

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

August 30, 1972



U. S. Steel Corporation
6513 So. Main Street
Houston, Texas 77026

Re: Subcontract No. 27-5379-1
Fencing

Gentlemen:

We enclose herewith one fully executed copy of Subcontract No. 27-5379-1 dated August 15, 1972 for your permanent file.

We acknowledge receipt of your Certificate of Insurance.

Yours very truly,

BROWN & ROOT, INC.

ORIGINAL SIGNED BY:
F. A. CARRADINE

F. A. Carradine
Assistant Purchasing Agent,
Subcontracts

FAC/JMF/bc

Enclosure

cc: Mr. W. R. Long (w/original)
Mr. O. M. Bakken (2 w/2 copies)
Mr. Rodney Cadwell

This Copy For

EXX 001925

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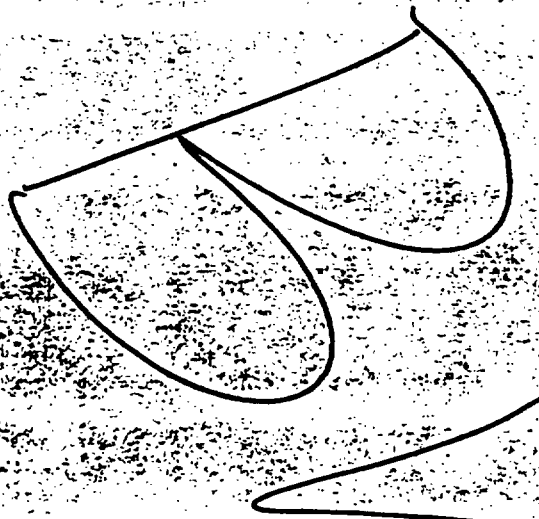
27-5379
27-5394
27-5435
27-5451
27-5471
27-5487
27-5491

27-5379 HUMBLE OIL & REFINING COMPANY
CONTRACT FILES

EXX 001923

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RETURN TO CONTRACT FILE SAME DAY WITHDRAWN;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.

01-464-2-19



27-5341 HUMBLE OIL & REFINING CO.
CONTRACT FILES

EXX 001853

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

December 8, 1972



Sadler Industrial Services, Inc.
P. O. Box 657
Lake Jackson, Texas 77566

Re: Subcontract No. 27-5341-213
Insulation

Gentlemen:

We enclose herewith one fully executed copy of Subcontract No. 27-5341-213 dated November 28, 1972 for your permanent file.

Yours very truly,

BROWN & ROOT, INC.

ORIGINAL SIGNED BY:
F. A. CARRADINE

F. A. Carradine
Assistant Purchasing Agent,
Subcontracts

FAC/MF/bc

Enclosure

cc: Mr. W. R. Long (w/original)
Mr. O. M. Bakken (2 w/2 copies)
Mr. H. A. Peek
Mr. Rodney Cadwell

This Copy For

EXX 001854



BROWN & ROOT, INC.

SUBCONTRACT

JMF/bc

Job Number 27-5341 (5)

Subcontract No. 27-5341-213

THIS AGREEMENT, made this 28th day of November, 19 72
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 Sadler Industrial Services, Inc.

P. O. Box 657, Telephone: (713) 482-3515
(Name, Street Address and Telephone Number)

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

Lake Jackson, State of Texas

hereinafter called the "Subcontractor", WITNESSETH

WHEREAS, General Contractor has entered into a contract dated _____, with

Humble Oil & Refining Company, hereinafter
(Name of Owner)

called the "Owner", for the construction of River Water Clarification Plant (Phase II)

(Nature of construction under General Contract)

Baytown, Texas
(City) (State)

in strict accordance with the General Contract, specifications, schedules, drawings, and general conditions, which are all collectively hereinafter called the "General Contract", and

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 agreed by and between General Contractor and Subcontractor as follows:

I. SPECIAL CONDITIONS

1. The Sublet Work consists of: Furnishing all labor, materials, tools, equipment, supervision and other things as required for the insulation work on the Humble Oil & Refining Company River Water Clarification Plant at Baytown, Texas as per Project Plans, Piping Line Schedule, Specifications (other than those exceptions listed in Paragraph 5(a) of Subcontract Special Conditions).

Subcontract No. 27-5341-213

2. The price for the Sublet Work shall be: a firm total lump sum amount of TEN THOUSAND SIX HUNDRED SIXTY-SIX AND NO/100 DOLLARS (\$10,666.00), including all applicable taxes, for the piping designated in the General Contractor's Piping Line Schedule, Sheets 1 through 13, with the exceptions noted under Paragraph 5(a) herein. For equipment insulation, and for additions and deletions to the scope of the piping insulation work, the firm unit prices listed under Paragraph 5(b) herein shall 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 schedules and/or dates set 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; Required _____.

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

- (1) The scope of this Sublet Work is based on the Piping Line Schedule, Sheets 1 through 13 with the below listed qualifications:

Line #93 reflects 3/4", is actually 6"
Line #95 shows 14", is actually 16"
Line #159 shows 3", is actually 4"
Line #160 shows 3", is actually 1 1/2"
Line #161 shows 8", is actually 6"

- (2) The lump sum price does not include piping leaving drip legs, steam tracing from steam line to lines to be steam traced, any thermon, instruments, steam traps or equipment (see Paragraph 5(b)).

— Continued on Page 3 —

EXX 001856

Subcontract No. 27-5341-213

(b)

firm unit prices for insulation installed with aluminum jacket on hot piping and fittings (labor and material price per foot). These prices shall apply for variations in the Scope of the Work. (See Paragraph 5(a) 2).

INSULATION THICKNESS

<u>Pipe Size</u>	<u>1"</u>	<u>1-1/2"</u>	<u>2"</u>	<u>2" D.L.</u>	<u>2-1/2" D.L.</u>	<u>3" D.L.</u>
1/2"	\$1.58	\$ 1.84	\$ 2.52	\$ 3.15	\$ 3.68	\$ 4.31
3/4"	1.58	1.84	2.52	3.15	3.68	4.31
1"	1.58	1.94	2.73	3.57	3.94	4.46
1-1/4"	1.68	2.21	3.05	3.99	4.46	4.88
1-1/2"	1.89	2.42	3.20	4.20	4.72	5.25
2"	2.10	2.52	3.31	4.46	5.25	5.88
3"	2.26	2.89	3.57	4.83	5.78	6.72
4"	2.52	3.15	3.94	5.67	6.30	7.19
6"	3.36	3.94	4.99	7.46	8.40	9.29
8"	4.00	4.73	5.51	9.19	9.45	10.40
10"	4.50	5.25	6.56	10.50	12.08	13.44
12"	5.00	5.78	7.35	12.08	13.65	15.12
14"		6.30	7.88	13.65	15.23	17.01
16"		7.14	8.82	14.96	16.80	18.38
18"		7.85	9.70	16.38	18.90	20.48
20"		8.93	10.71	18.01	20.48	22.58
24"		9.98	11.55	20.38	22.58	25.20
30"		15.75	19.95	25.20	27.83	29.93

1. Pipe fittings (ells, tees, flanges and reducers) equal 2 linear feet of pipe covering.
2. Flange valves equal 8 linear feet of pipe covering.
3. Weld caps and bevels equal 1 linear foot of pipe covering.
4. Crosses equal 4 linear feet of pipe covering.
5. Bent pipe equals one and one half times its linear footage.
6. For terminus points on equipment, add 1 square foot.

UNIT PRICES - HOT INSULATION ON EQUIPMENT (Not included in the lump sum price in Paragraph 2 herein)

Block, 1" thick	\$2.10 per square foot
Block, 1-1/2" thick	2.36 per square foot
Block, 2" thick - Single Layer	2.73 per square foot
Block, 2" thick - Double Layer	3.78 per square foot
Block, 2-1/2" thick, Single Layer	3.05 per square foot
Block, 2-1/2" thick, Double Layer	3.99 per square foot
Block, 3" thick, Single Layer	3.33 per square foot
Block, 3" thick, Double Layer	4.20 per square foot

Subcontract No. 27-5341-213

(c)

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

(d)

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.

(e)

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

(f)

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

(g)

The attached Humble Oil & Refining Company booklet entitled "Contractor's Responsibilities for Safety, Plant Protection, and Traffic Regulations" dated October 1, 1971 is hereby made part of this Subcontract.

