performance of the Sublet Work.

2. Subcontractor agrees to perform the Sublet Work in a careful and workmanlike manner, in accordance with the best construction practices and this Subcontract, and to furnish all supervision, labor, supplies, tools, equipment, facilities, storage, and materials (except as Owner or General Contractor specifically agrees herein to furnish) and all other things and services necessary or desirable to perform the Sublet Work.

3. General Contractor agrees to pay Subcontractor for the performance of the Sublet Work the amount specified in Paragraph 2 of Section I, and to make partial payments monthly to Subcontractor within fifteen (15) days after Subcontractor's invoices, approved by General Contractor's field representative, are received by General Contractor, except that General Contractor shall retain ten percent (10%) of the amount of each partial payment on the Sublet Work, until final completion of Subcontractor's work, and the balance shall be paid within thirty (30) days after final completion and acceptance of Subcontractor's work by Owner, upon a proper invoice submitted by Subcontractor accompanied by an affidavit that all bills for labor, materials, taxes, services and other costs of the Sublet Work have been paid and indemnifying General Contractor and Owner therefrom and a release by Subcontractor of any further claims against General Contractor and Owner. Payment of any partial payment may be withheld until Subcontractor furnishes satisfactory proof of payment of all bills for labor, materials, taxes, services and other expenses in connection with the Sublet Work, and that all claims for changes or extra work have been settled. Until final completion and delivery of the Sublet Work, to the extent required by applicable law, all funds paid to Subcontractor shall be held in Trust for application solely to payment of laborers, materialmen, fabricators, subcontractors and others furnishing elements of the Sublet Work. Subject to performance by General Contractor of its obligations hereunder, title to all materials, components, fabricated items, and work in process intended for the Sublet Work, and the beneficial interest in all purchase orders or subcontracts therefor, shall vest in Owner immediately upon delivery to the job site, or identification to this Subcontract, or commencement of fabrication in Subcontractor's or a supplier's shop, or award of a purchase order or subcontract; provided, that this provision shall not relieve Subcontractor of the absolute duty to complete and deliver the Sublet Work in good condition, and to comply with all other obligations hereunder. All payments hereunder may be made by General Contractor's affiliated company and all such payments shall be considered as payment hereunder.

4. Subcontractor agrees to commence the Sublet Work immediately when instructed and to prosecute same in coordination with the work of others and with sufficient equipment, supervision and manpower to insure completion of each part of the Sublet Work within the time of completion herein provided, so as not to cause damage or delay in the work of others. Subcontractor shall perform the Sublet Work at the times, and in the sequence directed by General Contractor, or Owner, from time to time; and, in the absence of such instructions from General Contractor or Owner, at the times, and in the sequence reasonably necessary to avoid delay in the performance of the work required by the General Contract at whatever rate of progress General Contractor may make in performing the work directly or through other Subcontractors. In the event Subcontractor be delayed by the Owner, General Contractor, or another contractor performing work on the project, or by the ordering of extra work or by force majeure, General Contractor shall owe Subcontractor only an extension of time, and then only if written request therefor is made by Subcontractor within forty-eight (48) hours from the beginning of the delay.

5. If any part of Subcontractor's work depends for proper execution or results, upon the work of any other contractor or Supplier, Subcontractor shall inspect the work of the other contractor or Supplier and promptly report to General Contractor any defects in such work, or the performance thereof that adversely affects the proper execution, and the obtaining of the desired results of the Sublet Work. Subcontractor's failure to inspect and report any such defects shall constitute an acceptance of the other contractor's or materialmen's work as fit and properly performed. Subcontractor shall endeavor to settle by agreement or arbitration, all claims asserted by any other subcontractor, materialman, or other person arising from Subcontractor's own acts or omissions, or in any manner relating to the performance of the Sublet Work; and in the event General Contractor or Owner shall be sued on any such claim, Subcontractor shall defend such suit, and pay or satisfy any judgment rendered therein against General Contractor, or Owner, and pay all costs, including attorney's fees incurred by General Contractor or Owner.

6. Subcontractor shall, at its own expense, procure all required permits and licenses, and pay all fees and charges, and give all notices necessary and instant to the due and lawful prosecution of the Sublet Work. Subcontractor shall comply with the requirements of any deeds and rights-of-way easement restrictions, and any permit requirement, and any instructions or regulations of any local, state or federal governmental agency or authority, and with the requirements of any one having the right to control how any portion of the Sublet Work is to be performed; provided, however, that the Sublet Work shall be performed to the satisfaction of the General Contractor and Owner.

7. Owner and General Contractor shall have the right to enter upon the site of the Sublet Work for the purposes of inspection, ~~accessing~~, and performing such collateral work as Owner or General Contractor may desire. Subcontractor agrees to furnish all facilities deemed necessary by the General Contractor and Owner for the proper inspection of the Sublet

Work and to account to the Owner and General Contractor for any materials furnished by Owner or General Contractor which are being handled by Subcontractor. Subcontractor agrees to carry out such tests as are required by the General Contractor to determine if the sublet work is being properly performed. Subcontractor shall protect the Sublet Work and bear and be liable for all loss or damage of any kind, including damage by the elements or otherwise to the Sublet Work or to materials or other items furnished by Owner, or General Contractor to Subcontractor, which may happen at any time prior to the time that Owner formally accepts the Sublet Work. Subcontractor shall warrant the Sublet Work to be free from defects in material and workmanship and agrees to make good at Subcontractor's own expense any such defects or any failure to perform satisfactorily, which are discovered within one (1) year from the time of acceptance by Owner of all the sublet work, or within one year from the time of commissioning by Owner of the Systems or Work to which the Sublet work relates, whichever is later. In the event of any such defects, Subcontractor agrees to consult promptly with General Contractor or Owner to arrive at a satisfactory procedure, which, if possible, will enable the work to be kept in operation pending the correction of such defects.

8. Subcontractor agrees to indemnify and to save General Contractor and Owner harmless from and against all claims, suits (including counsel fees and other expenses of suit) whether groundless or not, judgements and awards on account of any damage to property or injury (including death) to person (including any damage or injury to the property or person of any employee of Subcontractor, General Contractor, or Owner) which may be caused or alleged to have been caused in whole, or in part by, or which may occur or be alleged to have occurred in connection with the performance of or while Subcontractor is performing the Sublet Work; provided that Subcontractor does not hereby assume responsibility for the sole negligence of General Contractor.

9. Subcontractor, notwithstanding the provisions of Paragraph 8, assumes all risks of loss or damage to Subcontractor's tools, equipment, or property from any cause, including the sole or concurring negligence of Owner, General Contractor, or any other Subcontractor performing work in connection with the work described in the General Contract. In the event General Contractor or Owner loans or furnishes tools or equipment to Subcontractor or permits Subcontractor aboard their vessels in connection with the Sublet Work, Subcontractor agrees (a) to make its own determination before commencing work that such vessels are seaworthy and such tools and equipment are adequate for the safe performance of the work by Subcontractor; (b) that such tools, equipment or vessel are loaned or furnished and accepted by Subcontractor without warranty or representation by General Contractor or Owner as to their condition; (c) to return such vessels, tools and equipment to General Contractor or Owner at the conclusion of such use in same condition as when received, ordinary wear and tear excepted; and (d) to indemnify and hold General Contractor and Owner harmless from all claims, demands, causes of action, damages and injuries from Subcontractor's use of said vessels, tools and equipment, including any claims, demands, causes of action, damages or injuries resulting from or alleged to result from the sole or concurring negligence of General Contractor, or Owner, or from the inadequacy or unseaworthiness of said vessels, tools and equipment for the performance of the Sublet Work. The assumption of risks and the indemnities in this paragraph 9 do not extend to the gross negligence or willful acts of the indemnitee.

10. In the event after seven (7) days written notice from General Contractor to Subcontractor, pointing out generally any deficiencies either in respect to the nature of the Sublet Work or in respect to the promptness with which the Sublet Work is being performed, Subcontractor has not corrected such deficiencies to the satisfaction of the individual in charge of this job for General Contractor in the field, General Contractor shall have the right to supplement the work of Subcontractor or to take over completely the performance of the remainder of the Sublet Work, either with his own forces, or by contract with others. Subcontractor grants General Contractor the option to use all or any part of Subcontractor's tools, equipment, machinery, materials, and supplies then in use in performing the Sublet Work and in the event General Contractor elects to use all or any part thereof, no rental shall be paid or given therefor, and no credit accrues therefrom, except insofar as the lack of any rental charge thus reduces the cost of completing the Sublet Work. Subcontractor also expressly waives any claim which he could assert in connection therewith, for use of such equipment in whole or in part on other projects and any profits anticipated thereon during the period such equipment or any portion thereof are so utilized by General Contractor in accordance with this provision. In the event the cost of supplementing or completing the Sublet Work is more than the amount of money Subcontractor is entitled to on the price basis provided herein, Subcontractor agrees to pay to General Contractor upon demand the amount of such excess cost, and in the event such cost of supplementing or completing the Sublet Work is less than the amount of money Subcontractor is entitled to on the price basis specified herein, General Contractor agrees to pay Subcontractor upon demand the amount of such difference between price and cost; provided, that if General Contractor shall supplement or complete the work with his own forces, General Contractor may charge Subcontractor with an additional ten (10%) percent of the cost thereof. This right may be exercised from time to time as deemed proper and may be exercised even prior to the time specified for completion of the Sublet Work, and such exercise shall not be treated as a repudiation of this Subcontract, or interference with the Subcontractor in the performance of the Sublet Work, and the exercise of such rights shall not be regarded as relieving Subcontractor of his duties in respect to the performance of the Sublet Work; nor shall the exercise or non-exercise of such right prejudice any other remedy the General Contractor or Owner may have, including, without limitation, those specified in the General Contract. Subcontractor agrees that the decision of the Project Manager in exercising the rights provided for herein shall be final and conclusive, but if Subcontractor objects and disputes the judgment of the Project Manager he may appeal therefrom, within said 7 day period, to an executive officer of General Contractor designated by the President of General Contractor and the written decision of that designated officer after hearing Subcontractor shall be final absent actual fraud. Subcontractor agrees to cooperate fully with General Contractor and not to complain thereafter of the manner or cost of supplementing or completing the Sublet Work.

11. The employees, representatives and agents of Owner and General Contractor shall not have the power to waive any obligations of the agreement between the parties for the performance by the Subcontractor of the Sublet Work in a careful and workmanlike manner as provided herein. No waiver by the Owner or General Contractor of any breach by the Subcontractor of this Subcontract, or of any term or condition thereof (whether such waiver be expressed or implied), shall be deemed to constitute a waiver of or consent to any subsequent breach of the same, or of any other term or condition of this contract.

12. In the performance of the Sublet Work the Subcontractor is an independent contractor with the right to supervise, manage and control the performance of the details thereof, General Contractor and Owner being interested only in the results of the same and being entitled to inspect the performance of the Sublet Work by Subcontractor only to the extent necessary to assure such results.

13. Subcontractor shall not subcontract the Sublet Work or any portion thereof, nor assign any portion of the monies due or to become due under the Subcontract, without the written consent of General Contractor, and any attempt at such Subcontract or assignment without such consent shall be void. No subcontract shall relieve Subcontractor of his responsibility hereunder.

14. All written notices between the parties shall be by mail, properly stamped, addressed and delivered to the postal authorities, and any such notice shall be effective at midnight of the day during which the notice is so mailed. Such notices shall be directed to the address shown on page one of this Subcontract, unless written notice has been given of a new address.

15. Subcontractor shall comply with all applicable laws, ordinances, rules and regulations of any governmental agency having jurisdiction, and with all terms and conditions of applicable permits, certificates, leases, restrictions, easements or dedications, and Subcontractor shall indemnify and hold harmless General Contractor and Owner from any fine, penalty, loss, damage or expense resulting from Subcontractor's failure to comply therewith. Subcontractor shall certify that all work is performed in compliance with the provisions of the Fair Labor Standards Act.

16. Subcontractor shall carry and maintain throughout the life of this Subcontract, at its own expense, insurance in not less than the amounts and coverage herein specified, and shall furnish certificates of such insurance in duplicate to General Contractor before commencing work. Certificates shall bear statements of insurers to the effect that insurance shall not be cancelled, reduced, nor allowed to expire, except upon thirty (30) days written notice delivered to General Contractor by registered mail. In the event Subcontractor sublets any part of the Sublet Work, it shall be the duty of the Subcontractor to require that every such Subcontractor comply with the insurance and other requirements of this Subcontract. Insurance shall be placed with companies acceptable to General Contractor and Owner. Subrogation against General Contractor, Owner and other contractors performing work in connection with the work described in the General Contract is hereby waived by Subcontractor and the policies shall be endorsed accordingly. The minimum insurance shall be the following amounts and coverage:

|                                                                                                                                                                                                                                                                                                                                                                   |                          |                               |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-------------------------------|
| a. Workmen's Compensation                                                                                                                                                                                                                                                                                                                                         |                          | Statutory                     |
| Employer's Liability                                                                                                                                                                                                                                                                                                                                              |                          | \$100,000 per person/accident |
| (If marine operations are involved, endorsements shall include U. S. Long-shoremen's and Harbor Worker's Compensation Act, Outer Continental Shelf Operations and, subject to minimum limits of \$250,000 per person and \$500,000 per accident, Amendments to Coverage B Endorsement-Maritime (including liability for disease and wages, maintenance and cure). |                          |                               |
| b. Comprehensive General Liability, including coverage for liability assumed under this Subcontract and completed operations:                                                                                                                                                                                                                                     |                          |                               |
| Bodily Injury .....                                                                                                                                                                                                                                                                                                                                               | \$100,000 per person     |                               |
|                                                                                                                                                                                                                                                                                                                                                                   | \$300,000 per occurrence |                               |
| Property Damage .....                                                                                                                                                                                                                                                                                                                                             | \$100,000 per occurrence |                               |
| c. Comprehensive Automobile Liability:                                                                                                                                                                                                                                                                                                                            |                          |                               |
| Bodily Injury .....                                                                                                                                                                                                                                                                                                                                               | \$100,000 per person     |                               |
|                                                                                                                                                                                                                                                                                                                                                                   | \$300,000 per occurrence |                               |
| Property Damage .....                                                                                                                                                                                                                                                                                                                                             | \$100,000 per occurrence |                               |

— Continued on Page 7 —

EXX 012562

d. If Marine vessels are involved:

|                                          |                                                   |
|------------------------------------------|---------------------------------------------------|
| Hull Insurance .....                     | Full Value of Vessel                              |
| Protection and Indemnity Insurance ..... | Full Value of Vessel but not less than \$500,000. |

General Contractor and Owner shall be named as Assureds under such Hull and P&I, with respect to operations performed under this Subcontract.

e. Other:

17. There shall be no change in the unit prices, if any, described in paragraph 2 of Section I of this Subcontract, due to any variances between estimated and actual quantities of the Sublet Work, and there shall be due and owing from General Contractor only such sums as result from the application of the unit prices, if any, described in that paragraph, to the quantities of the Sublet Work performed, for which General Contractor received payment from the Owner. f

18. Subcontractor shall keep the premises under his control neat and orderly at all times and shall remove all trash and debris daily and at the end of the contract.

19. Subcontractor agrees to furnish payment and performance bonds within ten days should General Contractor so request in writing, whether before commencing the Sublet Work or at any time before completing the Sublet Work. Such bonds shall be in form and with corporate sureties satisfactory to General Contractor, and in such amount as may be specified by General Contractor as adequate to cover performance of the Sublet Work, and any damages that may result from the breach of this subcontract. If immediate delivery is required by the Special Provisions, Subcontractor shall pay the premium; If immediate delivery is waived by the Special Provisions, General Contractor shall pay the normal premium, if the bond is required by General Contractor at a later date.

20. Subcontractor shall conform to the highest standards of safety practices in performance of the Sublet Work and shall conform to all safety practices and requirements of Owner or General Contractor. The Subcontractor warrants that any and all work performed and/or equipment delivered to General Contractor or Owner or its designee under this subcontract shall comply with all requirements of the Occupational Safety and Health Act of 1970, as the same may be amended from time to time and including all regulations adopted pursuant to such Act, and shall comply with all requirements of any applicable health or safety statute or regulation of any state or local government agency having jurisdiction in the location to which such equipment is to be shipped or such work is to be performed pursuant to this agreement. Subcontractor shall be solely responsible for compliance with all such laws or regulations without relying upon enforcement thereof by, or instruction of, Owner, Engineer or General Contractor and shall promptly report in full to General Contractor any safety or health inspections by governmental authorities.

21. The entire agreement between the parties with respect to the work on this project is expressed in this written Subcontract, and it is agreed that this Subcontract has not been based upon any oral representation, promises or statements of any one representing General Contractor or Owner, and that this agreement is therefore based entirely upon the written documents constituting this Subcontract between the parties, and supersedes all proposals and negotiations not expressly set forth herein. It is further agreed that this agreement shall not be changed, modified, abrogated or superseded by any subsequent agreement unless it be in writing and signed by both parties. In the event a Purchase Order, Work Order or other similar document is utilized in conjunction with this Subcontract, it is understood that any printed provisions of such other document have no application and that the printed provisions of this Subcontract form are controlling, but the typewritten or handwritten provisions of such other document shall constitute a part hereof and shall be construed with all of the printed, typewritten and handwritten provisions hereof. Any requirement shown on the drawings, but omitted from the specifications, or any requirement shown in the specifications but omitted from the drawings shall be considered as being required under this agreement as if set forth in both.

22. Should there at any time appear to be variation, contradiction or want of agreement in description, dimensions or quantities of the Sublet Work, Subcontractor agrees to refer immediately the matter to the General Contractor for decision before proceeding with the Sublet Work in respect of which the said variation, contradiction or want of agreement exists.

The true intention and meaning of the Subcontract shall imply that the Subcontractor will in all respects, supply, construct and complete the Sublet Work in a workmanlike manner fully satisfying the intended function of the sublet work to the satisfaction of General Contractor. All work which is manifestly necessary to carry out the intent of the drawings and specifications pertaining to the Sublet Work or which is customarily done in performing this type of work for the Owner or General Contractor shall be performed by the Subcontractor as a part of the Sublet Work.

23. General Contractor may at any time by a "Change Order" in writing, signed by General Contractor's authorized representative, and without notice to the sureties on any bond, change or issue additional instructions, change or issue additional specifications and plans, and change, omit or require extra or additional work to be performed by Subcontractor. In such event, General Contractor will have full authority to specify the amount and kind of work to be done, or omitted, the materials to be used, and the equipment to be furnished as fully as though such changes had been set forth in this subcontract. When any change order shall authorize extra or additional work, Subcontractor shall make every effort to complete the sublet work as changed within the time originally agreed upon for completion, the time for completion not being extended unless expressly extended by General Contractor in writing. The General Contractor is authorized to make changes in the work which do not significantly increase the cost of the sublet work without the Subcontractor being entitled to any additional compensation therefor. If such change orders significantly increase or decrease the cost of the sublet work to Subcontractor, there shall be an increase or decrease in the consideration to subcontractor (1) in accordance with the unit prices specified in this subcontract agreement or, if General Contractor agrees that the unit prices are not applicable, either (2) pursuant to a lump sum proposal acceptable to General Contractor or (3) by the actual direct cost to Subcontractor of such change in the sublet work plus ten percent thereof, which costs directly related thereto will be supported by approved payrolls and paid invoices on additions to the sublet work and by agreed estimates of labor and materials deleted for decreases in the sublet work. Subcontractor further agrees that no extra work, or changes in the Sublet Work, or in the Subcontract will be recognized or paid for, unless agreed to in writing and approved by General Contractor and Owner, before such work is done or such changes are made.

24. Subcontractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, or sex. Subcontractor agrees that it will comply with all applicable Federal, State and local Fair Employment Practices Act, or similar Act, Rules and Regulations, and whether or not applicable will comply with the Federal Civil Rights Act of 1964. The terms and provisions of Executive Order 11246 and any Executive Order modifying or superseding same, are incorporated herein with respect to any Sublet Work subject thereto.

25. Regardless of any provision hereof or of any approval hereof the Owner is not a party to this Subcontract and the Subcontractor agrees that the Owner is under no obligation to Subcontractor.

26. Subcontractor agrees to indemnify and save General Contractor and Owner harmless from claims growing out of patent infringements or claims thereto pertaining to the use of any tools, construction equipment or construction processes or technique by Subcontractor in the performance of the Sublet Work.

27. Subcontractor undertakes, on behalf of itself, its related companies and its or their employees, contractors, suppliers and agents, not to disclose to any third party or utilize except in connection with the performance of the Sublet Work, without Owner's prior written consent, any details of "know-how" and specialist or technical information pertaining to the work (whether or not the property of Owner) which may come into its or their possession in the course of or in connection with the performance of the Sublet Work, provided, however, that the foregoing shall not apply to "know-how" and specialist or technical information which (i) was in the public domain prior to its or their receipt thereof in the course of or in connection with the performance of the Sublet Work or which subsequently becomes part of the public domain by publication or otherwise except by its or their wrongful act, (ii) was in its or their possession prior to its or their receipt thereof in the course of or in connection with the performance of the Sublet Work or (iii) are the same as information received by it or them from a third party having no obligation to Owner of secrecy with respect thereto.

28. All disputes, controversies or claims arising out of, relating to, or in connection with the Subcontract or the breach thereof, including, but not by way of limitation, any dispute as to the amount due Subcontractor by General Contractor, shall be finally settled by arbitration in accordance with the Rules of Conciliation and Arbitration of the American Arbitration Association by the arbitrators appointed in accordance with such Rules. The arbitration shall be held at a location at General Contractor's option. Judgment upon the award rendered may be entered in any Court having Jurisdiction or application may be made to such Court for a judicial acceptance of the award and an order of enforcement, as the case may be. This clause shall be construed under the laws of the sites of performance of the major portion of the Sublet Work.

29. Wherein any Certificate or Progress Payment invoice of which Subcontractor has received Payment there has been included the value of any unfixed materials, equipment or other items intended for or placed on the site of the work, such items shall become the property of Owner (for loss or damage to which Subcontractor shall be solely responsible) and such items shall not be removed except for use upon the Sublet Work without the written authority of the General Contractor. moreover, construction plant and equipment brought onto the site for the purpose of performing the Sublet Work shall not be removed therefrom until completion of the Sublet Work without the written consent of the General Contractor.

Subcontract No. 34-1202-0392

30. The Subcontractor shall be responsible for the correctness of the positions, levels and dimensions of the Sublet Work according to this Subcontract and the written instructions of the General Contractor, notwithstanding that the Subcontractor may have been assisted by the General Contractor or any other Contractor in setting out the same; and if at any time during the performance of the Sublet Work any error shall appear or arise therein, the Subcontractor shall, on being required to do so by the General Contractor, remove and change the Sublet Work to the satisfaction of General Contractor.

31. Except as otherwise expressly provided, this Subcontract shall be construed under the laws of the State of Texas.

32. This Subcontract consists of Pages 1, 2, 3, 3A, <sup>3B</sup>4, 5, 6, 7, 8 and 9.

APPROVED:

\_\_\_\_\_  
(Owner)

By: \_\_\_\_\_

(Title) \_\_\_\_\_

Date: \_\_\_\_\_

**BROWN & ROOT, INC.**  
(General Contractor)

By: *D. E. Newton, Jr.*  
D. E. Newton, Jr.  
(Title) Director of Purchasing

**Houston Shell & Concrete Company**  
(Subcontractor)

By: *Hannan Carswell*  
(Title) Vice President - General Sales Manager

Attachment "A" to Paragraph 2 of I Special Conditions

Pricing Schedule - Firm Prices through December 31, 1974

| ITEM<br>NO. | DESCRIPTION                            | PRICE PER CUBIC YARD         |                           |
|-------------|----------------------------------------|------------------------------|---------------------------|
|             |                                        | CEDAR BAYOU<br>BAYTOWN PLANT | PORTABLE<br>JOBSITE PLANT |
| 1.          | 4.5 sk, 3/4" High Early                | \$ 31.55                     | \$ 32.55                  |
| 2.          | 5.0 sk, 3/4" High Early                | 33.30                        | 34.30                     |
| 3.          | 5.5 sk, 3/4" High Early                | 35.05                        | 36.05                     |
| 4.          | 5.0 sk, 1 1/2" High Early              | 32.80                        | 33.80                     |
| 5.          | 5.5 sk, 1 1/2" High Early              | 34.55                        | 35.55                     |
| 6.          | 4.5 sk, 1 1/2" High Early              | 31.05                        | 32.05                     |
| 7.          | 4.5 sk, 3/4"                           | 24.80                        | 25.80                     |
| 8.          | 5.0 sk, 3/4"                           | 25.80                        | 26.80                     |
| 9.          | 5.5 sk, 3/4"                           | 26.80                        | 27.80                     |
| 10.         | 6.0 sk, 3/4"                           | 27.80                        | 28.80                     |
| 11.         | 3.0 sk, 5/8" 12# red color             | 32.00                        | 33.00                     |
| 12.         | 5.0 sk, 5/8"                           | 25.80                        | 26.80                     |
| 13.         | 5.5 sk, 5/8" 12# red color             | 37.00                        | 38.00                     |
| 14.         | 4.5 sk, 1 1/2"                         | 24.30                        | 25.30                     |
| 15.         | 5.0 sk, 1 1/2"                         | 25.30                        | 26.30                     |
| 16.         | 5.5 sk, 1 1/2"                         | 26.30                        | 27.30                     |
| 17.         | 6.0 sk, 1 1/2"                         | 27.30                        | 28.30                     |
| 18.         | Grout, 5.75 sk.                        | 25.65                        | 26.65                     |
| 19.         | Grout, 6.5 sk.                         | 27.15                        | 28.15                     |
| 20.         | Grout, 8.0 sk.                         | 30.15                        | 31.15                     |
| 21.         | Grout, 9.0 sk.                         | 32.15                        | 33.15                     |
| 22.         | Grout, 10.5 sk.                        | 35.15                        | 36.15                     |
| 23.         | Grout, 12.0 sk.                        | 38.15                        | 39.15                     |
| 24.         | Grout, 14.5 sk.                        | 43.15                        | 44.15                     |
| 25.         | Grout, 16.0 sk.                        | 46.15                        | 47.15                     |
| <hr/>       |                                        |                              |                           |
| 26.         | Stabilized Sand, 1 1/2 sk.             | \$ 8.25                      | \$ 8.25                   |
| 27.         | Stabilized Sand, 2 sk.                 | 9.25                         | 9.25                      |
| 28.         | Stabilized Shell, 1 1/2 sk.            | NO BID                       | NO BID                    |
| 29.         | Stabilized Shell, 2 sk.                | NO BID                       | NO BID                    |
| 30.         | 3/4" gravel (10 tons or more)          | 9.25                         | 9.25                      |
| 31.         | 1 1/2" gravel (10 tons or more)        | 9.25                         | 9.25                      |
| 32.         | Torpedo Sand (10 tons or more)         | 8.15                         | 8.15                      |
| 33.         | San Jacinto Sand (10 tons Or more)     | NO BID                       | NO BID                    |
| 34.         | Cement (per sack)                      | 2.75                         | 2.75                      |
| 35.         | Air-entrained (per oz. of air per sk.) | NO CHG.                      | NO CHG.                   |

EXX 012566

For concrete with gravel 1" or less add 50¢ per cyd.

For each  $\frac{1}{2}$  sack cement added or deducted add/<sup>or deduct</sup>\$1.00 per  $\frac{1}{2}$ sack of cement.

The above prices are firm from September 1, 1974 until December 31, 1974. From January 1, 1975 forward, these prices may escalate in amount not to exceed ten per cent (10%) each twelve (12) month period until completion of this job, provided Special Conditions I, Para. 2, (b) are acceptable to both parties of this Subcontract.

Measurement of quantities for purpose of payment shall be the volumetric measure converted from weights on the basis of the design mix as measured through the batch plant and recorded on accepted load tickets.

Additional charges only when applicable to the work schedule.

- |                           |                                                                          |
|---------------------------|--------------------------------------------------------------------------|
| Saturday Pours            | - \$100 minimum and/or \$1.00 per cubic yard<br>whichever is the larger. |
| Sunday or Holiday Pours   | - \$200 minimum and/or \$1.00 per cubic yard<br>whichever is the larger. |
| After 6:00 P.M. Pours     | - \$100 minimum and/or \$1.00 per cubic yard<br>whichever is the larger. |
| Discount: 2%, Net 30 days | - applies to all sales.                                                  |

**Brown & Root, Inc.** Post Office Box Three, Houston, Texas 77001



August 30, 1974

Dashiel Corporation  
6161 Washington Avenue  
Houston, Texas 77007

Attention: Mr. V. H. Howard

Re: Subcontract No. 34-1202-0281  
Testing Services  
Exxon Company, U.S.A.  
Baytown, Texas

Gentlemen:

We enclose herewith one fully executed copy of Subcontract No. 34-1202-0281 dated May 22, 1974, for your permanent file.

Yours very truly,

BROWN & ROOT, INC.

J. M. Frankl  
Subcontracts Manager

JMF/RU/bc

Enclosure

bcc: Messrs. J. P. Lamar (w/original)  
D. H. Dodd (2 w/2 copies)  
A. M. Billingsley (w/attachment)  
Garland Armon  
Bill Willis

THIS COPY FOR

EXX 012594



# BROWN & ROOT, INC.

## SUBCONTRACT

Job Number 34-1202

Subcontract No. 34-1202-0281

MP/bc

THIS AGREEMENT, made this 22nd day of May, 19 74  
by and between BROWN & ROOT, INC., a Texas Corporation, 4100 Clinton Drive, Houston, Texas, (P. O.

Box 3; 77001) hereinafter called the "General Contractor", and Dashiel Corporation

6161 Washington Ave., Telephone: (713) 869-4878

(Name, Street Address and Telephone Number)

a Texas Corporation with principal offices at  
(Give State of incorporation and whether a corporation, partnership, or proprietorship)

Houston, State of Texas 77007

hereinafter called the "Subcontractor", WITNESSETH

WHEREAS, General Contractor has entered into a general contract with

Exxon Company, U.S.A.

(Name of Owner)

;

hereinafter

called the "Owner", for the construction of fuels expansion project

(Nature of construction under General Contract)

at Baytown, Texas  
(City) (State)

WHEREAS, Subcontractor desires to perform that portion of the work as required by the general contract, which is described below as "The Sublet Work";

NOW THEREFORE, it is mutually agreed by and between General Contractor and Subcontractor as follows:

### I. SPECIAL CONDITIONS

1. The Sublet Work consists of: Furnishing all labor, equipment, tools, supervision and other things necessary to perform testing operations on electrical systems, and the calibration and setting of relays and high potting cables according to Owner's Specification No's. BTAD 16-131 and BP16-13-1 which are attached hereto, and as further specified herein.

— Continued on Page 2 —

EXX 012595

Subcontract No. 34-1202-0281

2. The price for the Sublet Work shall be: A total lump sum which is not to exceed TWELVE THOUSAND AND NO/100 DOLLARS (\$12,000.00) excluding all applicable sales/use taxes.

The above maximum price and any other authorized work shall be based on firm unit rates as specified in Special Condition No. 5(a) herein.

3. The time of completion of the Sublet Work shall be as provided in paragraph 4 of the General Conditions but not later than as specified by General Contractor's Project Manager

4. The payment and performance bonds provided for in the General Conditions must be delivered before any work is performed by Subcontractor hereunder and no payment becomes due Subcontractor until such delivery, unless delivery at this time is expressly waived. Immediate Delivery of Bonds are: Waived XXX; Required \_\_\_\_\_

5. Other special provisions of this subcontract are: (a)

Firm Unit Prices for Sublet Work Shall Be As Follows:

1. Normal eight (8) hour day, Monday thru Friday, with a four (4) hour minimum. . \$25.00/Hr.
2. Overtime shall be based for hours worked after 40 hours, or over 8 hours per day . . . . . \$37.50/Hr.

Above rates specified in Items 1 and 2 include test truck, test equipment, high voltage test equipment, relay test equipment, precision instruments, and written reports, but shall not include double test equipment or oil trailer. Subcontractor classes this Baytown project as being within his metropolitan area and no travel time shall be charged.

3. Double test equipment. . . . . \$30.00/Day
4. Oil trailer with vacuum pump, oil filter and oil storage bladder . . . . . \$35.00/Day
5. Set of three (3) oil filters . . . . . \$35.00/Set
6. Laboratory oil testing, including collection in metropolitan area:
  - (A.) One (10 to nine (9) samples . . . . . \$25.00/Each
  - (B.) Ten (10) or more samples . . . . . \$20.00/Each
7. Above unit prices include Subcontractor furnishing General Contractor with written reports at no additional charge

Continued on Page 3

EXX 012596

Subcontract No. 34-1202-0281

I.5(a) (Cont'd.)

Above unit prices are firm for the duration of project and are not subject to escalation.

(b)

Subcontractor shall furnish sufficient labor and equipment on the jobsite when ordered in advance by General Contractor's Job Superintendent and Subcontractor shall assume full responsibility that materials and equipment furnished meet the required conditions of the job.

(c)

General Contractor's or Owner's representative shall have access to the work at all times.

(d)

Payment will be made only for those units entered daily on a written report acceptable to both General Contractor and Subcontractor and signed by authorized representatives of Subcontractor and General Contractor.

(e)

Exxon Chemical, Exxon or ER&E "Contractor's Responsibilities for Safety, Plant Protection and Traffic Regulations" for contractors, Subcontractors and suppliers at Baytown Refinery, Baytown Chemical Plants and Baytown Facilities Exxon Research and Engineering Co. dated May 1, 1973 hereby becomes a part of this Subcontract.

(f)

Subcontractor must furnish his own warehousing and miscellaneous workmen's supplies.

(g)

All inquiries the Subcontractor may have concerning this Subcontract must be made through the General Contractor's Project Manager and not directly to the Owner.

(h)

Subcontractor shall contact the General Contractor's Project Manager to schedule and coordinate this Subcontract.

(i)

Two copies of the General Contractor's "Affidavit for Subcontractors" (Form P-7) are attached. Subcontractor shall execute and return one copy with his final or retainage invoice.

— Continued on Page 3A —

**EXX 012597**

Subcontract No. 34-1202-0281

(j)

Before commencing work and before this Subcontract becomes effective, the Subcontractor shall furnish the General Contractor with his Certificate of Insurance.

— Continued on Page 4 —

EXX 012598

## II. GENERAL CONDITIONS

1. Subcontractor represents that he is familiar with the physical conditions and availability of labor and materials in the area of the Sublet Work and all other items affecting the performance of the Sublet Work.

2. Subcontractor agrees to perform the Sublet Work in a careful and workmanlike manner, in accordance with the best construction practices and this Subcontract, and to furnish all supervision, labor, supplies, tools, equipment, facilities, storage, and materials (except as Owner or General Contractor specifically agrees herein to furnish) and all other things and services necessary or desirable to perform the Sublet Work.

