

PURCHASING DEPARTMENT

MARCH 6, 1984

MR.R. O. COVINGTON

EL PASO, TEXAS

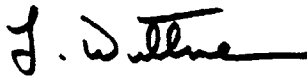
SUBJECT: ORDER 14H-0287, REQN. EP3
#1 Converter Installation

Herewith three (3) copies of contract properly signed and
executed with James & Luther, Inc. Contractors/Services
to cover the _____ in accordance with specifications referred
to therein.

It will be in order for you to hand the signed copy of the
Agreement to the contractor, giving him whatever instructions
are required to proceed with this work; the remaining two (2)
copies are for the plant file.

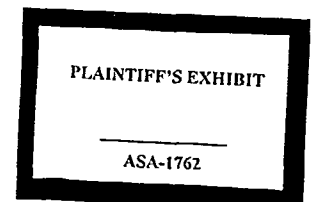
You will note New York Purchasing Department Order 14H-0287
has been assigned to this contract for reference purposes. As
soon as the work is completed to the satisfaction of all concerned,
the invoices should be paid locally without reference to this
office. However, a copy should be sent to New York for recording.

Also, you are to note the expiration date of the insurance.
Should the work continue beyond the date shown, be sure to obtain
an extension to protect the company until the work is completed.


F. O. WITTWER

FOW:eth
Enc.

cc: P. A. DeSantis w/copy of contract.



TO:	APPROVED BY
Purchasing _____	
Credit _____	
Legal _____	
Insurance _____	
Operating _____	
Vice President _____	
RETURN TO PURCHASING DEPARTMENT	

Asarco Construction or Repairs
Contract Form PD-19
Under \$100,000.00
Revised 5/75

CONTRACT FOR

#1 Converter Installation

(Insert name of job)

ASARCO Incorporated's El Paso Plant

at El Paso, Texas

(Insert town and state)

THIS AGREEMENT- made the 1st day of February, 1984,

by and between James & Luther, Inc. Contractors/Services, whose address is
P. O. Box 13224, El Paso, Texas 79912 (hereinafter called the

"Contractor") and ASARCO Incorporated, a corporation of the State of
New Jersey, whose address is 120 Broadway, New York, N.Y. 10005 and

P. O. Box 1111, El Paso, Texas 79999 (hereinafter called the)
(Insert address of plant or unit)

"Owner").

W I T N E S S E T H :

The Contractor and Owner agree as follows:

Article 1. Scope of the Work

The Contractor shall furnish all shop drawings, field engineering, labor, tools, equipment, transportation, materials and other facilities, except such items as are hereinafter listed as being furnished or furnished and installed by

the Owner, for #1 Converter Installation (hereinafter called the "work")
(Insert name of job)

at the El Paso Plant of the Owner at El Paso, Texas
(Insert town & state)

in accordance with the drawings and specifications listed below, all of which are incorporated herein by reference and made a part hereof:

(List Specifications and Drawings)

Job Description - #1 Converter Shell Installation Dated 11-5-83
James and Luther, Inc., Contractors/Services Proposal Dated 1-6-84
James and Luther, Inc. Contractors/Services 1984 Labor & Equipment
Rate Sheets Dated 1-27-84 Including Schedule A & Schedule B
#1 Converter Drawing List Dated 11-5-83

Article 2. Time of Completion

The work shall be commenced February 1, 1984 and shall be substantially completed February 28, 1984.

Article 3. Payment (to be deleted if progress payments are to be made)

The Owner shall pay the Contractor for the performance of this Contract, the sum ~~of~~ Not To Exceed Eighty-One Thousand, Five Hundred dollars, (\$ 81,500.00), lawful money of the United States of America within Thirty days after satisfactory completion of the work and submission

by the Contractor of evidence (including, if requested, complete releases of all liens arising out of or in connection with the work by all persons, firms or corporations on whose behalf such liens could be or were filed) satisfactory to the Owner that all charges for labor and material incorporated in the work and all other indebtedness connected with the work for which liens could be filed have been paid and that the work is free of all liens and encumbrances.

Article 3. Payments (to be deleted if progress payments are not to be made)

The Owner shall pay the Contractor for the performance of this contract, the sum of _____ dollars, (\$ _____), lawful money of the United States, as follows:

On or about the _____ day of each calendar month, commencing _____, 19____, the Owner shall pay the Contractor _____ percent (_____ %) based on the contract prices, of the labor and materials incorporated in the work and of materials suitably stored at the site thereof up to the end of the next preceding calendar month, as estimated by the Owner, less the aggregate of previous payments; and upon completion of the entire work, a sum sufficient to increase the total payments to _____ percent (_____ %) of the contract price. Final payment of the remaining (_____ %) of the contract price shall be due _____ days after completion of the work.

Before each such payment is due, the Contractor shall submit evidence satisfactory to the Owner (including, if requested, partial waivers, or in the case of final payment, complete releases, or all liens arising out of or in connection with the work by all persons, forms or corporations on whose behalf such liens could be or were filed) that all charges for labor and material incorporated in the work and all other indebtedness (except, in the case of payments other than final payment, indebtedness not then due) connected with the work for which liens could be filed have been paid and that work is free of all liens and encumbrances.

Article 4. Payments Withheld

The Owner may withhold all or part of any payment to the extent necessary to protect the Owner from loss or damage on account of (a) damaged or defective work not remedied, (b) claims filed or reasonable evidence indicating probable filing of claims by other parties against the Contractor or the Owner (c) failure of the Contractor to make payments properly to Subcontractors or for material or labor, (d) a reasonable doubt that this contract can be completed for the balance then unpaid, or (e) damage to the Owner's property or the work of another contractor.

Article 5. Liens

If any lien remains unsatisfied after payment of the full contract price has been made, the Contractor shall refund to the Owner all moneys that the latter may be compelled to pay in discharging such lien, including all costs and a reasonable attorney's fee. If the Owner has so requested prior to the signing of this Contract, the Contractor, at the option of the Owner, agrees to furnish or permit the owner to secure bonds in the full amount of the contract written by a surety company designated by, or otherwise satisfactory to, the owner, guaranteeing and conditioned for the full, complete and faithful performance of this contract by the contractor and for the payment of claims for labor performed or materials furnished in connection herewith, all in accordance with the terms of the bonds. The premium for the bonds will be paid by the Owner and must not be included by the Contractor in the contract price. In the event the owner elects to secure such bonds, the contractor agrees to sign the required application, to furnish necessary financial statements and financial guarantees, and to otherwise cooperate with the owner, in securing the bonds.