II. GENERAL CONDITIONS

1. A copy of the General Contract has been made available and shall be at all times available for inspection and reference by Subcontractor at General Contractor's office. Upon Subcontractor's written request copies of pertinent portions needed for his daily reference will be supplied. Subcontractor represents that he has read and is familiar with the provisions of the General Contract and that he will comply with all of its provisions applicable to the Subcontract. Subcontractor further 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. General Contractor and Subcontractor agree to be bound by the terms of the General Contract which is hereby made a part of this Subcontract with respect to the Sublet Work and also by the provisions of this Subcontract. As to the Sublet Work, the Subcontractor agrees to be bound to the General Contractor by the terms of the General Contract and to assume toward him all of the obligations and responsibilities that the General Contractor by the General Contract assumes toward the Owner, except as expressly provided herein, and General Contractor shall be bound to the Subcontractor by all of the obligations that the Owner assumes to the General Contractor under the General Contract and by all the provisions thereof affording remedies and redress to the General Contractor from the Owner, except as otherwise expressly provided herein. Subcontractor shall have an opportunity to be present and to submit evidence in any arbitration or other proceeding involving his rights, provided such is not inconsistent with the General Contract. Subcontractor shall make any claim for extras, request for extensions of time and claim for damages or otherwise which are authorized by this Subcontract and give any notices provided for in the General Contract or in this Subcontract to the General Contractor in the manner provided in the General Contract for like claims, requests and notices by the General Contractor upon the Owner, except that Subcontractor agrees that any such claims, requests and notices shall be made well enough in advance to allow General Contractor to comply with the requirements of the General Contract and Subcontractor agrees to be bound by the Owner's decision thereon.

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 payments, both partial and final, to Subcontractor within ten (10) days after such payments for the Sublet Work are received by Contractor from Owner under the provisions of the General Contract, except that General Contractor shall retain ten percent (10%) of the amount of each estimate 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 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 General Contractor 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, or any other obligation 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. 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 attorneys' 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 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 accepts the Sublet Work. Subcontractor shall warrant the Sublet Work as provided in the General Contract, and if no warranty is there provided 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 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 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 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 vessels 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 resulting 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, 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

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EXX 001860

utilized by General Contractor in accordance with this provision, or any provisions of the General Contract. 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 as specified in the General Contract, but 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 statement of insurers to the effect that insurance shall not be cancelled, reduced, nor allowed to expire, except upon Ten (10) 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 Workers' 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 required by the General Contract is expressed in this written Subcontract, and it is agreed that this Subcontract has not been based upon any oral representations, promises or statements of any one representing any party hereto, 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 super-

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EXX 001862

sed 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

Subcontract No. 27-5341-213

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.

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)

(Title)

Date:

BROWN & ROOT, INC.

(General Contractor)

By:

Donald H. Harbour

(Title)

Director of Purchasing

Sadler Industrial Services, Inc.

(Subcontractor)

By:

(Title)

PRESIDENT

EXX 001864

Brown & Root, Inc. - Post Office Box 13000 Houston, Texas 77001

October 9, 1972



Graver Tank & Manufacturing Company
P. O. Box 1764
Houston, Texas 77001

Attention: Mr. Clark Claggett,
Contract Administrator

Re: Subcontract No. 27-5341-180
Erection Graver Water Equipment
Humble Project at Baytown

Gentlemen:

We enclose herewith one fully executed copy of Subcontract No. 27-5341-180 dated August 13, 1972 for your permanent file.

We must point out, however, that the modifications appearing in your transmittal letter of September 26, 1972 are hereby not accepted by Brown & Root, Inc. and do not become a part of this Subcontract.

Graver Tank for years has worked for us as Subcontractors and is fully aware of the General Conditions appearing in our Subcontract form. A set of these General Conditions was made a part of our inquiry.

The only exception Graver took when quoting was the usual payment terms and the 90% monthly progressive payments, each item to be considered as a unit for invoicing purposes is hereby accepted, and will be confirmed by our forthcoming change order.

Yours very truly,

BROWN & ROOT, INC.

RE: BY
FOR SIGNING

F. A. Carradine
Assistant Purchasing Agent,
Subcontracts

FAC/bc
Enclosures

cc: Messrs. W. R. Long (w/original)
O. M. Bakken (2 w/2 attachments)
Drew Farmer
J. E. Firth, Jr. - Graver Tank
K. L. Kreamalmyer
C. E. Littlepage
J. M. Franki

EXX 001865



BROWN & ROOT, INC.

SUBCONTRACT

JEF/ADW

Job Number 27-5341 (5)

Subcontract No. 27-5341-150

THIS AGREEMENT, made this 13th day of August, 1972
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 Craver Tank & Mfg. Company

P. O. Box 1764 Telephone: (713) 926-1761
(Name, Street Address and Telephone Number)

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

Houston, State of Texas

hereinafter called the "Subcontractor", WITNESSETH

WHEREAS, General Contractor has entered into a contract dated _____, with

Humble Oil & Refining Company, hereinafter
(Name of Owner)

called the "Owner", for the construction of a River Water Clarification Plant and Activated

Carbon Filters

(Nature of construction under General Contract)

at Daytown Texas
(City) (State)

in strict accordance with the General Contract, specifications, schedules, drawings, and general conditions, which are all collectively hereinafter called the "General Contract", and

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 agreed by and between General Contractor and Subcontractor as follows:

I. SPECIAL CONDITIONS

1. The Sublet Work consists of: Furnishing all labor, equipment, weld rod and supervision to unload from rail cars, deliver to the jobsite and erect the shells and top stiffeners only for three (3) Clarifier Tanks and one (1) Thickener Tank on foundations to be furnished by General Contractor.

— Continued on Page 2 —

EXX 001866

Subcontract No. 27-5341-180

2. The price for the Sublet Work shall be: a firm total amount of FIFTY THOUSAND FIVE HUNDRED FIFTY AND NO/100 DOLLARS (\$50,550.00) which includes all applicable taxes.

<u>Price Breakdown</u>	<u>Erection Cost</u>	
3 - Reactivators (clarifier) Tanks	\$14,600.00/EA	\$43,800.00
1 - Thickener		<u>6,750.00</u>
	Total Price	\$50,550.00

Note: The above price is based on no additional move-ins by the Subcontractor.

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 schedules and/or dates set by the General Contractor's Project Manager.

Subcontractor shall contact Mr. Eldon Rolfe General Contractor's Job Supt. at 422-3412, Baytown, Texas to coordinate schedules.

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 .

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

1. The Subcontractor shall unload, deliver to the jobsite and erect only the shells and top stiffeners of the four tanks herein specified. All other installation and erection, including the nozzles, internal piping, platforms, stairs, handrails, rakes and drives and testing will be performed by General Contractor.
2. General Contractor shall install base channels in the concrete ring walls.

(b)

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

— Continued on Page 3 —

EXX 001867

Subcontract No. 27-5341-180

(c)

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.

(d)

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

(e)

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

(f)

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

(g)

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

— Continued on Page 4 —

EXX 001868

II. GENERAL CONDITIONS

1. A copy of the General Contract has been made available and shall be at all times available for inspection and reference by Subcontractor at General Contractor's office. Upon Subcontractor's written request copies of pertinent portions needed for his daily reference will be supplied. Subcontractor represents that he has read and is familiar with the provisions of the General Contract and that he will comply with all of its provisions applicable to the Subcontract. Subcontractor further 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. General Contractor and Subcontractor agree to be bound by the terms of the General Contract which is hereby made a part of this Subcontract with respect to the Sublet Work and also by the provisions of this Subcontract. As to the Sublet Work, the Subcontractor agrees to be bound to the General Contractor by the terms of the General Contract and to assume toward him all of the obligations and responsibilities that the General Contractor by the General Contract assumes toward the Owner, except as expressly provided herein, and General Contractor shall be bound to the Subcontractor by all of the obligations that the Owner assumes to the General Contractor under the General Contract and by all the provisions thereof affording remedies and redress to the General Contractor from the Owner, except as otherwise expressly provided herein. Subcontractor shall have an opportunity to be present and to submit evidence in any arbitration or other proceeding involving his rights, provided such is not inconsistent with the General Contract. Subcontractor shall make any claim for extras, request for extensions of time and claim for damages or otherwise which are authorized by this Subcontract and give any notices provided for in the General Contract or in this Subcontract to the General Contractor in the manner provided in the General Contract for like claims, requests and notices by the General Contractor upon the Owner, except that Subcontractor agrees that any such claims, requests and notices shall be made well enough in advance to allow General Contractor to comply with the requirements of the General Contract and Subcontractor agrees to be bound by the Owner's decision thereon.