3. General Contractor agrees to pay Subcontractor for the performance of the Sublet Work the amount specified in Paragraph 2 of Section I, and to make partial payments monthly to Subcontractor within fifteen (15) days after Subcontractor's invoices, approved by General Contractor's field representative, are received by General Contractor, except that General Contractor shall retain ten percent (10%) of the amount of each partial payment on the Sublet Work, until final completion of Subcontractor's work, and the balance shall be paid within thirty (30) days after final completion and acceptance of Subcontractor's work by Owner, upon a proper invoice submitted by Subcontractor accompanied by an affidavit that all bills for labor, materials, taxes, services and other costs of the Sublet Work have been paid and indemnifying General Contractor and Owner therefrom and a release by Subcontractor of any further claims against General Contractor and Owner. Payment of any partial payment may be withheld until Subcontractor furnishes satisfactory proof of payment of all bills for labor, materials, taxes, services and other expenses in connection with the Sublet Work, and that all claims for changes or extra work have been settled. Until final completion and delivery of the Sublet Work, to the extent required by applicable law, all funds paid to Subcontractor shall be held in Trust for application solely to payment of laborers, materialmen, fabricators, subcontractors and others furnishing elements of the Sublet Work. Subject to performance by General Contractor of its obligations hereunder, title to all materials, components, fabricated items, and work in process intended for the Sublet Work, and the beneficial interest in all purchase orders or subcontracts therefor, shall vest in Owner immediately upon delivery to the job site, or identification to this Subcontract, or commencement of fabrication in Subcontractor's or a supplier's shop, or award of a purchase order or subcontract; provided, that this provision shall not relieve Subcontractor of the absolute duty to complete and deliver the Sublet Work in good condition, and to comply with all other obligations hereunder. All payments hereunder may be made by General Contractor's affiliated company and all such payments shall be considered as payment hereunder.

4. Subcontractor agrees to commence the Sublet Work immediately when instructed and to prosecute same in coordination with the work of others and with sufficient equipment, supervision and manpower to insure completion of each part of the Sublet Work within the time of completion herein provided, so as not to cause damage or delay in the work of others. Subcontractor shall perform the Sublet Work at the times, and in the sequence directed by General Contractor, or Owner, from time to time; and, in the absence of such instructions from General Contractor or Owner, at the times, and in the sequence reasonably necessary to avoid delay in the performance of the work required by the General Contract at whatever rate of progress General Contractor may make in performing the work directly or through other Subcontractors. In the event Subcontractor be delayed by the Owner, General Contractor, or another contractor performing work on the project, or by the ordering of extra work or by force majeure, General Contractor shall owe Subcontractor only an extension of time, and then only if written request therefor is made by Subcontractor within forty-eight (48) hours from the beginning of the delay.

5. If any part of Subcontractor's work depends for proper execution or results, upon the work of any other contractor or Supplier, Subcontractor shall inspect the work of the other contractor or Supplier and promptly report to General Contractor any defects in such work, or the performance thereof that adversely affects the proper execution, and the obtaining of the desired results of the Sublet Work. Subcontractor's failure to inspect and report any such defects shall constitute an acceptance of the other contractor's or materialmen's work as fit and properly performed. Subcontractor shall endeavor to settle by agreement or arbitration, all claims asserted by any other subcontractor, materialman, or other person arising from Subcontractor's own acts or omissions, or in any manner relating to the performance of the Sublet Work; and in the event General Contractor or Owner shall be sued on any such claim, Subcontractor shall defend such suit, and pay or satisfy any judgment rendered therein against General Contractor, or Owner, and pay all costs, including attorney's fees incurred by General Contractor or Owner.

6. Subcontractor shall, at its own expense, procure all required permits and licenses, and pay all fees and charges, and give all notices necessary and instant to the due and lawful prosecution of the Sublet Work. Subcontractor shall comply with the requirements of any deeds and rights-of-way easement restrictions, and any permit requirement, and any instructions or regulations of any local, state or federal governmental agency or authority, and with the requirements of any one having the right to control how any portion of the Sublet Work is to be performed; provided, however, that the Sublet Work shall be performed to the satisfaction of the General Contractor and Owner.

7. Owner and General Contractor shall have the right to enter upon the site of the Sublet Work for the purposes of inspection, accounting, and performing such collateral work as Owner or General Contractor may desire. Subcontractor agrees to furnish all facilities deemed necessary by the General Contractor and Owner for the proper inspection of the Sublet

Work and to account to the Owner and General Contractor for any materials furnished by Owner or General Contractor which are being handled by Subcontractor. Subcontractor agrees to carry out such tests as are required by the General Contractor to determine if the sublet work is being properly performed. Subcontractor shall protect the Sublet Work and bear and be liable for all loss or damage of any kind, including damage by the elements or otherwise to the Sublet Work or to materials or other items furnished by Owner, or General Contractor to Subcontractor, which may happen at any time prior to the time that Owner formally accepts the Sublet Work. Subcontractor shall warrant the Sublet Work to be free from defects in material and workmanship and agrees to make good at Subcontractor's own expense any such defects or any failure to perform satisfactorily, which are discovered within one (1) year from the time of acceptance by Owner of all the sublet work, or within one year from the time of commissioning by Owner of the Systems or Work to which the Sublet work relates, whichever is later. In the event of any such defects, Subcontractor agrees to consult promptly with General Contractor or Owner to arrive at a satisfactory procedure, which, if possible, will enable the work to be kept in operation pending the correction of such defects.

8. Subcontractor agrees to indemnify and to save General Contractor and Owner harmless from and against all claims, suits (including counsel fees and other expenses of suit) whether groundless or not, judgements and awards on account of any damage to property or injury (including death) to person (including any damage or injury to the property or person of any employee of Subcontractor, General Contractor, or Owner) which may be caused or alleged to have been caused in whole, or in part by, or which may occur or be alleged to have occurred in connection with the performance of or while Subcontractor is performing the Sublet Work; provided that Subcontractor does not hereby assume responsibility for the sole negligence of General Contractor.

9. Subcontractor, notwithstanding the provisions of Paragraph 8, assumes all risks of loss or damage to Subcontractor's tools, equipment, or property from any cause, including the sole or concurring negligence of Owner, General Contractor, or any other Subcontractor performing work in connection with the work described in the General Contract. In the event General Contractor or Owner loans or furnishes tools or equipment to Subcontractor or permits Subcontractor aboard their vessels in connection with the Sublet Work, Subcontractor agrees (a) to make its own determination before commencing work that such vessels are seaworthy and such tools and equipment are adequate for the safe performance of the work by Subcontractor; (b) that such tools, equipment or vessel are loaned or furnished and accepted by Subcontractor without warranty or representation by General Contractor or Owner as to their condition; (c) to return such vessels, tools and equipment to General Contractor or Owner at the conclusion of such use in same condition as when received, ordinary wear and tear excepted; and (d) to indemnify and hold General Contractor and Owner harmless from all claims, demands, causes of action, damages and injuries from Subcontractor's use of said vessels, tools and equipment, including any claims, demands, causes of action, damages or injuries resulting from or alleged to result from the sole or concurring negligence of General Contractor, or Owner, or from the inadequacy or unseaworthiness of said vessels, tools and equipment for the performance of the Sublet Work. The assumption of risks and the indemnities in this paragraph 9 do not extend to the gross negligence or willful acts of the indemnitee.

10. In the event after seven (7) days written notice from General Contractor to Subcontractor, pointing out generally any deficiencies either in respect to the nature of the Sublet Work or in respect to the promptness with which the Sublet Work is being performed, Subcontractor has not corrected such deficiencies to the satisfaction of the individual in charge of this job for General Contractor in the field, General Contractor shall have the right to supplement the work of Subcontractor or to take over completely the performance of the remainder of the Sublet Work, either with his own forces, or by contract with others. Subcontractor grants General Contractor the option to use all or any part of Subcontractor's tools, equipment, machinery, materials, and supplies then in use in performing the Sublet Work and in the event General Contractor elects to use all or any part thereof, no rental shall be paid or given therefor, and no credit accrues therefrom, except insofar as the lack of any rental charge thus reduces the cost of completing the Sublet Work. Subcontractor also expressly waives any claim which he could assert in connection therewith, for use of such equipment in whole or in part on other projects and any profits anticipated thereon during the period such equipment or any portion thereof are so utilized by General Contractor in accordance with this provision. In the event the cost of supplementing or completing the Sublet Work is more than the amount of money Subcontractor is entitled to on the price basis provided herein, Subcontractor agrees to pay to General Contractor upon demand the amount of such excess cost, and in the event such cost of supplementing or completing the Sublet Work is less than the amount of money Subcontractor is entitled to on the price basis specified herein, General Contractor agrees to pay Subcontractor upon demand the amount of such difference between price and cost; provided, that if General Contractor shall supplement or complete the work with his own forces, General Contractor may charge Subcontractor with an additional ten (10%) percent of the cost thereof. This right may be exercised from time to time as deemed proper and may be exercised even prior to the time specified for completion of the Sublet Work, and such exercise shall not be treated as a repudiation of this Subcontract, or interference with the Subcontractor in the performance of the Sublet Work, and the exercise of such rights shall not be regarded as relieving Subcontractor of his duties in respect to the performance of the Sublet Work; nor shall the exercise or non-exercise of such right prejudice any other remedy the General Contractor or Owner may have, including, without limitation, those specified in the General Contract. Subcontractor agrees that the decision of the Project Manager in exercising the rights provided for herein shall be final and conclusive, but if Subcontractor objects and disputes the judgment of the Project Manager he may appeal therefrom, within said 7 day period, to an executive officer of General Contractor designated by the President of General Contractor and the written decision of that designated officer after hearing Subcontractor shall be final absent actual fraud. Subcontractor agrees to cooperate fully with General Contractor and not to complain thereafter of the manner or cost of supplementing or completing the Sublet Work.

11. The employees, representatives and agents of Owner and General Contractor shall not have the power to waive any obligations of the agreement between the parties for the performance by the Subcontractor of the Sublet Work in a careful and workmanlike manner as provided herein. No waiver by the Owner or General Contractor of any breach by the Subcontractor of this Subcontract, or of any term or condition thereof (whether such waiver be expressed or implied), shall be deemed to constitute a waiver of or consent to any subsequent breach of the same, or of any other term or condition of this contract.

12. In the performance of the Sublet Work the Subcontractor is an independent contractor with the right to supervise, manage and control the performance of the details thereof, General Contractor and Owner being interested only in the results of the same and being entitled to inspect the performance of the Sublet Work by Subcontractor only to the extent necessary to assure such results.

13. Subcontractor shall not subcontract the Sublet Work or any portion thereof, nor assign any portion of the monies due or to become due under the Subcontract, without the written consent of General Contractor, and any attempt at such Subcontract or assignment without such consent shall be void. No subcontract shall relieve Subcontractor of his responsibility hereunder.

14. All written notices between the parties shall be by mail, properly stamped, addressed and delivered to the postal authorities, and any such notice shall be effective at midnight of the day during which the notice is so mailed. Such notices shall be directed to the address shown on page one of this Subcontract, unless written notice has been given of a new address.

15. Subcontractor shall comply with all applicable laws, ordinances, rules and regulations of any governmental agency having jurisdiction, and with all terms and conditions of applicable permits, certificates, leases, restrictions, easements or dedications, and Subcontractor shall indemnify and hold harmless General Contractor and Owner from any fine, penalty, loss, damage or expense resulting from Subcontractor's failure to comply therewith. Subcontractor shall certify that all work is performed in compliance with the provisions of the Fair Labor Standards Act.

16. Subcontractor shall carry and maintain throughout the life of this Subcontract, at its own expense, insurance in not less than the amounts and coverage herein specified, and shall furnish certificates of such insurance in duplicate to General Contractor before commencing work. Certificates shall bear statements of insurers to the effect that insurance shall not be cancelled, reduced, nor allowed to expire, except upon thirty (30) days written notice delivered to General Contractor by registered mail. In the event Subcontractor sublets any part of the Sublet Work, it shall be the duty of the Subcontractor to require that every such Subcontractor comply with the insurance and other requirements of this Subcontract. Insurance shall be placed with companies acceptable to General Contractor and Owner. Subrogation against General Contractor, Owner and other contractors performing work in connection with the work described in the General Contract is hereby waived by Subcontractor and the policies shall be endorsed accordingly. The minimum insurance shall be the following amounts and coverage:

- |                                                                                                                                                                                                                                                                                                                                                                   |                               |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| a. Workmen's Compensation                                                                                                                                                                                                                                                                                                                                         | Statutory                     |
| Employer's Liability                                                                                                                                                                                                                                                                                                                                              | \$100,000 per person/accident |
| (If marine operations are involved, endorsements shall include U. S. Long-shoremen's and Harbor Worker's Compensation Act, Outer Continental Shelf Operations and, subject to minimum limits of \$250,000 per person and \$500,000 per accident, Amendments to Coverage B Endorsement-Maritime (including liability for disease and wages, maintenance and cure). |                               |
| b. Comprehensive General Liability, including coverage for liability assumed under this Subcontract and completed operations:                                                                                                                                                                                                                                     |                               |
| Bodily Injury .....                                                                                                                                                                                                                                                                                                                                               | \$100,000 per person          |
|                                                                                                                                                                                                                                                                                                                                                                   | \$300,000 per occurrence      |
| Property Damage .....                                                                                                                                                                                                                                                                                                                                             | \$100,000 per occurrence      |
| c. Comprehensive Automobile Liability:                                                                                                                                                                                                                                                                                                                            |                               |
| Bodily Injury .....                                                                                                                                                                                                                                                                                                                                               | \$100,000 per person          |
|                                                                                                                                                                                                                                                                                                                                                                   | \$300,000 per occurrence      |
| Property Damage .....                                                                                                                                                                                                                                                                                                                                             | \$100,000 per occurrence      |

d. If Marine vessels are involved:

|                                          |                                                   |
|------------------------------------------|---------------------------------------------------|
| Hull Insurance .....                     | Full Value of Vessel                              |
| Protection and Indemnity Insurance ..... | Full Value of Vessel but not less than \$500,000. |

General Contractor and Owner shall be named as Assureds under such Hull and P&I, with respect to operations performed under this Subcontract.

e. Other:

17. There shall be no change in the unit prices, if any, described in paragraph 2 of Section I of this Subcontract, due to any variances between estimated and actual quantities of the Sublet Work, and there shall be due and owing from General Contractor only such sums as result from the application of the unit prices, if any, described in that paragraph, to the quantities of the Sublet Work performed, for which General Contractor received payment from the Owner.

18. Subcontractor shall keep the premises under his control neat and orderly at all times and shall remove all trash and debris daily and at the end of the contract.

19. Subcontractor agrees to furnish payment and performance bonds within ten days should General Contractor so request in writing, whether before commencing the Sublet Work or at any time before completing the Sublet Work. Such bonds shall be in form and with corporate sureties satisfactory to General Contractor, and in such amount as may be specified by General Contractor as adequate to cover performance of the Sublet Work, and any damages that may result from the breach of this subcontract. If immediate delivery is required by the Special Provisions, Subcontractor shall pay the premium; If immediate delivery is waived by the Special Provisions, General Contractor shall pay the normal premium, if the bond is required by General Contractor at a later date.

20. Subcontractor shall conform to the highest standards of safety practices in performance of the Sublet Work and shall conform to all safety practices and requirements of Owner or General Contractor. The Subcontractor warrants that any and all work performed and/or equipment delivered to General Contractor or Owner or its designee under this subcontract shall comply with all requirements of the Occupational Safety and Health Act of 1970, as the same may be amended from time to time and including all regulations adopted pursuant to such Act, and shall comply with all requirements of any applicable health or safety statute or regulation of any state or local government agency having jurisdiction in the location to which such equipment is to be shipped or such work is to be performed pursuant to this agreement. Subcontractor shall be solely responsible for compliance with all such laws or regulations without relying upon enforcement thereof by, or instruction of, Owner, Engineer or General Contractor and shall promptly report in full to General Contractor any safety or health inspections by governmental authorities.

21. The entire agreement between the parties with respect to the work on this project is expressed in this written Subcontract, and it is agreed that this Subcontract has not been based upon any oral representation, promises or statements of any one representing General Contractor or Owner, and that this agreement is therefore based entirely upon the written documents constituting this Subcontract between the parties, and supersedes all proposals and negotiations not expressly set forth herein. It is further agreed that this agreement shall not be changed, modified, abrogated or superseded by any subsequent agreement unless it be in writing and signed by both parties. In the event a Purchase Order, Work Order or other similar document is utilized in conjunction with this Subcontract, it is understood that any printed provisions of such other document have no application and that the printed provisions of this Subcontract form are controlling, but the typewritten or handwritten provisions of such other document shall constitute a part hereof and shall be construed with all of the printed, typewritten and handwritten provisions hereof. Any requirement shown on the drawings, but omitted from the specifications, or any requirement shown in the specifications but omitted from the drawings shall be considered as being required under this agreement as if set forth in both.

22. Should there at any time appear to be variation, contradiction or want of agreement in description, dimensions or quantities of the Sublet Work, Subcontractor agrees to refer immediately the matter to the General Contractor for decision before proceeding with the Sublet Work in respect of which the said variation, contradiction or want of agreement exists.

The true intention and meaning of the Subcontract shall imply that the Subcontractor will in all respects, supply, construct and complete the Sublet Work in a workmanlike manner fully satisfying the intended function of the sublet work to the satisfaction of General Contractor. All work which is manifestly necessary to carry out the intent of the drawings and specifications pertaining to the Sublet Work or which is customarily done in performing this type of work for the Owner or General Contractor shall be performed by the Subcontractor as a part of the Sublet Work.

23. General Contractor may at any time by a "Change Order" in writing, signed by General Contractor's authorized representative, and without notice to the sureties on any bond, change or issue additional instructions, change or issue additional specifications and plans, and change, omit or require extra or additional work to be performed by Subcontractor. In such event, General Contractor will have full authority to specify the amount and kind of work to be done, or omitted, the materials to be used, and the equipment to be furnished as fully as though such changes had been set forth in this subcontract. When any change order shall authorize extra or additional work, Subcontractor shall make every effort to complete the sublet work as changed within the time originally agreed upon for completion, the time for completion not being extended unless expressly extended by General Contractor in writing. The General Contractor is authorized to make changes in the work which do not significantly increase the cost of the sublet work without the Subcontractor being entitled to any additional compensation therefor. If such change orders significantly increase or decrease the cost of the sublet work to Subcontractor, there shall be an increase or decrease in the consideration to subcontractor (1) in accordance with the unit prices specified in this subcontract agreement or, if General Contractor agrees that the unit prices are not applicable, either (2) pursuant to a lump sum proposal acceptable to General Contractor or (3) by the actual direct cost to Subcontractor of such change in the sublet work plus ten percent thereof, which costs directly related thereto will be supported by approved payrolls and paid invoices on additions to the sublet work and by agreed estimates of labor and materials deleted for decreases in the sublet work. Subcontractor further agrees that no extra work, or changes in the Sublet Work, or in the Subcontract will be recognized or paid for, unless agreed to in writing and approved by General Contractor and Owner, before such work is done or such changes are made.

24. Subcontractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, or sex. Subcontractor agrees that it will comply with all applicable Federal, State and local Fair Employment Practices Act, or similar Act, Rules and Regulations, and whether or not applicable will comply with the Federal Civil Rights Act of 1964. The terms and provisions of Executive Order 11246 and any Executive Order modifying or superseding same, are incorporated herein with respect to any Sublet Work subject thereto.

25. Regardless of any provision hereof or of any approval hereof the Owner is not a party to this Subcontract and the Subcontractor agrees that the Owner is under no obligation to Subcontractor.

26. Subcontractor agrees to indemnify and save General Contractor and Owner harmless from claims growing out of patent infringements or claims thereto pertaining to the use of any tools, construction equipment or construction processes or technique by Subcontractor in the performance of the Sublet Work.

27. Subcontractor undertakes, on behalf of itself, its related companies and its or their employees, contractors, suppliers and agents, not to disclose to any third party or utilize except in connection with the performance of the Sublet Work, without Owner's prior written consent, any details of "know-how" and specialist or technical information pertaining to the work (whether or not the property of Owner) which may come into its or their possession in the course of or in connection with the performance of the Sublet Work, provided, however, that the foregoing shall not apply to "know-how" and specialist or technical information which (i) was in the public domain prior to its or their receipt thereof in the course of or in connection with the performance of the Sublet Work or which subsequently becomes part of the public domain by publication or otherwise except by its or their wrongful act, (ii) was in its or their possession prior to its or their receipt thereof in the course of or in connection with the performance of the Sublet Work or (iii) are the same as information received by it or them from a third party having no obligation to Owner of secrecy with respect thereto.

28. All disputes, controversies or claims arising out of, relating to, or in connection with the Subcontract or the breach thereof, including, but not by way of limitation, any dispute as to the amount due Subcontractor by General Contractor, shall be finally settled by arbitration in accordance with the Rules of Conciliation and Arbitration of the American Arbitration Association by the arbitrators appointed in accordance with such Rules. The arbitration shall be held at a location at General Contractor's option. Judgment upon the award rendered may be entered in any Court having Jurisdiction or application may be made to such Court for a judicial acceptance of the award and an order of enforcement, as the case may be. This clause shall be construed under the laws of the sites of performance of the major portion of the Sublet Work.

29. Wherein any Certificate or Progress Payment invoice of which Subcontractor has received Payment there has been included the value of any unfixed materials, equipment or other items intended for or placed on the site of the work, such items shall become the property of Owner (for loss or damage to which Subcontractor shall be solely responsible) and such items shall not be removed except for use upon the Sublet Work without the written authority of the General Contractor. Moreover, construction plant and equipment brought onto the site for the purpose of performing the Sublet Work shall not be removed therefrom until completion of the Sublet Work without the written consent of the General Contractor.

Subcontract No. 34-1202-0281

30. The Subcontractor shall be responsible for the correctness of the positions, levels and dimensions of the Sublet Work according to this Subcontract and the written instructions of the General Contractor, notwithstanding that the Subcontractor may have been assisted by the General Contractor or any other Contractor in setting out the same; and if at any time during the performance of the Sublet Work any error shall appear or arise therein, the Subcontractor shall, on being required to do so by the General Contractor, remove and change the Sublet Work to the satisfaction of General Contractor.

31. Except as otherwise expressly provided, this Subcontract shall be construed under the laws of the State of Texas.

32. This Subcontract consists of Pages 1, 2, 3, 3A, 4, 5, 6, 7, 8, and 9.

**BROWN & ROOT, INC.**  
(General Contractor)

APPROVED:

\_\_\_\_\_  
(Owner)

By: \_\_\_\_\_

(Title) \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

*D. E. Newton, Jr.*  
(Title) Director of Purchasing

Dashiell Corporation  
(Subcontractor)

By: \_\_\_\_\_

*V. P. Allen*  
(Title) V.P.

EXX 012604

**Brown & Root, Inc.** Post Office Box Three, Houston, Texas 77001

July 26, 1974



Raymond International, Inc.  
6300 Richmond Avenue  
Houston, Texas 77027

Re: Subcontract No. 34-1202-0277  
Furnish and Install Piling  
Exxon Company, U.S.A.  
Baytown, Texas

Gentlemen:

We enclose herewith one fully executed copy of Subcontract No. 34-1202-0277 dated July 3, 1974, for your permanent file.

Yours very truly,

BROWN & ROOT, INC.

F. A. Carradine  
Procurement Manager

FAC/RU/bc

enclosure

bcc: Messrs. J. P. Lamar (w/original)  
D. H. Dodd (2 w/2 copies)  
J. E. Woodward  
A. M. Billingsley

THIS COPY FOR

EXX 012605



# BROWN & ROOT, INC.

## SUBCONTRACT

DG/bc

Job Number 34-1202 (5)

Subcontract No. 34-1202-0277

THIS AGREEMENT, made this 3rd day of July, 19 74  
by and between BROWN & ROOT, INC., a Texas Corporation, 4100 Clinton Drive, Houston, Texas, (P. O.

Box 3; 77001) hereinafter called the "General Contractor", and Raymond International, Inc.

6300 Richmond Avenue

Telephone: (713) 781-1822

(Name, Street Address and Telephone Number)

a New Jersey Corporation

(Give State of Incorporation and whether a corporation, partnership, or proprietorship)

with principal offices at

Houston

, State of Texas 77027

hereinafter called the "Subcontractor", WITNESSETH

WHEREAS, General Contractor has entered into a general contract with

Exxon Company, U.S.A.

(Name of Owner)

hereinafter

called the "Owner", for the construction of Refinery Facilities Expansion

(Nature of construction under General Contract)

it

Baytown,

Texas

(City)

(State)

WHEREAS, Subcontractor desires to perform that portion of the work as required by the general contract, which is described below as "The Sublet Work";

NOW THEREFORE, it is mutually agreed by and between General Contractor and Subcontractor as follows:

### I. SPECIAL CONDITIONS

1. The Sublet Work consists of: Supplying all labor, supervision, materials, tools, equipment and all other items (except as otherwise provided in this Subcontract) necessary to furnish and install all Raymond Step Taper Piles by Raymond's usual methods (except as may be modified elsewhere in this Subcontract) for specified foundations of the Exxon Refinery Expansion at Baytown, Texas; all as further elaborated upon in terms and conditions set forth in this Subcontract.

All work performed under terms and conditions of this Subcontract shall be constructed in strict accordance with Technical Specifications and Drawings, prepared and approved for construction by Fluor Engineers and Constructors, Inc.; which will include the latest revision to each. Applicable Specifications include:

SP-448500-10-1 Concrete Construction, Revision 5  
SP-448500-00-4 Piling, Revision 3

Subcontractor retains the right to mutually agree to further revisions to the technical specifications after acceptance of this Subcontract.

— Continued on Page 2 —

EXX 012606

Subcontract No. 34-1202-0277

2. The price for the Sublet Work shall be: for the firm lump sum price stated in the Pricing schedule attached and titled Attachment "A", which is made a part hereof as though it were written herein. Other pricing as it appears in Attachment "A" will become applicable to work under this Subcontract as and when required for the instances stated therein, such as unit prices to perform more work or less work at General Contractor's option, for performance of special work, and allowance for certain possible escalations in cost during the period of performing the work covered by this Subcontract.

It is agreed that piles may be added or deleted or altered in any Area at the prices stated in Attachment "A".

3. The time of completion of the Sublet Work shall be as provided in paragraph 4 of the General Conditions but not later than March 1, 1975, at which time piling described herein should be in place. If there is need to extend the Subcontract beyond that date, both parties may review the provisions of the Subcontract and mutually agree upon a basis for its extension.

4. The payment and performance bonds provided for in the General Conditions must be delivered before any work is performed by Subcontractor hereunder and no payment becomes due Subcontractor until such delivery, unless delivery at this time is expressly waived. Immediate Delivery of Bonds are: Waived XXX; Required           .

5. Other special provisions of this subcontract are: (a)

Copy of Special Provisions (1 page) as revised May 1, 1974, is attached hereto and becomes a part of this Subcontract as though they were printed herein.

(b) All applicable State and Local Sales and Use Taxes are included in the prices stated herein.

6. Owner's Audit Rights

OWNER's duly authorized representative shall be furnished documentation reasonably requested necessary to authenticate Subcontractor's price adjustments instituted pursuant to paragraph 6 of Attachment "A" of this Subcontract.

— Continued on Page 3 —

EXX 012607

Subcontract No. 34-1202-02777. Raymond Materials and Equipment

Attached are copies of the following illustrations:

- (a) ED-409-0, "Raymond Step-Taper Pile" details (1 page)
- (b) "65 C Hammer" (1 page)
- (c) "Differential Hammer Operation" (1 page)

8. Employee Parking

Special Condition #7,  
With further reference to / , it is agreed that the area to be assigned for Subcontractor's employee parking will be in the vicinity of the South Entrance Gate to the Refinery; and that Subcontractor will be responsible for transporting personnel from the parking area to the work site by means of Subcontractor-owned vehicles.

9. Modifications to Section II, "General Conditions", of this Subcontract

The following modifications of each of the General Conditions as referenced are hereby agreed to:

- (a) It is the General Contractor's intent that final payment will be made to the Subcontractor in accordance with General Condition 3; and should no decision be rendered by the Owner in accordance with same, General Contractor will seek such a decision from the Owner within two weeks.
- (b) In conjunction with General Condition 4, the stand-by rates as defined herein shall be applicable to delays caused as a direct result of General Contractor or Owner.
- (c) General Condition 8 continues as follows:  
  
"The foregoing indemnity is limited to \$1,000,000. General Contractor shall indemnify Subcontractor from any claim in excess thereof as provided in Letter Agreement No. JEW-55-74 and dated June 18, 1974, which is attached hereto and made a part hereof."

10. Prosecution of the Work

- (a) It is agreed that the effective time of Subcontractor's mobilization and move-in of equipment, work forces and appropriate materials to commence work shall be not later than six (6) weeks after notification of award of this Subcontract. This period of time is considered adequate for fabricating and delivering an initial supply of steel pile shells to the jobsite and to provide all other items to be ready to drive the test pile and then to proceed with production driving on a continuing basis. The location for driving the first pile will be designated by General Contractor, and that work area will be properly prepared prior to Subcontractor's move-in to the jobsite.
- (b) In accordance with procedure stated in the Specifications, the first pile to be driven will be a test pile. It is the responsibility of the Subcontractor to furnish and install all of the testing gear and devices, and upon completion of the test and evaluation, to remove the testing apparatus from the jobsite. This work includes performance of the loading and testing to the satisfaction of the Owner's representative responsible for observing and evaluating the test.

10. (Con'td.)

Subcontract No. 34-1202-0277

- (c) Upon successful completion of the test pile and receipt of notification to proceed, Subcontractor shall proceed to drive the permanent piling in accordance with arrangement on the drawings, and in a sequence as approved by General Contractor. This Subcontract assumes a project progress schedule for uninterrupted pile driving and a minimum of moving between pile locations, except for options specifically referenced. Both parties will strive to proceed on a normal schedule to completion, including moves to various areas in accordance with the job schedule as the work progresses. The Subcontractor estimates that an average of twelve (12) piles per day is anticipated to be the rate of driving progress.
- (d) The Subcontractor is responsible for providing a concrete mix design to the General Contractor for approval. The mix design must be prepared by a Laboratory satisfactory to General Contractor. The concrete supplier for piling is to be designated by Raymond, and must be approved by General Contractor.
- (e) During the pouring of concrete for piling, General Contractor will furnish full-time services of a qualified testing laboratory for sampling, curing, testing and reporting of concrete tests. Standard procedure will be to take four (4) test cylinders of concrete poured in each group of twenty (20) piles or from each day's pour if less than 20 piles.
- (f) It will be the responsibility of the Subcontractor to perform the cut-off of each pile after the General Contractor has excavated sufficiently to expose the top of pile for cut-off, and a time agreeable to both parties. If Subcontractor has completed the piling installation and moved off of the jobsite, cut-off of piling not yet excavated will be performed by General Contractor.

11. Work and Assistance to be Furnished by General Contractor

In addition to those requirements set forth in Special Provisions of this Subcontract, the following will be provided by General Contractor at no additional cost to Subcontractor:

- (a) All reinforcing steel bars required to be installed under terms of this subcontract will be furnished to Subcontractor by General Contractor. Reinforcing steel will be bent and delivered to Subcontractor's work site, all in accordance with drawings prepared by Fluor.
- (b) General Contractor will perform all field engineering, to include staking of location and elevation of cut-off for each pile. Also it will be the responsibility of General Contractor to maintain a log of the pile driving. Subcontractor will provide a form for this purpose, on which to assemble the records required.
- (c) General Contractor will grade and level the work site to provide for proper movement of pile-driving equipment at the driving locations and will provide adequate clearances and access to and between all pile locations. The Subcontractor requires approximately 200 ft. by 200 ft. as an area for working and for storage and assembly of materials and equipment.

11. (Cont'd.)

Subcontract No. 34-1202-0277

- (d) General Contractor will make all excavations at pile locations and will provide sheeting and bracing as necessary to protect excavated banks and provide clearances for driving equipment within ten (10) feet of any pile location, which will include removing any spoil from the excavated area.
- (e) General Contractor will provide a sump in each excavated area and will provide and maintain adequate pumping and drainage to keep work areas free from ground and surface water during pile-driving operations.
- (f) General Contractor will provide and maintain access to and from each excavation including ramps with suitable slope and width. Also, General Contractor will provide and maintain suitable all-weather roads for moving pile-driving equipment and materials on and off each work site. Adequate storage space on the site will be furnished for materials.
- (g) General Contractor will be responsible for removing all obstacles and hindrances to the uninterrupted and consecutive pursuit of the work.
- (h) General Contractor will remove, relocate or deactivate any overhead line or obstruction so that at least minimum legal clearances are provided for equipment at all pile locations. Leaders on the pile driving equipment will have a height of approximately 156 feet. Movement of equipment between pile locations will be as provided elsewhere in this Subcontract.
- (i) All permits, licenses and right of entry upon the site will be provided by General Contractor.
- (j) General Contractor will provide an industrial water service line to Raymond's 4,000 gallon tank located at the driving location. It is anticipated that consumption will be approximately 30,000 to 40,000 gallons per eight (8) hour work day. This supply is for wet pre-drilling and can be from fire hose to fire water source. However, in addition, General Contractor will furnish potable or industrial water at rate of 3,000 gallons per day for use in Subcontractor's boiler, to be furnished to a point within 200 feet of the drill site.
- (k) General Contractor will not furnish any electric power at the work site, but will furnish 110/220V power at an office building location. Any telephone service will be responsibility of the Subcontractor.
- (l) In addition to pumping of water required in (e) above, General Contractor will include removal of drilling water expended into the work area.

12. General Pile Requirements

- (a) General Contractor has made every attempt to remove all underground obstructions from the pile driving areas. However, if verifiable obstructions are encountered and pile is damaged by such obstruction, additional cost to Subcontractor will be negotiated. This provision in no way relieves Subcontractor from his responsibility for providing damage-free piling when no such obstruction is involved. A verifiable object must be something more than a layer of gravel or some other solidified geological strata.

12. (Cont'd.)

Subcontract No. 34-1202-0277

(b) With reference to Specification No. SP 448500-00-4, certain paragraphs or portions of paragraphs are applicable to types of piling other than that covered by this Subcontract; therefore the following are to be construed as not applicable to provisions of this Subcontract:

- (1) Paragraph 4.4 (b), reference to Type II wood pile.
- (2) Paragraph 6.0 in its entirety, reference Type II wood pile.
- (3) In Paragraph 7.3, omit the phrase, "and 15,000 ft. lbs. for Type II piles.:
- (4) In Paragraph 7.6, in the second line, omit the phrase, "brooming or splitting of wood."

13. Subcontractor must furnish his own warehousing and miscellaneous workmen's supplies.
14. All inquiries the Subcontractor may have concerning this Subcontract must be made through the General Contractor's Project Manager and not directly to the Owner.
15. Subcontractor shall contact the General Contractor's Project Manager to schedule and coordinate this Subcontract.
16. Before commencing work and before this Subcontract becomes effective, the Subcontract shall furnish the General Contractor with his Certificate of Insurance.
17. The attached sheet entitled "Equal Opportunity Clause" hereby becomes a part of this Subcontract.
18. "Contractor's Responsibilities for Safety Plant Protection and Traffic Regulations" is attached hereto and made a part hereof.
19. "Special Provisions of a Subcontract" is attached hereto and made a part hereof.