Article 6. Title to the Work

Title to all work completed or in the course of construction shall be in the owner and title to all machinery, equipment and materials to be incorporated in the work shall be in the Owner as soon as they are delivered on the site of the job.

Article 7. Inspection and Repair

The Contractor shall provide safe and proper facilities at all times for the inspection of the work by the Owner, and shall as soon as practicable after written notice from the Owner, at the Contractor's expense, replace and repair any materials or portions of the work which the Owner shall deem defective and make good all work damaged or destroyed thereby, whether or not there shall be a dispute with respect to any of the foregoing. Any such dispute shall be settled by arbitration.

Article 8. Protection by Contractor

The Contractor at all times shall maintain adequate protection of the work from damage and shall protect the Owner's property and all persons thereon from injury, damage or loss by reason of any act or omission of the Contractor or any Subcontractor. The Contractor shall be responsible, and reimburse the Owner, for any loss or expense to the Owner arising from damage to the work or other property of the Owner caused by the wrongful act or neglect of the Contractor, any Subcontractor or the employees of the Contractor or any Subcontractor. Where such damage includes damage to the work it shall be repaired at the expense of the Contractor.

The Contractor shall use its best judgement and skill in dealing with labor matters, and take all reasonable steps to avoid labor dispute. In the event of any strike or threat of strike, slowdowns, featherbedding, or other like practices, the Contractor shall apprise the Owner of all relevant facts and implications of the particular labor problem involved, and shall consult in good faith with the Owner in an endeavor to reach a mutually satisfactory solution to such labor problem and, so far as reasonably possible, to protect the Owner against delays affecting the work or damage or losses to its other operations.

Article 9. Contractor's Liability Insurance

The Contractor shall maintain such insurance as will indemnify it against claims under Workmen's Compensation Acts and against any other claims for damages for personal injury, including death, which may arise from operations under this contract, whether such operations be by the Contractor or any Subcontractor or anyone directly or indirectly employed by either of them.

Prior to commencement of this work the Contractor shall file with the Owner completed certificates of insurance in form of "Insurance Certificate" attached and shall provide insurance coverage in amounts not less than those stated therein.

Article 10. Indemnity by Contractor

The Contractor shall save harmless and indemnify the Owner from and against any expense, loss or damage on account of any claim, demand or suit made by any person whomsoever, including any employee of the Owner, which is in any way caused by or connected with, or grows out of the execution and performance of this Contract by the Contractor or any Subcontractor; provided, however, that the Contractor shall not be required to indemnify the Owner against any loss caused solely by the negligence or willful fault of the Owner or its employees. The Contractor accepts all risk of injury or damage and all responsibility for any claims for damages whatsoever resulting from the use, misuse, or failure of any hoist, rigging, blocking, scaffolding, or otherlike or unlike equipment used by the Contractor or any Subcontractor, even though such equipment be furnished or loaned to the Contractor or any such Subcontractor by the Owner, and shall indemnify the Owner against all such claims

Article 11. Owner's Responsibility for Certain Casualties

The Owner shall be responsible for all damage to the work, and to material, temporary structures, and equipment (excluding construction equipment not owned by the Owner) at the site of the job, which is caused by fire, windstorm, smoke, hail aircraft, explosion, vehicles, riot or civil commotion.

Article 12. Compliance with Laws and Ordinances

The Contractor shall give all notices and comply with all laws, ordinances, rules, and regulations, bearing on the conduct of the work as drawn and specified. If the Contractor performs any work contrary to any such law, ordinance, rule or regulations, he shall bear all costs arising therefrom, in particular, but without limiting the scope of the foregoing, the Contractor shall, and shall cause any Subcontractor to, comply with the terms and provisions of the Occupational Safety and Health Act of 1970 and all applicable rules, regulations, orders and occupational Safety and health standards promulgated under and issued pursuant to such Act in the discharge of its duties and obligations hereunder.

If for any reason the Contractor's or any Subcontractor's employees or agents acquire a status imposing liability on the Owner for employer's contributions or taxes under the Federal Insurance Contributions Act, the Federal Unemployment Tax Act, any State Unemployment Tax Act, or any other Act, the Contractor shall be exclusively liable for, and shall indemnify the Owner against, the same and agrees to comply with all such laws and regulations so as to relieve the Owner from any and all liability therefor and from the responsibility of making reports or keeping records with respect thereto.

Article 13. Patents

The Contractor shall indemnify and save harmless the Owner against and from any and all claims, losses, costs, damages, expenses, actions or other proceedings, growing out of or resulting from infringement of any patent by the Contractor or any Subcontractor in the performance of this contract, except that this provision shall not apply to patented articles or processes specified in drawing or specifications furnished by the Owner.

Article 14. Changes in the Work

The Owner, without invalidating this contract, may at any time order extra work or make changes by altering, adding to or deducting from the work. Such order may be made by the Owner on its own behalf or at the request of the Contractor, upon discovery by the Contractor of any discrepancy between the plans and the physical conditions encountered. If such extra work or changes involve a change in cost, the contract price shall be increased or decreased by the fair value thereof. The Owner will itemize the changes to be made and upon receipt of written notice of same, the Contractor will submit promptly to the Owner, in triplicate, an itemized statement of his calculations of the adjustment in the contract price resulting from the changes or extra work. This must be done before work on the change is begun unless the Owner gives written order to proceed immediately. No work or change shall be made, except by written order of the Owner and no claim for an addition to the contract price shall be valid unless the additional work was so ordered. Any dispute under this Article shall be subject to arbitration.

Article 15. Owner's Right to Terminate Contract

If the Contractor should be adjudged a bankrupt, or make an assignment for the benefit of creditors, or if a receiver of the Contractor's property should be appointed or if the Contractor files a petition or if a trustee of the Contractor's property should be appointed under the reorganization or readjustment provisions of the Bankruptcy Act, or if the Contractor at any time should refuse or neglect to supply enough properly skilled workmen or proper materials, or if he should fail or make prompt payments to Subcontractors or for material or labor, or disregard laws, ordinances or the instructions of the Owner, or otherwise be guilty of a substantial violation of any provision of the contract which he shall have failed to correct promptly after service or written notice thereof by the Owner, then the Owner may, without prejudice to any other right or remedy, terminate the employment of the Contractor for the Contractor's default and take possession of the premises and of all materials, tools and appliances thereon and finish the work by whatever method the Owner may deem expedient. In such case, the Contractor shall not be entitled to receive any further payment until the work is finished. If the unpaid balance of the Contract price shall exceed all the general damages of the Owner caused by the Contractor's default, including the expense of finishing the work and compensation of the Owner for the Owner's managerial and administrative service, such excess shall be paid to the Contractor.