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 payments, both partial and final, to Subcontractor within ten (10) days after such payments for the Sublet Work are received by Contractor from Owner under the provisions of the General Contract, except that General Contractor shall retain ten percent (10%) of the amount of each estimate 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 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 General Contractor 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, or any other obligation 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. 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

— Continued on Page 5 —

EXX 001869

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 attorneys' 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 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 accepts the Sublet Work. Subcontractor shall warrant the Sublet Work as provided in the General Contract, and if no warranty is there provided 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 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 of person or 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 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 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 vessels 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 resulting 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, 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, or any provisions of the General Contract. 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 as specified in the General Contract, but 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 statement of insurers to the effect that insurance shall not be cancelled, reduced, nor allowed to expire, except upon Ten (10) 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 Workers' 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 required by the General Contract is expressed in this written Subcontract, and it is agreed that this Subcontract has not been based upon any oral representations, promises or statements of any one representing any party hereto, 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 super-

sed 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

Subcontract No. 27-5341-100

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.

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)_____
(Title)_____
Date:

BROWN & ROOT, INC.
(General Contractor)

By: Donald H. Harbour
(Title) Director of Purchasing

Graver Tank & Manufacturing Co.
(Subcontractor)

By: [Signature]
(Title) _____

EXX 001874

Brown & Root, Inc. Post Office

Three, Houston, Texas 77001

May 22, 1972



Graver Tank & Manufacturing Company
P. O. Box 1764
Houston, Texas 77001

Attention: Mr. Joe Firth

Re: Subcontract #27-5341-2
Humble Oil & Refining Co.
Riverwater Clarification Plant

Gentlemen:

We enclose herewith one fully executed copy of Subcontract
No. 27-5341-2 dated April 20, 1972 for your permanent file.

May we also request that you contact our Project Manager
to schedule and co-ordinate this Subcontract.

Yours very truly,

BROWN & ROOT, INC.

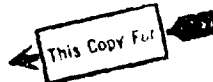
ORIGINAL SIGNED BY:
F. A. CARRADINE

F. A. Carradine
Assistant Purchasing Agent,
Subcontracts

FAC/JMF/bc

Enclosure

cc: Mr. W. R. Long (w/original attachment)
Mr. O. M. Bakken (w/2 attachments)
Mr. K. L. Kreamalmyer
Mr. C. E. Littlepage
Mr. Leon Felknor



EXX 001875

27-5341

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

October 9, 1972



Graver Tank & Manufacturing Company
P. O. Box 1764
Houston, Texas 77001

Attention: Mr. Clark Claggett,
Contract Administrator

Re: Subcontract No. 27-5341-180
Erection Graver Water Equipment
Humble Project at Baytown

Gentlemen:

We enclose herewith one fully executed copy of Subcontract No. 27-5341-180 dated August 13, 1972 for your permanent file.

We must point out, however, that the modifications appearing in your transmittal letter of September 26, 1972 are hereby not accepted by Brown & Root, Inc. and do not become a part of this Subcontract.

Graver Tank for years has worked for us as Subcontractors and is fully aware of the General Conditions appearing in our Subcontract form. A set of these General Conditions was made a part of our inquiry.

The only exception Graver took when quoting was the usual payment terms and the "90% monthly progressive payments, each item to be considered as a unit for invoicing purposes" is hereby accepted, and will be confirmed by our forthcoming change order.

Yours very truly,

BROWN & ROOT, INC.

SIGNED BY:
F. A. CARRADINE

F. A. Carradine
Assistant Purchasing Agent,
Subcontracts

FAC/bc
Enclosures

cc: Messrs. W. R. Long (w/original)
O. M. Bakken (2 w/2 attachments)
Drew Farmer
J. E. Firth, Jr. - Graver Tank
K. L. Kreamalmeyer
C. E. Littlepage
J. M. Franki

EXX 001876



BROWN & ROOT, INC.

SUBCONTRACT

JMF/mw

Job Number 27-5341 (5)

Subcontract No. 27-5341-130

THIS AGREEMENT, made this 13th. day of August, 19 72
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 Graver Tank & Mfg. Company

P. O. Box 1764 Telephone: (713) 926-1761
(Name, Street Address and Telephone Number)

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

Houston, State of Texas

hereinafter called the "Subcontractor", WITNESSETH

WHEREAS, General Contractor has entered into a contract dated _____, with

Humble Oil & Refining Company, hereinafter
(Name of Owner)

called the "Owner", for the construction of a River Water Clarification Plant and Activated

Carbon Filters

(Nature of construction under General Contract)

at Baytown Texas
(City) (State)

in strict accordance with the General Contract, specifications, schedules, drawings, and general conditions, which are all collectively hereinafter called the "General Contract", and

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 agreed by and between General Contractor and Subcontractor as follows:

I. SPECIAL CONDITIONS

1. The Sublet Work consists of: Furnishing all labor, equipment, weld rod and supervision to unload from rail cars, deliver to the jobsite and erect the shells and top stiffeners only for three (3) Clarifier Tanks and one (1) Thickener Tank on foundations to be furnished by General Contractor.

Subcontract No 27-5341-180

2. The price for the Sublet Work shall be a firm total amount of FIFTY THOUSAND FIVE HUNDRED FIFTY AND NO/100 DOLLARS (\$50,550.00) which includes all applicable taxes.

<u>Price Breakdown</u>	<u>Erection Cost</u>	
3 - Reactivators (clarifier) Tanks	\$14,600.00/EA	\$43,800.00
1 - Thickener		<u>6,750.00</u>
	Total Price	\$50,550.00

Note: The above price is based on no additional move-ins by the Subcontractor.

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 schedules and/or dates set by the General Contractor's Project Manager.

Subcontractor shall contact Mr. Eldon Rolfe General Contractor's Job Supt. at 422-3412, Baytown, Texas to coordinate schedules.

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 XX; Required _____.

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

1. The Subcontractor shall unload, deliver to the jobsite and erect only the shells and top stiffeners of the four tanks herein specified. All other installation and erection, including the nozzles, internal piping, platforms, stairs, handrails, rakes and drives and testing will be performed by General Contractor.
2. General Contractor shall install base channels in the concrete ring walls.

(b)

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

— Continued on Page 3 —

EXX 001878

Subcontract No. 27-5341-180

(c)

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.

(d)

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

(e)

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

(f)

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

(g)

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

II. GENERAL CONDITIONS

1. A copy of the General Contract has been made available and shall be at all times available for inspection and reference by Subcontractor at General Contractor's office. Upon Subcontractor's written request copies of pertinent portions needed for his daily reference will be supplied. Subcontractor represents that he has read and is familiar with the provisions of the General Contract and that he will comply with all of its provisions applicable to the Subcontract. Subcontractor further 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. General Contractor and Subcontractor agree to be bound by the terms of the General Contract which is hereby made a part of this Subcontract with respect to the Sublet Work and also by the provisions of this Subcontract. As to the Sublet Work, the Subcontractor agrees to be bound to the General Contractor by the terms of the General Contract and to assume toward him all of the obligations and responsibilities that the General Contractor by the General Contract assumes toward the Owner, except as expressly provided herein, and General Contractor shall be bound to the Subcontractor by all of the obligations that the Owner assumes to the General Contractor under the General Contract and by all the provisions thereof affording remedies and redress to the General Contractor from the Owner, except as otherwise expressly provided herein. Subcontractor shall have an opportunity to be present and to submit evidence in any arbitration or other proceeding involving his rights, provided such is not inconsistent with the General Contract. Subcontractor shall make any claim for extras, request for extensions of time and claim for damages or otherwise which are authorized by this Subcontract and give any notices provided for in the General Contract or in this Subcontract to the General Contractor in the manner provided in the General Contract for like claims, requests and notices by the General Contractor upon the Owner, except that Subcontractor agrees that any such claims, requests and notices shall be made well enough in advance to allow General Contractor to comply with the requirements of the General Contract and Subcontractor agrees to be bound by the Owner's decision thereon.

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 payments, both partial and final, to Subcontractor within ten (10) days after such payments for the Sublet Work are received by Contractor from Owner under the provisions of the General Contract, except that General Contractor shall retain ten percent (10%) of the amount of each estimate 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 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 General Contractor 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, or any other obligation 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. 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 attorneys' 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 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 accepts the Sublet Work. Subcontractor shall warrant the Sublet Work as provided in the General Contract, and if no warranty is there provided 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 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 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 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 vessels 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 resulting 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, 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, or any provisions of the General Contract. 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 as specified in the General Contract, but 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 statement of insurers to the effect that insurance shall not be cancelled, reduced, nor allowed to expire, except upon Ten (10) 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:

- | | |
|---|--|
| <p>a. Workmen's Compensation
Employer's Liability
(If marine operations are involved, endorsements shall include U. S. Long-shoremen's and Harbor Workers' 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).</p> | <p>Statutory
\$100,000 per person accident</p> |
|---|--|

- 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 required by the General Contract is expressed in this written Subcontract, and it is agreed that this Subcontract has not been based upon any oral representations, promises or statements of any one representing any party hereto, 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 super-

sed 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

Subcontract No. 27-5341-130

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.