## II. GENERAL CONDITIONS

1. Subcontractor represents that he is familiar with the physical conditions and availability of labor and materials in the area of the Sublet Work and all other items affecting the performance of the Sublet Work.

2. Subcontractor agrees to perform the Sublet Work in a careful and workmanlike manner, in accordance with the best construction practices and this Subcontract, and to furnish all supervision, labor, supplies, tools, equipment, facilities, storage, and materials (except as Owner or General Contractor specifically agrees herein to furnish) and all other things and services necessary or desirable to perform the Sublet Work.

3. General Contractor agrees to pay Subcontractor for the performance of the Sublet Work the amount specified in Paragraph 2 of Section I, and to make partial payments monthly to Subcontractor within fifteen (15) days after Subcontractor's invoices, approved by General Contractor's field representative, are received by General Contractor, except that General Contractor shall retain ten percent (10%) of the amount of each partial payment on the Sublet Work, until final completion of Subcontractor's work, and the balance shall be paid within thirty (30) days after final completion and acceptance of Subcontractor's work by Owner, upon a proper invoice submitted by Subcontractor accompanied by an affidavit that all bills for labor, materials, taxes, services and other costs of the Sublet Work have been paid and indemnifying General Contractor and Owner therefrom and a release by Subcontractor of any further claims against General Contractor and Owner. Payment of any partial payment may be withheld until Subcontractor furnishes satisfactory proof of payment of all bills for labor, materials, taxes, services and other expenses in connection with the Sublet Work, and that all claims for changes or extra work have been settled. Until final completion and delivery of the Sublet Work, to the extent required by applicable law, all funds paid to Subcontractor shall be held in Trust for application solely to payment of laborers, materialmen, fabricators, subcontractors and others furnishing elements of the Sublet Work. Subject to performance by General Contractor of its obligations hereunder, title to all materials, components, fabricated items, and work in process intended for the Sublet Work, and the beneficial interest in all purchase orders or subcontracts therefor, shall vest in Owner immediately upon delivery to the job site, or identification to this Subcontract, or commencement of fabrication in Subcontractor's or a supplier's shop, or award of a purchase order or subcontract; provided, that this provision shall not relieve Subcontractor of the absolute duty to complete and deliver the Sublet Work in good condition, and to comply with all other obligations hereunder. All payments hereunder may be made by General Contractor's affiliated company and all such payments shall be considered as payment hereunder.

4. Subcontractor agrees to commence the Sublet Work immediately when instructed and to prosecute same in coordination with the work of others and with sufficient equipment, supervision and manpower to insure completion of each part of the Sublet Work within the time of completion herein provided, so as not to cause damage or delay in the work of others. Subcontractor shall perform the Sublet Work at the times, and in the sequence directed by General Contractor, or Owner, from time to time; and, in the absence of such instructions from General Contractor or Owner, at the times, and in the sequence reasonably necessary to avoid delay in the performance of the work required by the General Contract at whatever rate of progress General Contractor may make in performing the work directly or through other Subcontractors. In the event Subcontractor be delayed by the Owner, General Contractor, or another contractor performing work on the project, or by the ordering of extra work or by force majeure, General Contractor shall owe Subcontractor only an extension of time, and then only if written request therefor is made by Subcontractor within forty-eight (48) hours from the beginning of the delay.

5. If any part of Subcontractor's work depends for proper execution or results, upon the work of any other contractor or Supplier, Subcontractor shall inspect the work of the other contractor or Supplier and promptly report to General Contractor any defects in such work, or the performance thereof that adversely affects the proper execution, and the obtaining of the desired results of the Sublet Work. Subcontractor's failure to inspect and report any such defects shall constitute an acceptance of the other contractor's or materialmen's work as fit and properly performed. Subcontractor shall endeavor to settle by agreement or arbitration, all claims asserted by any other subcontractor, materialman, or other person arising from Subcontractor's own acts or omissions, or in any manner relating to the performance of the Sublet Work; and in the event General Contractor or Owner shall be sued on any such claim, Subcontractor shall defend such suit, and pay or satisfy any judgment rendered therein against General Contractor, or Owner, and pay all costs, including attorney's fees incurred by General Contractor or Owner.

6. Subcontractor shall, at its own expense, procure all required permits and licenses, and pay all fees and charges, and give all notices necessary and instant to the due and lawful prosecution of the Sublet Work. Subcontractor shall comply with the requirements of any deeds and rights-of-way easement restrictions, and any permit requirement, and any instructions or regulations of any local, state or federal governmental agency or authority, and with the requirements of any one having the right to control how any portion of the Sublet Work is to be performed; provided, however, that the Sublet Work shall be performed to the satisfaction of the General Contractor and Owner.

7. Owner and General Contractor shall have the right to enter upon the site of the Sublet Work for the purposes of inspection, accounting, and performing such collateral work as Owner or General Contractor may desire. Subcontractor agrees to furnish all facilities deemed necessary by the General Contractor and Owner for the proper inspection of the Sublet

Work and to account to the Owner and General Contractor for any materials furnished by Owner or General Contractor which are being handled by Subcontractor. Subcontractor agrees to carry out such tests as are required by the General Contractor to determine if the sublet work is being properly performed. Subcontractor shall protect the Sublet Work and bear and be liable for all loss or damage of any kind, including damage by the elements or otherwise to the Sublet Work or to materials or other items furnished by Owner, or General Contractor to Subcontractor, which may happen at any time prior to the time that Owner formally accepts the Sublet Work. Subcontractor shall warrant the Sublet Work to be free from defects in material and workmanship and agrees to make good at Subcontractor's own expense any such defects or any failure to perform satisfactorily, which are discovered within one (1) year from the time of acceptance by Owner of all the sublet work, or within one year from the time of commissioning by Owner of the Systems or Work to which the Sublet work relates, whichever is later. In the event of any such defects, Subcontractor agrees to consult promptly with General Contractor or Owner to arrive at a satisfactory procedure, which, if possible, will enable the work to be kept in operation pending the correction of such defects.

8. Subcontractor agrees to indemnify and to save General Contractor and Owner harmless from and against all claims, suits (including counsel fees and other expenses of suit) whether groundless or not, judgements and awards on account of any damage to property or injury (including death) to person (including any damage or injury to the property or person of any employee of Subcontractor, General Contractor, or Owner) which may be caused or alleged to have been caused in whole, or in part by, or which may occur or be alleged to have occurred in connection with the performance of or while Subcontractor is performing the Sublet Work; provided that Subcontractor does not hereby assume responsibility for the sole negligence of General Contractor. **This clause is continued on Page 3 in Paragraph I 9(c), Special Conditions.**

9. Subcontractor, notwithstanding the provisions of Paragraph 8, assumes all risks of loss or damage to Subcontractor's tools, equipment, or property from any cause, including the sole or concurring negligence of Owner, General Contractor, or any other Subcontractor performing work in connection with the work described in the General Contract. In the event General Contractor or Owner loans or furnishes tools or equipment to Subcontractor or permits Subcontractor aboard their vessels in connection with the Sublet Work, Subcontractor agrees (a) to make its own determination before commencing work that such vessels are seaworthy and such tools and equipment are adequate for the safe performance of the work by Subcontractor; (b) that such tools, equipment or vessel are loaned or furnished and accepted by Subcontractor without warranty or representation by General Contractor or Owner as to their condition; (c) to return such vessels, tools and equipment to General Contractor or Owner at the conclusion of such use in same condition as when received, ordinary wear and tear excepted; and (d) to indemnify and hold General Contractor and Owner harmless from all claims, demands, causes of action, damages and injuries from Subcontractor's use of said vessels, tools and equipment, including any claims, demands, causes of action, damages or injuries resulting from or alleged to result from the sole or concurring negligence of General Contractor, or Owner, or from the inadequacy or unseaworthiness of said vessels, tools and equipment for the performance of the Sublet Work. The assumption of risks and the indemnities in this paragraph 9 do not extend to the gross negligence or willful acts of the indemnitee.

10. In the event after seven (7) days written notice from General Contractor to Subcontractor, pointing out generally any deficiencies either in respect to the nature of the Sublet Work or in respect to the promptness with which the Sublet Work is being performed, Subcontractor has not corrected such deficiencies to the satisfaction of the individual in charge of this job for General Contractor in the field, General Contractor shall have the right to supplement the work of Subcontractor or to take over completely the performance of the remainder of the Sublet Work, either with his own forces, or by contract with others. Subcontractor grants General Contractor the option to use all or any part of Subcontractor's tools, equipment, machinery, materials, and supplies then in use in performing the Sublet Work and in the event General Contractor elects to use all or any part thereof, no rental shall be paid or given therefor, and no credit accrues therefrom, except insofar as the lack of any rental charge thus reduces the cost of completing the Sublet Work. Subcontractor also expressly waives any claim which he could assert in connection therewith, for use of such equipment in whole or in part on other projects and any profits anticipated thereon during the period such equipment or any portion thereof are so utilized by General Contractor in accordance with this provision. In the event the cost of supplementing or completing the Sublet Work is more than the amount of money Subcontractor is entitled to on the price basis provided herein, Subcontractor agrees to pay to General Contractor upon demand the amount of such excess cost, and in the event such cost of supplementing or completing the Sublet Work is less than the amount of money Subcontractor is entitled to on the price basis specified herein, General Contractor agrees to pay Subcontractor upon demand the amount of such difference between price and cost; provided, that if General Contractor shall supplement or complete the work with his own forces, General Contractor may charge Subcontractor with an additional ten (10%) percent of the cost thereof. This right may be exercised from time to time as deemed proper and may be exercised even prior to the time specified for completion of the Sublet Work, and such exercise shall not be treated as a repudiation of this Subcontract, or interference with the Subcontractor in the performance of the Sublet Work, and the exercise of such rights shall not be regarded as relieving Subcontractor of his duties in respect to the performance of the Sublet Work; nor shall the exercise or non-exercise of such right prejudice any other remedy the General Contractor or Owner may have, including, without limitation, those specified in the General Contract. Subcontractor agrees that the decision of the Project Manager in exercising the rights provided for herein shall be final and conclusive, but if Subcontractor objects and disputes the judgment of the Project Manager he may appeal therefrom, within said 7 day period, to an executive officer of General Contractor designated by the President of General Contractor and the written decision of that designated officer after hearing Subcontractor shall be final absent actual fraud. Subcontractor agrees to cooperate fully with General Contractor and not to complain thereafter of the manner or cost of supplementing or completing the Sublet Work.

11. The employees, representatives and agents of Owner and General Contractor shall not have the power to waive any obligations of the agreement between the parties for the performance by the Subcontractor of the Sublet Work in a careful and workmanlike manner as provided herein. No waiver by the Owner or General Contractor of any breach by the Subcontractor of this Subcontract, or of any term or condition thereof (whether such waiver be expressed or implied), shall be deemed to constitute a waiver of or consent to any subsequent breach of the same, or of any other term or condition of this contract.

12. In the performance of the Sublet Work the Subcontractor is an independent contractor with the right to supervise, manage and control the performance of the details thereof, General Contractor and Owner being interested only in the results of the same and being entitled to inspect the performance of the Sublet Work by Subcontractor only to the extent necessary to assure such results.

13. Subcontractor shall not subcontract the Sublet Work or any portion thereof, nor assign any portion of the monies due or to become due under the Subcontract, without the written consent of General Contractor, and any attempt at such Subcontract or assignment without such consent shall be void. No subcontract shall relieve Subcontractor of his responsibility hereunder.

14. All written notices between the parties shall be by mail, properly stamped, addressed and delivered to the postal authorities, and any such notice shall be effective at midnight of the day during which the notice is so mailed. Such notices shall be directed to the address shown on page one of this Subcontract, unless written notice has been given of a new address.

15. Subcontractor shall comply with all applicable laws, ordinances, rules and regulations of any governmental agency having jurisdiction, and with all terms and conditions of applicable permits, certificates, leases, restrictions, easements or dedications, and Subcontractor shall indemnify and hold harmless General Contractor and Owner from any fine, penalty, loss, damage or expense resulting from Subcontractor's failure to comply therewith. Subcontractor shall certify that all work is performed in compliance with the provisions of the Fair Labor Standards Act.

16. Subcontractor shall carry and maintain throughout the life of this Subcontract, at its own expense, insurance in not less than the amounts and coverage herein specified, and shall furnish certificates of such insurance in duplicate to General Contractor before commencing work. Certificates shall bear statements of insurers to the effect that insurance shall not be cancelled, reduced, nor allowed to expire, except upon thirty (30) days written notice delivered to General Contractor by registered mail. In the event Subcontractor sublets any part of the Sublet Work, it shall be the duty of the Subcontractor to require that every such Subcontractor comply with the insurance and other requirements of this Subcontract. Insurance shall be placed with companies acceptable to General Contractor and Owner. Subrogation against General Contractor, Owner and other contractors performing work in connection with the work described in the General Contract is hereby waived by Subcontractor and the policies shall be endorsed accordingly. The minimum insurance shall be the following amounts and coverage:

a. Workmen's Compensation  
Employer's Liability

Statutory  
\$100,000 per person/accident

(If marine operations are involved, endorsements shall include U. S. Long-shoremen's and Harbor Worker's Compensation Act, Outer Continental Shelf Operations and, subject to minimum limits of \$250,000 per person and \$500,000 per accident, Amendments to Coverage B Endorsement-Maritime (including liability for disease and wages, maintenance and cure).

b. Comprehensive General Liability, including coverage for liability assumed under this Subcontract and completed operations:

|                       |                          |
|-----------------------|--------------------------|
| Bodily Injury .....   | \$100,000 per person     |
|                       | \$300,000 per occurrence |
| Property Damage ..... | \$100,000 per occurrence |

c. Comprehensive Automobile Liability:

|                       |                          |
|-----------------------|--------------------------|
| Bodily Injury .....   | \$100,000 per person     |
|                       | \$300,000 per occurrence |
| Property Damage ..... | \$100,000 per occurrence |

— Continued on Page 7 —

EXX 012614

d. If Marine vessels are involved:

|                                          |                                                   |
|------------------------------------------|---------------------------------------------------|
| Hull Insurance .....                     | Full Value of Vessel                              |
| Protection and Indemnity Insurance ..... | Full Value of Vessel but not less than \$500,000. |

General Contractor and Owner shall be named as Assureds under such Hull and P&I, with respect to operations performed under this Subcontract.

e. Other:

17. There shall be no change in the unit prices, if any, described in paragraph 2 of Section I of this Subcontract, due to any variances between estimated and actual quantities of the Sublet Work, and there shall be due and owing from General Contractor only such sums as result from the application of the unit prices, if any, described in that paragraph, to the quantities of the Sublet Work performed, for which General Contractor received payment from the Owner.!

18. Subcontractor shall keep the premises under his control neat and orderly at all times and shall remove all trash and debris daily and at the end of the contract.

19. Subcontractor agrees to furnish payment and performance bonds within ten days should General Contractor so request in writing, whether before commencing the Sublet Work or at any time before completing the Sublet Work. Such bonds shall be in form and with corporate sureties satisfactory to General Contractor, and in such amount as may be specified by General Contractor as adequate to cover performance of the Sublet Work, and any damages that may result from the breach of this subcontract. If immediate delivery is required by the Special Provisions, Subcontractor shall pay the premium; If immediate delivery is waived by the Special Provisions, General Contractor shall pay the normal premium, if the bond is required by General Contractor at a later date.

20. Subcontractor shall conform to the highest standards of safety practices in performance of the Sublet Work and shall conform to all safety practices and requirements of Owner or General Contractor. The Subcontractor warrants that any and all work performed and/or equipment delivered to General Contractor or Owner or its designee under this subcontract shall comply with all requirements of the Occupational Safety and Health Act of 1970, as the same may be amended from time to time and including all regulations adopted pursuant to such Act, and shall comply with all requirements of any applicable health or safety statute or regulation of any state or local government agency having jurisdiction in the location to which such equipment is to be shipped or such work is to be performed pursuant to this agreement. Subcontractor shall be solely responsible for compliance with all such laws or regulations without relying upon enforcement thereof by, or instruction of, Owner, Engineer or General Contractor and shall promptly report in full to General Contractor any safety or health inspections by governmental authorities.

21. The entire agreement between the parties with respect to the work on this project is expressed in this written Subcontract, and it is agreed that this Subcontract has not been based upon any oral representation, promises or statements of any one representing General Contractor or Owner, and that this agreement is therefore based entirely upon the written documents constituting this Subcontract between the parties, and supersedes all proposals and negotiations not expressly set forth herein. It is further agreed that this agreement shall not be changed, modified, abrogated or superseded by any subsequent agreement unless it be in writing and signed by both parties. In the event a Purchase Order, Work Order or other similar document is utilized in conjunction with this Subcontract, it is understood that any printed provisions of such other document have no application and that the printed provisions of this Subcontract form are controlling, but the typewritten or handwritten provisions of such other document shall constitute a part hereof and shall be construed with all of the printed, typewritten and handwritten provisions hereof. Any requirement shown on the drawings, but omitted from the specifications, or any requirement shown in the specifications but omitted from the drawings shall be considered as being required under this agreement as if set forth in both.

22. Should there at any time appear to be variation, contradiction or want of agreement in description, dimensions or quantities of the Sublet Work, Subcontractor agrees to refer immediately the matter to the General Contractor for decision before proceeding with the Sublet Work in respect of which the said variation, contradiction or want of agreement exists.

The true intention and meaning of the Subcontract shall imply that the Subcontractor will in all respects, supply, construct and complete the Sublet Work in a workmanlike manner fully satisfying the intended function of the sublet work to the satisfaction of General Contractor. All work which is manifestly necessary to carry out the intent of the drawings and specifications pertaining to the Sublet Work or which is customarily done in performing this type of work for the Owner or General Contractor shall be performed by the Subcontractor as a part of the Sublet Work.

23. General Contractor may at any time by a "Change Order" in writing, signed by General Contractor's authorized representative, and without notice to the sureties on any bond, change or issue additional instructions, change or issue additional specifications and plans, and change, omit or require extra or additional work to be performed by Subcontractor. In such event, General Contractor will have full authority to specify the amount and kind of work to be done, or omitted, the materials to be used, and the equipment to be furnished as fully as though such changes had been set forth in this subcontract. When any change order shall authorize extra or additional work, Subcontractor shall make every effort to complete the sublet work as changed within the time originally agreed upon for completion, the time for completion not being extended unless expressly extended by General Contractor in writing. The General Contractor is authorized to make changes in the work which do not significantly increase the cost of the sublet work without the Subcontractor being entitled to any additional compensation therefor. If such change orders significantly increase or decrease the cost of the sublet work to Subcontractor, there shall be an increase or decrease in the consideration to subcontractor (1) in accordance with the unit prices specified in this subcontract agreement or, if General Contractor agrees that the unit prices are not applicable, either (2) pursuant to a lump sum proposal acceptable to General Contractor or (3) by the actual direct cost to Subcontractor of such change in the sublet work plus ten percent thereof, which costs directly related thereto will be supported by approved payrolls and paid invoices on additions to the sublet work and by agreed estimates of labor and materials deleted for decreases in the sublet work. Subcontractor further agrees that no extra work, or changes in the Sublet Work, or in the Subcontract will be recognized or paid for, unless agreed to in writing and approved by General Contractor and Owner, before such work is done or such changes are made.

24. Subcontractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, or sex. Subcontractor agrees that it will comply with all applicable Federal, State and local Fair Employment Practices Act, or similar Act, Rules and Regulations, and whether or not applicable will comply with the Federal Civil Rights Act of 1964. The terms and provisions of Executive Order 11246 and any Executive Order modifying or superseding same, are incorporated herein with respect to any Sublet Work subject thereto.

25. Regardless of any provision hereof or of any approval hereof the Owner is not a party to this Subcontract and the Subcontractor agrees that the Owner is under no obligation to Subcontractor.

26. Subcontractor agrees to indemnify and save General Contractor and Owner harmless from claims growing out of patent infringements or claims thereto pertaining to the use of any tools, construction equipment or construction processes or technique by Subcontractor in the performance of the Sublet Work.

27. Subcontractor undertakes, on behalf of itself, its related companies and its or their employees, contractors, suppliers and agents, not to disclose to any third party or utilize except in connection with the performance of the Sublet Work, without Owner's prior written consent, any details of "know-how" and specialist or technical information pertaining to the work (whether or not the property of Owner) which may come into its or their possession in the course of or in connection with the performance of the Sublet Work, provided, however, that the foregoing shall not apply to "know-how" and specialist or technical information which (i) was in the public domain prior to its or their receipt thereof in the course of or in connection with the performance of the Sublet Work or which subsequently becomes part of the public domain by publication or otherwise except by its or their wrongful act, (ii) was in its or their possession prior to its or their receipt thereof in the course of or in connection with the performance of the Sublet Work or (iii) are the same as information received by it or them from a third party having no obligation to Owner of secrecy with respect thereto.

28. All disputes, controversies or claims arising out of, relating to, or in connection with the Subcontract or the breach thereof, including, but not by way of limitation, any dispute as to the amount due Subcontractor by General Contractor, shall be finally settled by arbitration in accordance with the Rules of Conciliation and Arbitration of the American Arbitration Association by the arbitrators appointed in accordance with such Rules. The arbitration shall be held at a location at General Contractor's option. Judgment upon the award rendered may be entered in any Court having Jurisdiction or application may be made to such Court for a judicial acceptance of the award and an order of enforcement, as the case may be. This clause shall be construed under the laws of the sites of performance of the major portion of the Sublet Work.

29. Wherein any Certificate or Progress Payment invoice of which Subcontractor has received Payment there has been included the value of any unfixed materials, equipment or other items intended for or placed on the site of the work, such items shall become the property of Owner (for loss or damage to which Subcontractor shall be solely responsible) and such items shall not be removed except for use upon the Sublet Work without the written authority of the General Contractor. moreover, construction plant and equipment brought onto the site for the purpose of performing the Sublet Work shall not be removed therefrom until completion of the Sublet Work without the written consent of the General Contractor.

Subcontract No. 34-1202-0277

30. The Subcontractor shall be responsible for the correctness of the positions, levels and dimensions of the Sublet Work according to this Subcontract and the written instructions of the General Contractor, notwithstanding that the Subcontractor may have been assisted by the General Contractor or any other Contractor in setting out the same; and if at any time during the performance of the Sublet Work any error shall appear or arise therein, the Subcontractor shall, on being required to do so by the General Contractor, remove and change the Sublet Work to the satisfaction of General Contractor.

31. Except as otherwise expressly provided, this Subcontract shall be construed under the laws of the State of Texas.

32. This Subcontract consists of Pages 1, 2, 3, 3A, 3B, 3C, 4, 5, 6, 7, 8, and 9.

APPROVED:

\_\_\_\_\_  
(Owner)

By: \_\_\_\_\_

(Title) \_\_\_\_\_

Date: \_\_\_\_\_

**BROWN & ROOT, INC.**  
(General Contractor)

By: D. E. Newton, Jr.  
(Title) Director of Purchasing

Raymond International, Inc.  
(Subcontractor)

By: R. B. Stachurski  
(Title) Assistant Vice President

EXX 012617

## Attachment "A" to Paragraph 2 of I. Special Conditions

## Pricing Schedule

1. Price for furnishing and installing 357 each Raymond Step Taper Concrete Piles with a base length of 75 feet, 106 each Raymond Step Taper Concrete Piles with a base length of 100 feet, and one (1) pile load test (test and reaction piles to be pay piles) not to exceed 210 tons (with three 24 hours manned days included) shall be the firm lump sum of \$399,236.00. This principal sum is firm only to the extent that it can be modified by application of unit prices set forth in Paragraph 4 following and by any escalation of cost allowed under terms of this Subcontract. Each of the piles listed in this paragraph includes the tying and placing of one Type "I" reinforcing steel cage. This principal sum also includes the cost of mobilization and move-in to the jobsite by Subcontractor's work forces, as well as the cost of de-mobilization and move-out of those forces. It is anticipated that the piles listed above will constitute those required at foundations for the Pipe Still Tower, Pipe Still Furnaces and for Reactors at Residfiner "B". The firm lump sum stated for work in this paragraph includes the cost of one move of pile-driving equipment, with leaders in upright position, either from the Pipe Still Area to Residfiner "B" or vice versa. Pricing for all other moves of pile-driving equipment between areas is covered by unit prices as tabulated in Paragraph 4 following, except those specifically included elsewhere.
2. Price for furnishing and installing 520 each Raymond Step Taper Concrete Piles with a base length of 75 feet at foundations for the Powerformer Area shall be the firm lump sum of \$340,800.00. This principal sum can be modified also by unit price application and/or by cost escalations allowed herein. Each pile listed in this paragraph includes the tying and placing of one Type "I" reinforcing steel cage. This principal sum does not include moving of pile-driving equipment between areas, load test, or mobilization or de-mobilization.
3. Price for furnishing and installing 224 each Raymond Step Taper Concrete Piles with a base length of 75 feet at foundations for Residfiner "A" shall be the firm lump sum of \$182,434.00. This principal sum is firm only to the extent that it can be modified also by unit price application and/or by cost escalations allowed herein. Each pile listed in this paragraph includes the tying and placing of one Type "I" reinforcing steel cage. Driving of this piling is assumed to be scheduled later than other piles; therefore cost of an additional mobilization is included in the sum stated in this paragraph. This principal sum does not include moving of pile-driving equipment between areas or load test.

4. Piling Unit Prices:

|                                                                             |                          |
|-----------------------------------------------------------------------------|--------------------------|
| (a) Additional 75' piles without rebar                                      | \$ <u>562.00</u> each    |
| (b) Additional 100' piles without rebar                                     | \$ <u>775.00</u> each    |
| (c) Omit 75' piles without rebar                                            | \$ <u>450.00</u> each    |
| (d) Omit 100' piles without rebar                                           | \$ <u>620.00</u> each    |
| (e) Additional footage for 75' pile without rebar                           | \$ <u>7.50</u> /ft.      |
| (f) Additional footage for 100' pile without rebar                          | \$ <u>7.75</u> /ft.      |
| (g) Omit footage for 75' pile without rebar                                 | \$ <u>2.75</u> /ft.      |
| (h) Omit footage for 100' pile without rebar                                | \$ <u>3.00</u> /ft.      |
| (i) Unfilled Shell, from pile cut off elevation to ground surrounding Shell | \$ <u>4.75</u> /ft.      |
| (j) Additional for tying and placing                                        |                          |
| Type I rebar                                                                | \$ <u>93.00</u> each     |
| Type II rebar                                                               | \$ <u>153.00</u> each    |
| (k) Omit for tying and placing                                              |                          |
| Type I rebar                                                                | \$ <u>77.00</u> each     |
| Type II rebar                                                               | \$ <u>128.00</u> each    |
| (l) Additional pile load test, no extra delay                               | \$ <u>7,000.00</u> each  |
| (m) Additional mobilization                                                 | \$ <u>32,000.00</u> each |
| (n) Special work or delay cost                                              | \$ <u>290.00</u> Rig hr. |

5. Prices for moving pile-driving equipment between Areas shall be at the following firm lump sums, and shall be applicable to each move regardless of sequencing of driving piles by the various areas and are to be added to the principal sums described above, except those specifically noted as being included:

- (a) Pipe Still area to Powerformer area                      \$ 3,000.00 L.S.
- (b) Powerformer area to Pipe Still area                      \$ 3,000.00 L.S.
- (c) Pipe Still area to Residfiner A or B                      \$ 2,400.00 L.S.
- (d) Residfiner A or B to Pipe Still area                      \$ 2,400.00 L.S.
- (e) Powerformer area to Residfiner A or B                      \$ 3,480.00 L.S.
- (f) Residfiner A or B to Powerformer                      \$ 3,480.00 L.S.
- (g) Residfiner B to Residfiner A                      \$ 1,200.00 L.S.
- (h) Residfiner A to Residfiner B                      \$ 1,200.00 L.S.
- (i) Any move to any other area shall be negotiated  
on its own merit.

In addition to the moves included in the quoted principal sums and in addition to the above moves; there will be a lump sum charge of \$5,820.00 per move to lower leads, disassemble, truck, assemble, and raise, because of overhead obstructions, wherever they may occur.

6. The above prices are based on labor rates and pile shell material prices applicable on February 15, 1974. Not included are actual and indirect cost increases in these categories which may occur during this work. In the event there are cost increases 10% overhead and 10% profit shall be added to such increases agreed for payment. Shell steel price increases will be based on increases in the base domestic mill price for hot rolled sheet steel (coils) plus any mill surcharges or on actual invoices of steel purchased at the time of manufacture, whichever is greater. The average weight of the shell material is 16.5 #/ft. In the event of changes in steel prices, the base price shall be the price as of February 15, 1974. Any change in Subcontractor's steel costs, at the time of commitment, as evidenced by changed base prices or by actual invoices, shall be adjusted as compared with the base price of February 15, 1974.

Any concrete furnished by Raymond subsequent to September 1, 1974 will be allowed an increase, if price at time of delivery is greater than the published base price existing as of May 1, 1974.

For payment of any cost increases allowed under terms of this paragraph, Subcontractor is required to furnish documentation with each invoice, to satisfaction of General Contractor.

7. The Type I and II reinforcing steel cages referenced herein are those designed by Fluor on Drawing No. 448500-4-00-104, Revision 2.

ED-409-0

2/14/74

## RAYMOND STEP-TAPER® PILE

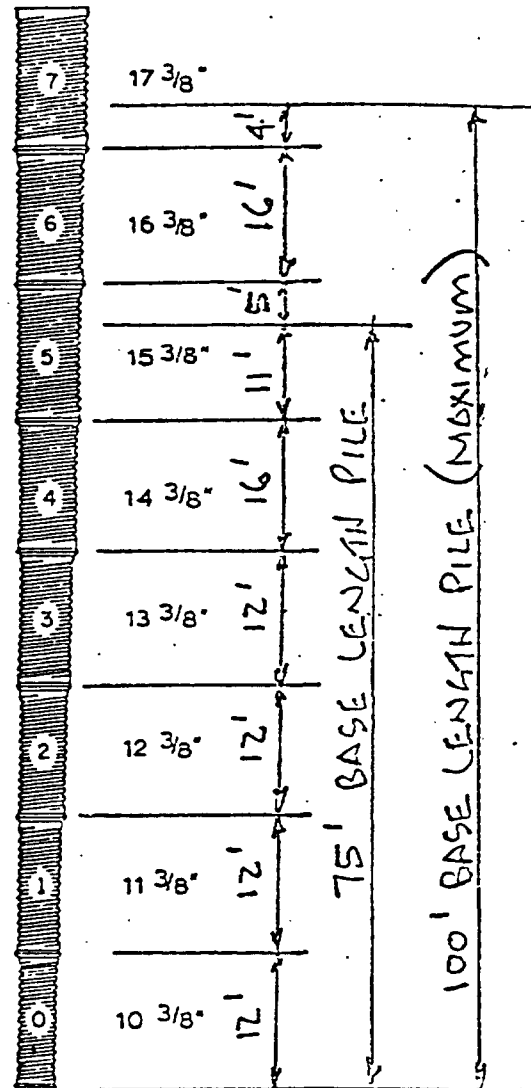
RAYMOND STEEL ENCASED CONCRETE PILES ARE INSTALLED BY DRIVING THE REQUIRED LENGTH OF STEEL SHELL AND INTERNAL STEEL MANDREL; WITHDRAWING THE MANDREL, LEAVING THE STEEL SHELL IN PLACE; INSPECTING THE DRIVEN SHELL INTERNALLY; AND FILLING THE SHELL WITH CONCRETE. NUMBERED SHELL SECTIONS ARE MADE IN 4, 8, 12, AND 16 FOOT LENGTHS. LONGER LENGTHS CAN BE FURNISHED FOR SPECIAL CONDITIONS. THE POINT SECTION IS CLOSED AT THE BOTTOM BY A FLAT STEEL PLATE WELDED TO THE BOOT RING. SHELL SECTIONS ARE SCREW CONNECTED.

PW-7400B-N  
EXXON REFINERY EXPANSION  
BAYTOWN, TEX.

PROPOSED PILING.

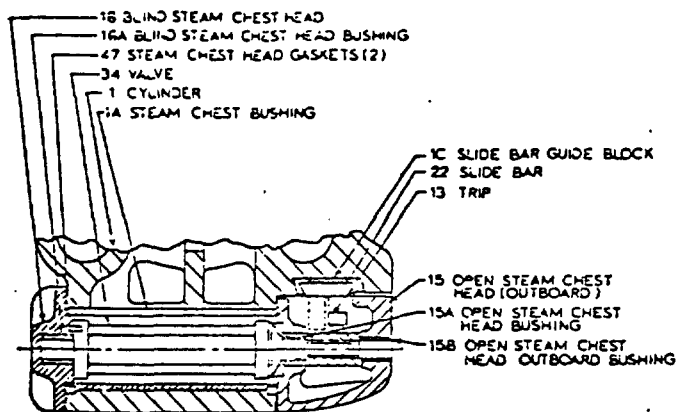
75' BASE LENGTH PILE  
TO BE WET PRE DRILLED  
50' WITH A 10" BIT.

100' BASE LENGTH PILE  
TO BE WET PRE DRILLED  
67' WITH A 11" BIT.