If such damages shall exceed such unpaid balance, the Contractor shall pay the difference to the Owner. In the event the Contractor and the Owner are unable to agree upon the amount to be paid or reimbursed the dispute shall be settled by arbitration.

Article 16. Correction of Work after Payment

Neither payment nor any provision in this contract shall relieve the Contractor of responsibility for faulty materials or workmanship and the Contractor shall remedy any defects due thereto and pay for any damage to other work resulting therefrom which shall appear within one year from the date of completion of the Contractor's work hereunder. The Owner shall give notice of observed defects with reasonable promptness. Any dispute under this Article shall be subject to arbitration.

Article 17. Arbitration.

All disputes which are herein stated to be subject to arbitration shall be submitted to and determined by arbitration. Except as and to the extent otherwise provided by the controlling state law, no party may have recourse to legal proceedings (other than to enforce this arbitration Article) unless and until an arbitration award has been made. There shall be one arbitrator who shall be chosen by the American Arbitration Association, whose arbitration rules shall be followed.

Article 18. Subcontracts

The Contractor will not employ any Subcontractor without the prior written approval of the Owner and the Contractor shall require each Subcontractor to execute a contract in writing containing provisions similar to all provisions of this contract which are in any way applicable to such Subcontractor and which will obligate such Subcontractor to comply with and perform all such provisions herein. Nothing herein shall create a contractual relationship between any Subcontractor and the Owner.

Article 19. Assignment

The Contractor shall not assign nor subcontract this contract in whole or in part nor shall the Contractor assign any moneys due or to become due Contractor hereunder without the prior written consent of the Owner.

Article 20. Coordination of Work

The Contractor shall conduct the work hereunder so as to cause a minimum of interference with the Owner's operation. Where interference with the Owner's operations become absolutely necessary, permission shall be requested by the Contractor not less than seventy-two (72) hours in advance.

Article 21. Undertakings by the Owner

The Owner agrees to obtain and pay for any permits, licenses and easements required for permanent structures or changes, and, to the extent practicable without interference with operations, to furnish the Contractor, free of charge, for its use during the construction, electricity, water, steam and compressed air required for construction purposes, at the voltage and pressure currently available at Owner's said plant, to a point adjacent to or within 100 feet of the site, but the Contractor will be required to make the necessary connections, provide approved shut-off and safety devices and furnish and install all temporary lines required to bring them to the point of use.

Article 22. Applicable Law

This contract shall be construed and enforced in accordance with the laws of the state where the work hereunder is to be performed.

Article 23. Entirety Clause

This contract constitutes the entire agreement between the parties, and except as may be specifically set forth herein no changes can be made herein except by an agreement in writing duly executed by the parties or their duly authorized agents.

Article 24. Technical Information

The Term "technical information" as used in this agreement includes but is not limited to technical data, reports, models, drawings, specifications, operating manuals, designs, computations, formulas, apparatus, processes, patentable or unpatentable inventions and other engineering data. You agree to accept Asarco's decisions as to whether any particular information is technical information or is technical information which has been made or conceived under this agreement.

It is understood that in the course of your performance hereunder you may learn or have access to technical information of Asarco. You agree that you and your personnel will keep in confidence all such technical information of Asarco and that you and your personnel will not use or disclose the same without Asarco's written consent, either during the term of this agreement or at any time thereafter.

You agree to disclose to Asarco all technical information made or conceived by you or your personnel in performance, or resulting from performance, under this agreement. You agree that all such technical information made or conceived by you or your personnel shall become and remain the free and unrestricted property of Asarco and that you shall assign or cause the same to be assigned to Asarco. You agree that you and your personnel will keep in confidence all such technical information made or conceived by you or your personnel and that you and your personnel will not use or disclose the same without Asarco's written consent, either during the term of this agreement or at any time thereafter.

You agree, upon the request and at the expense of Asarco, to make or cause your personnel to make applications for Letters Patent in such countries as Asarco may designate on those of the aforesaid assigned inventions which Asarco believes to be patentable; and to assign all such applications to Asarco or its order; and to give Asarco, its attorneys and solicitors all reasonable assistance in preparing such applications, and in prosecuting such applications in the patent office or offices involved and in defending and enforcing any patent that may be issued upon any such applications; and to execute all papers that may be reasonably required in the prosecution of such applications or to vest in Asarco or its assigns said inventions, applications and Letters Patent.

Article 25. Additional Provisions

(add such additional provisions, if any, as the particular job requires).

Reimbursement shall be based on the 1984 Labor and Equipment Rate Sheets, Schedule A & Schedule B.

Article 26. Contractor Employee Blood Tests

Contractor shall, when requested by ASARCO and at ASARCO's expense, have blood samples taken from his employees. Contractor shall not permit any contractor employee who has a blood lead level deemed excessive by ASARCO to start work or continue to work, as the case may be. Such employee shall, at ASARCO's option, be removed from the job or assigned to other work areas of reduced lead exposure until such time as the employee's blood lead level is within an acceptable range as determined by ASARCO.

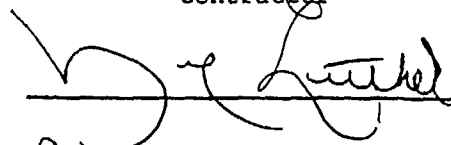
Article 27. OSHA Compliance by Contractor Employees

Contractor agrees to enforce all applicable regulations of the Occupational Safety and Health Administration (OSHA) with respect to his employees and to hold ASARCO harmless for any expense, loss or damage on account of any claim, demand or suit made by any person, including any contractor employee or OSHA, relating to a contractor employee's failure to comply with such regulations. Contractor agrees to remove from the subject job any employee who fails or refuses to comply with applicable health and safety regulations and practices and to assume full responsibility for these actions.

IN WITNESS WHEREOF- the parties have executed this contract the day
and year first above written.