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)

(Title)

Date:

BROWN & ROOT INC.

(General Contractor)

By:

Donald H. Harbour

(Title)

Director of Purchasing

Graver Tank & Manufacturing Co.

(Subcontractor)

By:

(Title)

EXX 001885



BROWN & ROOT, INC.

SUBCONTRACT

JMF/bc

Job Number 27-5341 (5)

Subcontract No. 27-5341-2

THIS AGREEMENT, made this 20 th. day of April, 19 72
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 Graver Tank & Manufacturing Company,
P. O. Box 1764 Telephone : (713) 926-1761
(Name, Street Address and Telephone Number)

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

Texas 77001
hereinafter called the "Subcontractor", WITNESSETH
WHEREAS, General Contractor has entered into a contract dated _____, with
Humble Oil & Refining Company, hereinafter
(Name of Owner)
called the "Owner", for the construction of River Water Clarification Plant, Phase II

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

in strict accordance with the General Contract, specifications, schedules, drawings, and general conditions, which
are all collectively hereinafter called the "General Contract", and
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 agreed by and between General Contractor and Subcontractor as follows:

I. SPECIAL CONDITIONS

1. The Sublet Work consists of: Furnishing and erecting on foundations furnished by General Contractor, six (6) tanks as described in Paragraph 5 (a) herein in accordance with these Special Conditions; the Subcontract General Conditions (except as otherwise modified herein); Drawings Numbered 577-420-5, 577-192-5, 577-420-2, 577-420-3, 577-420-1; Humble-Baytown Engineering Standards consisting of 34 Pages; API-650 Specifications, and Owner's "Safety Plant Protection and Traffic Regulations for Contractors" dated June, 1970.

— Continued on Page 2 —

EXX 001886

Subcontract No. 27-5341-2

2. The price for the Sublet Work shall be: The firm lump sum amount of THREE HUNDRED TWENTY-SEVEN THOUSAND, THREE HUNDRED DOLLARS AND NO/100 (\$327,300.00) inclusive of all applicable sales or use taxes.

Payment terms shall be per Special Condition 5 (c) 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 stated in Paragraph 5 (b) herein.

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; Required .

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

Description and Price Breakdown:

2 Clearwells, 100' Ø X 48' sides with the following nozzle connections.
 Inlet Connection - 30"
 Outlet Connection - 36"
 Water Drawoff - 8"
 Shell Manhole - 36"
 Shell Manhole - 24" (two (2) required)
 Roof Manhole - 24"
 Free Vent - as per API RP-2,000
 Gauging Hatch - 10"
 Auto Gage - 24"
 Scaffold Swivel - for painters scaffold
 Level Transmitter - 3" 150# Flg'd.
 Overflow - 30"

Tag: Tanks #30 and #31

— Continued on Page 3 —

EXX 001887

Subcontract No. 27-5341-2

Price for each tank = \$119,100.00
 Price for both tanks = \$238,200.00

1 Division structure, 35' Ø X 23' sides, with internals and the following nozzle connections.
 Eight (8) 24" 150# ANSI F.F. S.O.
 Four (4) 36" - Ditto
 Two (2) 6" - Ditto
 One (1) 3" 150# ANSI R.F. S.O.

Tag: Tank #20

Price for One (1) Tank = \$47,300.00

1 Caustic storage tank, 20' Ø X 20' high with the following nozzle conn:
 Outlet Conn. - 2"
 Inlet Conn. - 2"
 Overflow - 6"
 Drain - 6"
 Shell Manhole - 24"
 Scaffold Swivel - painters swivel
 Shell Manhole - 24"
 Roof Manhole - 24"
 Gauging Hatch - 10"
 Vent - 8"
 Level Transmitter - 3"
 Automatic Gauge

Tag: Tank #70

Price for One (1) Tank = \$13,900.00

2 Backwash holding tank and backwash storage tank, 25' Ø X 16' high with the following nozzle connections:

	<u>TK-1449</u>	<u>TK-1448</u>
Outlet Conn.	12"	4"
Inlet Conn.	8"	12"
Drain	8"	8"
Level Trans.	3"	3"
Overflow	8"	12"
Vent	8"	3"
Roof Manhole	24"	24"
Gauge Hatch	10"	10"
Scaffold Swivel	-	-
Shell Manhole	24"	24"
Shell Manhole	24"	24"
Auto Gauge	-	-

Tag: Tanks #1448 & #1449

Price for each tank = \$13,950.00
 Price for both tanks = \$27,900.00

— Continued on Page 3 A

EXX 001888

Subcontract No. 27-5341-2

(b)

THE SCHEDULES:

The Subcontractor shall give first priority to the fabrication and erection of tanks numbered 1443 and 1449. Erection shall commence eight to ten weeks after notification of award of the Subcontract (April 20, 1972) and be completed nine to eleven weeks thereafter.

(c)

TERMS OF PAYMENT:

40% upon receipt of all materials in Subcontractor's shops;
25% upon completion of fabrication and shipment;
25% upon completion of erection;

10% upon final test and acceptance except that if for any reason, final test and/or acceptance cannot be made due to the fault of Subcontractor, this payment will be due and payable 30-days from date of departure of Subcontractor's crew upon completion of the work.

(d)

Subcontractor shall submit four copies of drawings for approval to the General Contractor within ten days after notification of award of the Subcontract. One autopositive of each certified drawings and erection drawing shall be submitted by the Subcontractor to the General Contractor.

(e)

The following sentence is added to and becomes part of Paragraph 5 of the General Conditions: "Subcontractor is not responsible for defects in the work of others that would not be revealed by a diligent and prompt inspection."

(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 co-ordinate this Subcontract.

Subcontract No. 27-5341-2

(i)

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

(j)

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

(k)

Paragraph 1 of General Conditions is deleted and the following is substituted therefor:

"Subcontractor represents that he is familiar with all of the provisions of the specifications pertaining to the Sublet Work, with the physical conditions and availability of labor and materials in the area of Sublet Work, and with all other items affecting performance of the Sublet Work. Subcontractor agrees to be bound to the General Contractor in accordance with the provisions hereof and to assume toward General Contractor all of the obligations and responsibilities normally assumed by a contractor dealing directly with an Owner and General Contractor assumes toward Subcontractor all of the obligations and responsibilities normally assumed by an Owner toward a contractor. General Contractor is performing the work as Constructor for the Owner, and nothing herein contained is intended to create a direct contractual relationship between Owner and Subcontractor.

Subcontractor's contractual obligations toward the General Contractor are limited only to those incorporated in this Subcontract with Brown & Root Incorporated and Subcontractor is not bound by the terms of any contract between Brown & Root and the Owner."

21-541
12-0
61
942-0024

27 5941

CONTRACT CHANGE ORDER

APPROPRIATION _____
WORK REQUEST _____

Change Order 24, Issued March 20, 1973 to Contract U-00-5347-C

Dated February 24, 1972 between Exxon Company, U.S.A.

and BROWN & ROOT, INC., Contractor.

Unit, Equipment, or Facility Involved River Water Clarification Plant

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:

Cancel Change Order No. 11.

ORIGINAL AMOUNT OF CONTRACT \$ 3,527,100.00
~~XXXXXXXXXX~~
AMOUNT OF THIS DEDUCTION \$ 1,000.00

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

ACCEPTED:

BROWN & ROOT, INC.

By: Ch L Tuligay

Project Manager

WLB:aj (Title)

cc: HCBall

EXXON COMPANY, U.S.A.

By: [Signature]

Contracting Engineer
Baytown Refinery

EXX 001891

II. GENERAL CONDITIONS

1. A copy of the General Contract has been made available and shall be at all times available for inspection and reference by Subcontractor at General Contractor's office. Upon Subcontractor's written request copies of pertinent portions needed for his daily reference will be supplied. Subcontractor represents that he has read and is familiar with the provisions of the General Contract and that he will comply with all of its provisions applicable to the Subcontract. Subcontractor further 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. General Contractor and Subcontractor agree to be bound by the terms of the General Contract which is hereby made a part of this Subcontract with respect to the Sublet Work and also by the provisions of this Subcontract. As to the Sublet Work, the Subcontractor agrees to be bound to the General Contractor by the terms of the General Contract and to assume toward him all of the obligations and responsibilities that the General Contractor by the General Contract assumes toward the Owner, except as expressly provided herein, and General Contractor shall be bound to the Subcontractor by all of the obligations that the Owner assumes to the General Contractor under the General Contract and by all the provisions thereof affording remedies and redress to the General Contractor from the Owner, except as otherwise expressly provided herein. Subcontractor shall have an opportunity to be present and to submit evidence in any arbitration or other proceeding involving his rights, provided such is not inconsistent with the General Contract. Subcontractor shall make any claim for extras, request for extensions of time and claim for damages or otherwise which are authorized by this Subcontract and give any notices provided for in the General Contract or in this Subcontract to the General Contractor in the manner provided in the General Contract for like claims, requests and notices by the General Contractor upon the Owner, except that Subcontractor agrees that any such claims, requests and notices shall be made well enough in advance to allow General Contractor to comply with the requirements of the General Contract and Subcontractor agrees to be bound by the Owner's decision thereon.

