



## SUBCONTRACT

Brown &amp; Root, Inc.

P. O. Box 3, Houston, Texas 77001

PLAINTIFF'S EXHIBIT

B&amp;R-331

OK KMC

|                                                                   |                            |                                                                       |                                    |
|-------------------------------------------------------------------|----------------------------|-----------------------------------------------------------------------|------------------------------------|
| PAGE 1 OF 3                                                       | EFFECTIVE DATE<br>09-05-79 | REQUISITION NUMBER<br>027-36050                                       | SUBCONTRACT NUMBER<br>27-5794-5001 |
| BROWN & ROOT JOB NUMBER/ACCOUNTING CODE<br>27-5794-(005) 9131     |                            | PROJECT NAME<br>CHU COMPRESSORS<br>EXXON CO., U.S.A. BAYTOWN FACILITY |                                    |
| STATE CONTRACTOR'S LICENSE NUMBER (If Required)<br>NOT APPLICABLE |                            | STATE<br>NOT APPLICABLE                                               | DATE OF ISSUE<br>NOT APPLICABLE    |

RECEIVED  
BROWN & ROOT INC.

SEP 17 1 24 PM 1979

SUBCONTRACTOR  
PROJECT DIV.

## SUBCONTRACTOR

0252598  
INDUSTRIAL GUNITE  
P.O. BOX 5810  
DENA, TEXAS 77505

THE SUBCONTRACT TERMS APPEARING BELOW TOGETHER WITH THE ATTACHMENTS HERETO FORM THE PROVISIONS OF THE ENTIRE SUBCONTRACT.

AS OF THE EFFECTIVE DATE OF THIS SUBCONTRACT, PAYMENT AND PERFORMANCE BONDS ARE NOT REQUIRED BUT MAY BE REQUIRED PURSUANT TO GENERAL CONDITIONS.

## SUBCONTRACT TERMS

## 1.0 SUBLET WORK

1.1 THE SUBLET WORK CONSISTS OF FURNISHING ALL LABOR, MATERIALS, TOOLS, EQUIPMENT, SUPERVISION, INSURANCE, AND ALL OTHER ITEM(S) NECESSARY TO FIREPROOF THE T-518 STRUCTURE AND SUPPORT LEGS FOR VESSELS M-515, 516 AND 518, AS SHOWN ON EXXON DRAWING NOS. 81-222-4 REV. 0, AND 81-192-36 REV. 0 AT THE CHU COMPRESSORS, EXXON COMPANY U.S.A. BAYTOWN FACILITY.

1.2 THE SUBLET WORK DESCRIBED HEREIN SHALL BE IN ACCORDANCE WITH AND PURSUANT TO THE DIRECTIVES OF GENERAL CONTRACTOR'S PROJECT MANAGER OR HIS DULY AUTHORIZED REPRESENTATIVE.

## 2.0 EQUIPMENT AND SERVICES TO BE PROVIDED BY GENERAL CONTRACTOR

GENERAL CONTRACTOR SHALL PROVIDE THE FOLLOWING EQUIPMENT AND SERVICES TO SUBCONTRACTOR DURING THE COURSE OF THE SUBLET WORK AT NO COST TO SUBCONTRACTOR:

2.1 SPACE ADJACENT TO WORK AREA FOR PURPOSE OF SETTING UP SUBCONTRACTOR'S EQUIPMENT.

2.2 POTABLE WATER.

2.3 USE OF GENERAL CONTRACTOR'S MANNED EQUIPMENT TO LOAD AND OFF-LOAD EQUIPMENT FROM SUBCONTRACTOR'S TRUCK.

## 3.0 TIME OF PERFORMANCE

3.1 PRESENTLY, THE SUBLET WORK DESCRIBED HEREIN IS SCHEDULED TO COMMENCE ON OR ABOUT OCTOBER 1, 1979 AND IS TO BE PERFORMED IN A DILIGENT MANNER UNTIL ALL ASPECTS OF THE WORK ARE COMPLETE.

3.2 SUBCONTRACTOR SHALL MAINTAIN CONTACT WITH THE GENERAL CONTRACTOR'S PROJECT MANAGER, OR HIS DULY AUTHORIZED REPRESENTATIVE FOR THE PURPOSE OF COORDINATING ANY SCHEDULED CHANGES OF THE SUBLET WORK IN ACCORDANCE TO GENERAL CONDITION 4.

ATTACHMENTS (AS CHECKED)

P-50 GENERAL CONDITIONS  
(1-79)

SPECIAL CONDITIONS



P-7 AFFIDAVIT (2)

☐ OTHER:

|                                 |                        |                                                 |                       |
|---------------------------------|------------------------|-------------------------------------------------|-----------------------|
| SUBCONTRACTOR                   |                        | BROWN & ROOT, INC. - GENERAL CONTRACTOR         |                       |
| AUTHORIZED REPRESENTATIVE       |                        | AUTHORIZED REPRESENTATIVE                       |                       |
| SIGNATURE<br>Robert M. Ferguson | DATE SIGNED<br>9-10-79 | SIGNATURE<br>S. C. Hallmark Jr. D.E. Newton Jr. | DATE SIGNED<br>9-7-79 |

JOBSITE FILE COPY

A-21 (05-78)

EXX 004794

|             |                                       |                    |
|-------------|---------------------------------------|--------------------|
| PAGE NUMBER |                                       | SUBCONTRACT NUMBER |
| 2 OF 3      | SUBCONTRACT/CHANGE ORDER CONTINUATION | 27-5794-5001       |
|             | DESCRIPTION                           |                    |

#### 4.0 SUBCONTRACT PRICE

GENERAL CONTRACTOR AGREES TO PAY SUBCONTRACTOR FOR COMPLETE, SATISFACTORY, AND TIMELY PERFORMANCE OF SUBLET WORK IN STRICT COMPLIANCE WITH THE REQUIREMENTS OF THE SUBCONTRACT DOCUMENTS FOR THE TOTAL FIRM LUMP SUM PRICE INCLUDING ALL APPLICABLE SALES/USE TAXES  
 ..... \$ 5,815.00  
 FIRM LUMP SUM

#### 5.0 PAYMENT AND PERFORMANCE BONDS

THERE IS NO REQUIREMENTS AT THIS TIME TO FURNISH SEPARATE 100% PAYMENT AND PERFORMANCE BONDS. HOWEVER, GENERAL CONTRACTOR MAY AT ANYTIME DURING COURSE OF THIS SUBCONTRACT REQUIRE SUCH BONDS TO BE FURNISHED IN ACCORDANCE TO GENERAL CONDITION 19. IF BONDS ARE REQUIRED AT A LATER DATE, THE PREMIUM SHALL BE REIMBURSABLE TO THE SUBCONTRACTOR.

#### 6.0 INSURANCE CERTIFICATES

6.1 SUBCONTRACTOR SHALL FORWARD ITS INSURANCE CERTIFICATE STATING THE NAMES OF ITS INSURANCE CARRIER(S) AND CERTIFYING THAT ITS INSURANCE COVERAGE MEETS WITH THE REQUIREMENTS OF GENERAL CONDITION 21.

6.2 SUBCONTRACTOR INSURANCE CERTIFICATES SHALL REFERENCE THE PROJECT AND SUBCONTRACT NO., AND SHALL MAIL ONE COPY TO THE FOLLOWING ADDRESS PRIOR TO ARRIVAL AT THE JOB SITE:

BROWN & ROOT, INC.  
 P. O. BOX 3  
 HOUSTON, TEXAS 77001

ATTN: K. J. MC COY (01-116)

#### 7.0 INVOICE

SUBCONTRACTOR SHALL SUBMIT INVOICES IN QUADRUPLICATE ACCORDING TO THE PROVISIONS SET FORTH IN GENERAL CONDITION 32.

BROWN & ROOT, INC.  
 P. O. BOX 4060  
 BAYTOWN, TEXAS 77520

ATTN: JOE LABBE

#### 8.0 AFFIDAVIT

TWO COPIES OF THE GENERAL CONTRACTOR'S "AFFIDAVIT FOR SUBCONTRACTOR" (FORM P-7) ARE ATTACHED. CONTRACTOR SHALL EXECUTE AND RETURN ONE COPY WITH HIS FINAL OR RETAINAGE INVOICE.

THIS SUBCONTRACT/CHANGE ORDER CONSISTS OF PAGE 1 BEARING SIGNATURES AND AS MANY ADDITIONAL NUMBERED PAGES AS SHOWN ABOVE. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

|                                       |                    |
|---------------------------------------|--------------------|
| PAGE NUMBER                           | SUBCONTRACT NUMBER |
| 3 OF 3                                | 27-5794-5001       |
| SUBCONTRACT/CHANGE ORDER CONTINUATION |                    |
| DESCRIPTION                           |                    |

**9.0 ACKNOWLEDGMENT**

TO ENSURE PROMPT PAYMENT OF INVOICES, SUBCONTRACTOR SHALL SIGN THIS DOCUMENT, RETAIN THE ORIGINAL COPY MARKED "SUBCONTRACTOR COPY" FOR THEIR FILE AND RETURN ALL OTHER COPIES TO THE FOLLOWING ADDRESS:

BROWN & ROOT, INC.  
P. O. BOX 3  
HOUSTON, TEXAS 77001

ATTN: R. J. MC COY (01-116)

**10.0 ASSIGNMENT**

SUPPLEMENT TO GENERAL CONDITION 17:

SUBCONTRACTOR AGREES THAT GENERAL CONTRACTOR MAY ASSIGN THIS SUBCONTRACT TO OWNER AT ANY TIME WITHOUT AFFECTING THE SUBCONTRACTOR'S DUTIES, RIGHTS AND OBLIGATIONS HEREIN. PRIOR TO ASSIGNMENT NO CONTRACTURAL RELATIONSHIP EXISTS BETWEEN SUBCONTRACTOR AND OWNER.

**11.0 SAFETY REGULATIONS**

SPECIAL ATTACHMENT ENTITLED, "CONTRACTOR RESPONSIBILITIES FOR SAFETY, PLANT SECURITY AND TRAFFIC REGULATIONS", DATED 1-9-79, IS HEREBY INCORPORATED AS PART OF THE SUBCONTRACT.

**12.0 LABOR RELATIONS**

THE SUBCONTRACTOR REPRESENTS THAT ITS PRE-EXISTING COLLECTIVE BARGAINING AGREEMENTS, IF ANY, CONTAIN OR WILL CONTAIN PROVISIONS THAT, OR SUBCONTRACTOR HAS ENTERED INTO OR WILL ENTER INTO A PROJECT AGREEMENT MODIFYING SUCH COLLECTIVE BARGAINING AGREEMENT TO PROVIDE THAT, THERE SHALL BE NO STRIKES, SLOWDOWNS, PICKETING, SECONDARY BOYCOTTS, OR WORK STOPPAGES DURING THE PERFORMANCE OF THE SUBLET WORK. SUBCONTRACTOR WILL FURTHER SUBCONTRACT ONLY TO LOWER-TIER SUBCONTRACTORS HAVING SIMILAR PROVISIONS IN THEIR COLLECTIVE BARGAINING AGREEMENTS, IF ANY.

**13.0 VOLUNTARY WAGE AND PRICE GUIDELINE**

IN ACCEPTING THIS SUBCONTRACT THE SUBCONTRACTOR WARRANTS THAT THE GUIDELINES ESTABLISHED BY THE PRESIDENT'S COUNCIL ON WAGE AND PRICE STABILITY HAVE BEEN ADOPTED VOLUNTARILY AND THAT THE PRICES SHOWN ARE IN COMPLIANCE THEREWITH.

THIS SUBCONTRACT/CHANGE ORDER CONSISTS OF PAGE 1 BEARING SIGNATURES AND AS MANY ADDITIONAL NUMBERED PAGES AS SHOWN ABOVE. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

JOBSITE FILE COPY

P-119 (05-79)

EXX 004796

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



October 26, 1979

Service Painting Co.  
P. O. Box 2353  
Beaumont, TX 77704

Attn: Jeff Davis/Project Manager

Subject: Subcontract No. 27-5794-5002  
Sandblast & Paint Piping and Drums  
CHU Compressor  
Baytown, Texas

Dear Mr. Davis:

We enclose herewith one fully executed copy of our Subcontract No. 27-5794-5002 dated October 24, 1979 for your permanent file.

Sincerely yours,

BROWN & ROOT, INC.

*Kathy J. McCoy*  
Kathy J. McCoy  
Subcontractor Administrator  
Subcontracts Department  
Procurement Division

KJM/jaa

Enclosure

bcc: E. E. Kernan (original copy)  
J. W. Cole Accounts Payable - ICD (1 copy)  
B. M. Holt  
RF/RMB  
RF/KJM  
RF/CIRC  
File: S/C No. 27-5794-5002  
Alphabetical File

EXX 004797



# Brown & Root, Inc.

KJM/lcm  
SUBCONTRACT

EXXON COMPANY U.S.A.  
CHU COMPRESSOR  
BAYTOWN, TEXAS

Job Number 27-5794

Subcontract No. 27-5794-5002

(Project)

Sandblast and Paint Piping & Drums

(Sublet Work)

October 24, 1979

(Effective Date)

THIS SUBCONTRACT, by and between BROWN & ROOT, INC., a Texas Corporation, P. O. BOX 3, HOUSTON, TEXAS 77001, "GENERAL CONTRACTOR" and,

Service Painting Company

a Corporation under laws of Texas  
(Corporation, Proprietorship, Partnership) (State)

whose address is O. Box 2353, Beaumont, Texas 77704

"SUBCONTRACTOR," whose contractor's license number under laws of Not Applicable

is Not Applicable, entered into as of the EFFECTIVE DATE stated above.

## WITNESSETH:

In consideration of the mutual promises herein contained General Contractor and Subcontractor agree, promise, and obligate themselves as follows

1. Subcontractor promises to perform the Sublet Work for the Project in accordance with the Contract Documents.
2. General Contractor promises to pay Subcontractor, for full, accurate and timely performance of the Sublet Work in accordance herewith, the Price and other payments, and promises to perform all of the other obligations of General Contractor, as set forth in the Contract Documents.
3. The Contract Documents constituting this Subcontract consist of:
  - a. "Subcontract Terms" and exhibits thereto.
  - b. ~~XXXXXX CONTRACT DOCUMENTS XXXXXX~~
  - c. "General Conditions" P-50 (1-79)
  - d. "Affidavit for Subcontractor" (Form P-7)
  - e. "Contractor's Responsibilities for Safety, Plant Security and Traffic Regulations" (April 1, 1978)
  - f.

|                      |                     |
|----------------------|---------------------|
| Project Account Code | <u>27-5794</u>      |
| Vendor Code No.      | <u>1140 8598</u>    |
| Net Price: \$        | <u>19,286.00</u>    |
| Terms:               | <u>Net 10% Ret.</u> |

Subcontract No. 27-5794-5002

The foregoing constitutes the entire contract, and supersedes all prior proposals, negotiations, agreements, awards, letter of intent and written or oral statements, representations or agreements.

4. The Effective Date set forth above is the date as to which all Contract Documents and provisions thereof have reference for purposes of coordination of their meaning and effect. The price relates to the Sublet Work as described in drawings, specifications and other Contract Documents in their condition on that date. Changes after the effective date will be dealt with in accordance with the provision for changes. Any work commenced and any payment made pursuant to an Award or Letter of Intent prior to the execution hereof shall be deemed to have been done and paid after the Effective Date under the terms of this Subcontract.

GENERAL CONTRACTOR:

BROWN &amp; ROOT, INC.

By: Susan S. Mather  
D. E. Newton  
for Title: Vice President - ProcurementDate: November 08, 1979

SUBCONTRACTOR:

Service Painting CompanyBy: Miss Warts  
Title: Vice PresidentDate: 11/6/79

SUBCONTRACT TERMS

Subcontract No. 27-5794-5002

1.0 SUBLET WORK

- 1.1 The Sublet Work, in general, is to perform the sandblasting and painting work required at the CHU Compressor at the Exxon Company Facilities located in Baytown, Texas.
- 1.2 More specifically, the Subcontractor agrees to perform the Sublet Work which consists of furnishing all labor, supervision, materials, tools, equipment, taxes, insurance, and incidentals necessary to sandblast and paint piping and drums at the location described above, all of which work shall be performed in accordance with and pursuant to the requirements of the drawings and specifications listed in Subcontract Term No. 2 hereunder and all other provisions of the Subcontract Documents.
- 1.3 Subcontractor shall perform all work described herein in accordance with the directions of the General Contractor's Project Manager or his duly authorized representative

2.0 DRAWINGS AND SPECIFICATIONS

The Sublet Work shall be performed in accordance with, and all materials furnished by the Subcontractor shall comply with and conform to the Drawings listed in "Table I", Rev. 1, July 19, 1979, Appropriation 32212-81140; as attached hereto.

3.0 TIME OF PERFORMANCE

- 3.1 Presently, Subcontractor is scheduled to commence performance of the Sublet Work on or about October 22, 1979 and to perform all work in a diligent manner until all aspects of the Sublet Work are complete.
- 3.2 Subcontractor shall maintain contact with the General Contractor's Project Manager, or his duly authorized representative, for the purpose of coordinating any schedule changes of the Sublet Work in accordance with General Condition 4.

4.0 SUBCONTRACT PRICE

- 4.1 General Contractor agrees to pay Subcontractor for complete, satisfactory, and timely performance of the Sublet Work strictly in accordance with the drawings, specifications, and requirements of all of the Subcontract Documents the following Firm Lump Sum Price, inclusive of all sales and use taxes:

EXX 004800

#### 4.0 SUBCONTRACT PRICE - (Continued)

##### 4.1 (Continued)

NINETEEN THOUSAND TWO HUNDRED EIGHTY-SIX DOLLARS AND 00/100  
(Words)

\$19,286.00  
(Figures)

##### 4.2 Payment and Performance Bonds

There is no requirement at this time to furnish separate 100% Payment and Performance Bonds, However, General Contractor may at any time require separate Payment and Performance Bonds in accordance with the provisions of General Condition No. 19. If Bonds are required, the premium of said Bonds shall be reimbursable to the Subcontractor.

#### 5.0 PAYMENT

##### 5.1 The following paragraph supplements Paragraph Number 32 of the General Conditions:

Subcontractor shall be paid in monthly progress payments the value of the Sublet Work satisfactorily performed during the preceding month based upon the firm lump sum price detailed and described in Subcontract Term No. 4 less 10% of such value as retainage until final completion and acceptance of the Sublet Work by General Contractor. Subcontractor shall prepare and submit an invoice for the proposed monthly progress payments and shall submit supporting documents and proof of payment of all bills for labor and materials, as may be requested by General Contractor. Subcontractor's invoice for proposed monthly progress payments with requested supporting documents and proof of payment of all bills will be submitted for approval by General Contractor and when approved, payment shall be made within thirty days thereafter. Final payment and release of retainage shall be made when the Sublet Work has been satisfactorily completed and accepted and Subcontractor has submitted the affidavit as called for below.

##### 5.2 AFFIDAVITS

Two copies of the General Contractor's "Affidavit for Subcontractor" (Form P-7) are attached for use in implementing the provisions of General Condition No. 32. Subcontractor shall execute and return one copy with his final or retainage invoice to the address shown below.

5.0 PAYMENT - (Continued)5.3 INVOICES

Subcontractor shall render all invoices to the following address:

Brown & Root, Inc.  
P. O. Box 4060  
Baytown, Texas 77520  
Attn: Joe Labbe

6.0 INSURANCE

Subcontractor shall forward his Certificate of Insurance stating the names of its Insurance Carriers and certifying that its insurance coverages meet the requirements set forth in General Condition No. 21 herein to the following address, in addition to the address shown in Subcontract Term 5.3 above:

Brown & Root, Inc.  
P. O. Box 3  
Houston, Texas 77001  
Attn: K. J. McCoy  
(01-116)

7.0 LABOR RELATIONS

The following supplements Paragraph 14 of the General Conditions:

Subcontractor represents that its pre-hiring collective bargaining agreements, if any, contain or will contain provisions that, or Subcontractor has entered into or will enter into a project agreement modifying such collective bargaining agreement to provide that, there shall be no strikes, slowdowns, picketing, secondary boycotts, or work stoppages during the performance of the Sublet Work. Subcontractor will further subcontract only to lower-tier subcontractors having similar provisions in their collective bargaining agreements, if any.

8.0 ASSIGNMENT OF SUBCONTRACT TO OWNER

The following provisions hereby supplement General Condition No. 17:

Subcontractor agrees that General Contractor may assign this Subcontract to Owner at any time without affecting the Subcontractor's duties, rights, and obligations hereunder. Prior to assignment no contractual relationship exists between Subcontractor and Owner.

9.0 SAFETY AND SECURITY

Subcontractor shall perform the Sublet Work in strict accordance with the provisions set forth in the attached document entitled "Contractor's Responsibilities for Safety, Plant Security, and Traffic regulations", dated September 1, 1978, which is hereby incorporated as part of this Subcontract by reference.

10.0 WAGE AND PRICE GUIDELINES

In accepting this subcontract the Subcontractor warrants that the Guidelines established by the President's Council on Wage and Price Stability have been adopted voluntarily, and that the prices shown are in compliance therewith.

EXX 004803

TABLE I (CONTINUED)

| <u>Drawing Number</u>           | <u>Title</u>                                                            |
|---------------------------------|-------------------------------------------------------------------------|
| <u>Mechanical Flow Diagrams</u> |                                                                         |
| 81-198-10                       | CHU, BOP H <sub>2</sub> Booster Compressor, Mechanical Flow Diagram     |
| 81-198-11                       | CHU, BOP H <sub>2</sub> S Removal Reactor, Mechanical Flow Diagram      |
| <u>Plot Plan</u>                |                                                                         |
| 81-139-5                        | CHU, C-503 Area, Underground                                            |
| 81-140-7                        | CHU, Plot Plan                                                          |
| <u>Piping</u>                   |                                                                         |
| 81-190-39                       | CHU, Key Piping Plan                                                    |
| 81-190-40                       | CHU, C-503, F-503, M-515, M-516, M-518 Piping Plan                      |
| 81-190-41                       | CHU, T-518 Piping Plan                                                  |
| 81-190-42                       | CHU, M-517 Below El. 33'-0" PS No. 25 through PS No. 27 Piping Plan     |
| 81-190-43                       | CHU, M-517 Above El. 33'-0" Piping Plan                                 |
| 81-190-44                       | CHU, PS No. 27 through PS No. 33 Piping Plan and Section                |
| 81-190-45                       | CHU, C-503 Utility Piping Isometric                                     |
| 81-192-32                       | CHU, C-503, M-515, M-516, M-518, F-503 Piping Sections and Details      |
| 81-192-33                       | CHU, T-518 Piping Sections and Details                                  |
| 81-192-35                       | CHU, M-517 Piping Sections and Details                                  |
| 81-192-36                       | CHU, M-515, M-516, M-518 Instrument Piping Sections                     |
| 81-199-12                       | CHU, Line Schedule                                                      |
| 81-382-1                        | CHU, C-503 Oil Mist Details and Isometric                               |
| 81-382-1                        | CHU, Fire Monitor Assembly and Details                                  |
| <u>Civil/Structural</u>         |                                                                         |
| 81-71-7                         | CHU, C-503 Foundation Plan and Details                                  |
| 81-71-8                         | CHU, C-503 Foundation Sections and Details                              |
| 81-71-9                         | CHU, M-515, M-516, M-518 and T-518 Foundation Details                   |
| 81-71-10                        | CHU, M-517 and Firewall Foundation Plans                                |
| 81-221-1                        | CHU, Miscellaneous Pipe Supports Plan and Details                       |
| 81-222-4                        | CHU, T-518 Miscellaneous Supports Plans and Details                     |
| 81-240-12                       | CHU, M-517 Platform Plan and Details                                    |
| S-81-71-7                       | CHU, C-503 Foundation Reinforcing Steel Schedule                        |
| S-81-71-10                      | CHU, Foundation, M-517 & Firewall Reinforcing Steel Schedule            |
| S-81-71-9                       | CHU, FOUNDATION M-515, M-516, M-518, & T-518 REINFORCING STEEL SCHEDULE |

## GENERAL CONDITIONS

### 1. INVESTIGATION OF SITE AND PROJECT CONDITIONS

Subcontractor represents that he is familiar with the site and the physical conditions, the availability of labor and materials and all other matters at the site or in the vicinity of the site which affects the Sublet Work. Subcontractor represents that he has examined the subcontract document and familiarized himself with the Project, the laws, rules and regulations relating to the Project; the environmental considerations affecting the Project and the Sublet Work; the participants in the Project; and the contractual and regulatory provisions of governmental agencies, the Owner and General Contractor affecting the participants in the Project and the Sublet Work. No allowance will be made to Subcontractor for not having made such examination and review or for requirements which a reasonable examination, inquiry and review would have disclosed.

### 2. RESPONSIBILITY

a. Subcontractor agrees to perform the Sublet Work in accordance with good construction practices and the plans, specifications and other requirements of this Subcontract, and to furnish all supervision, labor, supplies, tools, construction equipment, facilities, storage, permanent equipment and materials (except as specified herein to be furnished by Owner or General Contractor) and all other things and services necessary or desirable to perform the Sublet Work.

b. Subcontractor shall be responsible for the correctness of the positions, levels and dimensions of the Sublet Work, notwithstanding 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 immediately advise the General Contractor's Site Representative and await instructions for removal and replacement or performance of corrective work, before proceeding with that portion of the Sublet Work.

c. 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.

### 3. COORDINATION OF THE PROJECT

General Contractor is charged with the responsibility of accomplishing the work of the entire Project, or a significant portion thereof, in accordance with drawings, specifications, permits, licenses, rules and regulations, laws and ordinances, and requirements of the Owner. The contract price provisions, and the definition of requirements of the Sublet Work, as of the effective date, are coordinated and identified in the Subcontract Terms. General Contractor is charged with the responsibility of coordinating the efforts of all, or a significant portion of, the participants in the Project, including various subcontractors, specialty service contractors, suppliers, and other workmen, and the direct employees of General Contractor. Subcontractor agrees to perform the Sublet Work as part of the team of participants in the Project in cooperation with all other participants, and subject to all reasonable rules, regulations, and directives of General Contractor (a) for the coordination of the work of all participants, (b) for the maintenance of safety, efficiency, security and good order on the Project as a whole, (c) for compliance with the terms hereof, and (d) for the protection of the environment and the rights of the public.

### 4. SCHEDULING SUBLET WORK

Subcontractor agrees to commence the Sublet Work promptly when directed by General Contractor and to prosecute the Sublet Work diligently to completion. Sub-

contractor agrees to provide adequate number and types of: (a) laborers, skilled craftsmen and technicians, supervisors, administrators, and managers, (b) construction equipment in good condition, (c) materials, permanent equipment, and supplies, except for items specified to be supplied by General Contractor or Owner, to accomplish the work and maintain the Schedule or restore the Sublet Work to the Schedule. Subcontractor shall provide General Contractor a detailed Schedule for performance of the Sublet Work and shall revise and update such Schedule from time to time as the work on the Project progresses. The Schedule for the Sublet Work shall be subject to revision or approval by General Contractor to coordinate the Sublet Work with the over-all rate of progress of General Contractor and other participants in the Project as a whole, and to expedite performance of critical items of work on the schedule. General Contractor will schedule and coordinate the use by Subcontractor and others of jointly used facilities, construction equipment, and space, and Subcontractor shall accommodate its Schedule to such shared use. General Contractor will determine the normal working hours for the Project as a whole, and any special working hours for the Sublet Work on a normal shift or overtime basis will be subject to prior approval of General Contractor.

### 5. INTEGRATION WITH WORK OF OTHERS

Subcontractor shall inform itself regarding the nature, condition and state of progress of work of others which affects or connects with the Sublet Work. Before connecting Sublet Work to work of others, Subcontractor shall ascertain that such work of others is ready, properly aligned, and in suitable condition for such connection and integration with the Sublet Work, and shall report any discrepancies to General Contractor for adjustment prior to proceeding. Subcontractor is not charged with notice of latent defects in the work of others of which he has no actual knowledge.

### 6. ALLOCATION OF FACILITIES

General Contractor will designate for use by Subcontractor, entrances, parking areas, storage areas, office and work areas, and such facilities and construction equipment as General Contractor is to provide. General Contractor will allocate, and schedule the use of, such common facilities and utilities as are provided by General Contractor for use of Subcontractor and other participants in the Project. Temporary interruption of services, utilities and use of facilities are anticipated and shall not justify a claim for additional compensation.

### 7. INSPECTION AND QUALITY CONTROL

The Sublet Work shall be performed to the specified standards of workmanship and strictly in accordance with drawings, specifications, procedures, and other requirements of this Subcontract. General Contractor shall have the right to inspect the Sublet Work and Subcontractor's equipment, tools, records and facilities at all times. No work shall be covered until inspected and released in accordance with established inspection procedures, and any work improperly covered shall be uncovered and exposed by Subcontractor for inspection on request. Inspection and approval shall not relieve Subcontractor of the obligation to complete the entire Sublet Work in strict compliance with the requirements of this Subcontract. Any defective Sublet Work shall be discontinued, removed and replaced or corrected in accordance with specifications and directions of General Contractor. Subcontractor shall furnish for the Sublet Work all Quality Assurance and Quality Control documentation, as required by General Contractor for the Project as a whole or for the specific part thereof affected by the Sublet Work.

### 8. SAFETY, CLEANLINESS AND SANITATION

Subcontractor shall comply with all applicable laws, rules and regulations relating to safety. Subcontractor

shall comply with all safety standards, rules and regulations relating to safety, cleanliness and sanitation established by General Contractor for the Project as a whole. Subcontractor shall immediately stop work and take corrective action when directed by General Contractor because of any unsafe condition or practice. Subcontractor shall be responsible for the safety of its workmen and the Sublet Work and shall not create hazards for others or the work of others. Subcontractor shall provide first aid and ambulance facilities for its workmen to the extent sufficient facilities are not provided for the Project as a whole by General Contractor. General Contractor shall provide for safety of the Project as a whole. In case of emergency, General Contractor may direct Subcontractor's personnel and resources for the protection of life and property.

## 9. DELAYS

If Subcontractor's performance of the Sublet Work is delayed by Owner's or General Contractor's failure to perform their obligations hereunder, or by orders of the General Contractor delaying or suspending the work, or by changes in the work, Subcontractor shall be entitled to an equitable adjustment in the price and time for performance in accordance with the provision for Changes in Article 12; but no price adjustment shall be due for delays or inconvenience to Subcontractor from the scheduling and coordination of the Sublet Work with the rate of progress made by all participants in the Project. In the event Subcontractor is delayed by force majeure, Subcontractor shall be entitled to an equitable extension of time but no adjustment in the price; provided, that inadequate manpower or failure of Subcontractor's workmen to prosecute their work because of strikes, boycott, picketing, or other form of labor dispute shall not be deemed force majeure unless there is clear and substantial danger of bodily harm or property damage if the employees undertook to enter the work site and perform their work, as determined by General Contractor or the chief local law enforcement officer. Subcontractor shall notify General Contractor in writing within 48 hours after the commencement of a delay, if Subcontractor claims an extension of time or an adjustment of price because of such delay, or the right to such extension or adjustment shall be waived.

## 10. SUPPLEMENTING OR TAKING OVER BY GENERAL CONTRACTOR

If, after seven (7) days written notice by General Contractor to Subcontractor specifying any deficiency in the Sublet Work or the promptness with which it is being performed, Subcontractor has not promptly commenced to correct, and within a reasonable time corrected, such deficiency to the satisfaction of General Contractor, General Contractor may supplement the work of Subcontractor, or take over performance of the Sublet Work temporarily or completely, with General Contractor's own forces or by contract with others. General Contractor may use all or part of Subcontractor's construction equipment, tools and facilities at the project site, and any materials, permanent equipment and supplies, in the performance of the Sublet Work, without payment to Subcontractor otherwise than by the extent such use of Subcontractor's items causes a reduction of cost of completing the Sublet Work. All costs incurred by General Contractor in performing all or part of the Sublet Work, including a mark-up of 10% of such cost, shall be deducted from the price payable to Subcontractor and if such sum plus all payments previously made to Subcontractor shall exceed the price, Subcontractor shall refund to General Contractor the excess within ten (10) days after submittal of a properly documented invoice. If the price is on a cost reimbursable basis, Subcontractor will be reimbursed for use of construction equipment at the lowest applicable rate provided for herein or at prevailing rental rates if no rate is specified, and the cost of Subcontractor's materials used. Upon notice from General Contractor to Subcontractor, Subcontractor shall resume and complete the Sublet Work, but this right to supplement or take over the Sublet Work may again be exercised if necessary.

The determination of General Contractor's project manager to invoke the provisions of this Article 10 shall be final and conclusive; provided Subcontractor may within said seven day period, appeal to an executive officer designated by the President of General Contractor, whose decision shall be final absent actual fraud.

## 11. DEFERMENT OR TERMINATION

In the event the Project is deferred or terminated by Owner, or if General Contractor shall elect to defer or terminate the Sublet Work, Subcontractor shall be paid: (1) the price earned for work completed and accepted, (2) a proportionate part of the price allocated to the portion of the work partially completed, (3) the reasonable cost incurred by Subcontractor in securing and protecting the work in progress against loss, damage or deterioration, and (4) unamortized mobilization and demobilization costs; standby costs, cancellation or deferment charges of suppliers; the cost of materials and equipment not sold or disposed of; and other special costs for terminating or suspending work or preserving the work accomplished and turning it over to General Contractor but (5) no compensation for the portion of the Sublet Work not performed. General Contractor shall notify Subcontractor whether the Sublet work is terminated or deferred to an indefinite or specified date and the deferment shall not exceed six months (or other limits expressed in the Subcontract Terms) without the consent of Subcontractor. If deferred, the Sublet Work may thereafter be terminated and shall be terminated upon expiration of the maximum period of deferment without notice to resume. Following deferment and notice to resume given by General Contractor to Subcontractor in writing, Subcontractor shall resume the Sublet Work in accordance with the terms hereof with an equitable adjustment, if required, in the price and time of completion, determined as in the case of changes. In case of any such termination or deferment, Subcontractor shall, as directed by General Contractor, secure, safeguard, remove or deliver to General Contractor all material, equipment, supplies, work in progress, and contract rights.

## 12. CHANGES

General Contractor reserves the right to make changes in the Sublet Work or the manner of its performance. No change shall be made by Subcontractor in the Sublet Work or its manner of performance, without prior written instructions from General Contractor, in a written Change Order specifying the change in plans, specifications, procedures, time, sequence, or other requirement of this subcontract, and specifying whether there is to be an adjustment in the price or time for performance and how any such adjustment shall be determined. No adjustment in price or time of performance shall be made for changes in arrangement, aesthetics, substitution of equivalent materials or equipment or other changes, unless such changes significantly affect Subcontractor's cost of performing the Sublet Work or extend the time that Subcontractor's equipment and forces are required at the project site. An equitable adjustment will be made in price or time of performance or both, if the change ordered by General Contractor substantially increases or decreases the cost to Subcontractor of the Sublet Work or the time that Subcontractor's equipment and forces are required at the project site. The method of determining the equitable adjustment shall be specified, and if possible, the price fixed at the time of the issuance of written direction for the change. Unless a lump sum is established by agreement or another method of pricing is established by agreement, General Contractor may direct determination of the equitable adjustment in price, whether an increase or decrease, by any of the following methods: (a) agreed or established fixed unit prices, (b) force account, or (c) cost plus fee. If the force account method is directed by General Contractor, the force account rates for equipment use, man-hour labor rate including payroll burden and markup for overhead and profit, with reimbursement of actual cost of materials, as established in the Subcontract Terms or by other agreements, shall be used to determine the ad-

**29. INDEPENDENT CONTRACTOR**

Subcontractor shall perform the Sublet Work as an independent contractor with exclusive control of the manner and means of performing the Sublet Work in accordance with the requirements of the Contract, unless an agency or other relationship is specified in the Subcontract Terms. Subcontractor has no authority to act or make any agreements or representation on behalf of General Contractor or Owner, and no contractual relationship exists between Subcontractor and Owner. No employee or agent engaged by Subcontractor shall be, or shall be deemed to be, an employee or agent of General Contractor or Owner. In the event General Contractor should, at the request of Subcontractor, furnish workmen to Subcontractor for any purpose to work under the direction and supervision of Subcontractor, such employees of General Contractor shall be deemed to be the borrowed servants of Subcontractor and Subcontractor shall be responsible for their actions while so engaged.

**30. LAWS**

This Subcontract is entered into in Houston, Texas, and shall be construed and governed by the laws of the State of Texas. Subcontractor shall comply with all laws, statutes, ordinances, rules and regulations of any governmental entity, having jurisdiction, and Subcontractor shall indemnify and hold harmless the Owner and General Contractor from any fines, penalties, costs or liability arising from Subcontractor's failure to comply therewith.

**31. DISPUTES**

All questions arising under this Subcontract shall be resolved in the first instance by General Contractor's project manager. No claim for additional compensation or extension of time shall be considered unless presented to General Contractor's project manager in writing within ten (10) days after the occurrence giving rise to the dispute. Any claim not satisfactorily resolved by General Contractor's project manager in the first instance, and which is presented in writing within the time provided, may be appealed by notice in writing to the project manager within ten (10) days after the project manager's initial decision, (a) to the engineer for the Project if the issue is interpretation of the drawings or specifications, or compliance of the Sublet Work therewith, in which event the engineer's decision shall be final, (b) to an Executive Officer of General Contractor as provided under Article 10 if the claim arises under Article 10, or (c) to an Executive Officer of General Contractor if any other question under the Subcontract is involved. Such review shall be a prerequisite to any further relief.

**32. PROGRESS PAYMENTS AND FINAL PAYMENT**

Progress payments will be made by General Contractor to Subcontractor monthly or at other intervals specified, in accordance with the Subcontract Terms. All progress payments are Trust Funds to be applied by Subcontractor to payment for labor, materials, equipment, services and supplies for the Sublet Work. With each request for progress payment, Subcontractor shall submit proper evidence, including affidavits and certificates, as may be requested by General Contractor showing: (a) the portion of the Sublet Work completed, (b) compliance with all requirements of this Subcontract, (c) payment of all bills, and (d) that no lien exists or could be claimed arising from the Sublet Work. General Contractor may withhold from progress payments ten percent (10%) of the amount earned, as retainage until final completion and acceptance (unless otherwise provided in the Subcontract terms), and in addition may withhold such amount as may be reasonably required to assure compliance by Subcontractor with the terms of this Subcontract. General Contractor may pay directly any obligation of Subcontractor arising under this Subcontract and withhold such payment from amounts otherwise due Subcontractor. Subcontractor shall submit with his request for final payment similar evidence and such expressions of warranty and indemnity as are re-

quired herein and a release of further claims against Owner or General Contractor. Subcontractor indemnifies General Contractor and Owner against any cost or liability, including attorney's fees, for failure of Subcontractor to perform all its obligations and pay all of its bills as required by this Subcontract.

**33. APPLICATION TO COST REIMBURSEMENT TERMS**

These General Conditions define the obligations, responsibilities and relationships of Subcontractor and General Contractor, and apply without change whether the terms for payment are fixed price or cost reimbursable or a combination thereof. The price and other payments to be made to Subcontractor for performance of the obligations of these General Conditions are provided for in the Subcontract Terms or other portions of this Subcontract.

**34. NOTICES**

Notices of changes, deficiencies, delays, claims or disputes shall be in writing, and shall furnish full information to the extent available. The party notified will acknowledge receipt by endorsement of a copy if requested, or will otherwise confirm receipt in writing. Ordinarily, notice will be given by delivery to the General Contractor's project manager, or Subcontractor's designated representative at the site, respectively, and mailing a copy to the address shown in the Subcontract Terms. To avoid difficulty in delivery of Notice, sufficient Notice shall be deemed to have been given by mailing by Registered or Certified Mail or equivalent, to the address shown in the Subcontract Terms.

**35. INTEGRATION**

The entire agreement between General Contractor and Subcontractor and all negotiations, proposals, representations and interpretations have been integrated into and superseded by the written provisions of this Subcontract. This Subcontract shall be valid and in force when signed by both parties and delivered and the parties understand that thereafter no person is authorized to amend this Subcontract except by agreement in writing and signed with equal formality. These General Conditions may be modified by the Special Conditions for the Project or by the Subcontract terms; and the Special Conditions for the Project may be modified by the Subcontract Terms, and as so modified it is intended that all terms and provisions of this Subcontract shall be construed in harmony and with equal dignity and effect.

NOTE: This Affidavit is to be executed and returned with final or retainage invoice.

# BROWN & ROOT, INC.

P.O. Box 3 Houston, Texas 77001

## "AFFIDAVIT FOR SUBCONTRACTOR"

RE: SUBCONTRACT

NO. \_\_\_\_\_

Name of Subcontractor: \_\_\_\_\_

Date of Subcontract: \_\_\_\_\_

Name of Owner under General Contract: \_\_\_\_\_

WHEREAS, The above-named Subcontractor, heretofore, entered into the above-referenced Subcontract with BROWN & ROOT, INC., as a General Contractor for performance by Subcontractor of Sublet Work under the above-referenced General Contract; and

WHEREAS, Under said Subcontract certain monies are not due and payable unto Subcontractor until all bills for labor, material and other charges arising in the performance of the Sublet Work have been fully paid by the above Subcontractor;

NOWHEREFORE, For the purpose of inducing BROWN & ROOT, INC., to pay over such monies unto the above Subcontractor, the undersigned affiant does depose, say, affirm and represent to BROWN & ROOT, INC., that all bills for labor, material, re-sublet work, equipment rental, taxes, insurance and all other charges arising in the performance of the Sublet Work have been fully paid by or for the above Subcontractor, except as follows:

Title: \_\_\_\_\_

Name: \_\_\_\_\_

For Subcontractor

SUBSCRIBED AND SWORN TO before me this the \_\_\_\_\_ day  
of \_\_\_\_\_, 19\_\_\_\_\_, to certify which witness my hand and seal of office.

NOTARY PUBLIC

County of \_\_\_\_\_

State of \_\_\_\_\_

EXX 004808

NOTE: This Affidavit is to be executed and returned with final or retainage invoice.

# BROWN & ROOT, INC.

P.O. Box 3 Houston, Texas 77001

## "AFFIDAVIT FOR SUBCONTRACTOR"

RE: SUBCONTRACT

NO. \_\_\_\_\_

Name of Subcontractor: \_\_\_\_\_

Date of Subcontract: \_\_\_\_\_

Name of Owner under General Contract: \_\_\_\_\_

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WHEREAS, Under said Subcontract certain monies are not due and payable unto Subcontractor until all bills for labor, material and other charges arising in the performance of the Sublet Work have been fully paid by the above Subcontractor;

NOWHEREFORE, For the purpose of inducing BROWN & ROOT, INC., to pay over such monies unto the above Subcontractor, the undersigned affiant does depose, say, affirm and represent to BROWN & ROOT, INC., that all bills for labor, material, re-sublet work, equipment rental, taxes, insurance and all other charges arising in the performance of the Sublet Work have been fully paid by or for the above Subcontractor, except as follows:

Title: \_\_\_\_\_

Name: \_\_\_\_\_

For Subcontractor

SUBSCRIBED AND SWORN TO before me this the \_\_\_\_\_ day  
of \_\_\_\_\_, 19\_\_\_\_, to certify which witness my hand and seal of office.

NOTARY PUBLIC

County of \_\_\_\_\_

State of \_\_\_\_\_

EXX 004809

CONTRACTORS' RESPONSIBILITIES  
FOR SAFETY, PLANT SECURITY,  
AND TRAFFIC REGULATIONS

BAYTOWN REFINERY

January 1, 1977

EXX 004810

## TABLE OF CONTENTS

|                                                              | Page  |
|--------------------------------------------------------------|-------|
| Section 1                                                    |       |
| General Definitions .....                                    | I-1   |
| Section 2                                                    |       |
| Safety Rules .....                                           | II-1  |
| Personal                                                     |       |
| Clothing and Protective Equipment .....                      | II-2  |
| Entering Process Areas .....                                 | II-4  |
| Working Over or Near Water .....                             | II-5  |
| Guarding Equipment .....                                     | II-5  |
| Housekeeping .....                                           | II-6  |
| Smoking and Matches .....                                    | II-6  |
| Hand and Power Tools .....                                   | II-6  |
| Electrical Tools .....                                       | II-7  |
| Ladders and Scaffolds .....                                  | II-8  |
| Evacuations .....                                            | II-9  |
| Connections Into Existing Equipment .....                    | II-9  |
| Railroad .....                                               | II-10 |
| Hoisting Equipment .....                                     | II-10 |
| Hazardous Materials .....                                    | II-11 |
| Compressed Air — Yard Air System .....                       | II-11 |
| Warning Signs .....                                          | II-12 |
| Compressed Gas Cylinders .....                               | II-12 |
| Fire Prevention — Fire Fighting .....                        | II-12 |
| Working in Vicinity of Electrical Lines .....                | II-13 |
| Refueling Vehicles and Equipment .....                       | II-13 |
| Potable Water .....                                          | II-14 |
| Working on Asbestos Cement Roof .....                        | II-14 |
| Traffic Safety Regulations .....                             | II-14 |
| Section 3                                                    |       |
| Contractor's Safety Responsibilities .....                   | III-1 |
| Section 4                                                    |       |
| Electrical Lockout Procedures .....                          | IV-1  |
| Electrical Circuits and Electrically Powered Equipment ..... | IV-1  |
| Electrical Lockout .....                                     | IV-1  |
| Electrical Disconnect .....                                  | IV-4  |
| Abnormal Conditions .....                                    | IV-5  |
| Power Lines .....                                            | IV-6  |
| Removing from Service .....                                  | IV-8  |
| Work On or Adjacent 2,300-Volt Lines .....                   | IV-12 |

EXX 004811

## Table of Contents - Continued

|                                                                | Page   |
|----------------------------------------------------------------|--------|
| Section 5                                                      |        |
| Hot Work Permit .....                                          | V-1    |
| Open Areas .....                                               | V-3    |
| Marine Docks .....                                             | V-9    |
| Enclosed Spaces .....                                          | V-10   |
| Section 6                                                      |        |
| Procedure for Entering Enclosed Spaces .....                   | VI-1   |
| Entering Without Protective Equipment .....                    | VI-2   |
| Entering With Protective Equipment .....                       | VI-5   |
| Standby Duties .....                                           | VI-6   |
| Section 7                                                      |        |
| Opening or Blinding Permit .....                               | VII-1  |
| Section 8                                                      |        |
| Cold Work Permit .....                                         | VIII-1 |
| Section 9                                                      |        |
| Security Regulations .....                                     | IX-1   |
| Parking Locations .....                                        | IX-1   |
| Entrance Gate .....                                            | IX-1   |
| Walks and Roadways .....                                       | IX-1   |
| Contractor Employee Badges .....                               | IX-1   |
| Contractor Vehicle Identification .....                        | IX-2   |
| Material Passes .....                                          | IX-2   |
| Thefts .....                                                   | IX-2   |
| Gambling .....                                                 | IX-2   |
| Business Visitors, Applicants, and Delivery Trucks .....       | IX-2   |
| Ambulance Service .....                                        | IX-3   |
| Inspection of Lunch Boxes, Packages, Motor Vehicles, etc. .... | IX-3   |
| Cameras and Photographs .....                                  | IX-3   |
| Liquor, Drugs, Firearms, and Explosives .....                  | IX-3   |
| Visiting and Loiterings .....                                  | IX-3   |
| Fingerprinting .....                                           | IX-4   |

Table of Contents - Continued

|                                                         | Page |
|---------------------------------------------------------|------|
| Section 10                                              |      |
| General Regulations .....                               | X-1  |
| Authorization to Start Work .....                       | X-1  |
| Contractor's Equipment .....                            | X-1  |
| Explosives .....                                        | X-1  |
| Use of Lines, Conduits, or Structures as Supports ..... | X-1  |
| Use of Stanchions or Equipment for Anchors .....        | X-1  |
| Damage to Owner's Property .....                        | X-1  |
| Operating Owner's Equipment .....                       | X-2  |
| Use of Special Vehicles .....                           | X-2  |
| Fire Extinguishers .....                                | X-2  |
| Welding .....                                           | X-2  |
| Securing of Temporary Buildings .....                   | X-3  |
| Exit from the Plant .....                               | X-3  |
| Non-English-Speaking Personnel .....                    | X-3  |
| Hurricane Precautions .....                             | X-3  |
| Contractor Accident Reporting .....                     | X-3  |
| Emergency Evacuation Procedure .....                    | X-4  |
| Contractor Safety Meetings .....                        | X-4  |

EXX 004813

## Section 1

### GENERAL DEFINITIONS FOR SAFETY MANUAL

#### PERSONS

1. Chief Operator — The Process person who is responsible for Process operations in a processing area and has the authority to supervise Process personnel and issue work permits.

2. Contract Administrator — The Exxon Mechanical or Process supervisor assigned by the owner to assure that the contractor adheres to the plans, specifications, and Refinery safety rules.

3. Contractor — *The firm under contract to Exxon Company, U.S.A. to perform work at the Baytown Refinery. The term also includes those firms employed as subcontractors by the prime contractor.*

4. Department Head — The person in charge of a Process department, i.e., Fuels, Specialties, Oil Movements, Utilities and Environmental Control, or Baytown Fuels Expansion.

5. Maintenance Supervisor — The Mechanical person, either Exxon or contractor, who has the authority to supervise the Mechanical work crew and is responsible for their work execution.

6. Mechanical Personnel or Person — Any of the Mechanical work crew (Supervisor, Craftsman, Trainee), either Exxon or contractor, performing work in the Refinery.

7. Owner — Exxon Company, U.S.A., Baytown Refinery.

8. Operating Supervisor — The second-line supervisor in Process and the immediate supervisor of the Chief Operators.

9. Process Personnel or Person — Any of the Process work crew (Chief Operator, Process Technician, or Process Technician Trainee) who has job responsibility for the assigned processing area.

10. Safety Permit Inspector — The person who has the primary responsibility of performing gas tests and inspecting the jobsite for compliance with applicable safety rules and standards for the purpose of issuing work permits.

11. Standby — The person designated by the Chief Operator and/or the maintenance supervisor to warn persons of hazardous or emergency conditions that could affect their safety.

#### PLACES

1. Enclosed Space — Any space that can be closed or has restricted entry or exit, such as vessels, tanks, boilers, furnaces, etc. Also included are confined spaces, such as pits, sewers, excavations, where the heads of personnel working are below the top of the confined space.

2. Processing Area — Any area under the jurisdiction of Process personnel.

3. Refinery — The manufacturing facilities of Exxon Company, U.S.A. located in Baytown, Texas.

#### ACTIVITIES — CONDITIONS

1. Cold Work — Any mechanical work that does not involve hot work or opening, blinding, and entering processing equipment.

2. Hot Work — Any work requiring the use of burning or welding and brazing equipment, explosives, open fires, portable generators, unattended internal combustion engines, concrete busters, soldering irons, nonexplosionproof electric motors (including motor chippers, drills, and

saws), nonexplosionproof floor or string lights, sandblasting, explosion actuated tools, electric hot plates, or any other flame- or spark-producing equipment.

3. Hot Tap — Any connection made to a pipeline or other equipment that is under pressure or has not been cleared and prepared for tapping using conventional construction methods.

4. Opening — Exposing the interior of any processing equipment, including piping, to the atmosphere. This includes removing covers, breaking flanges, pulling plugs, etc. It does not include draining or venting through a valve.

5. Blinding — Installing temporary slip blinds into piping or blind flanges onto equipment for the purpose of isolating or closing processing equipment.

6. Flammable Material — Any material that will ignite and continue to burn in air.

7. Explosive Mixture — Any mixture of gas or vapor with air that will ignite (explode) when exposed to a source of ignition.

8. Oxygen Deficiency — Any atmosphere that has oxygen concentration of less than 19.5 percent.

9. Toxic Materials — Any substance (other than a radioactive substance) that has the capacity to produce personal injury or illness to man through ingestion, inhalation, or absorption through any body surface.

10. Must and May — "Must" is used in the manual to indicate mandatory compliance. "May" is used to indicate that good judgment shall be exercised.

## Section 2

### SAFETY RULES

#### PURPOSE

The purpose of these personnel, equipment, and traffic safety rules is to specify minimum safety requirements that must be followed to prevent injury or death to persons and damage to property. These rules in their entirety apply to all persons, including the contractor employees working in Exxon Company, U.S.A.'s Baytown Refinery. Additional requirements for contractors and their employees are shown in italic type throughout the manual.

#### DEFINITIONS

Definitions of terms used throughout this manual will be found in Section 1. Special definitions that apply to a specific permit or work procedure are in the applicable section of this manual.

#### RESPONSIBILITIES

1. Supervisors are responsible for the health and safety of the people under their work direction. They must:

- a. Set a good example.
- b. Provide adequate instruction in and require compliance with:
  - (1) Accident prevention aspects of each job.
  - (2) Use and application of appropriate protective clothing, equipment, and devices.
  - (3) Use or application of tools and equipment.

c. Cooperate with others where the safety aspects of a job require coordinating the efforts of one or more work groups. This includes, but is not limited to, the securing and/or issuing of a yellow PERMIT TO ENTER, green HOT WORK PERMIT, white OPENING OR BLINDING

PERMIT, blue COLD WORK PERMIT, or ELECTRICAL LOCKOUT PROCEDURES

d. Develop a safe work plan for the job to be done and see that the plan is well understood and followed.

e. Require additional accident prevention measures, other than those contained in this safety manual, if, in any supervisor's opinion, they are necessary. In instances or situations not specifically covered herein, it is expected that they will be handled within the guidelines contained in this manual. Safety is not to be sacrificed for production.

2. Individuals, Exxon and contractor, working in the Baytown Refinery are responsible for their own safety and for the safety of other workers and for reporting injuries to themselves or others to their appropriate supervisor. Each person must assure himself that his work situation is safe and that he has adequate instructions, proper tools, and proper protective clothing and equipment. He must also make sure that necessary work permits have been obtained and are valid over the term of his shift.

As a minimum, each person must adhere to the following safety regulations:

#### a. Clothing and Protective Equipment

(1) Clothing contaminated with oil, hazardous liquids, or chemicals must not be worn. If a person is inadvertently sprayed or contacted by oils, hazardous liquid, or chemicals, the clothing must be removed as quickly as practical, the affected parts washed with soap and water, and the situation reported to the supervisor and to the Exxon supervisor in charge or Contract Administrator in case of contractor.

(2) Protective clothing that fully covers the body (arms, legs, shoulders, etc.) must be

worn except at certain locations specified by the Department Head after consultation with the Safety Coordinator.

(3) Loose clothing, loose sleeves, neckties, or gloves must not be worn where there is a probability of their being caught in moving machinery.

(4) Safety hats and safety glasses must be worn in all areas of the Refinery except at certain locations specified by the Department Head after consultation with the Safety Coordinator.

EXCEPTION: Welders need not wear safety hats while welding.

(5) Contact lenses must not be worn inside the Refinery. Employees with unusual visual problems requiring the wearing of contact lenses must use appropriate eye protection as recommended by a medical doctor depending on occupational exposure. (For Exxon employees, the Medical Department will recommend appropriate eye protection.)

(6) Goggles and/or safety glasses with side shields must be worn in those areas where the possibility of flying objects exists.

(7) Chemical goggles must be worn in those areas where exposure to chemicals or liquid hazards exist.

(8) Respiratory protection must be worn where the atmosphere of the work area is contaminated by hazardous dust, toxic gases, excess vapors or fumes, or where an oxygen deficiency exists (for example, a vessel blanketed with nitrogen).

(9) Special protective clothing for the particular hazard must be worn where there is a possibility of exposure to acid, caustic, or

other hazardous material.

(10) Bright-colored vests or equivalent highly visible attire must be worn by members of survey parties when working on or adjacent roads.

(11) Safety belts attached to an independently supported line must be worn.

(a) When working from scaffolds, platforms, or any other surfaces that may not afford sufficient protection against falling.

(b) While working on any roof with a slope greater than one on four.

(c) When working within six feet of the edge of any roof.

(d) Where an oxygen deficiency exists or where the surrounding atmosphere is immediately hazardous to life.

(12) Approved ear protection such as ear plugs, disposable plugs, (Swedish wool and cotton are unacceptable), or ear muffs must be worn when working in areas designated with warning signs as "high noise area." Ear protection is required when using tools marked "caution — hearing protection required when using this tool" and in areas where equipment or tools generate sufficient noise to make normal conversation difficult.

#### b. Entering Processing Area

No person shall enter a processing area (including firewalls of operating tanks) without the permission of the Chief Operator or his designated representative. Chief Operator permission is also required when motorized equipment initially enters a closed processing area (radio or telephone approval by dispatcher is acceptable). No further permission is required as long as mechanical work is continuous. Once

work is interrupted, such as for lunch breaks, permission must again be obtained. Vehicles entering these areas may be required to have sparkproof mufflers or their equivalent as required by the Chief Operator or the Contract Administrator in the case of contractor vehicles.