JAMES & LUTHER, INC. CONTRACTORS/SERVICE
Contractor

By

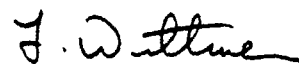


Title

PRESIDENT

ASARCO Incorporated
Owner

By



RECEIVED

11-5-83

#1 CONVERTER SHELL INSTALLATION

A. Assembly at North End of Converter Building

1. Install Riding Rings
2. Install Gear
3. Install End Rings
4. Install One End Plate and Beams with Bolts, Washers & Springs
(Other end to be installed after converter in place & brick work started.)
5. Install Mouth & Stack Castings
6. Install Tuyere Plates
7. Re-Use Existing Bustle Pipe & Add Extension for Additional Tuyeres

- ### B.
1. Install Foundations for Temporary Hood Support
 2. Install Temporary Hood Support Columns, Beams & Bracing
 3. Remove Hood Door, Hoods, Structural Steel, Bustle Pipe & Platforms
Around Converter as Required.
 4. Remove Pinion & Shaft
 5. Jack up Converter & Remove Trunnions
 6. Roll Out Old Shell
 7. Roll in New Shell (Overhead Cranes to be Used With Our Operators for
Transporting Shells)
 8. Re-install Trunnions
 9. Install & Align Drive
 10. Re-install Hood Columns
 11. Reinstall Modified Bustle Pipe
 12. Install Tuyeres & Air Lines
 13. Install Mummy Chest
 14. Modify Existing Platform on North End of #1 Converter.

11-5-83

#1 CONVERTER INSTALLATION DRAWING LIST

3301 - Cradle & Stand Details
E15204 - Shell Details
E-24992-2 - Tuyere Plate Castings
EP-17971-1 - #1 Converter Foundation Plan
EP-17829 - Converter Flue System - Plan
EP-17834-1 - Ditto - Elevation
EP-17832-1 - Ditto - Structural
EP-17768 - Converter Hood Arrangement
E 25200 - #1 Converter General Arrangement
3320-A - Original Converter Installation

James & Luther Inc. Contractors/Services
P.O. Box 13224 • El Paso, TX 79912 • (915) 598-1081



January 6, 1984

ASARCO
P.O. Box 1111
El Paso, TX 79999

Re: No. 1 Converter Shell Installation

Attn: Mr. Carl Glaser

Gentlemen:

We propose to provide all labor and equipment required to complete the above mentioned job in accordance with your plans and written instructions dated November 5, 1984, all for the sum of \$81,500.00.

If we are to remove the refractory brick, add the sum of \$7,683.00.

We have estimated 320 manhours to remove the refractory assuming ASARCO will scar the interior of the converter to remove all possible copper from the walls. If you desire, we would use the above price as a maximum and remove same on a time and material basis.

As per ASARCO's suggestion, it is agreed that we can have use of your overhead crane for a period of four (4) continuous hours if required. This would be in conjunction with some pre-planning with your people. Also it was determined that we would have no downtime due to your operations in the converter aisle.

After removal of the existing shell, it will be placed at the north end of the building (as far as the overhead crane can carry same) and ASARCO will then pull it out of the building and dispose of same.

Mr. Carl Glaser
ASARCO
P.O. Box 1111
El Paso, TX 79999

Re: No. 1 Converter Shell Installation

January 6, 1984

Page -2-

All materials, with the exception of concrete and forms, are provided by ASARCO. The above figures are based on our cutting, pounding, etc., the existing converter during removal with a possibility of no salvage value thereafter.

Hoping the above meets with your approval, we remain;

Sincerely,



G. Dan James
JAMES & LUTHER, INC.

GDJ/sb

c: File

James & Luther Inc. Contractors/Services
P.O. Box 13224 • El Paso, TX 79912 • (915) 598-1081



January 27, 1984

ASARCO
P.O. Box 1111
El Paso, TX 79999

Re: Labor and Equipment Rates

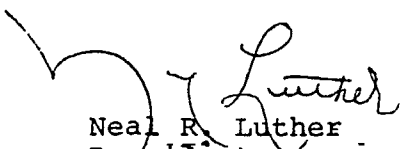
Attn: Mr. Carl Glaser

Gentlemen:

Enclosed are copies of our labor (Schedule A) and equipment (Schedule B) rates which would prevail for all work that may be performed outside the limits of a contract, or any work you may request on a time and material basis.

If any further information is needed, please contact us.

Sincerely,


Neal R. Luther
President

NRL/sb

c: File
Enclosures

SCHEDULE A
LABOR RATES

	<u>Reg. Time</u>	<u>Overtime</u>
Project Manager (Superintendent)	\$24.50	\$33.57
Coordinator	30.00	41.10
Foreman	20.50	28.09
Millwright	17.25	23.63
Operator	17.25	23.63
Brickmason	17.25	23.63
Carpenter	16.75	22.95
Rigger	17.25	23.63
Fitter	17.25	23.63
Mechanic	17.25	23.63
Welder	17.25	23.63
Helper	10.50	14.39
Timekeeper	11.50	15.76
Painter	17.25	23.63
Ironworker	17.25	23.63
Engineer	30.00	41.10

SCHEDULE B
EQUIPMENT RATES

<u>Equipment</u>	<u>Daily Rate</u>	<u>Hourly Rate</u>
Welding Trailer	\$44.00	
Power Vise	16.00	
Pickup Truck	30.00	
600 CFM Compressor	140.00	
90 LB Jackhammer	34.00	
Sandblast Pot	25.00	
Paint Pot	25.00	
One-Ton Dump Truck	65.00	
Paint Van	50.00	
8-Ton Crane		\$17.75
15-Ton Crane		34.55
40-Ton Crane		57.75
Backhoe		17.75

All the above daily rates are based on an 8 to 10 hour day, Monday thru Sunday. Should other equipment be required other than those listed above, the rates will be comparable. Fuel purchased for equipment for your job will be billed at cost with no overhead or profit added.

Equipment rates commence the date that piece of equipment leaves its point of origin, and ceases when it is returned to its point of origin.

ASARCO, Incorporated

FORM # INSURANCE-1 Revised : '75

INSURANCE-CERTIFICATE

ASARCO, Incorporated REQUIREMENTS FOR CONTRACTORS AND SUBCONTRACTORS.

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE DESCRIBED BELOW HAVE BEEN ISSUED TO _____
James & Luther, Inc., Contractional ServicesTHESE POLICIES ARE NOW IN FORCE, COVERING WORK BY THE ASSURED FOR ASARCO, Incorporated
ON CONTRACT #1 Converter Installation
AT El Paso, TexasIF THESE POLICIES ARE CANCELLED OR CHANGED IN ANY WAY THAT WILL AFFECT THIS CERTIFICATE, TEN DAYS' PRIOR WRITTEN NOTICE WILL BE GIVEN BY THIS COMPANY TO ASARCO, Incorporated.
ATTN: D. A. DeSantis PLANT MANAGER.