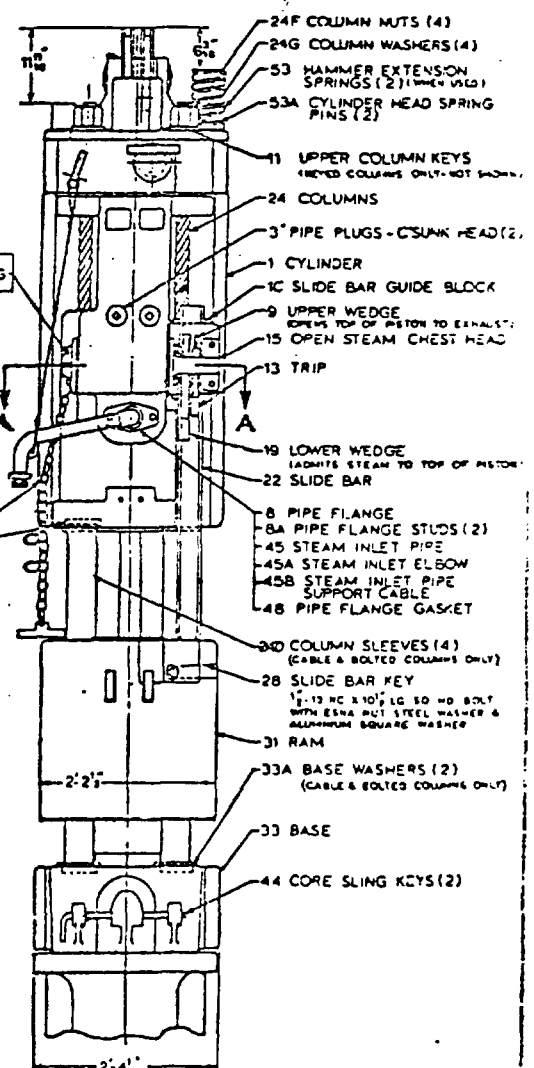
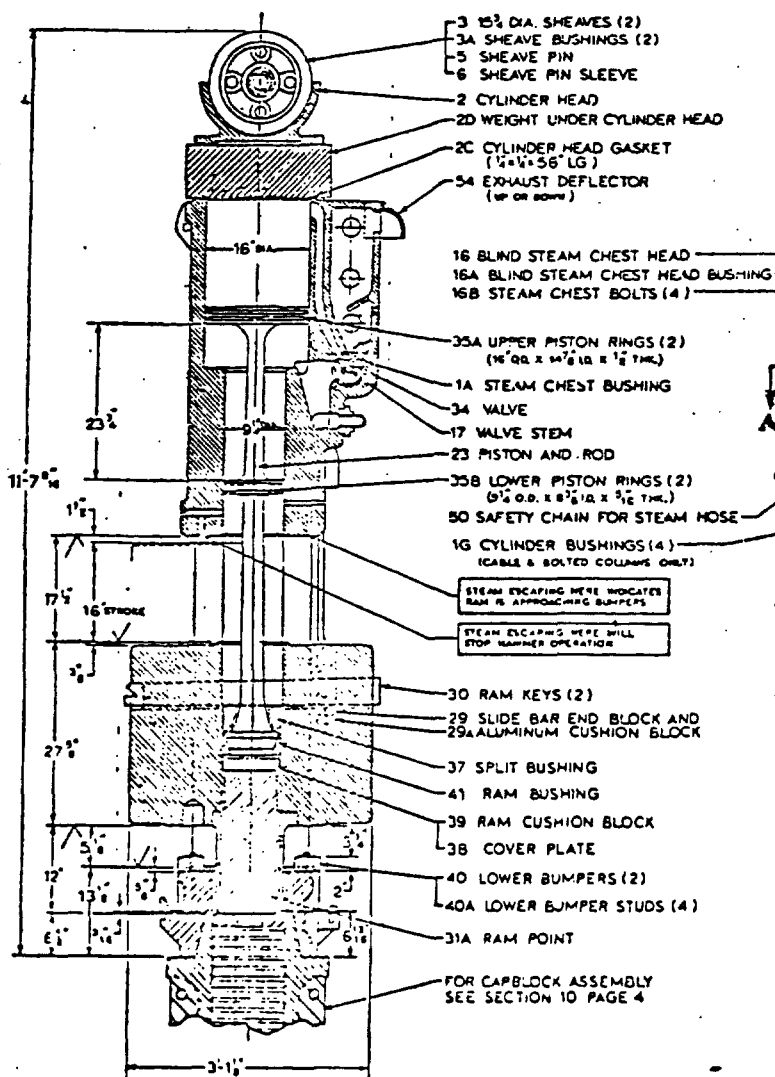
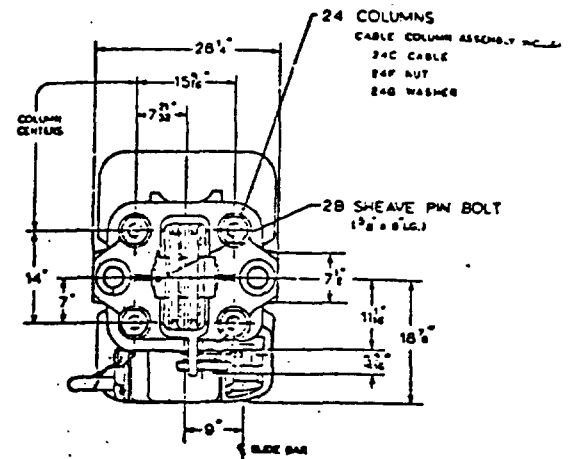


NO SCALE

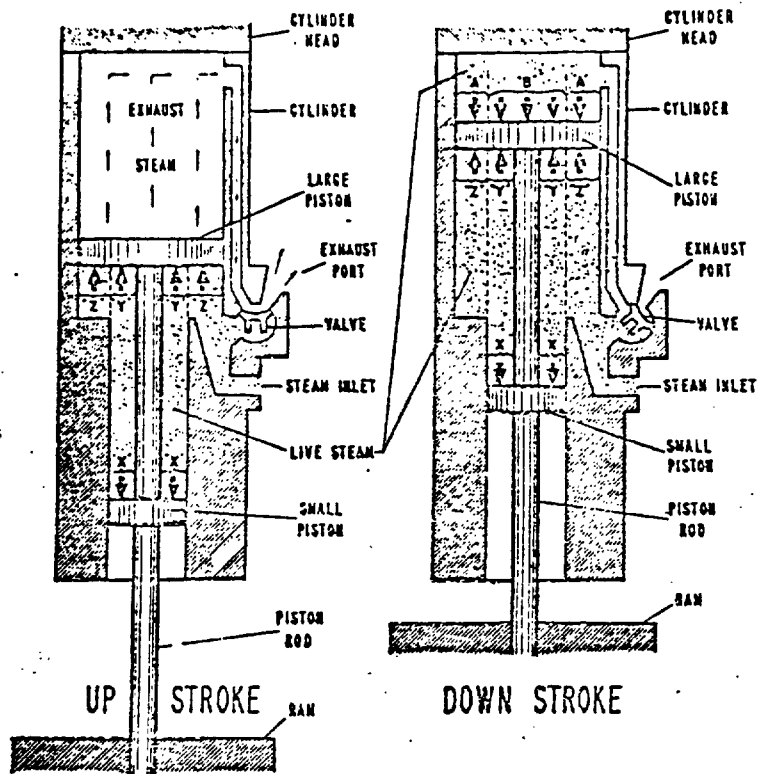
## 65C HAMMER



SECTION A-A  
(VALVE SHOWN IN EXHAUST POSITION)



## DIFFERENTIAL HAMMER OPERATION



**UP STROKE:** Steam force "XX" on small piston is balanced by equal steam force "YY" on large piston.

Remaining area of large piston is acted on by steam force "ZZ" which lifts the ram.  
(The steam above large piston, which was used on the down stroke, is exhausted.)

**DOWN STROKE:** Steam force "XX" on small piston is balanced by equal steam force "YY" on large piston.

Steam force "ZZ" on large piston is balanced by equal steam force "AA".

Steam force "B" on the remaining area is the net steam force which pushes the ram down.

The area on which "B" acts is exactly equal to the area of the small piston including the piston rod.

### EFFECTIVE AREAS AND FORCES

From the above it follows that the effective areas are:

*Upstroke:* The difference between the areas of the two pistons.

*Downstroke:* The total area of the small piston (including the piston rod).

For the three sizes of differential hammers used by the Raymond Company, the actual figures are as follows:

| Size of Hammer                                      |         | 50C              | 65C             | 80C               |
|-----------------------------------------------------|---------|------------------|-----------------|-------------------|
| a. Dia. Large Piston                                | In.     | 14               | 16              | 17                |
| b. Dia. Small Piston                                | In.     | 8 $\frac{1}{16}$ | 9 $\frac{1}{4}$ | 10 $\frac{3}{16}$ |
| c. Area Large Piston                                | Sq. In. | 153.940          | 201.060         | 226.980           |
| d. Area Small Piston                                | Sq. In. | 55.917           | 67.201          | 81.516            |
| e. Effective Area Upstroke = c - d = "ZZ"           | Sq. In. | 98.023           | 133.859         | 145.464           |
| f. Upward Steam Force with 120# steam in cylinder   |         | 11,763#          | 16,063#         | 17,456#           |
| g. Effective Area Downstroke = d = "B"              | Sq. In. | 55.917           | 67.201          | 81.516            |
| h. Downward Steam Force with 120# steam in cylinder |         | 6,710#           | 8,064#          | 9,782#            |
| j. Weight of Ram                                    |         | 5,000#           | 6,500#          | 8,000#            |
| k. Total downward Force h + j                       |         | 11,710#          | 14,564#         | 17,782#           |
| m. Total Weight of hammer                           |         | 11,782#          | 14,675#         | 17,885#           |
| n. Length of Stroke                                 | Ft.     | 1.2917           | 1.3333          | 1.375             |

Par. 5 (a) SPECIAL PROVISIONS OF A SUBCONTRACT

- (1) Subcontractor must furnish his employees with numbered badges which identify Subcontractor's company. Persons not so identified will be denied entrance by security forces, except as visitors.
- (2) Even though General Contractor or Owner may furnish general jobsite security, it is emphasized that such services are gratuitous and are offered without guarantee of performance. Subcontractor is responsible for temporary fencing and other facilities necessary for the adequate protection of his materials, tools and personnel.
- (3) Cameras, sound and/or video-tape recording devices will not be permitted on site without written consent of the Project Manager. Subcontractor must not release photographs or information for publication or to outside sources without written consent of the Project Manager.
- (4) Subcontractor must submit a report daily to General Contractor, indicating the number of workmen on the job and the hours worked by each for the previous day.
- (5) Subcontractor permission to work overtime, weekends, holidays or hours other than normal project working hours shall be requested in advance from the Project Manager, for approval.
- (6) A graded area will be provided for Subcontractor's office, storage and work space. Subcontractor is responsible for providing his own offices, temporary sanitation facilities, telephone, ice and covered storage for materials. Subcontractor is responsible to receive, unload, store and install his own materials and supplies.
- (7) An area designated for employee parking will be furnished outside the construction gate, and private vehicles will not be permitted inside the gate.
- (8) General Contractor will furnish to Subcontractor, at no cost, only the following if required and requested by Subcontractor, except for special provisions in writing elsewhere in this Subcontract:

Copies of applicable drawings, specifications and standards reasonably needed for work execution.

Drinking water, not cooled, will be made available at existing connections.

110 volt electric power will be made available for lighting and small tools.

- (9) Subcontractor will be required to comply with provisions of the "Basic Safety Rules" adopted by Brown & Root, copy of which is attached. Subcontractor, not later than twenty-four (24) hours after occurrence of any accident, must provide a detailed written notice of the accident to the General Contractor. In addition to the Brown & Root Safety Rules, Subcontractor shall comply with all of the terms and conditions contained in Exxon's publication entitled "Contractor's Responsibilities for Safety, Plant Protection, and Traffic Regulations," dated May 1, 1973, said publication being made a part of this Subcontract by reference. General Contractor will furnish copies of this publication to the Subcontractor. The rules and regulations contained in the "Contractor's Responsibilities" shall apply to all subcontractors and their employees. Before starting work under this Subcontract, Subcontractor shall obtain from Brown & Root copies of these regulations. Subcontractor shall notify its employees, its lower-tier subcontractors, and employees of the provisions of said regulations and shall secure compliance therewith by all such parties; and Subcontractor shall not allow any of such persons to begin work inside Exxon's Baytown Refinery until such notification has been given them. Said "Contractor's Responsibilities" are designed as minimum requirements for Subcontractor, and Subcontractor shall take any additional precaution necessary or proper under the circumstances to prevent injury or death to persons or damage to property. Neither compliance with such regulations by Subcontractor nor approval by General Contractor of any actions or procedures of Subcontractor as provided therein shall relieve Subcontractor of its obligation always to use due care in performing work hereunder. In addition to the above regulations, it is mandatory that all employees of Subcontractor entering the refinery wear long sleeved shirts at all times while inside the refinery.

- (10) Invoices for payment for work performed under this Subcontract shall be mailed in triplicate to the following address:

Brown & Root, Inc.  
P. O. Box 4321  
Baytown, Texas 77520

EXX 012624

**BROWN & ROOT, INC.**  
**and**  
**ASSOCIATED COMPANIES**  
**BASIC SAFETY RULES**

The Basic Safety Rules to be followed by all Company and Subcontractor employees on all Company jobs are:

1. Hard hats will be worn by all employees while on construction sites.
2. Safety glasses or other prescribed eye protection will be worn by all employees while on construction sites or while working in a shop or plant area.
3. Employees will not ride the load, hook, or headache ball.
4. Booms and blades will be lowered to the ground at the completion of each days work.
5. All electrical tools and equipment will be properly grounded.
6. Compressed air will not be used to dust off hands, face or clothes.
7. It will be the responsibility of each foreman to hold regular crew safety meetings at least once every week.
8. Good housekeeping will be recognized as an integral part of every job.
9. Employees will work fully clothed.
10. Compliance with the Company's safety regulations, as well as those established by the Owner as they apply to our work by contractual agreement, is a condition of employment.
11. Federal and State Safety Standards must be complied with at all times.
12. The use of drugs, alcohol and "horse play" on the job are strictly prohibited.

From a practical standpoint certain exceptions to the above basic rules are recognized; therefore, it is the responsibility of the Job Superintendent or Project Manager to work with the Houston Office Safety Department before any changes are made in the Basic Safety Rules.

# Brown & Root, Inc.

Post Office Drawer 4321  
Baytown, Texas 77520  
Phone (713) 427-9575



EXXON FUELS EXPANSION  
PROJECT

June 18, 1974  
JEW-55-74

Raymond International, Inc.  
Raymond Concrete Pile Division  
6300 Richmond Avenue, Suite 112  
Houston, Texas 77027

Attention: Mr. C. H. Roth, District Manager

Subject: Letter Agreement  
Piling at Exxon Refinery, Baytown, Texas

Reference: Raymond Proposal PW-74008-H  
Brown & Root Subcontract 34-1202-0277

Gentlemen:

Brown & Root shall indemnify Raymond International for losses involving Exxon property or use thereof in excess of \$1,000,000. In addition, Brown & Root certifies that Raymond's pile driving work areas involved in this contract will be free from underground pipelines and Brown & Root will further verify this condition by excavating such areas approximately 8 ft. below normal grade. There are certain overhead product lines located in the area of the work which will contain petroleum products. It would be expected that Raymond exercise caution when their work is in close proximity to these lines. There are no operating process units in the immediate area and no tankage which would be directly affected by a job-site accident. It is not anticipated that Exxon will have operating personnel within the work area and that Brown & Root will restrict other personnel to a minimum in the work area. Brown & Root will provide adequate roadways and specify routes to allow safe movement of Raymond's equipment.

To clarify some of the risk which might be involved in case of an accident, the attached article entitled "EMERGENCY! EMERGENCY!" covers a recent fire involving overhead product lines within the Baytown refinery in which there was no serious personal injury or death and no resulting spread of fire.

In order to further minimize the risk involving personnel, devices such as alarms to warn personnel will be installed to insure that Exxon's adjacent operating areas could take whatever safeguards which might be required in case there was an on-site accident.

Very truly yours,

J. E. Woodward  
Project Manager

Attachment (Article-8 Pages)

EXX 012626

# Emergency! Emergency!

"There's a fire at Exxon's Baytown Refinery," newscasts began, and almost as quickly, work was underway to get the refinery back on-stream.



EXX 012627

emergency center February 8. Faced with what became the most serious fire in Baytown's 54-year history, they reacted with the practiced precision of men trained to meet crisis with cool heads.

After Operations Manager Joe Barsalou outlined the fire potential, Refinery Manager Jo Graves put a stand-by emergency plan in operation. Since many of the refinery and chemical plant process units had

hydrocarbon fuel and product lines running through the fire zone, the unprecedented decision to shut down the entire manufacturing complex was made at the same time.

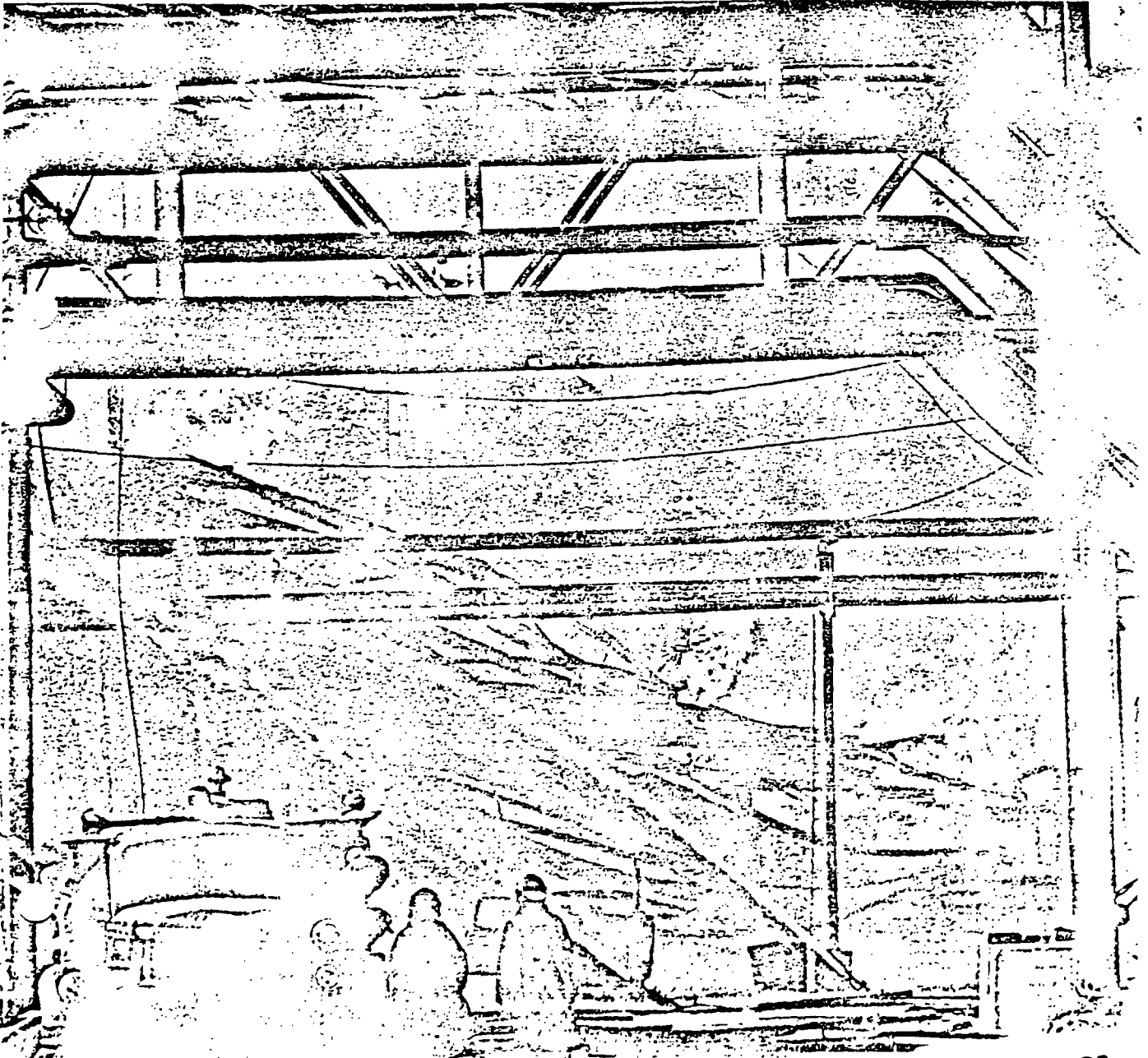
"No sooner had the newscasts announced there was a fire at Baytown than they also were speculating what effect this would have on already tight gasoline and fuel oil supplies," Barsalou recalls.

"It was on our minds too. In fact

our emergency plans are designed not only to meet the immediate problem but also to minimize any disruption of supplies to our customers. It shows in the way we fought the fire."

The refinery's volunteer fire department went into action about the same time that Bill Meyer fled from his car. Other employees besides Meyer had seen the ominous white cloud and called out volunteer fire

As the fire gradually burns itself out, firefighters keep watch over effort to protect pipelines and storage tanks not affected by the fire.



EXX 012628

crews as a precautionary measure.

Once the blaze started, the immediate goal was to prevent the domino spread of fire from storage tank to storage tank throughout the 2,400-acre refinery and chemical plant. Directing their fire hoses at tanks and pipelines not yet ablaze, the firemen tried to keep them cool to prevent products in storage from burning.

Meanwhile, as the firefighters

kept the blaze contained, the refinery's emergency task force went into action. John McCulley, whose normal job is head of Baytown's fuels department, is operations chief during an emergency.

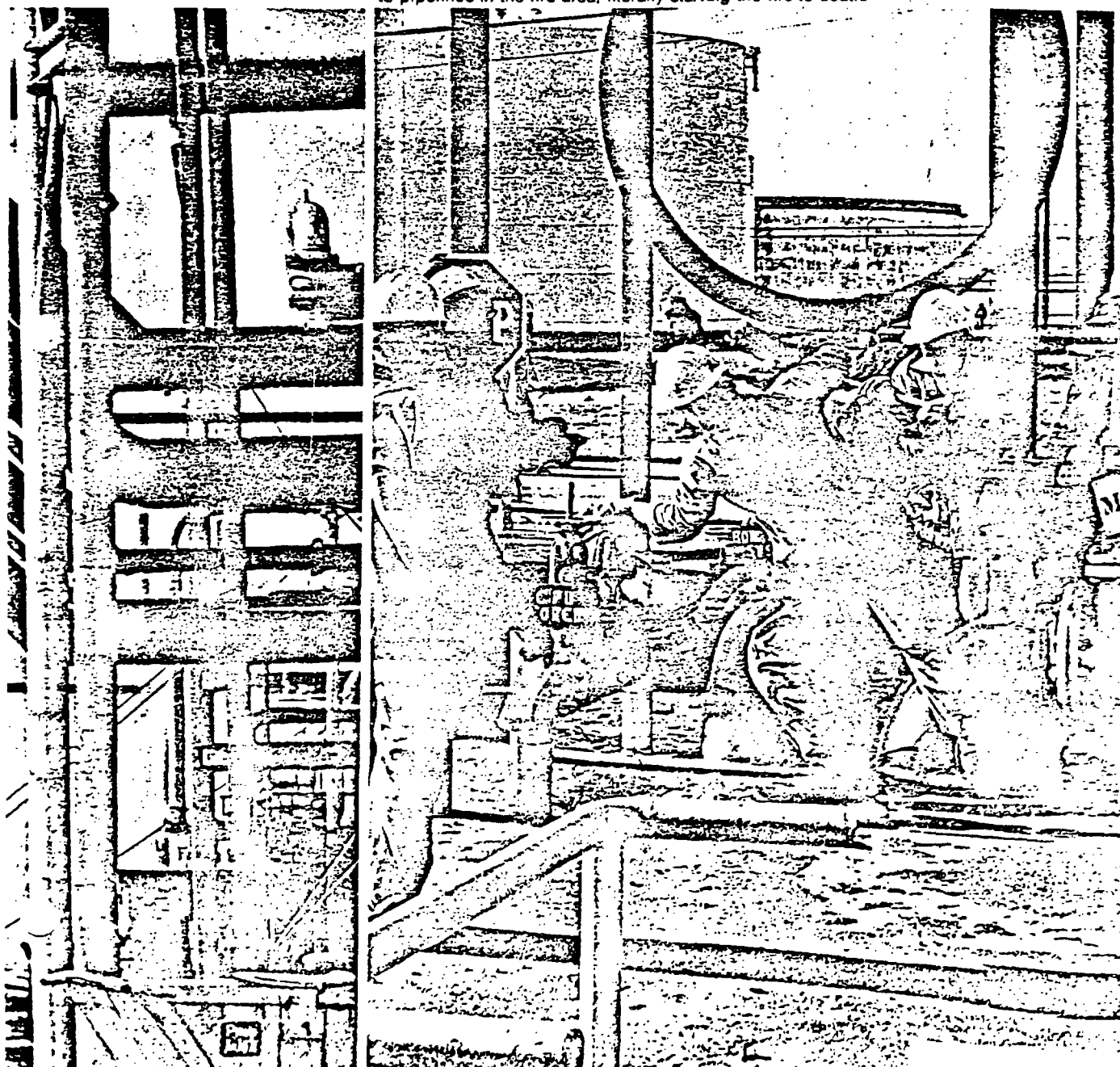
Using an in-plant emergency radio network, he obtained a first-hand assessment from the fire scene — the fire was limited to the relatively small area around a piping manifold and a cluster of more than 100

pipelines which carry different gases and fluids to be processed. The once ruler-straight lines were engulfed in flames, becoming twisted and tangled in total disarray as other pipelines failed.

Incoming reports gave the task force enough information to make a decision: All valves controlling access to those lines must be closed to isolate the area.

The team assembled in the emer-

Emergency crews close valves controlling the flow of fuel to pipelines in the fire area, literally starving the fire to death.



EXX 012629

gency center before a map identifying each pipeline and tank by number and by contents and showing the location of all valves.

Singling out all equipment involved, the task force told the firemen what materials were in lines in the fire zone. They then set about closing all appropriate valves, a four-hour process.

With this new information the volunteer firemen decided how to fight

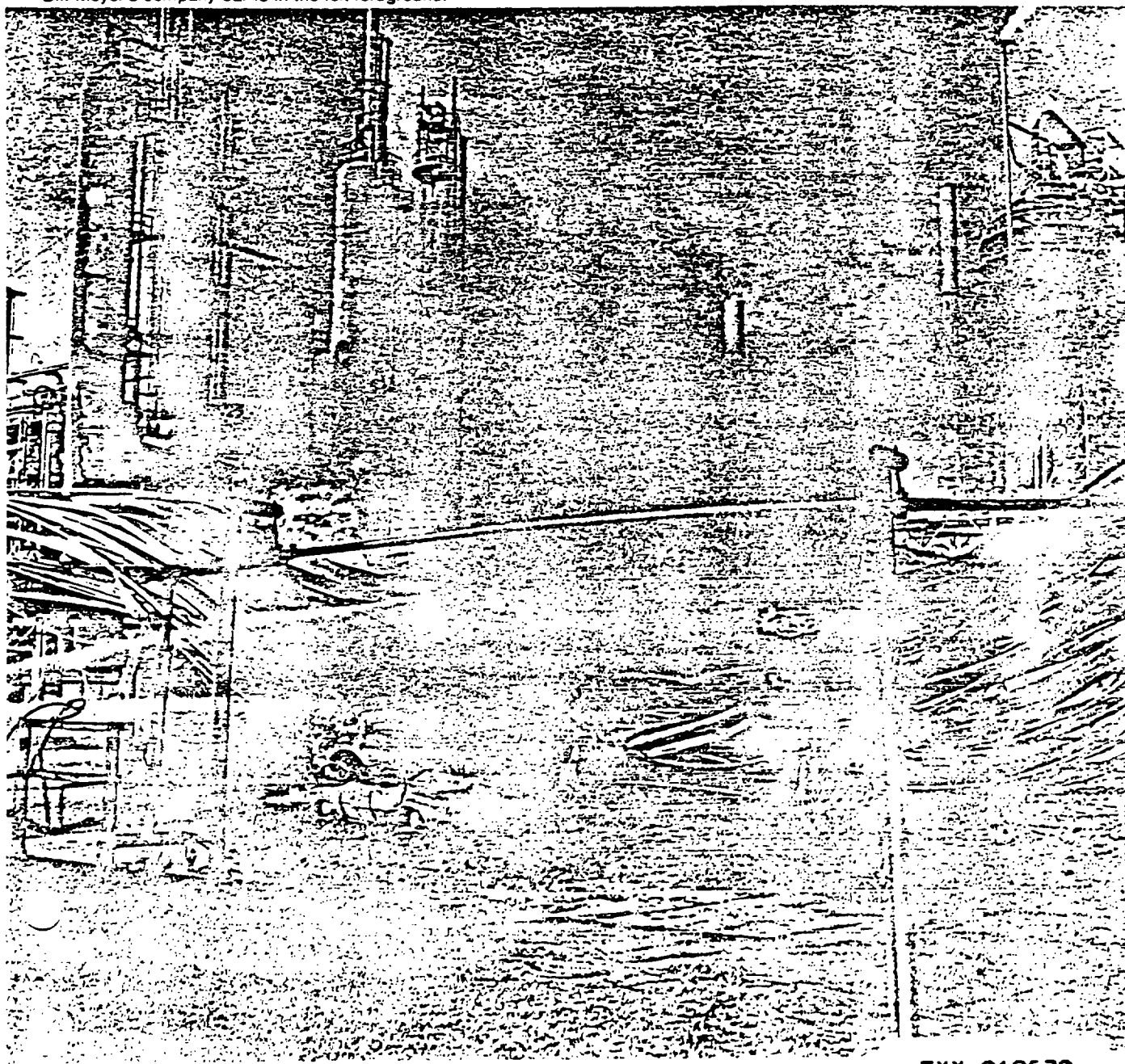
the fire: They would continue to contain it by keeping all surrounding equipment cooled down. With the valves closed, the fire would feed only on material remaining in the lines. Eventually it would burn out.

"We could have used foam on the fire," John Alliston, refinery process superintendent, recently transferred to headquarters refining, said later. "But we didn't want to put the fire out before it consumed all the com-

bustible materials in the lines. Otherwise there could have been reignitions and more fire later when men began dismantling and repairing the damage."

About three hours after it started, the fire was isolated and under control. A minor fire feeding on line drainage was allowed to burn for about 48 hours. The last flames were snuffed out two days after the fire started.

Like spaghetti, once arrow-straight pipelines mark the burned-out area. Bill Meyer's company car is in the left foreground.



EXX 012630

As a result of the fire, one man employed by a contractor at the refinery was hospitalized with second-degree burns. Nine employees were treated at the refinery medical department for minor injuries and immediately returned to work.

Refinery officials agree that quick and diligent action by the volunteer fire department saved lives and prevented further destruction.

John Alliston describes how the

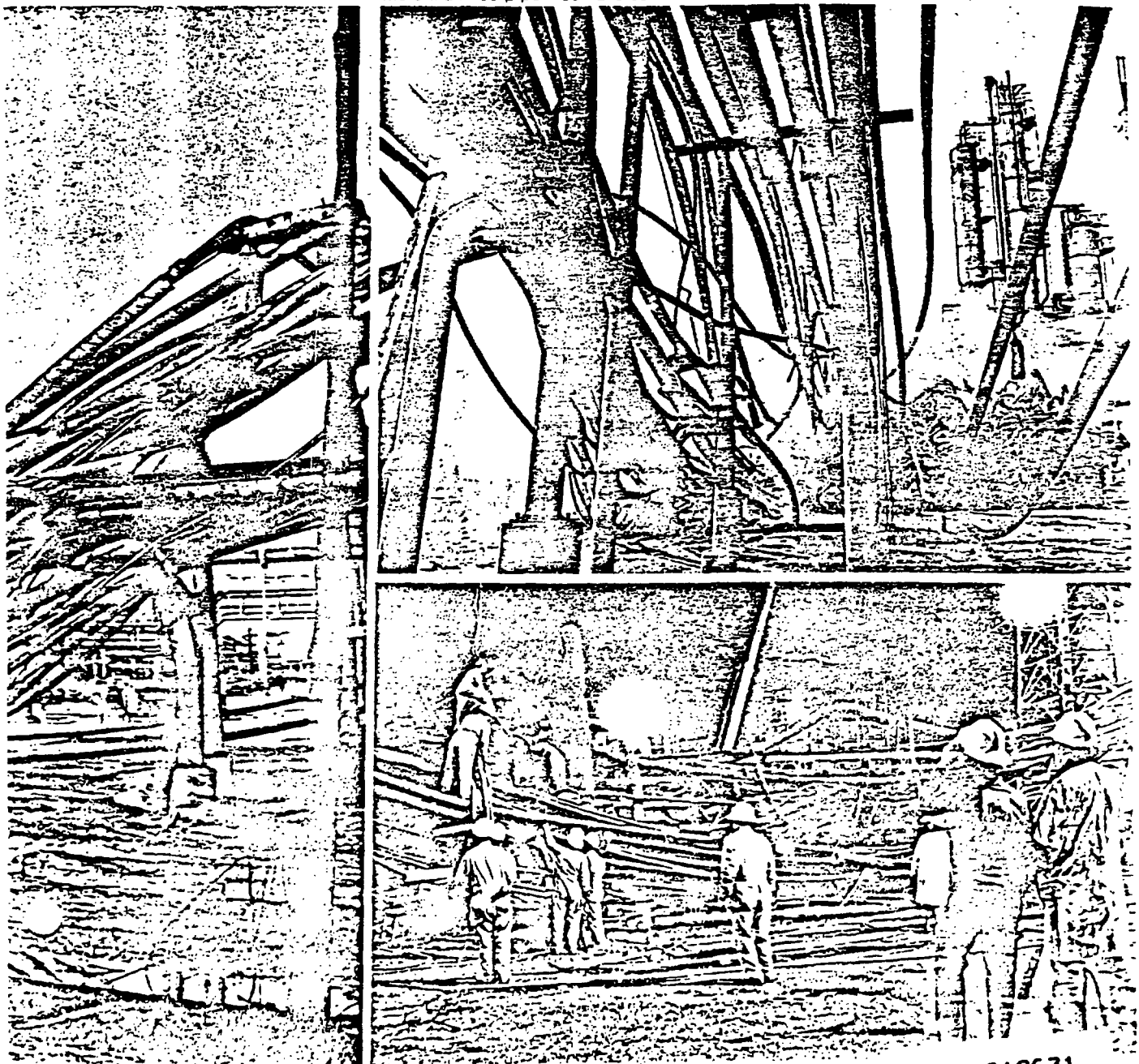
48-man firefighter organization works. "They have a continuing training program with both classroom lectures and actual firefighting experience. Twice a month we set limited fires at the refinery fire-training grounds so the men get some actual experience." Simulated drills are also held regularly on process units.

During and immediately after the fire, the emergency task force faced

the problem of refinery production. All operations ceased as a result of the fire and stayed shut down until it was safe to begin startup procedures three days later.

Until repairs were completed, however, the refinery would operate at less than full production. At the time of the fire, Baytown was processing 260,000 barrels of crude oil a day. What products would be cut back while repairs were underway?

Crews begin an around-the-clock effort to dismantle the mangled metal. More than 100 pipelines traverse the fire area.



EXX 012631

What were the priority units to be put back on-stream as soon as possible? What else could be done to ease the disruption?

Before the damaged equipment had cooled down," says Graves, "a plan to get back into operation was being formulated."