**c. Working Over or Near Water**

The U.S. Coast Guard approved life preservers must be worn when working on barges or directly over water, such as under the docks, from a boat, above pits, etc.

**d. Working On or Over Machinery**

(1) Do not work on moving machinery or above open operating machinery unless it is impractical to shut down the equipment. In such instances, secure Maintenance Supervisor's and/or Chief Operator's approval and take necessary precautions before proceeding.

(2) Do not start up machinery unless all guards are in place.

**EXCEPTION:** In temporary situations where guards must be removed to make running adjustments, secure Maintenance Supervisor's and/or Chief Operator's approval before proceeding.

**e. Guarding**

(1) Temporary openings in floors, handrails, etc., must be guarded to prevent falling. Restore permanent handrails and guardrails immediately after need for opening has ended.

(2) Open excavations or manholes must be guarded or covered before leaving the job and during the job if practical.

(3) Areas into which materials or tools are to

be deliberately dropped or thrown must be guarded or protected.

**f. Housekeeping**

(1) Aisles, passageways, stairs, platforms, and ladders must be kept clear of all unnecessary obstructions.

(2) Protruding nails that present a snag or puncture hazard must be removed or bent down.

(3) Worksite must be kept clean and orderly.

(4) Debris (including mud from wheels) that falls from transporting vehicles must be picked up.

**g. Smoking and Matches**

Smoking in the Refinery except at approved locations is prohibited. "Sink-anywhere" matches must not be brought into the Refinery.

**h. Hand and Power Tools — Portable Machinery**

(1) Defective tools must not be used.

(2) Tools must not be subject to undue stress or used for purposes for which they are not designed. Make-shift tools must not be used.

(3) Portable Machinery must be shut down for repair work. If it is impractical to stop or shut the equipment down before working on it, secure Maintenance Supervisor's approval before proceeding.

(4) Abrasive wheel tool rests must be adjusted to within 1/8-inch maximum of the wheel. Do not use abrasive wheels that are visibly in bad order.

(5) High-speed abrasive wheels must be properly guarded as required. Do not stand

in line of unguarded wheels.

(6) Tools must not be started or used unless all required guards are in place.

#### I. Electrical Tools and Equipment

(1) Electrical switches must not be operated without full knowledge that the results will not constitute a safety hazard.

(2) Portable electrical tools, metal buildings with electrical service, and electrical equipment (including motor-driven welding machines and portable generators) must be grounded. Report them to the Maintenance Supervisor if they are found to be defective.

EXCEPTION: Double insulated tools and engine driven welding machines may be used without grounding.

(3) General purpose two- or three-cell flashlights (1.5 volts per cell) may be used everywhere except where use is prohibited by governmental agencies, such as at the docks.

(4) Explosionproof, approved portable lights (Underwriters Laboratory or Bureau of Mines approved) must be used where hot work is not authorized. This includes portable explosionproof hand lamps, portable explosionproof floodlights, and extension cords (plug boards) with explosionproof fixtures.

EXCEPTION: Fixed-mount, take-up, reel-type mechanic's lamp or other special appliances that have been specifically approved by the Department Head.

(5) Vaporproof globes must not be removed except for cleaning, repairing, or replacing lamps. Explosionproof fixtures shall be opened only by authorized persons.

#### J. Ladders and Scaffolds

(1) Ladders must be checked to insure that they are in good condition before use. Portable ladders must either be held or lashed securely while in use. Where practical, the siderails shall extend at least 36 inches above the landing.

(2) Ladders must be located where possible where they cannot be bumped. When located in areas such as in front of a door, in the street or aisles, etc., adequate precautions must be taken to protect both the climber and others who may be in the area.

(3) Good working techniques must be used when climbing, working from, or descending a ladder, such as holding with both hands and keeping the body within the siderails of the ladder.

(4) Scaffolds must be constructed to support at least four times the maximum intended load without failure.

(5) Platform planks must be laid with their edges close together so that there are no spaces large enough for tools or fragments of materials to fall through.

(6) Swing scaffolds must be lowered and lashed at the end of the shift.

(7) Access ladders or other safe means of access to all scaffolds must be provided.

(8) Standard handrails and toe boards must be provided on all scaffolds 10 feet or more in height.

(9) Tools or materials on scaffold platforms must be placed in such a manner that they will not create a tripping hazard or become dislodged and fall.

(10) Alterations to scaffolds must be re-

ported to the appropriate supervisor.

(11) Non Conductive ladders or scaffolds must be used when working on open energized electrical circuits.

#### k. Excavations

(1) Do not enter or work in excavations that will require a person's head to be below the level of the ground until:

(a) Obtaining a yellow PERMIT TO ENTER.

(b) Shoring or sloping the excavation to prevent sloughing of earth.

(c) Effectively storing or retaining excavated material at least two feet from the edge of the excavation and

(d) A ladder or ramp for safe entrance and exit has been provided.

(2) Guard or cover all excavations before leaving job, and during the job if practical

(3) RED CONCRETE UNDERGROUND signifies the presence of an electrical circuit. Stop excavating and notify the Maintenance Supervisor and the Contract Administrator in case of contractor employees.

#### l. Connections Into Existing Pipelines, Equipment, or Service

After a tie-in has been made connecting new construction to existing lines, equipment, or sewers, the whole piping equipment or sewer system involved must be considered the same as existing lines and equipment, and applicable work permits must be obtained from the Chief Operator before additional work can be done on any of these lines or equipment. After new

sewers have been tied into the sewer system, any hot work in the area of the new sewer must terminate. Any further hot work requires a new HOT WORK PERMIT.

#### m. Railroad

(1) Constructing or placing any permanent or temporary obstructions closer than eight feet six inches horizontally from the centerline of the track or 22 feet vertically from any top of rail is prohibited without specific authorization from the Exxon Supervisor responsible for railroad trackage.

(2) Riding on railroad equipment is prohibited.

(3) Tank car ladders and hand irons must be used. Do not jump from loading rack to tank car, from car to car, or from car to ground.

#### n. Hoisting Equipment

(1) Keep clear of suspended loads.

(2) Hoisting equipment must be operated so as not to endanger other people or damage equipment in the operating area.

(3) Blocks, hooks, balls, or crane loads must not be ridden. Approved sling or bosun chair must be used.

(4) Loads suspended from mobile equipment must be secured to prevent swinging.

(5) Guy lines, mooring lines, or load lines must not be placed in such a position that they will tighten against operating equipment, pipelines, tanks, or machinery.

(6) Insulating swivels must be used on all bosun chairs or baskets when supporting a

welder.

**o. Hazardous Materials**

(1) Note locations of eyewash fountains and safety showers and know how they work.

(2) Labeled containers must be used for handling hazardous materials.

(3) Dismantled or relocated equipment that has been in "hazardous material" service must be identified by tagging or other physical marking.

(4) Solvents for cleaning purposes must be varnol, or other approved materials.

(5) High boiling point materials (above 700°F) from catalytic cracking operations or other highly aromatic or toxic materials are hazardous and precautions must be taken to prevent breathing of vapor or contacting the skin. If these oils do come in contact with the skin, they must be washed off promptly with soap and water.

(6) Appropriate Process Unit Instructions (PUI) or Mechanical Operating Practices (MOP) must be followed when working in areas where toxic materials are present.

**p. Compressed Air — Yard System**

(1) Compressed yard air must not be used to clean clothing or personnel except at outlets that are especially equipped to permit a maximum pressure of 30 psi.

(2) Compressed air must not be used to open plugged sewers.

(3) Compressed yard air must not be used for breathing purposes.

**q. Warning Signs**

Caution and warning signs must be obeyed including use of specified protective or safety equipment.

**r. Compressed Gas Cylinders — Transportation, Storage, and Use**

Observe the following in the transportation, storage, and use of compressed gas cylinders.

(1) Protective caps must be in place when cylinders not in use.

(2) Full cylinders (except chlorine) must be stored and transported in vertical position with caps on. Chlorine cylinders must be transported in the horizontal position. Separate oxygen cylinders in storage from fuel gas cylinders or combustible materials (especially oil or grease), a minimum distance of 20 feet or by a noncombustible barrier at least five feet high, having a fire-resistance rating of at least one-half hour.

(3) Holders, chains, or keepers must be used to prevent overturning.

(4) Empty cylinders, except acetylene, may be stored and transported in a horizontal position. Acetylene cylinders must be vertical at all times.

(5) Cylinders in a vertical position must be secured with a suitable keeper while connected to equipment.

(6) Pure oxygen and chlorine must not be allowed to contact hydrocarbons in any form.

(7) Rough handling of cylinders must be avoided.

(8) Oxygen or acetylene must not be used for testing purposes.

(9) Hazardous compressed gases must not be released into enclosed spaces.

(10) Compressed bottled gases must not be used to clean clothing or personnel.

(11) Oxygen or acetylene cylinders must not be taken into enclosed spaces except into storage tanks where door sheet has been removed.

(12) Repair of leaking compressed gas cylinders must not be attempted. If cylinder can be moved, move to a safe location and allow to depressure itself. If it cannot be moved safely, clear area and allow the cylinder to depressure. If the cylinder is chlorine, evacuate the area and initiate procedure outlined in MOP-C4. If leak involves contractor cylinders, the Contract Administrator must be immediately notified.

#### s. Fire Prevention — Fire Fighting

(1) No one shall go to the scene of a fire unless directly involved or assigned to fire-fighting activities. Others not having operating duties shall evacuate the fire area. Contractor employees must proceed to a prearranged assembly area.

(2) Fire-fighting equipment access must not be blocked by traffic or other equipment.

(3) Electrical fires must not be fought with a solid stream of water. Water fog may be applied to an electrical fire only by an Exxon fire fighter.

#### t. Working in the Vicinity of Electric Lines

When it is necessary to operate cranes or derricks or perform other work within 10 feet of open electric lines (measured radially), the Maintenance Supervisor must consult the Utilities Chief Operator or the Contract Adminis-

trator in the case of contractor work to determine whether the electric lines can be deenergized. No work can proceed until the electric lines have been deenergized or until guards have been installed. Install approved guards when it is necessary to install guy lines across any electric lines to prevent guy lines from coming in contact with the electric lines. All work on open electric lines must be done in accordance with Mechanical Safety Procedure No. 8.

#### u. Refueling Vehicles and Equipment

Dispensing gasoline and fuel must be done through a pump and hose. If not possible, approved (Underwriters Laboratory or Factor Manual approved container for flammable liquid) safety cans with flexible spouts must be used. Vehicles and equipment engines must be turned off during refueling.

#### v. Potable Water

Drink water only from potable water outlets or from authorized containers or drinking fountains.

#### w. Asbestos Cement Roof

When installing or working on an asbestos cement roof, workers must use a spreader board or roofer ladder to distribute their weight over a minimum of two purlins.

#### TRAFFIC SAFETY REGULATIONS

Unless covered by a specific regulation in this Safety Manual, traffic regulations for safe driving inside the Refinery are the same as the regulations of the State of Texas Motor Vehicle Laws.

#### 1. Equipment and Identification Required on Motor Vehicles

All motor vehicles in the Refinery must be in safe operating condition. When entering the Refinery,

all non-company vehicles must display a valid state inspection sticker on the windshield. As a minimum, the following equipment must be in proper working condition for the vehicle to be considered safe: (a) brakes, (b) lights — two headlights, tail lights, brake lights, (c) horn, (d) muffler, (e) safety glass, (f) windshield wiper and rear-view mirror, and (g) turn signals. Vehicles having dual wheels must be equipped with suitable flaps on each dual wheel so that objects will not be ejected past the flaps to the rear when the vehicle is in motion. Contractors' self-propelled, rubber-tired equipment must have contractor's name or insignia prominently displayed on both sides of the vehicle.

#### 2. Driver's License

Persons operating motor vehicles in the Refinery must have a valid operator's (automobile) license as a minimum.

#### 3. Warning Flags

Red flags must be used on any load that extends beyond the front, side, or rear of any vehicle.

#### 4. Traffic Signs

All traffic signs and signals, whether fixed or portable, must be obeyed, and drivers must cooperate with owner's security officers and others appointed to direct traffic.

#### 5. "Road Closed" Signs

Areas blocked by traffic barriers and/or "road closed" signs are closed to all traffic. Follow procedure specified in PUI-55 for blocking Refinery streets.

#### 6. Speed Limit

All vehicles must be operated within the Refinery's maximum speed limit of 30 miles per hour, unless a lower speed is posted.

#### 7. Driving and Parking

Vehicles must be driven on the right side of the street and parked on the right side of the street, except when parking in designated parking areas or when directed otherwise by traffic signs or during emergencies. Vehicles must not be parked on streets or roadways in such a manner as to slow down, hinder, or interfere with the free flow of traffic. Vehicles must not be parked so as to block or interfere with the use of fire hydrants or fire equipment.

#### 8. Right-of-Way

All motor vehicles must give the right-of-way to pedestrians, ambulances, fire-fighting equipment and firemen (who will be identified by driving with lights on and horn sounding), and bicycles. Vehicles must pull to one side and be brought to a complete stop when approached from any direction by an ambulance or fire equipment and firemen. Ordinary driving courtesy must be practiced by all drivers of motor vehicles.

#### 9. Passengers

a. Passengers must be limited to a reasonable number so that vehicles will not be overcrowded.

b. Drivers of motor vehicles must not permit passengers to ride on fenders, running boards, tops, or bumpers of motor vehicles. Passengers must keep all parts of their bodies inside the car or body of vehicles and must be seated while vehicle is in motion.

c. Drivers of mobile equipment must not permit passengers unless special accommodations have been provided.

d. Passengers must not get on or off a vehicle while it is in motion.

#### 10. Vehicles Prohibited

Motor bicycles or motorcycles are not permitted inside the Refinery except to and from the designated "motorcycle only" parking areas provided near gates. Campers and recreational vehicles are not permitted in the Refinery if loaded with gear or if they are otherwise difficult to inspect. Pressurized fuel containers shall be disconnected from refrigerators, stoves, etc., when a camper or recreational vehicle is in the Refinery.

#### 11. Vehicle Entry Into Processing Areas

Vehicles must not enter processing areas, including tank firewalls, without the permission of the Chief Operator or his designated representative.

EXCEPTION: Roadways through processing areas where entry is not prohibited by a sign or banner may be used without permission of the Chief Operator.

#### 12. Windshield or Window Obstruction

Vehicles having nontransparent materials that interfere with clear visibility through any side window or windshield must not be operated in the Refinery. All vehicles must be equipped with adequate rear-view devices.

#### 13. Failure To Comply With Regulations

Any person may have his in-plant driving privileges canceled or be subject to disciplinary action, or both, for failure to comply with these traffic regulations or for the improper use of his vehicle.

### Section 3

## CONTRACTOR'S SAFETY RESPONSIBILITIES

#### PURPOSE

The purpose of the personnel and equipment safety regulations contained in this section is to set out safety requirements for contractors, which are in addition to those contained in other sections of this manual. Each contractor must take any additional precautions necessary or proper under the circumstances to prevent injury or death to persons or damage to property.

#### SPECIAL DEFINITIONS

1. Owner - For purposes of these safety regulations, "owner" shall mean Exxon Company, U.S.A. (a division of Exxon Corporation).
2. Contract Administrator - The person assigned by the owner to assure contractor adherence to the contract provisions.
3. Contractor - The firm that has been contracted by the Exxon Company, U.S.A. to perform work at the Baytown Refinery. The term also includes those firms employed as subcontractors to the prime contractor.
4. Maintenance Supervisor - The Mechanical person, either Exxon or contractor, who has the authority to supervise the Mechanical work crew and the responsibility for their work execution. As used in this section, the Maintenance Supervisor refers specifically to the contractor first line supervisor.

#### RESPONSIBILITIES

1. Contractor, as an independent contractor, is responsible for performing work under the contract in a healthful and safe manner including protecting the safety and welfare of other contractors and the owner's personnel and equipment. These regulations are to be considered as an addition to any safety rules or regulations of the contractor. Neither compliance with the

regulations by contractor nor owner'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.

a. The contractor is responsible for informing his employees of the required safety rules and that the employees adhere to said rules.

b. The prime contractor is responsible for assuring compliance with these regulations by all subcontractors and their employees. Contractor must notify its employees, its subcontractors, and the employees of its subcontractors of these provisions of the regulations and shall secure compliance therewith by all such parties, and contractor must not allow any of such persons to begin work inside the Baytown Refinery until such notification has been given them.

c. Contractor must observe and comply with the Texas Occupational Safety Act (Article 5182a, V.C.S.) and with all safety and health standards promulgated by the Secretary of Labor under Section 107 of the Contract Work Hours and Standards Act, published in 29 C.F.R. Part 1926 and adopted by the Secretary of Labor as occupational safety and health standards under the Williams-Steiger Occupational Safety and Health Act of 1970, and to any other legislation enacted for the safety and health of contractor employees. Such safety and health standards apply to all subcontractors and their employees as well as to the contractor and its employees.

d. Nothing contained in these regulations shall be interpreted to enlarge the legal duty of the owner to the contractor, his agents, employees, or subcontractors.

2. Maintenance Supervisors are responsible for the safe conduct of their jobs and for the safety of the persons under their direction. Specific supervisory responsibilities are contained in Section 1-2 of this manual. Each Maintenance Supervisor is responsible for assuring that each individual under his direction un-

III-1

III-2

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derstands and adheres to the safety rules contained in Section 1-2 of this manual.

3. Individual person doing work in the Refinery must assure himself that the work situation is safe and that he has the proper instructions, tools, and protective equipment. Each person must become familiar with and adhere to the safety rules contained in Section 1-2 of this manual.

4. Contract Administrator will monitor the contractor's performance to assure safe execution of the work specified in the contract. He will, on proper request, assist the contractor in dealing with other owner personnel to obtain safety permits and to implement other safety related procedures. He will insure that all contractor's Maintenance Supervisors are properly indoctrinated in the relevant safety regulations.

#### PROCEDURES

##### 1. Work Execution

All work in processing areas must be performed with the approval of the Chief Operator responsible for the area. The Maintenance Supervisor must coordinate his work through the Chief Operator and must keep him informed as to the number, location, and activities of contract personnel. Any work performed after normal working hours and on weekends and holidays requires authorization by the owner. Such authorization will be obtained by the Contract Administrator.

##### 2. Required Work Permits and Procedures

Before beginning any work in processing areas, an appropriate permit must be obtained from the Chief Operator or his designated representative. Required work permits and procedures are:

- a. Electrical Lockout Procedures - Section 4.
- b. Hot Work Permits - Section 5.
- c. Permit to Enter Enclosed Spaces - Section 6.

d. Opening or Blinding Permit - Section 7

e. Cold Work Permit - Section 8

Other work procedures may be specified in specialized work situations such as hot tap procedure, procedure for cleaning tanks, etc.

##### 3. Oil and Chemical Spills

Any hydrocarbon or chemical spill, whether accidental or otherwise, must be reported to the Chief Operator and the Contract Administrator.

##### 4. Connections into Owner's Utilities Systems

Permission must be obtained from Contract Administrator prior to connecting into owner's utility system such as, but not limited to, water, air, nitrogen, and steam systems. Each connection shall be guarded by a check valve. When taking water from fire hydrants, the center valve must be opened completely.

##### 5. Contractor's Equipment

a. All equipment brought into the Refinery by contractors must be in safe operating condition. Authorized owner personnel may at any time inspect contractor's equipment. Such inspection or failure to inspect does not relieve the contractor of its responsibilities for the safe condition of its equipment.

b. Equipment must be operated only by properly licensed persons.

c. Load limits for the San Jacinto Street overpass are a maximum axle load of 32,000 pounds and a maximum gross load of 72,000 pounds. A tandem axle load vehicle will be considered as being a single axle.

##### 6. Working Over or Near Water

a. Ring Buoys with at least 90 feet of line must be readily available for rescue operations. Distance between ring buoys must not exceed 200 feet.

b. A life saving skiff must be immediately available.

of habitats where persons are working over or adjacent water.

**7. Work Involving Use of Ionizing Radiation**

Contractors must not perform any work involving the use of ionizing radiation without notification to the Exxon Supervisor in charge or the Contract Administrator. A COLD WORK PERMIT must be obtained to perform this type work in processing areas. Contractors must comply with "Texas Regulations for Control of Radiation," latest edition, Texas State Department of Health, Division of Occupational Health and Radiation Control, Austin, Texas, together with all future amendments, additions, and revisions to said regulations and standards. Owner reserves the right to conduct independent and unannounced radiation energy surveys of contractor's equipment and their uses on owner's premises.

## Section 4

### ELECTRICAL LOCKOUT PROCEDURES

#### ELECTRICAL CIRCUITS AND ELECTRICALLY POWERED EQUIPMENT

##### PURPOSE

The purpose of these procedures is to protect anyone who works on either electrical circuits or electrically powered equipment from injury or death.

##### SPECIAL DEFINITIONS

Electrical circuits and electrically powered equipment do not include (1) lighting circuits for the purpose of relamping, (2) circuits of less than 100 volts, or (3) circuits that must remain energized. For circuits that must remain energized, a blue COLD WORK PERMIT may be required (see section 8).

##### RESPONSIBILITIES

1. Process person is responsible for isolating and preparing the equipment to assure it is in safe condition for mechanical work.
2. Person performing work is responsible for assuring himself that the equipment is safe for him to do his prescribed work, and that he has tagged and locked out the equipment in accordance with the electrical lockout procedures.
3. Contractor Administrator is the contractor's contact with Process personnel for performing work under the electrical lockout procedure.

##### PROCEDURE

1. Lockout Procedures — Before anyone works on electrical circuits or electrically powered equipment where they could be endangered, the

electrical supply must be turned off and locked out in accordance with the following procedures:

a. Shut Equipment Down — The Process person must shut the equipment down at the local start-stop switch or local "Hand-Off-Auto" switch. In case there are remote start-stop switches on this equipment, he must notify other operating personnel responsible for operating the remote start-stop switches and request that a white DO NOT OPERATE tag be placed on the start-stop switches. If the start-stop switch is located on a control panel, then it must be covered with a section of DO NOT OPERATE pressure-sensitive tape.

b. Lock and Tag Disconnect Switch — The Process person must turn the disconnect switch to the off position, lock it with a Process lock, and tag it with the white DO NOT OPERATE tag. If a Process or another person is to work on the equipment, the Process person must use a multiple lockout adapter. The Process operations lock must be in the position closest to the switch. All Process locks will be identical, and the same key will unlock all of them.

c. Check Disconnect and Tag — The Process person must try the local pushbutton station to be sure the correct disconnect switch is locked out. When the local control station is a "Hand-Off-Auto" selector switch the process person must lock the switch in the "Off" position. He must then tag the pushbutton or selector switch with a white DO NOT OPERATE tag.

d. Enter in Log — The Process person must enter the "lockout" in the Process log book.

e. Apply Mechanical Lock — Before mechanical work is performed on equipment, a mechanical lock must be applied by the person performing the work.

(1) Mechanical Person — Each Mechanical person who works on the equipment must first add his own lock and a red DO NOT OPERATE tag on which he will write his name, skill, and the date. It is the responsibility of each person working on the equipment to assure his own safety by keeping his tag and individual lock on the disconnect switch while he works on the equipment. If two or more people in the same craft are working together on the equipment, only one mechanical lock and red DO NOT OPERATE tag are required. If a contractor employee is doing the work, he must use an Exxon mechanical-type lock and the appropriate electrical lockout procedures tag obtained from the Contract Administrator. He must write on the tag his name and the name of the contractor firm.

(2) Process Person — When a Process person is to perform work on the equipment, he must obtain his individual mechanical-type lock and key from the supply in the control room or center and then follow the above procedures in e(1).

**f. Remove Lock and Tag — Locks and DO NOT OPERATE tags must be removed as follows:**

(1) Remove Mechanical Lock and Tag — As each person finishes his work, he must remove his own lock and red DO NOT OPERATE tag. At the end of his work shift, he must remove his lock and tag whether his work is finished or not. This does not include the original Process lock or white DO NOT OPERATE tag.

(2) Remove Process Lock or Locks and Tags — The Process lock or locks must be the last to be removed. When the final control station is a "Hand-off-Auto" selector switch the lock on this selector switch must be the last removed. The Process person, after determin-

ing that it is safe to do so, must remove the Process lock or locks and white DO NOT OPERATE tags and must notify other operating personnel to remove the white DO NOT OPERATE tags or DO NOT OPERATE pressure-sensitive tape from remote start-stop switches. He must then enter the lock removal in the log book.

(3) Emergency Lock Removal — If it becomes necessary to remove a lock by other than the Mechanical person who installed it, only the Shift Superintendent is allowed to remove it. Upon removal of the lock, the Shift Superintendent must send a note to the Department Heads of the Process and Mechanical Departments stating whose lock was removed, where it was located, and why it was removed. A log of the same information must be maintained in the Shift Superintendent's office. A master key for the mechanical person's locks must be kept at the Shift Superintendent's office only.

**2. Wiring Disconnect Procedures —** For some types of work, the lockout procedure alone is not adequate. Such work includes, but is not restricted to, the following: (1) work on fans inside cooling towers, (2) work inside confined spaces containing electrically powered equipment such as mixers or filters or electrodes (dischargers), and (3) work on equipment where the switch controls more than the one piece of equipment. In such cases, this wiring disconnect procedure must be followed:

**a. Lockout Equipment —** The disconnect switch must be locked out in accordance with the above lockout procedure in this section.

**b. Check and Disconnect Circuit —** After making sure the circuit is clear by checking with a

voltage tester, the Mechanical or Process person must disconnect the wires and tape them together.

c. **Tag Circuit**— The Mechanical or Process person must tag the disconnect switch with a yellow **WIRING DISCONNECTED** tag. On the tag, he must note where the wiring is disconnected and must sign and date the tag.

d. **Remove Lock and Red DO NOT OPERATE Tag**— After the wiring has been disconnected, and taped together, the Mechanical or Process person must remove his individual lock and red **DO NOT OPERATE** tag unless he must do other work on the equipment. Do not remove the yellow **WIRING DISCONNECTED** tag.

e. **Wiring Reconnect**— The Mechanical or Process person who reconnects the wiring must place his individual lock and red **DO NOT OPERATE** tag on the disconnect switch, reconnect the wiring, and then remove his lock and the red **DO NOT OPERATE** and yellow **WIRING DISCONNECTED** tags. *If a contractor employee is doing the work, he must obtain the required tags from the Contract Administrator and follow the above wiring disconnect procedures a through e. He must also include on the tags the name of the contractor's firm.*

3. **Abnormal Condition Procedures** — Conditions may exist that appear normal but actually are not. The following are examples of such abnormal conditions that require use of the orange **ABNORMAL CONDITION** tag. Such abnormal conditions include but are not limited to the following: (1) temporary power to equipment; (2) inside plastic handle broken off switch so outside handle will not operate switch; (3) one pushbutton inoperative but another will operate equipment; (4) a switch is left energized but a part of the equipment supplied by it is disconnected, such as

one out of several motor-operated valves (MOVs) supplied by one circuit breaker, and (5) a switch is off and tagged out but a separate circuit is still supplying power to the switch housing for controls, lights, heaters, etc.

a. **Application of Orange ABNORMAL CONDITION Tag** — Before a Mechanical Person leaves electrical equipment with temporary wiring connected or with any other abnormal condition existing, he must tag the equipment with orange **ABNORMAL CONDITION** tags, he must place one tag on the outside of the equipment and one inside on the wiring if it is practical to do so. He must describe the abnormal condition on the tags and must sign and date them. The abnormal condition must be entered in the log book. *If a contractor employee is doing the work, he must obtain the tags from the Contract Administrator and proceed according to a and b. In addition, he must also include on the tag the name of the contractor's firm.*

b. **Removal of ABNORMAL CONDITION Tags** — The tags must remain in place until the equipment has been returned to its normal condition. The Mechanical person who removed the temporary wiring or eliminates the abnormal condition must remove the tags and notify the Chief Operator responsible for the equipment, who must enter the action in the log book.

#### POWER LINES

##### PURPOSE

The purpose of these procedures is to protect anyone who works on or near power lines and on duct-connected Process equipment from injury or death.

##### SPECIAL DEFINITIONS

1. **Power Lines** — Those electrical lines that radiate

from generating stations and distribution substations.

2. **Direct-Connected Process Equipment** — A piece of electrical equipment on a Process unit supplied by a single power line having its electrical disconnect switch at an electrical substation or at a power plant.

3. **Electrical Maintenance Supervisor** — The Line Crew Supervisor or the Power Systems Maintenance Supervisor or their designated representative.

4. **Utilities Chief Operator** — The Process person responsible for the operation of the power system.

5. **Electrical Mechanical Person** — Any lineman, electrician, or Mechanical person working on the power system or on the direct-connected Process equipment.

6. **Power Plant Process Person** — The Process person who operates the power plant.

#### RESPONSIBILITIES

1. Electrical Maintenance Supervisor is responsible for requesting that power lines be removed from service and returned to service and for determining that the lines to be worked on are deenergized and tagged out.

2. Process Chief Operator or His Designated Representative is responsible for the removal and return to service of direct connected process equipment. He is also responsible for requesting the Utilities Chief Operator to deenergize the circuit serving the equipment and tag out.

3. Utilities Chief Operator is responsible for authorizing the removal and return to service of the power lines to be worked on.

4. Electrical Mechanical person is responsible for assuring himself that the equipment is safe for

him to do the prescribed work and that the following provisions of these procedures for which he is responsible are carried out.

5. Power Plant Process person is responsible for removing from service and returning to service power lines to be worked on and for properly tagging.

#### PROCEDURES

1. **Procedure for Removing Power Lines or Direct-Connected Process Equipment from Service.**

a. **Request for Removal of Power Lines or Direct-Connected Process Equipment from Service:** For power lines, the Electrical Maintenance Supervisor must make his request in person to the Utilities Chief Operator. For direct-connected Process equipment, the Process Chief Operator or his designated representative must request the Utilities Chief Operator for removal of these particular power lines from service. If a contractor employee is to work on power lines or do electrical work on Process equipment, the Contract Administrator must make the arrangements for removing the lines from service and for returning them to service.

b. **Removal of Power Lines or Direct-Connected Process Equipment from Service.** The Utilities Chief Operator must make the necessary arrangements with the Power Plant Process person to remove the power lines or the direct-connected Process equipment from service.

c. **Check Circuit Removal before Work Begins:** For power lines, the Utilities Chief Operator, the Electrical Maintenance Supervisor, and a representative of the group actually doing the work must personally observe that the line has been removed from service by

lowering the circuit breaker or opening the disconnect switches at each substation and power plant involved. They must then tag on the equipment by attaching the red POWER LINE DISCONNECT tags filled out and signed by the Utilities Chief Operator and signed by the Electrical Maintenance Supervisor on the equipment at each substation or power plant involved.

If work is being done on a line by more than one group, then each group must be protected by separate red POWER LINE DISCONNECT tags.

For direct connected process equipment, the Process Chief Operator or his designated representative shall notify the Utilities Chief Operator that this equipment has been removed from service and is ready for tagging. The Utilities Chief Operator will proceed to the site of the direct connected equipment, where he will meet the Process Chief Operator or his designated representative and a representative of the group which will actually work on the equipment. The Process Chief Operator or his designated representative will fill out and sign a red POWER LINE DISCONNECT tag and personally give that tag to the Utilities Chief Operator, verifying the equipment is ready for tagging on. The Utilities Chief Operator will keep that tag, and along with the representative of the group which will actually work on the equipment he must then proceed to the electrical substation and observe that the circuit serving the equipment has been removed from service by lowering the circuit breaker or opening the disconnect switches. They must then tag on the appropriate circuit breaker with a red POWER LINE DISCONNECT tag filled out and signed by the Utilities Chief Operator

and the representative of the group which will actually work on the equipment. After completing that step, they must proceed to the Power Plant and tag on a red POWER LINE DISCONNECT tag filled out and signed by the Utilities Chief Operator and a representative of the group actually doing the work on the equipment to the remote switch serving the equipment. Finally, the Utilities Chief Operator and the representative of the group actually doing the work will return to the site of the direct connected process equipment and sign and tag on to the local start-stop switches the red POWER LINE DISCONNECT tag originally signed by the Process Chief Operator or his designated representative. After completing this procedure the work can begin.

*In the case of contractor personnel the contractor's Supervisor and the Contract Administrator must accompany the Utilities Chief Operator in the inspection and the Contractor's Supervisor along with the Utilities Chief Operator must sign on the disconnect tags.*

Before any work is done on an open power line up to and including 13,800 volts, the line must be checked with a voltage tester and a ground chain must be pulled across the line to assure that it is deenergized.

d. Return Power Lines or Direct-Connected Process Equipment to Service: To return a power line to service, the Electrical Maintenance Supervisor must personally report to the Utilities Chief Operator that the work has been completed and accompany the Utilities Chief Operator to the substations and main power plants and properly tag off the power lines by signing and removing the red POWER DIS-

CONNECT tags at the electrical substations and at the main power plants. The lines may then be energized by the Power Plant Process Operator.

In the case of direct connected process equipment, the Process Chief Operator or his designated representative must report to the Ublines Chief Operator that the work has been completed. The Ublines Chief Operator and a representative of the group actually working on the equipment will proceed to the site of the equipment and personally meet with the Process Chief Operator or his designated representative who will tag off the local start-stop switches by signing and removing the red POWER LINE DISCONNECT tag. He will give the tag to the Ublines Chief Operator who will also sign it, along with the representative of the group actually working on the equipment. The Ublines Chief Operator and the representative of the group actually doing the work must then proceed to the electrical substation and properly tag off the disconnect switches by signing and removing the red POWER LINE DISCONNECT tags. Finally, they must proceed to the Power Plant and tag off the remote control switch by signing and removing the red POWER LINE DISCONNECT tag from the remote control switch. The Utilities Chief Operator will keep the signed tags and notify the Process Chief Operator or his designated representative that the tag off procedure has been completed.

*In the case of Contractor personnel the Contractor's Supervisor and the Contract Administrator must accompany the Utilities Chief Operator in the inspection and the Contractor's Supervisor along with the Utilities Chief Operator must sign off the disconnect tags.*

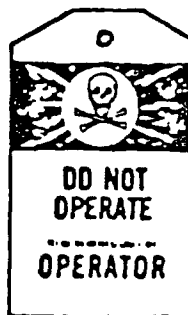
## 2. Procedure for Working on or Adjacent 2,300-Volt Power Lines

a. Tag Power Lines — Before beginning work on live uninsulated 2,300-volt power lines or working adjacent to any live uninsulated power line, the Maintenance Supervisor or his designated representative must notify the Ublines Chief Operator about the nature and location of the work to be performed.

The Ublines Chief Operator must request the appropriate Power Plant Process person to attach a yellow CAUTION-PEOPLE WORKING ON THIS CIRCUIT tag to the switch or switches controlling the power lines. In the case of contractor linemen, the Contract Administrator must contact the Utilities Chief Operator.

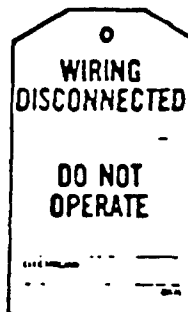
b. In Case of Circuit Trouble — In the event of circuit trouble at the jobsite, the Mechanical Supervisor must immediately notify the Power Plant Process person. In the case of contractor linemen, the Contract Administrator must contact the Power Plant Process person. If any switch to which a tag is attached is tripped, it must not be reclosed until the Power Plant Process person is notified that it is safe to reclose.

c. Removal of Tags — Upon completion of the job, the Maintenance Supervisor who made the original request must notify the Power Plant Process person to remove the tags. In the case of contractor linemen, the Contract Administrator must contact the Power Plant Process person.



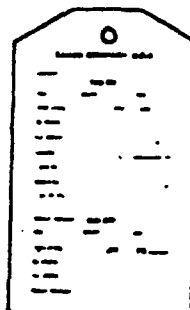
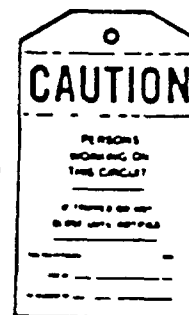
Red Lettering  
On White Tag

Red Tag



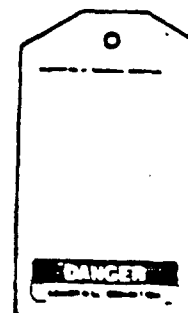
Yellow Tag

Yellow Tag



Red Tag

Orange Tag



EXX 004834

## Section 5 HOT WORK PERMIT

### PURPOSE

The purpose of this permit procedure is to protect personnel and equipment from fires and/or explosions that could result from hot work performed in a hazardous area. This section outlines minimum precautions for safety when performing hot work in any location not designated as a routine hot work area. In all such areas, a green HOT WORK PERMIT is required for all hot work.

### SPECIAL DEFINITIONS

1. Hot Work — Any work requiring the use of burning, welding, or brazing equipment, explosives, open fires, portable grinders, unattended internal combustion engines, concrete busters, soldering irons, nonexplosionproof electric motors (including motor chippers, drills, and saws), nonexplosionproof floor or string lights, sandblasting, explosion-actuated tools, electric hot plates, or any other flame- or spark-producing equipment.

EXCEPTION: work on energized intrinsically safe circuits, electrical instruments and electrical power circuits covered under Cold Work Permits in Section 8.

2. Hot Tap — Any connection made to a pipeline or other equipment that is under pressure or has not been cleared and prepared for tapping using conventional construction methods.

### RESPONSIBILITIES

1. Chief Operator is responsible for issuing the green HOT WORK PERMIT for his equipment. He or his designated representative must designate boundaries within which the permit applies and must insure that all necessary safety precau-

tions have been completed prior to the Chief Operator signing the permit.

When hot work is to be performed on equipment passing through or adjacent one processing area, but controlled from another, the Chief Operators from both processing areas are responsible for issuing the permit. This rule applies if the hot work to be performed is within approximately 50 feet of operating equipment. (Example: Oil Movements line in pipe rack adjacent a process unit.)

When hot work is to be performed on equipment in a non-processing area adjacent a processing area both the Chief Operator from the adjacent processing area and the Basic Equipment Owner of the non-processing area or his authorized representative are responsible for issuing the green HOT WORK PERMIT. (Example: road work adjacent a process unit.)

2. Maintenance Supervisor is primarily responsible for seeing that only the type of work covered by the permit is performed, and that conditions at the jobsite are safe for the scheduled work, also that hot work is confined to the area covered by the permit.

3. Safety Permit Inspector is primarily responsible for making the required gas tests and inspecting the jobsite for compliance with all applicable safety rules and standards.

4. Mechanical personnel performing the work are responsible for checking the green HOT WORK PERMIT to be sure it is current, valid, and properly signed by the Chief Operator, Mechanical Supervisor, and the Safety Permit Inspector. If any of the signatures are missing, work must not begin.

5. All persons at or near the hot work site must be constantly alert for any condition that could make

V-1

V-2

EXX 004835

hot work hazardous. If such a condition develops, all hot work and machines must be stopped at once. All personnel must immediately vacate the area and notify the Chief Operator or the nearest Process person of the hazardous condition. The green HOT WORK PERMIT is no longer valid and must be removed. All persons associated with the work must be notified. Before work may resume, a new green HOT WORK PERMIT must be issued. When Mechanical personnel leave the job (such as lunch break), they must check to see that conditions have not changed and the permit has not been removed before resuming hot work.

#### PROCEDURES

1. Area Other than Enclosed Spaces and on Marine Docks — For performing hot work in any area not designated as safe for routine performance of hot work, the following requirements apply:

a. Hot Work Planning — The Maintenance Supervisor will advise the Chief Operator of the nature and location of the hot work to be performed as well as the proposed timing. Normally this should be done at least one day before hot work is scheduled to begin.

b. Preparing for Hot Work — The Chief Operator will work with the Maintenance Supervisor to see that the area is prepared properly for hot work. The Chief Operator will see that the following work is completed and checks performed before the Safety Permit Inspector is called:

(1) Clearing and Blinding — Check to make sure all blinding and cleaning of equipment necessary for execution of hot work is completed. If any blinding is required, make sure a blinding list has been prepared. All opening and blinding that requires white OPENING OR BLINDING PERMIT must be done

in accordance with Section 7 of this manual.

(2) Remove Flammable Material — Check to make sure that no flammable liquids or solids are spilled or trapped in or around equipment at the site of the proposed hot work.

(3) Prepare Sewers — Cover all sewer catch basins and manholes in vicinity of hot work. Catch basins containing flammable material must be flushed with water before covering. Also, check for and seal off sewer vents in the area that may present a hazard.

(4) Remove Trash — Remove other flammable materials such as trash, wood, or dry grass. Where hot work is to be carried out over dry grass, the area must be saturated with water before performing hot work, and a water hose left connected and readily accessible.

(5) Provide Fire-Fighting Equipment — Make sure that adequate fire-fighting equipment is at the jobsite. At least one fully charged fire extinguisher of a type and size designated as suitable must be provided where hot work is to be performed.

(6) Make Surrounding Area Safe — Check surrounding area for possible release of flammable vapors in the hot work area. Such things as safety valve discharges, leaks from pumps and/or compressors, valve packing leaks, etc., must be identified and necessary corrective action taken.

(7) Prepare for Hot Taps — For hot taps or other jobs requiring hot work on equipment in service, all requirements of the "Hot Tap Procedure Safety Standard" (Mechanical Division Safety Procedure No. 11) must be satisfied. Before the green HOT WORK PERMIT can be issued, the checklist attached

to the above mentioned standard must be completed. The Chief Operator must make sure that his Operating Supervisor has approved the work to be done and so note in the space provided on the back of the permit. Also, he must see that the Mechanical Engineering Department Inspector has checked for adequate metal thickness and initialed the space provided on the back side of the tag.

(8) Check Other Work in Area — The Chief Operator must check for active white OPENING OR BLINDING PERMITS in the area of the hot work. A HOT WORK PERMIT must not be issued if work associated with existing white OPENING OR BLINDING PERMIT could create a hazard by spill or gas release. All openings from which release of flammable material could occur are to be considered hazardous. The area of concern must cover the geographical limits where there is a remote possibility that sparks from hot work could come in contact with flammable materials from any opening. If such a possibility exists in the proposed hot work area, the white OPENING OR BLINDING PERMIT must be killed. The green HOT WORK PERMIT shall not be issued until all openings from which flammable material could be released are blinded, and the area is cleared of flammable liquid or vapor.

(9) Provide for Overhead Hot Work — When hot work is to be performed in overhead locations, a suitable method for catching hot metal, electrode stubs, etc., must be provided where these materials would cause a fire hazard or when they would create a safety hazard when work is going on below.

(10) Safe Location of Welding Equipment — When electric welding is to be performed, the ground lead connection must be at-

tached at a point within the area covered by the permit. The welding machine must be in the same area or an adjacent area approved for nonrestricted movement of motorized equipment.

c. Filling Out Green Card — After completion of all items covered in b above, the Chief Operator or his designated representative must double check the hot worksite. He and the Maintenance Supervisor will determine if a standby man or other special precautions are necessary. The Chief Operator or his designated representative will then fill out the green HOT WORK PERMIT and the checklist on the back side of the tag.

d. Maintenance Supervisor Site Inspection — The Maintenance Supervisor must also inspect the site to make sure all necessary work and checks have been completed. His signature on the green HOT WORK PERMIT indicates he checked the work area and agrees all is safe for hot work.

e. Safety Permit Inspector/Chief Operator Site Inspection — When all is considered ready by both the Chief Operator and Maintenance Supervisor, the Safety Permit Inspector shall be called for gas tests and a final inspection of the worksite. The Safety Permit Inspector shall perform gas tests for explosivity and/or oxygen deficiency and/or toxic materials depending on the nature of the job. The Safety Permit Inspector and the Chief Operator must inspect the site together before the permit can be issued. The Safety Permit Inspector signifies all is safe for hot work by signing the green HOT WORK PERMIT. The Chief Operator then signs the permit signifying that hot work can begin.

f. Permit Duration and Disposition — Before the green HOT WORK PERMIT is issued, the

Chief Operator, Maintenance Supervisor, and Safety Permit Inspector must agree on the expiration time and note same in the space provided on the permit. This decision on duration as well as disposition of the permit copies must be in accordance with the following guidelines:

(1) Eight-Hour Permit — Permits to do hot work in or around processing areas where flammable or toxic materials exist are normally eight-hour permits. Such a permit is good for the shift in which it was issued. It can be continued into the next mechanical shift only after the Chief Operator and Maintenance Supervisor for the new shift have inspected the site and are confident no changes have taken place. If there is any question, the Safety Permit Inspector must be called for a gas test. Hot work on the new shift must not begin until the Chief Operator and the Maintenance Supervisor have signed the cardboard portion of the green permit. They must also sign the control center copy. If work continues into the third shift, the same procedure must be followed. Eight-hour permits are void at the end of 24 hours, and a new permit must be issued including job site inspection by the Safety Permit Inspector along with required gas tests.

When a green HOT WORK PERMIT is issued: (1) the cardboard portion must be placed in a conspicuous location at the jobsite by the Chief Operator or his designated representative; (2) the original copy is to be given to the Safety Permit Inspector for his file, and (3) the carbon copy kept in the Process permit files. Upon expiration of the permit, the cardboard portion of the permit must be removed from the jobsite and filed along with the carbon copy in the Process file. Both copies must be retained for at least 24 hours after expiration and then discarded.

(2) "Drop Card" — For some jobs where hot work is in an area where there is no nearby equipment in flammable or toxic service or in offsite areas where there is virtually no chance of hazard from flammable or toxic materials, a "drop card" may be used. Examples of such jobs are: (1) work in a unit that contains no flammable or toxic materials, (2) work in or adjacent a cleaned tank where no other tanks or equipment are within the same fire wall, and (3) work adjacent an offsite pipe rack where no hazard from flammable or toxic materials exist. For such jobs, The Chief Operator is not required to inspect the job with the Safety Permit Inspector. The Safety Permit Inspector may visit the site and make gas tests as deemed necessary before the work shift begins and presign the green HOT WORK PERMIT. All other requirements for the "drop card" shall be the same as the "eight-hour" permit.

(3) Job Completion — Under certain conditions, a green HOT WORK PERMIT may be issued for the job duration. In general, it is when the job conditions at and surrounding the work area will not change and create a flammable or toxic material hazard. Examples of such jobs are: (1) construction of a new Process unit, (2) a field pipe fabrication shop in an open area, (3) construction of a new tank in an open area, and (4) during turnarounds when oil, gas, and chemical lines are blinded at the unit limits. The cardboard portion of the permit must be placed at the Maintenance Supervisor's jobsite office. The Safety Permit Inspector will keep the original on file and the carbon copy must be kept in the Process permit file. The Operating Supervisor must approve all job completion permits including contract jobs.

**g. Hot Work Authorization** — Only after all of the above items have been completed and green HOT WORK PERMIT has been signed by the Chief Operator, Maintenance Supervisor, and Safety Permit Inspector is hot work authorized. After the Chief Operator or his designated representative has personally hung the cardboard portion of the permit in a conspicuous location at the job site, hot work can begin.

**2. Marine Docks** — For performing hot work on or under Marine Docks, all provisions given in the basic procedure above shall apply. In addition, the following work shall be completed and checks made before a green HOT WORK PERMIT can be issued:

**a. Safe Tide Level** — When hot work is to be performed under a dock, the tide level must be below any pipelines at the water level to prevent trapping oil between the pipelines, thus eliminating a possible source of combustible material.

**b. Avoid Falling Materials** — The hot work area must be isolated to prevent molten metal and/or any combustible material from falling into the water.

**c. Remove Grating** — Grating in the tender system must be removed in the hot work area when work is to be performed under a dock.

**d. Secure Coast Guard Approval** — The Docks' Operating Supervisor must secure approval of the Houston Coast Guard Port Captain prior to any hot work.

**e. No hot work can be performed on any dock while a ship is berthed at that dock.**

**EXCEPTION:** At Dock No. 1, hot work will be permitted 150 feet or more from vessels handling materials with a flash point of above 150F.

**3. Enclosed Spaces** — For performing hot work in enclosed spaces, all provisions given in the basic procedure above apply. In addition, the following work must be completed and/or checks made before a green HOT WORK PERMIT can be issued:

**a. Obtain Yellow PERMIT TO ENTER** — Before many of the items listed in the basic procedure above can be done, it is necessary to enter the enclosed space. A yellow PERMIT TO ENTER is required to initially enter the enclosed space where hot work is to be done. Once the necessary requirements have been met and a green HOT WORK PERMIT has been issued, no yellow PERMIT TO ENTER tag is required as long as a valid green HOT WORK PERMIT is in effect.

**b. Other Requirements for Hot Work in Enclosed Spaces** — After entry is made into the enclosed space, applicable portions of the basic Procedure above can be completed. In addition, the following must be performed and/or checks made before a green HOT WORK PERMIT can be issued:

**(1) No Cylinders In Enclosed Spaces** — Cylinders containing any type of flammable material must not be placed in an enclosed space where hot work is to be done.  
**EXCEPTION:** In storage tanks where door sheets have been removed.

**(2) Thoroughly Clean** — The enclosed space, including all internals, must be thoroughly cleaned and made safe for hot work. This includes freeing the container of all flammable gases, liquids, and solids as well as inert atmospheres and toxic materials.

**(3) Provide Adequate Ventilation** — A fresh air ventilation system must be provided and shall be adequate to remove fumes and gases created by the proposed hot work. If ade-

### SPECIAL REQUIREMENTS

- # DISPLAY PERMIT AT JOB SITE
- ## HOT WORK PERMIT
- EXXON COMPANY USA
- RAYTOWN REFINERY
- LOCATION
- DESCRIPTION
- DATE
- PERMIT NUMBER
- PERMIT HOLDER'S NAME
- ### AUTHORIZATION
- DATE
- TIME
1. AUTHORIZED TO CUT WELDING
2. AUTHORIZED TO CUT
3. AUTHORIZED TO CUT
4. AUTHORIZED TO CUT
5. AUTHORIZED TO CUT
6. AUTHORIZED TO CUT
7. AUTHORIZED TO CUT
- NOTES
- NOTE: Before use of this permit, user must complete all of the following items:

**Y-11**

EXX 004840

## Section 6

### PROCEDURE FOR ENTERING ENCLOSED SPACES

#### PURPOSE

This procedure is designed to protect personnel against such hazards as oxygen deficiency, toxic materials, flammable substances, and power-driven equipment when working in enclosed spaces. A yellow PERMIT TO ENTER tag is required to enter any enclosed space. If hot work is to be performed in an enclosed space, a yellow PERMIT TO ENTER tag is required to initially enter the enclosed space. This procedure is to be considered the minimum precautions for the safety of personnel entering enclosed spaces.

#### SPECIAL DEFINITIONS

1. Enclosed Space — Any space that can be closed or has restricted entry or exit, such as vessels, tanks, boilers, furnaces, etc. Also included are confined spaces, such as pits, sewers, excavations, where the heads of workmen are below the top of the confined space.
2. Oxygen Deficiency — Any atmosphere that has oxygen concentration of less than 19.5 percent.
3. Standby — The person designated by the Chief Operator and/or the Maintenance Supervisor to warn persons in enclosed spaces of hazardous or emergency conditions that could affect their safety.

#### RESPONSIBILITIES

1. Chief Operator is responsible for issuing the yellow PERMIT TO ENTER for entry into enclosed spaces in his processing area. He or his designated representative is responsible for insuring that all necessary safety precautions have

been completed prior to issuance of the permit. The Chief Operator must sign the yellow PERMIT TO ENTER tag certifying that all requirements have been met.

2. Maintenance Supervisor is responsible for obtaining the yellow PERMIT TO ENTER and assisting in final preparation of the enclosed space for entry. He must inspect the area and sign the tag to indicate his approval of the required safety precautions. He must see that all proper job safety precautions are followed and be alert for changing conditions that might affect the safety of the job.

3. Safety Permit Inspector is responsible for making the necessary gas tests for explosivity, safe oxygen level, and safe toxic material levels. He will also inspect the jobsite for compliance with all applicable safety rules and standards.

4. Individual, before entering an enclosed space, shall assure himself that the necessary safety preparations have been made and that a current yellow PERMIT TO ENTER, properly filled out and signed by the Chief Operator, the Maintenance Supervisor, and the Safety Permit Inspector, has been posted at the job site.

5. Standby is responsible for assuring the well-being of persons working in enclosed spaces when breathing equipment is in use or when conditions are such that outside warning may be necessary.

#### PROCEDURE

1. Entering an Enclosed Space Without Protective Equipment

- a. Preparing Enclosed Spaces for Entry — The Chief Operator will see that the enclosed space is emptied and purged in preparation for opening. Process personnel may also physically disconnect or blind the enclosed space in accordance with Section 7.

VI-1

VI-2

EXX 004841

**b. Requesting PERMIT TO OPEN OR BLIND** — The Maintenance Supervisor will request a white OPENING OR BLINDING PERMIT from the Chief Operator in accordance with provisions of Section 7.

**c. Isolating the Enclosed Space** — If not already done by Process, the Maintenance Supervisor will insure that all connecting lines to the enclosed space are physically disconnected or blinded at a point as near to the enclosed space as is safely practical. Double block valves with an intervening bleeder are not considered equivalent to a blind where personnel bodily enter the space.

**EXCEPTION:** In steam, water, and air service where no blinding points exist, isolation valves shall be chained and locked with Mechanical locks to prevent opening.

**d. Immobilizing of Power-Driven Equipment** — Before entry, the Maintenance Supervisor will arrange for electrical equipment to be immobilized in accordance with the electrical lockout procedure. The power supply to other equipment driven by air, steam, internal combustion engines, or hydraulic fluid shall be blinded or disconnected.

**e. Cleaning and Establishing Ventilation of Enclosed Space** — The Maintenance Supervisor will have the space cleaned and if necessary, place in operation a fresh air ventilating system.

**EXCEPTION:** No forced ventilation system is required where a natural draft is established and the Chief Operator, Maintenance Supervisor, and Safety Permit Inspector agree that entry is safe.

**f. Gas Testing the Atmosphere of the Enclosed Space** — The Safety Permit Inspector must satisfactorily test for explosivity, oxygen defi-

ciency, and toxic materials

(1) **Explosivity** — Entry will not be permitted unless the test indicates a safe range

(2) **Oxygen Deficiency** — Entry will not be permitted unless oxygen concentration is greater than 19.5 percent.

(3) **Toxic Materials** — Entry will not be permitted unless test indicates a safe range. Additional checks are to be made as work proceeds in the enclosed space if a possibility of release of fumes or depletion of oxygen exists.

**g. Standby Requirement** — A standby must be required and noted on the yellow PERMIT TO ENTER when the Chief Operator and/or the Maintenance Supervisor determines that an unsafe condition may develop during the course of the work. The standby shall be equipped with a standby kit, a Claxon horn, and a unit radio for communication.

**h. Issuance of PERMIT TO ENTER** — When the Maintenance Supervisor and Safety Permit Inspector are both satisfied that all requirements and safety precautions have been completed satisfactorily, each must complete applicable portions of the checklist and sign the permit. The Chief Operator will complete and sign the permit signifying that entry can be made. He will then post the cardboard portion of the permit in a conspicuous location at the jobsite and file the original paper portion in the Process permit file.

**i. Permit Duration and Disposition** — A yellow PERMIT TO ENTER will have the same requirements for duration and disposition as a green HOT WORK PERMIT except that no "drop card" type permits will be allowed. Job completion permits will be allowed provided

work in the enclosed space is continuous.

## 2 Entering an Enclosed Space with Protective Equipment

Enclosed spaces to be entered with protective equipment must be emptied, cleaned of hazardous materials, and purged, insofar as practical, prior to entry. It must be physically isolated and all power-driven equipment immobilized as required in Procedure 1 above.

a. Required Tests — A yellow PERMIT TO ENTER will be issued only when the atmosphere in the enclosed space meets the following tests:

(1) Explosivity — Entry will not be permitted unless the test indicates a safe range.

(2) Oxygen Deficiency — If oxygen level is below 19.5 percent, entry will be permitted only with a pressure-demand, hose-line air mask.

(3) Toxic Materials — Entry will be permitted only with appropriate protective equipment.

Additional checks are to be made as work proceeds in the enclosed space if a possibility of release of fumes exists.

b. Required Protective Equipment — All personnel entering enclosed spaces must wear protective equipment appropriate for the hazard involved. Use of respiratory masks and other protective equipment (such as rubber suits, goggles, gloves, etc.) inside closed spaces is to be determined by the Chief Operator, the Maintenance Supervisor, and the Safety Permit Inspector and indicated on the yellow PERMIT TO ENTER permit. The cardboard section of the permit must be posted at a conspicuous location at the jobsite. In the case of oxygen-deficient atmospheres, pressure-demand, hose-line air masks with self-contained life lines must be

used and Operating Supervisor approval obtained for entry.