KIND OF INSURANCE	DESCRIPTION OF POLICY			REQUIRED MINIMUM
	NUMBER	EXPIRES	LIMITS OF LIABILITY	
CONTRACTOR'S PUBLIC LIABILITY (COMPREHENSIVE INCLUDING CONTRACTUAL)*				
BODILY-INJURY				
PROPERTY-DAMAGE				
CONTRACTOR'S PROTECTIVE LIABILITY				
BODILY-INJURY				
PROPERTY-DAMAGE				
AUTOMOBILE				
BODILY-INJURY				
PROPERTY-DAMAGE				
WORKMEN'S COMPENSATION				
AND				
EMPLOYER'S LIABILITY				

CITY

STATE

AUTHORIZED REPRESENTATIVE

*The Contractor shall save harmless and indemnify the Owner from and against any expense, loss or damage on account of any claim, demand or suit made by any person whomsoever, including any employee of the Owner, which is in any way caused by or connected with, or grows out of the execution and performance of this contract by the Contractor or any Subcontractor; provided, however, that the Contractor shall not be required to indemnify the Owner against any loss caused solely by negligence or willful fault of the Owner or its employees. The Contractor accepts all risk of injury or damage and all responsibility for any claims for damages whatsoever resulting from the use, misuse, or failure of any hoist, rigging, blocking, scaffolding, or other like or unlike equipment used by the Contractor or any Subcontractor, even though such equipment be furnished or loaned to the Contractor or any such Subcontractor by the Owner and shall indemnify the Owner against all such claims.

American Smelting & Refining Co.
January 30, 1982
Page 2

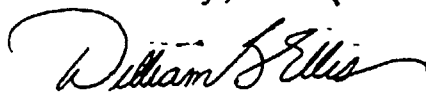
It is reasonable to assume that the slag strata is continuous from TH No.21 to TH No.A3 and to TH No.A9, which would indicate that the existing foundation for Converter No.1 is based on the slag strata.

Consideration has been taken that the converter has been in place for over 65 years, with accompanying dead load, live load, and vibration. Any consolidation of subsurface materials from the past loads has undoubtedly occurred, and imposition of additional loads should be related to existing bearing capacity of the subsurface material. Consideration has also been taken that expansion of the converter foundation or compaction of subsurface material beneath the foundation would be infeasible, and that it is desired to simply place an additional load on the material on the foundation influence zone.

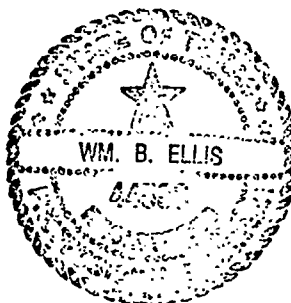
Based upon the Soil and Investigation Reports of Sergent, Hauskins, & Backwith, it is my opinion that a penetration blow count on the slag believed to be under the converter should be no less than 25, and that bearing capacity of the slag is a minimum of 4,000 pounds per square foot. It is my professional opinion that the proposed additional load may be placed on the existing foundation without failure of the subsurface material. Some additional consolidation may occur; however, it is anticipated that any consolidation will be within tolerable limits and can be corrected by shimming.

It has been a pleasure to participate in this interesting project, and I would appreciate being informed of the results of the converter expansion.

Sincerely,


William B. Ellis, P.E.
President

WBE:rlc





EL PASO ENGINEERING & TESTING, INC.

MATERIAL INSPECTION & TESTING

2315 MYRTLE AVE.

EL PASO, TEXAS 79901

Phone 915/532-3831

532-1249

532-8808

January 30, 1982

Lab# 1284/82

American Smelting & Refining Co.
El Paso Plant
El Paso, Texas

Attn: Mr. Carl Glaser

RE: Proposed Converter
Enlargement

Dear Sir:

In accordance with your directions, I have reviewed your proposed plan to enlarge Converter No.1 from a 30 foot length to a length of 35 feet.

During the week ending January 22, 1982, I inspected the converter site with you, and obtained Soil and Investigation Reports No.E70-157 and No.E71-193, performed by Sergeant, Hauskins, & Backwith; a copy of your converter foundation plan No.B 4012; and a copy of computations for the Converter No.1 Extension by George M. Friedman of your company. I have thoroughly reviewed the Soils Reports, foundation plans, and the question raised by Mr. Friedman regarding bearing capacity of the material under the foundation of Converter No.1.

It is my understanding that the existing 30 foot converter drum is proposed to be replaced by a 35 foot drum, utilizing the same existing concrete foundation, increasing the load on the material under the foundation by approximately 14%. I did not check all of Mr. Friedman's calculations, but concentrated my attention on the soil bearing capacity. You had commented that Mr. Friedman's calculations had been checked and, with the assumption that the proposed loads are correct, I have determined that the soil pressures calculated by Mr. Friedman are correct.

In reviewing the Soils Reports, it is noted that TH No.21 encountered slag from the surface to a depth of 19 feet with a penetration blow count of 25 at 5 feet; TH No.A3 encountered slag from the surface to a depth of 37½ feet with a penetration blow count of 32 at 5 feet; and you informed me on January 29, 1982, that a cut excavation to the west of Converter No.1 had exposed slag from the surface to a depth of 6 feet. TH No.A9 showed slag to a depth of 10 feet, approximately 220 feet to the west and north of Converter No.1.

CENTRAL ENGINEERING DEPT.
DESIGN SECTION

Salt Lake City, Utah
January 18, 1982

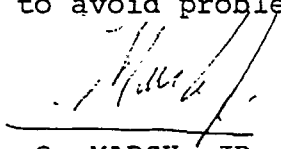
Mr. Carl Glaser
El Paso Plant

EL PASO CONVERTER EXTENSION
FILE: GENERAL EL PASO

The enclosed calculations were prepared in this office by Mr. Friedman who has done extensive structural analysis for us before on various projects. The purpose of these calculations was to predict the results of your extending an existing 13'x30' converter to a 13'x35' converter using the existing running gear and drive.

As you will note we are concerned about soil pressures since the new calculated weight of the unit on the rollers will be $\pm 1,172$ Kips with copper to within 3" of the centerline (see Page 5 of the review). The calculations clearly illustrate the dangers in arbitrarily increasing the sizes of equipment designed for a specific set of conditions.

I recommend you study this information carefully. The specific recommendations itemized on Pages 24, 25 and 26 should be given special attention to avoid problems.