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 payments, both partial and final, to Subcontractor within ten (10) days after such payments for the Sublet Work are received by Contractor from Owner under the provisions of the General Contract. Except that General Contractor shall retain ten percent (10%) of the amount of each estimate 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 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 General Contractor 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, or any other obligation 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. 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 attorneys' 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 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 accepts the Sublet Work. Subcontractor shall warrant the Sublet Work as provided in the General Contract, and if no warranty is there provided 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 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 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 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 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 vessels 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 resulting 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, 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, or any provisions of the General Contract. 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 as specified in the General Contract, but 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 statement of insurors to the effect that insurance shall not be cancelled, reduced, nor allowed to expire, except upon Ten (10) 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 Workers' 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 required by the General Contract is expressed in this written Subcontract, and it is agreed that this Subcontract has not been based upon any oral representations, promises or statements of any one representing any party hereto, 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 super-

seded 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 hereto 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

Subcontract No. 27-5341-2

merican 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.

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, 4, 5, 6, 7, 8, and 9.

APPROVED:

(Owner)

y:

(Title)

Date:

BROWN & ROOT, INC.

(General Contractor)

By:

Donald H. Harbour

(Title)

Director of Purchasing

Graver Tank & Manufacturing Company

(Subcontractor)

By:

(Title)

CONTRACT ADMINISTRATOR

EXX 001897

Subcontract No. 27-5341-2

merican 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.

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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, 4, 5, 6, 7, 8, and 9.

APPROVED:

(Owner)_____
(Title)

Date: _____

BROWN & ROOT, INC.

(General Contractor)

By: _____
Donald H. Harbour
(Title) Director of Purchasing

Graver Tank & Manufacturing Company

(Subcontractor)

By: _____
(Title) _____

EXX 001898



CALGON CORPORATION

P.O. BOX 1346
PITTSBURGH, PA. 15230

PURCHASE ORDER

P P 4 00150X

SHIP TO: CALGON CORPORATION

LOCATION

DEPT. NO.

X

PP400150X

TO

Brown & Root
4100 Clinton Drive
Houston, Texas 77020

CORRESPONDING LETTER BELOW INDICATES CORRECT SHIPPING ADDRESS

A. ROUTE 60 AT CAMPBELL'S RUN ROAD, MOON RUN (ALLEGHENY COUNTY, PA)
(PARCEL POST) P.O. BOX 1346 PITTSBURGH PA 15230B. FRISCO, NEAR ELLWOOD CITY, PA
(PARCEL POST) BOX 671 FRISCO, PA 16117

C. 644 TRUMBULL DRIVE, PITTSBURGH, PA

D. POST ROAD (BUCKS COUNTY) MORRISVILLE, PA
(PARCEL POST) BOX 234 MORRISVILLE PA 19067

E. 21702 EAST HURON RIVER DRIVE, ROCKWOOD, MICH

F. 650 TRUMBULL DRIVE, PITTSBURGH, PA

G. BLDG #4, CAMPBELL'S RUN ROAD, MOON RUN (ALLEGHENY COUNTY) PA
H. PITTSBURGH ACTIVATED CARBON DIVISION, NEVILLE ISLAND, PGH, PAJ. PITTSBURGH ACTIVATED CARBON DIVISION, ROUTE 23, CATLETTSBURG, KY
(PARCEL POST) BOX 604 CATLETTSBURG KY 41129

X PLEASE REFER TO SHIPPING INSTRUCTIONS BELOW

DATE

1/19/73

REQUISITION NO

50246

DATE DELIVERY REQUIRED

As Required

PLEASE ENTER OUR ORDER FOR THE FOLLOWING MATERIAL AND/OR SERVICES SUBJECT TO THE TERMS & CONDITIONS AS SHOWN BELOW AND ON THE REVERSE SIDE OF THIS ORDER

CASH TERMS		10 DAYS		10TH PROX ☒		NET 30 DAYS ☐		OTHER ☐	
TRANSPORTATION TERMS	☐	FOB SHIPPING POINT ☒	FOB DESTINATION ☒	TRANSPORTATION F/A ☐	F.N.A. ☒	PREPAID ☒	VIA ☐	COLLECT ☐	MF ☐
ITEM	QUANTITY	UNIT	FIRST SHIPMENT QUANTITY REC'D & DATE	DESCRIPTION					PRICE
				CONFIRMING TO MR. WM. YEARWOOD SHIP TO: Humble Oil Co. Baytown Refinery Baytown, Texas 77520 FURNISH ALL LABOR, MATERIAL, TOOLS AND EQUIPMENT AS MAY BE REQUIRED TO COMPLETE THE FOLLOWING SCOPE OF WORK I. SCOPE OF WORK Unload from bulk carrier and transfer via water slurry granular activated carbon. A. All work is to be performed at the Humble Oil Co., Baytown, Texas Plant. B. Richard V. Whitty will act as "Calgon's Representative" thru whom the above scope of work is to be performed. II. TERMS & CONDITIONS A. This contract is in accordance with General Conditions Attachment 'A' attached to and part of this order					
SALES TAX	☐	CHARGE TAX	STATE CODE NO. 83	DO NOT CHARGE SALES TAX ☒		FEDERAL EXCISE TAX ☐		CONTINUED ON PAGE 2	

ROUTE DOCUMENTS AS FOLLOWS:
INVOICE MAIL IN TRIPLICATE TO MERCK & CO., INC.
INVOICE PROCESSING DEPT. RAHWAY, N.J. 07065

ANY CHARGES AND/OR ALLOWANCES FOR TRANSPORTATION MUST BE SUPPORTED WITH A COPY OF FREIGHT BILL OR EXPLANATION ON INVOICE

A **WLEDGMENT** SEND TO LOCATION ISSUING ORDER**BILL OF LADING AND PACKING SLIP** WITH SHIPMENTSHOW
PURCHASE ORDER NO. AND DEPT. NO.
ON ALL
PACKAGES, PACKING SLIPS, INVOICES AND
CORRESPONDENCE.