A standby is required when personnel are required to wear pressure-demand, hose-line air masks inside an enclosed space or the situation is such that outside warning is necessary. Scott Air-Paks are permissible in place of the pressure-demand, hose-line air masks for emergency or rescue use where life is in immediate danger.

## 3. Duties of Standby

a. Accounting for personnel working in the enclosed space.

b. Preventing fouling of air or life lines.

c. Being alert for hazards to workers.

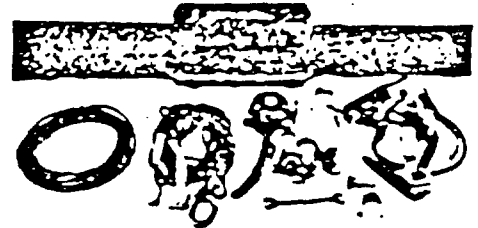
d. Providing normal assistance in handling materials, tools, messages, etc.

e. Evacuating the enclosed space in case of fire or disaster alarm.

f. Being well trained in the operation of respiratory equipment and administering of artificial respiration.

g. Maintaining an adequate air supply.

h. The standby should never attempt to enter the enclosed space even in an emergency until help has arrived.



VI-5

VI-6

EXX 004843

# **SPECIAL REQUIREMENTS**

1. Entry to Prepare for Hot Work — A yellow PERMIT TO ENTER is required to initially enter an enclosed space where hot work is to be performed. Once the necessary requirements have been met and a green HOT WORK PERMIT has been issued, no yellow PERMIT TO ENTER is required as long as a valid green HOT WORK PERMIT is in effect.

2. Entry by Process without Mechanical Involvement — When entry is made by Process personnel without mechanical personnel involvement, the Chief Operator will assume the responsibilities and functions of the Maintenance Supervisor including signing the yellow PERMIT TO ENTER in the space marked Maintenance Supervisor.

DISPLAY PERMIT  AT JOB SITE

**PERMIT TO ENTER**

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EXXON COMPANY USA

SAYTOWN REFINERY

---

LOCATION \_\_\_\_\_

---

DESCRIPTION \_\_\_\_\_

---

DATE ISSUED \_\_\_\_\_

---

REPORT NUMBER \_\_\_\_\_

---

SPECIAL PRECAUTIONS \_\_\_\_\_

---

PROTECTIVE EQUIPMENT REQUIRED \_\_\_\_\_

---

| AUTHORIZATION           | DATE | TIME |
|-------------------------|------|------|
| SAFETY PERMIT INSPECTOR |      |      |
| CHIEF OPERATOR          |      |      |
| MAINTENANCE SUPERVISOR  |      |      |
| CHIEF OPERATOR          |      |      |
| MAINTENANCE SUPERVISOR  |      |      |
| CHIEF OPERATOR          |      |      |
| MAINTENANCE SUPERVISOR  |      |      |

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NOTE: Return this tag to Chief Operator upon completion of work or at end of shift.

VI-7

Yellow Tag

EXX 004844

## Section 7

### OPENING AND/OR BLINDING PERMIT

#### PURPOSE

This permit procedure is designed to prevent accidents by insuring adequate communications between Process and Mechanical Personnel when opening and/or blinding equipment in a processing area. A white OPENING OR BLINDING PERMIT shall be obtained before beginning such work.

#### SPECIAL DEFINITIONS

1. Opening — Exposing the interior of any processing equipment, including piping, to the atmosphere. This includes removing covers, breaking flanges, pulling header plugs, etc. It does not include draining or venting through a valve.

2. Blinding — Installing temporary slip blinds into piping or blind flanges onto equipment to isolate or close for mechanical work.

#### RESPONSIBILITIES

1. Chief Operator is responsible for issuing the white OPENING AND OR BLINDING PERMIT. He or his designated representative has the responsibility for preparing the equipment, determining if the surrounding area is safe for the proposed work, and listing any special safety precautions required.

2. Maintenance Supervisor is responsible for seeing that a permit is secured to perform work involving opening or blinding. He is also responsible to see that Mechanical Personnel work within the limits of the permit and that all stipulated safety precautions are taken.

#### PROCEDURES

1. Requesting Permit — The Mechanical Supervisor or his designated representative must request a permit from the Chief Operator.

2. Initiating Safety Inspection — The Chief Operator or his designated representative must perform a safety inspection of the area. He must check for other active permits, prepare the equipment, and identify all locations to be opened. If blinding is required, he must also prepare a blinding list.

3. Blinding Requirements — Generally all opened equipment must be blinded for hot work (see Section 5), for entering (see Section 6), and opened piping left unattended. The installation and removal of slip blinds and blind flanges (except daily closure blinds) shall be recorded on the blinding list.

Specific blinding requirements and exceptions are as follows:

a. Pumps — Minor repairs, such as small piping and seal replacement, may be performed without blinding provided (1) the suction and discharge valves are tightly closed and tagged with "DANGER — DO NOT OPEN" tags, (2) the case has been depressured through bleeders, (3) the driver has been properly immobilized, and (4) the work can be completed in one shift.

Pumps taking suction on vessels operating below atmospheric pressure must be blinded on the suction side.

b. Compressors — Minor repairs, such as cover plate gasket and valve replacements and bearing inspections may be performed without blinding provided (1) the compressor can be isolated by block valves, (2) block valves are tagged with "DANGER — DO NOT OPEN"

VII-1

VII-2

EXX 004845

tags, (3) the case is depressured through bleeders, (4) the driver has been properly immobilized, (5) the work is continuous until completion, and (6) no more than one cover plate and valve is open at any time.

c. Drivers — To perform major work on drivers, the driven end must be disconnected or blinded. Additional isolation must be as follows:

- (1) Electric motors must be immobilized, using Electrical Lockout Procedure (see Section 4).
- (2) Gas engines must be blinded and the fly wheel blocked.
- (3) Combustion turbines must have fuel lines blinded and the auxiliary motors immobilized.
- (4) Expansion gas turbines must be blocked by closing the inlet and exhaust valves, tagging the valves with "DANGER — DO NOT OPEN" tags, and depressuring through bleeders.
- (5) Steam turbines must be blocked by closing the inlet and exhaust valves, tagging the valves with "DANGER — DO NOT OPEN" tags, and opening bleeders.

d. Piping — Unattended open Piping must be isolated with slip blinds or closed with blind flanges.

EXCEPTION: Lines in water and air service of less than 100 psig may be left unattended without blinding.

e. Vessels — Isolation blinds must be installed as close to the vessel as safely practical and in a manner to insure that no liquid or vapor can be trapped between the blind and vessel.

4. Preparing Blinding List — Before blinding begins, Process Personnel must prepare a blinding list indicating the size and location for all slip blinds and blind flanges to be installed.

5. Issuing Permit — Process and Mechanical Personnel must make a safety tour of the job site, identify and mark the places to be opened and/or blinded, and review the limitations and safety requirements stipulated on the permit. When both Process and Mechanical Persons are satisfied that no green HOT WORK PERMIT is in effect and the task can be safely accomplished, then both will sign the permit.

The Process person must post the cardboard portion in a conspicuous place at the job site and file the original copy in the permit file.

#### EXCEPTIONS:

Process Personnel — Mechanical work by Process may be done without a written permit provided the Chief Operator has authorized the work.

Dock Personnel — Marine hookups on the dock may be performed by the Dock Connection Crew working under the direction of the Chief Operator without a written OPENING OR BLINDING permit.

6. Blinding — The Mechanical Person must record each slip blind installed by signing and dating the blinding list. At the completion of the blinding list or at the end of the shift, the blinding list must be returned to the Chief Operator or his designated representative.

7. Duration of Permit — The permit is issued for one Mechanical shift. The permit must be signed and dated by the Mechanical Person and returned to the Chief Operator or his designated representative at the completion of the job or at the end of

the shift. The permit may be extended into the next shift by both Process and Mechanical signing the extension block. No blinding permit shall be valid for more than 24 hours. An opening permit may be issued for duration of turnarounds provided all oil, gas, and chemical lines are blinded at the unit limits.

**8. Removing Blinds —** The removal of blinds requires another permit unless the installation and removal work is continuous and completed within 24 hours. The Process Person issuing the permit and the Mechanical Person accepting the permit must tour the area and physically identify the blinds to be removed. The Mechanical Person must sign and date the blinding list as each slip blind and blind flange is removed. After the last blind has been removed or at the end of the Mechanical shift, the Mechanical Person must sign and date the cardboard portion and return both the permit and blinding list to the Chief Operator.

**9. Filing of Permits and Blinding Lists —** Each permit must be filed for 24 hours after its expiration and then discarded. Blinding lists must be filed until all blinds have been removed. The blinding list may be discarded 24 hours after the last blind is removed.

The diagram shows a vertical rectangular tag with a hole at the top. It is titled "OPENING OR BLINDING PERMIT". Below the title, there are several horizontal lines for text entry, followed by a section with a grid of boxes for signatures and dates. The tag is labeled "White Tag" on the right side.

The diagram shows a vertical rectangular tag with a hole at the top. It is titled "BLINDING LIST". Below the title, there are several horizontal lines for text entry, followed by a section with a grid of boxes for signatures and dates. The tag is labeled "Buff Tag" on the right side.

## Section 8

### COLD WORK PERMIT

#### PURPOSE

This permit procedure is designed to prevent accidents by giving Process Personnel control over cold work activities taking place in their processing area. To insure proper communications between Process and Mechanical, a blue COLD WORK PERMIT must be completed before work is started in a Process area.

#### SPECIAL DEFINITIONS

1. Cold Work — Any mechanical work on processing equipment including work on intrinsically safe circuits and energized electrical instruments and electrical power circuits that does not involve opening, blinding, entering, hot work, or electrical lockout.

#### RESPONSIBILITIES

1. Chief Operator or his designated representative is responsible for approving blue COLD WORK PERMITS. He or his designated representative is responsible for insuring that all safety precautions have been completed prior to issuance of the permit.

2. Maintenance Supervisor or his designated representative has the responsibility for initiating the blue COLD WORK PERMIT and securing approval from Process personnel. He is responsible for seeing that only the work authorized by the permit is performed.

#### PROCEDURE

1. Initiating COLD WORK PERMIT — The Mechanical Person in charge of the work group assigned to perform mechanical work in a processing area must fill in the date, time, area,

equipment, and description of work on the blue COLD WORK PERMIT. He will then contact the Chief Operator and secure approval before starting to work.

EXCEPTIONS: Blue COLD WORK PERMITS are not required

a. When Process Personnel are performing mechanical work.

b. When the Dock Connection Crew is working in the dock area under instructions from the Chief Operator.

c. When instrument technicians and electricians who are regularly assigned to the processing area perform routine work authorized by the Chief Operator.

NOTICE: A COLD WORK PERMIT is required to work on energized electrical instruments and electrical power circuits above 100 volts

d. When Technical, Safety Permit Inspection, or Laboratory personnel perform sampling and/or test work authorized by the Chief Operator.

e. When janitors perform janitorial-type work in the processing area.

f. When contractor employees take work direction from Process Personnel.

g. When Mechanical performs cold work in preparation for the issuance of other work permits on the same shift. Samples of such work are covering sewers, hooking up hoses, securing fire-fighting or safety equipment, hanging tarps, electrical lockout, etc.

h. When oil, gas and chemical lines are blinded at unit limits during unit turnarounds and work is being performed in accordance with the turnaround procedure.

VIII-1

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EXX 004848

**6. Extension of Permit** — The permit may be extended by determining that the job conditions remain unchanged and by both Process and Mechanical signing the permit. No permit shall be extended beyond 24 hours' total duration.

[illegible]

Light Blue

SECTION 9  
SECURITY REGULATIONS

1. Parking Locations

Parking locations will be designated for each Contractor by Owner. If Contractor desires to park on Owner's property, all parking shall be in the lot, or area designated. Posted regulations governing the use of the lot shall be followed. All vehicles on Owner's property shall be at the risk of the vehicle owner and Owner accepts no responsibility for paint or other damage to or theft of or from such vehicles.

2. Entrance Gate

Owner will designate a gate or gates for the use of Contractor and for the delivery of its material and supplies. Contractor and vehicles serving the Contractor shall use only the designated gate for entrance and exit to and from the Contractor's job site. Contractor shall make arrangements so that vehicle drivers will know which gate to enter and the appropriate job site location.

3. Walks and Roadways

Walks and roadways will be designated for the use of Contractor when entering or leaving the job site, when moving from one area to another, or when obtaining material from Owner. Contractor shall use only designated roadways and walks. The use of shortcuts or nondesignated pathways is prohibited.

4. Contractor Employee Badges

Contractor's employees shall wear their Contractor's badge at all times they are in the Plant. Badges shall bear the firm's name and each badge shall be numbered with a different number. Contractor shall supply these badges and maintain a record of badge numbers with employees' names. Employees engaged for engineering services shall be required to wear badges furnished by Owner showing a number only. Badges must be shown to the gate Security Officer each time any employee of Contractor enters or leaves the Plant. When Subcontractors to the prime Contractor do not have their own badges, they may use the prime Contractor's badges.

When contract employees enter the Plant, the Contractor's supervisor is responsible for checking that every contract employee has a Contractor badge.

#### 5. Contractor Vehicle Identification

Contractor's vehicles must bear the Contractor's name or insignia prominently displayed, and the driver must have a badge. Such vehicles shall be restricted to the use of designated street or streets and Plant entrance or entrances assigned for use of Contractor. All equipment on rubber tires, such as mobile cranes, backhoes, air compressors, welding machines, etc., must have Contractor's name prominently displayed on both sides when being used by Contractor.

#### 6. Material Passes

All tools and materials that the Contractor removes from the Plant shall be accompanied by a material pass obtained from the Contract Administrator. The material pass shall be completely filled out and shall be signed by a designated representative of Contractor and the Contract Administrator. The Contract Administrator retains one copy, and the original and one copy shall accompany the material to the gate. Both copies are to be surrendered to the gate Security Officer.

#### 7. Thefts

Owner accepts no responsibility or liability for the theft of any property or material belonging to Contractor or its employees. It shall be the responsibility of Contractor to furnish any police protection it deems necessary to supplement the guard and patrol service provided by Owner. Owner maintains an investigative service and will cooperate with Contractor by assisting in the investigation of all reported thefts within the Plant. Theft of property or automobiles from Owner's outside parking lots should be reported to local law enforcement officials. Contractor may obtain forms for reporting thefts from within the Plant from the Contract Administrator.

#### 8. Gambling

All forms of gambling are prohibited on Owner's property.

#### 9. Business Visitors, Applicants, and Delivery Trucks

Contractor shall furnish Plant Security with a list of persons who are authorized to pass business visitors, new employees, and delivery trucks to the job site. Plant Security will obtain authorization from one of these people before passing such individuals into the

Plant. Special permission shall be obtained from the Contract Administrator to admit union business agents or safety inspectors other than contractor employed into the Plant.

#### 10. Ambulance Service

Contractor, when working in Plant, shall make any arrangements Contractor deems necessary for ambulance service from an outside firm. Requests for an ambulance shall be called in to 427-3711, extension 3600. Accident location, ambulance firm and hospital desired, and Contractor's name shall be given. Plant Security will escort the ambulance to the scene of the accident. All accidents shall be reported to the Contract Administrator as soon as possible, whether resulting in injury to a person or damage to the equipment of Owner or Contractor.

#### 11. Inspection of Lunch Boxes, Packages, Motor Vehicles, etc.

When contract employees leave the Plant, the Contractor's supervisor is responsible for inspecting lunch containers, packages, and bundles.

Security Officers have the right to inspect lunch containers, packages, bundles, tools, equipment, and motor vehicles in the Plant at any time.

#### 12. Cameras and Photographs

Unauthorized individuals shall not be permitted to enter the Plant with a camera. When Contractor desires to have photographs taken in the Plant, approval must be obtained from Public Relations Department.

#### 13. Liquor, Drugs, Firearms, and Explosives

Any person possessing intoxicating liquors or drugs, or who is under the influence of such, will not be permitted to enter the Plant or loiter on Owner's property.

Firearms and explosives will not be permitted in the Plant.

#### 14. Visiting and Loiterings

Visiting and loitering by Contractor's employees at or around entrance gates or other places on Owner's property will not be permitted.

IX-3

EXX 004852

15. Fingerprinting

If requested by Owner, Contractor shall furnish the Owner two sets of fingerprints on each of his employees and each of his Subcontractor's employees.

11

EXX 004853

## SECTION 10

### GENERAL REGULATIONS

#### 1. Authorization to Start Work

Contractor and Subcontractors shall not start work until authorized by the Contract Administrator at the job site. Such authorization does not constitute authority to proceed with any work involving special permits as outlined in Exxon Refinery's Safety Manual. Contractor shall also secure approval from Contract Administrator before any materials are delivered to job site when material deliveries precede Contractor's arrival on site.

#### 2. Contractor's Equipment

All Contractors moving trailer-type equipment within the Plant shall use a hitch equal to Premier's automatic latching hitch No. 105 for one-ton loads, or No. 380 for one-and-one-half-ton loads, except that properly rated ball hitches may be used when provided with safety chains.

#### 3. Explosives

Explosives shall not be used without prior written approval of Owner.

#### 4. Use of Lines, Conduits, or Structures as Supports

Contractor shall not use Owner's pipe lines, electrical conduits, handrails, or structures as supports for loads, for ladders, or for scaffolds without authorization from the Contract Administrator.

#### 5. Use of Stanchions or Equipment for Anchors

Contractor shall not use Owner's pipe stanchions or other equipment for attaching snatch blocks, guy lines, or for other services which apply loads on equipment without written approval of the Contract Administrator.

#### 6. Damage to Owner's Property

If Contractor damages any of Owner's property, or property of any other contractor

I-1

EXX 004854

or subcontractor, the damage shall immediately be reported to the Contract Administrator.

#### 7. Operating Owner's Equipment

Contractor shall not operate any of Owner's equipment, such as electric power switches, valves, etc., without prior specific approval of the Contract Administrator.

#### 8. Use of Special Vehicles

No vehicle or piece of equipment having metallic-lugged wheels or tracks shall be operated on any hard surface street without adequate protection to the street, as approved by Contract Administrator. No tracked equipment having flat pavement treads shall be operated on a paved street without approval of the Contract Administrator.

#### 9. Fire Extinguishers

Welding machines and tar pots shall have a 12-pound CO<sub>2</sub> or 20-pound dry chemical-type fire extinguisher in proper working condition located adjacent to the equipment. An extinguisher shall be located in each working area where "hot work" is being done.

**Fire Hose** -- Where fixed hose reels are not available, the Contractor shall furnish and maintain a minimum of one fire hose in each working area where hot work is being done. Each hose shall be 1-1/2" diameter with threaded coupling and NYC Fire Department threaded adapter suitable for 150 psi pressure. Each hose shall be equipped with a 1-1/2" combination fog, straight stream, and shut-off nozzle equal to American LaFrance or Elkhart L-200. Hoses shall be connected to a hydrant. The Contractor shall be responsible for opening the water supply valve at the hydrant in full open position while hot work is in progress, but pressure is not to be left on hose overnight.

#### 10. Welding

Contractor shall not weld on oil or gas lines or equipment in service unless there is internal cooling agent to remove heat, such as flowing liquid or gas, and there is sufficient metal, as approved by the Contract Administrator, to prevent a burn-through.

**Exception:** No hot work is to be done on air lines in service between the reciprocating compressor discharge and the knockout drum or drier. Hot work can be done on air lines downstream of knockout drum or drier, or on air lines pressured by centrifugal equipment, after gas test shows the air in the line to have no hydrocarbons present.

11. Securing of Temporary Buildings

All temporary buildings shall be tied down by the Contractor in accordance with the Contract Administrator's instructions, and applicable Baytown Engineering Standards.

12. Exit from the Plant

Contract employees, except for the driver, must dismount and walk through the gate when leaving the Refinery.

13. Non-English-Speaking Personnel

The ability to communicate with Contractor employees is essential to safe job execution. When the contract employee cannot speak English, the job foreman must be able to speak both English and the employee's language fluently. If there is reason to doubt the foreman's ability in this regard, a practical demonstration is in order. When the foreman cannot speak both English and the employee's language, the employee must either be placed under a foreman who can, or he must be prohibited from working in the Baytown Refinery.

14. Hurricane Precautions

The period between June 15 and October 15 is recognized as the hurricane season. Prior to this time, all material that is not needed for the job and that might become wind-borne in hurricane winds should be removed. That material still needed should be piled as compactly as possible. Provision should be made for tying down lightweight objects should the need arise. Scaffolds and some open-type structures should be dismantled if a hurricane approaches. Thus, there should be a plan formulated in advance to handle necessary actions, particularly in terms of the time and manpower required.

15. Contractor Accident Reporting

The contractor is responsible for notifying the Contract Administrator immediately:

- a. Any time an ambulance is called;
- b. In the event of any injury which could possibly result in lost time;
- c. In the event of any incident which had serious potential, such as mobile equipment overturning, equipment contacting electric supply lines, etc.

All injuries shall be reported on the Industrial Accident Board Standard Form for Employee's First Report of Injury or Illness — Latest revision.

#### 16. Emergency Evacuation Procedure

An emergency evacuation procedure form shall be completed by each Contractor prior to starting a contract. An assembly point should be chosen to provide a relatively safe, open area, in the event an emergency occurs that requires evacuation of all or part of the Refinery.

#### 17. Contractor Safety Meetings

Each Contractor is strongly encouraged to hold a weekly safety meeting for his employees. Either a combined meeting of all the Contractor's employees in the Refinery or smaller meetings for each job or each foreman is suitable.

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

2117  
Contract File  
BRL



October 17, 1979

Contract No. K-00-9131-C

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

ATTENTION: Ms. Betty T. Wright

Gentlemen:

We will perform the additional work described by Design Change #3 for a lump sum price of \$724.00. This additional work will necessitate 30 days extension to the original contract schedule based on delivery of the monitor nozzle, provided we are authorized to proceed immediately.

Yours very truly,

BROWN & ROOT, INC.

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

BMH/lja

|                                                                         |                     |
|-------------------------------------------------------------------------|---------------------|
| CONTRACT CHANGE ORDER NO. <u>3</u>                                      |                     |
| CONTRACT NO. <u>K-00-9131-C</u>                                         | DATE: <u>8-9-79</u> |
| ADDITION/(DELETION) \$ <u>724.00</u>                                    |                     |
| EXXON COMPANY, U.S.A.<br><small>A DIVISION OF EXXON CORPORATION</small> |                     |
| APPROVED: <i>Jack Cardwell</i>                                          |                     |
| DATE: <u>10/21/79</u>                                                   |                     |
| EXCERPTS <u>ECMD</u>                                                    |                     |
| PROJ. ENG: <u>R. C. Summers</u>                                         | TYPE: <u>A</u>      |

EXX 004858

21-2147 Contract 1 me

Charge: 32213-81140

Contract No. K-00-9131-C

THIS CONTRACT, entered into this 9<sup>th</sup> day of August 19 79, by and between Exxon Chemical Company U.S.A., an operating division of Exxon Chemical Company, a division of Exxon Corporation, hereinafter referred to as "the Company," 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 the Company and Contractor agree as follows:

1. If any provision of this Contract incorporates by reference into this Contract or provides for the attachment hereto of any safety regulations, engineering standards, or other documents issued in the name of Exxon Company, U.S.A. (a division of Exxon Corporation), then for the purpose of this Contract, the Company hereby adopts those documents and any references to Exxon therein shall be construed as references to the Company.

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

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

| Designation    | Title                                                                                  | Date          |
|----------------|----------------------------------------------------------------------------------------|---------------|
| Specifications | Construction Specifications for BOP Hydrogen Booster Compressor at the CHU, Revision 1 | July 19, 1979 |
| Exhibit "A"    | Construction Specifications for BOP Hydrogen Booster Compressor at the CHU, Revision 1 | July 19, 1979 |

Contractor agrees to begin work immediately upon award of Contract and will make every effort to complete the work on or before October 15, 1979.

3. As consideration for the satisfactory performance and completion of this Contract by Contractor, the Company agrees to pay Contractor the lump sum of THREE HUNDRED ELEVEN THOUSAND FOUR HUNDRED NINETY-THREE AND NO/100 (\$311,493.00) DOLLARS.

Invoices will be paid 30 days after receipt of invoice.

EXX 004859

4. Contractor shall comply with all of the terms and conditions contained in the Company's publication entitled "Contractors' Responsibilities for Safety, Plant Security, and Traffic Regulations," dated September 1, 1978, said publication being made a part of this Contract by reference. The Company 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 the Company 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 the Company's Baytown Chemical Plant 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 the Company'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.

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

6. It is understood and agreed that all work performed by Contractor hereunder shall meet with the approval of the Company's engineers or inspectors but that the detailed manner and method of doing same shall be under the control of Contractor, the Company 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 the Company agree as follows:

A. Contractor agrees to indemnify and hold the Company 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 the Company or its employees.

(2) From (a) injuries to or deaths of persons, including employees and representatives of the Company, 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 the Company 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 the Company's property resulting from fire or explosion.

(3) From damage to property or injury to or death of persons which results 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 the Company, except that Contractor shall not be responsible or liable for such damage to the Company'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 \$ 300,000 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 \$ 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 the Company that all insurance required under this Contract is in force and carried with companies acceptable to the Company and that such insurance will not be materially altered or cancelled while the work covered hereby is in progress without a reasonable prior written notice to the Company. Upon request of the Company, 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, the Company shall have the right to procure same and deduct the cost thereof from the consideration to be paid Contractor hereunder.

7. 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 the Company by Contractor's laborers, mechanics or materialmen, and agrees to indemnify, protect and save the Company harmless from and against all such claims and liens.

8. Contractor agrees that if, in the opinion of the Company, 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, the Company may, at its election, take over and perform or obtain another contractor to take over and perform all or any part of the work then remaining unperformed. In the event the Company 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 the Company and shall return same to Contractor upon the completion of the job in as good condition as when taken over by the Company, ordinary wear and tear excepted. Should the Company take over the completion of said job, or obtain another contractor to do so the Company shall pay Contractor for the work then completed, subject to the later provision hereof, unless the compensation for the completed work cannot be readily determined, in which latter event the Company shall pay Contractor the full contract price less all costs and expenses incurred by it in the completion of the work.

9. Contractor agrees that upon the completion by it and acceptance by the Company of the work herein contracted for it will furnish the Company 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 the Company to Contractor within 30 calendar days after receipt of final invoice, subject, however, to the right in the Company 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 the Company that all claims for labor and material and for damages to persons and property, as above provided, have been satisfied, the Company in the event it considers it safe to do so, will advance at approximately fifteen (15) day intervals up to ninety percent (90%) of the value of the work then completed, based upon estimates by the Company's engineers or inspectors, in which event the balance will be paid upon completion and acceptance of the work and compliance with the terms and provisions hereof. Payment pursuant to the terms of this paragraph shall not preclude the right of the Company from thereafter disputing any of the items involved.

Contractor agrees that in the event any lien or liens are fixed or attempted to be fixed, secured or claimed against the Company or the Company'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 the Company that such lien or liens have been fixed or attempted to be fixed, secured or claimed, furnish the Company 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 the Company or obligations of Contractor under this Contract and shall in no way be construed as abrogating or qualifying such rights and obligations.

10. 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.

11. 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.

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

13. 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 the Company, any such material or equipment which may become defective within one (1) year from the Company'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 the Company 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 the Company'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.

14. In the event the Company 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 the Company as to their condition;

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

D. To indemnify and hold the Company 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 14, tools and equipment shall be defined to include scaffolds, lights, and all other types of apparatus, facilities or services which the Company 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 the Company.

15. The Company 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 the Company may, by such instructions or drawings, require Contractor to alter, change, accelerate, or omit any work covered by this Contract. In the event the Company desires any such additions, changes, alterations, accelerations or omissions which will materially increase or decrease the total contract price referred to in paragraph 3 above, Contractor shall submit to the Company an estimate of such increase or decrease. Should the Company desire to proceed in accordance with such estimate, the Company 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 the Company'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.

16. Contractor shall procure the Company'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 the Company but shall contain a provision permitting assignment thereof by Contractor to the Company.

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

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

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

18. If Contractor or Contractor's personnel make any inventions based upon technical information which Contractor is required to keep confidential under this agreement, Contractor shall promptly disclose said inventions to the Company. Contractor agrees to grant and hereby grants to the Company 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 the Company is assignable by the Company to any of its Affiliates. For the purpose of this Contract only, the term "Contractor's Patent Rights" shall mean patents and patent applications based on inventions made by Contractor or Contractor's personnel which inventions are based upon information which Contractor is required to keep confidential under this Contract and which are conceived during the life of this Contract and two (2) years thereafter. The term "Affiliate," as used in this paragraph, shall mean and include any company of which Exxon Corporation now or hereafter owns or controls, directly or indirectly, fifty percent (50%) or more of the stock having the right to vote for directors thereof. For the purpose of this definition, the stock owned or controlled by Exxon Corporation shall be deemed to include all stock owned or controlled, directly or indirectly, by any other company of which Exxon Corporation owns or controls, directly or indirectly, fifty percent (50%) or more of the stock having the right to vote for directors thereof.

19. It is expressly understood by Contractor that the Company accepts no obligation of confidence with respect to any information disclosed to the Company 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 the Company pursuant to this Contract, and that the Company shall be free to use or disclose any or all of the information contained therein to third parties without accounting to Contractor therefor.

20. It is understood and agreed that the Company 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.

21. Contractor's obligations under paragraphs 17 and 18 of this Contract shall survive any termination of this Contract.

22. 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 order is X is not \_\_\_\_\_ subject to Executive Order 11246, as amended. The Equal Opportunity Supplement is made a part hereof and either is attached hereto for your signature and return or has been previously filed with Exxon. This contract also includes and is subject to Executive Order 11738 requiring certification of compliance with the affirmative action clauses concerning disabled veterans and veterans of the Vietnam era (41 CFR 60-250) and employment of the handicapped (41 CFR 60-741), and the appropriate clauses are either attached hereto or incorporated herein by reference.

C. Contractor agrees that all financial settlements, reports and billings rendered by Contractor to the Company shall, in reasonable detail, accurately and fairly reflect the facts about all activities and transactions handled for the account of the Company.

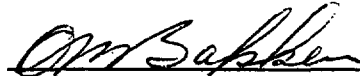
D. All actions by Contractor in the name of or otherwise on behalf of the Company will comply with all applicable laws and lawful regulations.

E. All payments by the Company to Contractor will be received by Contractor for its own account and Contractor will not, nor is Contractor authorized to, offer, give or promise any part of such payments, directly or indirectly, to any government official, political party or official thereof, or to any candidate for political office.

F. Contractor will notify the Company promptly upon discovery of any instance where Contractor fails to comply with any one or all of provisions C, D, and E hereof.

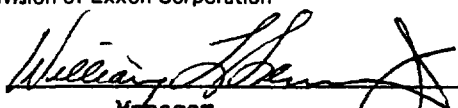
IN WITNESS WHEREOF, the parties hereto have executed this Contract in duplicate originals as of the day and year first above written.

BROWN & ROOT, INC.

By 

O. M. BAKKEN, VICE PRESIDENT

Exxon Chemical Company U.S.A.  
an operating division of Exxon Chemical Company,  
a division of Exxon Corporation

By 

Manager  
Baytown Chemical Plant

JWG:mea

(R. C. Swanson)

OFFICE MEMO  
BROWN & ROOT, INC.

TO: THOSE CONCERNED

FROM: GENE KERNAN

SEPTEMBER 14, 1979

SUBJECT: NEW JOB ASSIGNMENTS--INDUSTRIAL-CIVIL DEPARTMENT

THE FOLLOWING JOB NUMBERS HAVE BEEN ASSIGNED TO THE INDUSTRIAL-CIVIL DEPARTMENT TO COVER THE FOLLOWING NEW CONTRACTS:

| <u>JOB NO.</u> | <u>JOB DESCRIPTION</u>                                                                                                |
|----------------|-----------------------------------------------------------------------------------------------------------------------|
| 27-4206        | JET RESEARCH, INC. - INSTALL MAGAZINE STORAGE AND RELATED FACILITIES AT MANSFIELD, TEXAS                              |
| 27-4207        | ETHYL CORPORATION - PERFORM MISCELLANEOUS CONSTRUCTION IN HOUSTON, TEXAS                                              |
| 27-4208        | EXXON COMPANY, U.S.A. - PERFORM MISCELLANEOUS CONSTRUCTION WORK IN BAYTOWN, TEXAS                                     |
| 27-5793        | EXXON COMPANY, U.S.A. - INSTALL EXCHANGERS IN BAYTOWN, TEXAS                                                          |
| ✓ 27-5794      | EXXON CHEMICAL CO., U.S.A. - CONSTRUCT A B.O.P. HYDROGEN BOOSTER COMPRESSOR AT THE CYCLOHEXANE UNIT IN BAYTOWN, TEXAS |
| 27-5795        | ARCO CHEMICAL CO. - CONSTRUCT A 200 LB. STEAM EXPORT PROJECT AT OLEFINS PLANT IN CHANNELVIEW, TEXAS                   |
| 27-5797        | EXXON COMPANY, U.S.A. - REPLACE PUMP DRIVERS AT COOLING TOWER IN BAYTOWN, TEXAS                                       |

*Gene Kernan*

EXX 004866

|                                     |          |
|-------------------------------------|----------|
| <input checked="" type="checkbox"/> | ORIGINAL |
| <input type="checkbox"/>            | REVISION |

REVISION

3-11 JOB NUMBER

27

DEPT. NUMBER SUFFIX

## SUFFIX

CO.  
CODE

| CODE | CODE |
|------|------|
|------|------|

CODE

DATE \_\_\_\_\_

8-29-79

EXX 004867

| 12  | CONTRACT |
|-----|----------|
|     | TYPE     |
| 1   | 1        |
| 2   | 2        |
| 3   | 3        |
| 4   | 4        |
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| 100 | 100      |

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|---|-------------------------------------|-------------|
| 1 | <input checked="" type="checkbox"/> | FIXED PRICE |
| 2 | <input type="checkbox"/>            | COST PLUS   |
| 3 | <input type="checkbox"/>            | JOINT VENT  |
| 9 | <input type="checkbox"/>            | ASSOC. CO'S |

| 13  | ACCOUNTING |
|-----|------------|
|     | LOCATION   |
| 1   | 1          |
| 2   | 2          |
| 3   | 3          |
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| 100 | 100        |

|   |                                     |                |
|---|-------------------------------------|----------------|
| 1 | <input checked="" type="checkbox"/> | HOME OFFICE    |
| 2 | <input type="checkbox"/>            | PROJECT OFFICE |
| 9 | <input type="checkbox"/>            | OTHER          |

**14 OWNER**

|   |                                     |               |
|---|-------------------------------------|---------------|
| 1 | <input checked="" type="checkbox"/> | BROWN & ROOT  |
| 2 | <input type="checkbox"/>            | ASSOC. COS    |
| 3 | <input type="checkbox"/>            | JOINT VENTURE |
| 9 | <input type="checkbox"/>            | OTHER         |

15 SPECIAL  
CODES

|   |                          |                |
|---|--------------------------|----------------|
| 2 | <input type="checkbox"/> | JOB SUFFIX     |
| 3 | <input type="checkbox"/> | SPECIAL SUFFIX |

INDUSTRY  
TYPE

|         |    |        |
|---------|----|--------|
| 20 - 21 | 04 | PREFIX |
| 22 - 23 | 03 | NUMBER |
| 24 - 25 |    | SUFFIX |

SECONDARY JOB 27-0002

SECONDARY DIV. 73

16 JOB CLASSIFICATION

|   |                                     |        |
|---|-------------------------------------|--------|
| 1 | <input type="checkbox"/>            | MARINE |
| 2 | <input checked="" type="checkbox"/> | OTHER  |

17

37.43 THIRD JOB \_\_\_\_\_

THIRD JOB

| 1  | CONTRACT | AMOUNT   | TYPE     |
|----|----------|----------|----------|
| 1  | 1000000  | 1000000  | 1000000  |
| 2  | 2000000  | 2000000  | 2000000  |
| 3  | 3000000  | 3000000  | 3000000  |
| 4  | 4000000  | 4000000  | 4000000  |
| 5  | 5000000  | 5000000  | 5000000  |
| 6  | 6000000  | 6000000  | 6000000  |
| 7  | 7000000  | 7000000  | 7000000  |
| 8  | 8000000  | 8000000  | 8000000  |
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| 10 | 10000000 | 10000000 | 10000000 |
| 11 | 11000000 | 11000000 | 11000000 |
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| 20 | 20000000 | 20000000 | 20000000 |
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| 70 | 70000000 | 70000000 | 70000000 |
| 71 | 71000000 | 71000000 | 71000000 |
| 72 | 72000000 | 72000    |          |

|   |                                     |                 |
|---|-------------------------------------|-----------------|
| 1 | <input checked="" type="checkbox"/> | DOLLAR AMOUNT   |
| 2 | <input type="checkbox"/>            | CONTINUOUS WORK |
| 9 | <input type="checkbox"/>            | OTHER           |

| 74 | JOB | STATUS |
|----|-----|--------|
|----|-----|--------|

|                                     |                   |
|-------------------------------------|-------------------|
| <input checked="" type="checkbox"/> | ACTIVE            |
| <input type="checkbox"/>            | CLOSED & REOPENED |
| <input type="checkbox"/>            | COMPLETED         |

| YEAR | MONTH |
|------|-------|
|------|-------|

**JOB TITLE**

79-80 CARD CODE

|                     |                      |             |              |
|---------------------|----------------------|-------------|--------------|
| EXXON CHEMICAL CO., | U.S.A. → CONSTRUCT   | A.B.O.P.    | HYDROGEN BOO |
| STER COMPRESSOR AT  | THE CYCLOHEXANE UNIT | IN Baytown, | TEXAS.       |

PA.112A(7-70)

PREPARED BY

(11)

(12)

(13)

(14)

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

ACCOUNTING DEPARTMENT 8/9/79 (DATE)  
SUBJECT: JOB NUMBER ASSIGNMENT - Brown & Root, Inc. Industrial-Civil  
(COMPANY) (DEPARTMENT)  
JOB INDUSTRY TYPE: Industrial Piping SUB-DIVISION: Btn. Field Office

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

OWNER: Exxon Chemical Co., U. S. A.

PRIME CONTRACTOR: Brown & Root, Inc.

CONTRACT DATE: August 9, 1979

DESCRIPTION OF WORK AND LOCATION: Construction of B. O. P. Hydrogen Booster Compressor  
at the CHU, Revision D. IN Baytown (Baugh)

CYCLOHEXANE UNIT

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

JOINT VENTURE ( ), OTHER ( ), (EXPLAIN)

ESTIMATED COMPLETION DATE: October 15, 1979 OR CONTINUOUS ( )

CONTRACT AMOUNT: \$ 311,493.00 ACTUAL ( xx ), ESTIMATED ( )

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

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

PERCENT RETAINED: 10% OF progress billing amounts

OTHER ( ), (EXPLAIN)

TO BE COMPLETED ONLY FOR JOINT VENTURES:

PARTNERS AND PARTICIPATION:

SPONSOR: , %

, %

, %

ATTACH FINANCING CURVE OR CASH FORECAST:

JOB NUMBER ASSIGNED: 27-5794  
Contract copy attached

CC: ORIGINAL - ACCOUNTING  
DUPLICATE - RETAINED  
TRIPPLICATE - TREASURY/CREDIT  
QUADRUPPLICATE - PURCHASING

(SIGNATURE OF EMPLOYEE REQUESTING JOB NUMBER)

Labbe/Baugh

Form A-56 (1/78)

EXX 004868

27-5797 EXXON COMPANY, U.S.A.  
CONTRACT FILES

EXX 004869

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



October 10, 1979

Solar Insulators, Inc.  
8395 Kempwood  
Houston, TX 77055

Attn: Mr. Phil Pickens/Vice President

Subject: Subcontract No. 27-5797-5000  
Solar Job No. P-578  
Insulation  
Exxon Co. U.S.A.  
Baytown, Texas

Dear Mr. Pickens:

We enclose herewith one fully executed copy of our Subcontract No. 27-5797-5000 dated September 18, 1979 for your permanent file.

Sincerely yours,

BROWN & ROOT, INC.

APPROVED BY  
K. J. MCCOY

Kathy J. McCoy  
Subcontractor Administrator  
Subcontracts Department  
Procurement Division

Enclosure

bcc: E. E. Kernan (original copy)  
J. W. Cole Accounts Payable ICD (1 copy)  
Bobby Holt  
RF/RMB  
RF/KJM  
RF/CIRC  
File: S/C No. 27-5797-5000  
Alphabetical File

EXX 004870



# Brown & Root, Inc.

KJM/yde

## SUBCONTRACT

EXXON COMPANY U.S.A.  
16/24 COOLING TOWERS  
BAYTOWN, TEXAS

Job Number 27-5797Subcontract No. 27-5797-5000

(Project)

PIPE INSULATION SERVICES

(Sublet Work)

September 18, 1979

(Effective Date)

THIS SUBCONTRACT, by and between BROWN & ROOT, INC., a Texas Corporation, P. O. BOX 3, HOUSTON, TEXAS 77001, "GENERAL CONTRACTOR" and,

SOLAR INSULATORS, INC.

a Corporation under laws of Texas  
(Corporation, Proprietorship, Partnership) (State)

ose address is 8395 Kempwood Drive, Houston, Texas 77055

"SUBCONTRACTOR," whose contractor's license number under laws of Not Applicable

is Not Applicable, entered into as of the EFFECTIVE DATE stated above,

### WITNESSETH:

In consideration of the mutual promises herein contained General Contractor and Subcontractor agree, promise, and obligate themselves as follows:

1. Subcontractor promises to perform the Sublet Work for the Project in accordance with the Contract Documents.
2. General Contractor promises to pay Subcontractor, for full, accurate and timely performance of the Sublet Work in accordance herewith, the Price and other payments, and promises to perform all of the other obligations of General Contractor, as set forth in the Contract Documents.
3. The Contract Documents constituting this Subcontract consist of:
  - a. "Subcontract Terms" and exhibits thereto.
  - b. "Special Conditions" and exhibits thereto.
  - c. "General Conditions" Form P-50 (1-79)
  - d.
  - e.
  - f.

Page 1 of 2

|                      |                      |
|----------------------|----------------------|
| Project Account Code | <u>27-5797</u>       |
| Vendor Code No.      | <u>11685294</u>      |
| Net Price: \$        | <u>26,988.00</u>     |
| Terms:               | <u>10% Retainage</u> |
|                      | <u>GC #32</u>        |

EXX 004871

Subcontract No. 27-5797-5000

The foregoing constitutes the entire contract, and supersedes all prior proposals, negotiations, agreements, awards, letter of intent and written or oral statements, representations or agreements.

4. The Effective Date set forth above is the date as to which all Contract Documents and provisions thereof have reference for purposes of coordination of their meaning and effect. The price relates to the Sublet Work as described in drawings, specifications and other Contract Documents in their condition on that date. Changes after the effective date will be dealt with in accordance with the provision for changes. Any work commenced and any payment made pursuant to an Award or Letter of Intent prior to the execution hereof shall be deemed to have been done and paid after the Effective Date under the terms of this Subcontract.

## GENERAL CONTRACTOR:

BROWN &amp; ROOT, INC.

By Susan S. Mather  
D. E. Newton, Jr.  
for Title Vice President - Procurement  
Date October 10, 1979

## SUBCONTRACTOR:

SOLAR INSULATORS, INC.

By Phillip C. Pickens  
Title Vice President/General Manager  
Date October 5, 1979

SUBCONTRACT TERMS

EXXON COMPANY U.S.A.

SUBCONTRACT NO. 27-5797-5000

1.0 SUBLET WORK

- 1.1 Sublet Work, in general, is to furnish and install pipe insulation at the 16/24 Cooling Towers for the Exxon Company Facilities located in Baytown, Texas.
- 1.2 More specifically, the Sublet Work consists of furnishing all labor, materials, equipment, tools, taxes, insurance, supervision and all other items necessary to insulate piping materials at the location described above, all of which work shall be performed in strict accordance with the drawings further described hereunder in Subcontract Term No. 2 and all other provisions of the Subcontract Documents.
- 1.3 Subcontractor shall perform all work described herein in accordance with the directives of the General Contractor's Project Manager or his duly authorized representative.

2.0 DRAWINGS

Sublet Work shall be in accordance with, and all materials furnished by the Subcontractor shall conform to and comply with Exxon Drawing Nos. 34-190-440 and 34-192-103.

3.0 TIME OF PERFORMANCE

- 3.1 Subcontractor shall commence the Sublet Work on or about October 8, 1979 and shall perform all work in a diligent manner until all aspects of the Sublet Work are complete.
- 3.2 Subcontractor shall maintain contact with the General Contractor's Project Manager, or his duly authorized representative, for the purpose of scheduling and coordinating the Sublet Work.

4.0 SUBCONTRACT PRICE

General Contractor agrees to pay Subcontractor for complete, satisfactory, and timely performance of the Sublet Work strictly in accordance with the drawings, specifications, and requirements of all of the Subcontract Documents the following Firm Lump Sum Price, inclusive of all sales and use taxes:

EXX 004873

4.0 SUBCONTRACT PRICE - (Continued)

TWENTY-SIX THOUSAND NINE HUNDRED EIGHTY-EIGHT AND 00/100 DOLLARS  
(Words)

\$ 26,988.00  
(Figures)

5.0 PAYMENT AND PERFORMANCE BONDS

There is no requirement at this time to furnish separate 100% Payment and Performance Bonds. However, General Contractor may at any time require separate Payment and Performance Bonds in accordance with the provisions of General Condition No. 19. If Bonds are required, the premium of said bonds shall be reimbursable to the Subcontractor.

6.0 PAYMENT

## 6.1 The following paragraph supplements Paragraph Number 32 of the General Conditions:

Subcontractor shall be paid in monthly progress payments the value of the Sublet Work satisfactorily performed during the preceding month based upon the firm lump sum price detailed and described in Subcontract Term No. 5 less 10% of such value as retainage until final completion and acceptance of the Sublet Work by General Contractor. Subcontractor shall prepare and submit an invoice for the proposed monthly progress payments and shall submit supporting documents and proof of payment of all bills for labor and materials, as may be requested by General Contractor. Subcontractor's invoice for proposed monthly progress payments with requested supporting documents and proof of payment of all bills will be submitted for approval by General Contractor and when approved, payment shall be made within thirty days thereafter. Final payment and release of retainage shall be made when the Sublet Work has been satisfactorily completed and accepted and Subcontractor has submitted the affidavit as called for below.

6.2 Affidavits

Two copies of the General Contractor's "Affidavit for Subcontractor" (Form P-7) are attached for use in implementing the provisions of General Condition No. 32. Subcontractor shall execute and return one copy with his final or retainage invoice to the address shown in Subcontract Term No. 8.

6.3 Invoices

Subcontractor shall render all invoices to the following address:

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

Attn: Joe Labbe

EXX 004874

#### 7.0 INSURANCE

Subcontractor shall forward his Certificate of Insurance stating the names of its Insurance Carriers and certifying that its insurance coverages meet the requirements set forth in General Condition No. 21 herein to the following address, in addition to the address shown in Subcontract Term No. 8.

Brown & Root, Inc.  
P. O. Box 3  
Houston, Texas 77001

Attn: K. J. McCoy  
(01-116)

#### 8.0 LABOR RELATIONS

The following supplements Paragraph 14 of the General Conditions:

Subcontractor represents that its pre-hiring collective bargaining agreements, if any, contain or will contain provisions that, or Subcontractor has entered into or will enter into a project agreement modifying such collective bargaining agreement to provide that, there shall be no strikes, slowdowns, picketing, secondary boycotts, or work stoppages during the performance of the Sublet Work. Subcontractor will further subcontract only to lower-tier subcontractors having similar provisions in their collective bargaining agreements, if any.

#### 9.0 ASSIGNMENT OF SUBCONTRACT TO OWNER

The following provisions hereby supplement General Condition Number 17:

Subcontractor agrees that General Contractor may assign this Subcontract to Owner at any time without affecting the Subcontractor's duties, rights and obligations hereunder. Prior to assignment no contractual relationship exists between Subcontractor and Owner.

#### 10.0 SAFETY AND SECURITY

Subcontractor shall perform the Sublet Work in strict accordance with the provisions set forth in the attached document entitled "Contractor's Responsibilities for Safety, Plant Security, and Traffic Regulation", dated September 1, 1978, which is hereby incorporated as part of this Subcontract by reference.

#### 11.0 WAGE AND PRICE GUIDELINES

In accepting this Subcontract, the Subcontractor warrants that the Guidelines established by the President's Council on Wage and Price Stability have been adopted voluntarily, and that prices shown are in compliance therewith.

EXX 004875

## GENERAL CONDITIONS

### 1. INVESTIGATION OF SITE AND PROJECT CONDITIONS

Subcontractor represents that he is familiar with the site and the physical conditions, the availability of labor and materials and all other matters at the site or in the vicinity of the site which affects the Sublet Work. Subcontractor represents that he has examined the subcontract document and familiarized himself with the Project, the laws, rules and regulations relating to the Project; the environmental considerations affecting the Project and the Sublet Work; the participants in the Project; and the contractual and regulatory provisions of governmental agencies, the Owner and General Contractor affecting the participants in the Project and the Sublet Work. No allowance will be made to Subcontractor for not having made such examination and review or for requirements which a reasonable examination, inquiry and review would have disclosed.

### 2. RESPONSIBILITY

a. Subcontractor agrees to perform the Sublet Work in accordance with good construction practices and the plans, specifications and other requirements of this Subcontract, and to furnish all supervision, labor, supplies, tools, construction equipment, facilities, storage, permanent equipment and materials (except as specified herein to be furnished by Owner or General Contractor) and all other things and services necessary or desirable to perform the Sublet Work.

b. Subcontractor shall be responsible for the correctness of the positions, levels and dimensions of the Sublet Work, notwithstanding 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 immediately advise the General Contractor's Site Representative and await instructions for removal and replacement or performance of corrective work, before proceeding with that portion of the Sublet Work.

c. 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.

### 3. COORDINATION OF THE PROJECT

General Contractor is charged with the responsibility of accomplishing the work of the entire Project, or a significant portion thereof, in accordance with drawings, specifications, permits, licenses, rules and regulations, laws and ordinances, and requirements of the Owner. The contract price provisions, and the definition of requirements of the Sublet Work, as of the effective date, are coordinated and identified in the Subcontract Terms. General Contractor is charged with the responsibility of coordinating the efforts of all, or a significant portion of, the participants in the Project, including various subcontractors, specialty service contractors, suppliers, and other workmen, and the direct employees of General Contractor. Subcontractor agrees to perform the Sublet Work as part of the team of participants in the Project in cooperation with all other participants, and subject to all reasonable rules, regulations, and directives of General Contractor (a) for the coordination of the work of all participants, (b) for the maintenance of safety, efficiency, security and good order on the Project as a whole, (c) for compliance with the terms hereof, and (d) for the protection of the environment and the rights of the public.

### 4. SCHEDULING SUBLET WORK

Subcontractor agrees to commence the Sublet Work promptly when directed by General Contractor and to prosecute the Sublet Work diligently to completion. Sub-

contractor agrees to provide adequate number and types of: (a) laborers, skilled craftsmen and technicians, supervisors, administrators, and managers, (b) construction equipment in good condition, (c) materials, permanent equipment, and supplies, except for items specified to be supplied by General Contractor or Owner, to accomplish the work and maintain the Schedule or restore the Sublet Work to the Schedule. Subcontractor shall provide General Contractor a detailed Schedule for performance of the Sublet Work and shall revise and update such Schedule from time to time as the work on the Project progresses. The Schedule for the Sublet Work shall be subject to revision or approval by General Contractor to coordinate the Sublet Work with the over-all rate of progress of General Contractor and other participants in the Project as a whole, and to expedite performance of critical items of work on the schedule. General Contractor will schedule and coordinate the use by Subcontractor and others of jointly used facilities, construction equipment, and space, and Subcontractor shall accommodate its Schedule to such shared use. General Contractor will determine the normal working hours for the Project as a whole, and any special working hours for the Sublet Work on a normal shift or overtime basis will be subject to prior approval of General Contractor.

### 5. INTEGRATION WITH WORK OF OTHERS

Subcontractor shall inform itself regarding the nature, condition and state of progress of work of others which affects or connects with the Sublet Work. Before connecting Sublet Work to work of others, Subcontractor shall ascertain that such work of others is ready, properly aligned, and in suitable condition for such connection and integration with the Sublet Work, and shall report any discrepancies to General Contractor for adjustment prior to proceeding. Subcontractor is not charged with notice of latent defects in the work of others of which he has no actual knowledge.

### 6. ALLOCATION OF FACILITIES

General Contractor will designate for use by Subcontractor, entrances, parking areas, storage areas, office and work areas, and such facilities and construction equipment as General Contractor is to provide. General Contractor will allocate, and schedule the use of, such common facilities and utilities as are provided by General Contractor for use of Subcontractor and other participants in the Project. Temporary interruption of services, utilities and use of facilities are anticipated and shall not justify a claim for additional compensation.

### 7. INSPECTION AND QUALITY CONTROL

The Sublet Work shall be performed to the specified standards of workmanship and strictly in accordance with drawings, specifications, procedures, and other requirements of this Subcontract. General Contractor shall have the right to inspect the Sublet Work and Subcontractor's equipment, tools, records and facilities at all times. No work shall be covered until inspected and released in accordance with established inspection procedures, and any work improperly covered shall be uncovered and exposed by Subcontractor for inspection on request. Inspection and approval shall not relieve Subcontractor of the obligation to complete the entire Sublet Work in strict compliance with the requirements of this Subcontract. Any defective Sublet Work shall be discontinued, removed and replaced or corrected in accordance with specifications and directions of General Contractor. Subcontractor shall furnish for the Sublet Work all Quality Assurance and Quality Control documentation, as required by General Contractor for the Project as a whole or for the specific part thereof affected by the Sublet Work.

### 8. SAFETY, CLEANLINESS AND SANITATION

Subcontractor shall comply with all applicable laws, rules and regulations relating to safety. Subcontractor

shall comply with all safety standards, rules and regulations relating to safety, cleanliness and sanitation established by General Contractor for the Project as a whole. Subcontractor shall immediately stop work and take corrective action when directed by General Contractor because of any unsafe condition or practice. Subcontractor shall be responsible for the safety of its workmen and the Sublet Work and shall not create hazards for others or the work of others. Subcontractor shall provide first aid and ambulance facilities for its workmen to the extent sufficient facilities are not provided for the Project as a whole by General Contractor. General Contractor shall provide for safety of the Project as a whole. In case of emergency, General Contractor may direct Subcontractor's personnel and resources for the protection of life and property.

#### 9. DELAYS

If Subcontractor's performance of the Sublet Work is delayed by Owner's or General Contractor's failure to perform their obligations hereunder, or by orders of the General Contractor delaying or suspending the work, or by changes in the work, Subcontractor shall be entitled to an equitable adjustment in the price and time for performance in accordance with the provision for Changes in Article 12; but no price adjustment shall be due for delays or inconvenience to Subcontractor from the scheduling and coordination of the Sublet Work with the rate of progress made by all participants in the Project. In the event Subcontractor is delayed by force majeure, Subcontractor shall be entitled to an equitable extension of time but no adjustment in the price; provided, that inadequate manpower or failure of Subcontractor's workmen to prosecute their work because of strikes, boycott, picketing, or other form of labor dispute shall not be deemed force majeure unless there is clear and substantial danger of bodily harm or property damage if the employees undertook to enter the work site and perform their work, as determined by General Contractor or the chief local law enforcement officer. Subcontractor shall notify General Contractor in writing within 48 hours after the commencement of a delay, if Subcontractor claims an extension of time or an adjustment of price because of such delay, or the right to such extension or adjustment shall be waived.

#### 10. SUPPLEMENTING OR TAKING OVER BY GENERAL CONTRACTOR

If, after seven (7) days written notice by General Contractor to Subcontractor specifying any deficiency in the Sublet Work or the promptness with which it is being performed, Subcontractor has not promptly commenced to correct, and within a reasonable time corrected, such deficiency to the satisfaction of General Contractor, General Contractor may supplement the work of Subcontractor, or take over performance of the Sublet Work temporarily or completely, with General Contractor's own forces or by contract with others. General Contractor may use all or part of Subcontractor's construction equipment, tools and facilities at the project site, and any materials, permanent equipment and supplies, in the performance of the Sublet Work, without payment to Subcontractor otherwise than by the extent such use of Subcontractor's items causes a reduction of cost of completing the Sublet Work. All costs incurred by General Contractor in performing all or part of the Sublet Work, including a mark-up of 10% of such cost, shall be deducted from the price payable to Subcontractor and if such sum plus all payments previously made to Subcontractor shall exceed the price, Subcontractor shall refund to General Contractor the excess within ten (10) days after submittal of a properly documented invoice. If the price is on a cost reimbursable basis, Subcontractor will be reimbursed for use of construction equipment at the lowest applicable rate provided for herein or at prevailing rental rates if no rate is specified, and the cost of Subcontractor's materials used. Upon notice from General Contractor to Subcontractor, Subcontractor shall resume and complete the Sublet Work, but this right to supplement or take over the Sublet Work may again be exercised if necessary.