A. O. MARSH, JR.

AOM:pr

Encl

cc: W.T. Sweat w/encl
W.R. Kelly "
L.C. Travis "

TO:	APPROVED BY
Purchasing _____	
Credit _____	
Legal _____	
Insurance _____	
Operating _____	
Vice President _____	
RETURN TO PURCHASING DEPARTMENT	

Asarco Construction or Repairs
Contract Form PD-19
Under \$100,000.00
Revised 5/75

CONTRACT FOR

#1 Converter Installation

(Insert name of job)

ASARCO Incorporated's El Paso Plant

at El Paso, Texas

(Insert town and state)

THIS AGREEMENT- made the 1st day of February, 1984,

by and between James & Luther, Inc. Contractors/Services whose address is _____

P. O. Box 13224, El Paso, Texas 79912 (hereinafter called the

"Contractor") and ASARCO Incorporated, a corporation of the State of

New Jersey, whose address is 120 Broadway, New York, N.Y. 10005 and

P. O. Box 1111, El Paso, Texas 79999 (hereinafter called the)

(Insert address of plant or unit)

"Owner").

W I T N E S S E T H :

The Contractor and Owner agree as follows:

Article 1. Scope of the Work

The Contractor shall furnish all shop drawings, field engineering, labor, tools, equipment, transportation, materials and other facilities, except such items as are hereinafter listed as being furnished or furnished and installed by

the Owner, for #1 Converter Installation (hereinafter called the "work")
(Insert name of job)

at the El Paso Plant of the Owner at El Paso, Texas
(Insert town & state)

in accordance with the drawings and specifications listed below, all of which are incorporated herein by reference and made a part hereof:

(List Specifications and Drawings)

Job Description - #1 Converter Shell Installation Dated 11-5-83
James and Luther, Inc., Contractors/Services Proposal Dated 1-6-84
James and Luther, Inc. Contractors/Services 1984 Labor & Equipment
Rate Sheets Dated 1-27-84 Including Schedule A & Schedule B
#1 Converter Drawing List Dated 11-5-83

TO:	APPROVED BY
Purchasing _____	
Credit _____	
Legal _____	
Insurance _____	
Operating _____	
Vice President _____	
RETURN TO PURCHASING DEPARTMENT	

Asarco Construction or Repairs
Contract Form PD-19
Under \$100,000.00
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#1 Converter Installation

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at El Paso, Texas

(Insert town and state)

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(Insert address of plant or unit)

"Owner").

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Rate Sheets Dated 1-27-84 Including Schedule A & Schedule B

#1 CONVERTER DRAWING LIST DATED 11-5-83

Article 2. Time of Completion

The work shall be commenced February 1, 1984 and shall be substantially completed February 28, 1984.

Article 3. Payment (to be deleted if progress payments are to be made)

The Owner shall pay the Contractor for the performance of this Contract, the sum ~~of~~ Not To Exceed Eighty-One Thousand, Five Hundred dollars, (\$ 81,500.00), lawful money of the United States of America within Thirty days after satisfactory completion of the work and submission by the Contractor of evidence (including, if requested, complete releases of all liens arising out of or in connection with the work by all persons, firms or corporations on whose behalf such liens could be or were filed) satisfactory to the Owner that all charges for labor and material incorporated in the work and all other indebtedness connected with the work for which liens could be filed have been paid and that the work is free of all liens and encumbrances.

Article 3. Payments (to be deleted if progress payments are not to be made)

The Owner shall pay the Contractor for the performance of this contract, the sum of _____ dollars, (\$ _____), lawful money of the United States, as follows:

On or about the _____ day of each calendar month, commencing _____, 19____, the Owner shall pay the Contractor _____ percent (_____ %) based on the contract prices, of the labor and materials incorporated in the work and of materials suitably stored at the site thereof up to the end of the next preceding calendar month, as estimated by the Owner, less the aggregate of previous payments; and upon completion of the entire work, a sum sufficient to increase the total payments to _____ percent (_____ %) of the contract price. Final payment of the remaining (_____ %) of the contract price shall be due _____ days after completion of the work.

Before each such payment is due, the Contractor shall submit evidence satisfactory to the Owner (including, if requested, partial waivers, or in the case of final payment, complete releases, or all liens arising out of or in connection with the work by all persons, forms or corporations on whose behalf such liens could be or were filed) that all charges for labor and material incorporated in the work and all other indebtedness (except, in the case of payments other than final payment, indebtedness not then due) connected with the work for which liens could be filed have been paid and that work is free of all liens and encumbrances.

Article 4. Payments Withheld

The Owner may withhold all or part of any payment to the extent necessary to protect the Owner from loss or damage on account of (a) damaged or defective work not remedied, (b) claims filed or reasonable evidence indicating probable filing of claims by other parties against the Contractor or the Owner (c) failure of the Contractor to make payments properly to Subcontractors or for material or labor, (d) a reasonable doubt that this contract can be completed for the balance then unpaid, or (e) damage to the Owner's property or the work of another contractor.

Article 5. Liens

If any lien remains unsatisfied after payment of the full contract price has been made, the Contractor shall refund to the Owner all moneys that the latter may be compelled to pay in discharging such lien, including all costs and a reasonable attorney's fee. If the Owner has so requested prior to the signing of this Contract, the Contractor, at the option of the Owner, agrees to furnish or permit the owner to secure bonds in the full amount of the contract written by a surety company designated by, or otherwise satisfactory to, the owner, guaranteeing and conditioned for the full, complete and faithful performance of this contract by the contractor and for the payment of claims for labor performed or materials furnished in connection herewith, all in accordance with the terms of the bonds. The premium for the bonds will be paid by the Owner and must not be included by the Contractor in the contract price. In the event the owner elects to secure such bonds, the contractor agrees to sign the required application, to furnish necessary financial statements and financial guarantees, and to otherwise cooperate with the owner, in securing the bonds.

Article 6. Title to the Work

Title to all work completed or in the course of construction shall be in the owner and title to all machinery, equipment and materials to be incorporated in the work shall be in the Owner as soon as they are delivered on the site of the job.

Article 7. Inspection and Repair

The Contractor shall provide safe and proper facilities at all times for the inspection of the work by the Owner, and shall as soon as practicable after written notice from the Owner, at the Contractor's expense, replace and repair any materials or portions of the work which the Owner shall deem defective and make good all work damaged or destroyed thereby, whether or not there shall be a dispute with respect to any of the foregoing. Any such dispute shall be settled by arbitration.