CALGON CORPORATION

BY _____
PURCHASING DEPARTMENT

VENDOR

EXX 001899

TERMS AND CONDITIONS

1. **ACCEPTANCE:** This order becomes a binding contract, subject to the terms and conditions hereof, when accepted by acknowledgment or commencement of performance. Any different terms or conditions in Seller's quotation or acknowledgment of this order shall constitute a counteroffer and no contract shall exist unless accepted in writing by Buyer. The provisions of any existing written contract between Buyer and Seller for the same goods take precedence over any inconsistent terms or conditions of this order. These terms and conditions may be changed or supplemented only by written agreement between Buyer and Seller.
2. **QUALITY:** All purchases are subject to Buyer's approval notwithstanding prior inspection or payment and if not satisfactory or in accordance with specifications may at Buyer's option be returned for full credit or refund at Seller's expense for transportation both ways. Seller warrants that the goods sold hereunder conform to specifications, are fit for the purpose represented by Seller, merchantable, of highest quality and workmanship and free from defects.
3. **QUANTITY:** Material shipped in excess of quantity designated in this order or tolerance from quantity previously agreed to in writing may be returned at Seller's expense.
4. **PRICE:** The prices herein shall not be increased without Buyer's written consent. If price is not stated on order, Seller agrees to invoice at lowest prevailing market price. Seller agrees that if at any time during the life of this order, Seller shall quote or sell at lower net prices similar goods and/or services under similar conditions and in similar quantities, such lower prices will be substituted for the prices named herein.
5. **INVOICE:** If invoice is subject to cash discount, the discount period shall be calculated from date the invoice is received by Buyer.
6. **DELIVERY:** Seller shall notify Buyer immediately of any situation which may delay or threaten to delay the timely performance of this order. All or any portion of this order may at Buyer's option be cancelled without liability on Buyer's part if delivery is not made as or when specified.
7. **"FORCE MAJEURE"** Failure of Seller to make, or of Buyer to take any deliveries hereunder or portion thereof, when due, and covered by this order, in the event of war, fire, flood, strike, labor trouble, accident, riot, act of governmental authority, or other contingency beyond the control of the party affected interfering with the production, supply, transportation or consumption of the goods sold hereunder or with the supply of any raw material used in connection therewith, shall not subject said party to any liability to the other resulting therefrom.
8. **PATENT INDEMNITY:** Seller warrants that the goods sold hereunder, the method of manufacture thereof, and the use of such goods where a representation of suitability for such use, express or implied, has been made, do not infringe any United States letters patent and agrees to indemnify Buyer against any damages assessed against or incurred by BUYER, Buyer including damages, costs and expenses in any suit against Buyer alleging such infringement, provided Buyer gives Seller prompt notice in writing of the institution of any such suit and permits Seller, if it so elects, to enter and defend, settle or otherwise terminate such suit.
9. **F.D.C. AND F.I.F.R. GUARANTEES:** In the event that commodities ordered herein are foods, drugs, devices or cosmetics, Seller guarantees that for the purpose of Section 303 of the Federal Food, Drug and Cosmetic Act, no commodity or article listed herein which falls within the scope of said Act is adulterated or misbranded within the meaning thereof or is an article or commodity which may not, under the provisions of Section 404 or 505 of said Act, be introduced into interstate commerce. Seller also guarantees, for the purpose of Section 7a(1) of the Federal Insecticide, Fungicide, and Rodenticide Act, that any economic poison listed herein which falls within the scope of said act is lawfully registered with the Secretary of Agriculture and complies with the requirements of said act.
10. **ASSIGNMENT:** Seller shall not assign orally, in writing or by operation of law, in whole or in part, to any person, firm, corporation or governmental agency, its rights, interests or obligation under this order without prior written permission of Buyer.
11. **WORK ON BUYER'S PREMISES:** If this order covers the performance of labor on Buyer's premises, Seller agrees to indemnify and protect Buyer against all liability for injury or damages to any person or property arising out of the performance of this order. Seller further agrees upon request to furnish a certificate from its insurance carrier showing that it carries Workmen's Compensation, Public Liability and Property Damage insurance coverage in form and amount which, in Buyer's opinion, are adequate.
12. **FAIR LABOR STANDARDS WARRANTY:** Seller warrants that with respect to the production of the articles, and for the performance of the services covered by this purchase order, it has fully complied with the provisions of the Fair Labor Standards Act of 1938 as amended.
13. **DRAWINGS AND MATERIAL:** All drawings, artwork, information or data furnished by Buyer as Buyer's exclusive property, shall be used by Seller only for Buyer's work, shall be kept confidential and shall be returned promptly at Buyer's request. All material, supplies, and equipment furnished by Buyer, on consignment for processing, repair or otherwise, shall remain the property of Buyer, shall be maintained by Seller in good condition, shall be used by Seller only for Buyer's work, and shall be returned to Buyer at Buyer's expense on completion, or shipped elsewhere, or disposed of as directed by Buyer with certification that such action has been completed at Buyer's expense.
14. **EXTRAS:** No charge for insurance on shipments, or for packing, crating or drayage will be accepted unless there is an express agreement as to such charges.



CALGON CORPORATION

SUBSIDIARY OF MERCK & CO., INC.

PURCHASE ORDER NO
PP400150X
RELEASE NO

TO . Brown & Root

PAGE 2 OF 1

ITEM	QUANTITY	UNIT	FIRST SHIPMENT QUANTITY REC'D. & DATE	DESCRIPTION	PRICE
				THIS DOCUMENT IS NOT AN ORIGINAL PURCHASE ORDER B. Prior to commencing any work furnished a certificate of insurance to the buyer's attention evidencing coverage to the following minimum limits. PUBLIC LIABILITY \$100,000 Each Person PUBLIC LIABILITY 300,000 EACH OCCURRENCE PROPERTY DAMAGE 100,000 EACH OCCURRENCE III. GENERAL A. Upon completion of work submit invoice to: Calgon ;Corp. 3925-D Dacoma Houston, Texas 77018 Attn: R. V. Whitty INVOICE MUST SHOW LABOR AND MATERIAL BREAKDOWN. ALL CHARGES MUST BE SUBSTANTIATED BY TIME SHEETS AND COPIES OF SUPPLIERS INVOICES. B. Total price of this order is not to exceed	\$3000.00

ROUTE DOCUMENTS AS FOLLOWS
INVOICE MAIL IN TRIPLICATE TO MERCK & CO., INC.
INVOICE PROCESSING DEPT. RAHWAY, N.J.
07065

ANY CHARGES AND/OR ALLOWANCES FOR TRANSPORTATION MUST BE SUPPORTED WITH A COPY OF FREIGHT BILL OR EXPLANATION ON INVOICE.

ACKNOWLEDGMENT SEND TO LOCATION ISSUING ORDER

BILL OF LADING AND PACKING SLIP WITH SHIPMENT

CALGON CORPORATION

BY George L. Hilton
George L. Hilton, Buyer
PURCHASING DEPARTMENT

VENDOR 1

EXX 001901

TERMS AND CONDITIONS

1. **ACCEPTANCE:** This order becomes a binding contract, subject to the terms and conditions hereof, when accepted by acknowledgment or commencement of performance. Any different terms or conditions in Seller's quotation or acknowledgment of this order shall constitute a counteroffer and no contract shall exist unless accepted in writing by Buyer. The provisions of any existing written contract between Buyer and Seller for the same goods take precedence over any inconsistent terms or conditions of this order. These terms and conditions may be changed or supplemented only by written agreement between Buyer and Seller.
2. **QUALITY:** All purchases are subject to Buyer's approval notwithstanding prior inspection or payment and if not satisfactory or in accordance with specifications may at Buyer's option be returned for full credit or refund at Seller's expense for transportation both ways. Seller warrants that the goods sold hereunder conform to specifications, are fit for the purpose represented by Seller, merchantable, of highest quality and workmanship and free from defects.
3. **QUANTITY:** Material shipped in excess of quantity designated in this order or tolerance from quantity previously agreed to in writing may be returned at Seller's expense.
4. **PRICE:** The prices herein shall not be increased without Buyer's written consent. If price is not stated on order, Seller agrees to invoice at lowest prevailing market price. Seller agrees that if at any time during the life of this order, Seller shall quote or sell at lower net prices similar goods and/or services under similar conditions and in similar quantities, such lower prices will be substituted for the prices named herein.
5. **INVOICE:** If invoice is subject to cash discount, the discount period shall be calculated from date the invoice is received by Buyer.
6. **DELIVERY:** Seller shall notify Buyer immediately of any situation which may delay or threaten to delay the timely performance of this order. All or any portion of this order may at Buyer's option be cancelled without liability on Buyer's part if delivery is not made as or when specified.
7. **"FORCE MAJEURE":** Failure of Seller to make, or of Buyer to take any deliveries hereunder, or portion thereof, when due and covered by this order, in the event of war, fire, flood, strike, labor trouble, accident, riot, act of governmental authority, or other contingencies beyond the control of the party affected interfering with the production, supply, transportation or consumption of the goods sold hereunder or with the supply of any raw material used in connection therewith, shall not subject said party to any liability to the other resulting therefrom.
8. **PATENT INDEMNITY:** Seller warrants that the goods sold hereunder, the method of manufacture thereof, and the use of such goods where a representation of suitability for such use, express or implied, has been made, do not infringe on United States letters patent and agrees to indemnify Buyer against any damages assessed against or incurred by BUYER, Buyer, including damages, costs and expenses in any suit against Buyer alleging such infringement, provided Buyer gives Seller prompt notice in writing of the institution of any such suit and permits Seller, if so elected, to enter and defend, settle or otherwise terminate such suit.
9. **F.D.C. AND FIFER GUARANTEES:** In the event that commodities ordered herein are foods, drugs, devices or cosmetics, Seller guarantees that for the purpose of Section 303(c) of the Federal Food, Drug and Cosmetic Act, no commodity or article listed herein which falls within the scope of said Act is adulterated or misbranded within the meaning thereof, or article or commodity which may not, under the provisions of Section 404 or 505 of said Act, be introduced into interstate commerce. Seller also guarantees, for the purpose of Section 7a(1) of the Federal Insecticide, Fungicide, and Rodenticide Act, that any economic poison listed herein which falls within the scope of said act is lawfully registered with the Secretary of Agriculture and complies with the requirements of said act.
10. **ASSIGNMENT:** Seller shall not assign orally, in writing or by operation of law, in whole or in part, to any person, firm, corporation or governmental agency, its rights, interests or obligation under this order without prior written permission of Buyer.
11. **WORK ON BUYER'S PREMISES:** If this order covers the performance of labor on Buyer's premises, Seller agrees to indemnify and protect Buyer against all liability for injury or damages to any person or property arising out of the performance of this order. Seller further agrees upon request to furnish a certificate from its insurance carrier showing that it carries Workmen's Compensation, Public Liability and Property Damage insurance coverage in form and amount which, in Buyer's opinion, are adequate.
12. **FAIR LABOR STANDARDS WARRANTY:** Seller warrants that with respect to the production of the articles, and/or the performance of the services covered by this purchase order, it has fully complied with the provisions of the Fair Labor Standards Act of 1938 as amended.
13. **DRAWINGS AND MATERIAL:** All drawings, artwork, information or data furnished by Buyer as Buyer's exclusive property, shall be used by Seller only for Buyer's work, shall be kept confidential, and shall be returned promptly at Buyer's request. All material, supplies, and equipment furnished by Buyer, on consignment for processing, repair or otherwise, shall remain the property of Buyer, shall be maintained by Seller in good condition, shall be used by Seller only for Buyer's work, and shall be returned to Buyer at Buyer's expense on completion, or shipped elsewhere, or disposed of as directed by Buyer with certification that such action has been completed at Buyer's expense.
14. **EXTRAS:** No charge for insurance on shipments, or for packing, crating or drayage will be accepted unless there is an express agreement as to such charges.