The determination of General Contractor's project manager to invoke the provisions of this Article 10 shall be final and conclusive; provided Subcontractor may within said seven day period, appeal to an executive officer designated by the President of General Contractor, whose decision shall be final absent actual fraud.

#### 11. DEFERMENT OR TERMINATION

In the event the Project is deferred or terminated by Owner, or if General Contractor shall elect to defer or terminate the Sublet Work, Subcontractor shall be paid: (1) the price earned for work completed and accepted, (2) a proportionate part of the price allocated to the portion of the work partially completed, (3) the reasonable cost incurred by Subcontractor in securing and protecting the work in progress against loss, damage or deterioration, and (4) unamortized mobilization and demobilization costs; standby costs, cancellation or deferment charges of suppliers; the cost of materials and equipment not sold or disposed of; and other special costs for terminating or suspending work or preserving the work accomplished and turning it over to General Contractor but (5) no compensation for the portion of the Sublet Work not performed. General Contractor shall notify Subcontractor whether the Sublet work is terminated or deferred to an indefinite or specified date and the deferment shall not exceed six months (or other limits expressed in the Subcontract Terms) without the consent of Subcontractor. If deferred, the Sublet Work may thereafter be terminated and shall be terminated upon expiration of the maximum period of deferment without notice to resume. Following deferment and notice to resume given by General Contractor to Subcontractor in writing, Subcontractor shall resume the Sublet Work in accordance with the terms hereof with an equitable adjustment, if required, in the price and time of completion, determined as in the case of changes. In case of any such termination or deferment, Subcontractor shall, as directed by General Contractor, secure, safeguard, remove or deliver to General Contractor all material, equipment, supplies, work in progress, and contract rights.

#### 12. CHANGES

General Contractor reserves the right to make changes in the Sublet Work or the manner of its performance. No change shall be made by Subcontractor in the Sublet Work or its manner of performance, without prior written instructions from General Contractor, in a written Change Order specifying the change in plans, specifications, procedures, time, sequence, or other requirement of this subcontract, and specifying whether there is to be an adjustment in the price or time for performance and how any such adjustment shall be determined. No adjustment in price or time of performance shall be made for changes in arrangement, aesthetics, substitution of equivalent materials or equipment or other changes, unless such changes significantly affect Subcontractor's cost of performing the Sublet Work or extend the time that Subcontractor's equipment and forces are required at the project site. An equitable adjustment will be made in price or time of performance or both, if the change ordered by General Contractor substantially increases or decreases the cost to Subcontractor of the Sublet Work or the time that Subcontractor's equipment and forces are required at the project site. The method of determining the equitable adjustment shall be specified, and if possible, the price fixed at the time of the issuance of written direction for the change. Unless a lump sum is established by agreement or another method of pricing is established by agreement, General Contractor may direct determination of the equitable adjustment in price, whether an increase or decrease, by any of the following methods: (a) agreed or established fixed unit prices, (b) force account, or (c) cost plus fee. If the force account method is directed by General Contractor, the force account rates for equipment use, man-hour labor rate including payroll burden and markup over overhead and profit, with reimbursement of actual cost of materials, as established in the Subcontract Terms or by other agreements, shall be used to determine the ad-

justment. If the cost plus fee method is directed by General Contractor the adjustment will be based on the direct cost of the change in the work using the formula established in the Subcontract Terms or by other agreement. In the absence of agreement, Subcontractor shall be paid all actual, direct additional cost incurred, without allocation of home office general and administrative expense, plus 10% of such costs, and Subcontractor shall maintain and furnish General Contractor accurate and detailed records daily segregating the cost of the change in the Sublet Work. In case of deletion or reduction of the Sublet Work by such change, Subcontractor shall not be entitled to anticipated contribution to home office overhead and profit from any portion of the Sublet Work not performed.

### 13. WORKMEN AND EMPLOYMENT PRACTICES

Subcontractor shall provide competent and adequately trained and skilled personnel. Subcontractor shall, on request, remove from the Project any person found by General Contractor to be incompetent, unsafe, disorderly, unreliable, or unwilling to comply with regulations. Subcontractor shall provide badges, color codes, or other symbols or identification for its employees, tools and equipment, in accordance with the system specified by General Contractor. Subcontractor shall cooperate in security measures for the prevention of theft pilferage, and waste. Subcontractor shall not discriminate against any employee or applicant for employment because of race, color, national origin, religion, sex, age, or for any reason prohibited by law. Subcontractor agrees to participate and cooperate in the implementation of any Affirmative Action Plan for equal employment opportunity adopted for the Project as a whole. To the extent applicable to the Sublet Work on this Project, Subcontractor shall comply with Executive Order 11246, or any amendment, replacement or counterpart thereof, and the parties mutually represent that they are familiar with such provisions and agree that a full copy thereof may be incorporated herein by either party by attachment at any time.

### 14. LABOR RELATIONS

Subcontractor shall comply with the National Labor Relations Act, any applicable Right to Work law, and any other applicable law related to labor relations. Subcontractor shall give General Contractor notice and full information regarding any existing or impending labor dispute affecting the Sublet Work or any part of the work on the Project as a whole. Subcontractor shall cooperate in any effort by General Contractor to mediate or otherwise attempt to resolve work stoppages, slowdowns, boycotts, disturbances, strikes, picketing or labor disputes affecting any participant in the Project or affecting any part of the Project as a whole, but Subcontractor shall have exclusive control and responsibility for its own labor relations. No such condition shall excuse Subcontractor from the obligation to diligently prosecute the work, unless, in the opinion of General Contractor, or if so determined by the chief local law enforcement officer, there is clear and substantial danger of bodily harm or property damage to Subcontractor's employees if they should undertake to enter the project site and perform their work. If Subcontractor has pre-hiring collective bargaining agreements, Subcontractor represents that they contain or have been modified to contain provisions prohibiting any strike, slow down, picketing, secondary boycotts or work stoppage during performance of the Sublet Work, and that the acceptance of the Sublet Work from General Contractor on this project does not violate such agreement.

### 15. LIENS

To the extent permitted by law, Subcontractor, for itself and all of its lower tier subcontractors and all laborers, mechanics and materialmen hereby waive and agree not to claim any lien against the Sublet Work, but shall rely solely upon the general credit of General Contractor. Subcontractor shall pay or cause to be paid when due, all bills for labor, materials, equipment or services

connected with the Sublet Work, and shall not itself assert any lien or permit any lien to be asserted or maintained against the Project or any funds or land involved in the Project. General Contractor may pay directly any such valid obligation of Subcontractor, and Subcontractor shall indemnify General Contractor against any such obligation.

### 16. TITLE TO AND RESPONSIBILITY FOR SUBLET WORK AND MATERIALS

The Sublet Work in progress and all of the Owner and General Contractor-furnished items and all of Subcontractor-furnished material, equipment, plant, facilities, fabricated items, supplies, drawings, data, and contract rights intended for the Sublet Work shall be the property of General Contractor from the earliest moment of identification to the Sublet Work, subject to General Contractor's obligation to pay the price in accordance with the Subcontract. Notwithstanding General Contractor's or Owner's title thereto, Subcontractor shall be responsible for the care, custody, control and safekeeping and preservation of all Owner-furnished, General Contractor-furnished, or Subcontractor-furnished labor, materials, plant equipment, supplies and other things to promptly repair or replace any such which is damaged or lost, and to complete the Sublet Work and to deliver the Sublet Work complete and in accordance with all provisions and requirements hereof at the time specified. Except as otherwise provided in the Subcontract Terms or the Special Conditions, Subcontractor shall bear, without right of reimbursement, the full risk of loss or damage to the Sublet Work and all materials, equipment and other things.

### 17. SUBCONTRACTING OR ASSIGNMENT

~~Subcontractor shall not assign this subcontract or any funds due hereunder.~~ Subcontractor shall not subcontract any portion of the Sublet Work without the prior written approval by General Contractor of the lower tier subcontractor and of the form, terms and conditions of the lower tier subcontract. No assignment or subcontracting, even with General Contractor's approval, shall relieve Subcontractor of any obligations hereunder, or create any contractual relationship between such sub-subcontractor and General Contractor or Owner. Any lower tier subcontractor shall assume unto General Contractor all of the obligations of Subcontractor as they relate to such portion of the Sublet Work.

### 18. RECORDS AND ACCOUNTS

Subcontractor shall maintain good accounting and personnel records reflecting performance of the Sublet Work and shall preserve such records for a period of two years after completion and acceptance of the Project as a whole. General Contractor shall have the right to inspect and audit such part of the records as relate to cost reimbursement or performance of labor related provisions. Copies of documents and records supporting requests for payment or compliance with labor related provisions shall be furnished General Contractor with such request or at such other times as General Contractor directs.

### 19. BONDS

If instructed by General Contractor in writing, Subcontractor shall provide a Performance Bond and a Payment Bond in form and with corporate surety satisfactory to General Contractor, at any time required by General Contractor, whether before commencement of the Sublet Work or at any time prior to completion and acceptance of the Sublet Work. General Contractor will separately reimburse Subcontractor the premium cost thereof set forth in the Subcontract Terms unless otherwise expressly provided. General Contractor may terminate this Subcontract for default or exercise the rights provided in Paragraph 10 of these General Conditions if Subcontractor should fail to provide such bond when requested.

### 20. INDEMNITY

Subcontractor hereby indemnifies and holds harmless General Contractor and Owner from any loss, cost, damage

or liability from injury or death of any person, including Subcontractor or its employees, or damage or destruction of any property, arising from or in connection with the Sublet Work whether or not there be concurring negligence by General Contractor or Owner, but Subcontractor does not hereby assume responsibility for the sole negligence of General Contractor or Owner.

## 21. INSURANCE

Subcontractor shall provide insurance, with provisions against cancellation without thirty (30) days prior written notice, for the benefit of Subcontractor, General Contractor and Owner and with waiver of subrogation against all participants in the Project, in form and with underwriters satisfactory to General Contractor, with minimum coverages and limits as follows:

- |                                                                                                                                                                                                         |                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| (a) Workmen's Compensation                                                                                                                                                                              | Statutory                                 |
| (b) Employer's Liability                                                                                                                                                                                | \$ 100,000                                |
| (If marine operations are involved, the limits shall be \$250,000 per person and \$500,000 per accident)                                                                                                |                                           |
| (c) Comprehensive General and Automobile Liability                                                                                                                                                      |                                           |
| Bodily Injury - per person                                                                                                                                                                              | \$ 100,000                                |
| - per accident                                                                                                                                                                                          | \$ 300,000                                |
| Property Damage                                                                                                                                                                                         | \$ 100,000                                |
| with blanket contractual, products and completed operations liability endorsements, and with xcu exclusion deleted.                                                                                     |                                           |
| (d) Hull and protection and indemnity for any marine vessels, with General Contractor, Owner and their affiliates being co-insured.                                                                     | Full Value, but not less than \$1,000,000 |
| (e) Such other available insurance or increased limits as General Contractor may request, the premium cost of which shall be directly reimbursable unless otherwise specified in the Subcontract Terms. |                                           |

Subcontractor shall forward its insurance certificate stating the names and addresses of its insurance carriers and certifying that its insurance coverages meet the requirements of General Condition 21.

## 22. INSURANCE ON CONSTRUCTION EQUIPMENT

Subcontractor shall fully insure, or self-insure and assume all risk of loss of, or damage to, Subcontractor's construction equipment and tools, facilities and structures, however caused, including losses caused by vandals or theft, or by the negligence of others, including General Contractor or Owner. Subcontractor agrees to indemnify and hold harmless Owner and General Contractor from any such loss or liability regardless of any provision for reimbursement of uninsured losses.

## 23. USE OF GENERAL CONTRACTOR'S OR OWNER'S EQUIPMENT

If any construction equipment, tools, marine vessels, facilities, or services of General Contractor or Owner be furnished to Subcontractor or used by Subcontractor, on an exclusive or joint use basis, Subcontractor shall inspect and satisfy itself as to the safety and condition thereof and shall return same to General Contractor or Owner after such use in good order and condition and in at least as good condition as that in which received, fair wear and use excepted. Subcontractor shall at its own cost and without right of reimbursement, insure or self-insure all risks associated with such use and shall indemnify General Contractor and Owner against any liability or cost for injury to, or death of, persons or damage or destruction of property connected with such use even if General Contractor or Owner should be negligent in relation to such equipment or items used.

## 24. PERMITS, LICENSES, LAND RIGHTS

General Contractor will provide all licenses and permits required for the Project as a whole to be constructed. Subcontractor shall provide all licenses and permits required for Subcontractor to perform the Sublet Work, including [without limitation], contractors' licenses, specialty permits required by law to be issued to Subcontractor, and transportation permits. General Contractor will provide access to the work site and easements or land rights in the work site, but Subcontractor shall comply with all restrictions, limitations, terms and conditions relative thereto and Subcontractor shall obtain such additional easements and land rights as Subcontractor may require.

## 25. PATENTS AND PROPRIETARY RIGHTS

Subcontractor shall pay all royalties and obtain all licenses required for items specified to be furnished by Subcontractor, and for all items and methods selected by Subcontractor for the Sublet Work. General Contractor shall pay all royalties and obtain all licenses required for the Project as a whole or for Owner-furnished or General Contractor-furnished items. Subcontractor shall give prompt notice to General Contractor of any claim of infringement of any patent or proprietary right, and Subcontractor and General Contractor shall cooperate in the defense and disposition of any such claim or suit. The party obligated to furnish the license shall defend and indemnify the other party.

## 26. WARRANTY

Subcontractor guarantees and warrants that all materials furnished by Subcontractor and workmanship furnished by Subcontractor shall comply with the specifications and other requirements of the contract and shall be free of defects for a period of one year after completion and acceptance of the Project as a whole by the Owner, or one year after placement of the Sublet Work in service, whichever is earlier. With respect to items of manufactured equipment specified by General Contractor and purchased by Subcontractor from others, Subcontractor warrants that the equipment is as specified, and agrees to pass on and assign to General Contractor (or to Owner if directed by General Contractor) the manufacturer's warranty and Subcontractor shall prosecute the enforcement thereof in cooperation with General Contractor, but Subcontractor shall have no further quality or performance warranty responsibility with respect to such items of manufactured equipment.

## 27. PARTIAL OCCUPANCY AND USE

General Contractor and Owner shall have access to the Sublet Work at all times. General Contractor and Owner may occupy and use any portion of the Sublet Work which is sufficiently completed to permit such occupancy and use, provided there is no substantial interference with performance of the balance of the Sublet Work. Such partial occupancy and use shall not relieve Subcontractor of the obligation to complete all of the Sublet Work strictly in accordance with the requirements of this Subcontract.

## 28. CONFIDENTIALITY

Subcontractor shall not publicize, publish, or photograph the Project, the Sublet Work, or this Subcontract, except by consent of General Contractor and in compliance with General Contractor's regulations for the Project. Subcontractor will maintain in confidence and not use or disclose any confidential proprietary information of General Contractor or Owner. Subcontractor will execute, and if requested will cause its employees or agents to execute, such form of written secrecy agreement, further defining this confidentiality agreement, as is required of other participants in the Project. All plans, specifications, data and other material relating to the Project shall be delivered to General Contractor, on request, when no longer required by Subcontractor for performance of the Sublet Work.

**29. INDEPENDENT CONTRACTOR**

Subcontractor shall perform the Sublet Work as an independent contractor with exclusive control of the manner and means of performing the Sublet Work in accordance with the requirements of the Contract, unless an agency or other relationship is specified in the Subcontract Terms. Subcontractor has no authority to act or make any agreements or representation on behalf of General Contractor or Owner, and no contractual relationship exists between Subcontractor and Owner. No employee or agent engaged by Subcontractor shall be, or shall be deemed to be, an employee or agent of General Contractor or Owner. In the event General Contractor should, at the request of Subcontractor, furnish workmen to Subcontractor for any purpose to work under the direction and supervision of Subcontractor, such employees of General Contractor shall be deemed to be the borrowed servants of Subcontractor and Subcontractor shall be responsible for their actions while so engaged.

**30. LAWS**

This Subcontract is entered into in Houston, Texas, and shall be construed and governed by the laws of the State of Texas. Subcontractor shall comply with all laws, statutes, ordinances, rules and regulations of any governmental entity, having jurisdiction, and Subcontractor shall indemnify and hold harmless the Owner and General Contractor from any fines, penalties, costs or liability arising from Subcontractor's failure to comply therewith.

**31. DISPUTES**

All questions arising under this Subcontract shall be resolved in the first instance by General Contractor's project manager. No claim for additional compensation or extension of time shall be considered unless presented to General Contractor's project manager in writing within ten (10) days after the occurrence giving rise to the dispute. Any claim not satisfactorily resolved by General Contractor's project manager in the first instance, and which is presented in writing within the time provided, may be appealed by notice in writing to the project manager within ten (10) days after the project manager's initial decision, (a) to the engineer for the Project if the issue is interpretation of the drawings or specifications, or compliance of the Sublet Work therewith, in which event the engineer's decision shall be final, (b) to an Executive Officer of General Contractor as provided under Article 10 if the claim arises under Article 10, or (c) to an Executive Officer of General Contractor if any other question under the Subcontract is involved. Such review shall be a prerequisite to any further relief.

**32. PROGRESS PAYMENTS AND FINAL PAYMENT**

Progress payments will be made by General Contractor to Subcontractor monthly or at other intervals specified, in accordance with the Subcontract Terms. All progress payments are Trust Funds to be applied by Subcontractor to payment for labor, materials, equipment, services and supplies for the Sublet Work. With each request for progress payment, Subcontractor shall submit proper evidence, including affidavits and certificates, as may be requested by General Contractor showing: (a) the portion of the Sublet Work completed, (b) compliance with all requirements of this Subcontract, (c) payment of all bills, and (d) that no lien exists or could be claimed arising from the Sublet Work. General Contractor may withhold from progress payments ten percent (10%) of the amount earned, as retainage until final completion and acceptance (unless otherwise provided in the Subcontract terms), and in addition may withhold such amount as may be reasonably required to assure compliance by Subcontractor with the terms of this Subcontract. General Contractor may pay directly any obligation of Subcontractor arising under this Subcontract and withhold such payment from amounts otherwise due Subcontractor. Subcontractor shall submit with his request for final payment similar evidence and such expressions of warranty and indemnity as are re-

quired herein and a release of further claims against Owner or General Contractor. Subcontractor indemnifies General Contractor and Owner against any cost or liability, including attorney's fees, for failure of Subcontractor to perform all its obligations and pay all of its bills as required by this Subcontract.

**33. APPLICATION TO COST REIMBURSEMENT TERMS**

These General Conditions define the obligations, responsibilities and relationships of Subcontractor and General Contractor, and apply without change whether the terms for payment are fixed price or cost reimbursable or a combination thereof. The price and other payments to be made to Subcontractor for performance of the obligations of these General Conditions are provided for in the Subcontract Terms or other portions of this Subcontract.

**34. NOTICES**

Notices of changes, deficiencies, delays, claims or disputes shall be in writing, and shall furnish full information to the extent available. The party notified will acknowledge receipt by endorsement of a copy if requested, or will otherwise confirm receipt in writing. Ordinarily, notice will be given by delivery to the General Contractor's project manager, or Subcontractor's designated representative at the site, respectively, and mailing a copy to the address shown in the Subcontract Terms. To avoid difficulty in delivery of Notice, sufficient Notice shall be deemed to have been given by mailing by Registered or Certified Mail or equivalent, to the address shown in the Subcontract Terms.

**35. INTEGRATION**

The entire agreement between General Contractor and Subcontractor and all negotiations, proposals, representations and interpretations have been integrated into and superseded by the written provisions of this Subcontract. This Subcontract shall be valid and in force when signed by both parties and delivered and the parties understand that thereafter no person is authorized to amend this Subcontract except by agreement in writing and signed with equal formality. These General Conditions may be modified by the Special Conditions for the Project or by the Subcontract terms; and the Special Conditions for the Project may be modified by the Subcontract Terms, and as so modified it is intended that all terms and provisions of this Subcontract shall be construed in harmony and with equal dignity and effect.

NOTE: This Affidavit is to be executed and returned with final or retained work.

# BROWN & ROOT, INC.

P.O. Box 3 Houston, Texas 77001

## "AFFIDAVIT FOR SUBCONTRACTOR"

RE: SUBCONTRACT

NO. \_\_\_\_\_

Name of Subcontractor: \_\_\_\_\_

Date of Subcontract: \_\_\_\_\_

Name of Owner under General Contract: \_\_\_\_\_

WHEREAS, The above-named Subcontractor, heretofore, entered into the above-referenced Subcontract with BROWN & ROOT, INC., as a General Contractor for performance by Subcontractor of Sublet Work under the above-referenced General Contract; and

WHEREAS, Under said Subcontract certain monies are not due and payable unto Subcontractor until all bills for labor, material and other charges arising in the performance of the Sublet Work have been fully paid by the above Subcontractor;

NOWHEREFORE, For the purpose of inducing BROWN & ROOT, INC., to pay over such monies unto the above Subcontractor, the undersigned affiant does depose, say, affirm and represent to BROWN & ROOT, INC., that all bills for labor, material, re-sublet work, equipment rental, taxes, insurance and all other charges arising in the performance of the Sublet Work have been fully paid by or for the above Subcontractor, except as follows:

Title: \_\_\_\_\_

Name: \_\_\_\_\_

For Subcontractor

SUBSCRIBED AND SWORN TO before me this the \_\_\_\_\_ day  
of \_\_\_\_\_, 19\_\_\_\_, to certify which witness my hand and seal of office.

NOTARY PUBLIC

County of \_\_\_\_\_

State of \_\_\_\_\_

EXX 004881

NOTE: This Affidavit is to be executed and returned with final or retained invoice.

**BROWN & ROOT, INC.**

P.O. Box 3 Houston, Texas 77001

**"AFFIDAVIT FOR SUBCONTRACTOR"**

RE: SUBCONTRACT

NO. \_\_\_\_\_

Name of Subcontractor: \_\_\_\_\_

Date of Subcontract: \_\_\_\_\_

Name of Owner under General Contract: \_\_\_\_\_

WHEREAS, The above-named Subcontractor, heretofore, entered into the above-referenced Subcontract with BROWN & ROOT, INC., as a General Contractor for performance by Subcontractor of Sublet Work under the above-referenced General Contract; and

WHEREAS, Under said Subcontract certain monies are not due and payable unto Subcontractor until all bills for labor, material and other charges arising in the performance of the Sublet Work have been fully paid by the above Subcontractor;

NOWHEREFORE, For the purpose of inducing BROWN & ROOT, INC., to pay over such monies unto the above Subcontractor, the undersigned affiant does depose, say, affirm and represent to BROWN & ROOT, INC., that all bills for labor, material, re-sublet work, equipment rental, taxes, insurance and all other charges arising in the performance of the Sublet Work have been fully paid by or for the above Subcontractor, except as follows:

Title: \_\_\_\_\_

Name: \_\_\_\_\_

For Subcontractor

SUBSCRIBED AND SWORN TO before me this the \_\_\_\_\_ day  
of \_\_\_\_\_, 19\_\_\_\_, to certify which witness my hand and seal of office.

NOTARY PUBLIC

County of \_\_\_\_\_

State of \_\_\_\_\_

EXX 004882

29-5797  
Contract File  
BME

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



*Notified Bankett  
12/10/79*

December 3, 1979

Contract No. U-00-1145-A

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

ATTENTION: MS. BETTY T. WRIGHT

Gentlemen:

We will perform the additional work described by Design Change #6 for a lump sum price of \$1,202.00. This additional work will necessitate 4 days extension to the original contract schedule, provided we are authorized to proceed immediately.

Yours very truly,

BROWN & ROOT, INC.

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

BMH/lja

|                        |            |
|------------------------|------------|
| Breakdown:             |            |
| Labor + 44%            | \$194.00   |
| Material + 10%         | 984.00     |
| Equipment + 40% F.O.G. | 24.00      |
| Total                  | \$1,202.00 |

|                                                          |                |
|----------------------------------------------------------|----------------|
| CONTRACT CHANGE ORDER NO.                                | 6              |
| CONTRACT NO. U-00-1145-A                                 | DATE: 12-31-79 |
| ADDITION/DELETE                                          | 1,202.00       |
| EXXON COMPANY, U.S.A.<br>A DIVISION OF EXXON CORPORATION |                |
| APPROVED: <i>[Signature]</i>                             |                |
| DATE: 12/10/79                                           |                |
| EXCERPTS <i>CA</i>                                       |                |
| PROJ. ENG: <i>[Signature]</i>                            | 12             |

EXX 004883

27-5797  
Contract File  
Bree

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



*Notified Burkett  
11/26/79*

November 19, 1979

Contract No. U-00-1145-A

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

ATTENTION: MS. BETTY T. WRIGHT

Gentlemen:

We will perform the additional work described by Design Change #5 for a lump sum price of \$1,682.00. This additional work will necessitate 7 days extension to the original contract schedule, provided we are authorized to proceed immediately.

Yours very truly,

BROWN & ROOT, INC.

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

BMH/lja

|                        |               |
|------------------------|---------------|
| Breakdown:             |               |
| Labor + 44%            | \$881.00      |
| Materials + 10%        | 671.00        |
| Equipment + 40% F.O.G. | <u>130.00</u> |
| Total                  | \$1,682.00    |

|                                 |                       |
|---------------------------------|-----------------------|
| CONTRACT CHANGE ORDER NO.       | <u>5</u>              |
| CONTRACT NO.                    | <u>U-00-1145-A</u>    |
| DATE:                           | <u>8-31-79</u>        |
| ADDITION/(DELETION) \$          | <u>1,682.00</u>       |
| EXXON COMPANY, U.S.A.           |                       |
| A DIVISION OF EXXON CORPORATION |                       |
| APPROVED:                       | <i>C. E. Smith</i>    |
| DATE:                           | <u>11-21-79</u>       |
| EXCERPTS                        | <u>CA</u>             |
| PROJ. ENG:                      | <u>E. B. Williams</u> |
| TIME                            | <u>B</u>              |

EXX 004884

27-5797  
Contract File  
BRL

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



*notified Kingston  
10/12/79*

October 8, 1979

Contract No. U-00-1145-A

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

ATTENTION: MS. Betty T. Wright

Gentlemen:

We will perform the revised work described by Design Change #1 at no change in price. This revised work will necessitate 0 days extension to the original contract schedule, provided we are authorized to proceed immediately.

Yours very truly,

BROWN & ROOT, INC.

*Jerald Robins*

Jerald Robins

JR/lja

|                                                                         |                      |
|-------------------------------------------------------------------------|----------------------|
| CONTRACT CHANGE ORDER NO. <u>1</u>                                      |                      |
| CONTRACT NO. <u>U-00-1145-A</u>                                         | DATE: <u>8-31-79</u> |
| ADDITION/(DELETION) \$ <u>-0-</u>                                       |                      |
| EXXON COMPANY, U.S.A.<br><small>A DIVISION OF EXXON CORPORATION</small> |                      |
| APPROVED: <u><i>C. E. Burt</i></u>                                      |                      |
| DATE: <u>10-11-79</u>                                                   |                      |
| EXCERPTS <u>CA</u>                                                      |                      |
| PROJ. ENG: <u><i>E. B. Williams</i></u>                                 | <u>B</u>             |

EXX 004885

27-5797

AGREEMENT

Charge: RE-51404-C

Contract Number: U-00-1145-A

THIS CONTRACT (hereinafter referred to as CONTRACT) is entered into this 31st day of August 1979, by and between Exxon Company, U.S.A., (a division of Exxon Corporation), hereinafter referred to as "EXXON," and BROWN & ROOT, INC. hereinafter referred to as "CONTRACTOR," having an office located at P. O. Box 4060, Baytown, Texas 77520.

The CONTRACT shall consist of this Agreement, the Exhibits and Specifications named herein, any Change Orders authorized pursuant to ARTICLE 11 - CHANGES and any cost plus or time and material change work billable in accordance with the ARTICLE 2 - CONTRACT PRICE AND PAYMENT.

WITNESSETH: That in consideration of the covenants and agreements set out herein and the payments provided for herein EXXON and CONTRACTOR agree as follows:

1. SCOPE OF WORK

A. 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 (hereinafter referred to as "WORK") briefly described as follows:

| <u>Designation</u> | <u>Title</u>                                                     | <u>Date</u>   |
|--------------------|------------------------------------------------------------------|---------------|
| Specifications     | Specifications for Replacing Pump Drivers at Cooling Tower 16/24 | July 25, 1979 |
| Exhibit "A"        | Replace Pump Drivers J-44 and J-46, Cooling Tower 16/24          | July 25, 1979 |

1. Only the repairing of existing fireproofing is included in this Contract.
2. When requested by Exxon, Contractor will furnish welders spark-proof and pressurized boxes and invoice at the following net unit prices:
  - ° Spark-Proof Boxes.....Net Each \$500
  - ° Pressurized Boxes.....Net Each \$600

2. CONTRACT PRICE AND PAYMENT

A. For satisfactory performance of WORK by CONTRACTOR, EXXON, will, subject to the provisions of ARTICLE 7 - PERFORMANCE, COMPLETION, AND ACCEPTANCE, pay CONTRACTOR in accordance with the following terms:

(1) A lump-sum price of ONE HUNDRED FIFTY-THREE THOUSAND SEVEN HUNDRED EIGHTY AND NO/100 (\$153,780.00) DOLLARS.

EXX 004886

) Contract U-00-1145-A

Contractor agrees to begin work immediately upon award of Contract and will make every effort to complete the work in 35 working days.

(2) The price shall be adjusted only for changes. In the event of a change of scope from that covered by the above lump-sum amount, if authorized by EXXON, such change may at EXXON'S option require a price adjustment authorized by a lump-sum Contract Change Order as set forth in ARTICLE 11 - CHANGES or may be authorized by Contract Change Order or Field Change authorization on the basis of cost-plus or time-and-material provisions contained in CONTRACTOR'S latest letter on file with EXXON, entitled "Rates for Time and Material Changes." CONTRACTOR agrees that small tools and equipment (under \$250 value) and consumable supplies are included in CONTRACTOR'S labor rates. CONTRACTOR owned equipment, furnished by CONTRACTOR on a time-and-material basis, shall be operated by and under the control and supervision of CONTRACTOR in performing SERVICES.

Any materials CONTRACTOR purchases on a reimbursable cost-plus basis, which materials become an integral part of the completed facility, shall be purchased tax free by CONTRACTOR and resold to EXXON. EXXON will accrue and pay all Texas use tax on such materials under its Direct Payment Exemption Certificate 3000165008. CONTRACTOR understands and agrees that EXXON'S responsibility for accruing State sales or use tax is limited to materials which become a permanent part of the facility. CONTRACTOR shall be responsible for State sales or use tax on all other materials and supplies consumed (e.g., consumable supplies and small tools, etc.), and including tax on any materials purchased by CONTRACTOR as required in performing any lump-sum units of work (e.g., fixed price, fixed rates, and unit prices which include both labor and materials in the unit).

B. Invoices are to be submitted in triplicate pursuant to applicable invoicing standards listed in the specifications for lump-sum invoicing and/or reimbursable cost invoicing. Invoices shall be mailed to Exxon Company, U.S.A., Accounts Payable, P. O. Box 4019, Baytown, Texas 77520, and shall become due and payable thirty (30) days after receipt by EXXON, but shall be subject to Paragraph 7B hereof at EXXON'S discretion. Invoices shall clearly identify WORK description, CONTRACT number, and the Charge Number listed above. In the event WORK is performed on a cost-plus or time-and-material basis, invoices shall be supported by (1) the original copy of daily time sheets for labor and equipment signed in permanent ink by CONTRACTOR and REPRESENTATIVE, (2) copies of vendors and subcontractors invoices for materials, rental tools, and equipment which are billable to EXXON'S account. Time sheet forms as described in the specifications will be furnished by EXXON for CONTRACTOR'S use. Invoices for CONTRACTOR owned equipment shall be classified "SERVICES" and not "RENTAL."

C. For any portion of this CONTRACT which cost-plus, or time-and-material provisions are applicable, EXXON'S Representative shall have access, at all reasonable times, to all CONTRACTOR'S and Subcontractor's personnel, books, records, correspondence, instructions, plans, drawings, receipts, vouchers, and memorandums of every description pertaining to WORK under CONTRACT for the purpose of auditing and verifying costs of WORK upon prior notice to CONTRACTOR. EXXON'S Representatives shall have the right to reproduce any of the aforesaid documents. In the event lump-sum elements are included under CONTRACT along with any cost-plus, or time-and-material items, then audit rights shall also extend to include EXXON'S access to those CONTRACTOR'S and Subcontractor's records pertaining to lump-sum elements that are needed to provide for assurance that the portions of the WORK performed on a cost-plus, or time-and-material basis are not being charged with costs which are by their nature intended to be covered by lump sums. CONTRACTOR shall preserve and shall cause its Subcontractors to preserve all the appropriate above-mentioned documents for periods of three years after the completion and acceptance or termination of WORK.

### 3. SAFETY AND SECURITY

A. CONTRACTOR shall comply with all of the terms and conditions contained in EXXON'S publication entitled "Contractors' Responsibilities for Safety, Plant Security, and Traffic Regulations," dated April 1, 1978, said publication being made a part of this CONTRACT by reference. EXXON will furnish copies of this publication to the CONTRACTOR. The rules and regulations contained in the "Contractors' Responsibilities" shall apply to all Subcontractors and their employees as well as the CONTRACTOR and its employees. Before starting work under CONTRACT, CONTRACTOR shall obtain from EXXON copies of these regulations. CONTRACTOR shall notify its employees, its Subcontractors, and the employees of its Subcontractors of the provisions of said regulations and shall secure compliance therewith by all such parties; and CONTRACTOR shall not allow any of such persons to begin WORK inside EXXON'S Baytown Refinery until such notification has been given them.

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

### 4. COMPLIANCE WITH SPECIFICATIONS

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

### 5. INDEMNITY AND INSURANCE

It is understood and agreed that all WORK performed by CONTRACTOR hereunder shall meet with the approval of EXXON'S engineers or inspectors but that the detailed manner and method of doing same shall be under the control of CONTRACTOR, EXXON being interested only in the result obtained, and that CONTRACTOR is an independent CONTRACTOR as to all WORK performed hereunder. In regard to all WORK performed hereunder, CONTRACTOR and EXXON agree as follows:

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

(1) From injury, including death, to CONTRACTOR'S employees and to employees of CONTRACTOR'S Subcontractors when such injury, including death, results in whole or in part from the negligence or willful acts of CONTRACTOR, its employees, agents, or subcontractors and the negligence or willful acts of EXXON, its employees, agents, or subcontractors, but not when such injury, including death, results solely from the negligence or willful acts of EXXON'S employees, agents, or subcontractors.

(2) From (a) injuries to or deaths of persons, including employees and representatives of EXXON, which result in whole or in part from the willful acts or negligence of CONTRACTOR, its employees, agents, or subcontractors, or (b) damage to property of EXXON and all other persons, which results in whole or in part from the negligence or willful acts of CONTRACTOR, its employees, agents, or subcontractors, except that CONTRACTOR shall not be responsible for damage to EXXON'S property not covered by insurance required in Paragraph B below.

(3) From damage to property or injury to or deaths of persons which result in whole or in part from willful acts or the negligence of CONTRACTOR, its employees, agents, or subcontractors, in connection with the handling and use of utilities furnished by EXXON except that CONTRACTOR shall not be responsible or liable for such damage to EXXON'S property not covered by insurance required in Paragraph B below.

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

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

(2) Comprehensive General Liability Insurance covering

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

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

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

(4) CONTRACTOR shall not be required to furnish insurance other than, or in excess of, the amounts above stated, but CONTRACTOR shall continue other or excess insurance which CONTRACTOR may normally carry and have in effect.

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

6. SATISFACTION OF CLAIMS

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

7. PERFORMANCE - COMPLETION AND ACCEPTANCE

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

B. CONTRACTOR agrees that upon the completion by it and acceptance by EXXON of the work herein contracted for it will furnish EXXON with proof satisfactory to the latter that all claims for labor and material have been satisfied and paid and that there are no unsatisfied claims for injuries to persons or property, and thereupon the amount due as herein provided shall be paid by EXXON to CONTRACTOR within 30 calendar days after receipt of final invoice, subject, however, to the right in EXXON to withhold payments in accordance with the provisions of ARTICLE 5469, Texas Revised Civil Statutes of 1925, and all amendments thereto or other provision of law applicable. It is agreed that upon request of CONTRACTOR and upon showing to the satisfaction of EXXON that all claims for labor and material and for damages to persons and property, as above provided, have been satisfied, EXXON, in the event it considers it safe to do so, will advance at approximately fifteen (15) day intervals up to ninety percent (90%) of the value of the WORK then completed, based upon estimates by EXXON'S engineers or inspectors in which event the balance will be paid upon completion and acceptance of the WORK and compliance with the terms and provisions hereof. Payment pursuant to the terms of this paragraph shall not preclude the right of EXXON from thereafter disputing any of the items involved.

C. CONTRACTOR agrees that in the event any lien or liens are fixed or attempted to be fixed, secured, or claimed against EXXON or EXXON'S property by any person or firm, corporation, artisan, laborer, mechanic, or subcontractor who furnished services or materials in connection with the performance of this CONTRACT, CONTRACTOR will within ten (10) days following notification by EXXON that such lien or liens have been fixed or attempted to be fixed, secured, or claimed, furnish EXXON a bond in an amount equal to twice the value of the lien or liens.

Such bond shall be executed by a corporate surety authorized to do business under the laws of the State of Texas and shall comply in all respects with the requirements of Article 5472c, Vernon's Annotated Texas Statutes. CONTRACTOR further agrees to file such bond with the County Clerk of Harris County, Texas, and to take all steps necessary to assure that prompt notice of such filing is given to the obligees named therein. CONTRACTOR further agrees that the giving of such bond shall be in addition to any other rights of EXXON or obligations of CONTRACTOR under this CONTRACT and shall in no way be construed as abrogating or qualifying such rights and obligations.

#### 8. LAWS AND REGULATIONS

A. In performing its obligations hereunder, CONTRACTOR shall comply with and secure compliance by its Subcontractors of all applicable federal, state, and municipal laws, and all applicable orders, rules, and regulations of constituted authority.

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

C. This CONTRACT is X is not \_\_\_\_\_ subject to Certificate of Compliance--Federal Contract Supplement, as amended, a copy of which is made a part hereof and either is attached hereto for your signature and return or which has been previously filed with EXXON.

#### 9. GUARANTEES AND WARRANTIES

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

#### 10. TOOLS AND EQUIPMENT

In the event EXXON loans or furnishes tools or equipment to CONTRACTOR in connection with its WORK covered hereunder, CONTRACTOR agrees:

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

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

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

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

For the purpose of this Paragraph 10, tools and equipment shall be defined to include scaffolds, lights, and all other types of apparatus, facilities, or services which EXXON may loan or furnish.

#### 11. CHANGES

EXXON may from time to time, by written instructions or drawings issued to CONTRACTOR, require additional WORK and services directly in connection with or incidental to the work covered by this CONTRACT; and EXXON may by such instructions or drawings, require CONTRACTOR to alter, change, accelerate, or omit any WORK covered by this CONTRACT. In the event EXXON desires any such additions, changes, alterations, accelerations or omissions which will materially increase or decrease the total CONTRACT price referred to in Article 2 - Contract Price and Payment, CONTRACTOR shall submit to EXXON an estimate of such increase or decrease. Should EXXON desire to proceed in accordance with such estimate, EXXON shall issue to CONTRACTOR a Contract Change Order describing the WORK to be added or deleted and the corresponding price addition or deduction thereof, or alternate basis for payment if Change is to be performed on cost-plus or time-and-material basis. Field Changes may also be authorized by EXXON'S Field Representative in the event conditions develop during the progress of WORK which would significantly impact progress and costs if not expediently authorized. If Contractor has not obtained a Contract Change Order, or Field Change Authorization signed by EXXON'S appointed Representative, no claim for additional compensation will be allowed. The provisions of this CONTRACT except as may be otherwise provided shall apply to all such additions, changes, or alterations as if they were embodied in the original drawings and specifications.

#### 12. SUBCONTRACTS AND ASSIGNMENT OF CONTRACT

CONTRACTOR shall secure EXXON'S prior written approval as to any Subcontractor covering any portion of the WORK provided for hereunder. No such approval shall relieve CONTRACTOR from any of the obligations of this CONTRACT, and, as between the parties hereto, CONTRACTOR shall be and remain liable as if no such Subcontract had been made. No Subcontract shall bind or purport to bind EXXON but shall contain a provision permitting assignment thereof by CONTRACTOR to EXXON.

CONTRACTOR shall not assign any of its rights or obligations hereunder, or any sum that may accrue to CONTRACTOR hereunder, without consent of EXXON. Such consent shall not be unreasonably withheld.

### 13. . CONFIDENTIALITY INFORMATION AND PATENTS

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

(1) Technical information which at the time of disclosure by EXXON to CONTRACTOR is in the public domain;

(2) Technical information which, after disclosure by EXXON to CONTRACTOR, becomes part of the public domain by publication or otherwise; and

(3) Technical information which CONTRACTOR can show was in CONTRACTOR'S possession at the time of EXXON'S disclosure to CONTRACTOR and was not acquired, directly or indirectly, from EXXON.

B. CONTRACTOR agrees that CONTRACTOR will not, without the written permission of EXXON, use the technical information which CONTRACTOR is required to keep confidential under this CONTRACT for any purpose other than the accomplishment of WORK under this CONTRACT.

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

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

14. TERMINATION AND RIGHTS

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

B. CONTRACTOR'S obligations under ARTICLE 2-C as it pertains to audit and Article 13 of this CONTRACT shall survive any termination of this CONTRACT.

15. CONFLICT OF INTEREST AND ETHICS

A. CONTRACTOR shall exercise reasonable care and diligence to prevent any actions or conditions which could result in a conflict with EXXON'S best interests. This obligation shall apply to the activities of the employees and agents of CONTRACTOR in their relations with the employees, and their families, of (1) EXXON and (2) third parties who are subcontractors or furnish services, equipment, or material to accomplish work hereunder. CONTRACTOR'S efforts shall include, but not be limited to, establishing precautions to prevent CONTRACTOR'S employees or agents from offering, making, providing, or receiving gifts, entertainment, payments, loans, or other considerations for the purpose of influencing any person to act contrary to EXXON'S best interests. In addition, CONTRACTOR shall receive EXXON'S prior approval before use of a subcontractor, or any party, to furnish services, equipment, or materials, who is owned or controlled by the CONTRACTOR or CONTRACTOR'S owner(s), employees, or their families.

B. CONTRACTOR agrees to comply with all laws and lawful regulations applicable to any activities carried out in the name of or on behalf of EXXON under the provisions of this AGREEMENT and/or any amendments to it.

C. CONTRACTOR agrees that all financial settlements, billings, and reports rendered to EXXON, as provided for in this agreement and/or any amendments to it, will reflect properly the facts about all activities and transactions handled for the account of EXXON, which data may be relied upon as being complete and accurate in any further recording and reporting made by EXXON, for whatever purpose.

D. CONTRACTOR agrees to notify EXXON promptly upon discovery of any instance where the CONTRACTOR fails to comply with Provisions A, B, and C above.

16. ENTIRE AGREEMENT

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.

This CONTRACT constitutes the entire agreement between the parties hereto and supersedes all prior negotiations, representations, or agreements related to this CONTRACT, either written or oral, including EXXON'S investigation for proposals and CONTRACTOR'S proposals, except to the extent they are expressly incorporated herein. No changes, alterations, or notifications to this agreement shall be effective unless in writing and signed by the parties hereof.

17. APPLICABLE LAW

This CONTRACT shall be governed and interpreted according to the laws of the State of Texas.

18. HEADINGS

The paragraph headings of this CONTRACT are for the convenience of the parties only and are not a part of this CONTRACT and do not in any way limit or amplify the terms or provisions of this CONTRACT.

By the signature of duly authorized representatives below, the parties hereto have executed this CONTRACT in duplicate originals as of the day and year first above written.

BROWN & ROOT, INC.

By

*O.M. Bakken*  
(Name and Title)

O.M. BAKKEN, VICE PRESIDENT

Exxon Company, U.S.A.

(a division of Exxon Corporation)

By

*CE Bud*

Contract Coordinator  
Materials Department

*acting*  
*8/21/79*

CEB:mea

(E. B. Williams)

☒ ORIGINAL

REVISION

1-2 G/

3.11 JOB NUMBER 215171

DEPT. NUMBER SUFFIX

CO.  
CODE

STATE CODE

DATE \_\_\_\_\_

9/7/79

**EXX 004897**

| 12  | CONTRACT |
|-----|----------|
|     | TYPE     |
| 1   | 1        |
| 2   | 2        |
| 3   | 3        |
| 4   | 4        |
| 5   | 5        |
| 6   | 6        |
| 7   | 7        |
| 8   | 8        |
| 9   | 9        |
| 10  | 10       |
| 11  | 11       |
| 12  | 12       |
| 13  | 13       |
| 14  | 14       |
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| 90  | 90       |
| 91  | 91       |
| 92  | 92       |
| 93  | 93       |
| 94  | 94       |
| 95  | 95       |
| 96  | 96       |
| 97  | 97       |
| 98  | 98       |
| 99  | 99       |
| 100 | 100      |

|   |                                     |             |
|---|-------------------------------------|-------------|
| 1 | <input checked="" type="checkbox"/> | FIXED PRICE |
| 2 | <input type="checkbox"/>            | COST PLUS   |
| 3 | <input type="checkbox"/>            | JOINT VENT  |
| 9 | <input type="checkbox"/>            | ASSOC. CO'S |

13 ACCOUNTING LOCATION

1 ☒ HOME OFFICE

2 ☐ PROJECT OFFICE

9 ☐ OTHER

**14 OWNER**

|   |                                     |               |
|---|-------------------------------------|---------------|
| 1 | <input checked="" type="checkbox"/> | BROWN & ROOT  |
| 2 | <input type="checkbox"/>            | ASSOC. COS    |
| 3 | <input type="checkbox"/>            | JOINT VENTURE |
| 9 | <input type="checkbox"/>            | OTHER         |

**15 SPECIAL  
CODES**

2 ☐ JOB SUFFIX  
3 ☐ SPECIAL SUFFIX

INDUSTRY  
TYPE

|         |  |        |
|---------|--|--------|
| 20 - 21 |  | PREFIX |
| 22 - 23 |  | NUMBER |
| 24 - 25 |  | SUFFIX |

|       | DIVISION      |    |
|-------|---------------|----|
| 26-27 |               | 27 |
| 28-33 | SECONDARY JOB |    |

SECONDARY JOB 27-0002

SECONDARY DIV. 12

16 JOB CLASSIFICATION

|   |                                     |        |
|---|-------------------------------------|--------|
| 1 | <input type="checkbox"/>            | MARINE |
| 2 | <input checked="" type="checkbox"/> | OTHER  |

17

37-43

THIRD JOE

| CONTRACT | AMOUNT | TYPE |
|----------|--------|------|
| 1        | 1000   | 1    |
| 2        | 2000   | 2    |
| 3        | 3000   | 3    |
| 4        | 4000   | 4    |
| 5        | 5000   | 5    |
| 6        | 6000   | 6    |
| 7        | 7000   | 7    |
| 8        | 8000   | 8    |
| 9        | 9000   | 9    |
| 10       | 10000  | 10   |
| 11       | 11000  | 11   |
| 12       | 12000  | 12   |
| 13       | 13000  | 13   |
| 14       | 14000  | 14   |
| 15       | 15000  | 15   |
| 16       | 16000  | 16   |
| 17       | 17000  | 17   |
| 18       | 18000  | 18   |
| 19       | 19000  | 19   |
| 20       | 20000  | 20   |
| 21       | 21000  | 21   |
| 22       | 22000  | 22   |
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| 26       | 26000  | 26   |
| 27       | 27000  | 27   |
| 28       | 28000  | 28   |
| 29       | 29000  | 29   |
| 30       | 30000  | 30   |
| 31       | 31000  | 31   |
| 32       | 32000  | 32   |
| 33       | 33000  | 33   |
| 34       | 34000  | 34   |
| 35       | 35000  | 35   |
| 36       | 36000  | 36   |
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| 38       | 38000  | 38   |
| 39       | 39000  | 39   |
| 40       | 40000  | 40   |
| 41       | 41000  | 41   |
| 42       | 42000  | 42   |
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| 44       | 44000  | 44   |
| 45       | 45000  | 45   |
| 46       | 46000  | 46   |
| 47       | 47000  | 47   |
| 48       | 48000  | 48   |
| 49       | 49000  | 49   |
| 50       | 50000  | 50   |
| 51       | 51000  | 51   |
| 52       | 52000  | 52   |
| 53       | 53000  | 53   |
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| 56       | 56000  | 56   |
| 57       | 57000  | 57   |
| 58       | 58000  | 58   |
| 59       | 59000  | 59   |
| 60       | 60000  | 60   |
| 61       | 61000  | 61   |
| 62       | 62000  | 62   |
| 63       | 63000  | 63   |
| 64       | 64000  | 64   |
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| 66       | 66000  | 66   |
| 67       | 67000  | 67   |
| 68       | 68000  | 68   |
| 69       | 69000  | 69   |
| 70       | 70000  | 70   |
| 71       | 71000  | 71   |
| 72       | 72000  | 72   |
| 73       | 73000  | 73   |
| 74       | 74000  | 74   |
| 75       | 75000  | 75   |
| 76       | 76000  | 76   |
| 77       | 77000  | 77   |
| 78       | 78000  | 78   |
| 79       | 79000  | 79   |
| 80       | 80000  | 80   |
| 81       | 81000  | 81   |
| 82       | 82000  | 82   |
| 83       | 83000  | 83   |
| 84       | 84000  | 84   |
| 85       | 85000  | 85   |
| 86       | 86000  | 86   |
| 87       | 87000  | 87   |
| 88       | 88000  | 88   |
| 89       | 89000  | 89   |
| 90       | 90000  | 90   |
| 91       | 91000  | 91   |
| 92       | 92000  | 92   |
| 93       | 93000  | 93   |
| 94       | 94000  | 94   |
| 95       | 95000  | 95   |
| 96       | 96000  | 96   |
| 97       | 97000  | 97   |
| 98       | 98000  | 98   |
| 99       | 99000  | 99   |
| 100      | 100000 | 100  |

|   |                                     |                 |
|---|-------------------------------------|-----------------|
| 1 | <input checked="" type="checkbox"/> | DOLLAR AMOUNT   |
| 2 | <input type="checkbox"/>            | CONTINUOUS WORK |
| 9 | <input type="checkbox"/>            | OTHER           |

| 74 | JOB | STATUS |
|----|-----|--------|
|----|-----|--------|

☒ ACTIVE  
☐ CLOSED & REOPENED  
☐ COMPLETED

| YEAR | MONTH |
|------|-------|
| YEAR | MONTH |

**JOB TITLE**

79-86 CARD CODES

|                                                              |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |
|--------------------------------------------------------------|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|--|
| 2                                                            | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 32 | 33 | 34 | 35 | 36 | 37 | 38 | 39 | 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 | 52 | 53 | 54 | 55 | 56 | 57 | 58 | 59 | 60 | 61 | 62 | 63 | 64 | 65 | 66 | 67 | 68 | 69 | 70 | 71 | 72 |  |
| EXXON CO., U.S.A. - REPLACE PUMP DRIVERS AT COOLING TOWER IN |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |
| BAYFORD, TEXAS                                               |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |

PA-112A(7

**PREPARED BY**

(15)

(13)

(11)

9/4/79

EXX 004898

OFFICE MEMO  
BROWN & ROOT, INC.

TO: THOSE CONCERNED

FROM: GENE KERNAN

SEPTEMBER 14, 1979

SUBJECT: NEW JOB ASSIGNMENTS--INDUSTRIAL-CIVIL DEPARTMENT

THE FOLLOWING JOB NUMBERS HAVE BEEN ASSIGNED TO THE INDUSTRIAL-CIVIL DEPARTMENT TO COVER THE FOLLOWING NEW CONTRACTS:

| <u>JOB NO.</u> | <u>JOB DESCRIPTION</u>                                                                                                |
|----------------|-----------------------------------------------------------------------------------------------------------------------|
| 27-4206        | JET RESEARCH, INC. - INSTALL MAGAZINE STORAGE AND RELATED FACILITIES AT MANSFIELD, TEXAS                              |
| 27-4207        | ETHYL CORPORATION - PERFORM MISCELLANEOUS CONSTRUCTION IN HOUSTON, TEXAS                                              |
| 27-4208        | EXXON COMPANY, U.S.A. - PERFORM MISCELLANEOUS CONSTRUCTION WORK IN BAYTOWN, TEXAS                                     |
| 27-5793        | EXXON COMPANY, U.S.A. - INSTALL EXCHANGERS IN BAYTOWN, TEXAS                                                          |
| 27-5794        | EXXON CHEMICAL CO., U.S.A. - CONSTRUCT A B.O.P. HYDROGEN BOOSTER COMPRESSOR AT THE CYCLOHEXANE UNIT IN BAYTOWN, TEXAS |
| 27-5795        | ARCO CHEMICAL CO. - CONSTRUCT A 200 LB. STEAM EXPORT PROJECT AT OLEFINS PLANT IN CHANNELVIEW, TEXAS                   |
| ✓ 27-5797      | EXXON COMPANY, U.S.A. - REPLACE PUMP DRIVERS AT COOLING TOWER IN BAYTOWN, TEXAS                                       |

*Gene Kernan*

EXX 004899

27-5793 EXXON COMPANY, U.S.A.  
CONTRACT FILES

EXX 004708



## SUBCONTRACT

Brown &amp; Root, Inc.

P. O. Box 3, Houston, Texas 77001

KJm

|                                                                   |                           |                                                                     |                                    |
|-------------------------------------------------------------------|---------------------------|---------------------------------------------------------------------|------------------------------------|
| PAGE 1 OF 3                                                       | EFFECTIVE DATE<br>8-28-79 | REQUISITION NUMBER<br>027-36038                                     | SUBCONTRACT NUMBER<br>27-5793-5002 |
| BROWN & ROOT JOB NUMBER/ACCOUNTING CODE<br>27-5793-(005) 1097     |                           | PROJECT NAME<br>MEK EXCHANGERS<br>EXXON CO. U.S.A. BAYTOWN FACILITY |                                    |
| STATE CONTRACTOR'S LICENSE NUMBER (If Required)<br>NOT APPLICABLE |                           | STATE<br>NOT APPLICABLE                                             | DATE OF ISSUE<br>NOT APPLICABLE    |

RECEIVED  
BROWN & ROOT, INC.  
SEP 17 1979SUBCONTRACTOR  
PROJECT DIV.

SUBCONTRACTORY

07-2259  
INVESTIGATOR GUNITE  
P. O. BOX 5810  
PASADENA, TEXAS 77505

THE SUBCONTRACT TERMS APPEARING BELOW TOGETHER WITH THE ATTACHMENTS HERETO FORM THE PROVISIONS OF THE ENTIRE SUBCONTRACT.

AS OF THE EFFECTIVE DATE OF THIS SUBCONTRACT, PAYMENT AND PERFORMANCE BONDS ARE NOT REQUIRED BUT MAY BE REQUIRED PURSUANT TO GENERAL CONDITIONS.

## SUBCONTRACT TERMS

## 1.0 SUBLET WORK

1.1 THE SUBLET WORK CONSISTS OF FURNISHING ALL LABOR, MATERIALS, TOOLS, EQUIPMENT, SUPERVISION, INSURANCE, AND ALL OTHER ITEM(S) NECESSARY TO INSTALL CONCRETE FIREPROOFING TO THE FOLLOWING ITEMS:

1.1.1 THREE (3) BEAMS, 25 FEET LONG AS SHOWN ON EXXON DRAWING NO. 154-222-47, REV. "O".

1.1.2 FIVE (5) "T" SUPPORTS AS SHOWN ON EXXON DRAWING NO. 154-222-48, REV. "O".

1.2 GENERAL CONTRACTOR SHALL DELIVER THE ABOVE TO THE SUBCONTRACTOR'S SHOP WHERE SUBCONTRACTOR SHALL PERFORM THE FIREPROOFING DESCRIBED ABOVE, DELIVER THE BEAMS AND SUPPORTS TO THE JOBSITE AT THE MEK EXCHANGERS LOCATED AT THE EXXON COMPANY, U.S.A. FACILITY IN BAYTOWN, TEXAS, AND REPAIR APPROXIMATELY (8) PLACES WHERE EXISTING CONCRETE WAS REMOVED AND NEW STRUCTURAL STEEL WAS INSTALLED.