Article 8. Protection by Contractor

The Contractor at all times shall maintain adequate protection of the work from damage and shall protect the Owner's property and all persons thereon from injury, damage or loss by reason of any act or omission of the Contractor or any Subcontractor. The Contractor shall be responsible, and reimburse the Owner, for any loss or expense to the Owner arising from damage to the work or other property of the Owner caused by the wrongful act or neglect of the Contractor, any Subcontractor or the employees of the Contractor or any Subcontractor. Where such damage includes damage to the work it shall be repaired at the expense of the Contractor.

If such damages shall exceed such unpaid balance, the Contractor shall pay the difference to the Owner. In the event the Contractor and the Owner are unable to agree upon the amount to be paid or reimbursed the dispute shall be settled by arbitration.

Article 16. Correction of Work after Payment

Neither payment nor any provision in this contract shall relieve the Contractor of responsibility for faulty materials or workmanship and the Contractor shall remedy any defects due thereto and pay for any damage to other work resulting therefrom which shall appear within one year from the date of completion of the Contractor's work hereunder. The Owner shall give notice of observed defects with reasonable promptness. Any dispute under this Article shall be subject to arbitration.

Article 17. Arbitration.

All disputes which are herein stated to be subject to arbitration shall be submitted to and determined by arbitration. Except as and to the extent otherwise provided by the controlling state law, no party may have recourse to legal proceedings (other than to enforce this arbitration Article) unless and until an arbitration award has been made. There shall be one arbitrator who shall be chosen by the American Arbitration Association, whose arbitration rules shall be followed.

Article 18. Subcontracts

The Contractor will not employ any Subcontractor without the prior written approval of the Owner and the Contractor shall require each Subcontractor to execute a contract in writing containing provisions similar to all provisions of this contract which are in any way applicable to such Subcontractor and which will obligate such Subcontractor to comply with and perform all such provisions herein. Nothing herein shall create a contractual relationship between any Subcontractor and the Owner.

Article 19. Assignment

The Contractor shall not assign nor subcontract this contract in whole or in part nor shall the Contractor assign any moneys due or to become due Contractor hereunder without the prior written consent of the Owner.

Article 20. Coordination of Work

The Contractor shall conduct the work hereunder so as to cause a minimum of interference with the Owner's operation. Where interference with the Owner's operations become absolutely necessary, permission shall be requested by the Contractor not less than seventy-two (72) hours in advance.

Article 21. Undertakings by the Owner

The Owner agrees to obtain and pay for any permits, licenses and easements required for permanent structures or changes, and, to the extent practicable without interference with operations, to furnish the Contractor, free of charge, for its use during the construction, electricity, water, steam and compressed air required for construction purposes, at the voltage and pressure currently available at Owner's said plant, to a point adjacent to or within 100 feet of the site, but the Contractor will be required to make the necessary connections, provide approved shut-off and safety devices and furnish and install all temporary lines required to bring them to the point of use.

Article 22. Applicable Law

This contract shall be construed and enforced in accordance with the laws of the state where the work hereunder is to be performed.

Article 23. Entirety Clause

This contract constitutes the entire agreement between the parties, and except as may be specifically set forth herein no changes can be made herein except by an agreement in writing duly executed by the parties or their duly authorized agents.

Article 24. Technical Information

The Term "technical information" as used in this agreement includes but is not limited to technical data, reports, models, drawings, specifications, operating manuals, designs, computations, formulas, apparatus, processes, patentable or unpatentable inventions and other engineering data. You agree to accept Asarco's decisions as to whether any particular information is technical information or is technical information which has been made or conceived under this agreement.

It is understood that in the course of your performance hereunder you may learn or have access to technical information of Asarco. You agree that you and your personnel will keep in confidence all such technical information of Asarco and that you and your personnel will not use or disclose the same without Asarco's written consent, either during the term of this agreement or at any time thereafter.

You agree to disclose to Asarco all technical information made or conceived by you or your personnel in performance, or resulting from performance, under this agreement. You agree that all such technical information made or conceived by you or your personnel shall become and remain the free and unrestricted property of Asarco and that you shall assign or cause the same to be assigned to Asarco. You agree that you and your personnel will keep in confidence all such technical information made or conceived by you or your personnel and that you and your personnel will not use or disclose the same without Asarco's written consent, either during the term of this agreement or at any time thereafter.

You agree, upon the request and at the expense of Asarco, to make or cause your personnel to make applications for Letters Patent in such countries as Asarco may designate on those of the aforesaid assigned inventions which Asarco believes to be patentable; and to assign all such applications to Asarco or its order; and to give Asarco, its attorneys and solicitors all reasonable assistance in preparing such applications, and in prosecuting such applications in the patent office or offices involved and in defending and enforcing any patent that may be issued upon any such applications; and to execute all papers that may be reasonably required in the prosecution of such applications or to vest in Asarco or its assigns said inventions, applications and Letters Patent.

Article 25. Additional Provisions

(add such additional provisions, if any, as the particular job requires).

Reimbursement shall be based on the 1984 Labor and Equipment Rate Sheets, Schedule A & Schedule B.

To: PURCHASING DEP'T.
NEW YORK OFFICE

EQUIPMENT

BID TABULATION
Form # PD 8-B Revised 9 60

EQUIPMENT - #1 CONVERTER INSTALLATION

DATE 1-28-64
APPRO. # 677
REQN. #

PREPARATION - SEE INSTRUCTION SHEET & PURCHASE MANUAL SECTIONS B-2 & C-2.

Name of Bidder	BOWEN		J&L		SWICAR	
Manufacturer						
Model Number						
Spec. Evaluation	Bidder #	RATING	Bidder #	RATING	Bidder #	RATING
Steel Installation	66149		81500		225900	
Remove & Replace Trunking Install Sprinkler Box	3776		INCL. ABOVE			
TOTAL	69925		81500		225900	
REFRACORY REMOVAL	N.B		7683		49800	
25 TON HORN WORKING ATTS			* WILL DO JOB WITH ABOVE FIGURES GUARANTEED MAX T&M			

11-5-83

#1 CONVERTER INSTALLATION DRAWING LIST

3301 - Cradle & Stand Details
E15204 - Shell Details
E-24992-2 - Tuyere Plate Castings
EP-17971-1 - #1 Converter Foundation Plan
EP-17829 - Converter Flue System - Plan
EP-17834-1 - Ditto - Elevation
EP-17832-1 - Ditto - Structural
EP-17768 - Converter Hood Arrangement
E 25200 - #1 Converter General Arrangement
3320-A - Original Converter Installation

QUOTATION



SOUTHWESTERN
INDUSTRIAL CONTRACTORS AND RIGGERS, INC.