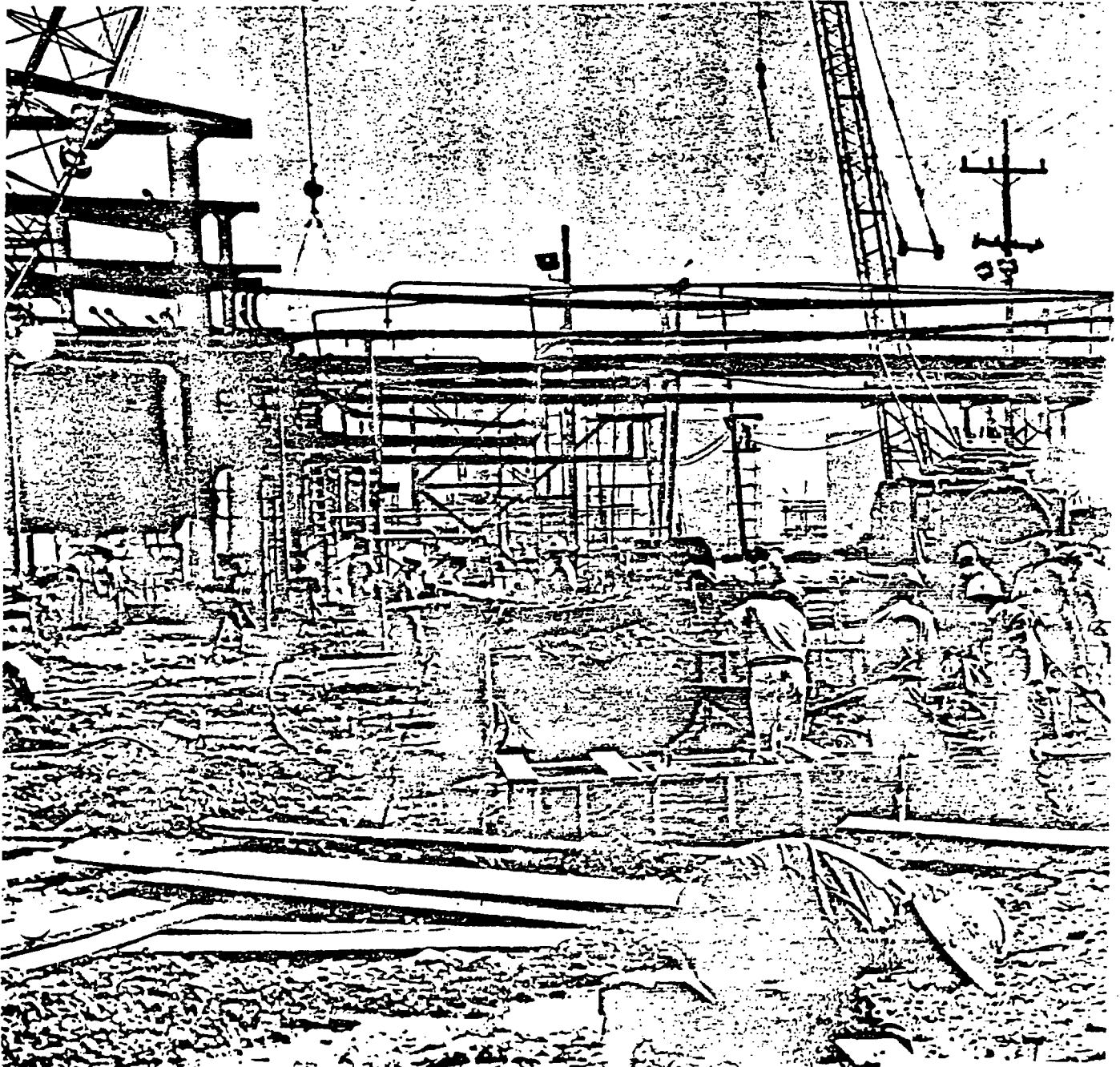
Because of the nationwide shortage of crude oil, all Exxon USA refineries were operating at less than full capacity before the fire. Within

several days after the fire, two shiploads of crude oil, which had arrived at Baytown by pipeline, were shipped to other Exxon USA refineries with the spare capacity to process it. Nearly a million barrels of crude were rerouted in this way. As a result, disruptions in the supply system were managed so that, by the end of March, all motor gasoline production lost because of the fire were made up.

Also, so that operations could be resumed quickly, several temporary lines were installed to get certain critical units back on-stream, particularly those involved in gasoline production. Three days after the fire, several units were back in service with other processing facilities being started up as repairs continued.

"The result of the cooperative efforts by all of the organizations at

One week after the accident, the fire-gutted area gives the appearance of a refinery expansion project.



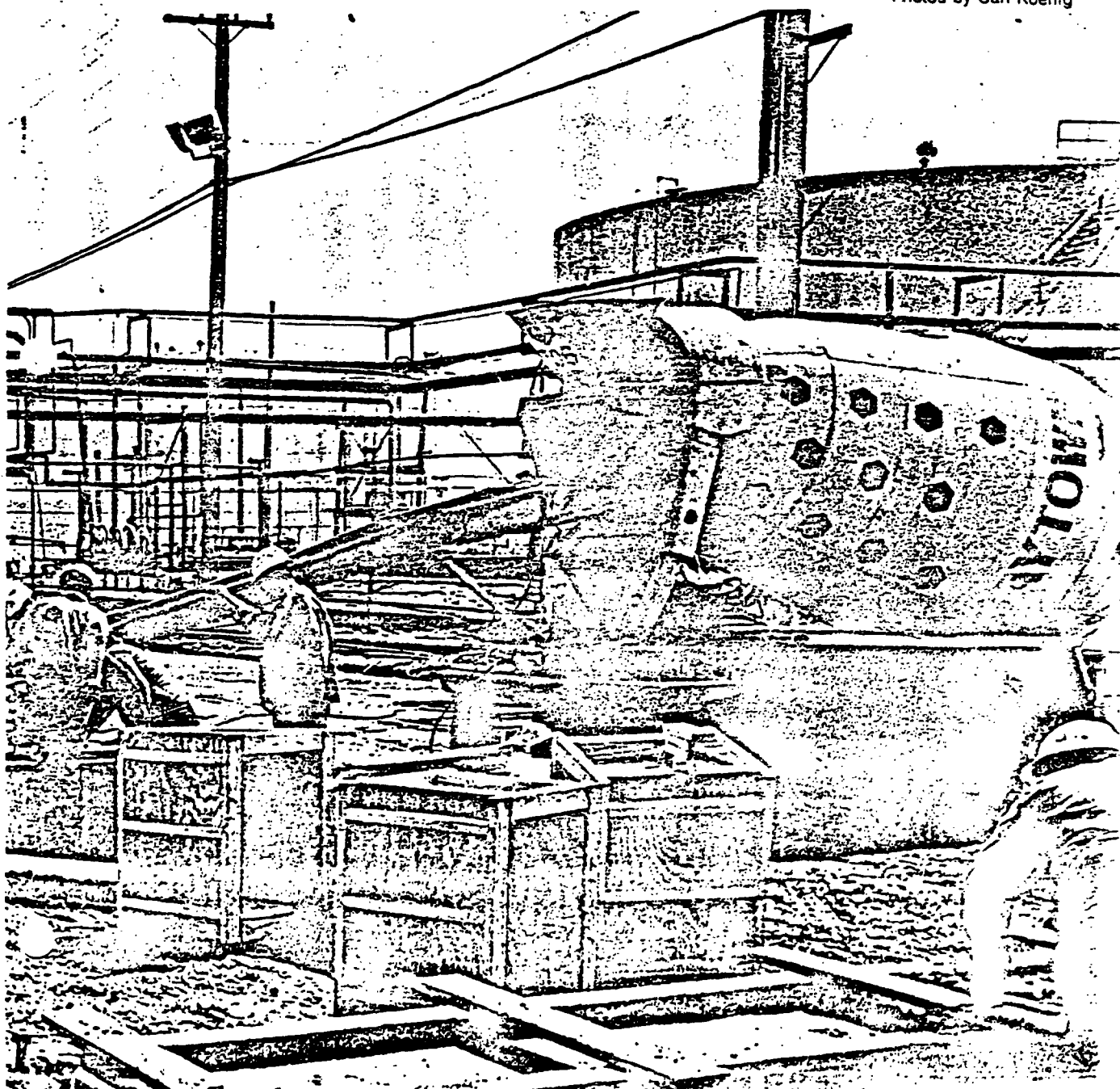
the refinery — and of the round-the-clock work by our repair crews — was that our production rate had returned to one-half the prefire level 11 weeks after the fire," says Graves. Over the weekend of March 2-3, the last of the units shut in by the fire was returned to service. By March 8, four weeks after the fire started, operations were essentially back to normal throughout the plant.

But the fire isn't entirely a thing of the past. A special investigative task force is working to determine the exact cause of the fire. John Racz, fuels expansion project executive, is directing the investigation.

Though the investigation report has not been completed, it is clear that the fire started after a plant-wide power failure. The refinery's electricity supply was interrupted when a 69,000-volt switch failed.

When all of the power went out," says Racz, "process unit operations were upset throughout the plant. Some pressure within pipes and manifolds changed and then abruptly changed again when power was restored. We believe that was sufficient to put the line that leaked under enough stress so that a flange partially separated, thereby allowing the leak which caused the vapor cloud."

Photos by Carl Koenig



EXX 012633

**Brown & Root, Inc.** Post Office Box Three, Houston, Texas 77001

July 12, 1974



**Wm. A. Smith Construction Company, Inc.**  
**P. O. Box 15217**  
**Houston, Texas 77020**

**Attention: Mr. M. J. Kriegel**

**Re: Subcontract No. 34-1202-0278**  
**Railroad Track Work**  
**Exxon Company, U.S.A.**  
**Baytown, Texas**

**Gentlemen:**

**We enclose herewith one fully executed copy of Subcontract No. 34-1202-0278 dated May 17, 1974, for your permanent file.**

**Yours very truly,**

**BROWN & ROOT, INC.**

**ORIGINAL SIGNED BY**  
**J. M. FRANKI**

**J. M. Franki**  
**Subcontracts Manager**

**JMF/RU/bc**

**Enclosure**

**cc: Messrs. J. P. Lamar (w/original)**  
**D. H. Dodd (2/2 copies)**  
**A. M. Billingsley (w/attachment)**  
**J. E. Woodward**

**THIS COPY FOR**

**EXX 012634**



# BROWN & ROOT, INC.

## SUBCONTRACT

Job Number 34-1202 (5)

Subcontract No. 34-1202-0278

RU/bc

THIS AGREEMENT, made this 17th day of May, 1974  
by and between BROWN & ROOT, INC., a Texas Corporation, 4100 Clinton Drive, Houston, Texas, (P. O.  
Box 3; 77001) hereinafter called the "General Contractor", and Wm. A. Smith Construction Company, Inc.  
P. O. Box 15217 Telephone: (713) 672-0568  
(Name, Street Address and Telephone Number)

a Texas Corporation with principal offices at  
(Give State of incorporation and whether a corporation, partnership, or proprietorship)  
Houston, State of Texas 77020

hereinafter called the "Subcontractor", WITNESSETH

WHEREAS, General Contractor has entered into a general contract with  
Exxon Company, U.S.A., hereinafter  
(Name of Owner)

called the "Owner", for the construction of Baytown fuels expansion project

(Nature of construction under General Contract)  
Baytown,

Texas

(City)

(State)

WHEREAS, Subcontractor desires to perform that portion of the work as required by the general contract,  
which is described below as "The Sublet Work";

NOW THEREFORE, it is mutually agreed by and between General Contractor and Subcontractor as follows:

### I. SPECIAL CONDITIONS

1. The Sublet Work consists of: **Furnishing all labor, tools, equipment, materials, supervision and all other things necessary to construct railroad trackage for unloading facilities in strict accordance with the following documents which are attached hereto and made a part hereof and as further detailed herein.**

1. Brown & Root, Inc. Drawing No. R1, Sheet 1 of 1, dated February 27, 1974.
2. Exxon Company, U.S.A. Baytown Engineering Standard No. 4-70-1
3. Exxon Company, U.S.A. Baytown Engineering Standard No. 4-70-1, 1C

— Continued on Page 2 —

EXX 012635

Subcontract No. 34-1202-0278

2. The price for the Sublet Work shall be: a firm lump sum amount of SIXTY-SEVEN THOUSAND TWO HUNDRED AND NO/100 DOLLARS (\$67,200.00) including all applicable sales/use taxes.

3. The time of completion of the Sublet Work shall be as provided in paragraph 4 of the General Conditions but not later than July 1, 1974.

4. The payment and performance bonds provided for in the General Conditions must be delivered before any work is performed by Subcontractor hereunder and no payment becomes due Subcontractor until such delivery, unless delivery at this time is expressly waived. Immediate Delivery of Bonds are: Waived XXX; Required \_\_\_\_\_.

5. Other special provisions of this subcontract are: (a)

The Sublet Work shall include but not be limited to the following new and used materials:

1. The rail will be 9021 relay having a maximum head wear of 1/4". The joint bars will be relay, correctly drilled to fit the drilling of the rail. Tie plates will be relay 7" x 9", four hole punched.
2. The 110-lb. rail will also be relay along with the matching relay joint bars and relay tie plates correctly punched to fit the base of the rail.
3. Track bolts will be new along with new nut locks of proper size and length to fit either the 90 or 110 lb. rail.
4. Track spikes will be new 5/8" x 6", using four per cross tie.
5. The No. 8 110-lb. relay turnout is in excellent condition, consisting of rigid bolt frog, double reinforced 16'6" non-insulated switch points complete with plates, braces, and a #36D Abex Switch Stand or equal, with a 3'6" connecting rod.

— Continued on Page 3 —

EXX 012636

I.5(a) (Cont'd.)

Subcontract No. 34-1202-0278

6. The No. 7 90-lb. turnout will be new, consisting of a selfguard manganese frog 16'6" double reinforced non-insulated switch points, complete with plates, braces, switch stand and 3'6" connecting rod as described above.
7. Slag ballast will be furnished with sufficient place to provide for the typical section accompanying the Subcontractor's proposal.
8. Cross ties will be new 8'0" in length creosote pressure treated. The switch ties will also be new 7" x 9" creosote pressure treated.
9. The 110-lb./90-lb. will be compromise joints, will be relay, and will be used behind the 110 lb. turnout.

(b)

The Subcontractor certifies that the new and used materials listed heretofore and inspected and accepted on May 9, 1974 by Bill Perry, General Contractor's Chief Construction Inspector, are earmarked for and will be furnished for the work described herein.

(c)

With reference to the track cross-section detail on Page 3 of BTES 4-70-1.1C, the following comments apply:

1. The sub-grade soil materials have been excavated, backfilled and compacted, with a top layer of lime-stabilized clay brought to grade by General Contractor at line indicated for bottom of ballast, noted as "Dimension A".
2. Dimension A is to be twelve (12) inches, and the ballast material must be Huroc.

(d)

The General Contractor will furnish the following at no cost to the Subcontractor:

1. Six (6) prints of "approved for construction" drawings and Baytown Standards.
2. Field engineering and layout.
3. Site preparation and sub-grade stabilization.
4. Re-working of the security fence.

(e)

There shall be no road crossings considered for the new trackage.

Subcontract No. 34-1202-0278

(f)

Subcontractor must connect to an existing track now serving Industrial Chemical Division of Stauffer Chemical Company at a point as indicated on the Drawing R-1. The existing track is constructed of 110# rail, which will require a compromise section to the 90# rail specified for the trackage to be constructed. The Owner will provide any agreements, which he deems necessary, with Stauffer Chemical Company.

(g)

Exxon Chemical, Exxon or ERE "Contractor's Responsibilities for Safety, Plant Protection and Traffic Regulations" for Subcontractors in Baytown Plants dated May 1, 1973 hereby becomes a part of this Subcontract.

(h)

"Special Provisions of a Subcontract", Job No. 34-1202, are attached hereto and made a part hereof.

(i)

Subcontractor must furnish his own warehousing and miscellaneous workmen's supplies.

(j)

All inquiries the Subcontractor may have concerning this Subcontract must be made through the General Contractors' Project Manager and not directly to the Owner.

(k)

Subcontractor shall contact the General Contractor's Project Manager to schedule and coordinate this Subcontract.

(l)

Before commencing work and before this Subcontract becomes effective, the Subcontractor shall furnish the General Contractor with his Certificate of Insurance.

(m)

The attached sheet entitled "Equal Opportunity Clause" hereby becomes a part of this Subcontract.

(n)

— Two copies of the General Contractor's "Affidavit for Subcontractors" (Form P-7) are attached. Subcontractor shall execute and return one copy with his final or retainage invoice.

— Continued on Page 4 —

EXX 012638

## II. GENERAL CONDITIONS

1. Subcontractor represents that he is familiar with the physical conditions and availability of labor and materials in the area of the Sublet Work and all other items affecting the performance of the Sublet Work.

2. Subcontractor agrees to perform the Sublet Work in a careful and workmanlike manner, in accordance with the best construction practices and this Subcontract, and to furnish all supervision, labor, supplies, tools, equipment, facilities, storage, and materials (except as Owner or General Contractor specifically agrees herein to furnish) and all other things and services necessary or desirable to perform the Sublet Work.

3. General Contractor agrees to pay Subcontractor for the performance of the Sublet Work the amount specified in Paragraph 2 of Section I, and to make partial payments monthly to Subcontractor within fifteen (15) days after Subcontractor's invoices, approved by General Contractor's field representative, are received by General Contractor, except that General Contractor shall retain ten percent (10%) of the amount of each partial payment on the Sublet Work, until final completion of Subcontractor's work, and the balance shall be paid within thirty (30) days after final completion and acceptance of Subcontractor's work by Owner, upon a proper invoice submitted by Subcontractor accompanied by an affidavit that all bills for labor, materials, taxes, services and other costs of the Sublet Work have been paid and indemnifying General Contractor and Owner therefrom and a release by Subcontractor of any further claims against General Contractor and Owner. Payment of any partial payment may be withheld until Subcontractor furnishes satisfactory proof of payment of all bills for labor, materials, taxes, services and other expenses in connection with the Sublet Work, and that all claims for changes or extra work have been settled. Until final completion and delivery of the Sublet Work, to the extent required by applicable law, all funds paid to Subcontractor shall be held in Trust for application solely to payment of laborers, materialmen, fabricators, subcontractors and others furnishing elements of the Sublet Work. Subject to performance by General Contractor of its obligations hereunder, title to all materials, components, fabricated items, and work in process intended for the Sublet Work, and the beneficial interest in all purchase orders or subcontracts therefor, shall vest in Owner immediately upon delivery to the site, or identification to this Subcontract, or commencement of fabrication in Subcontractor's or a supplier's shop, or award of a purchase order or subcontract; provided, that this provision shall not relieve Subcontractor of the absolute duty to complete and deliver the Sublet Work in good condition, and to comply with all other obligations hereunder. All payments hereunder may be made by General Contractor's affiliated company and all such payments shall be considered as payment hereunder.

4. Subcontractor agrees to commence the Sublet Work immediately when instructed and to prosecute same in coordination with the work of others and with sufficient equipment, supervision and manpower to insure completion of each part of the Sublet Work within the time of completion herein provided, so as not to cause damage or delay in the work of others. Subcontractor shall perform the Sublet Work at the times, and in the sequence directed by General Contractor, or Owner, from time to time; and, in the absence of such instructions from General Contractor or Owner, at the times, and in the sequence reasonably necessary to avoid delay in the performance of the work required by the General Contract at whatever rate of progress General Contractor may make in performing the work directly or through other Subcontractors. In the event Subcontractor be delayed by the Owner, General Contractor, or another contractor performing work on the project, or by the ordering of extra work or by force majeure, General Contractor shall owe Subcontractor only an extension of time, and then only if written request therefor is made by Subcontractor within forty-eight (48) hours from the beginning of the delay.

5. If any part of Subcontractor's work depends for proper execution or results, upon the work of any other contractor or Supplier, Subcontractor shall inspect the work of the other contractor or Supplier and promptly report to General Contractor any defects in such work, or the performance thereof that adversely affects the proper execution, and the obtaining of the desired results of the Sublet Work. Subcontractor's failure to inspect and report any such defects shall constitute an acceptance of the other contractor's or materialmen's work as fit and properly performed. Subcontractor shall endeavor to settle by agreement or arbitration, all claims asserted by any other subcontractor, materialman, or other person arising from Subcontractor's own acts or omissions, or in any manner relating to the performance of the Sublet Work; and in the event General Contractor or Owner shall be sued on any such claim, Subcontractor shall defend such suit, and pay or satisfy any judgment rendered therein against General Contractor, or Owner, and pay all costs, including attorney's fees incurred by General Contractor or Owner.

6. Subcontractor shall, at its own expense, procure all required permits and licenses, and pay all fees and charges, and give all notices necessary and instant to the due and lawful prosecution of the Sublet Work. Subcontractor shall comply with the requirements of any deeds and rights-of-way easement restrictions, and any permit requirement, and any instructions or regulations of any local, state or federal governmental agency or authority, and with the requirements of any one having the right to control how any portion of the Sublet Work is to be performed; provided, however, that the Sublet Work shall be performed to the satisfaction of the General Contractor and Owner.

7. Owner and General Contractor shall have the right to enter upon the site of the Sublet Work for the purposes of inspection, accounting, and performing such collateral work as Owner or General Contractor may desire. Subcontractor agrees to furnish all facilities deemed necessary by the General Contractor and Owner for the proper inspection of the Sublet

— Continued on Page 5 —

EXX 012639

Work and to account to the Owner and General Contractor for any materials furnished by Owner or General Contractor which are being handled by Subcontractor. Subcontractor agrees to carry out such tests as are required by the General Contractor to determine if the sublet work is being properly performed. Subcontractor shall protect the Sublet Work and bear and be liable for all loss or damage of any kind, including damage by the elements or otherwise to the Sublet Work or to materials or other items furnished by Owner, or General Contractor to Subcontractor, which may happen at any time prior to the time that Owner formally accepts the Sublet Work. Subcontractor shall warrant the Sublet Work to be free from defects in material and workmanship and agrees to make good at Subcontractor's own expense any such defects or any failure to perform satisfactorily, which are discovered within one (1) year from the time of acceptance by Owner of all the sublet work, or within one year from the time of commissioning by Owner of the Systems or Work to which the Sublet work relates, whichever is later. In the event of any such defects, Subcontractor agrees to consult promptly with General Contractor or Owner to arrive at a satisfactory procedure, which, if possible, will enable the work to be kept in operation pending the correction of such defects.

8. Subcontractor agrees to indemnify and to save General Contractor and Owner harmless from and against all claims, suits (including counsel fees and other expenses of suit) whether groundless or not, judgements and awards on account of any damage to property or injury (including death) to person (including any damage or injury to the property or person of any employee of Subcontractor, General Contractor, or Owner) which may be caused or alleged to have been caused in whole, or in part by, or which may occur or be alleged to have occurred in connection with the performance of or while Subcontractor is performing the Sublet Work; provided that Subcontractor does not hereby assume responsibility for the sole negligence of General Contractor.

9. Subcontractor, notwithstanding the provisions of Paragraph 8, assumes all risks of loss or damage to Subcontractor's tools, equipment, or property from any cause, including the sole or concurring negligence of Owner, General Contractor, or any other Subcontractor performing work in connection with the work described in the General Contract. In the event General Contractor or Owner loans or furnishes tools or equipment to Subcontractor or permits Subcontractor aboard their vessels in connection with the Sublet Work, Subcontractor agrees (a) to make its own determination before commencing work that such vessels are seaworthy and such tools and equipment are adequate for the safe performance of the work by Subcontractor; (b) that such tools, equipment or vessel are loaned or furnished and accepted by Subcontractor without warranty or representation by General Contractor or Owner as to their condition; (c) to return such vessels, tools and equipment to General Contractor or Owner at the conclusion of such use in same condition as when received, ordinary wear and tear excepted; and (d) to indemnify and hold General Contractor and Owner harmless from all claims, demands, causes of action, damages and injuries from Subcontractor's use of said vessels, tools and equipment, including any claims, demands, causes of action, damages or injuries resulting from or alleged to result from the sole or concurring negligence of General Contractor, or Owner, or from the inadequacy or unseaworthiness of said vessels, tools and equipment for the performance of the Sublet Work. The assumption of risks and the indemnities in this paragraph 9 do not extend to the gross negligence or willful acts of the indemnitee.

10. In the event after seven (7) days written notice from General Contractor to Subcontractor, pointing out generally any deficiencies either in respect to the nature of the Sublet Work or in respect to the promptness with which the Sublet Work is being performed, Subcontractor has not corrected such deficiencies to the satisfaction of the individual in charge of this job for General Contractor in the field, General Contractor shall have the right to supplement the work of Subcontractor or to take over completely the performance of the remainder of the Sublet Work, either with his own forces, or by contract with others. Subcontractor grants General Contractor the option to use all or any part of Subcontractor's tools, equipment, machinery, materials, and supplies then in use in performing the Sublet Work and in the event General Contractor elects to use all or any part thereof, no rental shall be paid or given therefor, and no credit accrues therefrom, except insofar as the lack of any rental charge thus reduces the cost of completing the Sublet Work. Subcontractor also expressly waives any claim which he could assert in connection therewith, for use of such equipment in whole or in part on other projects and any profits anticipated thereon during the period such equipment or any portion thereof are so utilized by General Contractor in accordance with this provision. In the event the cost of supplementing or completing the Sublet Work is more than the amount of money Subcontractor is entitled to on the price basis provided herein, Subcontractor agrees to pay to General Contractor upon demand the amount of such excess cost, and in the event such cost of supplementing or completing the Sublet Work is less than the amount of money Subcontractor is entitled to on the price basis specified herein, General Contractor agrees to pay Subcontractor upon demand the amount of such difference between price and cost; provided, that if General Contractor shall supplement or complete the work with his own forces, General Contractor may charge Subcontractor with an additional ten (10%) percent of the cost thereof. This right may be exercised from time to time as deemed proper and may be exercised even prior to the time specified for completion of the Sublet Work, and such exercise shall not be treated as a repudiation of this Subcontract, or interference with the Subcontractor in the performance of the Sublet Work, and the exercise of such rights shall not be regarded as relieving Subcontractor of his duties in respect to the performance of the Sublet Work; nor shall the exercise or non-exercise of such right prejudice any other remedy the General Contractor or Owner may have, including, without limitation, those specified in the General Contract. Subcontractor agrees that the decision of the Project Manager in exercising the rights provided for herein shall be final and conclusive, but if Subcontractor objects and disputes the judgment of the Project Manager he may appeal therefrom, within said 7 day period, to an executive officer of General Contractor designated by the President of General Contractor and the written decision of that designated officer after hearing Subcontractor shall be final absent actual fraud. Subcontractor agrees to cooperate fully with General Contractor and not to complain thereafter of the manner or cost of supplementing or completing the Sublet Work.

11. The employees, representatives and agents of Owner and General Contractor shall not have the power to waive any obligations of the agreement between the parties for the performance by the Subcontractor of the Sublet Work in a careful and workmanlike manner as provided herein. No waiver by the Owner or General Contractor of any breach by the Subcontractor of this Subcontract, or of any term or condition thereof (whether such waiver be expressed or implied), shall be deemed to constitute a waiver of or consent to any subsequent breach of the same, or of any other term or condition of this contract.

12. In the performance of the Sublet Work the Subcontractor is an independent contractor with the right to supervise, manage and control the performance of the details thereof, General Contractor and Owner being interested only in the results of the same and being entitled to inspect the performance of the Sublet Work by Subcontractor only to the extent necessary to assure such results.

13. Subcontractor shall not subcontract the Sublet Work or any portion thereof, nor assign any portion of the monies due or to become due under the Subcontract, without the written consent of General Contractor, and any attempt at such Subcontract or assignment without such consent shall be void. No subcontract shall relieve Subcontractor of his responsibility hereunder.

14. All written notices between the parties shall be by mail, properly stamped, addressed and delivered to the postal authorities, and any such notice shall be effective at midnight of the day during which the notice is so mailed. Such notices shall be directed to the address shown on page one of this Subcontract, unless written notice has been given of a new address.

15. Subcontractor shall comply with all applicable laws, ordinances, rules and regulations of any governmental agency having jurisdiction, and with all terms and conditions of applicable permits, certificates, leases, restrictions, easements or dedications, and Subcontractor shall indemnify and hold harmless General Contractor and Owner from any fine, penalty, loss, damage or expense resulting from Subcontractor's failure to comply therewith. Subcontractor shall certify that all work is performed in compliance with the provisions of the Fair Labor Standards Act.

16. Subcontractor shall carry and maintain throughout the life of this Subcontract, at its own expense, insurance in not less than the amounts and coverage herein specified, and shall furnish certificates of such insurance in duplicate to General Contractor before commencing work. Certificates shall bear statements of insurers to the effect that insurance shall not be cancelled, reduced, nor allowed to expire, except upon thirty (30) days written notice delivered to General Contractor by registered mail. In the event Subcontractor sublets any part of the Sublet Work, it shall be the duty of the Subcontractor to require that every such Subcontractor comply with the insurance and other requirements of this Subcontract. Insurance shall be placed with companies acceptable to General Contractor and Owner. Subrogation against General Contractor, Owner and other contractors performing work in connection with the work described in the General Contract is hereby waived by Subcontractor and the policies shall be endorsed accordingly. The minimum insurance shall be the following amounts and coverage:

a. Workmen's Compensation

Employer's Liability

(If marine operations are involved, endorsements shall include U. S. Long-shoremen's and Harbor Worker's Compensation Act, Outer Continental Shelf Operations and, subject to minimum limits of \$250,000 per person and \$500,000 per accident, Amendments to Coverage B Endorsement-Maritime (including liability for disease and wages, maintenance and cure).

Statutory

\$100,000 per person 'accident

b. Comprehensive General Liability, including coverage for liability assumed under this Subcontract and completed operations:

|                       |                          |
|-----------------------|--------------------------|
| Bodily Injury .....   | \$100,000 per person     |
|                       | \$300,000 per occurrence |
| Property Damage ..... | \$100,000 per occurrence |

c. Comprehensive Automobile Liability:

|                       |                          |
|-----------------------|--------------------------|
| Bodily Injury .....   | \$100,000 per person     |
|                       | \$300,000 per occurrence |
| Property Damage ..... | \$100,000 per occurrence |

- d. If Marine vessels are involved:
- |                                          |                                                   |
|------------------------------------------|---------------------------------------------------|
| Hull Insurance .....                     | Full Value of Vessel                              |
| Protection and Indemnity Insurance ..... | Full Value of Vessel but not less than \$500,000. |

General Contractor and Owner shall be named as Assureds under such Hull and P&I, with respect to operations performed under this Subcontract.

- e. Other:

17. There shall be no change in the unit prices, if any, described in paragraph 2 of Section I of this Subcontract, due to any variances between estimated and actual quantities of the Sublet Work, and there shall be due and owing from General Contractor only such sums as result from the application of the unit prices, if any, described in that paragraph, to the quantities of the Sublet Work performed, for which General Contractor received payment from the Owner.

18. Subcontractor shall keep the premises under his control neat and orderly at all times and shall remove all trash and debris daily and at the end of the contract.

19. Subcontractor agrees to furnish payment and performance bonds within ten days should General Contractor so request in writing, whether before commencing the Sublet Work or at any time before completing the Sublet Work. Such bonds shall be in form and with corporate sureties satisfactory to General Contractor, and in such amount as may be specified by General Contractor as adequate to cover performance of the Sublet Work, and any damages that may result from the breach of this subcontract. If immediate delivery is required by the Special Provisions, Subcontractor shall pay the premium; If immediate delivery is waived by the Special Provisions, General Contractor shall pay the normal premium, if the bond is required by General Contractor at a later date.

20. Subcontractor shall conform to the highest standards of safety practices in performance of the Sublet Work and shall conform to all safety practices and requirements of Owner or General Contractor. The Subcontractor warrants that any and all work performed and/or equipment delivered to General Contractor or Owner or its designee under this subcontract shall comply with all requirements of the Occupational Safety and Health Act of 1970, as the same may be amended from time to time and including all regulations adopted pursuant to such Act, and shall comply with all requirements of any applicable health or safety statute or regulation of any state or local government agency having jurisdiction in the location to which such equipment is to be shipped or such work is to be performed pursuant to this agreement. Subcontractor shall be solely responsible for compliance with all such laws or regulations without relying upon enforcement thereof by, or instruction of, Owner, Engineer or General Contractor and shall promptly report in full to General Contractor any safety or health inspections by governmental authorities.

21. The entire agreement between the parties with respect to the work on this project is expressed in this written Subcontract, and it is agreed that this Subcontract has not been based upon any oral representation, promises or statements of any one representing General Contractor or Owner, and that this agreement is therefore based entirely upon the written documents constituting this Subcontract between the parties, and supersedes all proposals and negotiations not expressly set forth herein. It is further agreed that this agreement shall not be changed, modified, abrogated or superseded by any subsequent agreement unless it be in writing and signed by both parties. In the event a Purchase Order, Work Order or other similar document is utilized in conjunction with this Subcontract, it is understood that any printed provisions of such other document have no application and that the printed provisions of this Subcontract form are controlling, but the typewritten or handwritten provisions of such other document shall constitute a part hereof and shall be construed with all of the printed, typewritten and handwritten provisions hereof. Any requirement shown on the drawings, but omitted from the specifications, or any requirement shown in the specifications but omitted from the drawings shall be considered as being required under this agreement as if set forth in both.

22. Should there at any time appear to be variation, contradiction or want of agreement in description, dimensions or quantities of the Sublet Work, Subcontractor agrees to refer immediately the matter to the General Contractor for decision before proceeding with the Sublet Work in respect of which the said variation, contradiction or want of agreement exists.

The true intention and meaning of the Subcontract shall imply that the Subcontractor will in all respects, supply, construct and complete the Sublet Work in a workmanlike manner fully satisfying the intended function of the sublet work to the satisfaction of General Contractor. All work which is manifestly necessary to carry out the intent of the drawings and specifications pertaining to the Sublet Work or which is customarily done in performing this type of work for the Owner or General Contractor shall be performed by the Subcontractor as a part of the Sublet Work.

23. General Contractor may at any time by a "Change Order" in writing, signed by General Contractor's authorized representative, and without notice to the sureties on any bond, change or issue additional instructions, change or issue additional specifications and plans, and change, omit or require extra or additional work to be performed by Subcontractor. In such event, General Contractor will have full authority to specify the amount and kind of work to be done, or omitted, the materials to be used, and the equipment to be furnished as fully as though such changes had been set forth in this subcontract. When any change order shall authorize extra or additional work, Subcontractor shall make every effort to complete the sublet work as changed within the time originally agreed upon for completion, the time for completion not being extended unless expressly extended by General Contractor in writing. The General Contractor is authorized to make changes in the work which do not significantly increase the cost of the sublet work without the Subcontractor being entitled to any additional compensation therefor. If such change orders significantly increase or decrease the cost of the sublet work to Subcontractor, there shall be an increase or decrease in the consideration to subcontractor (1) in accordance with the unit prices specified in this subcontract agreement or, if General Contractor agrees that the unit prices are not applicable, either (2) pursuant to a lump sum proposal acceptable to General Contractor or (3) by the actual direct cost to Subcontractor of such change in the sublet work plus ten percent thereof, which costs directly related thereto will be supported by approved payrolls and paid invoices on additions to the sublet work and by agreed estimates of labor and materials deleted for decreases in the sublet work. Subcontractor further agrees that no extra work, or changes in the Sublet Work, or in the Subcontract will be recognized or paid for, unless agreed to in writing and approved by General Contractor and Owner, before such work is done or such changes are made.

24. Subcontractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, or sex. Subcontractor agrees that it will comply with all applicable Federal, State and local Fair Employment Practices Act, or similar Act, Rules and Regulations, and whether or not applicable will comply with the Federal Civil Rights Act of 1964. The terms and provisions of Executive Order 11246 and any Executive Order modifying or superseding same, are incorporated herein with respect to any Sublet Work subject thereto.