1.3 THE SUBLET WORK DESCRIBED HEREIN SHALL BE IN ACCORDANCE WITH AND PURSUANT TO THE DIRECTIVES OF GENERAL CONTRACTOR'S PROJECT MANAGER OR HIS DULY AUTHORIZED REPRESENTATIVE.

## 2.0 EQUIPMENT AND SERVICES TO BE PROVIDED BY GENERAL CONTRACTOR

GENERAL CONTRACTOR SHALL PROVIDE THE FOLLOWING EQUIPMENT AND SERVICES TO SUBCONTRACTOR DURING THE COURSE OF THE SUBLET WORK AT NO COST TO SUBCONTRACTOR:

2.1 DELIVERY OF ITEMS DESCRIBED IN SUBCONTRACT TERM 1.1 ABOVE TO SUBCONTRACTOR'S SHOP IN PASADENA, TEXAS,

2.2 POTABLE WATER,

2.3 USE OF GENERAL CONTRACTOR'S MANNED EQUIPMENT TO LOAD AND OFF-LOAD EQUIPMENT FROM SUBCONTRACTOR'S TRUCK.

KJM/iv

ATTACHMENTS (AS CHECKED) ☒ P-50 GENERAL CONDITIONS ☐ SPECIAL CONDITIONS ☒ P-7 AFFIDAVIT (2)  
☐ OTHER: (1-79)

| SUBCONTRACTOR             |             | BROWN & ROOT, INC. - GENERAL CONTRACTOR |             |
|---------------------------|-------------|-----------------------------------------|-------------|
| AUTHORIZED REPRESENTATIVE |             | AUTHORIZED REPRESENTATIVE               |             |
| SIGNATURE                 | DATE SIGNED | SIGNATURE                               | DATE SIGNED |
| Robert M. Ferguson        | 9-7-79      | L.S. Mather for D.E. Newton             | 9-5-79      |

JOBSITE FILE COPY

P-21 (05-79)

EXX 004709

**SUBCONTRACT**

3 OF THE GENERAL CONTRACTOR SHALL EXECUTE

**MENT**

PROMPT PAYMENT OF INVOICES  
ORIGINAL COPY MARKED "SUBCONTRACT"  
ALLOWING ADDRESS:

**T**

T TO GENERAL CONDITION

CTOR AGREES THAT GENERAL CONTRACTOR  
OF AFFECTING THE SUBCONTRACT  
NO CONTRACTUAL RELATIONS

**GULATIONS**

ATTACHMENT ENTITLED, "CONTRACT  
REGULATIONS", DATED 1-9-

**ATIONS**

CONTRACTOR REPRESENTS THAT THE  
SUBCONTRACT OR WILL CONTAIN PROVISIONS  
OF A PROJECT AGREEMENT. THERE  
SHALL BE NO STRIKES OR BOYCOTTS  
IMPEDING THE PERFORMANCE OF THE  
LOWER-TIER SUBCONTRACTOR'S OBLIGATIONS,  
IF ANY.

**WAGE AND PRICE GUIDELINES**

IN THIS SUBCONTRACT THE PRICES  
RESIDENT'S COUNCIL ON WAGES AND  
THE PRICES SHOWN ARE IN ACCORDANCE

THIS SUBCONTRACT/CHANGE ORDER CONSISTS OF  
PAGE 1 BEARING SIGNATURES AND AS MANY ADDITIONAL  
PAGES AS SHOWN ABOVE. ALL OTHER TERMS

PAGE NUMBER

ANG

OF 3

SUBCONTRACT/CHANGE ORDER CONTINUATION

SUBCONTRACT

27-5793-5

DESCRIPTION

**3.0 TIME OF PERFORMANCE**

3.1 PRESENTLY, THE SUBLET WORK DESCRIBED HEREIN IS SCHEDULED TO COMMENCE  
SEPTEMBER 17, 1979 AND IS TO BE PERFORMED IN A DILIGENT MANNER UNTIL  
OF THE WORK ARE COMPLETE.

3.2 SUBCONTRACTOR SHALL MAINTAIN CONTACT WITH THE GENERAL CONTRACTOR'S PROJECT  
OR HIS DULY AUTHORIZED REPRESENTATIVE FOR THE PURPOSE OF COORDINATING  
CHANGES OF THE SUBLET WORK IN ACCORDANCE TO GENERAL CONDITION 4.

**4.0 SUBCONTRACT PRICE**

GENERAL CONTRACTOR AGREES TO PAY SUBCONTRACTOR FOR COMPLETE, SATISFACTORY  
PERFORMANCE OF SUBLET WORK IN STRICT COMPLIANCE WITH THE REQUIREMENTS OF  
DOCUMENTS FOR THE TOTAL FIRM LUMP SUM PRICE INCLUDING ALL APPLICABLE  
.....

**5.0 PAYMENT AND PERFORMANCE BONDS**

ACT  
TION

THERE IS NO REQUIREMENTS AT THIS TIME TO FURNISH SEPARATE 100% PAYMENT AND  
BONDS. HOWEVER, GENERAL CONTRACTOR MAY AT ANYTIME DURING COURSE OF THIS  
REQUIRE SUCH BONDS TO BE FURNISHED IN ACCORDANCE TO GENERAL CONDITION 19  
REQUIRED AT A LATER DATE, THE PREMIUM SHALL BE REIMBURSABLE TO THE SUBCONTRACTOR

**6.0 INSURANCE CERTIFICATES**

6.1 SUBCONTRACTOR SHALL FORWARD ITS INSURANCE CERTIFICATE STATING THE NAME  
INSURANCE CARRIER(S) AND CERTIFYING THAT ITS INSURANCE COVERAGE MEETS  
REQUIREMENTS OF GENERAL CONDITION 21.

6.2 SUBCONTRACTOR INSURANCE CERTIFICATES SHALL REFERENCE THE PROJECT AND  
NO., AND SHALL MAIL ONE COPY TO THE FOLLOWING ADDRESS PRIOR TO ARRIVAL  
SITE:

BROWN & ROOT, INC.  
P. O. BOX 3  
HOUSTON, TEXAS 77001

ATTN: K. J. MC COY (01-116)

**7.0 INVOICE**

SUBCONTRACTOR SHALL SUBMIT INVOICES IN QUADRUPPLICATE ACCORDING TO THE  
FOURTH IN GENERAL CONDITION 32.

BROWN & ROOT, INC.  
P. O. BOX 4060  
BAYTOWN, TEXAS 77520

ATTN: JOE LABBE

THIS SUBCONTRACT/CHANGE ORDER CONSISTS OF PAGE 1 BEARING SIGNATURES AND AS MANY ADDITIONAL  
PAGES AS SHOWN ABOVE. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

WORKSITE FILE COPY

EXX 004710

# CONTRACT/CHANGE ORDER C

## ANCE BONDS

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TO BE FURNISHED IN ACCORDANCE  
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SHALL FORWARD IT'S INSURANCE C  
RIER (S) AND CERTIFYING THAT I  
OF GENERAL CONDITION 21.

INSURANCE CERTIFICATES SHALL I  
L MAIL ONE COPY TO THE FOLLOWIN

BROWN & ROOT, INC.  
P. O. BOX 3  
HOUSTON, TEXAS 77

ATTN: K. J. MC

EXIT INVOICES IN QUADRUPLE  
CONDITION 32 AND AS MODIFIED HE

BROWN & ROOT, INC.  
P. O. BOX 4060  
BAYTOWN, TEXAS 77

ATTN: JOE LABE

ES THAT GENERAL CONTRACTOR MAY  
AFFECTING THE SUBCONTRACTORS DU  
NT NO CONTRACTURAL RELATIONSHIP

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IT ENTITLED, "CONTRACTOR RESPONS  
ATIONS", DATED 1-9-79, IS HEREIN

DER CONSISTS OF PAGE 1 BEARING  
AL OTHER TERMS AND CONDITIONS REMA

JOBSITE FILE COI



## SUBCONTRACT

**Brown & Root, Inc.**

P. O. Box 3, Houston, Texas 77001

|                                                                   |                           |                                 |                                    |
|-------------------------------------------------------------------|---------------------------|---------------------------------|------------------------------------|
| 1 OF 3                                                            | EFFECTIVE DATE<br>8-16-79 | REQUISITION NUMBER<br>027-36029 | SUBCONTRACT<br>27-5793-5           |
| BROWN & ROOT JOB NUMBER/ACCOUNTING CODE<br>27-5793 (5) 1097       |                           |                                 | PROJECT NAME<br>EXXON CO. U.S.A./L |
| STATE CONTRACTOR'S LICENSE NUMBER (If Required)<br>NOT APPLICABLE |                           |                                 | STATE<br>NOT APPLICABLE            |

### SUBCONTRACTORY

11408598  
SERVICE PAINTING CO.  
P.O. BOX 2353  
BEAUMONT, TEXAS 77704

THE SUBCONTRACT  
GETHER WITH THE  
PROVISIONS OF TH

AS OF THE EFFECT  
PAYMENT AND RE  
QUIRED BUT MAY  
ERAL CONDITIONS

### SUBCONTRACT TERMS

#### 1.0 SUBLET WORK

1.1 SUBCONTRACTOR SHALL FURNISH ALL LABOR, MATERIALS, TOOLS, EQUIPMENT, SUPERVISION AND ALL OTHER ITEMS NECESSARY TO SANDELAST AND AS SHOWN ON EXXON DRAWINGS LISTED IN ATTACHMENT "A", AND HEREIN SUBCONTRACT DOCUMENT. THE SUBLET WORK DESCRIBED HEREIN SHALL BE MEK EXCHANGERS AT THE EXXON COMPANY U.S.A. FACILITY IN BAYTOWN, TEXAS.

1.2 SUBCONTRACTOR SHALL PERFORM THE SUBLET WORK IN STRICT ACCORDANCE WITH THE DIRECTIVES OF THE GENERAL CONTRACTOR'S JOB SUPERINTENDENT OR REPRESENTATIVE.

#### 2.0 SUBCONTRACT PRICE

GENERAL CONTRACTOR AGREES TO PAY SUBCONTRACTOR FOR COMPLETE, SATISFACTORY PERFORMANCE OF SUBLET WORK IN STRICT COMPLIANCE WITH THE REQUIREMENTS OF THE TOTAL FIRM LUMP SUM PRICE INCLUDING ALL APPLICABLE TAXES, FEES, AND CHARGES.

\$ 7,615.00

#### 3.0 TIME OF PERFORMANCE

3.1 PRESENTLY SUBCONTRACTOR IS SCHEDULED TO COMMENCE SUBLET WORK ON OR ABOUT OCTOBER 26, 1979, AND TO PERFORM ALL WORK IN ALL ASPECTS OF THE WORK ARE COMPLETE.

3.2 SUBCONTRACTOR SHALL MAINTAIN CONTACT GENERAL CONTRACTOR'S REPRESENTATIVE FOR THE PURPOSE OF COORDINATING ANY SCHEDULE CHANGES OF THE SUBLET WORK IN STRICT COMPLIANCE WITH THE REQUIREMENTS OF GENERAL CONDITION 4.

*McCoy*  
McCoy/jw

ATTACHMENTS (AS CHECKED) ☒ P-30 GENERAL CONDITIONS ☐ SPECIAL CONDITION:  
☐ OTHER: (1-79)

|                             |                        |                                      |             |
|-----------------------------|------------------------|--------------------------------------|-------------|
| SUBCONTRACTOR               |                        | BROWN & ROOT, INC.                   |             |
| AUTHORIZED REPRESENTATIVE   |                        | AUTHORIZED REPRESENTATIVE            |             |
| SIGNATURE<br><i>Don Hef</i> | DATE SIGNED<br>8-21-79 | SIGNATURE<br><i>J. S. Mather for</i> | DATE SIGNED |

EXX 004711

AFFIDAVIT

TWO COPIES OF THE GENERAL CONTRACTOR'S "AFFIDAVIT FOR SUBCONTRACTOR" (FORM P-7) ARE ATTACHED. CONTRACTOR SHALL EXECUTE AND RETURN ONE COPY WITH HIS FINAL OR RETAINAGE INVOICE.

10.0 ACKNOWLEDGEMENT

TO ENSURE PROMPT PAYMENT OF INVOICES, SUBCONTRACTOR SHALL SIGN AND DATE THIS SUBCONTRACT, RETAIN THE ORIGINAL FOR THEIR FILES, AND RETURN ALL OTHER COPIES TO THE FOLLOWING ADDRESS NO LATER THAN AUGUST 31, 1979.

BROWN & ROOT, INC.  
P. O. BOX 3  
HOUSTON, TEXAS 77001

ATTN: K. J. MCCOY  
(01-116)

11.0 WAGE AND PRICE GUIDELINES

IN ACCEPTING THIS SUBCONTRACT THE SUBCONTRACTOR WARRANTS THAT THE GUIDELINES ESTABLISHED BY THE PRESIDENT'S COUNCIL ON WAGE AND PRICE STABILITY HAVE BEEN ADOPTED VOLUNTARILY, AND THAT THE PRICES SHOWN ARE IN COMPLIANCE THEREWITH.

THIS SUBCONTRACT/CHANGE ORDER CONSISTS OF PAGE 1 BEARING SIGNATURES AND AS MANY ADDITIONAL NUMBERED PAGES AS SHOWN ABOVE. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

JOBSITE FILE COPY

P-119 (05-79)

EXX 004712

7  
**Brown & Root, Inc.** Post Office Box Three, Houston, Texas 77001



August 30, 1979

Stonaber, Inc.  
2508 Fairway Drive  
Houston, Texas 77092

Attn: Doris J. Brown  
Vice President

Subject: Subcontract No. 27-5793-5000  
Thermal Insulation  
Exxon Co. U.S.A.  
MEK Exchangers

Dear Ms. Brown:

We enclose herewith one fully executed copy of our Subcontract No. 27-5793-5000 dated August 16, 1979 for your permanent file.

Sincerely yours,

BROWN & ROOT, INC.

Kathy J. McCoy  
Subcontractor Administrator  
Subcontracts Department  
Procurement Division

KJM/lcm

Enclosure

bcc: E. E. Kernan (original copy)  
J. E. Cole Accounts Payable - ICD (1 copy)  
B. M. Holt  
RF/RMB  
RF/KJM  
RF/CIRC  
File S/C No. 27-5093-5000  
Alphabetical File

EXX 004713



# Brown & Root, Inc.

KJM/lcm  
**SUBCONTRACT**  
 EXXON COMPANY U.S.A.  
 MEK EXCHANGERS  
 BAYTOWN, TEXAS

Job Number 27-5793

Subcontract No. 27-5793-5000

(Project)

**THERMAL INSULATION**

(Sublet Work)

AUGUST 16, 1979

(Effective Date)

THIS SUBCONTRACT, by and between BROWN & ROOT, INC., a Texas Corporation, P. O. BOX 3, HOUSTON, TEXAS 77001, "GENERAL CONTRACTOR" and,

Stonaber, Inc.

a Corporation under laws of Texas  
(Corporation, Proprietorship, Partnership) (State)

the address is 2508 Fairway Park Drive, Houston, Texas 77092

"SUBCONTRACTOR," whose contractor's license number under laws of Not Applicable

is Not Applicable, entered into as of the EFFECTIVE DATE stated above.

## WITNESSETH:

In consideration of the mutual promises herein contained General Contractor and Subcontractor agree, promise, and obligate themselves as follows

1. Subcontractor promises to perform the Sublet Work for the Project in accordance with the Contract Documents.
2. General Contractor promises to pay Subcontractor, for full, accurate and timely performance of the Sublet Work in accordance herewith, the Price and other payments, and promises to perform all of the other obligations of General Contractor, as set forth in the Contract Documents
3. The Contract Documents constituting this Subcontract consist of:
  - a. "Subcontract Terms" and exhibits thereto.
  - b. ~~"General Conditions" and exhibits thereto~~
  - c. "General Conditions" P-50 (1-79)
  - d.
  - e.
  - f.

|                      |                        |
|----------------------|------------------------|
| Project Account Code | <u>27-5793-5000</u>    |
| Vendor Code No.      | <u>12176624</u>        |
| Net Price: \$        | <u>26,570.00</u>       |
| Terms:               | <u>S/C Term No. 5</u>  |
|                      | <u>G/C Term No. 32</u> |

Subcontract No. 27-5793-5000

The foregoing constitutes the entire contract, and supersedes all prior proposals, negotiations, agreements, awards, letter of intent and written or oral statements, representations or agreements.

4. The Effective Date set forth above is the date as to which all Contract Documents and provisions thereof have reference for purposes of coordination of their meaning and effect. The price relates to the Sublet Work as described in drawings, specifications and other Contract Documents in their condition on that date. Changes after the effective date will be dealt with in accordance with the provision for changes. Any work commenced and any payment made pursuant to an Award or Letter of Intent prior to the execution hereof shall be deemed to have been done and paid after the Effective Date under the terms of this Subcontract.

## GENERAL CONTRACTOR:

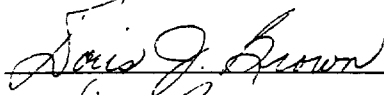
BROWN &amp; ROOT, INC.

By 

D. E. NEWTON, JR.

Title VICE PRESIDENT - PROCUREMENTDate 9/6/79

## SUBCONTRACTOR:

STONABER, INC.By Title Vice-PresidentDate 8-29-79

SUBCONTRACT TERMS  
SUBCONTRACT NO. 27-5789-5000

1.0 SUBLET WORK

- 1.1 Sublet Work, in general, is to furnish and install Thermal Insulation at the MEK Exchangers for the Exxon Company Facilities located in Baytown, Texas.
- 1.2 More specifically, the Sublet Work consists of furnishing all labor, materials, equipment, tools, taxes, insurance, supervision and all other items necessary to furnish and install thermal insulation at the location described above, all of which work shall be performed in strict accordance with the drawings and specifications further described hereunder in Subcontract Term No. 2 and all other provisions of the Subcontract Documents.
- 1.3 Subcontractor shall perform all work described herein in accordance with the directives of the General Contractor's Project Manager or his duly authorized representative.

2.0 DRAWINGS

Sublet Work shall be in accordance with, and all materials furnished by the Subcontractor shall comply with Exxon Drawings listed on Attachment "A", and hereby made a part of this Subcontract Document.

3.0 TIME OF PERFORMANCE

- 3.1 Subcontractor shall commence the Sublet Work on or about September 17, 1979 and shall perform all work in a diligent manner until all aspects of the Sublet Work are complete.
- 3.2 Subcontractor shall maintain contact with the General Contractor's Project Manager, or his duly authorized representative, for the purpose of scheduling and coordinating the Sublet Work.

4.0 SUBCONTRACT PRICE

- 4.1 General Contractor agrees to pay Subcontractor for complete, satisfactory, and timely performance of the Sublet Work strictly in accordance with the drawings, specifications, and requirements of all of the Subcontract Documents the following Firm Lump Sum Price, inclusive of all sales and use taxes:

TWENTY-SIX THOUSAND FIVE HUNDRED SEVENTY DOLLARS AND NO CENTS  
(Words)

\$ 26,570.00  
(Figures)

EXX 004716

#### 4.0 SUBCONTRACT PRICE - (continued)

##### 4.2 PAYMENT AND PERFORMANCE BONDS

There is no requirement at this time to furnish separate 100% Payment and Performance Bonds. However, General Contractor may at any time require separate Payment and Performance Bonds in accordance with the provisions of General Condition No. 19. If Bonds are required, the premium of said bonds shall be reimbursable to the Subcontractor.

#### 5.0 PAYMENT

##### 5.1 The following paragraph supplements Paragraph Number 32 of the General Conditions:

Subcontractor shall be paid in monthly progress payments the value of the Sublet Work satisfactorily performed during the preceding month based upon the firm lump sum price detailed and described in Subcontract Term No. 4 less 10% of such value as retainage until final completion and acceptance of the Sublet Work by General Contractor. Subcontractor shall prepare and submit an invoice for the proposed monthly progress payments and shall submit supporting documents and proof of payment of all bills for labor and materials, as may be requested by General Contractor. Subcontractor's invoice for proposed monthly progress payments with requested supporting documents and proof of payment of all bills will be submitted for approval by General Contractor and when approved, payment shall be made within thirty days thereafter. Final payment and release of retainage shall be made when the Sublet Work has been satisfactorily completed and accepted and Subcontractor has submitted the affidavit as called for below.

##### 5.2 AFFIDAVITS

Two copies of the General Contractor's "Affidavit for Subcontractor" (Form P-7) are attached for use in implementing the provisions of General Condition No. 32. Subcontractor shall execute and return one copy with his final or retainage invoice to the address shown below.

##### 5.3 INVOICES

Subcontractor shall render all invoices to the following address:

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

Attn: Joe Labbe

EXX 004717

#### 6.0 INSURANCE

Subcontractor shall forward his Certificate of Insurance stating the names of its Insurance Carriers and certifying that its insurance coverages meet the requirements set forth in General Condition No. 21 herein to the following address, in addition to the address shown in Subcontract Term 5.3 above.

Brown & Root, Inc.  
P. O. Box 3  
Houston, Texas 77001

Attn: K. J. McCoy  
(01-116)

#### 7.0 LABOR RELATIONS

The following supplements Paragraph 14 of the General Conditions:

Subcontractor represents that its pre-hiring collective bargaining agreements, if any, contain or will contain provisions that, or Subcontractor has entered into or will enter into a project agreement modifying such collective bargaining agreement to provide that, there shall be no strikes, slowdowns, picketing, secondary boycotts, or work stoppages during the performance of the Sublet Work. Subcontractor will further subcontract only to lower-tier subcontractors having similar provisions in their collective bargaining agreements, if any.

#### 8.0 ASSIGNMENT OF SUBCONTRACT TO OWNER

The following provisions hereby supplement General Condition Number 17:

Subcontractor agrees that General Contractor may assign this Subcontract to Owner at any time without affecting the Subcontractor's duties, rights and obligations hereunder. Prior to assignment no contractual relationship exists between Subcontractor and Owner.

#### 9.0 SAFETY AND SECURITY

Subcontractor shall perform the Sublet Work in strict accordance with the provisions set forth in the attached document entitled "Contractor's Responsibilities for Safety, Plant Security, and Traffic Regulation", dated September 1, 1978, which is hereby incorporated as part of this Subcontract by reference.

#### 10.0 WAGE AND PRICE GUIDELINES

In accepting this Subcontract, the Subcontractor warrants that the Guidelines established by the President's Council on Wage and Price Stability have been adopted voluntarily, and that prices shown are in compliance therewith.

EXX 004718

June 13, 1979  
Work Request SI131011

ATTACHMENT "A"

TABLE I

LIST OF ENGINEERING DRAWINGS

| <u>Drawing No.</u> | <u>Revision</u> | <u>Date</u> | <u>Title</u>                                                              |
|--------------------|-----------------|-------------|---------------------------------------------------------------------------|
| 154-70-793         | 3               | 5/25/79     | MEK Exchangers E-59-1 and 2 and E-60-1 and 2, Stacking Arrangement        |
| 154-70-794         | 3               | 5/25/79     | MEK Exchanger E-60-1 Outline                                              |
| 154-70-795         | 3               | 5/25/79     | MEK Exchanger E-60-2 Outline                                              |
| 154-70-796         | 3               | 5/25/79     | MEK Exchanger E-59-1 Outline                                              |
| 154-70-797         | 3               | 5/25/79     | MEK Exchanger E-59-2 Outline                                              |
| 154-71-70          | 0               | 5/7/79      | MEK Unit, E-59 and E-60 Foundations, Plan and Details                     |
| 154-71-71          | 0               | 5/7/79      | MEK Unit, E-59 and E-60 Foundations, Sections and Details                 |
| 154-190-407        | 0               | 5/11/79     | MEK Waxy Solvent to E-59 and E-60, Piping Plans                           |
| 154-190-408        | 0               | 5/11/79     | MEK E-59-1 and 2, E-60-1 and 2, Piping Plans                              |
| 154-190-409        | 0               | 5/11/79     | MEK Waxy Solvent and Filtrate to and from E-59, E-60, Plan and Sections   |
| 154-192-152        | 0               | 5/11/79     | MEK E-59-1 and 2, E-60-1 and 2 Sections                                   |
| 154-198-163        | 0               | 5/11/79     | MEK Safety Project, Mechanical Flow Sheet                                 |
| 154-199-48         | 0               | 5/11/79     | MEK Safety Project, Line Schedule                                         |
| 154-222-47         | 0               | 5/7/79      | MEK Plant, Pipe Support Structure, Plan, Elevation, and Details           |
| 154-222-48         | 0               | 5/7/79      | MEK Plant, Pipe Support Structure, Plan and Elevation                     |
| 154-222-49         | 0               | 5/7/79      | MEK Plant, Pipe Support Structure, Plan, Elevation, Details, and Sections |

RNF:jc

EXX 004719

CONTRACTORS' RESPONSIBILITIES  
FOR SAFETY, PLANT SECURITY,  
AND TRAFFIC REGULATIONS

BAYTOWN REFINERY

January 1, 1977

EXX 004720

## TABLE OF CONTENTS

|                                                              | Page  |
|--------------------------------------------------------------|-------|
| <b>Section 1</b>                                             |       |
| General Definitions .....                                    | I-1   |
| <b>Section 2</b>                                             |       |
| Safety Rules .....                                           | II-1  |
| Personal                                                     |       |
| Clothing and Protective Equipment .....                      | II-2  |
| Entering Process Areas .....                                 | II-4  |
| Working Over or Near Water .....                             | II-5  |
| Guarding Equipment .....                                     | II-5  |
| Housekeeping .....                                           | II-6  |
| Smoking and Matches .....                                    | II-6  |
| Hand and Power Tools .....                                   | II-6  |
| Electrical Tools .....                                       | II-7  |
| Ladders and Scaffolds .....                                  | II-8  |
| Evacuations .....                                            | II-9  |
| Connections into Existing Equipment .....                    | II-9  |
| Railroad .....                                               | II-10 |
| Hoisting Equipment .....                                     | II-10 |
| Hazardous Materials .....                                    | II-11 |
| Compressed Air — Yard Air System .....                       | II-11 |
| Warning Signs .....                                          | II-12 |
| Compressed Gas Cylinders .....                               | II-12 |
| Fire Prevention -- Fire Fighting .....                       | II-12 |
| Working in Vicinity of Electrical Lines .....                | II-13 |
| Refueling Vehicles and Equipment .....                       | II-13 |
| Potable Water .....                                          | II-14 |
| Working on Asbestos Cement Roof .....                        | II-14 |
| Traffic Safety Regulations .....                             | II-14 |
| <b>Section 3</b>                                             |       |
| Contractor's Safety Responsibilities .....                   | III-1 |
| <b>Section 4</b>                                             |       |
| Electrical Lockout Procedures .....                          | IV-1  |
| Electrical Circuits and Electrically Powered Equipment ..... | IV-1  |
| Electrical Lockout .....                                     | IV-1  |
| Electrical Disconnect .....                                  | IV-4  |
| Abnormal Conditions .....                                    | IV-5  |
| Power Lines .....                                            | IV-6  |
| Removing from Service .....                                  | IV-8  |
| Work On or Adjacent 2,300-Volt Lines .....                   | IV-12 |

## Table of Contents - Continued

|                                                                | Page   |
|----------------------------------------------------------------|--------|
| Section 5                                                      |        |
| Hot Work Permit .....                                          | V-1    |
| Open Areas .....                                               | V-3    |
| Marine Docks .....                                             | V-9    |
| Enclosed Spaces .....                                          | V-10   |
| Section 6                                                      |        |
| Procedure for Entering Enclosed Spaces .....                   | VI-1   |
| Entering Without Protective Equipment .....                    | VI-2   |
| Entering With Protective Equipment .....                       | VI-5   |
| Standby Duties .....                                           | VI-6   |
| Section 7                                                      |        |
| Opening or Blinding Permit .....                               | VII-1  |
| Section 8                                                      |        |
| Cold Work Permit .....                                         | VIII-1 |
| Section 9                                                      |        |
| Security Regulations .....                                     | IX-1   |
| Parking Locations .....                                        | IX-1   |
| Entrance Gate .....                                            | IX-1   |
| Walks and Roadways .....                                       | IX-1   |
| Contractor Employee Badges .....                               | IX-1   |
| Contractor Vehicle Identification .....                        | IX-2   |
| Material Passes .....                                          | IX-2   |
| Thefts .....                                                   | IX-2   |
| Gambling .....                                                 | IX-2   |
| Business Visitors, Applicants, and Delivery Trucks .....       | IX-2   |
| Ambulance Service .....                                        | IX-3   |
| Inspection of Lunch Boxes, Packages, Motor Vehicles, etc. .... | IX-3   |
| Cameras and Photographs .....                                  | IX-3   |
| Liquor, Drugs, Firearms, and Explosives .....                  | IX-3   |
| Visiting and Loitering .....                                   | IX-3   |
| Fingerprinting .....                                           | IX-4   |

## Table of Contents - Continued

|                                                         | Page |
|---------------------------------------------------------|------|
| Section 10                                              |      |
| General Regulations .....                               | X-1  |
| Authorization to Start Work .....                       | X-1  |
| Contractor's Equipment .....                            | X-1  |
| Explosives .....                                        | X-1  |
| Use of Lines, Conduits, or Structures as Supports ..... | X-1  |
| Use of Stanchions or Equipment for Anchors .....        | X-1  |
| Damage to Owner's Property .....                        | X-1  |
| Operating Owner's Equipment .....                       | X-2  |
| Use of Special Vehicles .....                           | X-2  |
| Fire Extinguishers .....                                | X-2  |
| Welding .....                                           | X-2  |
| Securing of Temporary Buildings .....                   | X-3  |
| Exit from the Plant .....                               | X-3  |
| Non-English-Speaking Personnel .....                    | X-3  |
| Hurricane Precautions .....                             | X-3  |
| Contractor Accident Reporting .....                     | X-3  |
| Emergency Evacuation Procedure .....                    | X-4  |
| Contractor Safety Meetings .....                        | X-4  |

## Section 1 GENERAL DEFINITIONS FOR SAFETY MANUAL

### PERSONS

1. Chief Operator — The Process person who is responsible for Process operations in a processing area and has the authority to supervise Process personnel and issue work permits.
2. Contract Administrator — The Exxon Mechanical or Process supervisor assigned by the owner to assure that the contractor adheres to the plans, specifications, and Refinery safety rules.
3. Contractor — *The firm under contract to Exxon Company, U.S.A. to perform work at the Baytown Refinery. The term also includes those firms employed as subcontractors by the prime contractor.*
4. Department Head — The person in charge of a Process department, i.e., Fuels, Specialties, Oil Movements, Utilities and Environmental Control, or Baytown Fuels Expansion.
5. Maintenance Supervisor — The Mechanical person, either Exxon or contractor, who has the authority to supervise the Mechanical work crew and is responsible for their work execution.
6. Mechanical Personnel or Person — Any of the Mechanical work crew (Supervisor, Craftsman, Trainee), either Exxon or contractor, performing work in the Refinery.
7. Owner — Exxon Company, U.S.A., Baytown Refinery.
8. Operating Supervisor — The second-line supervisor in Process and the immediate supervisor of the Chief Operators.

9. Process Personnel or Person — Any of the Process work crew (Chief Operator, Process Technician, or Process Technician Trainee) who has job responsibility for the assigned processing area.

10. Safety Permit Inspector — The person who has the primary responsibility of performing gas tests and inspecting the jobsite for compliance with applicable safety rules and standards for the purpose of issuing work permits.

11. Standby — The person designated by the Chief Operator and/or the maintenance supervisor to warn persons of hazardous or emergency conditions that could affect their safety.

### PLACES

1. Enclosed Space — Any space that can be closed or has restricted entry or exit, such as vessels, tanks, boilers, furnaces, etc. Also included are confined spaces, such as pits, sewers, excavations, where the heads of personnel working are below the top of the confined space.

2. Processing Area — Any area under the jurisdiction of Process personnel.

3. Refinery — The manufacturing facilities of Exxon Company, U.S.A. located in Baytown, Texas.

### ACTIVITIES — CONDITIONS

1. Cold Work — Any mechanical work that does not involve hot work or opening, blinding, and entering processing equipment.

2. Hot Work — Any work requiring the use of burning or welding and brazing equipment, explosives, open fires, portable grinders, unattended internal combustion engines, concrete busters, soldering irons, nonexplosionproof electric motors (including motor chippers, drills, and

saws), nonexplosionproof floor or string lights, sandblasting, explosion actuated tools, electric hot plates, or any other flame- or spark-producing equipment.

3. Hot Tap — Any connection made to a pipeline or other equipment that is under pressure or has not been cleared and prepared for tapping using conventional construction methods.

4. Opening — Exposing the interior of any processing equipment, including piping, to the atmosphere. This includes removing covers, breaking flanges, pulling plugs, etc. It does not include draining or venting through a valve.

5. Blinding — Installing temporary slip blinds into piping or blind flanges onto equipment for the purpose of isolating or closing processing equipment.

6. Flammable Material — Any material that will ignite and continue to burn in air.

7. Explosive Mixture — Any mixture of gas or vapor with air that will ignite (explode) when exposed to a source of ignition.

8. Oxygen Deficiency — Any atmosphere that has oxygen concentration of less than 19.5 percent.

9. Toxic Materials — Any substance (other than a radioactive substance) that has the capacity to produce personal injury or illness to man through ingestion, inhalation, or absorption through any body surface.

10. Must and May — "Must" is used in the manual to indicate mandatory compliance. "May" is used to indicate that good judgment shall be exercised.

## Section 2

### SAFETY RULES

#### PURPOSE

The purpose of these personnel, equipment, and traffic safety rules is to specify minimum safety requirements that must be followed to prevent injury or death to persons and damage to property. These rules in their entirety apply to all persons, including the contractor employees working in Exxon Company, U.S.A.'s Baytown Refinery. Additional requirements for contractors and their employees are shown in italic type throughout the manual.

#### DEFINITIONS

Definitions of terms used throughout this manual will be found in Section 1. Special definitions that apply to a specific permit or work procedure are in the applicable section of this manual.

#### RESPONSIBILITIES

1. Supervisors are responsible for the health and safety of the people under their work direction. They must:

- a. Set a good example.
- b. Provide adequate instruction in and require compliance with:
  - (1) Accident prevention aspects of each job.
  - (2) Use and application of appropriate protective clothing, equipment, and devices.
  - (3) Use or application of tools and equipment.

c. Cooperate with others where the safety aspects of a job require coordinating the efforts of one or more work groups. This includes, but is not limited to, the securing and/or issuing of a yellow PERMIT TO ENTER, green HOT WORK PERMIT, white OPENING OR BLINDING

PERMIT, blue COLD WORK PERMIT, or ELECTRICAL LOCKOUT PROCEDURES

d. Develop a safe work plan for the job to be done and see that the plan is well understood and followed.

e. Require additional accident prevention measures, other than those contained in this safety manual, if, in any supervisor's opinion, they are necessary. In instances or situations not specifically covered herein, it is expected that they will be handled within the guidelines contained in this manual. Safety is not to be sacrificed for production.

2. Individuals, Exxon and contractor, working in the Baytown Refinery are responsible for their own safety and for the safety of other workers and for reporting injuries to themselves or others to their appropriate supervisor. Each person must assure himself that his work situation is safe and that he has adequate instructions, proper tools, and proper protective clothing and equipment. He must also make sure that necessary work permits have been obtained and are valid over the term of his shift.

As a minimum, each person must adhere to the following safety regulations:

- a. Clothing and Protective Equipment
  - (1) Clothing contaminated with oil, hazardous liquids, or chemicals must not be worn. If a person is inadvertently sprayed or contacted by oils, hazardous liquid, or chemicals, the clothing must be removed as quickly as practical, the affected parts washed with soap and water, and the situation reported to the supervisor and in the Exxon supervisor in charge or Contract Administrator in case of contractor.
  - (2) Protective clothing that fully covers the body (arms, legs, shoulders, etc.) must be

worn except at certain locations specified by the Department Head after consultation with the Safety Coordinator.

(3) Loose clothing, loose sleeves, neckties, or gloves must not be worn where there is a probability of their being caught in moving machinery.

(4) Safety hats and safety glasses must be worn in all areas of the Refinery except at certain locations specified by the Department Head after consultation with the Safety Coordinator.

**EXCEPTION:** Welders need not wear safety hats while welding.

(5) Contact lenses must not be worn inside the Refinery. Employees with unusual visual problems requiring the wearing of contact lenses must use appropriate eye protection as recommended by a medical doctor depending on occupational exposure. (For Exxon employees, the Medical Department will recommend appropriate eye protection.)

(6) Goggles and/or safety glasses with side shields must be worn in those areas where the possibility of flying objects exists.

(7) Chemical goggles must be worn in those areas where exposure to chemicals or liquid hazards exist.

(8) Respiratory protection must be worn where the atmosphere of the work area is contaminated by hazardous dust, toxic gases, excess vapors or fumes, or where an oxygen deficiency exists (for example, a vessel blanketed with nitrogen).

(9) Special protective clothing for the particular hazard must be worn where there is a possibility of exposure to acid, caustic, or

other hazardous material.

(10) Bright-colored vests or equivalent highly visible attire must be worn by members of survey parties when working on or adjacent roads.

(11) Safety belts attached to an independently supported line must be worn.

(a) When working from scaffolds, platforms, or any other surfaces that may not afford sufficient protection against falling.

(b) While working on any roof with a slope greater than one on four.

(c) When working within six feet of the edge of any roof.

(d) Where an oxygen deficiency exists or where the surrounding atmosphere is immediately hazardous to life.

(12) Approved ear protection such as ear plugs, disposable plugs, (Swedish wool and cotton are unacceptable), or ear muffs must be worn when working in areas designated with warning signs as "high noise area." Ear protection is required when using tools marked "caution — hearing protection required when using this tool" and in areas where equipment or tools generate sufficient noise to make normal conversation difficult.

#### b. Entering Processing Area

No person shall enter a processing area (including firewalls of operating tanks) without the permission of the Chief Operator or his designated representative. Chief Operator permission is also required when motorized equipment initially enters a closed processing area (radio or telephone approval by dispatcher is acceptable). No further permission is required as long as mechanical work is continuous. Once

work is interrupted, such as for lunch breaks, permission must again be obtained. Vehicles entering these areas may be required to have sparkproof mufflers or their equivalent as required by the Chief Operator or the Contract Administrator in the case of contractor vehicles.

**c. Working Over or Near Water**

The U.S. Coast Guard approved life preservers must be worn when working on barges or directly over water, such as under the docks, from a boat, above pits, etc.

**d. Working On or Over Machinery**

(1) Do not work on moving machinery or above open operating machinery unless it is impractical to shut down the equipment. In such instances, secure Maintenance Supervisor's and/or Chief Operator's approval and take necessary precautions before proceeding.

(2) Do not start up machinery unless all guards are in place.

**EXCEPTION:** In temporary situations where guards must be removed to make running adjustments, secure Maintenance Supervisor's and/or Chief Operator's approval before proceeding.

**e. Guarding**

(1) Temporary openings in floors, handrails, etc., must be guarded to prevent falling. Restore permanent handrails and guardrails immediately after need for opening has ended.

(2) Open excavations or manholes must be guarded or covered before leaving the job and during the job if practical.

(3) Areas into which materials or tools are to

be deliberately dropped or thrown must be guarded or protected.

**f. Housekeeping**

(1) Aisles, passageways, stairs, platforms, and ladders must be kept clear of all unnecessary obstructions.

(2) Protruding nails that present a snag or puncture hazard must be removed or bent down.

(3) Worksite must be kept clean and orderly.

(4) Debris (including mud from wheels) that falls from transporting vehicles must be picked up.

**g. Smoking and Matches**

Smoking in the Refinery except at approved locations is prohibited. "Sink anywhere" matches must not be brought into the Refinery.

**h. Hand and Power Tools — Portable Machinery**

(1) Defective tools must not be used.

(2) Tools must not be subject to undue stress or used for purposes for which they are not designed. Makeshift tools must not be used.

(3) Portable Machinery must be shut down for repair work. If it is impractical to stop or shut the equipment down before working on it, secure Maintenance Supervisor's approval before proceeding.

(4) Abrasive wheel tool rests must be adjusted to within 1/8-inch maximum of the wheel. Do not use abrasive wheels that are visibly in bad order.

(5) High-speed abrasive wheels must be properly guarded as required. Do not stand

in line of unguarded wheels.

(6) Tools must not be started or used unless all required guards are in place.

#### I. Electrical Tools and Equipment

(1) Electrical switches must not be operated without full knowledge that the results will not constitute a safety hazard.

(2) Portable electrical tools, metal buildings with electrical service, and electrical equipment (including motor-driven welding machines and portable generators) must be grounded. Report them to the Maintenance Supervisor if they are found to be defective.

**EXCEPTION:** Double insulated tools and engine driven welding machines may be used without grounding.

(3) General purpose two- or three-cell flashlights (1.5 volts per cell) may be used everywhere except where use is prohibited by governmental agencies, such as at the docks.

(4) Explosionproof, approved portable lights (Underwriters Laboratory or Bureau of Mines approved) must be used where hot work is not authorized. This includes portable explosionproof hand lamps, portable explosionproof floodlights, and extension cords (plug boards) with explosionproof fixtures.

**EXCEPTION:** Fixed-mount, take-up, reel-type mechanic's lamp or other special appliances that have been specifically approved by the Department Head.

(5) Vaporproof globes must not be removed except for cleaning, repairing, or replacing lamps. Explosionproof fixtures shall be opened only by authorized persons.

#### J. Ladders and Scaffolds

(1) Ladders must be checked to insure that they are in good condition before use. Portable ladders must either be held or lashed securely while in use. Where practical, the siderails shall extend at least 36 inches above the landing.

(2) Ladders must be located where possible where they cannot be bumped. When located in areas such as in front of a door, in the street or aisles, etc., adequate precautions must be taken to protect both the climber and others who may be in the area.

(3) Good working techniques must be used when climbing, working from or descending a ladder, such as holding with both hands and keeping the body within the siderails of the ladder.

(4) Scaffolds must be constructed to support at least four times the maximum intended load without failure.

(5) Platform planks must be laid with their edges close together so that there are no spaces large enough for tools or fragments of materials to fall through.

(6) Swing scaffolds must be lowered and lashed at the end of the shift.

(7) Access ladders or other safe means of access to all scaffolds must be provided.

(8) Standard handrails and toe boards must be provided on all scaffolds 10 feet or more in height.

(9) Tools or materials on scaffold platforms must be placed in such a manner that they will not create a tripping hazard or become dislodged and fall.

(10) Alterations to scaffolds must be re-

ported to the appropriate supervisor.

(11) Non Conductive ladders or scaffolds must be used when working on open energized electrical circuits.

#### k. Excavations

(1) Do not enter or work in excavations that will require a person's head to be below the level of the ground until:

(a) Obtaining a yellow PERMIT TO ENTER.

(b) Shoring or sloping the excavation to prevent sloughing of earth.

(c) Effectively storing or retaining excavated material at least two feet from the edge of the excavation and

(d) A ladder or ramp for safe entrance and exit has been provided.

(2) Guard or cover all excavations before leaving job, and during the job if practical

(3) RED CONCRETE UNDERGROUND signifies the presence of an electrical circuit. Stop excavating and notify the Maintenance Supervisor and the Contract Administrator in case of contract employees.

#### l. Connections Into Existing Pipelines, Equipment, or Service

After a tie-in has been made connecting new construction to existing lines, equipment, or sewers, the whole piping equipment or sewer system involved must be considered the same as existing lines and equipment, and applicable work permits must be obtained from the Chief Operator before additional work can be done on any of these lines or equipment. After new

sewers have been tied into the sewer system, any hot work in the area of the new sewer must terminate. Any further hot work requires a new HOT WORK PERMIT.

#### m. Railroad

(1) Constructing or placing any permanent or temporary obstructions closer than eight feet six inches horizontally from the centerline of the track or 22 feet vertically from any top of rail is prohibited without specific authorization from the Exxon Supervisor responsible for railroad trackage.

(2) Riding on railroad equipment is prohibited.

(3) Tank car ladders and hand irons must be used. Do not jump from loading rack to tank car, from car to car, or from car to ground.

#### n. Hoisting Equipment

(1) Keep clear of suspended loads.

(2) Hoisting equipment must be operated so as not to endanger other people or damage equipment in the operating area.

(3) Blocks, hooks, balls, or crane loads must not be ridden. Approved sling or bosun chair must be used.

(4) Loads suspended from mobile equipment must be secured to prevent swinging.

(5) Guy lines, mooring lines, or load lines must not be placed in such a position that they will tighten against operating equipment, pipelines, tanks, or machinery.

(6) Insulating swivels must be used on all bosun chairs or baskets when supporting a

welder.

**o. Hazardous Materials**

- (1) Note locations of eyewash fountains and safety showers and know how they work.
- (2) Labeled containers must be used for handling hazardous materials.
- (3) Dismantled or relocated equipment that has been in "hazardous material" service must be identified by tagging or other physical marking.
- (4) Solvents for cleaning purposes must be varsol, or other approved materials.
- (5) High boiling point materials (above 700°F) from catalytic cracking operations or other highly aromatic or toxic materials are hazardous and precautions must be taken to prevent breathing of vapor or contacting the skin. If these oils do come in contact with the skin, they must be washed off promptly with soap and water.
- (6) Appropriate Process Unit Instructions (PUI) or Mechanical Operating Practices (MOP) must be followed when working in areas where toxic materials are present.

**p. Compressed Air — Yard System**

- (1) Compressed yard air must not be used to clean clothing or personnel except at outlets that are especially equipped to permit a maximum pressure of 30 psi.
- (2) Compressed air must not be used to open plugged sewers.
- (3) Compressed yard air must not be used for breathing purposes.

**q. Warning Signs**

Caution and warning signs must be obeyed including use of specified protective or safety equipment.

**r. Compressed Gas Cylinders — Transportation, Storage, and Use**

Observe the following in the transportation, storage, and use of compressed gas cylinders.

- (1) Protective caps must be in place when cylinders not in use.
- (2) Full cylinders (except chlorine) must be stored and transported in vertical position with caps on. Chlorine cylinders must be transported in the horizontal position. Separate oxygen cylinders in storage from fuel gas cylinders or combustible materials (especially oil or grease), a minimum distance of 20 feet or by a noncombustible barrier at least five feet high, having a fire-resistance rating of at least one-half hour.
- (3) Holders, chains, or keepers must be used to prevent overturning.
- (4) Empty cylinders, except acetylene, may be stored and transported in a horizontal position. Acetylene cylinders must be vertical at all times.
- (5) Cylinders in a vertical position must be secured with a suitable keeper while connected to equipment.
- (6) Pure oxygen and chlorine must not be allowed to contact hydrocarbons in any form.
- (7) Rough handling of cylinders must be avoided.
- (8) Oxygen or acetylene must not be used for testing purposes.

H-11

H-12

EXX 004731

(9) Hazardous compressed gases must not be released into enclosed spaces.

(10) Compressed bottled gases must not be used to clean clothing or personnel.

(11) Oxygen or acetylene cylinders must not be taken into enclosed spaces except into storage tanks where door sheet has been removed.

(12) Repair of leaking compressed gas cylinders must not be attempted. If cylinder can be moved, move to a safe location and allow to depressure itself. If it cannot be moved safely, clear area and allow the cylinder to depressure. If the cylinder is chlorine, evacuate the area and initiate procedure outlined in MOP-C4. If leak involves contractor cylinders, the Contract Administrator must be immediately notified.

#### s. Fire Prevention — Fire Fighting

(1) No one shall go to the scene of a fire unless directly involved or assigned to fire-fighting activities. Others not having operating duties shall evacuate the fire area. Contractor employees must proceed to a prearranged assembly area.

(2) Fire-fighting equipment access must not be blocked by traffic or other equipment.

(3) Electrical fires must not be fought with a solid stream of water. Water fog may be applied to an electrical fire only by an Exxon fire fighter.

#### t. Working in the Vicinity of Electric Lines

When it is necessary to operate cranes or derricks or perform other work within 10 feet of open electric lines (measured radially), the Maintenance Supervisor must consult the Utilities Chief Operator or the Contract Adminis-

trator in the case of contractor work to determine whether the electric lines can be deenergized. No work can proceed until the electric lines have been deenergized or until guards have been installed. Install approved guards when it is necessary to install guy lines across any electric lines to prevent guy lines from coming in contact with the electric lines. All work on open electric lines must be done in accordance with Mechanical Safety Procedure No. 8.

#### u. Refuelling Vehicles and Equipment

Dispensing gasoline and fuel must be done through a pump and hose. If not possible, approved (Underwriters Laboratory or Factor Manual approved container for flammable liquid) safety cans with flexible spouts must be used. Vehicles and equipment engines must be turned off during refueling.

#### v. Potable Water

Drink water only from potable water outlets or from authorized containers or drinking fountains.

#### w. Asbestos Cement Roof

When installing or working on an asbestos cement roof, workers must use a spreader board or roofer ladder to distribute their weight over a minimum of two purlins.

#### TRAFFIC SAFETY REGULATIONS

Unless covered by a specific regulation in this Safety Manual, traffic regulations for safe driving inside the Refinery are the same as the regulations of the State of Texas Motor Vehicle Laws.

#### 1. Equipment and Identification Required on Motor Vehicles

All motor vehicles in the Refinery must be in safe operating condition. When entering the Refinery,

all non-company vehicles must display a valid state inspection sticker on the windshield. As a minimum, the following equipment must be in proper working condition for the vehicle to be considered safe (a) brakes, (b) lights — two head-lights, tail lights, brake lights, (c) horn, (d) muffler, (e) safety glass, (f) windshield wiper and rear-view mirror, and (g) turn signals. Vehicles having dual wheels must be equipped with suitable flaps on each dual wheel so that objects will not be ejected past the flaps to the rear when the vehicle is in motion. Contractors' self-propelled, rubber-tired equipment must have contractor's name or insignia prominently displayed on both sides of the vehicle.

#### 2. Driver's License

Persons operating motor vehicles in the Refinery must have a valid operator's (automobile) license as a minimum.

#### 3. Warning Flags

Red flags must be used on any load that extends beyond the front, side, or rear of any vehicle.

#### 4. Traffic Signs

All traffic signs and signals, whether fixed or portable, must be obeyed, and drivers must cooperate with owner's security officers and others appointed to direct traffic.

#### 5. "Road Closed" Signs

Areas blocked by traffic barriers and/or "road closed" signs are closed to all traffic. Follow procedure specified in PUI-55 for blocking Refinery streets.

#### 6. Speed Limit

All vehicles must be operated within the Refinery's maximum speed limit of 30 miles per hour, unless a lower speed is posted.

#### 7. Driving and Parking

Vehicles must be driven on the right side of the street and parked on the right side of the street, except when parking in designated parking areas or when directed otherwise by traffic signs or during emergencies. Vehicles must not be parked on streets or roadways in such a manner as to slow down, hinder, or interfere with the free flow of traffic. Vehicles must not be parked so as to block or interfere with the use of fire hydrants or fire equipment.

#### 8. Right-of-Way

All motor vehicles must give the right-of-way to pedestrians, ambulances, fire-fighting equipment and firemen (who will be identified by driving with lights on and horn sounding), and bicycles. Vehicles must pull to one side and be brought to a complete stop when approached from any direction by an ambulance or fire equipment and firemen. Ordinary driving courtesy must be practiced by all drivers of motor vehicles.

#### 9. Passengers

a. Passengers must be limited to a reasonable number so that vehicles will not be overcrowded.

b. Drivers of motor vehicles must not permit passengers to ride on fenders, running boards, tops, or bumpers of motor vehicles. Passengers must keep all parts of their bodies inside the car or body of vehicles and must be seated while vehicle is in motion.

c. Drivers of mobile equipment must not permit passengers unless special accommodations have been provided.

d. Passengers must not get on or off a vehicle while it is in motion.

#### 10. Vehicles Prohibited

Motor bicycles or motorcycles are not permitted inside the Refinery except to and from the designated "motorcycle only" parking areas provided near gates. Campers and recreational vehicles are not permitted in the Refinery if loaded with gear or if they are otherwise difficult to inspect. Pressurized fuel containers shall be disconnected from refrigerators, stoves, etc., when a camper or recreational vehicle is in the Refinery.

#### 11. Vehicle Entry Into Processing Areas

Vehicles must not enter processing areas, including tank firewalls, without the permission of the Chief Operator or his designated representative.

**EXCEPTION:** Roadways through processing areas where entry is not prohibited by a sign or banner may be used without permission of the Chief Operator.

#### 12. Windshield or Window Obstruction

Vehicles having nontransparent materials that interfere with clear visibility through any side window or windshield must not be operated in the Refinery. All vehicles must be equipped with adequate rear-view devices.

#### 13. Failure To Comply With Regulations

Any person may have his in-plant driving privileges canceled or be subject to disciplinary action, or both, for failure to comply with these traffic regulations or for the improper use of his vehicle.

### Section 3

## CONTRACTOR'S SAFETY RESPONSIBILITIES

#### PURPOSE

The purpose of the personnel and equipment safety regulations contained in this section is to set out safety requirements for contractors, which are in addition to those contained in other sections of this manual. Each contractor must take any additional precautions necessary or proper under the circumstances to prevent injury or death to persons or damage to property.

#### SPECIAL DEFINITIONS

1. Owner - For purposes of these safety regulations, "owner" shall mean Exxon Company, U.S.A. (a division of Exxon Corporation).
2. Contract Administrator - The person assigned by the owner to assure contractor adherence to the contract provisions.
3. Contractor - The firm that has been contracted by the Exxon Company, U.S.A. to perform work at the Baytown Refinery. The term also includes those firms employed as subcontractors to the prime contractor.
4. Maintenance Supervisor - The Mechanical person, either Exxon or contractor, who has the authority to supervise the Mechanical work crew and the responsibility for their work execution. As used in this section, the Maintenance Supervisor refers specifically to the contractor first line supervisor.

#### RESPONSIBILITIES

1. Contractor, as an independent contractor, is responsible for performing work under the contract in a healthful and safe manner including protecting the safety and welfare of other contractors and the owner's personnel and equipment. These regulations are to be considered as an addition to any safety rules or regulations of the contractor. Neither compliance with the

regulations by contractor nor owner'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.

- a. The contractor is responsible for informing his employees of the required safety rules and that the employees adhere to said rules.
- b. The prime contractor is responsible for assuring compliance with these regulations by all subcontractors and their employees. Contractor must notify its employees, its subcontractors, and the employees of its subcontractors of these provisions of the regulations and shall secure compliance therewith by all such parties, and contractor must not allow any of such persons to begin work inside the Baytown Refinery until such notification has been given them.
- c. Contractor must observe and comply with the Texas Occupational Safety Act (Article 5182a, V.C.S.) and with all safety and health standards promulgated by the Secretary of Labor under Section 107 of the Contract Work Hours and Standards Act, published in 29 C.F.R. Part 1926 and adopted by the Secretary of Labor as occupational safety and health standards under the Williams-Steiger Occupational Safety and Health Act of 1970, and to any other legislation enacted for the safety and health of contractor employees. Such safety and health standards apply to all subcontractors and their employees as well as to the contractor and its employees.
- d. Nothing contained in these regulations shall be interpreted to enlarge the legal duty of the owner to the contractor, his agents, employees, or subcontractors.

2. Maintenance Supervisors are responsible for the safe conduct of their jobs and for the safety of the persons under their direction. Specific supervisory responsibilities are contained in Section 1-2 of this manual. Each Maintenance Supervisor is responsible for assuring that each individual under his direction un-

BI-1

BI-2

EXX 004735

derstands and adheres to the safety rules contained in Section 1-2 of this manual.

3. Individual person doing work in the Refinery must assure himself that the work situation is safe and that he has the proper instructions, tools, and protective equipment. Each person must become familiar with and adhere to the safety rules contained in Section 1-2 of this manual.

4. Contract Administrator will monitor the contractor's performance to assure safe execution of the work specified in the contract. He will, on proper request, assist the contractor in dealing with other owner personnel to obtain safety permits and to implement other safety related procedures. He will insure that all contractor's Maintenance Supervisors are properly indoctrinated in the relevant safety regulations.

#### PROCEDURES

##### 1. Work Execution

All work in processing areas must be performed with the approval of the Chief Operator responsible for the area. The Maintenance Supervisor must coordinate his work through the Chief Operator and must keep him informed as to the number, location, and activities of contract personnel. Any work performed after normal working hours and on weekends and holidays requires authorization by the owner. Such authorization will be obtained by the Contract Administrator.