7155 Industrial Ave.
P. O. Box 1611
El Paso, Texas 79948
(915) 779-3931

Contractors' License Nos.
Arizona—31280, 38194, 38195
New Mexico—2358
Nevada—11306, 11306A
Utah—B1-22788

ASARCO, Inc.	DATE <u>December 21, 1983</u>
El Paso Smelter	PROJECT <u>No. 1 Converter Shell</u>
El Paso, Texas	<u>Replacement</u>
Attn: Mr. Carl Glaser	LOCATION <u>El Paso Smelter</u>

Gentlemen:

We propose to furnish supervision, labor, tools and equipment as required to perform the following items of work:

1. Assemble new converter shell at the north end of converter building.
2. Remove structural steel, bustle pipe and platforms as required to remove existing converter.
3. Remove existing converter and install new shell.
4. Modify and reinstall platforms and bustle pipe as required to complete installation.

All work to be performed for the sum of Two Hundred and Twenty-Five Thousand, Nine Hundred Dollars (\$225,900.00).

Conditions of Quotation:

1. ASARCO overhead cranes to be used to load out old converter and to transport and set new shell.
2. All refractory work to be performed by others after new shell is in place.
3. Area south of No. 1 converter to be kept clear for use by this contractor.
4. ASARCO to furnish all permanent materials and impact wrench for bolt installation.
5. We exclude removal of refractory in existing converter shell. As an alternate, we shall remove the refractory for the additional sum of \$49,800.00.



NORMAL CONDITIONS OF ACCEPTANCE, SALE AND PAYMENT ARE STATED ON REVERSE SIDE OF THIS QUOTATION.

QUOTATION CONT'D

PAGE 2 OF 2

DATE December 21, 1983

PROJECT No. 1 Converter Shell
Replacement

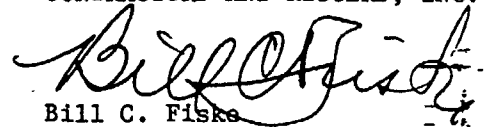
LOCATION El Paso Smelter

Conditions of Quotation: (con't.)

6. Schedule: Partial assembly of new shell - start January, 1984.
Install converter March or April 1984.

Respectfully submitted,

SOUTHWESTERN INDUSTRIAL
CONTRACTORS AND RIGGERS, INC.


Bill C. Fiske
President

ASARCO, Incorporated

FORM # INSURANCE-1 Revised 5 75

INSURANCE-CERTIFICATE

ASARCO, Incorporated REQUIREMENTS FOR CONTRACTORS AND SUBCONTRACTORS.

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE DESCRIBED BELOW HAVE BEEN ISSUED TO
James & Luther, Inc., Contractional ServicesTHESE POLICIES ARE NOW IN FORCE, COVERING WORK BY THE ASSURED FOR ASARCO, Incorporated
ON CONTRACT #1 Converter Installation
AT El Paso, TexasIF THESE POLICIES ARE CANCELLED OR CHANGED IN ANY WAY THAT WILL AFFECT THIS CERTIFICATE, TEN DAYS' PRIOR WRITTEN NOTICE WILL BE GIVEN BY THIS COMPANY TO ASARCO, Incorporated.
ATTN: D. A. DeSantis PLANT MANAGER.

KIND OF INSURANCE	DESCRIPTION OF POLICY			REQUIRED MINIMUM
	NUMBER	EXPIRES	LIMITS OF LIABILITY	
CONTRACTOR'S PUBLIC LIABILITY (COMPREHENSIVE INCLUDING CONTRACTUAL)*				
BODILY-INJURY				
PROPERTY-DAMAGE				
CONTRACTOR'S PROTECTIVE LIABILITY				
BODILY-INJURY				
PROPERTY-DAMAGE				
AUTOMOBILE				
BODILY-INJURY				
PROPERTY-DAMAGE				
WORKMEN'S COMPENSATION				
AND				
EMPLOYER'S LIABILITY				

DATE

INSURANCE COMPANY

CITY

STATE

AUTHORIZED REPRESENTATIVE

*The Contractor shall save harmless and indemnify the Owner from and against any expenses, loss or damage on account of any claim, demand or suit made by any person whatsoever, including any employee of the Owner, which is in any way caused by or connected with, or grows out of the execution and performance of this contract by the Contractor or any Subcontractor; provided, however, that the Contractor shall not be required to indemnify the Owner against any loss caused solely by negligence or willful fault of the Owner or its employees. The Contractor accepts all risk of injury or damage and all responsibility for any claims for damages whatsoever resulting from the use, misuse, or failure of any hoist, rigging, blocking, scaffolding, or other like or unlike equipment used by the Contractor or any Subcontractor, even though such equipment be furnished or loaned to the Contractor or any such Subcontractor by the Owner and shall indemnify the Owner against all such claims.

James & Luther Inc. Contractors/Services
P.O. Box 13224 • El Paso, TX 79912 • (915) 598-1081



January 6, 1984

ASARCO
P.O. Box 1111
El Paso, TX 79999

Re: No. 1 Converter Shell Installation

Attn: Mr. Carl Glaser

Gentlemen:

We propose to provide all labor and equipment required to complete the above mentioned job in accordance with your plans and written instructions dated November 5, 1984, all for the sum of \$81,500.00.

If we are to remove the refractory brick, add the sum of \$7,683.00.

We have estimated 320 manhours to remove the refractory assuming ASARCO will scar the interior of the converter to remove all possible copper from the walls. If you desire, we would use the above price as a maximum and remove same on a time and material basis.

As per ASARCO's suggestion, it is agreed that we can have use of your overhead crane for a period of four (4) continuous hours if required. This would be in conjunction with some pre-planning with your people. Also it was determined that we would have no downtime due to your operations in the converter aisle.

After removal of the existing shell, it will be placed at the north end of the building (as far as the overhead crane can carry same) and ASARCO will then pull it out of the building and dispose of same.

Mr. Carl Glaser
ASARCO
P.O. Box 1111
El Paso, TX 79999

Re: No. 1 Converter Shell Installation

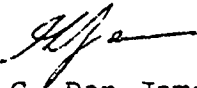
January 6, 1984

Page -2-

All materials, with the exception of concrete and forms, are provided by ASARCO. The above figures are based on our cutting, pounding, etc., the existing converter during removal with a possibility of no salvage value thereafter.

Hoping the above meets with your approval, we remain;

Sincerely,



G. Dan James
JAMES & LUTHER, INC.

GDJ/sb

c: File