25. Regardless of any provision hereof or of any approval hereof the Owner is not a party to this Subcontract and the Subcontractor agrees that the Owner is under no obligation to Subcontractor.

26. Subcontractor agrees to indemnify and save General Contractor and Owner harmless from claims growing out of patent infringements or claims thereto pertaining to the use of any tools, construction equipment or construction processes or technique by Subcontractor in the performance of the Sublet Work.

27. Subcontractor undertakes, on behalf of itself, its related companies and its or their employees, contractors, suppliers and agents, not to disclose to any third party or utilize except in connection with the performance of the Sublet Work, without Owner's prior written consent, any details of "know-how" and specialist or technical information pertaining to the work (whether or not the property of Owner) which may come into its or their possession in the course of or in connection with the performance of the Sublet Work, provided, however, that the foregoing shall not apply to "know-how" and specialist or technical information which (i) was in the public domain prior to its or their receipt thereof in the course of or in connection with the performance of the Sublet Work or which subsequently becomes part of the public domain by publication or otherwise except by its or their wrongful act, (ii) was in its or their possession prior to its or their receipt thereof in the course of or in connection with the performance of the Sublet Work or (iii) are the same as information received by it or them from a third party having no obligation to Owner of secrecy with respect thereto.

28. All disputes, controversies or claims arising out of, relating to, or in connection with the Subcontract or the breach thereof, including, but not by way of limitation, any dispute as to the amount due Subcontractor by General Contractor, shall be finally settled by arbitration in accordance with the Rules of Conciliation and Arbitration of the American Arbitration Association by the arbitrators appointed in accordance with such Rules. The arbitration shall be held at a location at General Contractor's option. Judgment upon the award rendered may be entered in any Court having Jurisdiction or application may be made to such Court for a judicial acceptance of the award and an order of enforcement, as the case may be. This clause shall be construed under the laws of the sites of performance of the major portion of the Sublet Work.

29. Wherein any Certificate or Progress Payment invoice of which Subcontractor has received Payment there has been included the value of any unfixed materials, equipment or other items intended for or placed on the site of the work, such items shall become the property of Owner (for loss or damage to which Subcontractor shall be solely responsible) and such items shall not be removed except for use upon the Sublet Work without the written authority of the General Contractor. moreover, construction plant and equipment brought onto the site for the purpose of performing the Sublet Work shall not be removed therefrom until completion of the Sublet Work without the written consent of the General Contractor.

— Continued on Page 9 —

EXX 012643

Subcontract No. 34-1202-0278

30. The Subcontractor shall be responsible for the correctness of the positions, levels and dimensions of the Sublet Work according to this Subcontract and the written instructions of the General Contractor, notwithstanding that the Subcontractor may have been assisted by the General Contractor or any other Contractor in setting out the same; and if at any time during the performance of the Sublet Work any error shall appear or arise therein, the Subcontractor shall, on being required to do so by the General Contractor, remove and change the Sublet Work to the satisfaction of General Contractor.

31. Except as otherwise expressly provided, this Subcontract shall be construed under the laws of the State of Texas.

32. This Subcontract consists of Pages 1, 2, 3, 3A, 4, 5, 6, 7, 8, and 9.

APPROVED:

(Owner)

By: \_\_\_\_\_

(Title) \_\_\_\_\_

Date: \_\_\_\_\_

BROWN & ROOT, INC.  
(General Contractor)

By: \_\_\_\_\_

D. E. Newton, Jr.

(Title) \_\_\_\_\_

Director of Purchasing

Wm. A. Smith Construction Company, Inc.

(Subcontractor)

By: \_\_\_\_\_

(Title) President

EXX 012644

**Brown & Root, Inc.** Post Office Box Three, Houston, Texas 77001



July 3, 1974

34-1202

United Portable Building Co.  
110 W. Alexander Dr.  
Baytown, Texas 77520

Re: Subcontract No. 34-1202-0291  
One Portable Building  
Exxon Company, U.S.A.  
Baytown, Texas

Gentlemen:

We enclose herewith one fully executed copy of Subcontract No. 34-1202-0291 dated June 7, 1974, for your permanent file.

Yours very truly,

**BROWN & ROOT, INC.**

ORIGINAL SIGNED BY  
J. M. FRANKI  
J. M. Franki  
Subcontracts Manager

JMF/RU/bc

Enclosure

bcc: Messrs. J. P. Lamar (w/original)  
David Doda (2 w/2 copies)  
A. M. Billingsley (w/attachment)  
J. E. Woodward

THIS COPY FOR

EXX 012645



# BROWN & ROOT, INC.

## SUBCONTRACT

Job Number 34-1202 (5)

Subcontract No. 34-1202-0291

RU/bc

THIS AGREEMENT, made this 7th day of June, 19 74  
by and between BROWN & ROOT, INC., a Texas Corporation, 4100 Clinton Drive, Houston, Texas, (P. O.

Box 3; 77001) hereinafter called the "General Contractor", and United Portable Building Company

110 N. Alexander Drive,

Telephone: (713) 427-1018

(Name, Street Address and Telephone Number)

a TEXAS (PARTNERSHIP) with principal offices at

(Give State of incorporation and whether a corporation, partnership, or proprietorship)

Baytown

, State of Texas 77520

hereinafter called the "Subcontractor", WITNESSETH

WHEREAS, General Contractor has entered into a general contract with

Exxon Company, U.S.A.

(Name of Owner)

, hereinafter

called the "Owner", for the construction of Refinery Facilities Expansion

(Nature of construction under General Contract)

Baytown,

Texas

(City)

(State)

WHEREAS, Subcontractor desires to perform that portion of the work as required by the general contract, which is described below as "The Sublet Work";

NOW THEREFORE, it is mutually agreed by and between General Contractor and Subcontractor as follows:

### I. SPECIAL CONDITIONS

1. The Sublet Work consists of: Furnishing all labor, materials and equipment to construct a 20' X 30' portable building in strict accordance with Brown & Root drawing dated 5/30/74, entitled: "Floor Plan 20' X 30'" which is attached hereto and made a part hereof and as further detailed herein. Subcontractor's written proposal dated April 17, 1974, is hereby referenced.

— Continued on Page 2 —

EXX 012646

Subcontract No. 34-1202-0291

2. The price for the Sublet Work shall be: a firm total amount of FIVE THOUSAND THREE HUNDRED EIGHTY-FIVE AND NO/100 DOLLARS (\$5,385.00)

Total price is further distributed as follows:

|           |                 | (Cost Codes) |
|-----------|-----------------|--------------|
| Labor     | \$2,154.00      | 067-04       |
| Materials | <u>3,231.00</u> | 068-04       |
| TOTAL     | \$5,385.00      |              |

Subcontractor shall not invoice Texas State or Local Sales Tax. General Contractor holds Direct Payment Authorization No. 3-00001-7733-4.

3. The time of completion of the Sublet Work shall be as provided in paragraph 4 of the General Conditions but not later than as specified by General Contractor's Project Manager.

4. The payment and performance bonds provided for in the General Conditions must be delivered before any work is performed by Subcontractor hereunder and no payment becomes due Subcontractor until such delivery, unless delivery at this time is expressly waived. Immediate Delivery of Bonds are: Waived XXX; Required                     .

5. Other special provisions of this subcontract are: (a)

The specifications for the building shall be as follows:

- 5.1 Building: The building shall be 20' X 30' and be made up of (2) 10' X 30' sections prefabricated at Subcontractor's manufacturing plant: joined together, blocked and leveled on General Contractor's site.
- 5.2 Siding & Roofing: Siding shall be Kaiser Twin-Rib plain aluminum. Roofing shall be Kaiser Diamond-Rib.
- 5.3 Roof Line: The roof line shall have aluminum trim to complement the overall appearance of the building.
- 5.4 Interior: The building shall be completely insulated with 3" rock-wool batts. Wiring shall all be in Romex with 110v. double receptacles installed every 8' around inside perimeter of building. (See Floor Plan) Paneling shall be United Portable's standard prefinished vinyl print. All door and window moldings will be coordinated to complement the paneling.

— Continued on Page 3 —

EXX 012647

I.5 (Cont'd.)

Subcontract No. 34-1202-0291

- 5.5 Flooring: Flooring shall be 3/4" plywood with 1/8" vinyl asbestos floor tile installed over it.
- 5.6 Carpentry Work & Foundation: Each 10' X 30' section shall have (2) 4" X 6" creosoted skids running the length of the building. Floor joists shall be 2" x 3" mortised into skids on the ends and 2" x 6" inside on 16" centers with 2" X 8" mortised in every 10' of length. Studs and ceiling joists shall be 2" x 4" 24" on centers.
- 5.7 Ceiling: Ceiling shall be Cathedral-Type finished with insulating ceiling board with a white textured surface. Beams shall be stained to complement interior.
- 5.8 Doors: Doors shall be double 3064 hollow-core, painted to match exterior trim. (See floor plan).
- 5.9 Windows: There shall be (6) 4030 sliding windows with venetian blinds installed. (See floor plan).
- 5.10 Air/Heat: Each 10' X 30' section shall have (1) Fedders 14,000 BTU Air/Heat unit installed. (See Floor Plan)
- 5.11 Lighting: Lighting shall be provided by (6) 8' two-tube fluorescent fixtures. (See floor plan)
6. Subcontractor shall guarantee his work for a period on one year against any and all defects in workmanship or materials--per Subcontractor's proposal dated April 17, 1974.
7. Floor plan drawing of the herein-described building shall bear approval signature of General Contractor's authorized representative.
8. General Contractor will perform site preparation for the building.
9. Location of the building will be designated by the General Contractor.
10. The building will be designed and fabricated to Subcontractor's Standards in accordance with provisions of the Southern Building Code and National Electric Code; and constructed to withstand a wind loading of 25#/S.F.
11. Owner's duly authorized representatives shall have access, at all reasonable times, to all Subcontractor's personnel, job descriptions, employment and qualification records, books, records, correspondence, instructions, plans, drawings, receipts, vouchers, data stored in computers and memoranda of every description pertaining to work under this Subcontract for the purpose of auditing and verifying costs of work or for any other reasonable purpose. Owner's representatives shall have the right to reproduce any of aforesaid documents. Subcontractor shall preserve, and shall cause its lower-tier subcontractors to preserve, all the aforesaid documents for a period of two years after completion and acceptance or termination of Work.
12. "Special Provisions of a Subcontract" Job 34-1202 dated 5/1/74 are attached hereto and made a part hereof.

— Continued on Page 3A —

EXX 012648

Subcontract No. 34-1202-0291

3. Exxon Chemical, Exxon or ER&E "Contractor's Responsibilities for Safety, Plant Protection and Traffic Regulations" for contractors, subcontractors and suppliers at Baytown Refinery, Baytown Chemical Plants and Baytown Facilities Exxon Research and Engineering Co. dated May 1, 1973 hereby becomes a part of this Subcontract.
14. Subcontractor must furnish his own warehousing and miscellaneous workmen's supplies.
15. All inquiries the Subcontractor may have concerning this Subcontract must be made through the General Contractor's Project Manager and not directly to the Owner.
16. Subcontractor shall contact the General Contractor's Project Manager to schedule and coordinate this Subcontract.
17. Two copies of the General Contractor's "Affidavit for Subcontractors" (Form P-7) are attached. Subcontractor shall execute and return one copy with his final or retainage invoice.
18. Before commencing work and before this Subcontract becomes effective, the Subcontractor shall furnish the General Contractor with his Certificate of Insurance.

— Continued on Page 4 —

EXX 012649

## II. GENERAL CONDITIONS

1. Subcontractor represents that he is familiar with the physical conditions and availability of labor and materials in the area of the Sublet Work and all other items affecting the performance of the Sublet Work.
2. Subcontractor agrees to perform the Sublet Work in a careful and workmanlike manner, in accordance with the best construction practices and this Subcontract, and to furnish all supervision, labor, supplies, tools, equipment, facilities, storage, and materials (except as Owner or General Contractor specifically agrees herein to furnish) and all other things and services necessary or desirable to perform the Sublet Work.
3. General Contractor agrees to pay Subcontractor for the performance of the Sublet Work the amount specified in Paragraph 2 of Section I, and to make partial payments monthly to Subcontractor within fifteen (15) days after Subcontractor's invoices, approved by General Contractor's field representative, are received by General Contractor, except that General Contractor shall retain ten percent (10%) of the amount of each partial payment on the Sublet Work, until final completion of Subcontractor's work, and the balance shall be paid within thirty (30) days after final completion and acceptance of Subcontractor's work by Owner, upon a proper invoice submitted by Subcontractor accompanied by an affidavit that all bills for labor, materials, taxes, services and other costs of the Sublet Work have been paid and indemnifying General Contractor and Owner therefrom and a release by Subcontractor of any further claims against General Contractor and Owner. Payment of any partial payment may be withheld until Subcontractor furnishes satisfactory proof of payment of all bills for labor, materials, taxes, services and other expenses in connection with the Sublet Work, and that all claims for changes or extra work have been settled. Until final completion and delivery of the Sublet Work, to the extent required by applicable law, all funds paid to Subcontractor shall be held in Trust for application solely to payment of laborers, materialmen, fabricators, subcontractors and others furnishing elements of the Sublet Work. Subject to performance by General Contractor of its obligations hereunder, title to all materials, components, fabricated items, and work in process intended for the Sublet Work, and the beneficial interest in all purchase orders or subcontracts therefor, shall vest in Owner immediately upon delivery to the job site, or identification to this Subcontract, or commencement of fabrication in Subcontractor's or a supplier's shop, or award of a purchase order or subcontract; provided, that this provision shall not relieve Subcontractor of the absolute duty to complete and deliver the Sublet Work in good condition, and to comply with all other obligations hereunder. All payments hereunder may be made by General Contractor's affiliated company and all such payments shall be considered as payment hereunder.
4. Subcontractor agrees to commence the Sublet Work immediately when instructed and to prosecute same in coordination with the work of others and with sufficient equipment, supervision and manpower to insure completion of each part of the Sublet Work within the time of completion herein provided, so as not to cause damage or delay in the work of others. Subcontractor shall perform the Sublet Work at the times, and in the sequence directed by General Contractor, or Owner, from time to time; and, in the absence of such instructions from General Contractor or Owner, at the times, and in the sequence reasonably necessary to avoid delay in the performance of the work required by the General Contract at whatever rate of progress General Contractor may make in performing the work directly or through other Subcontractors. In the event Subcontractor be delayed by the Owner, General Contractor, or another contractor performing work on the project, or by the ordering of extra work or by force majeure, General Contractor shall owe Subcontractor only an extension of time, and then only if written request therefor is made by Subcontractor within forty-eight (48) hours from the beginning of the delay.
5. If any part of Subcontractor's work depends for proper execution or results, upon the work of any other contractor or Supplier, Subcontractor shall inspect the work of the other contractor or Supplier and promptly report to General Contractor any defects in such work, or the performance thereof that adversely affects the proper execution, and the obtaining of the desired results of the Sublet Work. Subcontractor's failure to inspect and report any such defects shall constitute an acceptance of the other contractor's or materialmen's work as fit and properly performed. Subcontractor shall endeavor to settle by agreement or arbitration, all claims asserted by any other subcontractor, materialman, or other person arising from Subcontractor's own acts or omissions, or in any manner relating to the performance of the Sublet Work; and in the event General Contractor or Owner shall be sued on any such claim. Subcontractor shall defend such suit, and pay or satisfy any judgment rendered therein against General Contractor, or Owner, and pay all costs, including attorney's fees incurred by General Contractor or Owner.
6. Subcontractor shall, at its own expense, procure all required permits and licenses, and pay all fees and charges, and give all notices necessary and instant to the due and lawful prosecution of the Sublet Work. Subcontractor shall comply with the requirements of any deeds and rights-of-way easement restrictions, and any permit requirement, and any instructions or regulations of any local, state or federal governmental agency or authority, and with the requirements of any one having the right to control how any portion of the Sublet Work is to be performed; provided, however, that the Sublet Work shall be performed to the satisfaction of the General Contractor and Owner.
7. Owner and General Contractor shall have the right to enter upon the site of the Sublet Work for the purposes of inspection, accounting, and performing such collateral work as Owner or General Contractor may desire. Subcontractor agrees to furnish all facilities deemed necessary by the General Contractor and Owner for the proper inspection of the Sublet

— Continued on Page 5 —

EXX 012650

Work and to account to the Owner and General Contractor for any materials furnished by Owner or General Contractor which are being handled by Subcontractor. Subcontractor agrees to carry out such tests as are required by the General Contractor to determine if the sublet work is being properly performed. Subcontractor shall protect the Sublet Work and bear and be liable for all loss or damage of any kind, including damage by the elements or otherwise to the Sublet Work or to materials or other items furnished by Owner, or General Contractor to Subcontractor, which may happen at any time prior to the time that Owner formally accepts the Sublet Work. Subcontractor shall warrant the Sublet Work to be free from defects in material and workmanship and agrees to make good at Subcontractor's own expense any such defects or any failure to perform satisfactorily, which are discovered within one (1) year from the time of acceptance by Owner of all the sublet work, or within one year from the time of commissioning by Owner of the Systems or Work to which the Sublet work relates, whichever is later. In the event of any such defects, Subcontractor agrees to consult promptly with General Contractor or Owner to arrive at a satisfactory procedure, which, if possible, will enable the work to be kept in operation pending the correction of such defects.

8. Subcontractor agrees to indemnify and to save General Contractor and Owner harmless from and against all claims, suits (including counsel fees and other expenses of suit) whether groundless or not, judgements and awards on account of any damage to property or injury (including death) to person (including any damage or injury to the property or person of any employee of Subcontractor, General Contractor, or Owner) which may be caused or alleged to have been caused in whole, or in part by, or which may occur or be alleged to have occurred in connection with the performance of or while Subcontractor is performing the Sublet Work; provided that Subcontractor does not hereby assume responsibility for the sole negligence of General Contractor.

9. Subcontractor, notwithstanding the provisions of Paragraph 8, assumes all risks of loss or damage to Subcontractor's tools, equipment, or property from any cause, including the sole or concurring negligence of Owner, General Contractor, or any other Subcontractor performing work in connection with the work described in the General Contract. In the event General Contractor or Owner loans or furnishes tools or equipment to Subcontractor or permits Subcontractor aboard their vessels in connection with the Sublet Work, Subcontractor agrees (a) to make its own determination before commencing work that such vessels are seaworthy and such tools and equipment are adequate for the safe performance of the work by Subcontractor; (b) that such tools, equipment or vessel are loaned or furnished and accepted by Subcontractor without warranty or representation by General Contractor or Owner as to their condition; (c) to return such vessels, tools and equipment to General Contractor or Owner at the conclusion of such use in same condition as when received, ordinary wear and tear excepted; and (d) to indemnify and hold General Contractor and Owner harmless from all claims, demands, causes of action, damages and injuries from Subcontractor's use of said vessels, tools and equipment, including any claims, demands, causes of action, damages or injuries resulting from or alleged to result from the sole or concurring negligence of General Contractor, or Owner, or from the inadequacy or unseaworthiness of said vessels, tools and equipment for the performance of the Sublet Work. The assumption of risks and the indemnities in this paragraph 9 do not extend to the gross negligence or willful acts of the indemnitee.

10. In the event after seven (7) days written notice from General Contractor to Subcontractor, pointing out generally any deficiencies either in respect to the nature of the Sublet Work or in respect to the promptness with which the Sublet Work is being performed, Subcontractor has not corrected such deficiencies to the satisfaction of the individual in charge of this job for General Contractor in the field, General Contractor shall have the right to supplement the work of Subcontractor or to take over completely the performance of the remainder of the Sublet Work, either with his own forces, or by contract with others. Subcontractor grants General Contractor the option to use all or any part of Subcontractor's tools, equipment, machinery, materials, and supplies then in use in performing the Sublet Work and in the event General Contractor elects to use all or any part thereof, no rental shall be paid or given therefor, and no credit accrues therefrom, except insofar as the lack of any rental charge thus reduces the cost of completing the Sublet Work. Subcontractor also expressly waives any claim which he could assert in connection therewith, for use of such equipment in whole or in part on other projects and any profits anticipated thereon during the period such equipment or any portion thereof are so utilized by General Contractor in accordance with this provision. In the event the cost of supplementing or completing the Sublet Work is more than the amount of money Subcontractor is entitled to on the price basis provided herein, Subcontractor agrees to pay to General Contractor upon demand the amount of such excess cost, and in the event such cost of supplementing or completing the Sublet Work is less than the amount of money Subcontractor is entitled to on the price basis specified herein, General Contractor agrees to pay Subcontractor upon demand the amount of such difference between price and cost; provided, that if General Contractor shall supplement or complete the work with his own forces, General Contractor may charge Subcontractor with an additional ten (10%) percent of the cost thereof. This right may be exercised from time to time as deemed proper and may be exercised even prior to the time specified for completion of the Sublet Work, and such exercise shall not be treated as a repudiation of this Subcontract, or interference with the Subcontractor in the performance of the Sublet Work, and the exercise of such rights shall not be regarded as relieving Subcontractor of his duties in respect to the performance of the Sublet Work; nor shall the exercise or non-exercise of such right prejudice any other remedy the General Contractor or Owner may have, including, without limitation, those specified in the General Contract. Subcontractor agrees that the decision of the Project Manager in exercising the rights provided for herein shall be final and conclusive, but if Subcontractor objects and disputes the judgment of the Project Manager he may appeal therefrom, within said 7 day period, to an executive officer of General Contractor designated by the President of General Contractor and the written decision of that designated officer after hearing Subcontractor shall be final absent actual fraud. Subcontractor agrees to cooperate fully with General Contractor and not to complain thereafter of the manner or cost of supplementing or completing the Sublet Work.

— Continued on Page 6 —

EXX 012651

11. The employees, representatives and agents of Owner and General Contractor shall not have the power to waive any obligations of the agreement between the parties for the performance by the Subcontractor of the Sublet Work in a careful and workmanlike manner as provided herein. No waiver by the Owner or General Contractor of any breach by the Subcontractor of this Subcontract, or of any term or condition thereof (whether such waiver be expressed or implied), shall be deemed to constitute a waiver of or consent to any subsequent breach of the same, or of any other term or condition of this contract.

12. In the performance of the Sublet Work the Subcontractor is an independent contractor with the right to supervise, manage and control the performance of the details thereof, General Contractor and Owner being interested only in the results of the same and being entitled to inspect the performance of the Sublet Work by Subcontractor only to the extent necessary to assure such results.

13. Subcontractor shall not subcontract the Sublet Work or any portion thereof, nor assign any portion of the monies due or to become due under the Subcontract, without the written consent of General Contractor, and any attempt at such Subcontract or assignment without such consent shall be void. No subcontract shall relieve Subcontractor of his responsibility hereunder.

14. All written notices between the parties shall be by mail, properly stamped, addressed and delivered to the postal authorities, and any such notice shall be effective at midnight of the day during which the notice is so mailed. Such notices shall be directed to the address shown on page one of this Subcontract, unless written notice has been given of a new address.

15. Subcontractor shall comply with all applicable laws, ordinances, rules and regulations of any governmental agency having jurisdiction, and with all terms and conditions of applicable permits, certificates, leases, restrictions, easements or dedications, and Subcontractor shall indemnify and hold harmless General Contractor and Owner from any fine, penalty, loss, damage or expense resulting from Subcontractor's failure to comply therewith. Subcontractor shall certify that all work is performed in compliance with the provisions of the Fair Labor Standards Act.

16. Subcontractor shall carry and maintain throughout the life of this Subcontract, at its own expense, insurance in not less than the amounts and coverage herein specified, and shall furnish certificates of such insurance in duplicate to General Contractor before commencing work. Certificates shall bear statements of insurers to the effect that insurance shall not be cancelled, reduced, nor allowed to expire, except upon thirty (30) days written notice delivered to General Contractor by registered mail. In the event Subcontractor sublets any part of the Sublet Work, it shall be the duty of the Subcontractor to require that every such Subcontractor comply with the insurance and other requirements of this Subcontract. Insurance shall be placed with companies acceptable to General Contractor and Owner. Subrogation against General Contractor, Owner and other contractors performing work in connection with the work described in the General Contract is hereby waived by Subcontractor and the policies shall be endorsed accordingly. The minimum insurance shall be the following amounts and coverage:

- |                                                                                                                                                                                                                                                                                                                                                                   |                               |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| a. Workmen's Compensation                                                                                                                                                                                                                                                                                                                                         | Statutory                     |
| Employer's Liability                                                                                                                                                                                                                                                                                                                                              | \$100,000 per person/accident |
| (If marine operations are involved, endorsements shall include U. S. Long-shoremen's and Harbor Worker's Compensation Act, Outer Continental Shelf Operations and, subject to minimum limits of \$250,000 per person and \$500,000 per accident, Amendments to Coverage B Endorsement-Maritime (including liability for disease and wages, maintenance and cure). |                               |
| b. Comprehensive General Liability, including coverage for liability assumed under this Subcontract and completed operations:                                                                                                                                                                                                                                     |                               |
| Bodily Injury .....                                                                                                                                                                                                                                                                                                                                               | \$100,000 per person          |
|                                                                                                                                                                                                                                                                                                                                                                   | \$300,000 per occurrence      |
| Property Damage .....                                                                                                                                                                                                                                                                                                                                             | \$100,000 per occurrence      |
| c. Comprehensive Automobile Liability:                                                                                                                                                                                                                                                                                                                            |                               |
| Bodily Injury .....                                                                                                                                                                                                                                                                                                                                               | \$100,000 per person          |
|                                                                                                                                                                                                                                                                                                                                                                   | \$300,000 per occurrence      |
| Property Damage .....                                                                                                                                                                                                                                                                                                                                             | \$100,000 per occurrence      |

— Continued on Page 7 —

EXX 012652

d. If Marine vessels are involved:

|                                          |                                                   |
|------------------------------------------|---------------------------------------------------|
| Hull Insurance .....                     | Full Value of Vessel                              |
| Protection and Indemnity Insurance ..... | Full Value of Vessel but not less than \$500,000. |

General Contractor and Owner shall be named as Assureds under such Hull and P&I, with respect to operations performed under this Subcontract.

e. Other:

17. There shall be no change in the unit prices, if any, described in paragraph 2 of Section I of this Subcontract, due to any variances between estimated and actual quantities of the Sublet Work, and there shall be due and owing from General Contractor only such sums as result from the application of the unit prices, if any, described in that paragraph, to the quantities of the Sublet Work performed, for which General Contractor received payment from the Owner.

18. Subcontractor shall keep the premises under his control neat and orderly at all times and shall remove all trash and debris daily and at the end of the contract.

19. Subcontractor agrees to furnish payment and performance bonds within ten days should General Contractor so request in writing, whether before commencing the Sublet Work or at any time before completing the Sublet Work. Such bonds shall be in form and with corporate sureties satisfactory to General Contractor, and in such amount as may be specified by General Contractor as adequate to cover performance of the Sublet Work, and any damages that may result from the breach of this subcontract. If immediate delivery is required by the Special Provisions, Subcontractor shall pay the premium; If immediate delivery is waived by the Special Provisions, General Contractor shall pay the normal premium, if the bond is required by General Contractor at a later date.

20. Subcontractor shall conform to the highest standards of safety practices in performance of the Sublet Work and shall conform to all safety practices and requirements of Owner or General Contractor. The Subcontractor warrants that any and all work performed and/or equipment delivered to General Contractor or Owner or its designee under this subcontract shall comply with all requirements of the Occupational Safety and Health Act of 1970, as the same may be amended from time to time and including all regulations adopted pursuant to such Act, and shall comply with all requirements of any applicable health or safety statute or regulation of any state or local government agency having jurisdiction in the location to which such equipment is to be shipped or such work is to be performed pursuant to this agreement. Subcontractor shall be solely responsible for compliance with all such laws or regulations without relying upon enforcement thereof by, or instruction of, Owner, Engineer or General Contractor and shall promptly report in full to General Contractor any safety or health inspections by governmental authorities.

21. The entire agreement between the parties with respect to the work on this project is expressed in this written Subcontract, and it is agreed that this Subcontract has not been based upon any oral representation, promises or statements of any one representing General Contractor or Owner, and that this agreement is therefore based entirely upon the written documents constituting this Subcontract between the parties, and supersedes all proposals and negotiations not expressly set forth herein. It is further agreed that this agreement shall not be changed, modified, abrogated or superseded by any subsequent agreement unless it be in writing and signed by both parties. In the event a Purchase Order, Work Order or other similar document is utilized in conjunction with this Subcontract, it is understood that any printed provisions of such other document have no application and that the printed provisions of this Subcontract form are controlling, but the typewritten or handwritten provisions of such other document shall constitute a part hereof and shall be construed with all of the printed, typewritten and handwritten provisions hereof. Any requirement shown on the drawings, but omitted from the specifications, or any requirement shown in the specifications but omitted from the drawings shall be considered as being required under this agreement as if set forth in both.

22. Should there at any time appear to be variation, contradiction or want of agreement in description, dimensions or quantities of the Sublet Work, Subcontractor agrees to refer immediately the matter to the General Contractor for decision before proceeding with the Sublet Work in respect of which the said variation, contradiction or want of agreement exists.

The true intention and meaning of the Subcontract shall imply that the Subcontractor will in all respects, supply, construct and complete the Sublet Work in a workmanlike manner fully satisfying the intended function of the sublet work to the satisfaction of General Contractor. All work which is manifestly necessary to carry out the intent of the drawings and specifications pertaining to the Sublet Work or which is customarily done in performing this type of work for the Owner or General Contractor shall be performed by the Subcontractor as a part of the Sublet Work.

23. General Contractor may at any time by a "Change Order" in writing, signed by General Contractor's authorized representative, and without notice to the sureties on any bond, change or issue additional instructions, change or issue additional specifications and plans, and change, omit or require extra or additional work to be performed by Subcontractor. In such event, General Contractor will have full authority to specify the amount and kind of work to be done, or omitted, the materials to be used, and the equipment to be furnished as fully as though such changes had been set forth in this subcontract. When any change order shall authorize extra or additional work, Subcontractor shall make every effort to complete the sublet work as changed within the time originally agreed upon for completion, the time for completion not being extended unless expressly extended by General Contractor in writing. The General Contractor is authorized to make changes in the work which do not significantly increase the cost of the sublet work without the Subcontractor being entitled to any additional compensation therefor. If such change orders significantly increase or decrease the cost of the sublet work to Subcontractor, there shall be an increase or decrease in the consideration to subcontractor (1) in accordance with the unit prices specified in this subcontract agreement or, if General Contractor agrees that the unit prices are not applicable, either (2) pursuant to a lump sum proposal acceptable to General Contractor or (3) by the actual direct cost to Subcontractor of such change in the sublet work plus ten percent thereof, which costs directly related thereto will be supported by approved payrolls and paid invoices on additions to the sublet work and by agreed estimates of labor and materials deleted for decreases in the sublet work. Subcontractor further agrees that no extra work, or changes in the Sublet Work, or in the Subcontract will be recognized or paid for, unless agreed to in writing and approved by General Contractor and Owner, before such work is done or such changes are made.

24. Subcontractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, or sex. Subcontractor agrees that it will comply with all applicable Federal, State and local Fair Employment Practices Act, or similar Act, Rules and Regulations, and whether or not applicable will comply with the Federal Civil Rights Act of 1964. The terms and provisions of Executive Order 11246 and any Executive Order modifying or superseding same, are incorporated herein with respect to any Sublet Work subject thereto.

25. Regardless of any provision hereof or of any approval hereof the Owner is not a party to this Subcontract and the Subcontractor agrees that the Owner is under no obligation to Subcontractor.

26. Subcontractor agrees to indemnify and save General Contractor and Owner harmless from claims growing out of patent infringements or claims thereto pertaining to the use of any tools, construction equipment or construction processes or technique by Subcontractor in the performance of the Sublet Work.

27. Subcontractor undertakes, on behalf of itself, its related companies and its or their employees, contractors, suppliers and agents, not to disclose to any third party or utilize except in connection with the performance of the Sublet Work, without Owner's prior written consent, any details of "know-how" and specialist or technical information pertaining to the work (whether or not the property of Owner) which may come into its or their possession in the course of or in connection with the performance of the Sublet Work, provided, however, that the foregoing shall not apply to "know-how" and specialist or technical information which (i) was in the public domain prior to its or their receipt thereof in the course of or in connection with the performance of the Sublet Work or which subsequently becomes part of the public domain by publication or otherwise except by its or their wrongful act, (ii) was in its or their possession prior to its or their receipt thereof in the course of or in connection with the performance of the Sublet Work or (iii) are the same as information received by it or them from a third party having no obligation to Owner of secrecy with respect thereto.

28. All disputes, controversies or claims arising out of, relating to, or in connection with the Subcontract or the breach thereof, including, but not by way of limitation, any dispute as to the amount due Subcontractor by General Contractor, shall be finally settled by arbitration in accordance with the Rules of Conciliation and Arbitration of the American Arbitration Association by the arbitrators appointed in accordance with such Rules. The arbitration shall be held at a location at General Contractor's option. Judgment upon the award rendered may be entered in any Court having Jurisdiction or application may be made to such Court for a judicial acceptance of the award and an order of enforcement, as the case may be. This clause shall be construed under the laws of the sites of performance of the major portion of the Sublet Work.

29. Wherein any Certificate or Progress Payment invoice of which Subcontractor has received Payment there has been included the value of any unfixed materials, equipment or other items intended for or placed on the site of the work, such items shall become the property of Owner (for loss or damage to which Subcontractor shall be solely responsible) and such items shall not be removed except for use upon the Sublet Work without the written authority of the General Contractor. Moreover, construction plant and equipment brought onto the site for the purpose of performing the Sublet Work shall not be removed therefrom until completion of the Sublet Work without the written consent of the General Contractor.

Subcontract No. 34-1202-0291

30. The Subcontractor shall be responsible for the correctness of the positions, levels and dimensions of the Sublet Work according to this Subcontract and the written instructions of the General Contractor, notwithstanding that the Subcontractor may have been assisted by the General Contractor or any other Contractor in setting out the same; and if at any time during the performance of the Sublet Work any error shall appear or arise therein, the Subcontractor shall, on being required to do so by the General Contractor, remove and change the Sublet Work to the satisfaction of General Contractor.

31. Except as otherwise expressly provided, this Subcontract shall be construed under the laws of the State of Texas.

32. This Subcontract consists of Pages 1, 2, 3, 3A, 4, 5, 6, 7, 8, and 9.

APPROVED:

---

  
(Owner)

By: \_\_\_\_\_

(Title) \_\_\_\_\_

Date: \_\_\_\_\_

**BROWN & ROOT, INC.**  
(General Contractor)By: *D. E. Newton, Jr.*  
(Title) Director of PurchasingUnited Portable Building Company

(Subcontractor)

By: *Thomas E. Davis*(Title) *Manager*

**Brown & Root, Inc.** Post Office Box Three, Houston, Texas 77001

June 26, 1974



34-1202

Coastal Testing Laboratory  
1515 S. Pruett  
Baytown, Texas 77502

Re: Subcontract No. 34-1202-0288  
Testing Services  
Exxon Company, U.S.A.  
Baytown, Texas

Gentlemen:

We enclose herewith one fully executed copy of Subcontract No. 34-1202-0288 dated June 5, 1974, for your permanent file.