##### 2. Required Work Permits and Procedures

Before beginning any work in processing areas, an appropriate permit must be obtained from the Chief Operator or his designated representative. Required work permits and procedures are:

- a. Electrical Lockout Procedures - Section 4.
- b. Hot Work Permits - Section 5.
- c. Permit to Enter Enclosed Spaces - Section 6.

##### d. Opening or Blinding Permit - Section 7.

##### e. Cold Work Permit - Section 8

Other work procedures may be specified in specialized work situations such as hot tapping procedure, procedure for cleaning tanks, etc.

##### 3. Oil and Chemical Spills

Any hydrocarbon or chemical spill, whether accidental or otherwise, must be reported to the Chief Operator and the Contract Administrator.

##### 4. Connections Into Owner's Utilities Systems

Permittance must be obtained from Contract Administrator prior to connecting into owner's utility system such as, but not limited to, water, air, nitrogen, and steam systems. Each connection shall be guarded by a check valve. When taking water from fire hydrants, the center valve must be opened completely.

##### 5. Contractor's Equipment

a. All equipment brought into the Refinery by contractors must be in safe operating condition. Authorized owner personnel may at any time inspect contractor's equipment. Such inspection or failure to inspect does not relieve the contractor of its responsibilities for the safe condition of its equipment.

b. Equipment must be operated only by properly licensed persons.

c. Load limits for the San Jacinto Street overpass are a maximum axle load of 32,000 pounds and a maximum gross load of 72,000 pounds. A tandem axle load vehicle will be considered as being a single axle.

##### 6. Working Over or Near Water

a. Ring Buoys with at least 90 feet of line must be readily available for rescue operations. Distance between ring buoys must not exceed 200 feet.

b. A life saving skiff must be immediately available.

at locations where persons are working over or adjacent water.

**7. Work Involving Use of Ionizing Radiation**

Contractors must not perform any work involving the use of ionizing radiation without notification to the Exxon Supervisor in charge or the Contract Administrator. A COLD WORK PERMIT must be obtained to perform this type work in processing areas. Contractors must comply with "Texas Regulations for Control of Radiation," latest edition, Texas State Department of Health, Division of Occupational Health and Radiation Control, Austin, Texas, together with all future amendments, additions, and revisions to said regulations and standards. Owner reserves the right to conduct independent and unannounced radiation energy surveys of contractor's equipment and their uses on owner's premises.

## Section 4

### ELECTRICAL LOCKOUT PROCEDURES

#### ELECTRICAL CIRCUITS AND ELECTRICALLY POWERED EQUIPMENT

##### PURPOSE

The purpose of these procedures is to protect anyone who works on either electrical circuits or electrically powered equipment from injury or death.

##### SPECIAL DEFINITIONS

Electrical circuits and electrically powered equipment do not include (1) lighting circuits for the purpose of relamping, (2) circuits of less than 100 volts, or (3) circuits that must remain energized. For circuits that must remain energized, a blue COLD WORK PERMIT may be required (see section 8).

##### RESPONSIBILITIES

1. Process person is responsible for isolating and preparing the equipment to assure it is in safe condition for mechanical work.
2. Person performing work is responsible for assuring himself that the equipment is safe for him to do his prescribed work, and that he has tagged and locked out the equipment in accordance with the electrical lockout procedures.
3. Contractor Administrator is the contractor's contact with Process personnel for performing work under the electrical lockout procedure.

##### PROCEDURE

1. Lockout Procedures — Before anyone works on electrical circuits or electrically powered equipment where they could be endangered, the

electrical supply must be turned off and locked out in accordance with the following procedures:

a. Shut Equipment Down — The Process person must shut the equipment down at the local start-stop switch or local "Hand-Off-Auto" switch. In case there are remote start-stop switches on this equipment, he must notify other operating personnel responsible for operating the remote start-stop switches and request that a white DO NOT OPERATE tag be placed on the start-stop switches. If the start-stop switch is located on a control panel, then it must be covered with a section of DO NOT OPERATE pressure-sensitive tape.

b. Lock and Tag Disconnect Switch — The Process person must turn the disconnect switch to the off position, lock it with a Process lock, and tag it with the white DO NOT OPERATE tag. If a Process or another person is to work on the equipment, the Process person must use a multiple lockout adapter. The Process operations lock must be in the position closest to the switch. All Process locks will be identical, and the same key will unlock all of them.

c. Check Disconnect and Tag — The Process person must try the local pushbutton station to be sure the correct disconnect switch is locked out. When the local control station is a "Hand-Off-Auto" selector switch the process person must lock the switch in the "Off" position. He must then tag the pushbutton or selector switch with a white DO NOT OPERATE tag.

d. Enter in Log — The Process person must enter the "lockout" in the Process log book.

e. Apply Mechanical Lock — Before mechanical work is performed on equipment, a mechanical lock must be applied by the person performing the work.

IV-1

IV-2

EXX 004738

(1) Mechanical Person — Each Mechanical person who works on the equipment must first add his own lock and a red DO NOT OPERATE tag on which he will write his name, skill, and the date. It is the responsibility of each person working on the equipment to assure his own safety by keeping his tag and individual lock on the disconnect switch while he works on the equipment. If two or more people in the same craft are working together on the equipment, only one mechanical lock and red DO NOT OPERATE tag are required. If a contractor employee is doing the work, he must use an Exxon mechanical-type lock and the appropriate electrical lockout procedures tag obtained from the Contract Administrator. He must write on the tag his name and the name of the contractor firm.

(2) Process Person — When a Process person is to perform work on the equipment, he must obtain his individual mechanical-type lock and key from the supply in the control room or center and then follow the above procedures in e(1).

f. Remove Lock and Tag — Locks and DO NOT OPERATE tags must be removed as follows:

(1) Remove Mechanical Lock and Tag — As each person finishes his work, he must remove his own lock and red DO NOT OPERATE tag. At the end of his work shift, he must remove his lock and tag whether his work is finished or not. This does not include the original Process lock or white DO NOT OPERATE tag.

(2) Remove Process Lock or Locks and Tags — The Process lock or locks must be the last to be removed. When the local control station is a "Hand-off-Auto" selector switch the lock on this selector switch must be the last removed. The Process person, after determin-

ing that it is safe to do so, must remove the Process lock or locks and white DO NOT OPERATE tags and must notify other operating personnel to remove the white DO NOT OPERATE tags or DO NOT OPERATE pressure-sensitive tape from remote start-stop switches. He must then enter the lock removal in the log book.

(3) Emergency Lock Removal — If it becomes necessary to remove a lock by other than the Mechanical person who installed it, only the Shift Superintendent is allowed to remove it. Upon removal of the lock, the Shift Superintendent must send a note to the Department Heads of the Process and Mechanical Departments stating whose lock was removed, where it was located, and why it was removed. A log of the same information must be maintained in the Shift Superintendent's office. A master key for the mechanical person's locks must be kept at the Shift Superintendent's office only.

2. Wiring Disconnect Procedures — For some types of work, the lockout procedure alone is not adequate. Such work includes, but is not restricted to, the following: (1) work on fans inside cooling towers, (2) work inside confined spaces containing electrically powered equipment such as mixers or filters or electrodes (disalters), and (3) work on equipment where the switch controls more than the one piece of equipment. In such cases, this wiring disconnect procedure must be followed.

a. Lockout Equipment — The disconnect switch must be locked out in accordance with the above lockout procedure in this section.

b. Check and Disconnect Circuit — After making sure the circuit is clear by checking with a

voltage tester, the Mechanical or Process person must disconnect the wires and tape them together.

c. **Tag Circuit**— The Mechanical or Process person must tag the disconnect switch with a yellow **WIRING DISCONNECTED** tag. On the tag, he must note where the wiring is disconnected and must sign and date the tag.

d. **Remove Lock and Red DO NOT OPERATE Tag**— After the wiring has been disconnected, and taped together, the Mechanical or Process person must remove his individual lock and red **DO NOT OPERATE** tag unless he must do other work on the equipment. Do not remove the yellow **WIRING DISCONNECTED** tag.

e. **Wiring Reconnect**— The Mechanical or Process person who reconnects the wiring must place his individual lock and red **DO NOT OPERATE** tag on the disconnect switch, reconnect the wiring, and then remove his lock and the red **DO NOT OPERATE** and yellow **WIRING DISCONNECTED** tags. *If a contractor employee is doing the work, he must obtain the required tags from the Contract Administrator and follow the above wiring disconnect procedures a through e. He must also include on the tags the name of the contractor's firm.*

3. **Abnormal Condition Procedures** — Conditions may exist that appear normal but actually are not. The following are examples of such abnormal conditions that require use of the orange **ABNORMAL CONDITION** tag. Such abnormal conditions include but are not limited to the following: (1) temporary power to equipment; (2) inside plastic handle broken off switch so outside handle will not operate switch; (3) one pushbutton inoperative but another will operate equipment; (4) a switch is left energized but a part of the equipment supplied by it is disconnected, such as

one out of several motor-operated valves (MOVs) supplied by one circuit breaker, and (5) a switch is off and tagged out but a separate circuit is still supplying power to the switch housing for controls, lights, heaters, etc.

a. **Application of Orange ABNORMAL CONDITION Tag** — Before a Mechanical Person leaves electrical equipment with temporary wiring connected or with any other abnormal condition existing, he must tag the equipment with orange **ABNORMAL CONDITION** tags, he must place one tag on the outside of the equipment and one inside on the wiring if it is practical to do so. He must describe the abnormal condition on the tags and must sign and date them. The abnormal condition must be entered in the log book. *If a contractor employee is doing the work, he must obtain the tags from the Contract Administrator and proceed according to a and b. In addition, he must also include on the tag the name of the contractor's firm.*

b. **Removal of ABNORMAL CONDITION Tags** — The tags must remain in place until the equipment has been returned to its normal condition. The Mechanical person who removed the temporary wiring or eliminates the abnormal condition must remove the tags and notify the Chief Operator responsible for the equipment, who must enter the action in the log book.

## POWER LINES

### PURPOSE

The purpose of these procedures is to protect anyone who works on or near power lines and on direct-connected Process equipment from injury or death.

### SPECIAL DEFINITIONS

1. **Power Lines** — Those electrical lines that radiate

from generating stations and distribution substations.

2. Direct-Connected Process Equipment — A piece of electrical equipment on a Process unit supplied by a single power line having its electrical disconnect switch at an electrical substation or at a power plant.

3. Electrical Maintenance Supervisor — The Line Crew Supervisor or the Power Systems Maintenance Supervisor or their designated representative.

4. Utilities Chief Operator — The Process person responsible for the operation of the power system.

5. Electrical Mechanical Person — Any lineman, electrician, or Mechanical person working on the power system or on the direct-connected Process equipment.

6. Power Plant Process Person — The Process person who operates the power plant.

#### RESPONSIBILITIES

1. Electrical Maintenance Supervisor is responsible for requesting that power lines be removed from service and returned to service and for determining that the lines to be worked on are deenergized and tagged out.

2. Process Chief Operator or His Designated Representative is responsible for the removal and return to service of direct connected process equipment. He is also responsible for requesting the Utilities Chief Operator to deenergize the circuit serving the equipment and tag out.

3. Utilities Chief Operator is responsible for authorizing the removal and return to service of the power lines to be worked on.

4. Electrical Mechanical person is responsible for assuring himself that the equipment is safe for

him to do the prescribed work and that the following provisions of these procedures for which he is responsible are carried out

5. Power Plant Process person is responsible for removing from service and returning to service power lines to be worked on and for properly tagging.

#### PROCEDURES

1. Procedure for Removing Power Lines or Direct-Connected Process Equipment from Service.

a. Request for Removal of Power Lines or Direct-Connected Process Equipment from Service: For power lines, the Electrical Maintenance Supervisor must make his request in person to the Utilities Chief Operator. For direct-connected Process equipment, the Process Chief Operator or his designated representative must request the Utilities Chief Operator for removal of these particular power lines from service. If a contractor employee is to work on power lines or do electrical work on Process equipment, the Contract Administrator must make the arrangements for removing the lines from service and for returning them to service.

b. Removal of Power Lines or Direct-Connected Process Equipment from Service: The Utilities Chief Operator must make the necessary arrangements with the Power Plant Process person to remove the power lines or the direct-connected Process equipment from service.

c. Check Circuit Removal before Work Begins: For power lines, the Utilities Chief Operator, the Electrical Maintenance Supervisor, and a representative of the group actually doing the work must personally observe that the line has been removed from service by

lowering the circuit breaker or opening the disconnect switches at each substation and power plant involved. They must then tag on the equipment by attaching the red LOWER LINE DISCONNECT tags filled out and signed by the Utilities Chief Operator and signed by the Electrical Maintenance Supervisor on the equipment at each substation or power plant involved.

If work is being done on a line by more than one group, then each group must be protected by separate red POWER LINE DISCONNECT tags.

For direct connected process equipment, the Process Chief Operator or his designated representative shall notify the Utilities Chief Operator that this equipment has been removed from service and is ready for tagging. The Utilities Chief Operator will proceed to the site of the direct connected equipment, where he will meet the Process Chief Operator or his designated representative and a representative of the group which will actually work on the equipment. The Process Chief Operator or his designated representative will fill out and sign a red POWER LINE DISCONNECT tag and personally give that tag to the Utilities Chief Operator, verifying the equipment is ready for tagging on. The Utilities Chief Operator will keep that tag, and along with the representative of the group which will actually work on the equipment he must then proceed to the electrical substation and observe that the circuit serving the equipment has been removed from service by lowering the circuit breaker or opening the disconnect switches. They must then tag on the appropriate circuit breaker with a red POWER LINE DISCONNECT tag filled out and signed by the Utilities Chief Operator

and the representative of the group which will actually work on the equipment. After completing that step, they must proceed to the Power Plant and tag on a red POWER LINE DISCONNECT tag filled out and signed by the Utilities Chief Operator and a representative of the group actually doing the work on the equipment to the remote switch serving the equipment. Finally, the Utilities Chief Operator and the representative of the group actually doing the work will return to the site of the direct connected process equipment and sign and tag on to the local start-stop switches the red POWER LINE DISCONNECT tag originally signed by the Process Chief Operator or his designated representative. After completing this procedure the work can begin.

*In the case of contractor personnel the contractor's Supervisor and the Contract Administrator must accompany the Utilities Chief Operator in the inspection and the Contractor's Supervisor along with the Utilities Chief Operator must sign on the disconnect tags.*

Before any work is done on an open power line up to and including 13,800 volts, the line must be checked with a voltage tester and a ground chain must be pulled across the line to assure that it is deenergized.

d. Return Power Lines or Direct-Connected Process Equipment to Service: To return a power line to service, the Electrical Maintenance Supervisor must personally report to the Utilities Chief Operator that the work has been completed and accompany the Utilities Chief Operator to the substations and main power plants and properly tag off the power lines by signing and removing the red POWER DIS-

CONNECT tags at the electrical substations and at the main power plants. The lines may then be energized by the Power Plant Process Operator.

In the case of direct connected process equipment, the Process Chief Operator or his designated representative must report to the Utilities Chief Operator that the work has been completed. The Utilities Chief Operator and a representative of the group actually working on the equipment will proceed to the site of the equipment and personally meet with the Process Chief Operator or his designated representative who will tag off the local start-stop switches by signing and removing the red POWER LINE DISCONNECT tag. He will give the tag to the Utilities Chief Operator who will also sign it, along with the representative of the group actually working on the equipment. The Utilities Chief Operator and the representative of the group actually doing the work must then proceed to the electrical substation and properly tag off the disconnect switches by signing and removing the red POWER LINE DISCONNECT tags. Finally, they must proceed to the Power Plant and tag off the remote control switch by signing and removing the red POWER LINE DISCONNECT tag from the remote control switch. The Utilities Chief Operator will keep the signed tags and notify the Process Chief Operator or his designated representative that the tag off procedure has been completed.

*In the case of Contractor personnel the Contractor's Supervisor and the Contract Administrator must accompany the Utilities Chief Operator in the inspection and the Contractor's Supervisor along with the Utilities Chief Operator must sign off the disconnect tags.*

## 2. Procedure for Working on or Adjacent 2,300-Volt Power Lines

a. Tag Power Lines — Before beginning work on live uninsulated 2,300-volt power lines or working adjacent to any live uninsulated power line, the Maintenance Supervisor or his designated representative must notify the Utilities Chief Operator about the nature and location of the work to be performed.

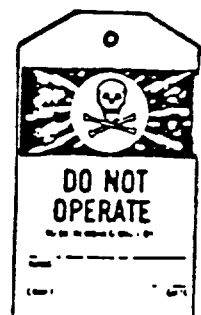
The Utilities Chief Operator must request the appropriate Power Plant Process person to attach a yellow CAUTION-PEOPLE WORKING ON THIS CIRCUIT tag to the switch or switches controlling the power lines. In the case of contractor linemen, the Contract Administrator must contact the Utilities Chief Operator.

b. In Case of Circuit Trouble — In the event of circuit trouble at the jobsite, the Mechanical Supervisor must immediately notify the Power Plant Process person. In the case of contractor linemen, the Contract Administrator must contact the Power Plant Process person. If any switch to which a tag is attached is tripped, it must not be reclosed until the Power Plant Process person is notified that it is safe to reclose.

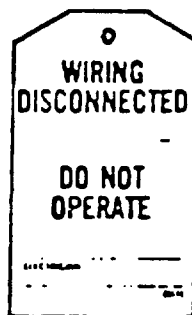
c. Removal of Tags — Upon completion of the job, the Maintenance Supervisor who made the original request must notify the Power Plant Process person to remove the tags. In the case of contractor linemen, the Contract Administrator must contact the Power Plant Process person.



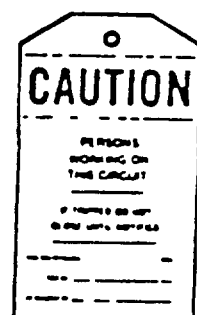
Red Lettering  
On White Tag



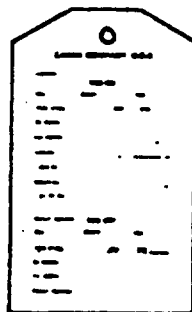
Red Tag



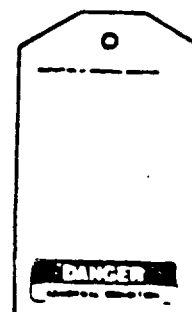
Yellow Tag



Yellow Tag



Red Tag



Orange Tag

EXX 004744

## Section 5

### HOT WORK PERMIT

#### PURPOSE

The purpose of this permit procedure is to protect personnel and equipment from fires and/or explosions that could result from hot work performed in a hazardous area. This section outlines minimum precautions for safety when performing hot work in any location not designated as a routine hot work area. In all such areas, a green HOT WORK PERMIT is required for all hot work.

#### SPECIAL DEFINITIONS

1. Hot Work — Any work requiring the use of burning, welding, or brazing equipment, explosives, open fires, portable grinders, unattended internal combustion engines, concrete busters, soldering irons, nonexplosionproof electric motors (including motor chippers, drills, and saws), nonexplosionproof floor or string lights, sandblasting, explosion-actuated tools, electric hot plates, or any other flame- or spark-producing equipment.

EXCEPTION: work on energized intrinsically safe circuits, electrical instruments and electrical power circuits covered under Cold Work Permits in Section 8.

2. Hot Tap — Any connection made to a pipeline or other equipment that is under pressure or has not been cleared and prepared for tapping using conventional construction methods.

#### RESPONSIBILITIES

1. Chief Operator is responsible for issuing the green HOT WORK PERMIT for his equipment. He or his designated representative must designate boundaries within which the permit applies and must insure that all necessary safety precau-

tions have been completed prior to the Chief Operator signing the permit.

When hot work is to be performed on equipment passing through or adjacent one processing area, but controlled from another, the Chief Operators from both processing areas are responsible for issuing the permit. This rule applies if the hot work to be performed is within approximately 50 feet of operating equipment. (Example: Oil Movements line in pipe rack adjacent a process unit.)

When hot work is to be performed on equipment in a non-processing area adjacent a processing area both the Chief Operator from the adjacent processing area and the Basic Equipment Owner of the non-processing area or his authorized representative are responsible for issuing the green HOT WORK PERMIT. (Example: road work adjacent a process unit.)

2. Maintenance Supervisor is primarily responsible for seeing that only the type of work covered by the permit is performed, and that conditions at the jobsite are safe for the scheduled work, also that hot work is confined to the area covered by the permit.

3. Safety Permit Inspector is primarily responsible for making the required gas tests and inspecting the jobsite for compliance with all applicable safety rules and standards.

4. Mechanical personnel performing the work are responsible for checking the green HOT WORK PERMIT to be sure it is current, valid, and properly signed by the Chief Operator, Mechanical Supervisor, and the Safety Permit Inspector. If any of the signatures are missing, work must not begin.

5. All persons at or near the hot work site must be constantly alert for any condition that could make

V-1

V-2

EXX 004745

hot work hazardous. If such a condition develops, all hot work and machines must be stopped at once. All personnel must immediately vacate the area and notify the Chief Operator or the nearest Process person of the hazardous condition. The green HOT WORK PERMIT is no longer valid and must be removed. All persons associated with the work must be notified. Before work may resume, a new green HOT WORK PERMIT must be issued. When Mechanical personnel leave the job (such as lunch break), they must check to see that conditions have not changed and the permit has not been removed before resuming hot work.

#### PROCEDURES

1. Area Other than Enclosed Spaces and on Marine Docks — For performing hot work in any area not designated as safe for routine performance of hot work, the following requirements apply:

a. Hot Work Planning — The Maintenance Supervisor will advise the Chief Operator of the nature and location of the hot work to be performed as well as the proposed timing. Normally this should be done at least one day before hot work is scheduled to begin.

b. Preparing for Hot Work — The Chief Operator will work with the Maintenance Supervisor to see that the area is prepared properly for hot work. The Chief Operator will see that the following work is completed and checks performed before the Safety Permit Inspector is called:

(1) Clearing and Blinding — Check to make sure all blinding and clearing of equipment necessary for execution of hot work is completed. If any blinding is required, make sure a blinding list has been prepared. All opening and blinding that requires white OPENING OR BLINDING PERMIT must be done

in accordance with Section 7 of this manual

(2) Remove Flammable Material — Check to make sure that no flammable liquids or solids are spilled or trapped in or around equipment at the site of the proposed hot work.

(3) Prepare Sewers — Cover all sewer catch basins and manholes in vicinity of hot work. Catch basins containing flammable material must be flushed with water before covering. Also, check for and seal off sewer vents in the area that may present a hazard.

(4) Remove Trash — Remove other flammable materials such as trash, wood, or dry grass. Where hot work is to be carried out over dry grass, the area must be saturated with water before performing hot work, and a water hose left connected and readily accessible.

(5) Provide Fire-Fighting Equipment — Make sure that adequate fire-fighting equipment is at the jobsite. At least one fully charged fire extinguisher of a type and size designated as suitable must be provided where hot work is to be performed.

(6) Make Surrounding Area Safe — Check surrounding area for possible release of flammable vapors in the hot work area. Such things as safety valve discharges, leaks from pumps and/or compressors, valve packing leaks, etc., must be identified and necessary corrective action taken.

(7) Prepare for Hot Taps — For hot taps or other jobs requiring hot work on equipment in service, all requirements of the "Hot Tap Procedure Safety Standard" (Mechanical Division Safety Procedure No. 11) must be satisfied. Before the green HOT WORK PERMIT can be issued, the checklist attached

to the above mentioned standard must be completed. The Chief Operator must make sure that his Operating Supervisor has approved the work to be done and so note in the space provided on the back of the permit. Also, he must see that the Mechanical Engineering Department Inspector has checked for adequate metal thickness and initialed the space provided on the back side of the tag.

(8) Check Other Work in Area — The Chief Operator must check for active white OPENING OR BLINDING PERMITS in the area of the hot work. A HOT WORK PERMIT must not be issued if work associated with existing white OPENING OR BLINDING PERMIT could create a hazard by spill or gas release. All openings from which release of flammable material could occur are to be considered hazardous. The area of concern must cover the geographical limits where there is a remote possibility that sparks from hot work could come in contact with flammable materials from any opening. If such a possibility exists in the proposed hot work area, the white OPENING OR BLINDING PERMIT must be killed. The green HOT WORK PERMIT shall not be issued until all openings from which flammable material could be released are blinded, and the area is cleared of flammable liquid or vapor.

(9) Provide for Overhead Hot Work — When hot work is to be performed in overhead locations, a suitable method for catching hot metal, electrode stubs, etc., must be provided where these materials would cause a fire hazard or when they would create a safety hazard when work is going on below.

(10) Safe Location of Welding Equipment — When electric welding is to be performed, the ground lead connection must be at-

tached at a point within the area covered by the permit. The welding machine must be in the same area or an adjacent area approved for nonrestricted movement of motorized equipment.

c. Filling Out Green Card — After completion of all items covered in b above, the Chief Operator or his designated representative must double check the hot worksite. He and the Maintenance Supervisor will determine if a standby man or other special precautions are necessary. The Chief Operator or his designated representative will then fill out the green HOT WORK PERMIT and the checklist on the back side of the tag.

d. Maintenance Supervisor Site Inspection — The Maintenance Supervisor must also inspect the site to make sure all necessary work and checks have been completed. His signature on the green HOT WORK PERMIT indicates he checked the work area and agrees all is safe for hot work.

e. Safety Permit Inspector/Chief Operator Site Inspection — When all is considered ready by both the Chief Operator and Maintenance Supervisor, the Safety Permit Inspector shall be called for gas tests and a final inspection of the worksite. The Safety Permit Inspector shall perform gas tests for explosivity and/or oxygen deficiency and/or toxic materials depending on the nature of the job. The Safety Permit Inspector and the Chief Operator must inspect the site together before the permit can be issued. The Safety Permit Inspector signifies all is safe for hot work by signing the green HOT WORK PERMIT. The Chief Operator then signs the permit signifying that hot work can begin.

f. Permit Duration and Disposition — Before the green HOT WORK PERMIT is issued, the

V-5

V-6

EXX 004747

Chief Operator, Maintenance Supervisor, and Safety Permit Inspector must agree on the expiration time and note same in the space provided on the permit. This decision on duration as well as disposition of the permit copies must be in accordance with the following guidelines:

(1) Eight-Hour Permit — Permits to do hot work in or around processing areas where flammable or toxic materials exist are normally eight-hour permits. Such a permit is good for the shift in which it was issued. It can be continued into the next mechanical shift only after the Chief Operator and Maintenance Supervisor for the new shift have inspected the site and are confident no changes have taken place. If there is any question, the Safety Permit Inspector must be called for a gas test. Hot work on the new shift must not begin until the Chief Operator and the Maintenance Supervisor have signed the cardboard portion of the green permit. They must also sign the control center copy. If work continues into the third shift, the same procedure must be followed. Eight-hour permits are void at the end of 24 hours, and a new permit must be issued including job site inspection by the Safety Permit Inspector along with required gas tests.

When a green HOT WORK PERMIT is issued: (1) the cardboard portion must be placed in a conspicuous location at the jobsite by the Chief Operator or his designated representative; (2) the original copy is to be given to the Safety Permit Inspector for his file, and (3) the carbon copy kept in the Process permit files. Upon expiration of the permit, the cardboard portion of the permit must be removed from the jobsite and filed along with the carbon copy in the Process file. Both copies must be retained for at least 24 hours after expiration and then discarded.

(2) "Drop Card" — For some jobs where hot work is in an area where there is no nearby equipment in flammable or toxic service or in offsite areas where there is virtually no chance of hazard from flammable or toxic materials, a "drop card" may be used. Examples of such jobs are (1) work in a unit that contains no flammable or toxic materials, (2) work in or adjacent a cleaned tank where no other tanks or equipment are within the same firewall, and (3) work adjacent an offsite pipe rack where no hazard from flammable or toxic materials exist. For such jobs, The Chief Operator is not required to inspect the job with the Safety Permit Inspector. The Safety Permit Inspector may visit the site and make gas tests as deemed necessary before the work shift begins and presign the green HOT WORK PERMIT. All other requirements for the "drop card" shall be the same as the "eight-hour" permit.

(3) Job Completion — Under certain conditions, a green HOT WORK PERMIT may be issued for the job duration. In general, it is when the job conditions at and surrounding the work area will not change and create a flammable or toxic material hazard. Examples of such jobs are: (1) construction of a new Process unit, (2) a field pipe fabrication shop in an open area, (3) construction of a new tank in an open area, and (4) during turnarounds when oil, gas, and chemical lines are blinded at the unit limits. The cardboard portion of the permit must be placed at the Maintenance Supervisor's jobsite office. The Safety Permit Inspector will keep the original on file and the carbon copy must be kept in the Process permit file. The Operating Supervisor must approve all job completion permits including contract jobs.

**g. Hot Work Authorization** — Only after all of the above items have been completed and green HOT WORK PERMIT has been signed by the Chief Operator, Maintenance Supervisor, and Safety Permit Inspector is hot work authorized. After the Chief Operator or his designated representative has personally hung the cardboard portion of the permit in a conspicuous location at the job site, hot work can begin.

**2. Marine Docks** — For performing hot work on or under Marine Docks, all provisions given in the basic procedure above shall apply. In addition, the following work shall be completed and checks made before a green HOT WORK PERMIT can be issued:

**a. Safe Tide Level** — When hot work is to be performed under a dock, the tide level must be below any pipelines at the water level to prevent trapping oil between the pipelines, thus eliminating a possible source of combustible material.

**b. Avoid Falling Materials** — The hot work area must be isolated to prevent molten metal and/or any combustible material from falling into the water.

**c. Remove Grating** — Grating in the fender system must be removed in the hot work area when work is to be performed under a dock.

**d. Secure Coast Guard Approval** — The Docks' Operating Supervisor must secure approval of the Houston Coast Guard Port Captain prior to any hot work.

**e. No hot work can be performed on any dock while a ship is berthed at that dock.**

**EXCEPTION:** At Dock No. 1, hot work will be permitted 150 feet or more from vessels handling materials with a flash point of above 150F.

**3. Enclosed Spaces** — For performing hot work in enclosed spaces, all provisions given in the basic procedure above apply. In addition, the following work must be completed and/or checks made before a green HOT WORK PERMIT can be issued:

**a. Obtain Yellow PERMIT TO ENTER** — Before many of the items listed in the basic procedure above can be done, it is necessary to enter the enclosed space. A yellow PERMIT TO ENTER is required to initially enter the enclosed space where hot work is to be done. Once the necessary requirements have been met and a green HOT WORK PERMIT has been issued, no yellow PERMIT TO ENTER tag is required as long as a valid green HOT WORK PERMIT is in effect.

**b. Other Requirements for Hot Work in Enclosed Spaces** — After entry is made into the enclosed space, applicable portions of the basic Procedure above can be completed. In addition, the following must be performed and/or checks made before a green HOT WORK PERMIT can be issued:

**(1) No Cylinders In Enclosed Spaces** — Cylinders containing any type of flammable material must not be placed in an enclosed space where hot work is to be done.  
**EXCEPTION:** In storage tanks where door sheets have been removed.

**(2) Thoroughly Clean** — The enclosed space, including all internals, must be thoroughly cleaned and made safe for hot work. This includes freeing the container of all flammable gases, liquids, and solids as well as inert atmospheres and toxic materials.

**(3) Provide Adequate Ventilation** — A fresh air ventilation system must be provided and shall be adequate to remove fumes and gases created by the proposed hot work. If ade-

quate ventilation is not possible, suitable respiratory protection must be used.

#### SPECIAL REQUIREMENTS

1. **Work on Tank Cars** — Hot work must not be done on tank cars while located at a loading rack.

2. **Venting Hollow Equipment** — Before burning into or heating any hollow vessel or equipment such as ball floats, pistons, impellers, vessels, pipes, valves, fittings, or similar equipment that has been in service of any kind, the vessel or equipment must be properly vented (unless the operation is performed under controlled conditions so that any over-pressuring will be avoided).

3. **Gas Hoses In Confined Spaces** — When gas hoses are used in connection with welding and/or burning in an enclosed space, the hoses must either (1) be removed from the enclosed space or (2) disconnected at the regulators at any time when positive ventilation is discontinued. A torch or other gas-consuming device must never be removed from a hose while inside a confined space. When torches are left unattended (such as lunch period, shift change, etc.), the gas supply must be positively shut off at a point outside the enclosed space or the hoses disconnected at the regulators.

4. **Establishment of Smoking Permits** — Requires written approval by the appropriate Department Head. Procedures for obtaining this approval are given in the Mechanical Operating Procedures Manual (S-13) and the Process Operating Practice Manual (S-6).

5. **Hot Work by Process** — When hot work is to be performed by Process personnel, the Chief Operator will assume the responsibilities and functions of the Maintenance Supervisor including signing the green Hot Work Permit in space marked Maintenance Supervisor.

| DISPLAY PERMIT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |      | AT JOB SITE      |      |      |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                                                                                             |  |
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| <b>HOT WORK PERMIT</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |                  |      |      |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                                                                                             |  |
| EXXON COMPANY USA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |      | DAYTONA REFINERY |      |      |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                                                                                             |  |
| <div style="display: flex; justify-content: space-between;"> <div> <p>DATE</p> <p>TIME</p> <p>LOCATION</p> <p>WORK TO BE DONE</p> </div> <div> <p>APPROVED BY</p> <p>SIGNATURE</p> <p>DATE</p> <p>TIME</p> <p>LOCATION</p> <p>WORK TO BE DONE</p> </div> </div>                                                                                                                                                                                                                                                                                                                                                                                                             |      |                  |      |      |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                                                                                             |  |
| <table border="1"> <thead> <tr> <th>AUTHORIZATION</th> <th>DATE</th> <th>TIME</th> </tr> </thead> <tbody> <tr> <td>CHIEF OPERATOR</td> <td></td> <td></td> </tr> <tr> <td>CHIEF MAINTENANCE</td> <td></td> <td></td> </tr> <tr> <td>MAINTENANCE SUPERVISOR</td> <td></td> <td></td> </tr> <tr> <td>CHIEF OPERATOR</td> <td></td> <td></td> </tr> <tr> <td>CHIEF MAINTENANCE</td> <td></td> <td></td> </tr> <tr> <td>MAINTENANCE SUPERVISOR</td> <td></td> <td></td> </tr> <tr> <td>CHIEF OPERATOR</td> <td></td> <td></td> </tr> <tr> <td>CHIEF MAINTENANCE</td> <td></td> <td></td> </tr> <tr> <td>MAINTENANCE SUPERVISOR</td> <td></td> <td></td> </tr> </tbody> </table> |      | AUTHORIZATION    | DATE | TIME | CHIEF OPERATOR |  |  | CHIEF MAINTENANCE |  |  | MAINTENANCE SUPERVISOR |  |  | CHIEF OPERATOR |  |  | CHIEF MAINTENANCE |  |  | MAINTENANCE SUPERVISOR |  |  | CHIEF OPERATOR |  |  | CHIEF MAINTENANCE |  |  | MAINTENANCE SUPERVISOR |  |  | <p>NOTE: Return (or to Chief Operator) when completion of all work or maintenance work.</p> |  |
| AUTHORIZATION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | DATE | TIME             |      |      |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                                                                                             |  |
| CHIEF OPERATOR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |      |                  |      |      |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                                                                                             |  |
| CHIEF MAINTENANCE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |      |                  |      |      |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                                                                                             |  |
| MAINTENANCE SUPERVISOR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |                  |      |      |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                                                                                             |  |
| CHIEF OPERATOR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |      |                  |      |      |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                                                                                             |  |
| CHIEF MAINTENANCE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |      |                  |      |      |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                                                                                             |  |
| MAINTENANCE SUPERVISOR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |                  |      |      |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                                                                                             |  |
| CHIEF OPERATOR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |      |                  |      |      |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                                                                                             |  |
| CHIEF MAINTENANCE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |      |                  |      |      |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                                                                                             |  |
| MAINTENANCE SUPERVISOR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |      |                  |      |      |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                |  |  |                   |  |  |                        |  |  |                                                                                             |  |

Green Tag

## Section 6

### PROCEDURE FOR ENTERING ENCLOSED SPACES

#### PURPOSE

This procedure is designed to protect personnel against such hazards as oxygen deficiency, toxic materials, flammable substances, and power-driven equipment when working in enclosed spaces. A yellow PERMIT TO ENTER tag is required to enter any enclosed space. If hot work is to be performed in an enclosed space, a yellow PERMIT TO ENTER tag is required to initially enter the enclosed space. This procedure is to be considered the minimum precautions for the safety of personnel entering enclosed spaces.

#### SPECIAL DEFINITIONS

1. Enclosed Space — Any space that can be closed or has restricted entry or exit, such as vessels, tanks, boilers, furnaces, etc. Also included are confined spaces, such as pits, sewers, excavations, where the heads of workmen are below the top of the confined space.

2. Oxygen Deficiency — Any atmosphere that has oxygen concentration of less than 19.5 percent.

3. Standby — The person designated by the Chief Operator and/or the Maintenance Supervisor to warn persons in enclosed spaces of hazardous or emergency conditions that could affect their safety.

#### RESPONSIBILITIES

1. Chief Operator is responsible for issuing the yellow PERMIT TO ENTER for entry into enclosed spaces in his processing area. He or his designated representative is responsible for insuring that all necessary safety precautions have

been completed prior to issuance of the permit. The Chief Operator must sign the yellow PERMIT TO ENTER tag certifying that all requirements have been met.

2. Maintenance Supervisor is responsible for obtaining the yellow PERMIT TO ENTER and assisting in final preparation of the enclosed space for entry. He must inspect the area and sign the tag to indicate his approval of the required safety precautions. He must see that all proper job safety precautions are followed and be alert for changing conditions that might affect the safety of the job.

3. Safety Permit Inspector is responsible for making the necessary gas tests for explosivity, safe oxygen level, and safe toxic material levels. He will also inspect the jobsite for compliance with all applicable safety rules and standards.

4. Individual, before entering an enclosed space, shall assure himself that the necessary safety preparations have been made and that a current yellow PERMIT TO ENTER, properly filled out and signed by the Chief Operator, the Maintenance Supervisor, and the Safety Permit Inspector, has been posted at the job site.

5. Standby is responsible for assuring the well-being of persons working in enclosed spaces when breathing equipment is in use or when conditions are such that outside warning may be necessary.

#### PROCEDURE

1. Entering an Enclosed Space Without Protective Equipment

a. Preparing Enclosed Spaces for Entry — The Chief Operator will see that the enclosed space is emptied and purged in preparation for opening. Process personnel may also physically disconnect or blind the enclosed space in accordance with Section 7.

VI-1

VI-2

EXX 004751

**b. Requesting PERMIT TO OPEN OR BLIND**

— The Maintenance Supervisor will request a white OPENING OR BLINDING PERMIT from the Chief Operator in accordance with provisions of Section 7.

**c. Isolating the Enclosed Space** — If not already done by Process, the Maintenance Supervisor will insure that all connecting lines to the enclosed space are physically disconnected or blinded at a point as near to the enclosed space as is safely practical. Double block valves with an intervening bleeder are not considered equivalent to a blind where personnel bodily enter the space.

**EXCEPTION:** In steam, water, and air service where no blinding points exist, isolation valves shall be chained and locked with Mechanical locks to prevent opening.

**d. Immobilizing of Power-Driven Equipment**

— Before entry, the Maintenance Supervisor will arrange for electrical equipment to be immobilized in accordance with the electrical lockout procedure. The power supply to other equipment driven by air, steam, internal combustion engines, or hydraulic fluid shall be blinded or disconnected.

**e. Cleaning and Establishing Ventilation of Enclosed Space** — The Maintenance Supervisor will have the space cleaned and if necessary, place in operation a fresh air ventilating system.

**EXCEPTION:** No forced ventilation system is required where a natural draft is established and the Chief Operator, Maintenance Supervisor, and Safety Permit Inspector agree that entry is safe.

**f. Gas Testing the Atmosphere of the Enclosed Space** — The Safety Permit Inspector must satisfactorily test for explosivity, oxygen defi-

ciency, and toxic materials

(1) **Explosivity** — Entry will not be permitted unless the test indicates a safe range

(2) **Oxygen Deficiency** — Entry will not be permitted unless oxygen concentration is greater than 19.5 percent.

(3) **Toxic Materials** — Entry will not be permitted unless test indicates a safe range. Additional checks are to be made as work proceeds in the enclosed space if a possibility of release of fumes or depletion of oxygen exists.

**g. Standby Requirement** — A standby must be required and noted on the yellow PERMIT TO ENTER when the Chief Operator and/or the Maintenance Supervisor determines that an unsafe condition may develop during the course of the work. The standby shall be equipped with a standby kit, a Claxon horn, and a unit radio for communication.

**h. Issuance of PERMIT TO ENTER** — When the Maintenance Supervisor and Safety Permit Inspector are both satisfied that all requirements and safety precautions have been completed satisfactorily, each must complete applicable portions of the checklist and sign the permit. The Chief Operator will complete and sign the permit signifying that entry can be made. He will then post the cardboard portion of the permit in a conspicuous location at the jobsite and file the original paper portion in the Process permit file.

**i. Permit Duration and Disposition** — A yellow PERMIT TO ENTER will have the same requirements for duration and disposition as a green HOT WORK PERMIT except that no "drop card" type permits will be allowed. Job completion permits will be allowed provided

work in the enclosed space is continuous

## 2. Entering an Enclosed Space with Protective Equipment

Enclosed spaces to be entered with protective equipment must be emptied, cleaned of hazardous materials, and purged, insofar as practical, prior to entry. It must be physically isolated and all power-driven equipment immobilized as required in Procedure 1 above.

a. **Required Tests** — A yellow PERMIT TO ENTER will be issued only when the atmosphere in the enclosed space meets the following tests:

(1) **Explosivity** — Entry will not be permitted unless the test indicates a safe range.

(2) **Oxygen Deficiency** — If oxygen level is below 19.5 percent, entry will be permitted only with a pressure-demand, hose-line air mask.

(3) **Toxic Materials** — Entry will be permitted only with appropriate protective equipment.

Additional checks are to be made as work proceeds in the enclosed space if a possibility of release of fumes exists.

b. **Required Protective Equipment** — All personnel entering enclosed spaces must wear protective equipment appropriate for the hazard involved. Use of respiratory masks and other protective equipment (such as rubber suits, goggles, gloves, etc.) inside closed spaces is to be determined by the Chief Operator, the Maintenance Supervisor, and the Safety Permit Inspector and indicated on the yellow PERMIT TO ENTER permit. The cardboard section of the permit must be posted at a conspicuous location at the jobsite. In the case of oxygen-deficient atmospheres, pressure-demand, hose-line air masks with self-contained life lines must be

used and Operating Supervisor approval obtained for entry.

A standby is required when personnel are required to wear pressure-demand, hose-line air masks inside an enclosed space or the situation is such that outside warning is necessary. Scott Air-Paks are permissible in place of the pressure-demand, hose-line air masks for emergency or rescue use where life is in immediate danger.

## 3. Duties of Standby

a. Accounting for personnel working in the enclosed space.

b. Preventing fouling of air or life lines.

c. Being alert for hazards to workers.

d. Providing normal assistance in handling materials, tools, messages, etc.

e. Evacuating the enclosed space in case of fire or disaster alarm.

f. Being well trained in the operation of respiratory equipment and administering of artificial respiration.

g. Maintaining an adequate air supply.

h. The standby should never attempt to enter the enclosed space even in an emergency until help has arrived.



VI-5

VI-6

EXX 004753

# **SPECIAL REQUIREMENTS**

1. Entry to Prepare for Hot Work — A yellow PERMIT TO ENTER is required to initially enter an enclosed space where hot work is to be performed. Once the necessary requirements have been met and a green HOT WORK PERMIT has been issued, no yellow PERMIT TO ENTER is required as long as a valid green HOT WORK PERMIT is in effect.

2. Entry by Process without Mechanical Involvement — When entry is made by Process personnel without mechanical personnel involvement, the Chief Operator will assume the responsibilities and functions of the Maintenance Supervisor including signing the yellow PERMIT TO ENTER in the space marked: Maintenance Supervisor.

DISPLAY PERMIT  AT JOB SITE

## PERMIT TO ENTER

EXXON COMPANY USA      BAYTOWN REFINERY

DATE ISSUED: \_\_\_\_\_

PERMIT NUMBER: \_\_\_\_\_

SPECIAL PRECAUTIONS: \_\_\_\_\_

PROTECTIVE EQUIPMENT REQUIRED: \_\_\_\_\_

| AUTHORIZATION          | DATE | TIME         |
|------------------------|------|--------------|
| MAINTENANCE SUPERVISOR |      | A.M.<br>P.M. |
| CHIEF OPERATOR         |      | A.M.<br>P.M. |
| MAINTENANCE SUPERVISOR |      | A.M.<br>P.M. |
| CHIEF OPERATOR         |      | A.M.<br>P.M. |
| MAINTENANCE SUPERVISOR |      | A.M.<br>P.M. |
| CHIEF OPERATOR         |      | A.M.<br>P.M. |
| MAINTENANCE SUPERVISOR |      | A.M.<br>P.M. |

NOTE: Permit Log to Chief Operator upon completion of all work at assigned site.

VI-7

Yellow Tag

EXX 004754

## Section 7

### OPENING AND/OR BLINDING PERMIT

#### PURPOSE

This permit procedure is designed to prevent accidents by insuring adequate communications between Process and Mechanical Personnel when opening and/or blinding equipment in a processing area. A white OPENING OR BLINDING PERMIT shall be obtained before beginning such work.

#### SPECIAL DEFINITIONS

1. Opening — Exposing the interior of any processing equipment, including piping, to the atmosphere. This includes removing covers, breaking flanges, pulling header plugs, etc. It does not include draining or venting through a valve.

2. Blinding — Installing temporary slip blinds into piping or blind flanges onto equipment to isolate or close for mechanical work.

#### RESPONSIBILITIES

1. Chief Operator is responsible for issuing the white OPENING AND OR BLINDING PERMIT. He or his designated representative has the responsibility for preparing the equipment, determining if the surrounding area is safe for the proposed work, and listing any special safety precautions required.

2. Maintenance Supervisor is responsible for seeing that a permit is secured to perform work involving opening or blinding. He is also responsible to see that Mechanical Personnel work within the limits of the permit and that all stipulated safety precautions are taken.

#### PROCEDURES

1. Requesting Permit — The Mechanical Supervisor or his designated representative must request a permit from the Chief Operator.

2. Initiating Safety Inspection — The Chief Operator or his designated representative must perform a safety inspection of the area. He must check for other active permits, prepare the equipment, and identify all locations to be opened. If blinding is required, he must also prepare a blinding list.

3. Blinding Requirements — Generally all opened equipment must be blinded for hot work (see Section 5), for entering (see Section 6), and opened piping left unattended. The installation and removal of slip blinds and blind flanges (except daily closure blinds) shall be recorded on the blinding list.

Specific blinding requirements and exceptions are as follows:

a. Pumps — Minor repairs, such as small piping and seal replacement, may be performed without blinding provided (1) the suction and discharge valves are tightly closed and tagged with "DANGER — DO NOT OPEN" tags, (2) the case has been depressured through bleeders, (3) the driver has been properly immobilized, and (4) the work can be completed in one shift.

Pumps taking suction on vessels operating below atmospheric pressure must be blinded on the suction side.

b. Compressors — Minor repairs, such as cover plate gasket and valve replacements and bearing inspections may be performed without blinding provided (1) the compressor can be isolated by block valves, (2) block valves are tagged with "DANGER — DO NOT OPEN"

VII-1

VII-2

tags, (3) the case is depressured through bleeders, (4) the driver has been properly immobilized, (5) the work is continuous until completion, and (6) no more than one cover plate and valve is open at any time.

c. Drivers — To perform major work on drivers, the driven end must be disconnected or blinded. Additional isolation must be as follows:

- (1) Electric motors must be immobilized, using Electrical Lockout Procedure (see Section 4).
- (2) Gas engines must be blinded and the fly wheel blocked.
- (3) Combustion turbines must have fuel lines blinded and the auxiliary motors immobilized.
- (4) Expansion gas turbines must be blocked by closing the inlet and exhaust valves, tagging the valves with "DANGER — DO NOT OPEN" tags, and depressuring through bleeders.
- (5) Steam turbines must be blocked by closing the inlet and exhaust valves, tagging the valves with "DANGER — DO NOT OPEN" tags, and opening bleeders.

d. Piping — Unattended open Piping must be isolated with slip blinds or closed with blind flanges.

EXCEPTION: Lines in water and air service of less than 100 psig may be left unattended without blinding.

e. Vessels — Isolation blinds must be installed as close to the vessel as safely practical and in a manner to insure that no liquid or vapor can be trapped between the blind and vessel.

VII-3

4. Preparing Blinding List — Before blinding begins, Process Personnel must prepare a blinding list indicating the size and location for all slip blinds and blind flanges to be installed.

5. Issuing Permit — Process and Mechanical Personnel must make a safety tour of the job site, identify and mark the places to be opened and/or blinded, and review the limitations and safety requirements stipulated on the permit. When both Process and Mechanical Persons are satisfied that no green HOT WORK PERMIT is in effect and the task can be safely accomplished, then both will sign the permit.

The Process person must post the cardboard portion in a conspicuous place at the job site and file the original copy in the permit file.

#### EXCEPTIONS:

Process Personnel — Mechanical work by Process may be done without a written permit provided the Chief Operator has authorized the work.

Dock Personnel — Marine hookups on the dock may be performed by the Dock Connection Crew working under the direction of the Chief Operator without a written OPENING OR BLINDING permit.

6. Blinding — The Mechanical Person must record each slip blind installed by signing and dating the blinding list. At the completion of the blinding list or at the end of the shift, the blinding list must be returned to the Chief Operator or his designated representative.

7. Duration of Permit — The permit is issued for one Mechanical shift. The permit must be signed and dated by the Mechanical Person and returned to the Chief Operator or his designated representative at the completion of the job or at the end of

VII-4

the shift. The permit may be extended into the next shift by both Process and Mechanical signing the extension block. No blinding permit shall be valid for more than 24 hours. An opening permit may be issued for duration of turnarounds provided all oil, gas, and chemical lines are blinded at the unit limits.

**8 Removing Blinds —** The removal of blinds requires another permit unless the installation and removal work is continuous and completed within 24 hours. The Process Person issuing the permit and the Mechanical Person accepting the permit must tour the area and physically identify the blinds to be removed. The Mechanical Person must sign and date the blinding list as each slip blind and blind flange is removed. After the last blind has been removed or at the end of the Mechanical shift, the Mechanical Person must sign and date the cardboard portion and return both the permit and blinding list to the Chief Operator.

**9. Filing of Permits and Blinding Lists —** Each permit must be filed for 24 hours after its expiration and then discarded. Blinding lists must be filed until all blinds have been removed. The blinding list may be discarded 24 hours after the last blind is removed.

White Tag

Buff Tag

## Section 8

### COLD WORK PERMIT

#### PURPOSE

This permit procedure is designed to prevent accidents by giving Process Personnel control over cold work activities taking place in their processing area. To insure proper communications between Process and Mechanical, a blue COLD WORK PERMIT must be completed before work is started in a Process area.

#### SPECIAL DEFINITIONS

1. Cold Work — Any mechanical work on processing equipment including work on intrinsically safe circuits and energized electrical instruments and electrical power circuits that does not involve opening, blinding, entering, hot work, or electrical lockout.

#### RESPONSIBILITIES

1. Chief Operator or his designated representative is responsible for approving blue COLD WORK PERMITS. He or his designated representative is responsible for insuring that all safety precautions have been completed prior to issuance of the permit.

2. Maintenance Supervisor or his designated representative has the responsibility for initiating the blue COLD WORK PERMIT and securing approval from Process personnel. He is responsible for seeing that only the work authorized by the permit is performed.

#### PROCEDURE

1. Initiating COLD WORK PERMIT — The Mechanical Person in charge of the work group assigned to perform mechanical work in a processing area must fill in the date, time, area,

equipment, and description of work on the blue COLD WORK PERMIT. He will then contact the Chief Operator and secure approval before starting to work.

EXCEPTIONS: Blue COLD WORK PERMITS are not required

a. When Process Personnel are performing mechanical work.

b. When the Dock Connection Crew is working in the dock area under instructions from the Chief Operator.

c. When instrument technicians and electricians who are regularly assigned to the processing area perform routine work authorized by the Chief Operator.

NOTICE: A COLD WORK PERMIT is required to work on energized electrical instruments and electrical power circuits above 100 volts.

d. When Technical, Safety Permit Inspection, or Laboratory personnel perform sampling and/or test work authorized by the Chief Operator.

e. When janitors perform janitorial-type work in the processing area.

f. When contractor employees take work direction from Process Personnel.

g. When Mechanical performs cold work in preparation for the issuance of other work permits on the same shift. Samples of such work are covering sewers, hooking up hoses, securing fire-fighting or safety equipment, hanging tarps, electrical lockout, etc.

h. When oil, gas and chemical lines are blinded at unit limits during unit turnarounds and work is being performed in accordance with the turnaround procedure.

VIII-1

VIII-2

EXX 004758

**6. Extension of Permit** — The permit may be extended by determining that the job conditions remain unchanged and by both Process and Mechanical signing the permit. No permit shall be extended beyond 24 hours' total duration.

[illegible]

**Light Blue**

EXX 004759

SECTION 9  
SECURITY REGULATIONS

1. Parking Locations

Parking locations will be designated for each Contractor by Owner. If Contractor desires to park on Owner's property, all parking shall be in the lot, or area designated. Posted regulations governing the use of the lot shall be followed. All vehicles on Owner's property shall be at the risk of the vehicle owner and Owner accepts no responsibility for paint or other damage to or theft of or from such vehicles.

2. Entrance Gate

Owner will designate a gate or gates for the use of Contractor and for the delivery of its material and supplies. Contractor and vehicles serving the Contractor shall use only the designated gate for entrance and exit to and from the Contractor's job site. Contractor shall make arrangements so that vehicle drivers will know which gate to enter and the appropriate job site location.

3. Walks and Roadways

Walks and roadways will be designated for the use of Contractor when entering or leaving the job site, when moving from one area to another, or when obtaining material from Owner. Contractor shall use only designated roadways and walks. The use of shortcuts or nondesignated pathways is prohibited.

4. Contractor Employee Badges

Contractor's employees shall wear their Contractor's badge at all times they are in the Plant. Badges shall bear the firm's name and each badge shall be numbered with a different number. Contractor shall supply these badges and maintain a record of badge numbers with employees' names. Employees engaged for engineering services shall be required to wear badges furnished by Owner showing a number only. Badges must be shown to the gate Security Officer each time any employee of Contractor enters or leaves the Plant. When Subcontractors to the prime Contractor do not have their own badges, they may use the prime Contractor's badges.

When contract employees enter the Plant, the Contractor's supervisor is responsible for checking that every contract employee has a Contractor badge.

#### 5. Contractor Vehicle Identification

Contractor's vehicles must bear the Contractor's name or insignia prominently displayed, and the driver must have a badge. Such vehicles shall be restricted to the use of designated street or streets and Plant entrance or entrances assigned for use of Contractor. All equipment on rubber tires, such as mobile cranes, backhoes, air compressors, welding machines, etc., must have Contractor's name prominently displayed on both sides when being used by Contractor.

#### 6. Material Passes

All tools and materials that the Contractor removes from the Plant shall be accompanied by a material pass obtained from the Contract Administrator. The material pass shall be completely filled out and shall be signed by a designated representative of Contractor and the Contract Administrator. The Contract Administrator retains one copy, and the original and one copy shall accompany the material to the gate. Both copies are to be surrendered to the gate Security Officer.

#### 7. Thefts

Owner accepts no responsibility or liability for the theft of any property or material belonging to Contractor or its employees. It shall be the responsibility of Contractor to furnish any police protection it deems necessary to supplement the guard and patrol service provided by Owner. Owner maintains an investigative service and will cooperate with Contractor by assisting in the investigation of all reported thefts within the Plant. Theft of property or automobiles from Owner's outside parking lots should be reported to local law enforcement officials. Contractor may obtain forms for reporting thefts from within the Plant from the Contract Administrator.

#### 8. Gambling

All forms of gambling are prohibited on Owner's property.

#### 9. Business Visitors, Applicants, and Delivery Trucks

Contractor shall furnish Plant Security with a list of persons who are authorized to pass business visitors, new employees, and delivery trucks to the job site. Plant Security will obtain authorization from one of these people before passing such individuals into the

Plant. Special permission shall be obtained from the Contract Administrator to admit union business agents or safety inspectors other than contractor employed into the Plant.