CONTRACT CHANGE ORDER

27-5341

APPROPRIATION _____
WORK REQUEST _____

Change Order 11, issued September 28, 1972 to Contract U-00-5347-C
Dated February 24, 1972 between Humble Oil & Refining Company
and BROWN & ROOT, INC., Contractor.
Unit, Equipment, or Facility Involved River Water Clarification Plant

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 authorizes additional engineering charges to enable Graver Water Conditioning Company to bring their engineering schedule to completion by October 6, 1972.

This additional charge shall not exceed \$1,000.00.

ORIGINAL AMOUNT OF CONTRACT \$ 3,527,100.00
ADDITION
AMOUNT OF THIS ~~DEDUCTION~~ \$ Unit Price

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

ACCEPTED:

BROWN & ROOT, INC.
W. C. Lutz
Project Manager
WLB:aj (Title)

HUMBLE OIL & REFINING COMPANY

By: [Signature]
CONTRACTING ENGINEER
BAYTOWN REFINERY

cc: HCBall

EXX 001903

H.B.

HUMBLE OIL & REFINING COMPANY

BAYTOWN, TEXAS 77520

REFINING DEPARTMENT
BAYTOWN REFINERY

February 29, 1972

POST OFFICE BOX 4019

W. H. SCHWEITZER
MATERIALS MANAGER

Brown & Root, Inc.
Box 4060
Baytown, Texas 77520

27-5341

Humble Contract No. U-00-5347-C
River Water Clarification Plant

Gentlemen:

Attached is one fully executed copy of the above referenced Contract covering certain services at our Baytown Plant. Please render all invoices in duplicate and forward directly to Humble Oil & Refining Company, Accounting Payables, P. O. Box 4019, Baytown, Texas 77520.

Your final invoice must be accompanied by a copy of the attached affidavit form, completed and notarized, to show that all bills have been paid and claims settled in connection with this job.

The above contract number and job title must be shown on all invoices and correspondence in order that they may receive prompt handling.

Very truly yours,

W. L. Beckman, Jr.
W. L. Beckman, Jr.

WLB:aj
Enc.

EXX 001904

Appropriation 9-9455

Contract No. U-00-5347-C

THIS CONTRACT, entered into this *24* day of *February*,
1972, by and between HUMBLE OIL & REFINING COMPANY,
hereinafter referred to as "Humble," 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 Humble 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:

Construct River Water Clarification Plant 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
Job Specification	River Water Clarification Plant	November 15, 1971
Job Specification	Revision 1	December 20, 1971
Exhibit "A"	River Water Clarification	November 15, 1971
Exhibit "E"	Additional Safety Rules and Regulations	May 15, 1971
Exhibit "F"	Contractor and Subcontractor Listing Requirement	
Exhibit "G"	Stabilization of Prices, Rents, Wages, and Salaries	(1971 AUG)

Contractor agrees to begin work on or about February 11, 1972, and will make every effort to have the work Mechanically Complete by December 31, 1972.

2. PAYMENT - COMPLETION - ACCEPTANCE

A. As consideration for the satisfactory performance and completion of this Contract by Contractor, Humble agrees to pay Contractor the lump sum of THREE MILLION FIVE HUNDRED TWENTY-SEVEN THOUSAND ONE HUNDRED AND NO/100 (\$3,527,100.00) DOLLARS.

6. Mechanical Completion

(1) Mechanical Completion (herein called Mechanical Completion) shall be achieved when Work or any portion (a unit or a system or an area of equipment) thereof has been completed mechanically and structurally, put in a tight and clean condition, and otherwise prepared as described in Job Specification; and

→ *27-5341*

when all deficiencies that could prevent Plant from operating at the conditions specified in Job Specification, to the extent that said deficiencies can be determined without introducing feed stock, have been corrected; Humble may, by agreement with Contractor, consider Work or a portion thereof as mechanically complete notwithstanding that some minor amount of work, such as finish insulating and painting, removal of temporary facilities, or general cleaning up, remains to be done by Contractor.

- (2) As soon as Mechanical Completion has been achieved for a portion of Work, Humble at their discretion may issue an interim turnover notice for said portion, which notice shall be automatically superseded when the final turnover notice for Work is issued by Humble pursuant to paragraph (3) below.
- (3) Contractor shall give notice to Humble on the date Contractor considers Work is mechanically complete. Within ten (10) days after receipt of said notice, Humble will: (a) issue a final turnover notice certifying the date on which Work was judged by Humble to have been mechanically completed; or (b) if Humble judges that Work is still not mechanically complete, give notice to Contractor of the deficiencies to be corrected before the final turnover notice will be issued. Contractor shall again, as above, give notice to Humble after all deficiencies have been corrected.
- (4) The issuance by Humble of an interim turnover notice or the final turnover notice shall not be construed as Humble's concurrence that Work, or any portion thereof, fully conforms to Job Specification.
- (5) When Humble has issued interim turnover notices or the final turnover notice, Humble may proceed to start up the Mechanically Completed portions of Plant. During this period, Contractor shall continue to finish any incomplete work and promptly correct any deficiencies.

C. Onstream Operation

- (1) Onstream Operation shall be achieved when Plant has adequately demonstrated over a period of twenty-four (24) consecutive hours the capability to produce 27,000,000 gallons per day from the Clarification Plant and 6,000,000 gallons per day from the Filter Plant, of water of the quality as specified in the Job Specification.
- (2) When Plant is ready for operation, Humble will proceed to start up and operate Plant with the object of achieving Onstream Operation. During this period, Contractor shall promptly correct any deficiencies that result from Contractor's work under this Contract. Deficiencies that result from engineering design furnished to Contractor by Humble shall not be the responsibility of the Contractor under this Contract.

- D. Completion and Acceptance of Work - After Contractor has corrected all known deficiencies, under 2-C-(2) above, for which he is responsible under this Contract, and Contractor considers that he has completed Work, then Contractor shall give notice to Humble that Work has been completed. Within twenty (20) calendar days after receipt of said notice, Humble will: (a) execute and deliver to

Contractor notice of completion and acceptance of Work in accordance with Contract; or (b) if in his judgment Work is not satisfactory, give notice to Contractor of the deficiencies causing nonacceptance. Notice of completion and acceptance by Humble shall not relieve Contractor from its obligations under paragraph 12 of this Contract.

3. Contractor shall comply with all of the terms and conditions contained in Humble's publication entitled "Contractors' Responsibilities" dated March, 1970, revised June, 1970, said publication being made a part of this contract by reference. Humble 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 Humble 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 Humble'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 Humble'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, Humble reserves the right to have an inspector on the job. Any material which Humble considers unsatisfactory shall be removed and replaced at Contractor's expense. Neither inspection, waiving of inspection, nor acceptance by Humble 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 Humble's engineers or inspectors but that the detailed manner and method of doing same shall be under the control of Contractor, Humble 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 Humble agree as follows:

A. Contractor agrees to indemnify and hold Humble harmless from all claims, actions, demands, loss and causes of action 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 Humble or its employees.

(2) From (a) injuries to or deaths of persons, including employees and representatives of Humble, 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 Humble 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 Humble'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 Humble except that

Contractor shall not be responsible or liable for such damage to Humble'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 Humble that all insurance required under this Contract is in force and carried with companies acceptable to Humble 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 Humble. Upon request of Humble, 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, Humble 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 Humble by Contractor's laborers, mechanics or materialmen, and agrees to indemnify, protect and save Humble harmless from and against all such claims and liens.