Yours very truly,

**BROWN & ROOT, INC.**

ORIGINAL SIGNED BY  
J. M. FRANKI

J.M. Franki  
Subcontracts Supervisor

JMF/RU/bc

Enclosure

bcc: Messrs. J. P. Lamar (w/original)  
D.H. Dodd (2 w/2 copies)  
A. M. Billingsley (w/attachment)  
R. W. Stephens

THIS COPY FOR

EXX 012656



# BROWN & ROOT, INC.

## SUBCONTRACT

Job Number 34-1202 (5)

Subcontract No. 34-1202-0288

RU/bc

THIS AGREEMENT, made this 5th day of June, 1974  
by and between BROWN & ROOT, INC., a Texas Corporation, 4100 Clinton Drive, Houston, Texas, (P. O.

Box 3; 77001) hereinafter called the "General Contractor", and Coastal Testing Laboratory

1515 S. Pruett, Telephone: (713) 427-1443

(Name, Street Address and Telephone Number)

a Partnership with principal offices at

(Give State of incorporation and whether a corporation, partnership, or proprietorship)

Baytown, State of Texas 77520

hereinafter called the "Subcontractor", WITNESSETH

WHEREAS, General Contractor has entered into a general contract with

Exxon Company, U.S.A.

(Name of Owner)

hereinafter

called the "Owner", for the construction of Refinery Facilities expansion

(Nature of construction under General Contract)

Baytown,

(City)

Texas

(State)

WHEREAS, Subcontractor desires to perform that portion of the work as required by the general contract, which is described below as "The Sublet Work";

NOW THEREFORE, it is mutually agreed by and between General Contractor and Subcontractor as follows:

### I. SPECIAL CONDITIONS

1. The Sublet Work consists of: Furnishing sufficient qualified technicians and testing facilities and equipment to provide complete testing services in connection with jobsite placement of concrete materials, soils and base materials, and as further elaborated upon in other provisions of this Subcontract. Subcontractor's written proposal dated January 28, 1974 is hereby referenced.

— Continued on Page 2 —

EXX 012657

Subcontract No. 34-1202-0288

2. The price for the Sublet Work shall be: for services provided at the following rates:

- A. For first technician, by the month (on 40 hours per week basis) @ \$2,500.00 per month.  
For second technician, by the month (on 40 hours per week basis) @ \$2,150.00 per month.  
For each additional technician, same as for second technician.
- B. Any time over an eight (8) hour day on Monday through Friday and all day Saturday, Sunday and Holidays will be at the overtime rate of \$15.00 per hour per technician.

All applicable State Sales and Use Taxes are included in the above rates.

It is agreed that the prices stated above will remain firm through July 27, 1975, at which time they will be reviewed for possible adjustment as affected by cost-of-living increase or decrease.

3. The time of completion of the Sublet Work shall be as provided in paragraph 4 of the General Conditions but not later than expiration date of the firm prices agreed to be July 27, 1975, after which  
extention can be made upon mutual consent of both parties.

4. The payment and performance bonds provided for in the General Conditions must be delivered before any work is performed by Subcontractor hereunder and no payment becomes due Subcontractor ~~until~~ <sup>XXX</sup> such delivery, unless delivery at this time is expressly waived. Immediate Delivery of Bonds are: Waived                     ; Required                     .

5. Other special provisions of this subcontract are: (a)

- 6. Services to be provided by this Subcontract include concrete mix designs, concrete mixing plant (whether on-site or off-site) control, jobsite concrete placement control, aggregate analysis, air checks, slump tests, concrete plant and job inspection; and making, picking-up, curing, capping, testing and reporting concrete cylinders or beams. Also, included is compaction testing and inspection of soils and base materials, optimum moisture/density relationship (Proctor curve), in-place moisture/density tests on soil or base materials, and any other tests that may become necessary during construction of this Project.
- 7. A suitable location on the jobsite will be provided by the General Contractor for the Subcontractor to furnish and provide a suitable portable building with telephone and fully equipped for testing concrete and soils. The monthly rates herein also include full payment for expenses and transportation for all technicians provided by this Subcontract, and include full-time use of a nuclear density testing device for obtaining fast field density results.

— Continued on Page 3 —

EXX 012658

Subcontract No. 34-1202-0288

8. At the outset, concrete materials will be delivered from a vendor's established local ready-mix plant. At some future date, it is intended that a concrete batching plant will be erected on the jobsite and operated by another Subcontractor to furnish, mix and deliver concrete to pouring locations. It will be the responsibility of the inspector-technician to:
- (a) Prepare and test initial concrete mix designs in accordance with applicable specifications and to prepare additional mix designs when directed by General Contractor.
  - (b) Control batching and mixing operations at supplier's plant to assure that materials meet the required specifications and that the batch plant is controlled to produce concrete products confirming to the mix designs.
  - (c) Make continued tests of cement, water, aggregates and mixing operations to assure that materials are being delivered to meet specifications. Daily testing of aggregates will include gradation, foreign substance, specific gravity, and moisture.
  - (d) Furnish cardboard molds for making concrete test cylinders. Take concrete from the delivery truck chute at time of depositing concrete to make slump tests and to make cylinders for compression testing.
  - (e) Properly mark each cylinder for identification, properly cure and store cylinders and perform compression testing at times called for in applicable specifications.
  - (f) On a timely basis, issue typewritten reports of all test in quantities and per distribution as designated by General Contractor, and in a format acceptable to General Contractor.
  - (g) Be available at the jobsite at all hours of the work day to perform tests of soils and/or base materials being placed, and to make test results known immediately to assist Contractor's placement of subsequent lifts of compacted materials.
9. The basis for testing parameters will be all applicable specifications prepared for this Project by Flour Engineers and Constructors, Inc. and all applicable Baytown Engineering Standards prepared by Exxon Company, U.S.A. and other special instructions issued by General Contractor.
10. It will be the responsibility of the Subcontractor to furnish an adequate quantity of technicians at the jobsite on a continuing basis to perform tests of concrete and soils required by the job scope and progress. The number of technicians assigned to the Project will be determined by the volume of testing services to be performed and only as agreed to by General Contractor's Project Manager.
11. It is the responsibility of Subcontractor to coordinate all work with General Contractor's superintendents in charge of each portion of the work and to cooperate with other suppliers and subcontractors to provide the best possible service and to achieve placement of materials in an optimum manner. Esso Research and Engineering Company (ERE) has been retained by the Owner for overall project management. Thus, the Subcontractor is expected to cooperate with ERE representatives in the course of performing this work.

— Continued on Page 3A —

EXX 012659

Subcontract No. 34-1202-0288

12. It will be the responsibility of this Subcontractor to perform testing services for all concrete and soil materials placed by General Contractor, which is to include those materials placed at the jobsite by other Subcontractors of General Contractor.

13. Owner's Audit Rights

Owner's duly authorized representatives shall have access, at all reasonable times, to all Subcontractor's personnel, job descriptions, employment and qualification records, books, records, correspondence, instructions, plans, drawings, receipts, vouchers, data stored in computers and memoranda of every description pertaining to work under this Subcontract for the purpose of auditing and verifying costs of work or for any other reasonable purpose. Owner's representatives shall have the right to reproduce any of the aforesaid documents. Subcontractor shall preserve, and shall cause its lower-tier subcontractors to preserve, all the aforesaid documents for a period of two years after completion and acceptance or termination of work.

14. Exxon Chemical, Exxon or ER&E "Contractors' Responsibilities for Safety, Plant Protection and Traffic Regulations" for Contractors, Subcontractors and Suppliers at Baytown Refinery, Baytown Chemical Plants and Baytown facilities Exxon Research and Engineering Co. dated May 1, 1973 hereby becomes a part of this Subcontract.
15. Attached hereto and made a part hereof are "Special Provisions of a Subcontract" Job No. 34-1202 dated 5-1-74.
16. Subcontractor must furnish his own warehousing and miscellaneous workmen's supplies.
- All inquiries the Subcontractor may have concerning this Subcontract must be made through the General Contractor's Project Manager and not directly to the Owner.
18. Subcontractor shall contact the General Contractor's Project Manager to schedule and coordinate this Subcontract.
19. Two copies of the General Contractor's "Affidavit for Subcontractors" (Form P-7) are attached. Subcontractor shall execute and return one copy with his final or retainage invoice.
20. Before commencing work and before this Subcontract becomes effective, the Subcontractor shall furnish the General Contractor with his Certificate of Insurance.

## II. GENERAL CONDITIONS

1. Subcontractor represents that he is familiar with the physical conditions and availability of labor and materials in the area of the Sublet Work and all other items affecting the performance of the Sublet Work.

2. Subcontractor agrees to perform the Sublet Work in a careful and workmanlike manner, in accordance with the best construction practices and this Subcontract, and to furnish all supervision, labor, supplies, tools, equipment, facilities, storage, and materials (except as Owner or General Contractor specifically agrees herein to furnish) and all other things and services necessary or desirable to perform the Sublet Work.

3. General Contractor agrees to pay Subcontractor for the performance of the Sublet Work the amount specified in Paragraph 2 of Section I, and to make partial payments monthly to Subcontractor within fifteen (15) days after Subcontractor's invoices, approved by General Contractor's field representative, are received by General Contractor, except that General Contractor shall retain ten percent (10%) of the amount of each partial payment on the Sublet Work, until final completion of Subcontractor's work, and the balance shall be paid within thirty (30) days after final completion and acceptance of Subcontractor's work by Owner, upon a proper invoice submitted by Subcontractor accompanied by an affidavit that all bills for labor, materials, taxes, services and other costs of the Sublet Work have been paid and indemnifying General Contractor and Owner therefrom and a release by Subcontractor of any further claims against General Contractor and Owner. Payment of any partial payment may be withheld until Subcontractor furnishes satisfactory proof of payment of all bills for labor, materials, taxes, services and other expenses in connection with the Sublet Work, and that all claims for changes or extra work have been settled. Until final completion and delivery of the Sublet Work, to the extent required by applicable law, all funds paid to Subcontractor shall be held in Trust for application solely to payment of laborers, materialmen, fabricators, subcontractors and others furnishing elements of the Sublet Work. Subject to performance by General Contractor of its obligations hereunder, title to all materials, components, fabricated items, and work in process intended for the Sublet Work, and the beneficial interest in all purchase orders or subcontracts therefor, shall vest in Owner immediately upon delivery to the job site, or identification to this Subcontract, or commencement of fabrication in Subcontractor's or a supplier's shop, or award of a purchase order or subcontract; provided, that this provision shall not relieve Subcontractor of the absolute duty to complete and deliver the Sublet Work in good condition, and to comply with all other obligations hereunder. All payments hereunder may be made by General Contractor's affiliated company and all such payments shall be considered as payment hereunder.

4. Subcontractor agrees to commence the Sublet Work immediately when instructed and to prosecute same in coordination with the work of others and with sufficient equipment, supervision and manpower to insure completion of each part of the Sublet Work within the time of completion herein provided, so as not to cause damage or delay in the work of others. Subcontractor shall perform the Sublet Work in the sequence and in the sequence directed by General Contractor, or Owner, from time to time; and, in the absence of such instructions from General Contractor or Owner, at the times, and in the sequence reasonably necessary to avoid delay in the performance of the work required by the General Contract at whatever rate of progress General Contractor may make in performing the work directly or through other Subcontractors. In the event Subcontractor be delayed by the Owner, General Contractor, or another contractor performing work on the project, or by the ordering of extra work or by force majeure, General Contractor shall owe Subcontractor only an extension of time, and then only if written request therefor is made by Subcontractor within forty-eight (48) hours from the beginning of the delay.

5. If any part of Subcontractor's work depends for proper execution or results, upon the work of any other contractor or Supplier, Subcontractor shall inspect the work of the other contractor or Supplier and promptly report to General Contractor any defects in such work, or the performance thereof that adversely affects the proper execution, and the obtaining of the desired results of the Sublet Work. Subcontractor's failure to inspect and report any such defects shall constitute an acceptance of the other contractor's or materialmen's work as fit and properly performed. Subcontractor shall endeavor to settle by agreement or arbitration, all claims asserted by any other subcontractor, materialman, or other person arising from Subcontractor's own acts or omissions, or in any manner relating to the performance of the Sublet Work; and in the event General Contractor or Owner shall be sued on any such claim, Subcontractor shall defend such suit, and pay or satisfy any judgment rendered therein against General Contractor, or Owner, and pay all costs, including attorney's fees incurred by General Contractor or Owner.

6. Subcontractor shall, at its own expense, procure all required permits and licenses, and pay all fees and charges, and give all notices necessary and instant to the due and lawful prosecution of the Sublet Work. Subcontractor shall comply with the requirements of any deeds and rights-of-way easement restrictions, and any permit requirement, and any instructions or regulations of any local, state or federal governmental agency or authority, and with the requirements of any one having the right to control how any portion of the Sublet Work is to be performed; provided, however, that the Sublet Work shall be performed to the satisfaction of the General Contractor and Owner.

7. Owner and General Contractor shall have the right to enter upon the site of the Sublet Work for the purposes of inspection, accounting, and performing such collateral work as Owner or General Contractor may desire. Subcontractor agrees to furnish all facilities deemed necessary by the General Contractor and Owner for the proper inspection of the Sublet

Work and to account to the Owner and General Contractor for any materials furnished by Owner or General Contractor which are being handled by Subcontractor. Subcontractor agrees to carry out such tests as are required by the General Contractor to determine if the sublet work is being properly performed. Subcontractor shall protect the Sublet Work and bear and be liable for all loss or damage of any kind, including damage by the elements or otherwise to the Sublet Work or to materials or other items furnished by Owner, or General Contractor to Subcontractor, which may happen at any time prior to the time that Owner formally accepts the Sublet Work. Subcontractor shall warrant the Sublet Work to be free from defects in material and workmanship and agrees to make good at Subcontractor's own expense any such defects or any failure to perform satisfactorily, which are discovered within one (1) year from the time of acceptance by Owner of all the sublet work, or within one year from the time of commissioning by Owner of the Systems or Work to which the Sublet work relates, whichever is later. In the event of any such defects, Subcontractor agrees to consult promptly with General Contractor or Owner to arrive at a satisfactory procedure, which, if possible, will enable the work to be kept in operation pending the correction of such defects.

8. Subcontractor agrees to indemnify and to save General Contractor and Owner harmless from and against all claims, suits (including counsel fees and other expenses of suit) whether groundless or not, judgements and awards on account of any damage to property or injury (including death) to person (including any damage or injury to the property or person of any employee of Subcontractor, General Contractor, or Owner) which may be caused or alleged to have been caused in whole, or in part by, or which may occur or be alleged to have occurred in connection with the performance of or while Subcontractor is performing the Sublet Work; provided that Subcontractor does not hereby assume responsibility for the sole negligence of General Contractor.

9. Subcontractor, notwithstanding the provisions of Paragraph 8, assumes all risks of loss or damage to Subcontractor's tools, equipment, or property from any cause, including the sole or concurring negligence of Owner, General Contractor, or any other Subcontractor performing work in connection with the work described in the General Contract. In the event General Contractor or Owner loans or furnishes tools or equipment to Subcontractor or permits Subcontractor aboard their vessels in connection with the Sublet Work, Subcontractor agrees (a) to make its own determination before commencing work that such vessels are seaworthy and such tools and equipment are adequate for the safe performance of the work by Subcontractor; (b) that such tools, equipment or vessel are loaned or furnished and accepted by Subcontractor without warranty or representation by General Contractor or Owner as to their condition; (c) to return such vessels, tools and equipment to General Contractor or Owner at the conclusion of such use in same condition as when received, ordinary wear and tear excepted; and (d) to indemnify and hold General Contractor and Owner harmless from all claims, demands, causes of action, damages and injuries from Subcontractor's use of said vessels, tools and equipment, including any claims, demands, causes of action, damages or injuries resulting from or alleged to result from the sole or concurring negligence of General Contractor, or Owner, or from the inadequacy or unseaworthiness of said vessels, tools and equipment for the performance of the Sublet Work. The assumption of risks and the indemnities in this paragraph 9 do not extend to the gross negligence or willful acts of the indemnitee.

10. In the event after seven (7) days written notice from General Contractor to Subcontractor, pointing out generally any deficiencies either in respect to the nature of the Sublet Work or in respect to the promptness with which the Sublet Work is being performed, Subcontractor has not corrected such deficiencies to the satisfaction of the individual in charge of this job for General Contractor in the field, General Contractor shall have the right to supplement the work of Subcontractor or to take over completely the performance of the remainder of the Sublet Work, either with his own forces, or by contract with others. Subcontractor grants General Contractor the option to use all or any part of Subcontractor's tools, equipment, machinery, materials, and supplies then in use in performing the Sublet Work and in the event General Contractor elects to use all or any part thereof, no rental shall be paid or given therefor, and no credit accrues therefrom, except insofar as the lack of any rental charge thus reduces the cost of completing the Sublet Work. Subcontractor also expressly waives any claim which he could assert in connection therewith, for use of such equipment in whole or in part on other projects and any profits anticipated thereon during the period such equipment or any portion thereof are so utilized by General Contractor in accordance with this provision. In the event the cost of supplementing or completing the Sublet Work is more than the amount of money Subcontractor is entitled to on the price basis provided herein, Subcontractor agrees to pay to General Contractor upon demand the amount of such excess cost, and in the event such cost of supplementing or completing the Sublet Work is less than the amount of money Subcontractor is entitled to on the price basis specified herein, General Contractor agrees to pay Subcontractor upon demand the amount of such difference between price and cost; provided, that if General Contractor shall supplement or complete the work with his own forces, General Contractor may charge Subcontractor with an additional ten (10%) percent of the cost thereof. This right may be exercised from time to time as deemed proper and may be exercised even prior to the time specified for completion of the Sublet Work, and such exercise shall not be treated as a repudiation of this Subcontract, or interference with the Subcontractor in the performance of the Sublet Work, and the exercise of such rights shall not be regarded as relieving Subcontractor of his duties in respect to the performance of the Sublet Work; nor shall the exercise or non-exercise of such right prejudice any other remedy the General Contractor or Owner may have, including, without limitation, those specified in the General Contract. Subcontractor agrees that the decision of the Project Manager in exercising the rights provided for herein shall be final and conclusive, but if Subcontractor objects and disputes the judgment of the Project Manager he may appeal therefrom, within said 7 day period, to an executive officer of General Contractor designated by the President of General Contractor and the written decision of that designated officer after hearing Subcontractor shall be final absent actual fraud. Subcontractor agrees to cooperate fully with General Contractor and not to complain thereafter of the manner or cost of supplementing or completing the Sublet Work.

11. The employees, representatives and agents of Owner and General Contractor shall not have the power to waive any obligations of the agreement between the parties for the performance by the Subcontractor of the Sublet Work in a careful and workmanlike manner as provided herein. No waiver by the Owner or General Contractor of any breach by the Subcontractor of this Subcontract, or of any term or condition thereof (whether such waiver be expressed or implied), shall be deemed to constitute a waiver of or consent to any subsequent breach of the same, or of any other term or condition of this contract.

12. In the performance of the Sublet Work the Subcontractor is an independent contractor with the right to supervise, manage and control the performance of the details thereof, General Contractor and Owner being interested only in the results of the same and being entitled to inspect the performance of the Sublet Work by Subcontractor only to the extent necessary to assure such results.

13. Subcontractor shall not subcontract the Sublet Work or any portion thereof, nor assign any portion of the monies due or to become due under the Subcontract, without the written consent of General Contractor, and any attempt at such Subcontract or assignment without such consent shall be void. No subcontract shall relieve Subcontractor of his responsibility hereunder.

14. All written notices between the parties shall be by mail, properly stamped, addressed and delivered to the postal authorities, and any such notice shall be effective at midnight of the day during which the notice is so mailed. Such notices shall be directed to the address shown on page one of this Subcontract, unless written notice has been given of a new address.

15. Subcontractor shall comply with all applicable laws, ordinances, rules and regulations of any governmental agency having jurisdiction, and with all terms and conditions of applicable permits, certificates, leases, restrictions, easements or dedications, and Subcontractor shall indemnify and hold harmless General Contractor and Owner from any fine, penalty, loss, damage or expense resulting from Subcontractor's failure to comply therewith. Subcontractor shall certify that all work is performed in compliance with the provisions of the Fair Labor Standards Act.

16. Subcontractor shall carry and maintain throughout the life of this Subcontract, at its own expense, insurance in not less than the amounts and coverage herein specified, and shall furnish certificates of such insurance in duplicate to General Contractor before commencing work. Certificates shall bear statements of insurers to the effect that insurance shall not be cancelled, reduced, nor allowed to expire, except upon thirty (30) days written notice delivered to General Contractor by registered mail. In the event Subcontractor sublets any part of the Sublet Work, it shall be the duty of the Subcontractor to require that every such Subcontractor comply with the insurance and other requirements of this Subcontract. Insurance shall be placed with companies acceptable to General Contractor and Owner. Subrogation against General Contractor, Owner and other contractors performing work in connection with the work described in the General Contract is hereby waived by Subcontractor and the policies shall be endorsed accordingly. The minimum insurance shall be the following amounts and coverage:

|                                                                                                                                                                                                                                                                                                                                                                   |                          |                               |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-------------------------------|
| a. Workmen's Compensation                                                                                                                                                                                                                                                                                                                                         |                          | Statutory                     |
| Employer's Liability                                                                                                                                                                                                                                                                                                                                              |                          | \$100,000 per person/accident |
| (If marine operations are involved, endorsements shall include U. S. Long-shoremen's and Harbor Worker's Compensation Act, Outer Continental Shelf Operations and, subject to minimum limits of \$250,000 per person and \$500,000 per accident. Amendments to Coverage B Endorsement-Maritime (including liability for disease and wages, maintenance and cure). |                          |                               |
| b. Comprehensive General Liability, including coverage for liability assumed under this Subcontract and completed operations:                                                                                                                                                                                                                                     |                          |                               |
| Bodily Injury .....                                                                                                                                                                                                                                                                                                                                               | \$100,000 per person     |                               |
|                                                                                                                                                                                                                                                                                                                                                                   | \$300,000 per occurrence |                               |
| Property Damage .....                                                                                                                                                                                                                                                                                                                                             | \$100,000 per occurrence |                               |
| c. Comprehensive Automobile Liability:                                                                                                                                                                                                                                                                                                                            |                          |                               |
| Bodily Injury .....                                                                                                                                                                                                                                                                                                                                               | \$100,000 per person     |                               |
|                                                                                                                                                                                                                                                                                                                                                                   | \$300,000 per occurrence |                               |
| Property Damage .....                                                                                                                                                                                                                                                                                                                                             | \$100,000 per occurrence |                               |

— Continued on Page 7 —

EXX 012663

d. If Marine vessels are involved:

|                                          |                                                   |
|------------------------------------------|---------------------------------------------------|
| Hull Insurance .....                     | Full Value of Vessel                              |
| Protection and Indemnity Insurance ..... | Full Value of Vessel but not less than \$500,000. |

General Contractor and Owner shall be named as Assureds under such Hull and P&I, with respect to operations performed under this Subcontract.

e. Other:

17. There shall be no change in the unit prices, if any, described in paragraph 2 of Section I of this Subcontract, due to any variances between estimated and actual quantities of the Sublet Work, and there shall be due and owing from General Contractor only such sums as result from the application of the unit prices, if any, described in that paragraph, to the quantities of the Sublet Work performed, for which General Contractor received payment from the Owner.

18. Subcontractor shall keep the premises under his control neat and orderly at all times and shall remove all trash and debris daily and at the end of the contract.

19. Subcontractor agrees to furnish payment and performance bonds within ten days should General Contractor so request in writing, whether before commencing the Sublet Work or at any time before completing the Sublet Work. Such bonds shall be in form and with corporate sureties satisfactory to General Contractor, and in such amount as may be specified by General Contractor as adequate to cover performance of the Sublet Work, and any damages that may result from the breach of this subcontract. If immediate delivery is required by the Special Provisions, Subcontractor shall pay the premium; If immediate delivery is waived by the Special Provisions, General Contractor shall pay the normal premium, if the bond is required by General Contractor at a later date.

20. Subcontractor shall conform to the highest standards of safety practices in performance of the Sublet Work and shall conform to all safety practices and requirements of Owner or General Contractor. The Subcontractor warrants that any and all work performed and/or equipment delivered to General Contractor or Owner or its designee under this subcontract shall comply with all requirements of the Occupational Safety and Health Act of 1970, as the same may be amended from time to time and including all regulations adopted pursuant to such Act, and shall comply with all requirements of any applicable health or safety statute or regulation of any state or local government agency having jurisdiction in the location to which such equipment is to be shipped or such work is to be performed pursuant to this agreement. Subcontractor shall be solely responsible for compliance with all such laws or regulations without relying upon enforcement thereof by, or instruction of, Owner, Engineer or General Contractor and shall promptly report in full to General Contractor any safety or health inspections by governmental authorities.

21. The entire agreement between the parties with respect to the work on this project is expressed in this written Subcontract, and it is agreed that this Subcontract has not been based upon any oral representation, promises or statements of any one representing General Contractor or Owner, and that this agreement is therefore based entirely upon the written documents constituting this Subcontract between the parties, and supersedes all proposals and negotiations not expressly set forth herein. It is further agreed that this agreement shall not be changed, modified, abrogated or superseded by any subsequent agreement unless it be in writing and signed by both parties. In the event a Purchase Order, Work Order or other similar document is utilized in conjunction with this Subcontract, it is understood that any printed provisions of such other document have no application and that the printed provisions of this Subcontract form are controlling, but the typewritten or handwritten provisions of such other document shall constitute a part hereof and shall be construed with all of the printed, typewritten and handwritten provisions hereof. Any requirement shown on the drawings, but omitted from the specifications, or any requirement shown in the specifications but omitted from the drawings shall be considered as being required under this agreement as if set forth in both.

22. Should there at any time appear to be variation, contradiction or want of agreement in description, dimensions or quantities of the Sublet Work, Subcontractor agrees to refer immediately the matter to the General Contractor for decision before proceeding with the Sublet Work in respect of which the said variation, contradiction or want of agreement exists.

— Continued on Page 8 —

EXX 012664

The true intention and meaning of the Subcontract shall imply that the Subcontractor will in all respects, supply, construct and complete the Sublet Work in a workmanlike manner fully satisfying the intended function of the sublet work to the satisfaction of General Contractor. All work which is manifestly necessary to carry out the intent of the drawings and specifications pertaining to the Sublet Work or which is customarily done in performing this type of work for the Owner or General Contractor shall be performed by the Subcontractor as a part of the Sublet Work.

23. General Contractor may at any time by a "Change Order" in writing, signed by General Contractor's authorized representative, and without notice to the sureties on any bond, change or issue additional instructions, change or issue additional specifications and plans, and change, omit or require extra or additional work to be performed by Subcontractor. In such event, General Contractor will have full authority to specify the amount and kind of work to be done, or omitted, the materials to be used, and the equipment to be furnished as fully as though such changes had been set forth in this subcontract. When any change order shall authorize extra or additional work, Subcontractor shall make every effort to complete the sublet work as changed within the time originally agreed upon for completion, the time for completion not being extended unless expressly extended by General Contractor in writing. The General Contractor is authorized to make changes in the work which do not significantly increase the cost of the sublet work without the Subcontractor being entitled to any additional compensation therefor. If such change orders significantly increase or decrease the cost of the sublet work to Subcontractor, there shall be an increase or decrease in the consideration to subcontractor (1) in accordance with the unit prices specified in this subcontract agreement or, if General Contractor agrees that the unit prices are not applicable, either (2) pursuant to a lump sum proposal acceptable to General Contractor or (3) by the actual direct cost to Subcontractor of such change in the sublet work plus ten percent thereof, which costs directly related thereto will be supported by approved payrolls and paid invoices on additions to the sublet work and by agreed estimates of labor and materials deleted for decreases in the sublet work. Subcontractor further agrees that no extra work, or changes in the Sublet Work, or in the Subcontract will be recognized or paid for, unless agreed to in writing and approved by General Contractor and Owner, before such work is done or such changes are made.

24. Subcontractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, or sex. Subcontractor agrees that it will comply with all applicable Federal, State and local Fair Employment Practices Act, or similar Act. Rules and Regulations, and whether or not applicable will comply with the Federal Civil Rights Act of 1964. The terms and provisions of Executive Order 11246 and any Executive Order modifying or superseding same, are incorporated herein with respect to any Sublet Work subject thereto.

25. Regardless of any provision hereof or of any approval hereof the Owner is not a party to this Subcontract and the Subcontractor agrees that the Owner is under no obligation to Subcontractor.

26. Subcontractor agrees to indemnify and save General Contractor and Owner harmless from claims growing out of patent infringements or claims thereto pertaining to the use of any tools, construction equipment or construction processes or technique by Subcontractor in the performance of the Sublet Work.

27. Subcontractor undertakes, on behalf of itself, its related companies and its or their employees, contractors, suppliers and agents, not to disclose to any third party or utilize except in connection with the performance of the Sublet Work, without Owner's prior written consent, any details of "know-how" and specialist or technical information pertaining to the work (whether or not the property of Owner) which may come into its or their possession in the course of or in connection with the performance of the Sublet Work, provided, however, that the foregoing shall not apply to "know-how" and specialist or technical information which (i) was in the public domain prior to its or their receipt thereof in the course of or in connection with the performance of the Sublet Work or which subsequently becomes part of the public domain by publication or otherwise except by its or their wrongful act, (ii) was in its or their possession prior to its or their receipt thereof in the course of or in connection with the performance of the Sublet Work or (iii) are the same as information received by it or them from a third party having no obligation to Owner of secrecy with respect thereto.

28. All disputes, controversies or claims arising out of, relating to, or in connection with the Subcontract or the breach thereof, including, but not by way of limitation, any dispute as to the amount due Subcontractor by General Contractor, shall be finally settled by arbitration in accordance with the Rules of Conciliation and Arbitration of the American Arbitration Association by the arbitrators appointed in accordance with such Rules. The arbitration shall be held at a location at General Contractor's option. Judgment upon the award rendered may be entered in any Court having Jurisdiction or application may be made to such Court for a judicial acceptance of the award and an order of enforcement, as the case may be. This clause shall be construed under the laws of the sites of performance of the major portion of the Sublet Work.

29. Wherein any Certificate or Progress Payment invoice of which Subcontractor has received Payment there has been included the value of any unfixed materials, equipment or other items intended for or placed on the site of the work, such items shall become the property of Owner (for loss or damage to which Subcontractor shall be solely responsible) and such items shall not be removed except for use upon the Sublet Work without the written authority of the General Contractor. Moreover, construction plant and equipment brought onto the site for the purpose of performing the Sublet Work shall not be removed therefrom until completion of the Sublet Work without the written consent of the General Contractor.

Subcontract No. 34-1202-0288

30. The Subcontractor shall be responsible for the correctness of the positions, levels and dimensions of the Sublet Work according to this Subcontract and the written instructions of the General Contractor, notwithstanding that the Subcontractor may have been assisted by the General Contractor or any other Contractor in setting out the same; and if at any time during the performance of the Sublet Work any error shall appear or arise therein, the Subcontractor shall, on being required to do so by the General Contractor, remove and change the Sublet Work to the satisfaction of General Contractor.

31. Except as otherwise expressly provided, this Subcontract shall be construed under the laws of the State of Texas.

32. This Subcontract consists of Pages 1, 2, 3, 3A, 4, 5, 6, 7, 8 and 9.

APPROVED:

\_\_\_\_\_  
(Owner)

By: \_\_\_\_\_

(Title) \_\_\_\_\_

Date: \_\_\_\_\_

BROWN & ROOT, INC.  
(General Contractor)

By: *D. E. Newton, Jr.*  
(Title) Director of Purchasing

Coastal Testing Laboratory  
(Subcontractor)

By: *J. P. Pugh*  
(Title) Partner

EXX 012666

**Brown & Root, Inc.** Post Office Box Three, Houston, Texas 77001

June 14, 1974



34-1202

TDW Services, Inc.  
P. O. Drawer "W"  
Stafford, Texas 77477

Attn: Mr. G. H. Cain

Re: Subcontract No. 34-1202-0247  
Stopple Plugging and Hot Taps  
Exxon Company, U.S.A.  
Baytown, Texas

Gentlemen:

We enclose herewith one fully executed copy of Subcontract No. 34-1202-0247 dated May 8, 1974, for your permanent file.

Also enclosed is Change Order No. 1.

Yours very truly,

**BROWN & ROOT, INC.**

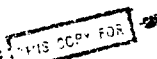
ORIGINAL SIGNED BY  
J. M. FRANKI

**J.M. Franki**  
Subcontracts Supervisor

JMF/RU/bc

Enclosure

bcc: Messrs. J. P. Lamar (w/original)  
D. H. Dodd (2 w/2 copies)  
Al Billingsley  
R. W. Stephens  
J. E. Woodward



EXX 012667

**BROWN & ROOT, INC.****SUBCONTRACT**Job Number 34-1202 (5)Subcontract No. 34-1202-0247

RU/bc

THIS AGREEMENT, made this 8th day of May, 19 74  
by and between BROWN & ROOT, INC., a Texas Corporation, 4100 Clinton Drive, Houston, Texas, (P. O.

Box 3; 77001) hereinafter called the "General Contractor", and TDW Services, Inc.

P. O. Drawer "W" Telephone: (713) 499-1587

(Name, Street Address and Telephone Number)

a Oklahoma Corporation, licensed to operate in the State of Texas with principal offices at  
(Give State of incorporation and whether a corporation, partnership, or proprietorship)

Stafford, State of Texas 77477

hereinafter called the "Subcontractor", WITNESSETH

WHEREAS, General Contractor has entered into a general contract with

Exxon Company, U.S.A.  
(Name of Owner)

, hereinafter

called the "Owner", for the construction of Baytown Fuels Expansion Plant

(Nature of construction under General Contract)

Baytown,  
(City)

Texas  
(State)

WHEREAS, Subcontractor desires to perform that portion of the work as required by the general contract, which is described below as "The Sublet Work";

NOW THEREFORE, it is mutually agreed by and between General Contractor and Subcontractor as follows:

**I. SPECIAL CONDITIONS**

1. The Sublet Work consists of: furnishing all labor, materials, equipment, tools, supervision and all other things necessary for installing stopple plugging and hot taps in strict accordance with Exhibit "A" which is attached hereto and made a part hereof, project plans and specifications and as further detailed herein.

— Continued on Page 2 —

EXX 012668

Subcontract No. 34-1202-0247

2. The price for the Sublet Work shall be: the firm unit prices as detailed in Exhibit "A", which exclude all applicable sales/use taxes.

The unit prices detailed in Exhibit "A" are firm for the period February 1, 1974 through January 31, 1975.