#### 10. Ambulance Service

Contractor, when working in Plant, shall make any arrangements Contractor deems necessary for ambulance service from an outside firm. Requests for an ambulance shall be called in to 427-5711, extension 3600. Accident location, ambulance firm and hospital desired, and Contractor's name shall be given. Plant Security will escort the ambulance to the scene of the accident. All accidents shall be reported to the Contract Administrator as soon as possible, whether resulting in injury to a person or damage to the equipment of Owner or Contractor.

#### 11. Inspection of Lunch Boxes, Packages, Motor Vehicles, etc.

When contract employees leave the Plant, the Contractor's supervisor is responsible for inspecting lunch containers, packages, and bundles.

Security Officers have the right to inspect lunch containers, packages, bundles, tools, equipment, and motor vehicles in the Plant at any time.

#### 12. Cameras and Photographs

Unauthorized individuals shall not be permitted to enter the Plant with a camera. When Contractor desires to have photographs taken in the Plant, approval must be obtained from Public Relations Department.

#### 13. Liquor, Drugs, Firearms, and Explosives

Any person possessing intoxicating liquors or drugs, or who is under the influence of such, will not be permitted to enter the Plant or loiter on Owner's property.

Firearms and explosives will not be permitted in the Plant.

#### 14. Visiting and Loiterings

Visiting and loitering by Contractor's employees at or around entrance gates or other places on Owner's property will not be permitted.

EX-3

EXX 004762

15. Fingerprinting

If requested by Owner, Contractor shall furnish the Owner two sets of fingerprints on each of his employees and each of his Subcontractor's employees.

D-4

EXX 004763

SECTION 10  
GENERAL REGULATIONS

1. Authorization to Start Work

Contractor and Subcontractors shall not start work until authorized by the Contract Administrator at the job site. Such authorization does not constitute authority to proceed with any work involving special permits as outlined in Exxon Refinery's Safety Manual. Contractor shall also secure approval from Contract Administrator before any materials are delivered to job site when material deliveries precede Contractor's arrival on site.

2. Contractor's Equipment

All Contractors moving trailer-type equipment within the Plant shall use a hitch equal to Premier's automatic latching hitch No. 105 for one-ton loads, or No. 580 for one-and-one-half-ton loads, except that properly rated ball hitches may be used when provided with safety chains.

3. Explosives

Explosives shall not be used without prior written approval of Owner.

4. Use of Lines, Conduits, or Structures as Supports

Contractor shall not use Owner's pipe lines, electrical conduits, handrails, or structures as supports for loads, for ladders, or for scaffolds without authorization from the Contract Administrator.

5. Use of Stanchions or Equipment for Anchors

Contractor shall not use Owner's pipe stanchions or other equipment for attaching snatch blocks, guy lines, or for other services which apply loads on equipment without written approval of the Contract Administrator.

6. Damage to Owner's Property

If Contractor damages any of Owner's property, or property of any other contractor

I-1

EXX 004764

or subcontractor, the damage shall immediately be reported to the Contract Administrator.

#### 7. Operating Owner's Equipment

Contractor shall not operate any of Owner's equipment, such as electric power switches, valves, etc., without prior specific approval of the Contract Administrator.

#### 8. Use of Special Vehicles

No vehicle or piece of equipment having metallic-lugged wheels or tracks shall be operated on any hard surface street without adequate protection to the street, as approved by Contract Administrator. No tracked equipment having flat pavement treads shall be operated on a paved street without approval of the Contract Administrator.

#### 9. Fire Extinguishers

Welding machines and tar pots shall have a 12-pound CO<sub>2</sub> or 20-pound dry chemical-type fire extinguisher in proper working condition located adjacent to the equipment. An extinguisher shall be located in each working area where "hot work" is being done.

**Fire Hose** -- Where fixed hose reels are not available, the Contractor shall furnish and maintain a minimum of one fire hose in each working area where hot work is being done. Each hose shall be 1-1/2" diameter with threaded coupling and NYC Fire Department threaded adapter suitable for 150 psi pressure. Each hose shall be equipped with a 1-1/2" combination fog, straight stream, and shut-off nozzle equal to American LaFrance or Elkhart L-200. Hoses shall be connected to a hydrant. The Contractor shall be responsible for opening the water supply valve or the hydrant in full open position while hot work is in progress, but pressure is not to be left on hose overnight.

#### 10. Welding

Contractor shall not weld on oil or gas lines or equipment in service unless there is an internal cooling agent to remove heat, such as flowing liquid or gas, and there is sufficient metal, as approved by the Contract Administrator, to prevent a burn-through.

Exception: No hot work is to be done on air lines in service between the reciprocating compressor discharge and the knockout drum or drier. Hot work can be done on air lines downstream of knockout drum or drier, or on air lines pressured by centrifugal equipment, after a gas test shows the air in the line to have no hydrocarbons present.

11. Securing of Temporary Buildings

All temporary buildings shall be tied down by the Contractor in accordance with the Contract Administrator's Instructions, and applicable Baytown Engineering Standards.

12. Exit from the Plant

Contract employees, except for the driver, must dismount and walk through the gate when leaving the Refinery.

13. Non-English-Speaking Personnel

The ability to communicate with Contractor employees is essential to safe job execution. When the contract employee cannot speak English, the job foreman must be able to speak both English and the employee's language fluently. If there is reason to doubt the foreman's ability in this regard, a practical demonstration is in order. When the foreman cannot speak both English and the employee's language, the employee must either be placed under a foreman who can, or he must be prohibited from working in the Baytown Refinery.

14. Hurricane Precautions

The period between June 15 and October 15 is recognized as the hurricane season. Prior to this time, all material that is not needed for the job and that might become wind-borne in hurricane winds should be removed. That material still needed should be piled as compactly as possible. Provision should be made for tying down lightweight objects should the need arise. Scaffolds and some open-type structures should be dismantled if a hurricane approaches. Thus, there should be a plan formulated in advance to handle necessary actions, particularly in terms of the time and manpower required.

15. Contractor Accident Reporting

The contractor is responsible for notifying the Contract Administrator immediately:

- a. Any time an ambulance is called;
- b. In the event of any injury which could possibly result in lost time;
- c. In the event of any incident which had serious potential, such as mobile equipment overturning, equipment contacting electric supply lines, etc.

All injuries shall be reported on the Industrial Accident Board Standard Form for Employee's First Report of Injury or Illness — latest revision.

#### 16. Emergency Evacuation Procedure

An emergency evacuation procedure form shall be completed by each Contractor prior to starting a contract. An assembly point should be chosen to provide a relatively safe, open area, in the event an emergency occurs that requires evacuation of all or part of the Refinery.

#### 17. Contractor Safety Meetings

Each Contractor is strongly encouraged to hold a weekly safety meeting for his employees. Either a combined meeting of all the Contractor's employees in the Refinery or smaller meetings for each job or each foreman is suitable.

EXX 004768

**GENERAL CONDITIONS****1. INVESTIGATION OF SITE AND PROJECT CONDITIONS**

Subcontractor represents that he is familiar with the site and the physical conditions, the availability of labor and materials and all other matters at the site or in the vicinity of the site which affects the Sublet Work. Subcontractor represents that he has examined the subcontract document and familiarized himself with the Project, the laws, rules and regulations relating to the Project; the environmental considerations affecting the Project and the Sublet Work; the participants in the Project; and the contractual and regulatory provisions of governmental agencies, the Owner and General Contractor affecting the participants in the Project and the Sublet Work. No allowance will be made to Subcontractor for not having made such examination and review or for requirements which a reasonable examination, inquiry and review would have disclosed.

**2. RESPONSIBILITY**

a. Subcontractor agrees to perform the Sublet Work in accordance with good construction practices and the plans, specifications and other requirements of this Subcontract, and to furnish all supervision, labor, supplies, tools, construction equipment, facilities, storage, permanent equipment and materials (except as specified herein to be furnished by Owner or General Contractor) and all other things and services necessary or desirable to perform the Sublet Work.

b. Subcontractor shall be responsible for the correctness of the positions, levels and dimensions of the Sublet Work, notwithstanding 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 immediately advise the General Contractor's Site Representative and await instructions for removal and replacement or performance of corrective work, before proceeding with that portion of the Sublet Work.

c. 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.

**3. COORDINATION OF THE PROJECT**

General Contractor is charged with the responsibility of accomplishing the work of the entire Project, or a significant portion thereof, in accordance with drawings, specifications, permits, licenses, rules and regulations, laws and ordinances, and requirements of the Owner. The contract price provisions, and the definition of requirements of the Sublet Work, as of the effective date, are coordinated and identified in the Subcontract Terms. General Contractor is charged with the responsibility of coordinating the efforts of all, or a significant portion of, the participants in the Project, including various subcontractors, specialty service contractors, suppliers, and other workmen, and the direct employees of General Contractor. Subcontractor agrees to perform the Sublet Work as part of the team of participants in the Project in cooperation with all other participants, and subject to all reasonable rules, regulations, and directives of General Contractor (a) for the coordination of the work of all participants, (b) for the maintenance of safety, efficiency, security and good order on the Project as a whole, (c) for compliance with the terms hereof, and (d) for the protection of the environment and the rights of the public.

**4. SCHEDULING SUBLET WORK**

Subcontractor agrees to commence the Sublet Work promptly when directed by General Contractor and to prosecute the Sublet Work diligently to completion. Sub-

contractor agrees to provide adequate number and types of: (a) laborers, skilled craftsmen and technicians, supervisors, administrators, and managers, (b) construction equipment in good condition, (c) materials, permanent equipment, and supplies, except for items specified to be supplied by General Contractor or Owner, to accomplish the work and maintain the Schedule or restore the Sublet Work to the Schedule. Subcontractor shall provide General Contractor a detailed Schedule for performance of the Sublet Work and shall revise and update such Schedule from time to time as the work on the Project progresses. The Schedule for the Sublet Work shall be subject to revision or approval by General Contractor to coordinate the Sublet Work with the over-all rate of progress of General Contractor and other participants in the Project as a whole, and to expedite performance of critical items of work on the schedule. General Contractor will schedule and coordinate the use by Subcontractor and others of jointly used facilities, construction equipment, and space, and Subcontractor shall accommodate its Schedule to such shared use. General Contractor will determine the normal working hours for the Project as a whole, and any special working hours for the Sublet Work on a normal shift or overtime basis will be subject to prior approval of General Contractor.

**5. INTEGRATION WITH WORK OF OTHERS**

Subcontractor shall inform itself regarding the nature, condition and state of progress of work of others which affects or connects with the Sublet Work. Before connecting Sublet Work to work of others, Subcontractor shall ascertain that such work of others is ready, properly aligned, and in suitable condition for such connection and integration with the Sublet Work, and shall report any discrepancies to General Contractor for adjustment prior to proceeding. Subcontractor is not charged with notice of latent defects in the work of others of which he has no actual knowledge.

**6. ALLOCATION OF FACILITIES**

General Contractor will designate for use by Subcontractor, entrances, parking areas, storage areas, office and work areas, and such facilities and construction equipment as General Contractor is to provide. General Contractor will allocate, and schedule the use of, such common facilities and utilities as are provided by General Contractor for use of Subcontractor and other participants in the Project. Temporary interruption of services, utilities and use of facilities are anticipated and shall not justify a claim for additional compensation.

**7. INSPECTION AND QUALITY CONTROL**

The Sublet Work shall be performed to the specified standards of workmanship and strictly in accordance with drawings, specifications, procedures, and other requirements of this Subcontract. General Contractor shall have the right to inspect the Sublet Work and Subcontractor's equipment, tools, records and facilities at all times. No work shall be covered until inspected and released in accordance with established inspection procedures, and any work improperly covered shall be uncovered and exposed by Subcontractor for inspection on request. Inspection and approval shall not relieve Subcontractor of the obligation to complete the entire Sublet Work in strict compliance with the requirements of this Subcontract. Any defective Sublet Work shall be discontinued, removed and replaced or corrected in accordance with specifications and directions of General Contractor. Subcontractor shall furnish for the Sublet Work all Quality Assurance and Quality Control documentation, as required by General Contractor for the Project as a whole or for the specific part thereof affected by the Sublet Work.

**8. SAFETY, CLEANLINESS AND SANITATION**

Subcontractor shall comply with all applicable laws, rules and regulations relating to safety. Subcontractor

shall comply with all safety standards, rules and regulations relating to safety, cleanliness and sanitation established by General Contractor for the Project as a whole. Subcontractor shall immediately stop work and take corrective action when directed by General Contractor because of any unsafe condition or practice. Subcontractor shall be responsible for the safety of its workmen and the Sublet Work and shall not create hazards for others or the work of others. Subcontractor shall provide first aid and ambulance facilities for its workmen to the extent sufficient facilities are not provided for the Project as a whole by General Contractor. General Contractor shall provide for safety of the Project as a whole. In case of emergency, General Contractor may direct Subcontractor's personnel and resources for the protection of life and property.

#### 9. DELAYS

If Subcontractor's performance of the Sublet Work is delayed by Owner's or General Contractor's failure to perform their obligations hereunder, or by orders of the General Contractor delaying or suspending the work, or by changes in the work, Subcontractor shall be entitled to an equitable adjustment in the price and time for performance in accordance with the provision for Changes in Article 12; but no price adjustment shall be due for delays or inconvenience to Subcontractor from the scheduling and coordination of the Sublet Work with the rate of progress made by all participants in the Project. In the event Subcontractor is delayed by force majeure, Subcontractor shall be entitled to an equitable extension of time but no adjustment in the price; provided, that inadequate manpower or failure of Subcontractor's workmen to prosecute their work because of strikes, boycott, picketing, or other form of labor dispute shall not be deemed force majeure unless there is clear and substantial danger of bodily harm or property damage if the employees undertook to enter the work site and perform their work, as determined by General Contractor or the chief local law enforcement officer. Subcontractor shall notify General Contractor in writing within 48 hours after the commencement of a delay, if Subcontractor claims an extension of time or an adjustment of price because of such delay, or the right to such extension or adjustment shall be waived.

#### 10. SUPPLEMENTING OR TAKING OVER BY GENERAL CONTRACTOR

If, after seven (7) days written notice by General Contractor to Subcontractor specifying any deficiency in the Sublet Work or the promptness with which it is being performed, Subcontractor has not promptly commenced to correct, and within a reasonable time corrected, such deficiency to the satisfaction of General Contractor, General Contractor may supplement the work of Subcontractor, or take over performance of the Sublet Work temporarily or completely, with General Contractor's own forces or by contract with others. General Contractor may use all or part of Subcontractor's construction equipment, tools and facilities at the project site, and any materials, permanent equipment and supplies, in the performance of the Sublet Work, without payment to Subcontractor otherwise than by the extent such use of Subcontractor's items causes a reduction of cost of completing the Sublet Work. All costs incurred by General Contractor in performing all or part of the Sublet Work, including a mark-up of 10% of such cost, shall be deducted from the price payable to Subcontractor and if such sum plus all payments previously made to Subcontractor shall exceed the price, Subcontractor shall refund to General Contractor the excess within ten (10) days after submittal of a properly documented invoice. If the price is on a cost reimbursable basis, Subcontractor will be reimbursed for use of construction equipment at the lowest applicable rate provided for herein or at prevailing rental rates if no rate is specified, and the cost of Subcontractor's materials used. Upon notice from General Contractor to Subcontractor, Subcontractor shall resume and complete the Sublet Work, but this right to supplement or take over the Sublet Work may again be exercised if necessary.

The determination of General Contractor's project manager to invoke the provisions of this Article 10 shall be final and conclusive; provided Subcontractor may within said seven day period, appeal to an executive officer designated by the President of General Contractor, whose decision shall be final absent actual fraud.

#### 11. DEFERMENT OR TERMINATION

In the event the Project is deferred or terminated by Owner, or if General Contractor shall elect to defer or terminate the Sublet Work, Subcontractor shall be paid: (1) the price earned for work completed and accepted, (2) a proportionate part of the price allocated to the portion of the work partially completed, (3) the reasonable cost incurred by Subcontractor in securing and protecting the work in progress against loss, damage or deterioration, and (4) unamortized mobilization and demobilization costs; standby costs, cancellation or deferment charges of suppliers; the cost of materials and equipment not sold or disposed of; and other special costs for terminating or suspending work or preserving the work accomplished and turning it over to General Contractor but (5) no compensation for the portion of the Sublet Work not performed. General Contractor shall notify Subcontractor whether the Sublet work is terminated or deferred to an indefinite or specified date and the deferment shall not exceed six months (or other limits expressed in the Subcontract Terms) without the consent of Subcontractor. If deferred, the Sublet Work may thereafter be terminated and shall be terminated upon expiration of the maximum period of deferment without notice to resume. Following deferment and notice to resume given by General Contractor to Subcontractor in writing, Subcontractor shall resume the Sublet Work in accordance with the terms hereof with an equitable adjustment, if required, in the price and time of completion, determined as in the case of changes. In case of any such termination or deferment, Subcontractor shall, as directed by General Contractor, secure, safeguard, remove or deliver to General Contractor all material, equipment, supplies, work in progress, and contract rights.

#### 12. CHANGES

General Contractor reserves the right to make changes in the Sublet Work or the manner of its performance. No change shall be made by Subcontractor in the Sublet Work or its manner of performance, without prior written instructions from General Contractor, in a written Change Order specifying the change in plans, specifications, procedures, time, sequence, or other requirement of this subcontract, and specifying whether there is to be an adjustment in the price or time for performance and how any such adjustment shall be determined. No adjustment in price or time of performance shall be made for changes in arrangement, aesthetics, substitution of equivalent materials or equipment or other changes, unless such changes significantly affect Subcontractor's cost of performing the Sublet Work or extend the time that Subcontractor's equipment and forces are required at the project site. An equitable adjustment will be made in price or time of performance or both, if the change ordered by General Contractor substantially increases or decreases the cost to Subcontractor of the Sublet Work or the time that Subcontractor's equipment and forces are required at the project site. The method of determining the equitable adjustment shall be specified, and if possible, the price fixed at the time of the issuance of written direction for the change. Unless a lump sum is established by agreement or another method of pricing is established by agreement, General Contractor may direct determination of the equitable adjustment in price, whether an increase or decrease, by any of the following methods: (a) agreed or established fixed unit prices, (b) force account, or (c) cost plus fee. If the force account method is directed by General Contractor, the force account rates for equipment use, man-hour labor rate including payroll burden and markup for overhead and profit, with reimbursement of actual cost of materials, as established in the Subcontract Terms or by other agreements, shall be used to determine the ad-

justment. If the cost plus fee method is directed by General Contractor the adjustment will be based on the direct cost of the change in the work using the formula established in the Subcontract Terms or by other agreement. In the absence of agreement, Subcontractor shall be paid all actual, direct additional cost incurred, without allocation of home office general and administrative expense, plus 10% of such costs, and Subcontractor shall maintain and furnish General Contractor accurate and detailed records daily segregating the cost of the change in the Sublet Work. In case of deletion or reduction of the Sublet Work by such change, Subcontractor shall not be entitled to anticipated contribution to home office overhead and profit from any portion of the Sublet Work not performed.

#### 13. WORKMEN AND EMPLOYMENT PRACTICES

Subcontractor shall provide competent and adequately trained and skilled personnel. Subcontractor shall, on request, remove from the Project any person found by General Contractor to be incompetent, unsafe, disorderly, unreliable, or unwilling to comply with regulations. Subcontractor shall provide badges, color codes, or other symbols or identification for its employees, tools and equipment, in accordance with the system specified by General Contractor. Subcontractor shall cooperate in security measures for the prevention of theft, pilferage, and waste. Subcontractor shall not discriminate against any employee or applicant for employment because of race, color, national origin, religion, sex, age, or for any reason prohibited by law. Subcontractor agrees to participate and cooperate in the implementation of any Affirmative Action Plan for equal employment opportunity adopted for the Project as a whole. To the extent applicable to the Sublet Work on this Project, Subcontractor shall comply with Executive Order 11246, or any amendment, replacement or counterpart thereof, and the parties mutually represent that they are familiar with such provisions and agree that a full copy thereof may be incorporated herein by either party by attachment at any time.

#### 14. LABOR RELATIONS

Subcontractor shall comply with the National Labor Relations Act, any applicable Right to Work law, and any other applicable law related to labor relations. Subcontractor shall give General Contractor notice and full information regarding any existing or impending labor dispute affecting the Sublet Work or any part of the work on the Project as a whole. Subcontractor shall cooperate in any effort by General Contractor to mediate or otherwise attempt to resolve work stoppages, slowdowns, boycotts, disturbances, strikes, picketing or labor disputes affecting any participant in the Project or affecting any part of the Project as a whole, but Subcontractor shall have exclusive control and responsibility for its own labor relations. No such condition shall excuse Subcontractor from the obligation to diligently prosecute the work, unless, in the opinion of General Contractor, or if so determined by the chief local law enforcement officer, there is clear and substantial danger of bodily harm or property damage to Subcontractor's employees if they should undertake to enter the project site and perform their work. If Subcontractor has pre-hiring collective bargaining agreements, Subcontractor represents that they contain or have been modified to contain provisions prohibiting any strike, slow down, picketing, secondary boycotts or work stoppage during performance of the Sublet Work, and that the acceptance of the Sublet Work from General Contractor on this project does not violate such agreement.

#### 15. LIENS

To the extent permitted by law, Subcontractor, for itself and all of its lower tier subcontractors and all laborers, mechanics and materialmen hereby waive and agree not to claim any lien against the Sublet Work, but shall rely solely upon the general credit of General Contractor. Subcontractor shall pay or cause to be paid when due, all bills for labor, materials, equipment or services

connected with the Sublet Work, and shall not itself assert any lien or permit any lien to be asserted or maintained against the Project or any funds or land involved in the Project. General Contractor may pay directly any such valid obligation of Subcontractor, and Subcontractor shall indemnify General Contractor against any such obligation.

#### 16. TITLE TO AND RESPONSIBILITY FOR SUBLET WORK AND MATERIALS

The Sublet Work in progress and all of the Owner and General Contractor-furnished items and all of Subcontractor-furnished material, equipment, plant, facilities, fabricated items, supplies, drawings, data, and contract rights intended for the Sublet Work shall be the property of General Contractor from the earliest moment of identification to the Sublet Work, subject to General Contractor's obligation to pay the price in accordance with the Subcontract. Notwithstanding General Contractor's or Owner's title thereto, Subcontractor shall be responsible for the care, custody, control and safekeeping and preservation of all Owner-furnished, General Contractor-furnished, or Subcontractor-furnished labor, materials, plant equipment, supplies and other things to promptly repair or replace any such which is damaged or lost, and to complete the Sublet Work and to deliver the Sublet Work complete and in accordance with all provisions and requirements hereof at the time specified. Except as otherwise provided in the Subcontract Terms or the Special Conditions, Subcontractor shall bear, without right of reimbursement, the full risk of loss or damage to the Sublet Work and all materials, equipment and other things.

#### 17. SUBCONTRACTING OR ASSIGNMENT

Subcontractor shall not assign this subcontract or any funds due hereunder. Subcontractor shall not subcontract any portion of the Sublet Work without the prior written approval by General Contractor of the lower tier subcontractor and of the form, terms and conditions of the lower tier subcontract. No assignment or subcontracting, even with General Contractor's approval, shall relieve Subcontractor of any obligations hereunder, or create any contractual relationship between such sub-subcontractor and General Contractor or Owner. Any lower tier subcontractor shall assume unto General Contractor all of the obligations of Subcontractor as they relate to such portion of the Sublet Work.

#### 18. RECORDS AND ACCOUNTS

Subcontractor shall maintain good accounting and personnel records reflecting performance of the Sublet Work and shall preserve such records for a period of two years after completion and acceptance of the Project as a whole. General Contractor shall have the right to inspect and audit such part of the records as relate to cost reimbursement or performance of labor related provisions. Copies of documents and records supporting requests for payment or compliance with labor related provisions shall be furnished General Contractor with such request or at such other times as General Contractor directs.

#### 19. BONDS

If instructed by General Contractor in writing, Subcontractor shall provide a Performance Bond and a Payment Bond in form and with corporate surety satisfactory to General Contractor, at any time required by General Contractor, whether before commencement of the Sublet Work or at any time prior to completion and acceptance of the Sublet Work. General Contractor will separately reimburse Subcontractor the premium cost thereof set forth in the Subcontract Terms unless otherwise expressly provided. General Contractor may terminate this Subcontract for default or exercise the rights provided in Paragraph 10 of these General Conditions if Subcontractor should fail to provide such bond when requested.

#### 20. INDEMNITY

Subcontractor hereby indemnifies and holds harmless General Contractor and Owner from any loss, cost, damage

or liability from injury or death of any person, including Subcontractor or its employees, or damage or destruction of any property, arising from or in connection with the Sublet Work whether or not there be concurring negligence by General Contractor or Owner, but Subcontractor does not hereby assume responsibility for the sole negligence of General Contractor or Owner.

## 21. INSURANCE

Subcontractor shall provide insurance, with provisions against cancellation without thirty (30) days prior written notice, for the benefit of Subcontractor, General Contractor and Owner and with waiver of subrogation against all participants in the Project, in form and with underwriters satisfactory to General Contractor, with minimum coverages and limits as follows:

- |                                                                                                                                                                                                         |                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| (a) Workmen's Compensation                                                                                                                                                                              | Statutory                                 |
| (b) Employer's Liability                                                                                                                                                                                | \$ 100,000                                |
| (If marine operations are involved, the limits shall be \$250,000 per person and \$500,000 per accident)                                                                                                |                                           |
| (c) Comprehensive General and Automobile Liability                                                                                                                                                      |                                           |
| Bodily Injury - per person                                                                                                                                                                              | \$ 100,000                                |
| - per accident                                                                                                                                                                                          | \$ 300,000                                |
| Property Damage                                                                                                                                                                                         | \$ 100,000                                |
| with blanket contractual, products and completed operations liability endorsements, and with xc exclusion deleted.                                                                                      |                                           |
| (d) Hull and protection and indemnity for any marine vessels, with General Contractor, Owner and their affiliates being co-insured.                                                                     | Full Value, but not less than \$1,000,000 |
| (e) Such other available insurance or increased limits as General Contractor may request, the premium cost of which shall be directly reimbursable unless otherwise specified in the Subcontract Terms. |                                           |

Subcontractor shall forward its insurance certificate stating the names and addresses of its insurance carriers and certifying that its insurance coverages meet the requirements of General Condition 21.

## 22. INSURANCE ON CONSTRUCTION EQUIPMENT

Subcontractor shall fully insure, or self-insure and assumes all risk of loss of, or damage to, Subcontractor's construction equipment and tools, facilities and structures, however caused, including losses caused by vandals or theft, or by the negligence of others, including General Contractor or Owner. Subcontractor agrees to indemnify and hold harmless Owner and General Contractor from any such loss or liability regardless of any provision for reimbursement of uninsured losses.

## 23. USE OF GENERAL CONTRACTOR'S OR OWNER'S EQUIPMENT

If any construction equipment, tools, marine vessels, facilities, or services of General Contractor or Owner be furnished to Subcontractor or used by Subcontractor, on an exclusive or joint use basis, Subcontractor shall inspect and satisfy itself as to the safety and condition thereof and shall return same to General Contractor or Owner after such use in good order and condition and in at least as good condition as that in which received, fair wear and use excepted. Subcontractor shall at its own cost and without right of reimbursement, insure or self-insure all risks associated with such use and shall indemnify General Contractor and Owner against any liability or cost for injury to, or death of, persons or damage or destruction of property connected with such use even if General Contractor or Owner should be negligent in relation to such equipment or items used.

## 24. PERMITS, LICENSES, LAND RIGHTS

General Contractor will provide all licenses and permits required for the Project as a whole to be constructed. Subcontractor shall provide all licenses and permits required for Subcontractor to perform the Sublet Work, including [without limitation], contractors' licenses, specialty permits required by law to be issued to Subcontractor, and transportation permits. General Contractor will provide access to the work site and easements or land rights in the work site, but Subcontractor shall comply with all restrictions, limitations, terms and conditions relative thereto and Subcontractor shall obtain such additional easements and land rights as Subcontractor may require.

## 25. PATENTS AND PROPRIETARY RIGHTS

Subcontractor shall pay all royalties and obtain all licenses required for items specified to be furnished by Subcontractor, and for all items and methods selected by Subcontractor for the Sublet Work. General Contractor shall pay all royalties and obtain all licenses required for the Project as a whole or for Owner-furnished or General Contractor-furnished items. Subcontractor shall give prompt notice to General Contractor of any claim of infringement of any patent or proprietary right, and Subcontractor and General Contractor shall cooperate in the defense and disposition of any such claim or suit. The party obligated to furnish the license shall defend and indemnify the other party.

## 26. WARRANTY

Subcontractor guarantees and warrants that all materials furnished by Subcontractor and workmanship furnished by Subcontractor shall comply with the specifications and other requirements of the contract and shall be free of defects for a period of one year after completion and acceptance of the Project as a whole by the Owner, or one year after placement of the Sublet Work in service, whichever is earlier. With respect to items of manufactured equipment specified by General Contractor and purchased by Subcontractor from others, Subcontractor warrants that the equipment is as specified, and agrees to pass on and assign to General Contractor (or to Owner if directed by General Contractor) the manufacturer's warranty and Subcontractor shall prosecute the enforcement thereof in cooperation with General Contractor, but Subcontractor shall have no further quality or performance warranty responsibility with respect to such items of manufactured equipment.

## 27. PARTIAL OCCUPANCY AND USE

General Contractor and Owner shall have access to the Sublet Work at all times. General Contractor and Owner may occupy and use any portion of the Sublet Work which is sufficiently completed to permit such occupancy and use, provided there is no substantial interference with performance of the balance of the Sublet Work. Such partial occupancy and use shall not relieve Subcontractor of the obligation to complete all of the Sublet Work strictly in accordance with the requirements of this Subcontract.

## 28. CONFIDENTIALITY

Subcontractor shall not publicize, publish, or photograph the Project, the Sublet Work, or this Subcontract, except by consent of General Contractor and in compliance with General Contractor's regulations for the Project. Subcontractor will maintain in confidence and not use or disclose any confidential proprietary information of General Contractor or Owner. Subcontractor will execute, and if requested will cause its employees or agents to execute, such form of written secrecy agreement, further defining this confidentiality agreement, as is required of other participants in the Project. All plans, specifications, data and other material relating to the Project shall be delivered to General Contractor, on request, when no longer required by Subcontractor for performance of the Sublet Work.

**29. INDEPENDENT CONTRACTOR**

Subcontractor shall perform the Sublet Work as an independent contractor with exclusive control of the manner and means of performing the Sublet Work in accordance with the requirements of the Contract, unless an agency or other relationship is specified in the Subcontract Terms. Subcontractor has no authority to act or make any agreements or representation on behalf of General Contractor or Owner, and no contractual relationship exists between Subcontractor and Owner. No employee or agent engaged by Subcontractor shall be, or shall be deemed to be, an employee or agent of General Contractor or Owner. In the event General Contractor should, at the request of Subcontractor, furnish workmen to Subcontractor for any purpose to work under the direction and supervision of Subcontractor, such employees of General Contractor shall be deemed to be the borrowed servants of Subcontractor and Subcontractor shall be responsible for their actions while so engaged.

**30. LAWS**

This Subcontract is entered into in Houston, Texas, and shall be construed and governed by the laws of the State of Texas. Subcontractor shall comply with all laws, statutes, ordinances, rules and regulations of any governmental entity, having jurisdiction, and Subcontractor shall indemnify and hold harmless the Owner and General Contractor from any fines, penalties, costs or liability arising from Subcontractor's failure to comply therewith.

**31. DISPUTES**

All questions arising under this Subcontract shall be resolved in the first instance by General Contractor's project manager. No claim for additional compensation or extension of time shall be considered unless presented to General Contractor's project manager in writing within ten (10) days after the occurrence giving rise to the dispute. Any claim not satisfactorily resolved by General Contractor's project manager in the first instance, and which is presented in writing within the time provided, may be appealed by notice in writing to the project manager within ten (10) days after the project manager's initial decision, (a) to the engineer for the Project if the issue is interpretation of the drawings or specifications, or compliance of the Sublet Work therewith, in which event the engineer's decision shall be final, (b) to an Executive Officer of General Contractor as provided under Article 10 if the claim arises under Article 10, or (c) to an Executive Officer of General Contractor if any other question under the Subcontract is involved. Such review shall be a prerequisite to any further relief.

**32. PROGRESS PAYMENTS AND FINAL PAYMENT**

Progress payments will be made by General Contractor to Subcontractor monthly or at other intervals specified, in accordance with the Subcontract Terms. All progress payments are Trust Funds to be applied by Subcontractor to payment for labor, materials, equipment, services and supplies for the Sublet Work. With each request for progress payment, Subcontractor shall submit proper evidence, including affidavits and certificates, as may be requested by General Contractor showing: (a) the portion of the Sublet Work completed, (b) compliance with all requirements of this Subcontract, (c) payment of all bills, and (d) that no lien exists or could be claimed arising from the Sublet Work. General Contractor may withhold from progress payments ten percent (10%) of the amount earned, as retainage until final completion and acceptance (unless otherwise provided in the Subcontract terms), and in addition may withhold such amount as may be reasonably required to assure compliance by Subcontractor with the terms of this Subcontract. General Contractor may pay directly any obligation of Subcontractor arising under this Subcontract and withhold such payment from amounts otherwise due Subcontractor. Subcontractor shall submit with his request for final payment similar evidence and such expressions of warranty and indemnity as are re-

quired herein and a release of further claims against Owner or General Contractor. Subcontractor indemnifies General Contractor and Owner against any cost or liability, including attorney's fees, for failure of Subcontractor to perform all its obligations and pay all of its bills as required by this Subcontract.

**33. APPLICATION TO COST REIMBURSEMENT TERMS**

These General Conditions define the obligations, responsibilities and relationships of Subcontractor and General Contractor, and apply without change whether the terms for payment are fixed price or cost reimbursable or a combination thereof. The price and other payments to be made to Subcontractor for performance of the obligations of these General Conditions are provided for in the Subcontract Terms or other portions of this Subcontract.

**34. NOTICES**

Notices of changes, deficiencies, delays, claims or disputes shall be in writing, and shall furnish full information to the extent available. The party notified will acknowledge receipt by endorsement of a copy if requested, or will otherwise confirm receipt in writing. Ordinarily, notice will be given by delivery to the General Contractor's project manager, or Subcontractor's designated representative at the site, respectively, and mailing a copy to the address shown in the Subcontract Terms. To avoid difficulty in delivery of Notice, sufficient Notice shall be deemed to have been given by mailing by Registered or Certified Mail or equivalent, to the address shown in the Subcontract Terms.

**35. INTEGRATION**

The entire agreement between General Contractor and Subcontractor and all negotiations, proposals, representations and interpretations have been integrated into and superseded by the written provisions of this Subcontract. This Subcontract shall be valid and in force when signed by both parties and delivered and the parties understand that thereafter no person is authorized to amend this Subcontract except by agreement in writing and signed with equal formality. These General Conditions may be modified by the Special Conditions for the Project or by the Subcontract terms; and the Special Conditions for the Project may be modified by the Subcontract Terms, and as so modified it is intended that all terms and provisions of this Subcontract shall be construed in harmony and with equal dignity and effect.

NOTE: This Affidavit is to be executed and returned with final or retainage invoice.

# BROWN & ROOT, INC.

P.O. Box 3 Houston, Texas 77001

## "AFFIDAVIT FOR SUBCONTRACTOR"

RE: SUBCONTRACT

NO. \_\_\_\_\_

Name of Subcontractor: \_\_\_\_\_

Date of Subcontract: \_\_\_\_\_

Name of Owner under General Contract: \_\_\_\_\_

WHEREAS, The above-named Subcontractor, heretofore, entered into the above-referenced Subcontract with BROWN & ROOT, INC., as a General Contractor for performance by Subcontractor of Sublet Work under the above-referenced General Contract; and

WHEREAS, Under said Subcontract certain monies are not due and payable unto Subcontractor until all bills for labor, material and other charges arising in the performance of the Sublet Work have been fully paid by the above Subcontractor;

NOWHEREFORE, For the purpose of inducing BROWN & ROOT, INC., to pay over such monies unto the above Subcontractor, the undersigned affiant does depose, say, affirm and represent to BROWN & ROOT, INC., that all bills for labor, material, re-sublet work, equipment rental, taxes, insurance and all other charges arising in the performance of the Sublet Work have been fully paid by or for the above Subcontractor, except as follows:

Title: \_\_\_\_\_

Name: \_\_\_\_\_

For Subcontractor

SUBSCRIBED AND SWORN TO before me this the \_\_\_\_\_ day  
of \_\_\_\_\_, 19\_\_\_\_\_, to certify which witness my hand and seal of office.

NOTARY PUBLIC

County of \_\_\_\_\_

State of \_\_\_\_\_

NOTE: This Affidavit is to be executed and returned with final or retainage invoice.

**BROWN & ROOT, INC.**

P.O. Box 3 Houston, Texas 77001

**"AFFIDAVIT FOR SUBCONTRACTOR"**

RE: SUBCONTRACT

NO. \_\_\_\_\_

Name of Subcontractor: \_\_\_\_\_

Date of Subcontract: \_\_\_\_\_

Name of Owner under General Contract: \_\_\_\_\_

WHEREAS, The above-named Subcontractor, heretofore, entered into the above-referenced Subcontract with BROWN & ROOT, INC., as a General Contractor for performance by Subcontractor of Sublet Work under the above-referenced General Contract; and

WHEREAS, Under said Subcontract certain monies are not due and payable unto Subcontractor until all bills for labor, material and other charges arising in the performance of the Sublet Work have been fully paid by the above Subcontractor;

NOWHEREFORE, For the purpose of inducing BROWN & ROOT, INC., to pay over such monies unto the above Subcontractor, the undersigned affiant does depose, say, affirm and represent to BROWN & ROOT, INC., that all bills for labor, material, re-sublet work, equipment rental, taxes, insurance and all other charges arising in the performance of the Sublet Work have been fully paid by or for the above Subcontractor, except as follows:

Title: \_\_\_\_\_

Name: \_\_\_\_\_

For Subcontractor

SUBSCRIBED AND SWORN TO before me this the \_\_\_\_\_ day  
of \_\_\_\_\_, 19\_\_\_\_, to certify which witness my hand and seal of office.

NOTARY PUBLIC

County of \_\_\_\_\_

State of \_\_\_\_\_

EXX 004775

F-7 (1-77)

|              |                                              |
|--------------|----------------------------------------------|
| \$ 26,570.00 | Original amount and previous change order(s) |
| 2,658.00     | ADDITION BY THIS CHANGE ORDER                |
| \$ -0-       | DEDUCTION BY THIS CHANGE ORDER               |
| \$ 29,228.00 | AMENDED TOTAL                                |



### SUBCONTRACT CHANGE ORDER

|                                                |                                                  |
|------------------------------------------------|--------------------------------------------------|
| <input type="checkbox"/> ORIGINAL NOTIFICATION | <input checked="" type="checkbox"/> CONFIRMATION |
|------------------------------------------------|--------------------------------------------------|

|                                 |                            |
|---------------------------------|----------------------------|
| Page 1 OF 1                     | Date 03/03/80              |
| Change Order No. ONE (1)        | Req. No. 027-31298         |
| Subcontract Number 27-5793-5000 |                            |
| Job Number 27-5793              | Accounting Code (005) 1097 |

#### ▼ SUBCONTRACTOR ▼

12176624  
STONABER  
2508 FAIRWAY DRIVE  
HOUSTON, TEXAS 77092

ATTN: MR. DOUG ROBEY/JOB NO. 323-79-T

THE TERMS AND CONDITIONS FORMING THE ORIGINAL SUBCONTRACT ARE MADE A PART OF THIS CHANGE ORDER EXCEPT TO THE EXTENT MODIFIED ON THE FACE HEREOF.

THE FOLLOWING CHANGES ARE HEREBY MADE TO THE ABOVE REFERENCED SUBCONTRACT.

| DESCRIPTION |
|-------------|
|-------------|

REFER TO BASIC SUBCONTRACT NO. 27-5793-5000 AND AMEND AS FOLLOWS:

ADD TO SUBCONTRACT PRICE THE FOLLOWING MATERIAL AND LABOR ESCALATION COSTS DUE TO A DELAY IN PROJECT NOT THE FAULT OF SUBCONTRACTOR:

- 1) MATERIAL ESCALATION COSTS ..... \$1,598.00
- 2) LABOR ESCALATION COSTS ..... \$1,060.00

TOTAL LUMP SUM ADDITION THIS CHANGE ORDER NO. ONE (1) ..... \$2,658.00

TO ENSURE PROMPT PAYMENT OF INVOICES, SUBCONTRACTOR SHALL SIGN THIS CHANGE ORDER, RETAIN THE ORIGINAL MARKED "SUBCONTRACTOR COPY" FOR THE FILES, AND RETURN ALL OTHER COPIES TO THE FOLLOWING ADDRESS:

BROWN & ROOT, INC.  
P. O. BOX 3  
HOUSTON, TEXAS 77001

ATTN: K.J. MCCOY (01-129F)

KJM/bds

PRIOR TO GENERAL CONTRACTOR MAKING PAYMENT FOR THE CHANGES SET FORTH IN THIS CHANGE ORDER, SUBCONTRACTOR SHALL CUTE THIS CHANGE ORDER AND RETAIN THE ORIGINAL FOR HIS FILES. ALL OTHER COPIES ARE TO BE RETURNED TO GENERAL TRACTOR AS STATED IN THE BODY OF THIS CHANGE ORDER.

| SUBCONTRACTOR             |             | BROWN & ROOT, INC. - GENERAL CONTRACTOR |             |
|---------------------------|-------------|-----------------------------------------|-------------|
| SIGNATURE                 | DATE SIGNED | SIGNATURE                               | DATE SIGNED |
| <i>Arvis L. Brown V-P</i> | 3-7-80      | <i>DE. Newton</i>                       | 03/04/80    |

P-13 (5-79)

EXX 004776

27-5793  
Contract File  
Bue

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



February 25, 1980

Contract No. L-00-1097-A

Exxon Co., U. S. A.  
P. O. Box 4019  
Baytown, TX 77520

ATTENTION: MR. BILL BECKMAN

Gentlemen:

In response to our verbal conversation, we are submitting for your consideration a request for a change order in the amount of \$2,658.00 (Two Thousand Six Hundred and Fifty-Eight Dollars) to the above contract. This request is in reference to the request made to Brown & Root, Inc., by our insulating subcontractor, Stonaber, Inc. Their request is based on labor and material escalation cost incurred due to the delay of this project. This delay was caused by the delay in receiving the exchangers furnished by Exxon.

Please find enclosed a copy of the letter to Brown & Root, Inc., from Stonaber, Inc.

Your consideration to the above request will be appreciated.

Very truly yours,

BROWN & ROOT, INC.

B. M. Holt

BMH/lja

Attachment

|                                                                         |                      |
|-------------------------------------------------------------------------|----------------------|
| CONTRACT CHANGE ORDER NO. <u>2</u>                                      |                      |
| CONTRACT NO. <u>L-00-1097-A</u>                                         | DATE: <u>7-31-79</u> |
| ADDITION / <del>DELETION</del> \$ <u>2,658.00</u>                       |                      |
| EXXON COMPANY, U.S.A.<br><small>A DIVISION OF EXXON CORPORATION</small> |                      |
| APPROVED: <u>B. Beckman</u>                                             |                      |
| DATE: <u>2-28-80</u>                                                    |                      |
| EXCERPTS <u>A</u>                                                       |                      |
| PROJ. ENG. <u>R.N. French</u>                                           | OWNER: <u>MEK</u>    |

EXX 004777

27-5793  
Contract File  
BRL

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



October 10, 1979

Contract No. L-00-1097-A

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

ATTENTION: MS. BETTY T. WRIGHT

Gentlemen:

We will perform the additional work described by Design Change #1 for a lump sum price of \$5,302.00. This additional work will necessitate 10 days extension to the original contract schedule, provided we are authorized to proceed immediately.

Yours very truly,

BROWN & ROOT, INC.

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

BMH/lja

|                        |               |
|------------------------|---------------|
| Breakdown:             |               |
| Labor + 44%            | \$2,218.00    |
| Materials + 10%        | 1,465.00      |
| Subcontracts + 10%     | 1,276.00      |
| Equipment + 40% F.O.G. | <u>343.00</u> |
| Total                  | \$5,302.00    |

|                                                                          |                    |
|--------------------------------------------------------------------------|--------------------|
| CONTRACT CHANGE ORDER NO. <u>1</u>                                       |                    |
| CONTRACT NO. <u>L-00-1097A</u>                                           | DATE: <u>10/17</u> |
| ADDITION/(DELETION) \$ <u>5302.00</u>                                    |                    |
| EXXON COMPANY, U.S. A.<br><small>A DIVISION OF EXXON CORPORATION</small> |                    |
| APPROVED: <u><i>CE Bud</i></u>                                           |                    |
| DATE: <u>10-17-79</u>                                                    |                    |
| EXCERPTS                                                                 |                    |
| PROJ. ENG: <u>R. N. FRENCH</u>                                           | TYPE: <u>A</u>     |

EXX 004778

17-5793  
Contract File

AGREEMENT

Charge: SI-13101-I

Contract Number: L-00-1097-A

THIS CONTRACT (hereinafter referred to as CONTRACT) is entered into this 27<sup>th</sup> day of July 1979, by and between Exxon Company, U.S.A., (a division of Exxon Corporation), hereinafter referred to as "EXXON," and BROWN & ROOT, INC. hereinafter referred to as "CONTRACTOR," having an office located at P. O. Box 4060, Baytown, Texas 77520

The CONTRACT shall consist of this Agreement, the Exhibits and Specifications named herein, any Change Orders authorized pursuant to ARTICLE 11 - CHANGES and any cost plus or time and material change work billable in accordance with the ARTICLE 2 - CONTRACT PRICE AND PAYMENT.

WITNESSETH: That in consideration of the covenants and agreements set out herein and the payments provided for herein EXXON and CONTRACTOR agree as follows:

1. SCOPE OF WORK

A. 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 (hereinafter referred to as "WORK") briefly described as follows:

| <u>Designation</u> | <u>Title</u>                                                                     | <u>Date</u>   |
|--------------------|----------------------------------------------------------------------------------|---------------|
| Specifications     | Specifications for Installation of Exchangers E-59-1 and 2 and E-60-1 and 2, MEK | June 13, 1979 |
| Exhibit "A"        | Installation of Exchangers E-59-1 and 2 and E-60-1 and 2, MEK                    | June 13, 1979 |

Contractor agrees to begin work immediately upon award of Contract and will make every effort to complete the work on or before December 16, 1979.

2. CONTRACT PRICE AND PAYMENT

A. For satisfactory performance of WORK by CONTRACTOR, EXXON, will, subject to the provisions of ARTICLE 7 - PERFORMANCE, COMPLETION, AND ACCEPTANCE, pay CONTRACTOR in accordance with the following terms:

(1) A lump-sum price of ONE HUNDRED TWENTY-FOUR THOUSAND TWO HUNDRED FIFTY-NINE AND NO/100 (\$124,259.00) DOLLARS.

EXX 004779

Contract L-00-1097-A

Material

In addition to the materials listed in Exhibit "A," Paragraph 1.2 D, Exxon will also furnish the following:

"Two Each, Six-Inch by Four-Inch, Venturi Pattern Gate Valves,  
300-Pound, Symbol Number 92064-816"

When these valves are needed contact Mr. J. W. Thomas on Telephone  
Number 428-3003.

Welding Boxes

In the event welding boxes are required, Contractor will furnish and  
install the boxes for the following rates:

Spark-Proof Boxes, Each-----\$500  
Pressurized Boxes, Each-----\$600

(2) The price shall be adjusted only for changes. In the event of a change of scope from that covered by the above lump-sum amount, if authorized by EXXON, such change may at EXXON'S option require a price adjustment authorized by a lump-sum Contract Change Order as set forth in ARTICLE 11 - CHANGES or may be authorized by Contract Change Order or Field Change authorization on the basis of cost-plus or time-and-material provisions contained in CONTRACTOR'S latest letter on file with EXXON, entitled "Rates for Time and Material Changes." CONTRACTOR agrees that small tools and equipment (under \$250 value) and consumable supplies are included in CONTRACTOR'S labor rates. CONTRACTOR owned equipment, furnished by CONTRACTOR on a time-and-material basis, shall be operated by and under the control and supervision of CONTRACTOR in performing SERVICES.

Any materials CONTRACTOR purchases on a reimbursable cost-plus basis, which materials become an integral part of the completed facility, shall be purchased tax free by CONTRACTOR and resold to EXXON. EXXON will accrue and pay all Texas use tax on such materials under its Direct Payment Exemption Certificate 3000165008. CONTRACTOR understands and agrees that EXXON'S responsibility for accruing State sales or use tax is limited to materials which become a permanent part of the facility. CONTRACTOR shall be responsible for State sales or use tax on all other materials and supplies consumed (e.g., consumable supplies and small tools, etc.), and including tax on any materials purchased by CONTRACTOR as required in performing any lump-sum units of work (e.g., fixed price, fixed rates, and unit prices which include both labor and materials in the unit).

B. Invoices are to be submitted in triplicate pursuant to applicable invoicing standards listed in the specifications for lump-sum invoicing and/or reimbursable cost invoicing. Invoices shall be mailed to Exxon Company, U.S.A., Accounts Payable, P. O. Box 4019, Baytown, Texas 77520, and shall become due and payable thirty (30) days after receipt by EXXON, but shall be subject to Paragraph 7B hereof at EXXON'S discretion. Invoices shall clearly identify WORK description, CONTRACT number, and the Charge Number listed above. In the event WORK is performed on a cost-plus or time-and-material basis, invoices shall be supported by (1) the original copy of daily time sheets for labor and equipment signed in permanent ink by CONTRACTOR and REPRESENTATIVE, (2) copies of vendors and subcontractors invoices for materials, rental tools, and equipment which are billable to EXXON'S account. Time sheet forms as described in the specifications will be furnished by EXXON for CONTRACTOR'S use. Invoices for CONTRACTOR owned equipment shall be classified "SERVICES" and not "RENTAL."

C. For any portion of this CONTRACT which cost-plus, or time-and-material provisions are applicable, EXXON'S Representative shall have access, at all reasonable times, to all CONTRACTOR'S and Subcontractor's personnel, books, records, correspondence, instructions, plans, drawings, receipts, vouchers, and memorandums of every description pertaining to WORK under CONTRACT for the purpose of auditing and verifying costs of WORK upon prior notice to CONTRACTOR. EXXON'S Representatives shall have the right to reproduce any of the aforesaid documents. In the event lump-sum elements are included under CONTRACT along with any cost-plus, or time-and-material items, then audit rights shall also extend to include EXXON'S access to those CONTRACTOR'S and Subcontractor's records pertaining to lump-sum elements that are needed to provide for assurance that the portions of the WORK performed on a cost-plus, or time-and-material basis are not being charged with costs which are by their nature intended to be covered by lump sums. CONTRACTOR shall preserve and shall cause its Subcontractors to preserve all the appropriate above-mentioned documents for periods of three years after the completion and acceptance or termination of WORK.

### 3. SAFETY AND SECURITY

A. CONTRACTOR shall comply with all of the terms and conditions contained in EXXON'S publication entitled "Contractors' Responsibilities for Safety, Plant Security, and Traffic Regulations," dated April 1, 1978, said publication being made a part of this CONTRACT by reference. EXXON will furnish copies of this publication to the CONTRACTOR. The rules and regulations contained in the "Contractors' Responsibilities" shall apply to all Subcontractors and their employees as well as the CONTRACTOR and its employees. Before starting work under CONTRACT, CONTRACTOR shall obtain from EXXON copies of these regulations. CONTRACTOR shall notify its employees, its Subcontractors, and the employees of its Subcontractors of the provisions of said regulations and shall secure compliance therewith by all such parties; and CONTRACTOR shall not allow any of such persons to begin WORK inside EXXON'S Baytown Refinery until such notification has been given them.

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

### 4. COMPLIANCE WITH SPECIFICATIONS

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

### 5. INDEMNITY AND INSURANCE

It is understood and agreed that all WORK performed by CONTRACTOR hereunder shall meet with the approval of EXXON'S engineers or inspectors but that the detailed manner and method of doing same shall be under the control of CONTRACTOR, EXXON being interested only in the result obtained, and that CONTRACTOR is an independent CONTRACTOR as to all WORK performed hereunder. In regard to all WORK performed hereunder, CONTRACTOR and EXXON agree as follows:

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

(1) From injury, including death, to CONTRACTOR'S employees and to employees of CONTRACTOR'S Subcontractors when such injury, including death, results in whole or in part from the negligence or willful acts of CONTRACTOR, its employees, agents, or subcontractors and the negligence or willful acts of EXXON, its employees, agents, or subcontractors, but not when such injury, including death, results solely from the negligence or willful acts of EXXON'S employees, agents, or subcontractors.

(2) From (a) injuries to or deaths of persons, including employees and representatives of EXXON, which result in whole or in part from the willful acts or negligence of CONTRACTOR, its employees, agents, or subcontractors, or (b) damage to property of EXXON and all other persons, which results in whole or in part from the negligence or willful acts of CONTRACTOR, its employees, agents, or subcontractors, except that CONTRACTOR shall not be responsible for damage to EXXON'S property not covered by insurance required in Paragraph B below.

(3) From damage to property or injury to or deaths of persons which result in whole or in part from willful acts or the negligence of CONTRACTOR, its employees, agents, or subcontractors, in connection with the handling and use of utilities furnished by EXXON except that CONTRACTOR shall not be responsible or liable for such damage to EXXON'S property not covered by insurance required in Paragraph B below.

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

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

(2) Comprehensive General Liability Insurance covering

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

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

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

(4) CONTRACTOR shall not be required to furnish insurance other than, or in excess of, the amounts above stated, but CONTRACTOR shall continue other or excess insurance which CONTRACTOR may normally carry and have in effect.

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

6. SATISFACTION OF CLAIMS

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

7. PERFORMANCE - COMPLETION AND ACCEPTANCE

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

B. CONTRACTOR agrees that upon the completion by it and acceptance by EXXON of the work herein contracted for it will furnish EXXON with proof satisfactory to the latter that all claims for labor and material have been satisfied and paid and that there are no unsatisfied claims for injuries to persons or property, and thereupon the amount due as herein provided shall be paid by EXXON to CONTRACTOR within 30 calendar days after receipt of final invoice, subject, however, to the right in EXXON to withhold payments in accordance with the provisions of ARTICLE 5469, Texas Revised Civil Statutes of 1925, and all amendments thereto or other provision of law applicable. It is agreed that upon request of CONTRACTOR and upon showing to the satisfaction of EXXON that all claims for labor and material and for damages to persons and property, as above provided, have been satisfied, EXXON, in the event it considers it safe to do so, will advance at approximately fifteen (15) day intervals up to ninety percent (90%) of the value of the WORK then completed, based upon estimates by EXXON'S engineers or inspectors in which event the balance will be paid upon completion and acceptance of the WORK and compliance with the terms and provisions hereof. Payment pursuant to the terms of this paragraph shall not preclude the right of EXXON from thereafter disputing any of the items involved.

C. CONTRACTOR agrees that in the event any lien or liens are fixed or attempted to be fixed, secured, or claimed against EXXON or EXXON'S property by any person or firm, corporation, artisan, laborer, mechanic, or subcontractor who furnished services or materials in connection with the performance of this CONTRACT, CONTRACTOR will within ten (10) days following notification by EXXON that such lien or liens have been fixed or attempted to be fixed, secured, or claimed, furnish EXXON a bond in an amount equal to twice the value of the lien or liens.

Such bond shall be executed by a corporate surety authorized to do business under the laws of the State of Texas and shall comply in all respects with the requirements of Article 5472c, Vernon's Annotated Texas Statutes. CONTRACTOR further agrees to file such bond with the County Clerk of Harris County, Texas, and to take all steps necessary to assure that prompt notice of such filing is given to the obligees named therein. CONTRACTOR further agrees that the giving of such bond shall be in addition to any other rights of EXXON or obligations of CONTRACTOR under this CONTRACT and shall in no way be construed as abrogating or qualifying such rights and obligations.

#### 8. LAWS AND REGULATIONS

A. In performing its obligations hereunder, CONTRACTOR shall comply with and secure compliance by its Subcontractors of all applicable federal, state, and municipal laws, and all applicable orders, rules, and regulations of constituted authority.

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

C. This CONTRACT is X is not \_\_\_\_\_ subject to Certificate of Compliance---Federal Contract Supplement, as amended, a copy of which is made a part hereof and either is attached hereto for your signature and return or which has been previously filed with EXXON.

#### 9. GUARANTEES AND WARRANTIES

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

#### 10. TOOLS AND EQUIPMENT

In the event EXXON loans or furnishes tools or equipment to CONTRACTOR in connection with its WORK covered hereunder, CONTRACTOR agrees:

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

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

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

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

For the purpose of this Paragraph 10, tools and equipment shall be defined to include scaffolds, lights, and all other types of apparatus, facilities, or services which EXXON may loan or furnish.