7. Contractor agrees that if, in the opinion of Humble, 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, Humble may, at its election,

* Insured under a separate policy as excess of limits shown for employers liability, general and automobile bodily injury and property damage - \$1,000,000 each occurrence.

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 Humble 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 of use by Humble and shall return same to Contractor upon the completion of the job in as good condition as when taken over by Humble, ordinary wear and tear excepted. Should Humble take over the completion of said job, or obtain another contractor to do so Humble 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 Humble 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 Humble of the work herein contracted for it will furnish Humble 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 Humble to Contractor, subject, however, to the right in Humble 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 Humble that all claims for labor and material and for damages to persons and property, as above provided, have been satisfied, Humble, in the event it considers it safe to do so, will advance at approximately fifteen (15) day intervals up to ninety per cent (90%) of the value of the work then completed, based upon estimates by Humble'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.

Contractor agrees that in the event any lien or liens are fixed or attempted to be fixed, secured or claimed against Humble or Humble'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 Humble that such lien or liens have been fixed or attempted to be fixed, secured or claimed, furnish Humble 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 Humble 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 Humble may be required or deems it necessary to pay such taxes or charges, Contractor agrees to furnish Humble with information required to enable it to make the necessary reports and to pay such taxes or charges. Contractor agrees to reimburse Humble on demand at Houston, Texas, for all such taxes or governmental charges, state or federal, which Contractor fails or refuses to pay and which Humble may be required or deems it necessary to pay. In addition, Humble, 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 Humble, any such material or equipment which may become defective within one (1) year from Humble'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 Humble 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 Humble'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 Humble 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 Humble as to their condition.

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

D. To indemnify and hold Humble 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 Humble 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 Humble.

14. Humble 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 Humble may by such instructions or drawings, require Contractor to alter, change, accelerate, or omit any work covered by this Contract. In the event Humble 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 Humble an estimate of such increase or decrease. Should Humble desire to proceed in accordance with such estimate, Humble 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 Humble'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 Humble'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 Humble but shall contain a provision permitting assignment thereof by Contractor to Humble.

16. Contractor agrees to hold in confidence any and all technical information disclosed to Contractor by Humble, 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 Humble to Contractor is in the public domain;

B. Technical information which, after disclosure by Humble 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 Humble's disclosure to Contractor and was not acquired, directly or indirectly, from Humble.

Contractor agrees that Contractor will not, without the written permission of Humble, 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 Humble. Contractor agrees to grant and hereby grants to Humble 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 Humble is assignable by Humble 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 17, shall mean any company of which Humble Oil & Refining Company (a corporation of the State of Delaware) or Standard Oil Company (a corporation of New Jersey) now or hereafter owns or controls, directly or indirectly, fifty per cent (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 a particular company, shall be deemed to include all stock owned or controlled, directly or indirectly, by any other company of which the particular company owns or controls, directly or indirectly, fifty per cent (50%) or more of the stock having the right to vote for directors thereof.

18. It is expressly understood by Contractor that Humble accepts no obligation of confidence with respect to any information disclosed to Humble 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 Humble pursuant to this Contract and that Humble is hereby authorized to nullify, obliterate, or otherwise remove any such restrictive clauses; and that Humble 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 Humble 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.

ATTEST:

By

R. J. Derrick
SENIOR VICE PRESIDENT
L. J. DERRICK

SECRETARY

HUMBLE OIL & REFINING COMPANY

By

J. D. Derricks

FORM APPROVED
BY *[Signature]*

3762

WLB
WLB:aj
(WJGates)

CONTRACTOR'S ACKNOWLEDGMENT

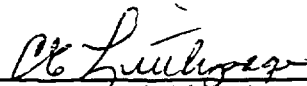
STATE OF TEXAS }
COUNTY OF HARRIS }

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

SENIOR 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 7TH
day of FEB, A. D., 19 72.



Notary Public in and for

Harris County, Texas

HUMBLE'S ACKNOWLEDGMENT

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 Humble Oil & Refining Company.

Given under my hand and seal of office, this the 24th day
of February, A.D., 19 72.

Joe M. Blake
Notary Public in and for
Harris County, Texas

JOE M. BLAKE
Notary Public in and for Harris County, Texas
My Commission Expires June 1, 1973

EXHIBIT "E"

ADDITIONAL SAFETY RULES AND REGULATIONS

The following safety rules and/or regulations will be a part of this contract/purchase order:

1. Other than in control rooms and office buildings, every person in the Baytown Refinery and Chemical Plant is required to wear safety glasses to assure continuing protection against eye injury. Plant Security personnel will issue to visitors of one day or less clear plastic spectacles, which shall be worn in conformance to this policy. These spectacles are to be returned to Plant Security as the visitor leaves the premises.
2. All contractors moving trailer-type equipment within the Baytown Refinery and Chemical Plant must use a hitch equal to Premier's automatic latching hitch No. 105 for one-ton loads, or No. 580 for 1-1/2-ton loads, except that properly rated ball hitches may be used when provided with safety chains.

May 15, 1971

EXX 001917

EXHIBIT "F"

CONTRACTOR AND SUBCONTRACTOR LISTING REQUIREMENT

(1) As provided by 41 CFR 50-250, the contractor agrees that all employment openings of the contractor which exist at the time of the execution of this contract and those which occur during the performance of this contract, including those not generated by the contract and including those occurring at an establishment of the contractor other than the one wherein the contract is being performed by excluding those of independently operated corporate affiliates, shall, to the maximum extent feasible, be offered for listing at an appropriate local office of the State employment service system wherein the opening occurs and to provide such periodic reports to such local office regarding employment openings and hires as may be required: Provided, That this provision shall not apply to openings which the contractor fills from within the contractor's organization or are filled pursuant to a customary and traditional employer-union hiring arrangement and that the listing of employment openings shall involve only the normal obligations which attach to the placing of job orders.

(2) The contractor agrees further to place the above provision in any subcontract directly under this contract

Reference Executive Order 11598

EXHIBIT "G"

STABILIZATION OF PRICES, RENTS, WAGES, AND SALARIES (1971 AUG)

(a) By Executive Order 11627, dated October 15, 1971, the President stabilized prices, rents, wages, and salaries. The contractor represents that to the best of his knowledge and belief he is in complete compliance with Executive Order 11627. 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 the order.

(b) The contractor agrees to insert the substance of this clause, including this paragraph (b), in all subcontracts for supplies or services issued under this contract.

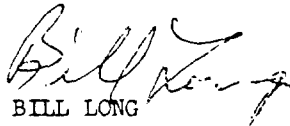
EXX 001919

OFFICE MEMO
BROWN & ROOT, INC.

FEBRUARY 25, 1972

TO THOSE CONCERNED:

JOB NO. 27-5341 IS ASSIGNED TO COVER THE CONSTRUCTION OF PHASE II
OF A RIVER WATER CLARIFICATION PLANT FOR HUMBLE OIL & REFINING
COMPANY AT BAYTOWN, TEXAS.


BILL LONG

BL/nb

JOB TITLE: HUMBLE OIL & REFINING COMPANY - CONSTRUCT PHASE II OF
A RIVER WATER CLARIFICATION PLANT AT BAYTOWN, TEXAS.

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

EXX 001920

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

27-5341

T: ACCOUNTING DEPARTMENT
F. A: Industrial-Civil Division
SUBJECT: JOB NUMBER ASSIGNMENT -

Brown & Root, Inc.

(COMPANY)

Industrial Work

2/24/72

(DATE)

(U. E. Littlepage - Baytown Office
SUB-DIVISION:

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

OWNER: Humble Oil & Refining Company

PRIME CONTRACTOR:

CONTRACT DATE: (Unknown at Present)

DESCRIPTION OF WORK: Construction of River Water Clarification Plant (Phase II) at
Owner's Baytown Refinery.

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

ESTIMATED COMPLETION DATE: January 1973 OR CONTINUOUS ()

CONTRACT AMOUNT: \$ 3,527,100.00 ACTUAL (XX), ESTIMATED ()

TERMS OF PAYMENT: PROGRESS BILLINGS - MONTHLY (XX), 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: 27-5341

SIGNATURE OF EMPLOYEE REQUESTING JOB NUMBER
O. M. Bakken

CC ORIGINAL - ACCOUNTING
DUPLICATE - RETAINED
TRIPLICATE - TREASURY/CREDIT
QUADRUPPLICATE - PURCHASING

FORM A-56

ACCOUNTING

EXX 001921