The unit prices detailed in Exhibit "A" exclude the reimbursable premium for the required \$50,000.00 Payment and Performance Bonds. Subcontractor shall submit the two bonds in individual documents and invoice the premium separately.

3. The time of completion of the Sublet Work shall be as provided in paragraph 4 of the General Conditions but not later than as specified by General Contractor's Project Manager

4. The payment and performance bonds provided for in the General Conditions must be delivered before any work is performed by Subcontractor hereunder and no payment becomes due Subcontractor until such delivery, unless delivery at this time is expressly waived. Immediate Delivery of Bonds are: Waived \_\_\_\_\_; Required XXX

5. Other special provisions of this subcontract are: (a)

Payment will be made only for those units entered daily on a written report acceptable to both parties and signed each day by authorized representatives of the Subcontractor and General Contractor.

(b)

Sufficient labor and proper types of materials and equipment shall be on the jobsite when ordered in advance by the General Contractor's Job Superintendent.

(c)

Subcontractor shall assume full responsibility that materials and equipment furnished meet the conditions of the job required.

— Continued on Page 3 —

EXX 012669

Subcontract No. 34-1202-0247

(d)

or the purpose of quality control General Contractors' or Owner's representative shall have access to the work at all times.

(e)

Exxon Chemical, Exxon or ER&E "Contractor's Responsibilities for Safety, Plant Protection and Traffic Regulations" for contractors, Subcontractors and suppliers at Baytown Refinery, Baytown Chemical Plants and Baytown Facilities Exxon Research and Engineering Co. dated May 1, 1973 hereby becomes a part of this Subcontract.

(f)

"Special Provisions of a Subcontract" Job No. 34-1202, dated 5-1-74 are attached hereto and made a part hereof.

(g)

Subcontractor must furnish his own warehousing and miscellaneous workmen's supplies.

(h)

All inquiries the Subcontractor may have concerning this Subcontract must be made through the General Contractor's Project Manager and not directly to the Owner.

(i)

Subcontractor shall contact the General Contractor's Project Manager to schedule and coordinate this Subcontract.

(j)

Before commencing work and before this Subcontract becomes effective, the Subcontractor shall furnish the General Contractor with his Payment and Performance Bonds, and Certificate of Insurance.

## II. GENERAL CONDITIONS

1. Subcontractor represents that he is familiar with the physical conditions and availability of labor and materials in the area of the Sublet Work and all other items affecting the performance of the Sublet Work.

2. Subcontractor agrees to perform the Sublet Work in a careful and workmanlike manner, in accordance with the best construction practices and this Subcontract, and to furnish all supervision, labor, supplies, tools, equipment, facilities, storage, and materials (except as Owner or General Contractor specifically agrees herein to furnish) and all other things and services necessary or desirable to perform the Sublet Work.

3. General Contractor agrees to pay Subcontractor for the performance of the Sublet Work the amount specified in Paragraph 2 of Section I, and to make partial payments monthly to Subcontractor within fifteen (15) days after Subcontractor's invoices, approved by General Contractor's field representative, are received by General Contractor, except that General Contractor shall retain ten percent (10%) of the amount of each partial payment on the Sublet Work, until final completion of Subcontractor's work, and the balance shall be paid within thirty (30) days after final completion and acceptance of Subcontractor's work by Owner, upon a proper invoice submitted by Subcontractor accompanied by an affidavit that all bills for labor, materials, taxes, services and other costs of the Sublet Work have been paid and indemnifying General Contractor and Owner therefrom and a release by Subcontractor of any further claims against General Contractor and Owner. Payment of any partial payment may be withheld until Subcontractor furnishes satisfactory proof of payment of all bills for labor, materials, taxes, services and other expenses in connection with the Sublet Work, and that all claims for changes or extra work have been settled. Until final completion and delivery of the Sublet Work, to the extent required by applicable law, all funds paid to Subcontractor shall be held in Trust for application solely to payment of laborers, materialmen, fabricators, subcontractors and others furnishing elements of the Sublet Work. Subject to performance by General Contractor of its obligations hereunder, title to all materials, components, fabricated items, and work in process intended for the Sublet Work, and the beneficial interest in all purchase orders or subcontracts therefor, shall vest in Owner immediately upon delivery to the job site, or identification to this Subcontract, or commencement of fabrication in Subcontractor's or a supplier's shop, or award of a purchase order or subcontract; provided, that this provision shall not relieve Subcontractor of the absolute duty to complete and deliver the Sublet Work in good condition, and to comply with all other obligations hereunder. All payments hereunder may be made by General Contractor's affiliated company and all such payments shall be considered as payment hereunder.

4. Subcontractor agrees to commence the Sublet Work immediately when instructed and to prosecute same in coordination with the work of others and with sufficient equipment, supervision and manpower to insure completion of each part of the Sublet Work within the time of completion herein provided, so as not to cause damage or delay in the work of others. Subcontractor shall perform the Sublet Work at the times, and in the sequence directed by General Contractor, or Owner, from time to time; and, in the absence of such instructions from General Contractor or Owner, at the times, and in the sequence reasonably necessary to avoid delay in the performance of the work required by the General Contract at whatever rate of progress General Contractor may make in performing the work directly or through other Subcontractors. In the event Subcontractor be delayed by the Owner, General Contractor, or another contractor performing work on the project, or by the ordering of extra work or by force majeure, General Contractor shall owe Subcontractor only an extension of time, and then only if written request therefor is made by Subcontractor within forty-eight (48) hours from the beginning of the delay.

5. If any part of Subcontractor's work depends for proper execution or results, upon the work of any other contractor or Supplier, Subcontractor shall inspect the work of the other contractor or Supplier and promptly report to General Contractor any defects in such work, or the performance thereof that adversely affects the proper execution, and the obtaining of the desired results of the Sublet Work. Subcontractor's failure to inspect and report any such defects shall constitute an acceptance of the other contractor's or materialmen's work as fit and properly performed. Subcontractor shall endeavor to settle by agreement or arbitration, all claims asserted by any other subcontractor, materialman, or other person arising from Subcontractor's own acts or omissions, or in any manner relating to the performance of the Sublet Work; and in the event General Contractor or Owner shall be sued on any such claim, Subcontractor shall defend such suit, and pay or satisfy any judgment rendered therein against General Contractor, or Owner, and pay all costs, including attorney's fees incurred by General Contractor or Owner.

6. Subcontractor shall, at its own expense, procure all required permits and licenses, and pay all fees and charges, and give all notices necessary and instant to the due and lawful prosecution of the Sublet Work. Subcontractor shall comply with the requirements of any deeds and rights-of-way easement restrictions, and any permit requirement, and any instructions or regulations of any local, state or federal governmental agency or authority, and with the requirements of any one having the right to control how any portion of the Sublet Work is to be performed; provided, however, that the Sublet Work shall be performed to the satisfaction of the General Contractor and Owner.

7. Owner and General Contractor shall have the right to enter upon the site of the Sublet Work for the purposes of inspection, accounting, and performing such collateral work as Owner or General Contractor may desire. Subcontractor agrees to furnish all facilities deemed necessary by the General Contractor and Owner for the proper inspection of the Sublet

— Continued on Page 5 —

EXX 012671

Work and to account to the Owner and General Contractor for any materials furnished by Owner or General Contractor which are being handled by Subcontractor. Subcontractor agrees to carry out such tests as are required by the General Contractor to determine if the sublet work is being properly performed. Subcontractor shall protect the Sublet Work and bear and be liable for all loss or damage of any kind, including damage by the elements or otherwise to the Sublet Work or to materials or other items furnished by Owner, or General Contractor to Subcontractor, which may happen at any time prior to the time that Owner formally accepts the Sublet Work. Subcontractor shall warrant the Sublet Work to be free from defects in material and workmanship and agrees to make good at Subcontractor's own expense any such defects or any failure to perform satisfactorily, which are discovered within one (1) year from the time of acceptance by Owner of all the sublet work, or within one year from the time of commissioning by Owner of the Systems or Work to which the Sublet work relates, whichever is later. In the event of any such defects, Subcontractor agrees to consult promptly with General Contractor or Owner to arrive at a satisfactory procedure, which, if possible, will enable the work to be kept in operation pending the correction of such defects.

8. Subcontractor agrees to indemnify and to save General Contractor and Owner harmless from and against all claims, suits (including counsel fees and other expenses of suit) whether groundless or not, judgements and awards on account of any damage to property or injury (including death) to person (including any damage or injury to the property or person of any employee of Subcontractor, General Contractor, or Owner) which may be caused or alleged to have been caused in whole, or in part by, or which may occur or be alleged to have occurred in connection with the performance of or while Subcontractor is performing the Sublet Work; provided that Subcontractor does not hereby assume responsibility for the sole negligence of General Contractor.

9. Subcontractor, notwithstanding the provisions of Paragraph 8, assumes all risks of loss or damage to Subcontractor's tools, equipment, or property from any cause, including the sole or concurring negligence of Owner, General Contractor, or any other Subcontractor performing work in connection with the work described in the General Contract. In the event General Contractor or Owner loans or furnishes tools or equipment to Subcontractor or permits Subcontractor aboard their vessels in connection with the Sublet Work, Subcontractor agrees (a) to make its own determination before commencing work that such vessels are seaworthy and such tools and equipment are adequate for the safe performance of the work by Subcontractor; (b) that such tools, equipment or vessel are loaned or furnished and accepted by Subcontractor without warranty or representation by General Contractor or Owner as to their condition; (c) to return such vessels, tools and equipment to General Contractor or Owner at the conclusion of such use in same condition as when received, ordinary wear and tear excepted; and (d) to indemnify and hold General Contractor and Owner harmless from all claims, demands, causes of action, damages and injuries from Subcontractor's use of said vessels, tools and equipment, including any claims, demands, causes of action, damages or injuries resulting from or alleged to result from the sole or concurring negligence of General Contractor, or Owner, or from the inadequacy or unseaworthiness of said vessels, tools and equipment for the performance of the Sublet Work. The assumption of risks and the indemnities in this paragraph 9 do not extend to the gross negligence or willful acts of the indemnitee.

10. In the event after seven (7) days written notice from General Contractor to Subcontractor, pointing out generally any deficiencies either in respect to the nature of the Sublet Work or in respect to the promptness with which the Sublet Work is being performed, Subcontractor has not corrected such deficiencies to the satisfaction of the individual in charge of this job for General Contractor in the field, General Contractor shall have the right to supplement the work of Subcontractor or to take over completely the performance of the remainder of the Sublet Work, either with his own forces, or by contract with others. Subcontractor grants General Contractor the option to use all or any part of Subcontractor's tools, equipment, machinery, materials, and supplies then in use in performing the Sublet Work and in the event General Contractor elects to use all or any part thereof, no rental shall be paid or given therefor, and no credit accrues therefrom, except insofar as the lack of any rental charge thus reduces the cost of completing the Sublet Work. Subcontractor also expressly waives any claim which he could assert in connection therewith, for use of such equipment in whole or in part on other projects and any profits anticipated thereon during the period such equipment or any portion thereof are so utilized by General Contractor in accordance with this provision. In the event the cost of supplementing or completing the Sublet Work is more than the amount of money Subcontractor is entitled to on the price basis provided herein, Subcontractor agrees to pay to General Contractor upon demand the amount of such excess cost, and in the event such cost of supplementing or completing the Sublet Work is less than the amount of money Subcontractor is entitled to on the price basis specified herein, General Contractor agrees to pay Subcontractor upon demand the amount of such difference between price and cost; provided, that if General Contractor shall supplement or complete the work with his own forces, General Contractor may charge Subcontractor with an additional ten (10%) percent of the cost thereof. This right may be exercised from time to time as deemed proper and may be exercised even prior to the time specified for completion of the Sublet Work, and such exercise shall not be treated as a repudiation of this Subcontract, or interference with the Subcontractor in the performance of the Sublet Work, and the exercise of such rights shall not be regarded as relieving Subcontractor of his duties in respect to the performance of the Sublet Work; nor shall the exercise or non-exercise of such right prejudice any other remedy the General Contractor or Owner may have, including, without limitation, those specified in the General Contract. Subcontractor agrees that the decision of the Project Manager in exercising the rights provided for herein shall be final and conclusive, but if Subcontractor objects and disputes the judgment of the Project Manager he may appeal therefrom, within said 7 day period, to an executive officer of General Contractor designated by the President of General Contractor and the written decision of that designated officer after hearing Subcontractor shall be final absent actual fraud. Subcontractor agrees to cooperate fully with General Contractor and not to complain thereafter of the manner or cost of supplementing or completing the Sublet Work.

11. The employees, representatives and agents of Owner and General Contractor shall not have the power to waive any obligations of the agreement between the parties for the performance by the Subcontractor of the Sublet Work in a careful and workmanlike manner as provided herein. No waiver by the Owner or General Contractor of any breach by the Subcontractor of this Subcontract, or of any term or condition thereof (whether such waiver be expressed or implied), shall be deemed to constitute a waiver of or consent to any subsequent breach of the same, or of any other term or condition of this contract.

12. In the performance of the Sublet Work the Subcontractor is an independent contractor with the right to supervise, manage and control the performance of the details thereof, General Contractor and Owner being interested only in the results of the same and being entitled to inspect the performance of the Sublet Work by Subcontractor only to the extent necessary to assure such results.

13. Subcontractor shall not subcontract the Sublet Work or any portion thereof, nor assign any portion of the monies due or to become due under the Subcontract, without the written consent of General Contractor, and any attempt at such Subcontract or assignment without such consent shall be void. No subcontract shall relieve Subcontractor of his responsibility hereunder.

14. All written notices between the parties shall be by mail, properly stamped, addressed and delivered to the postal authorities, and any such notice shall be effective at midnight of the day during which the notice is so mailed. Such notices shall be directed to the address shown on page one of this Subcontract, unless written notice has been given of a new address.

15. Subcontractor shall comply with all applicable laws, ordinances, rules and regulations of any governmental agency having jurisdiction, and with all terms and conditions of applicable permits, certificates, leases, restrictions, easements or dedications, and Subcontractor shall indemnify and hold harmless General Contractor and Owner from any fine, penalty, loss, damage or expense resulting from Subcontractor's failure to comply therewith. Subcontractor shall certify that all work is performed in compliance with the provisions of the Fair Labor Standards Act.

16. Subcontractor shall carry and maintain throughout the life of this Subcontract, at its own expense, insurance in not less than the amounts and coverage herein specified, and shall furnish certificates of such insurance in duplicate to General Contractor before commencing work. Certificates shall bear statements of insurers to the effect that insurance shall not be cancelled, reduced, nor allowed to expire, except upon thirty (30) days written notice delivered to General Contractor by registered mail. In the event Subcontractor sublets any part of the Sublet Work, it shall be the duty of the Subcontractor to require that every such Subcontractor comply with the insurance and other requirements of this Subcontract. Insurance shall be placed with companies acceptable to General Contractor and Owner. Subrogation against General Contractor, Owner and other contractors performing work in connection with the work described in the General Contract is hereby waived by Subcontractor and the policies shall be endorsed accordingly. The minimum insurance shall be the following amounts and coverage:

a. Workmen's Compensation  
Employer's Liability

Statutory  
\$100,000 per person/accident

(If marine operations are involved, endorsements shall include U. S. Longshoremen's and Harbor Worker's Compensation Act, Outer Continental Shelf Operations and, subject to minimum limits of \$250,000 per person and \$500,000 per accident, Amendments to Coverage B Endorsement-Maritime (including liability for disease and wages, maintenance and cure).

b. Comprehensive General Liability, including coverage for liability assumed under this Subcontract and completed operations:

|                       |                          |
|-----------------------|--------------------------|
| Bodily Injury .....   | \$100,000 per person     |
|                       | \$300,000 per occurrence |
| Property Damage ..... | \$100,000 per occurrence |

c. Comprehensive Automobile Liability:

|                       |                          |
|-----------------------|--------------------------|
| Bodily Injury .....   | \$100,000 per person     |
|                       | \$300,000 per occurrence |
| Property Damage ..... | \$100,000 per occurrence |

## d. If Marine vessels are involved:

|                                          |                                                   |
|------------------------------------------|---------------------------------------------------|
| Hull Insurance .....                     | Full Value of Vessel                              |
| Protection and Indemnity Insurance ..... | Full Value of Vessel but not less than \$500,000. |

General Contractor and Owner shall be named as Assureds under such Hull and P&I, with respect to operations performed under this Subcontract.

## e. Other:

17. There shall be no change in the unit prices, if any, described in paragraph 2 of Section I of this Subcontract, due to any variances between estimated and actual quantities of the Sublet Work, and there shall be due and owing from General Contractor only such sums as result from the application of the unit prices, if any, described in that paragraph, to the quantities of the Sublet Work performed, for which General Contractor received payment from the Owner.

18. Subcontractor shall keep the premises under his control neat and orderly at all times and shall remove all trash and debris daily and at the end of the contract.

19. Subcontractor agrees to furnish payment and performance bonds within ten days should General Contractor so request in writing, whether before commencing the Sublet Work or at any time before completing the Sublet Work. Such bonds shall be in form and with corporate sureties satisfactory to General Contractor, and in such amount as may be specified by General Contractor as adequate to cover performance of the Sublet Work, and any damages that may result from the breach of this subcontract. If immediate delivery is required by the Special Provisions, Subcontractor shall pay the premium; If immediate delivery is waived by the Special Provisions, General Contractor shall pay the normal premium, if the bond is required by General Contractor at a later date.

20. Subcontractor shall conform to the highest standards of safety practices in performance of the Sublet Work and shall conform to all safety practices and requirements of Owner or General Contractor. The Subcontractor warrants that any and all work performed and/or equipment delivered to General Contractor or Owner or its designee under this subcontract shall comply with all requirements of the Occupational Safety and Health Act of 1970, as the same may be amended from time to time and including all regulations adopted pursuant to such Act, and shall comply with all requirements of any applicable health or safety statute or regulation of any state or local government agency having jurisdiction in the location to which such equipment is to be shipped or such work is to be performed pursuant to this agreement. Subcontractor shall be solely responsible for compliance with all such laws or regulations without relying upon enforcement thereof by, or instruction of, Owner, Engineer or General Contractor and shall promptly report in full to General Contractor any safety or health inspections by governmental authorities.

21. The entire agreement between the parties with respect to the work on this project is expressed in this written Subcontract, and it is agreed that this Subcontract has not been based upon any oral representation, promises or statements of any one representing General Contractor or Owner, and that this agreement is therefore based entirely upon the written documents constituting this Subcontract between the parties, and supersedes all proposals and negotiations not expressly set forth herein. It is further agreed that this agreement shall not be changed, modified, abrogated or superseded by any subsequent agreement unless it be in writing and signed by both parties. In the event a Purchase Order, Work Order or other similar document is utilized in conjunction with this Subcontract, it is understood that any printed provisions of such other document have no application and that the printed provisions of this Subcontract form are controlling, but the typewritten or handwritten provisions of such other document shall constitute a part hereof and shall be construed with all of the printed, typewritten and handwritten provisions hereof. Any requirement shown on the drawings, but omitted from the specifications, or any requirement shown in the specifications but omitted from the drawings shall be considered as being required under this agreement as if set forth in both.

22. Should there at any time appear to be variation, contradiction or want of agreement in description, dimensions or quantities of the Sublet Work, Subcontractor agrees to refer immediately the matter to the General Contractor for decision before proceeding with the Sublet Work in respect of which the said variation, contradiction or want of agreement exists.

— Continued on Page 8 —

EXX 012674

The true intention and meaning of the Subcontract shall imply that the Subcontractor will in all respects, supply, construct and complete the Sublet Work in a workmanlike manner fully satisfying the intended function of the sublet work to the satisfaction of General Contractor. All work which is manifestly necessary to carry out the intent of the drawings and specifications pertaining to the Sublet Work or which is customarily done in performing this type of work for the Owner or General Contractor shall be performed by the Subcontractor as a part of the Sublet Work.

23. General Contractor may at any time by a "Change Order" in writing, signed by General Contractor's authorized representative, and without notice to the sureties on any bond, change or issue additional instructions, change or issue additional specifications and plans, and change, omit or require extra or additional work to be performed by Subcontractor. In such event, General Contractor will have full authority to specify the amount and kind of work to be done, or omitted, the materials to be used, and the equipment to be furnished as fully as though such changes had been set forth in this subcontract. When any change order shall authorize extra or additional work, Subcontractor shall make every effort to complete the sublet work as changed within the time originally agreed upon for completion, the time for completion not being extended unless expressly extended by General Contractor in writing. The General Contractor is authorized to make changes in the work which do not significantly increase the cost of the sublet work without the Subcontractor being entitled to any additional compensation therefor. If such change orders significantly increase or decrease the cost of the sublet work to Subcontractor, there shall be an increase or decrease in the consideration to subcontractor (1) in accordance with the unit prices specified in this subcontract agreement or, if General Contractor agrees that the unit prices are not applicable, either (2) pursuant to a lump sum proposal acceptable to General Contractor or (3) by the actual direct cost to Subcontractor of such change in the sublet work plus ten percent thereof, which costs directly related thereto will be supported by approved payrolls and paid invoices on additions to the sublet work and by agreed estimates of labor and materials deleted for decreases in the sublet work. Subcontractor further agrees that no extra work, or changes in the Sublet Work, or in the Subcontract will be recognized or paid for, unless agreed to in writing and approved by General Contractor and Owner, before such work is done or such changes are made.

24. Subcontractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, or sex. Subcontractor agrees that it will comply with all applicable Federal, State and local Fair Employment Practices Act, or similar Act, Rules and Regulations, and whether or not applicable will comply with the Federal Civil Rights Act of 1964. The terms and provisions of Executive Order 11246 and any Executive Order modifying or superseding same, are incorporated herein with respect to any Sublet Work subject thereto.

25. Regardless of any provision hereof or of any approval hereof the Owner is not a party to this Subcontract and the Subcontractor agrees that the Owner is under no obligation to Subcontractor.

26. Subcontractor agrees to indemnify and save General Contractor and Owner harmless from claims growing out of patent infringements or claims thereto pertaining to the use of any tools, construction equipment or construction processes or technique by Subcontractor in the performance of the Sublet Work.

27. Subcontractor undertakes, on behalf of itself, its related companies and its or their employees, contractors, suppliers and agents, not to disclose to any third party or utilize except in connection with the performance of the Sublet Work, without Owner's prior written consent, any details of "know-how" and specialist or technical information pertaining to the work (whether or not the property of Owner) which may come into its or their possession in the course of or in connection with the performance of the Sublet Work, provided, however, that the foregoing shall not apply to "know-how" and specialist or technical information which (i) was in the public domain prior to its or their receipt thereof in the course of or in connection with the performance of the Sublet Work or which subsequently becomes part of the public domain by publication or otherwise except by its or their wrongful act, (ii) was in its or their possession prior to its or their receipt thereof in the course of or in connection with the performance of the Sublet Work or (iii) are the same as information received by it or them from a third party having no obligation to Owner of secrecy with respect thereto.

28. All disputes, controversies or claims arising out of, relating to, or in connection with the Subcontract or the breach thereof, including, but not by way of limitation, any dispute as to the amount due Subcontractor by General Contractor, shall be finally settled by arbitration in accordance with the Rules of Conciliation and Arbitration of the American Arbitration Association by the arbitrators appointed in accordance with such Rules. The arbitration shall be held at a location at General Contractor's option. Judgment upon the award rendered may be entered in any Court having Jurisdiction or application may be made to such Court for a judicial acceptance of the award and an order of enforcement, as the case may be. This clause shall be construed under the laws of the sites of performance of the major portion of the Sublet Work.

29. Wherein any Certificate or Progress Payment invoice of which Subcontractor has received Payment there has been included the value of any unfixed materials, equipment or other items intended for or placed on the site of the work, such items shall become the property of Owner (for loss or damage to which Subcontractor shall be solely responsible) and such items shall not be removed except for use upon the Sublet Work without the written authority of the General Contractor. moreover, construction plant and equipment brought onto the site for the purpose of performing the Sublet Work shall not be removed therefrom until completion of the Sublet Work without the written consent of the General Contractor.

— Continued on Page 9 —

EXX 012675

Subcontract No. 34-1202-0247

30. The Subcontractor shall be responsible for the correctness of the positions, levels and dimensions of the Sublet Work according to this Subcontract and the written instructions of the General Contractor, notwithstanding that the Subcontractor may have been assisted by the General Contractor or any other Contractor in setting out the same; and if at any time during the performance of the Sublet Work any error shall appear or arise therein, the Subcontractor shall, on being required to do so by the General Contractor, remove and change the Sublet Work to the satisfaction of General Contractor.

31. Except as otherwise expressly provided, this Subcontract shall be construed under the laws of the State of Texas.

32. This Subcontract consists of Pages 1, 2, 3, 4, 5, 6, 7, 8, and 9.

APPROVED:

\_\_\_\_\_  
(Owner)

By: \_\_\_\_\_

(Title) \_\_\_\_\_

Date: \_\_\_\_\_

BROWN & ROOT, INC.  
(General Contractor)

By: *Donald H. Harbour*  
(Title) Director of Purchasing

TDW Services, Inc.  
(Subcontractor)  
By: *G. H. Cain*  
(Title) Manager

EXX 012676

# Exhibit "A"

EFFECTIVE  
FEBRUARY 1, 1974  
THRU  
JANUARY 31, 1975

## STOPPLE PLUGGING JOBS

1. Stopple and bypass fittings are not included in these prices.
2. Hoisting gear and labor will be furnished by others. All excavating and welding of fittings to line will be done by others.
3. TDW SERVICES will furnish all tapping and stopple equipment and a technician to supervise the operation.
4. There will be a charge for transporting the tapping equipment, stopple plugging equipment and the technician from TDW SERVICES warehouse in Stafford, Texas to the job site and return. These charges will be on a per mile basis as follows:

|                                           |                 |
|-------------------------------------------|-----------------|
| For 12" Stopple Plugging Jobs and Smaller | \$0.45 per mile |
| For 14" Stopple Plugging Jobs and Larger  | \$0.55 per mile |
5. Prices quoted cover working days as set out on the stopple plugging price sheet under allotted days.
6. Due to the varying size of bypasses that may be used with a stopple application, it is very difficult to quote prices. Please contact the Office for quotes when bypasses are needed.
7. Temperatures of line in excess of 180° F. will be considered special and a price will be quoted on request.
8. Cast Iron and concrete pipe present unusual problems and are considered special. Please call our office for quotations.
9. These prices are based on a 8-hour day. There will be an additional charge beyond the 8-hour day at \$20.00 per hour, or Each Additional Day charge whichever is lesser.

EXX 012677

EFFECTIVE  
FEBRUARY 1, 1974  
THRU  
JANUARY 31, 1975

STOPPLE PLUGGING PRICES

| SIZE |        | MINIMUM TIME (DAYS) | PRICE     | EACH ADDITIONAL DAY |
|------|--------|---------------------|-----------|---------------------|
| 2"   | Single | 2                   | \$ 720.40 | \$ 160.00           |
| 2"   | Double | 2                   | 995.40    | 185.00              |
| 3"   | Single | 2                   | 720.40    | 160.00              |
| 3"   | Double | 2                   | 995.40    | 185.00              |
| 4"   | Single | 1                   | 656.88    | 173.50              |
| 4"   | Double | 1                   | 813.45    | 196.33              |
| 6"   | Single | 1                   | 673.20    | 200.40              |
| 6"   | Double | 1                   | 1,125.40  | 232.10              |
| 8"   | Single | 1                   | 1,008.95  | 207.80              |
| 8"   | Double | 2                   | 1,330.25  | 244.50              |
| 10"  | Single | 1                   | 1,087.15  | 217.00              |
| 10"  | Double | 2                   | 1,389.60  | 262.90              |
| 12"  | Single | 1                   | 1,104.00  | 228.60              |
| 12"  | Double | 2                   | 1,535.20  | 284.70              |
| 14"  | Single | 2                   | 1,875.10  | 260.00              |
| 14"  | Double | 3                   | 2,867.05  | 341.20              |
| 16"  | Single | 2                   | 2,078.42  | 272.90              |
| 16"  | Double | 3                   | 3,240.96  | 364.00              |
| 18"  | Single | 2                   | 2,917.37  | 381.40              |
| 18"  | Double | 3                   | 4,233.26  | 484.50              |
| 20"  | Single | 2                   | 4,037.90  | 411.80              |
| 20"  | Double | 3                   | 6,022.50  | 541.80              |
| 22"  | Single | 3                   | 4,670.30  | 456.70              |
| 22"  | Double | 3                   | 7,251.50  | 627.10              |
| 24"  | Single | 3                   | 5,008.10  | 425.80              |
| 24"  | Double | 4                   | 7,908.20  | 570.00              |
| 26"  | Single | 3                   | 5,941.70  | 543.60              |
| 26"  | Double | 4                   | 9,644.40  | 792.60              |
| 30"  | Single | 3                   | 7,034.10  | 615.80              |
| 30"  | Double | 4                   | 11,746.70 | 929.10              |
| 36"  | Single | 3                   | 10,492.00 | 824.00              |
| 36"  | Double | 4                   | 18,614.60 | 1,343.00            |

EXX 012678

EFFECTIVE  
FEBRUARY 1, 1974  
THRU  
JANUARY 31, 1975

### HOT TAPS

1. Tapping Valve will be in place ready for work to start when the TDW SERVICES Technician arrives at the work site.
2. Flanges on the Tapping Valves will be 150#, 300#, and 600# Raised Face. Ring Joint and Non-Standard Flanges require Special Adapters and the price shown does not apply to these flanges.
3. TDW SERVICES will furnish all tapping equipment, (except valves and fittings) and a Technician to supervise the operation.
4. There will be a charge for transporting the tapping equipment and the Technician from TDW SERVICES warehouse in Stafford, Texas to the job site and return. These charges will be on a per mile basis as follows:

|                              |                 |
|------------------------------|-----------------|
| For 12" Hot Taps and Smaller | \$0.45 per mile |
| For 14" Hot Taps and Larger  | \$0.55 per mile |

5. Tank taps, blind flanges, flat plate, cast iron, and concrete pipe taps present unusual problems and a special price must be worked out when any of these are involved.
6. These prices are based on a 8-hour day. There will be an additional charge beyond the 8-hour day at \$20.00 per hour, or Each Additional Day charge whichever is lesser.

EXX 012679

EFFECTIVE  
FEBRUARY 1, 1974  
THRU  
JANUARY 31, 1975

HOT TAP PRICES

| SIZE | MAX TAPS<br>PER DAY | PRICE    | EACH ADDITIONAL<br>TAP ON SAME DAY | EXTRA PER DAY<br>(STANDBY, ETC.) |
|------|---------------------|----------|------------------------------------|----------------------------------|
| 2"   | 6                   | \$ 87.90 | \$ 21.50                           | \$ 87.90                         |
| 3"   | 4                   | 100.86   | 43.10                              | 100.86                           |
| 4"   | 4                   | 105.06   | 50.10                              | 105.06 ✓                         |
| 6"   | 4                   | 122.94   | 63.91                              | 122.94                           |
| 8"   | 3                   | 132.36   | 76.48                              | 132.36                           |
| 10"  | 3                   | 139.08   | 85.44                              | 139.08                           |
| 12"  | 3                   | 145.68   | 94.24                              | 145.68                           |
| 14"  | 2                   | 177.32   | 118.24                             | 177.32                           |
| 16"  | 2                   | 187.14   | 130.32                             | 174.90                           |
| 18"  | 2                   | 272.74   | 235.68                             | 272.00                           |
| 20"  | 2                   | 304.97   | 242.26                             | 274.00                           |
| 22"  | 2                   | 325.36   | 254.78                             | 278.20                           |
| 24"  | 2                   | 334.11   | 352.30                             | 279.60                           |
| 30"  | 1                   | 500.65   |                                    | 296.20                           |
| 36"  | 1                   | 545.02   |                                    | 302.70                           |

EXX 012680

EFFECTIVE  
FEBRUARY 1, 1974  
THRU  
JANUARY 31, 1975

SHORTSTOPP PLUGGING PRICES

| SIZE             | MINIMUM TIME ALLOWED | PRICE    | EACH ADDITIONAL DAY |
|------------------|----------------------|----------|---------------------|
| 2" or Less (All) | 1                    | \$184.32 | \$131.00            |
| 3" (All)         | 1                    | 197.91   | 132.20              |
| 4" Single        | 1                    | 294.40   | 148.40              |
| 4" Double        | 1                    | 343.92   | 152.40              |
| 6" Single        | 1                    | 419.29   | 167.90              |
| 6" Double        | 1                    | 511.92   | 173.30              |
| 8" Single        | 1                    | 551.33   | 171.50              |
| 8" Double        | 1                    | 646.57   | 179.50              |
| 10" Single       | 1                    | 603.90   | 176.00              |
| 10" Double       | 1                    | 689.00   | 187.40              |
| 12" Single       | 1                    | 617.96   | 180.20              |
| 12" Double       | 1                    | 786.00   | 194.70              |

EXX 012681

EFFECTIVE  
FEBRUARY 1, 1974  
THRU  
JANUARY 31, 1975

LONGSTOPP PLUGGING PRICES

25 PSI MAXIMUM PRESSURE

| SIZE       | MINIMUM TIME (DAYS) | PRICE       | EACH ADDITIONAL DAY |
|------------|---------------------|-------------|---------------------|
| 20" Single | 2                   | \$ 2,067.20 | \$315.00            |
| 20" Double | 3                   | 2,819.00    | 444.00              |
| 22" Single | 2                   | 2,391.00    | 315.00              |
| 22" Double | 3                   | 3,394.00    | 444.00              |
| 24" Single | 2                   | 2,564.00    | 315.00              |
| 24" Double | 3                   | 3,700.80    | 444.00              |
| 26" Single | 2                   | 3,043.20    | 315.00              |
| 26" Double | 3                   | 4,522.40    | 444.00              |

EXX 012682

EFFECTIVE  
FEBRUARY 1, 1974  
THRU  
JANUARY 31, 1975

#### SPECIAL PLUGGING EQUIPMENT

TDW SERVICES, INC. now has special designed plugging equipment (size 4" thru 12") for high temperature - high pressure pipe application. Maximum temperature 650° - Maximum pressure 600 PSI. This service is considered a special application and a price will be quoted on request.

EXX 012683

EFFECTIVE  
FEBRUARY 1, 1974  
THRU  
JANUARY 31, 1975

TDW SERVICES, INC.  
P.O. DRAWER "W"  
STAFFORD, TEXAS 77477

24 - HOUR EMERGENCY STAND-BY NUMBERS

|                           |                |
|---------------------------|----------------|
| G.H. Cain, Manager        | 713 - 473-7067 |
| Lee Avery, Office Manager | 713 - 447-1386 |
| Larry Sanders             | 713 - 772-5490 |
| V. R. Blankenship         | 713 - 498-0829 |
| Dave Brinkman             | 713 - 453-5107 |
| Bob Taylor                | 713 - 464-4132 |
| Milt Cowlshaw             | 713 - 771-1631 |
| Phil Packwood             | 713 - 495-0855 |
| Julian VanPol             | 713 - 774-7287 |

EXX 012684