#### 11. CHANGES

EXXON may from time to time, by written instructions or drawings issued to CONTRACTOR, require additional WORK and services directly in connection with or incidental to the work covered by this CONTRACT; and EXXON may by such instructions or drawings, require CONTRACTOR to alter, change, accelerate, or omit any WORK covered by this CONTRACT. In the event EXXON desires any such additions, changes, alterations, accelerations or omissions which will materially increase or decrease the total CONTRACT price referred to in Article 2 - Contract Price and Payment, CONTRACTOR shall submit to EXXON an estimate of such increase or decrease. Should EXXON desire to proceed in accordance with such estimate, EXXON shall issue to CONTRACTOR a Contract Change Order describing the WORK to be added or deleted and the corresponding price addition or deduction thereof, or alternate basis for payment if Change is to be performed on cost-plus or time-and-material basis. Field Changes may also be authorized by EXXON'S Field Representative in the event conditions develop during the progress of WORK which would significantly impact progress and costs if not expediently authorized. If Contractor has not obtained a Contract Change Order, or Field Change Authorization signed by EXXON'S appointed Representative, no claim for additional compensation will be allowed. The provisions of this CONTRACT except as may be otherwise provided shall apply to all such additions, changes, or alterations as if they were embodied in the original drawings and specifications.

#### 12. SUBCONTRACTS AND ASSIGNMENT OF CONTRACT

CONTRACTOR shall secure EXXON'S prior written approval as to any Subcontractor covering any portion of the WORK provided for hereunder. No such approval shall relieve CONTRACTOR from any of the obligations of this CONTRACT, and, as between the parties hereto, CONTRACTOR shall be and remain liable as if no such Subcontract had been made. No Subcontract shall bind or purport to bind EXXON but shall contain a provision permitting assignment thereof by CONTRACTOR to EXXON.

CONTRACTOR shall not assign any of its rights or obligations hereunder, or any sum that may accrue to CONTRACTOR hereunder, without consent of EXXON. Such consent shall not be unreasonably withheld.

13. CONFIDENTIALITY INFORMATION AND PATENTS

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

(1) Technical information which at the time of disclosure by EXXON to CONTRACTOR is in the public domain;

(2) Technical information which, after disclosure by EXXON to CONTRACTOR, becomes part of the public domain by publication or otherwise; and

(3) Technical information which CONTRACTOR can show was in CONTRACTOR'S possession at the time of EXXON'S disclosure to CONTRACTOR and was not acquired, directly or indirectly, from EXXON.

B. CONTRACTOR agrees that CONTRACTOR will not, without the written permission of EXXON, use the technical information which CONTRACTOR is required to keep confidential under this CONTRACT for any purpose other than the accomplishment of WORK under this CONTRACT.

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

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

14. TERMINATION AND RIGHTS

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

B. CONTRACTOR'S obligations under ARTICLE 2-C as it pertains to audit and Article 13 of this CONTRACT shall survive any termination of this CONTRACT.

15. CONFLICT OF INTEREST AND ETHICS

A. CONTRACTOR shall exercise reasonable care and diligence to prevent any actions or conditions which could result in a conflict with EXXON'S best interests. This obligation shall apply to the activities of the employees and agents of CONTRACTOR in their relations with the employees, and their families, of (1) EXXON and (2) third parties who are subcontractors or furnish services, equipment, or material to accomplish work hereunder. CONTRACTOR'S efforts shall include, but not be limited to, establishing precautions to prevent CONTRACTOR'S employees or agents from offering, making, providing, or receiving gifts, entertainment, payments, loans, or other considerations for the purpose of influencing any person to act contrary to EXXON'S best interests. In addition, CONTRACTOR shall receive EXXON'S prior approval before use of a subcontractor, or any party, to furnish services, equipment, or materials, who is owned or controlled by the CONTRACTOR or CONTRACTOR'S owner(s), employees, or their families.

B. CONTRACTOR agrees to comply with all laws and lawful regulations applicable to any activities carried out in the name of or on behalf of EXXON under the provisions of this AGREEMENT and/or any amendments to it.

C. CONTRACTOR agrees that all financial settlements, billings, and reports rendered to EXXON, as provided for in this agreement and/or any amendments to it, will reflect properly the facts about all activities and transactions handled for the account of EXXON, which data may be relied upon as being complete and accurate in any further recording and reporting made by EXXON, for whatever purpose.

D. CONTRACTOR agrees to notify EXXON promptly upon discovery of any instance where the CONTRACTOR fails to comply with Provisions A, B, and C above.

16. ENTIRE AGREEMENT

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.

This CONTRACT constitutes the entire agreement between the parties hereto and supersedes all prior negotiations, representations, or agreements related to this CONTRACT, either written or oral, including EXXON'S investigation for proposals and CONTRACTOR'S proposals, except to the extent they are expressly incorporated herein. No changes, alterations, or notifications to this agreement shall be effective unless in writing and signed by the parties hereof.

17. APPLICABLE LAW

This CONTRACT shall be governed and interpreted according to the laws of the State of Texas.

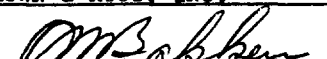
18. HEADINGS

The paragraph headings of this CONTRACT are for the convenience of the parties only and are not a part of this CONTRACT and do not in any way limit or amplify the terms or provisions of this CONTRACT.

By the signature of duly authorized representatives below, the parties hereto have executed this CONTRACT in duplicate originals as of the day and year first above written.

BROWN & ROOT, INC.

By

  
(Name and Title)  
O. M. BAKKEN, VICE PRESIDENT

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

By



Contract Coordinator  
Materials Department

WLB:mea

(R. N. French)

OFFICE MEMO  
BROWN & ROOT, INC.

TO: THOSE CONCERNED

FROM: GENE KERNAN

SEPTEMBER 14, 1979

SUBJECT: NEW JOB ASSIGNMENTS--INDUSTRIAL-CIVIL DEPARTMENT

THE FOLLOWING JOB NUMBERS HAVE BEEN ASSIGNED TO THE INDUSTRIAL-CIVIL DEPARTMENT TO COVER THE FOLLOWING NEW CONTRACTS:

| <u>JOB NO.</u> | <u>JOB DESCRIPTION</u>                                                                                                |
|----------------|-----------------------------------------------------------------------------------------------------------------------|
| 27-4206        | JET RESEARCH, INC. - INSTALL MAGAZINE STORAGE AND RELATED FACILITIES AT MANSFIELD, TEXAS                              |
| 27-4207        | ETHYL CORPORATION - PERFORM MISCELLANEOUS CONSTRUCTION IN HOUSTON, TEXAS                                              |
| 27-4208        | EXXON COMPANY, U.S.A. - PERFORM MISCELLANEOUS CONSTRUCTION WORK IN BAYTOWN, TEXAS                                     |
| ✓ 27-5793      | EXXON COMPANY, U.S.A. - INSTALL EXCHANGERS IN BAYTOWN, TEXAS                                                          |
| 27-5794        | EXXON CHEMICAL CO., U.S.A. - CONSTRUCT A B.O.P. HYDROGEN BOOSTER COMPRESSOR AT THE CYCLOHEXANE UNIT IN BAYTOWN, TEXAS |
| 27-5795        | ARCO CHEMICAL CO. - CONSTRUCT A 200 LB. STEAM EXPORT PROJECT AT OLEFINS PLANT IN CHANNELVIEW, TEXAS                   |
| 27-5797        | EXXON COMPANY, U.S.A. - REPLACE PUMP DRIVERS AT COOLING TOWER IN BAYTOWN, TEXAS                                       |

*Gene Kernan*

EXX 004790

☒ ORIGINAL  
☐ REVISION

3-11 JOB NUMBER 5793

DATE 8-29-79

| DEPT. | NUMBER | SUFFIX |
|-------|--------|--------|
|-------|--------|--------|

STATE CITY  
CODE CODE

12 CONTRACT  
TYPE

|   |                                     |             |
|---|-------------------------------------|-------------|
| 1 | <input checked="" type="checkbox"/> | FIXED PRICE |
| 2 | <input type="checkbox"/>            | COST PLUS   |
| 3 | <input type="checkbox"/>            | JOINT VENT  |
| 9 | <input type="checkbox"/>            | ASSOC. CO'S |

13 ACCOUNTING  
LOCATION

1 ☒ HOME OFFICE

2 ☐ PROJECT OFFICE

9 ☐ OTHER

**14 OWNER**

1 ☒ BROWN & ROOT

2 ☐ ASSOC. CO'S

3 ☐ JOINT VENTURE

9 ☐ OTHER

2 ☐ JOBSUFFIX  
3 ☐ SPECIAL SUFFIX

INDUSTRY  
TYPE

|         |                                           |        |
|---------|-------------------------------------------|--------|
| 20 - 21 | <input type="text" value="01"/>           | PREFIX |
| 22 - 23 | <input type="text" value="04"/>           | NUMBER |
| 24 - 25 | <input type="text"/> <input type="text"/> | SUFFIX |

|       |               |    |
|-------|---------------|----|
| 26-27 | DIVISION      | 27 |
| 28-33 | SECONDARY JOB |    |

SECONDARY JOB 27-0000

SECONDARY DIV. 12

1 ☐ MARINE  
2 ☒ OTHER

17

37-43

### THIRD JOB

| CONTRACT | AMOUNT | TYPE |
|----------|--------|------|
| 1        | 1000   | 1    |
| 2        | 2000   | 2    |
| 3        | 3000   | 3    |
| 4        | 4000   | 4    |
| 5        | 5000   | 5    |
| 6        | 6000   | 6    |
| 7        | 7000   | 7    |
| 8        | 8000   | 8    |
| 9        | 9000   | 9    |
| 10       | 10000  | 10   |
| 11       | 11000  | 11   |
| 12       | 12000  | 12   |
| 13       | 13000  | 13   |
| 14       | 14000  | 14   |
| 15       | 15000  | 15   |
| 16       | 16000  | 16   |
| 17       | 17000  | 17   |
| 18       | 18000  | 18   |
| 19       | 19000  | 19   |
| 20       | 20000  | 20   |
| 21       | 21000  | 21   |
| 22       | 22000  | 22   |
| 23       | 23000  | 23   |
| 24       | 24000  | 24   |
| 25       | 25000  | 25   |
| 26       | 26000  | 26   |
| 27       | 27000  | 27   |
| 28       | 28000  | 28   |
| 29       | 29000  | 29   |
| 30       | 30000  | 30   |
| 31       | 31000  | 31   |
| 32       | 32000  | 32   |
| 33       | 33000  | 33   |
| 34       | 34000  | 34   |
| 35       | 35000  | 35   |
| 36       | 36000  | 36   |
| 37       | 37000  | 37   |
| 38       | 38000  | 38   |
| 39       | 39000  | 39   |
| 40       | 40000  | 40   |
| 41       | 41000  | 41   |
| 42       | 42000  | 42   |
| 43       | 43000  | 43   |
| 44       | 44000  | 44   |
| 45       | 45000  | 45   |
| 46       | 46000  | 46   |
| 47       | 47000  | 47   |
| 48       | 48000  | 48   |
| 49       | 49000  | 49   |
| 50       | 50000  | 50   |
| 51       | 51000  | 51   |
| 52       | 52000  | 52   |
| 53       | 53000  | 53   |
| 54       | 54000  | 54   |
| 55       | 55000  | 55   |
| 56       | 56000  | 56   |
| 57       | 57000  | 57   |
| 58       | 58000  | 58   |
| 59       | 59000  | 59   |
| 60       | 60000  | 60   |
| 61       | 61000  | 61   |
| 62       | 62000  | 62   |
| 63       | 63000  | 63   |
| 64       | 64000  | 64   |
| 65       | 65000  | 65   |
| 66       | 66000  | 66   |
| 67       | 67000  | 67   |
| 68       | 68000  | 68   |
| 69       | 69000  | 69   |
| 70       | 70000  | 70   |
| 71       | 71000  | 71   |
| 72       | 72000  | 72   |
| 73       | 73000  | 73   |
| 74       | 74000  | 74   |
| 75       | 75000  | 75   |
| 76       | 76000  | 76   |
| 77       | 77000  | 77   |
| 78       | 78000  | 78   |
| 79       | 79000  | 79   |
| 80       | 80000  | 80   |
| 81       | 81000  | 81   |
| 82       | 82000  | 82   |
| 83       | 83000  | 83   |
| 84       | 84000  | 84   |
| 85       | 85000  | 85   |
| 86       | 86000  | 86   |
| 87       | 87000  | 87   |
| 88       | 88000  | 88   |
| 89       | 89000  | 89   |
| 90       | 90000  | 90   |
| 91       | 91000  | 91   |
| 92       | 92000  | 92   |
| 93       | 93000  | 93   |
| 94       | 94000  | 94   |
| 95       | 95000  | 95   |
| 96       | 96000  | 96   |
| 97       | 97000  | 97   |
| 98       | 98000  | 98   |
| 99       | 99000  | 99   |
| 100      | 100000 | 100  |

|   |                                     |                 |
|---|-------------------------------------|-----------------|
| 1 | <input checked="" type="checkbox"/> | DOLLAR AMOUNT   |
| 2 | <input type="checkbox"/>            | CONTINUOUS WORK |
| 9 | <input type="checkbox"/>            | OTHER           |

| 74 | JOB | STATUS |
|----|-----|--------|
|----|-----|--------|

1 ☒ ACTIVE  
☐ CLOSED & REOPENED  
☐ COMPLETED

| YEAR | MONTH |
|------|-------|
|------|-------|

108 TITLE

79-80 CARD CODE

EXXON COMPANY, U.S.A. → INSTAL EXCHANGES IN BAYTOWN, TEXAS

PA-112A (

**PREPARED BY**

1.2

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

ACCOUNTING DEPARTMENT 8/9/79  
DM: (DATE)  
SUBJECT: JOB NUMBER ASSIGNMENT - Brown & Root, Inc. - Industrial-Civil  
(COMPANY) (DEPARTMENT)  
JOB INDUSTRY TYPE: Industrial Piping SUB-DIVISION: Baytown Field Office

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

OWNER: Exxon Company, U. S. A.

PRIME CONTRACTOR: Brown & Root, Inc.

CONTRACT DATE: 7/27/79

DESCRIPTION OF WORK AND LOCATION: Installation of exchangers E-59-1 and 2, and E-60-1 and 2.

in Baytown, Texas

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

JOINT VENTURE ( ), OTHER ( ), (EXPLAIN)

ESTIMATED COMPLETION DATE: 12/16/79 OR CONTINUOUS ( )

CONTRACT AMOUNT: \$ 124,259.00 ACTUAL ( ☒ ), ESTIMATED ( )

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

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

PERCENT RETAINED: 10 % OF progress billing amount.

OTHER ( ), (EXPLAIN)

TO BE COMPLETED ONLY FOR JOINT VENTURES:

PARTNERS AND PARTICIPATION:

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

\_\_\_\_\_, \_\_\_\_\_ %

\_\_\_\_\_, \_\_\_\_\_ %

ATTACH FINANCING CURVE OR CASH FORECAST:

JOB NUMBER ASSIGNED: 27-5793  
Contract copy attached

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

J. Labbe  
(SIGNATURE OF EMPLOYEE REQUESTING JOB NUMBER)

Labbe BAUGH

Form A-56 (1/76)

ACCOUNTING

EXX 004792

27-5794 EXXON CHEMICAL CO., U.S.A.  
CONTRACT FILES

EXX 004793

GENERAL  
ACCOUNTING  
DEPARTMENT

PLEASE

RETURN TO CONTRACT FILE SAME DAY WITHDRAWN;

OR

LOCK IN FILE & FILE OVERNIGHT;

AND

RETURN PERMANENT TO CONTRACT FILE AS SOON

AS POSSIBLE.

ADVISE FILE GUARDIAN IF CONTRACT LEAVES  
YOUR LOCATION.

01-465-1-6

27-5778 EXXON COMPANY, U.S.A.  
BEGINNING 1980 see 53-5778  
CONTRACT FILES

EXX 004612

OFFICE MEMO  
BROWN & ROOT, INC.

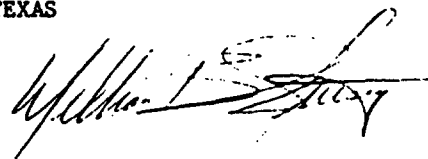
TO: THOSE CONCERNED

FROM: WILLIAM B. STUESSY MAY 8, 1979

SUBJECT: NEW JOB ASSIGNMENTS--INDUSTRIAL-CIVIL DEPARTMENT

THE FOLLOWING JOB NUMBERS HAVE BEEN ASSIGNED TO THE INDUSTRIAL-CIVIL DEPARTMENT TO COVER THE FOLLOWING NEW CONTRACTS:

| <u>JOB NO.</u> | <u>JOB DESCRIPTION</u>                                                                                               |
|----------------|----------------------------------------------------------------------------------------------------------------------|
| 27-4191        | KEITH DEWAR GOLF COURSE CONSTRUCTION, INC. - CONSTRUCT SITE WORK FOR THE LOCHINUAR GOLF COURSE IN HOUSTON, TEXAS     |
| 27-4192        | WELEX, INC. - CONSTRUCT SITE WORK AND PAVING IN HARRIS COUNTY, TEXAS                                                 |
| 27-4193        | F.M.C. CORPORATION - CONSTRUCT WELLHEAD EQUIPMENT PLANT IN BROWNWOOD, TEXAS                                          |
| 27-4194        | CHAMPLIN PETROLEUM COMPANY - PROVIDE SURVEY TEAM FOR THE FOSTER WHEELER OFFICE IN HOUSTON, TEXAS                     |
| 27-4195        | JOY INDUSTRIAL EQUIPMENT COMPANY - CONSTRUCT OFFICE REMODELING AND EXPANSION AT 5306 CLINTON DRIVE IN HOUSTON, TEXAS |
| 27-4196        | WELEX, INC. - CONSTRUCT AN ALL WOOD DUAL INDUCTION TEST BUILDING IN HOUSTON, TEXAS                                   |
| 27-5775        | WHARTON COUNTY - CONSTRUCT COUNTY ROAD IMPROVEMENTS IN PRECINCT NO. 1 IN WHARTON COUNTY, TEXAS                       |
| 27-5777        | EXXON COMPANY, U.S.A. - CONSTRUCT PIPING FOR LAGOON NO. 3 RECYCLE DOCK IN BAYTOWN, TEXAS                             |
| ✓27-5778       | EXXON COMPANY, U.S.A. - CONSTRUCT SITE WORK FOR AERATION LAGOON NORTH ROAD AND LEVEE REPAIR IN BAYTOWN, TEXAS        |
| 27-5779        | HARRIS COUNTY - CONSTRUCT ASPHALTIC CONCRETE SURFACE ON EAST MOUNT HOUSTON ROAD IN HARRIS COUNTY, TEXAS              |
| 27-5780        | HARRIS COUNTY - CONSTRUCT ASPHALTIC CONCRETE SURFACE ON ALDINE-WESTFIELD ROAD IN HARRIS COUNTY, TEXAS                |
| 27-5781        | AMERADA HESS CORPORATION - CONSTRUCT SHIP DOCK IN GALENA PARK, TEXAS                                                 |
| 27-5782        | ARCO CHEMICAL COMPANY - CONSTRUCT PHASE I OF THE WATER TREATMENT FACILITIES AT U.S.S. CHEMICALS IN HOUSTON, TEXAS    |



EXX 004613

BROWN & ROOT, INC.  
NEW JOB ASSIGNMENT

☒ ORIGINAL  
☐ REVISION

1-2 ☐ 01

3-11 JOB NUMBER

27157781

DATE

04-30-79

CO. CODE

DEPT. NUMBER SUFFIX

STATE CODE CITY CODE

12 CONTRACT TYPE

- ☒ 1 FIXED PRICE  
☐ 2 COST PLUS  
☐ 3 JOINT VENTURE  
☐ 9 ASSOC. COS

13 ACCOUNTING LOCATION

- ☒ 1 HOME OFFICE  
☐ 2 PROJECT OFFICE  
☐ 9 OTHER

14 OWNER

- ☒ 1 BROWN & ROOT  
☐ 2 ASSOC. COS  
☐ 3 JOINT VENTURE  
☐ 9 OTHER

15 SPECIAL CODES

- ☐ 2 JOB SUFFIX  
☐ 3 SPECIAL SUFFIX

INDUSTRY TYPE

20-21 ☐ 01 PREFIX  
22-23 ☐ 01 NUMBER  
24-25 ☐ SUFFIX

26-27 DIVISION

☐ 27

28-23 SECONDARY JOB 27-0003

35-36 SECONDARY DIV. ☐ 13

16 JOB CLASSIFICATION

- ☐ 1 MARINE  
☒ 2 OTHER

37-42 THIRD JOB

34 CONTRACT AMOUNT TYPE  
☒ 1 DOLLAR AMOUNT  
☐ 2 CONTINUOUS WORK  
☐ 9 OTHER

74 JOB STATUS

- ☒ ACTIVE  
☐ 1 CLOSED & REOPENED  
☐ COMPLETED

YEAR MONTH

YEAR MONTH

JOB TITLE

79-80 CARD CODE

|                       |    |         |                          |                          |
|-----------------------|----|---------|--------------------------|--------------------------|
| EXXON COMPANY, I.A.S. | 9. | -       | CONSTRUCT. SITE          | WORK FOR OPERATION LAB60 |
| ON NORTH ROAD AND     | 4  | EVERETT | REPAIR IN BAYTOWN, TEXAS |                          |

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

TO: ACCOUNTING DEPARTMENT  
FROM: R. W. LaRose  
SUBJECT: JOB NUMBER ASSIGNMENT - Brown & Root, Inc. - I-CD  
(COMPANY) (DEPARTMENT)  
JOB INDUSTRY TYPE: CIVIL SUB-DIVISION: Paving Dept.

April 24, 1979

(DATE)

I-CD

(DEPARTMENT)

(COMPANY)

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

OWNER: Exxon Company, U.S.A.

PRIME CONTRACTOR: Brown & Root, Inc.

CONTRACT DATE: 4-11-79 - See Job 27-5777 Contract File

DESCRIPTION OF WORK AND LOCATION: Site work for Aeration Lagoon North Road and  
Levee Repair - located in City of Baytown, Texas

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

ESTIMATED COMPLETION DATE: October 15, 1979 OR CONTINUOUS ( ).

CONTRACT AMOUNT: \$ 684,625.00 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:

NOTE: 4% Texas Use Tax  
1% Baytown Use Tax

PARTNERS AND PARTICIPATION:

SPONSOR: , %

, %

, %

TACH FINANCING CURVE OR CASH FORECAST:

JOB NUMBER ASSIGNED: 27-5778

R. W. LaRose  
(SIGNATURE OF EMPLOYEE REQUESTING JOB NUMBER)

CC: ORIGINAL - ACCOUNTING  
DUPLICATE - RETAINED  
TRIPPLICATE - TREASURY/CREDIT  
QUADRUPPLICATE - PURCHASING

Form A-56 (1/76)

EXX 004615



PAGE 1 OF 3

Brown &amp; Root, Inc.

P O Box 3, Houston, Texas 77001

DATE

MAY 21, 1979

ORIGINAL NOTIFICATION CONFIRMATION

XXX

P TO

BROWN &amp; ROOT, INC.

C/O EXXON CO. U.S.A.  
BAYTOWN, TEXAS

F.O.B.

JOBSITE

PROJECT &amp; ACCOUNT NO.

NUMBER BELOW MUST BE  
SHOWN ON ALL SHIPMENTS,  
INVOICES AND CORRESPONDENCE

SHIP VIA

P. O. NO.

27-5778-5000

SHIPMENT PROMISED BY  
PER B&R PROJECT  
MRG'S SCHEDULETERMS  
GEN. COND. 32  
10% RETAINAGE

REQ. NO.

027-17208

27-5778(5)

TO  
06965214  
HYDRO TURF OF HOUSTON  
14295 SCHIELLER RD.  
HOUSTON, TEXAS 77082

SELLER WILL SIGN AND RETURN CARBON COPY  
OF THIS PURCHASE ORDER ACCEPTING ALL TERMS  
AND CONDITIONS UNDER WHICH IT IS ISSUED  
PLEASE RENDER INVOICES IN QUADRUPPLICATE

SELLER MUST SIGN AND RETURN ACCEPTANCE COPY. THIS CONTRACT CONSISTS OF PAGE 1 BEARING SIGNATURES, AS MANY  
ADDITIONAL NUMBERED PAGES AS SHOWN ABOVE. THE PRINTED TERMS AND CONDITIONS ON ATTACHMENT NO. 1, AND OTHER  
ATTACHMENTS REFERRED TO.

| ITEM | QUANTITY | UNIT | DESCRIPTION | UNIT PRICE | AMOUNT |
|------|----------|------|-------------|------------|--------|
|------|----------|------|-------------|------------|--------|

WHEREVER THE TERMS "PURCHASE ORDER" AND "CONTRACT" APPEAR ON THIS  
FORM THEY SHALL BOTH BE CONSTRUED TO MEAN "SUBCONTRACT". WHEREVER  
THE TERM "SELLER" APPEARS ON THIS FORM IT SHALL BE CONSTRUED TO  
MEAN "SUBCONTRACTOR". WHEREVER THE TERM "BUYER" APPEARS ON THIS  
FORM IT SHALL BE CONSTRUED TO MEAN "GENERAL CONTRACTOR".

THE ATTACHED GENERAL CONDITIONS (FORM P-50 1/79) ARE HEREBY  
INCORPORATED AS PART OF THIS SUBCONTRACT.

#### 1.0 SUBLET WORK

1.1 SUBCONTRACTOR SHALL PROVIDE ALL MATERIALS, LABOR, EQUIP-  
MENT, TOOLS, SUPERVISION, INSURANCE AND ALL OTHER  
ITEM(S) NECESSARY TO FURNISH AND PLACE HYDRO MULCH SEED-  
ING ON THE LEVEE SLOPES LOCATED AT THE EXXON CO. U.S.A.  
FACILITY IN BAYTOWN TEXAS, ACCORDING TO PLANS AND  
SPECIFICATIONS ATTACHED HERETO AND MADE A PART OF THIS  
SUBCONTRACT DOCUMENT AS PREPARED BY EXXON COMPANY, U.S.A.  
PLAN NO. 291-140-59, DATED 2-23-79.

1.2 SUBCONTRACTOR SHALL PERFORM THE SUBLET WORK IN STRICT  
ACCORDANCE WITH THE DIRECTIVES OF THE GENERAL CONTRACTOR'S  
JOB SUPERINTENDENT OR HIS DULY AUTHORIZED REPRESENTATIVE.

#### 2.0 SUBCONTRACT PRICE

2.1 GENERAL CONTRACTOR AGREES TO PAY SUBCONTRACTOR FOR COM-  
plete, satisfactory, and timely performance of sublet  
work in strict compliance with the requirements of the  
subcontract documents. Payments shall be based on firm  
unit prices as set forth hereunder including all  
applicable sales/use taxes and estimated in the  
aggregate to be . . . . . \$2,700.00

McCoy/BC

NOED USE  
MATERIAL

SEEDING LEVEES AT EXXON CO. U.S.A. IN BAYTOWN,  
TEXAS  
REQUISITIONER

J. C. DODSON

BROWN &amp; ROOT, INC.

BUYER

DATE

S. S. Mather for D. E. Newton 6/6/79  
SELLER ACCEPTANCE SIGNATURE DATE

5/12/79

SELLER'S COPY

EXX 004616

PAGE 2 OF 3

P. O. NO.

27-5778-5000

PURCHASE ORDER CONTINUATION

| ITEM | QUANTITY | UNIT | DESCRIPTION | UNIT PRICE | AMOUNT |
|------|----------|------|-------------|------------|--------|
|------|----------|------|-------------|------------|--------|

- 2.2 THE FOLLOWING FIRM UNIT PRICE SHALL APPLY TO THE SUBLET WORK OF THIS SUBCONTRACT AND THE BASIS FOR ESTABLISHING THE FINAL DOLLAR VALUE OF THIS SUBCONTRACT SHALL BE DETERMINED FROM THE FINAL FIELD MEASURED QUANTITY OF THE INSTALLED ITEM LISTED BELOW:

| DESCRIPTION                         | QUANTITY | UNIT    | UNIT PRICE |
|-------------------------------------|----------|---------|------------|
| INSTALLATION OF HYDRO MULCH SEEDING | 6,000    | SQ. YD. | \$ .45     |

### 3.0 TIME OF PERFORMANCE

- 3.1 SUBCONTRACTOR SHALL COMMENCE SUBLET WORK AS DESCRIBED HEREIN ON OR ABOUT JULY 1, 1979, AND SHALL PERFORM ALL WORK IN A DILIGENT MANNER UNTIL ALL ASPECTS OF THE WORK ARE COMPLETE.
- 3.2 SUBCONTRACTOR SHALL CONTACT GENERAL CONTRACTOR'S PROJECT MANAGER PRIOR TO MOVE ON IN ORDER TO SCHEDULE AND CO-ORDINATE THE SUBLET WORK.

### 4.0 PAYMENT AND PERFORMANCE BONDS

THERE IS NO REQUIREMENT AT THIS TIME TO FURNISH SEPARATE 100% PAYMENT AND PERFORMANCE BONDS. HOWEVER, GENERAL CONTRACTOR MAY AT ANYTIME DURING THE COURSE OF THIS SUBCONTRACT REQUIRE SUCH BONDS TO BE FURNISHED IN ACCORDANCE TO GENERAL CONDITION 19. IF BONDS ARE REQUIRED AT A LATER DATE, THE PREMIUM SHALL BE REIMBURSABLE TO THE SUBCONTRACTOR.

### 5.0 INSURANCE CERTIFICATES

- 5.1 SUBCONTRACTOR SHALL FORWARD IT'S INSURANCE CERTIFICATE STATING THE NAMES ITS INSURANCE CARRIER(S) AND CERTIFYING THAT ITS INSURANCE COVERAGE MEETS WITH THE REQUIREMENTS OF GENERAL CONDITION 21.
- 5.2 SUBCONTRACTOR INSURANCE CERTIFICATES SHALL REFERENCE THE PROJECT AND SUBCONTRACT NO., AND SHALL MAIL ONE COPY TO THE FOLLOWING ADDRESS PRIOR TO ARRIVAL AT THE JOB SITE:

BROWN & ROOT, INC.  
P. O. BOX 3  
HOUSTON, TEXAS 77001

ATTN: K. J. MCCOY  
(01-116)

THIS CONTRACT CONSISTS OF PAGE 1 BEARING SIGNATURES, AS MANY ADDITIONAL NUMBERED PAGES AS SHOWN ABOVE, ~~AND~~ ~~THE~~ ~~CONDITIONS~~ ~~AND~~ ~~OTHER~~ ~~ATTACHMENTS~~ ~~REFERRED~~ ~~TO.~~

SELLER'S COPY

EXX 004617

|              |   |    |   |
|--------------|---|----|---|
| PAGE         | 3 | OF | 3 |
| P. O. NO.    |   |    |   |
| 27-5778-5000 |   |    |   |

## PURCHASE ORDER CONTINUATION

| ITEM | QUANTITY | UNIT | DESCRIPTION | UNIT PRICE | AMOUNT |
|------|----------|------|-------------|------------|--------|
|------|----------|------|-------------|------------|--------|

6.0 INVOICE

SUBCONTRACTOR SHALL SUBMIT INVOICES IN QUADRUPLICATE ACCORDING TO THE PROVISIONS SET FORTH IN GENERAL CONDITION 32 AND AS MODIFIED HEREIN TO THE FOLLOWING ADDRESS:

BROWN & ROOT, INC.  
P. O. BOX 3  
HOUSTON, TEXAS 77001

ATTN: J. WILLIAMS  
(BLDG. 19)

7.0 AFFIDAVIT

TWO COPIES OF THE GENERAL CONTRACTOR'S "AFFIDAVIT FOR SUBCONTRACTOR" (FORM P-7) ARE ATTACHED. SUBCONTRACTOR SHALL EXECUTE AND RETURN ONE COPY WITH HIS FINAL OR RETAINAGE INVOICE.

8.0 ACKNOWLEDGMENT

TO ENSURE PROMPT PAYMENT OF INVOICES, PLEASE EXECUTE AND RETURN THE ACCEPTANCE COPY TO THE EXACT ADDRESS SHOWN BELOW ON OR BEFORE JUNE 1, 1979.

BROWN & ROOT, INC.  
P. O. BOX 3  
HOUSTON, TEXAS 77001

ATTN: K. J. McCOY  
(01-116)

THIS CONTRACT CONSISTS OF PAGE 1 BEARING SIGNATURES, AS MANY ADDITIONAL NUMBERED PAGES AS SHOWN ABOVE, ~~AND~~  
~~AND OTHER ATTACHMENTS REFERRED TO.~~

SENDER'S COPY

EXX 004618

PLEASE RETURN TO  
**GENERAL  
ACCOUNTING  
DEPARTMENT**

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

01-465-1-6

27-5783 EXXON COMPANY, U.S.A.  
CONTRACT FILES

EXX 004619

\$ 2,600.00

ORIGINAL ORDER  
MENTS BY PREVCLUDING AMEND-  
CHANGE ORDERS

PURCHASE

CHANGE

ORDER

ADDITION BY THIS CHANGE ORDER

\$ 2,600.00

DEDUCTION BY THIS CHANGE ORDER

\$ -0-

AMENDED TOTAL

BUYER

BROWN &amp; ROOT, INC.

P. O. BOX 3

HOUSTON, TEXAS 77001

DATE

JOB NO. &amp; ACCOUNT

6-15-79

27-5783 (5)

CHANGE

ORDER NO

ONE (1)

TO

P.O NO 27-5783-5000

SHIPMENT

PROMISED

N/A

ORIGINAL  
NOTIFICATION

CONFIRMATION

XXX

11408598

TO SELLER:

SERVICE PAINTING CO.

P. O. BOX 2353

BEAUMONT, TEXAS 77704

NO CHANGES IN OR CANCELLATIONS OF PURCHASE  
ORDERS WILL BE RECOGNIZED UNLESS AUTHORIZED  
BY THIS CHANGE ORDER FORM ISSUED ONLY BY THE  
PROCUREMENT DIVISION. THE TERMS AND CONDITIONS  
AS AGREED TO AND FORMING THE ORIGINAL CONTRACT  
ARE MADE A PART OF THIS CHANGE EXCEPT TO THE  
EXTENT MODIFIED ON THE FACE HEREOF

SELLER WILL SIGN AND RETURN CARBON COPY OF THIS CHANGE ORDER  
THE PROCUREMENT DIVISION HAS MADE THE FOLLOWING CHANGES IN THE ABOVE NUMBERED PURCHASE ORDER

| ITEM | QUANTITY | UNIT | DESCRIPTION | UNIT PRICE | AMOUNT |
|------|----------|------|-------------|------------|--------|
|------|----------|------|-------------|------------|--------|

REFER TO BASIC SUBCONTRACT NO. 27-5783-5000 AND AMEND AS FOLLOWS:

DELETED:

THE SUBJECT SUBCONTRACT IS HEREBY DELETED IN ITS ENTIRETY.

SUBCONTRACTOR SHALL EXECUTE AND RETURN THE ACKNOWLEDGMENT COPY  
OF THIS CHANGE ORDER NO. ONE (1) TO THE FOLLOWING ADDRESS:

BROWN &amp; ROOT, INC.

P. O. BOX 3

HOUSTON, TEXAS 77001

ATTN: K. J. MC COY

THE TERMS AND CONDITIONS CONTAINED IN SUBCONTRACT NO. 27-5783-5000  
DATED MAY 21, 1979 SHALL REMAIN IN FULL FORCE AND EFFECT AND SHALL  
GOVERN THIS SUBCONTRACT CHANGE ORDER EXCEPT AS MAY BE MODIFIED ON  
THE FACE OF THIS SUBCONTRACT CHANGE ORDER. WHEREVER THE TERM  
"PURCHASE CHANGE ORDER" APPEARS IN THESE DOCUMENTS, IT SHALL MEAN  
"SUBCONTRACT CHANGE ORDER". WHEREVER THE TERM "SELLER" APPEARS  
IN THESE DOCUMENTS, IT SHALL MEAN "SUBCONTRACTOR". WHEREVER THE  
TERM "BUYER" APPEARS, IT SHALL MEAN "GENERAL CONTRACTOR". WHERE  
EVER THE TERM "PURCHASE ORDER" APPEARS IN THESE DOCUMENTS, IT  
SHALL MEAN "SUBCONTRACT".

6-15-79  
MC COY/pt  
REASON FOR CHANGE

PROJECT CANCELLED

CHANGED BY

ROYCE FALKNER

|                             |  |                    |  |
|-----------------------------|--|--------------------|--|
| BUYER                       |  | BROWN & ROOT, INC. |  |
| DATE                        |  | 6-19-79            |  |
| SELLER ACCEPTANCE SIGNATURE |  | DATE               |  |
| 7-22-79                     |  |                    |  |

ACCEPTANCE COPY

LIBRARY

EXX 004620

CONTRACT FILE

27-5783

AGREEMENT

Charge: 01209

Contract Number: D-00-1005-A

THIS CONTRACT (hereinafter referred to as CONTRACT) is entered into this 2nd day of May 1979, by and between Exxon Company, U.S.A., (a division of Exxon Corporation), hereinafter referred to as "EXXON," and BROWN & ROOT, INC. hereinafter referred to as "CONTRACTOR," having an office located at P. O. Box 4060, Baytown, Texas 77520.

The CONTRACT shall consist of this Agreement, the Exhibits and Specifications named herein, any Change Orders authorized pursuant to ARTICLE 11 - CHANGES and any cost plus or time and material change work billable in accordance with the ARTICLE 2 - CONTRACT PRICE AND PAYMENT.

WITNESSETH: That in consideration of the covenants and agreements set out herein and the payments provided for herein EXXON and CONTRACTOR agree as follows:

1. SCOPE OF WORK

A. 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 (hereinafter referred to as "WORK") briefly described as follows:

| <u>Designation</u> | <u>Title</u>                                   | <u>Date</u>    |
|--------------------|------------------------------------------------|----------------|
| Specifications     | Specifications for Flood Protection, Dock Area | March 29, 1979 |
| Exhibit "A"        | Flood Protection                               | March 29, 1979 |

Note: Belvar BZ-4NE and BZ-350 steel piling will be acceptable in lieu of PZ-27, PZ-32, and PZ-38, steel piling.

Contractor agrees to begin work immediately upon award of Contract and will make every effort to complete the work in 65 working days.

2. CONTRACT PRICE AND PAYMENT

A. For satisfactory performance of WORK by CONTRACTOR, EXXON, will, subject to the provisions of ARTICLE 7 - PERFORMANCE, COMPLETION, AND ACCEPTANCE, pay CONTRACTOR in accordance with the following terms:

(1) A lump-sum price of TWO HUNDRED NINETY-NINE THOUSAND SIX HUNDRED TEN DOLLARS AND NO/100 (\$299,610.00).

EXX 004621

(2) The price shall be adjusted only for changes. In the event of a change of scope from that covered by the above lump-sum amount, if authorized by EXXON, such change may at EXXON'S option require a price adjustment authorized by a lump-sum Contract Change Order as set forth in ARTICLE 11 - CHANGES or may be authorized by Contract Change Order or Field Change authorization on the basis of cost-plus or time-and-material provisions contained in CONTRACTOR'S latest letter on file with EXXON, entitled "Rates for Time and Material Changes." CONTRACTOR agrees that small tools and equipment (under \$250 value) and consumable supplies are included in CONTRACTOR'S labor rates. CONTRACTOR owned equipment, furnished by CONTRACTOR on a time-and-material basis, shall be operated by and under the control and supervision of CONTRACTOR in performing SERVICES.

Any materials CONTRACTOR purchases on a reimbursable cost-plus basis, which materials become an integral part of the completed facility, shall be purchased tax free by CONTRACTOR and resold to EXXON. EXXON will accrue and pay all Texas use tax on such materials under its Direct Payment Exemption Certificate 3000165008. CONTRACTOR understands and agrees that EXXON'S responsibility for accruing State sales or use tax is limited to materials which become a permanent part of the facility. CONTRACTOR shall be responsible for State sales or use tax on all other materials and supplies consumed (e.g., consumable supplies and small tools, etc.), and including tax on any materials purchased by CONTRACTOR as required in performing any lump-sum units of work (e.g., fixed price, fixed rates, and unit prices which include both labor and materials in the unit).

B. Invoices are to be submitted in triplicate pursuant to applicable invoicing standards listed in the specifications for lump-sum invoicing and/or reimbursable cost invoicing. Invoices shall be mailed to Exxon Company, U.S.A., Accounts Payable, P. O. Box 4019, Baytown, Texas 77520, and shall become due and payable thirty (30) days after receipt by EXXON, but shall be subject to Paragraph 7B hereof at EXXON'S discretion. Invoices shall clearly identify WORK description, CONTRACT number, and the Charge Number listed above. In the event WORK is performed on a cost-plus or time-and-material basis, invoices shall be supported by (1) the original copy of daily time sheets for labor and equipment signed in permanent ink by CONTRACTOR and REPRESENTATIVE, (2) copies of vendors and subcontractors invoices for materials, rental tools, and equipment which are billable to EXXON'S account. Time sheet forms as described in the specifications will be furnished by EXXON for CONTRACTOR'S use. Invoices for CONTRACTOR owned equipment shall show the word "SERVICES" and not indicate "RENTAL."

C. For any portion of this CONTRACT which cost-plus, or time-and-material provisions are applicable, EXXON'S Representative shall have access, at all reasonable times, to all CONTRACTOR'S and Subcontractor's personnel, books, records, correspondence, instructions, plans, drawings, receipts, vouchers, and memorandums of every description pertaining to WORK under CONTRACT for the purpose of auditing and verifying costs of WORK upon prior notice to CONTRACTOR. EXXON'S Representatives shall have the right to reproduce any of the aforesaid documents. In the event lump-sum elements are included under CONTRACT along with any cost-plus, or time-and-material items, then audit rights shall also extend to include EXXON'S access to those CONTRACTOR'S and Subcontractor's records pertaining to lump-sum elements that are needed to provide for assurance that the portions of the WORK performed on a cost-plus, or time-and-material basis are not being charged with costs which are by their nature intended to be covered by lump sums. CONTRACTOR shall preserve and shall cause its Subcontractors to preserve all the appropriate above-mentioned documents for periods of three years after the completion and acceptance or termination of WORK.

### 3. SAFETY AND SECURITY

A. CONTRACTOR shall comply with all of the terms and conditions contained in EXXON'S publication entitled "Contractors' Responsibilities for Safety, Plant Security, and Traffic Regulations," dated April 1, 1978, said publication being made a part of this CONTRACT by reference. EXXON will furnish copies of this publication to the CONTRACTOR. The rules and regulations contained in the "Contractors' Responsibilities" shall apply to all Subcontractors and their employees as well as the CONTRACTOR and its employees. Before starting work under CONTRACT, CONTRACTOR shall obtain from EXXON copies of these regulations. CONTRACTOR shall notify its employees, its Subcontractors, and the employees of its Subcontractors of the provisions of said regulations and shall secure compliance therewith by all such parties; and CONTRACTOR shall not allow any of such persons to begin WORK inside EXXON'S Baytown Refinery until such notification has been given them.

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

### 4. COMPLIANCE WITH SPECIFICATIONS

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

### 5. INDEMNITY AND INSURANCE

It is understood and agreed that all WORK performed by CONTRACTOR hereunder shall meet with the approval of EXXON'S engineers or inspectors but that the detailed manner and method of doing same shall be under the control of CONTRACTOR, EXXON being interested only in the result obtained, and that CONTRACTOR is an independent CONTRACTOR as to all WORK performed hereunder. In regard to all WORK performed hereunder, CONTRACTOR and EXXON agree as follows:

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

(1) From injury, including death, to CONTRACTOR'S employees and to employees of CONTRACTOR'S Subcontractors when such injury, including death, results in whole or in part from the negligence or willful acts of CONTRACTOR, its employees, agents, or subcontractors and the negligence or willful acts of EXXON, its employees, agents, or subcontractors, but not when such injury, including death, results solely from the negligence or willful acts of EXXON'S employees, agents, or subcontractors.

(2) From (a) injuries to or deaths of persons, including employees and representatives of EXXON, which result in whole or in part from the willful acts or negligence of CONTRACTOR, its employees, agents, or subcontractors, or (b) damage to property of EXXON and all other persons, which results in whole or in part from the negligence or willful acts of CONTRACTOR, its employees, agents, or subcontractors, except that CONTRACTOR shall not be responsible for damage to EXXON'S property not covered by insurance required in Paragraph B below.

(3) From damage to property or injury to or deaths of persons which result in whole or in part from willful acts or the negligence of CONTRACTOR, its employees, agents, or subcontractors, in connection with the handling and use of utilities furnished by EXXON except that CONTRACTOR shall not be responsible or liable for such damage to EXXON'S property not covered by insurance required in Paragraph B below.

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

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

(2) Comprehensive General Liability Insurance covering

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

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

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

(4) CONTRACTOR shall not be required to furnish insurance other than, or in excess of, the amounts above stated, but CONTRACTOR shall continue other or excess insurance which CONTRACT may normally carry and have in effect.

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

6. SATISFACTION OF CLAIMS

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

7. PERFORMANCE - COMPLETION AND ACCEPTANCE

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

B. CONTRACTOR agrees that upon the completion by it and acceptance by EXXON of the work herein contracted for it will furnish EXXON with proof satisfactory to the latter that all claims for labor and material have been satisfied and paid and that there are no unsatisfied claims for injuries to persons or property, and thereupon the amount due as herein provided shall be paid by EXXON to CONTRACTOR within 30 calendar days after receipt of final invoice, subject, however, to the right in EXXON to withhold payments in accordance with the provisions of ARTICLE 5469, Texas Revised Civil Statutes of 1925, and all amendments thereto or other provision of law applicable. It is agreed that upon request of CONTRACTOR and upon showing to the satisfaction of EXXON that all claims for labor and material and for damages to persons and property, as above provided, have been satisfied, EXXON, in the event it considers it safe to do so, will advance at approximately fifteen (15) day intervals up to ninety percent (90%) of the value of the WORK then completed, based upon estimates by EXXON'S engineers or inspectors in which event the balance will be paid upon completion and acceptance of the WORK and compliance with the terms and provisions hereof. Payment pursuant to the terms of this paragraph shall not preclude the right of EXXON from thereafter disputing any of the items involved.

C. CONTRACTOR agrees that in the event any lien or liens are fixed or attempted to be fixed, secured, or claimed against EXXON or EXXON'S property by any person or firm, corporation, artisan, laborer, mechanic, or subcontractor who furnished services or materials in connection with the performance of this CONTRACT, CONTRACTOR will within ten (10) days following notification by EXXON that such lien or liens have been fixed or attempted to be fixed, secured, or claimed, furnish EXXON a bond in an amount equal to twice the value of the lien or liens.

Such bond shall be executed by a corporate surety authorized to do business under the laws of the State of Texas and shall comply in all respects with the requirements of Article 5472c, Vernon's Annotated Texas Statutes. CONTRACTOR further agrees to file such bond with the County Clerk of Harris County, Texas, and to take all steps necessary to assure that prompt notice of such filing is given to the obligees named therein. CONTRACTOR further agrees that the giving of such bond shall be in addition to any other rights of EXXON or obligations of CONTRACTOR under this CONTRACT and shall in no way be construed as abrogating or qualifying such rights and obligations.

#### 8. LAWS AND REGULATIONS

A. In performing its obligations hereunder, CONTRACTOR shall comply with and secure compliance by its Subcontractors of all applicable federal, state, and municipal laws, and all applicable orders, rules, and regulations of constituted authority.

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

C. This CONTRACT is XX is not \_\_\_\_\_ subject to Certificate of Compliance--Federal Contract Supplement, as amended, a copy of which is made a part hereof and either is attached hereto for your signature and return or which has been previously filed with EXXON.

#### 9. GUARANTEES AND WARRANTIES

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

#### 10. TOOLS AND EQUIPMENT

In the event EXXON loans or furnishes tools or equipment to CONTRACTOR in connection with its WORK covered hereunder, CONTRACTOR agrees:

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

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

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

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

For the purpose of this Paragraph 10, tools and equipment shall be defined to include scaffolds, lights, and all other types of apparatus, facilities, or services which EXXON may loan or furnish.

#### 11. CHANGES

EXXON may from time to time, by written instructions or drawings issued to CONTRACTOR, require additional WORK and services directly in connection with or incidental to the work covered by this CONTRACT; and EXXON may by such instructions or drawings, require CONTRACTOR to alter, change, accelerate, or omit any WORK covered by this CONTRACT. In the event EXXON desires any such additions, changes, alterations, accelerations or omissions which will materially increase or decrease the total CONTRACT price referred to in Article 2 - Contract Price and Payment, CONTRACTOR shall submit to EXXON an estimate of such increase or decrease. Should EXXON desire to proceed in accordance with such estimate, EXXON shall issue to CONTRACTOR a Contract Change Order describing the WORK to be added or deleted and the corresponding price addition or deduction thereof, or alternate basis for payment if Change is to be performed on cost-plus or time-and-material basis. Field Changes may also be authorized by EXXON'S Field Representative in the event conditions develop during the progress of WORK which would significantly impact progress and costs if not expediently authorized. If Contractor has not obtained a Contract Change Order, or Field Change Authorization signed by EXXON'S appointed Representative, no claim for additional compensation will be allowed. The provisions of this CONTRACT except as may be otherwise provided shall apply to all such additions, changes, or alterations as if they were embodied in the original drawings and specifications.

#### 12. SUBCONTRACTS AND ASSIGNMENT OF CONTRACT

CONTRACTOR shall secure EXXON'S prior written approval as to any Subcontractor covering any portion of the WORK provided for hereunder. No such approval shall relieve CONTRACTOR from any of the obligations of this CONTRACT, and, as between the parties hereto, CONTRACTOR shall be and remain liable as if no such Subcontract had been made. No Subcontract shall bind or purport to bind EXXON but shall contain a provision permitting assignment thereof by CONTRACTOR to EXXON.

CONTRACTOR shall not assign any of its rights or obligations hereunder, or any sum that may accrue to CONTRACTOR hereunder, without consent of EXXON. Such consent shall not be unreasonably withheld.

13. CONFIDENTIALITY INFORMATION AND PATENTS

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

(1) Technical information which at the time of disclosure by EXXON to CONTRACTOR is in the public domain;

(2) Technical information which, after disclosure by EXXON to CONTRACTOR, becomes part of the public domain by publication or otherwise; and

(3) Technical information which CONTRACTOR can show was in CONTRACTOR'S possession at the time of EXXON'S disclosure to CONTRACTOR and was not acquired, directly or indirectly, from EXXON.

B. CONTRACTOR agrees that CONTRACTOR will not, without the written permission of EXXON, use the technical information which CONTRACTOR is required to keep confidential under this CONTRACT for any purpose other than the accomplishment of WORK under this CONTRACT.

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

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

14. TERMINATION AND RIGHTS

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

B. CONTRACTOR'S obligations under ARTICLE 2-C as it pertains to audit and Article 13 of this CONTRACT shall survive any termination of this CONTRACT.

15. CONFLICT OF INTEREST AND ETHICS

A. CONTRACTOR shall exercise reasonable care and diligence to prevent any actions or conditions which could result in a conflict with EXXON'S best interests. This obligation shall apply to the activities of the employees and agents of CONTRACTOR in their relations with the employees, and their families, of (1) EXXON and (2) third parties who are subcontractors or furnish services, equipment, or material to accomplish work hereunder. CONTRACTOR'S efforts shall include, but not be limited to, establishing precautions to prevent CONTRACTOR'S employees or agents from offering, making, providing, or receiving gifts, entertainment, payments, loans, or other considerations for the purpose of influencing any person to act contrary to EXXON'S best interests. In addition, CONTRACTOR shall receive EXXON'S prior approval before use of a subcontractor, or any party, to furnish services, equipment, or materials, who is owned or controlled by the CONTRACTOR or CONTRACTOR'S owner(s), employees, or their families.

B. CONTRACTOR agrees to comply with all laws and lawful regulations applicable to any activities carried out in the name of or on behalf of EXXON under the provisions of this AGREEMENT and/or any amendments to it.

C. CONTRACTOR agrees that all financial settlements, billings, and reports rendered to EXXON, as provided for in this agreement and/or any amendments to it, will reflect properly the facts about all activities and transactions handled for the account of EXXON, which data may be relied upon as being complete and accurate in any further recording and reporting made by EXXON, for whatever purpose.

D. CONTRACTOR agrees to notify EXXON promptly upon discovery of any instance where the CONTRACTOR fails to comply with Provisions A, B, and C above.

16. ENTIRE AGREEMENT

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.

This CONTRACT constitutes the entire agreement between the parties hereto and supersedes all prior negotiations, representations, or agreements related to this CONTRACT, either written or oral, including EXXON'S investigation for proposals and CONTRACTOR'S proposals, except to the extent they are expressly incorporated herein. No changes, alterations, or notifications to this agreement shall be effective unless in writing and signed by the parties hereof.

17. APPLICABLE LAW

This CONTRACT shall be governed and interpreted according to the laws of the State of Texas.

18. HEADINGS

The paragraph headings of this CONTRACT are for the convenience of the parties only and are not a part of this CONTRACT and do not in any way limit or amplify the terms or provisions of this CONTRACT.

By the signature of duly authorized representatives below, the parties hereto have executed this CONTRACT in duplicate originals as of the day and year first above written.

BROWN & ROOT, INC.

By

*AMB Bakken*

(Name and Title) JOHN M. BAKKEN, VICE PRESIDENT

Exxon Company, U.S.A.

(a division of Exxon Corporation)

By

*P. L. Lafosse*

Purchasing Head  
Materials Department

*CEB:wb*  
CEB:dcc

(P. L. Lafosse)

March 29, 1979  
Appropriation 01209

SPECIFICATIONS FOR FLOOD  
PROTECTION, DOCK AREA  
EXXON COMPANY, U.S.A.  
(A DIVISION OF EXXON CORPORATION)  
BAYTOWN, TEXAS

SCOPE OF WORK

- 1.1 These specifications cover earthwork and piling on the north end of the dock levee, in accordance with the drawings and standards listed in the following attached tables:
  - A. Table I -- List of Engineering Drawings, dated March 29, 1979.
  - B. Table II -- List of Engineering Standards, dated March 29, 1979.

DIVISION OF WORK

- 2.1 The materials furnished and services performed by Exxon shall be only as specifically listed in the attached Exhibit "A," dated March 29, 1979.

JOB INSTRUCTIONS

- 3.1 Construction, inspection, and accounting shall be in accordance with the standards listed in Table II.
- 3.2 The National Codes and Standards referred to herein and on the drawings and standards listed in Tables I and II shall be the latest published edition as of the date of the contract.

PLL:drc

EXX 004631

March 29, 1979  
Appropriation 01209

TABLE I

LIST OF ENGINEERING DRAWINGS

| <u>Drawing No.</u> | <u>Revision</u> | <u>Date</u> | <u>Title</u>   |
|--------------------|-----------------|-------------|----------------|
| 684-140-127        | 0               | 3/29/79     | Earthwork Plan |
| 684-140-128        | 0               | 3/29/79     | Cross Sections |
| 684-140-129        | 0               | 3/29/79     | Cross Sections |

PLL:drc

EXX 004632

March 29, 1979  
Appropriation 01209

TABLE II

LIST OF ENGINEERING STANDARDS

FLOOD PROTECTION

| <u>Standard No.*</u> | <u>Revision</u> | <u>Date</u> | <u>Title</u>                                   |
|----------------------|-----------------|-------------|------------------------------------------------|
| EXES 4-7-1-1B        | 0               | 12/76       | Piles                                          |
| EXES 4-9-1-1C        | 1               | 4/78        | Site Preparation and Earthwork                 |
| EXES 4-9-1-3B        | 0               | 10/77       | Fill Clay and Aggregates, Purchase             |
| BTES 50-5-1.1C       | 3               | 1/77        | Construction Requirements, Instructions        |
| BTES 50-6-5.1D       | 1               | 1/73        | Invoicing for Lump-Sum Contracts, Instructions |

\* EXES = Exxon Engineering Standards  
BTES = Baytown Engineering Standards

PLL:drc

EXX 004633

EXHIBIT "A"

March 29, 1979  
Appropriation 01209

FLOOD PROTECTION

EXXON WILL FURNISH ONLY THE FOLLOWING:

- 1.1 Copies of applicable drawings, specifications, and standards reasonably necessary for work execution.
- 1.2 The following utilities, if required and requested by Contractor, in quantities available at existing outlets, which will not be extended by Exxon, each to be used at Contractor's risk:
  - A. Drinking water, not cooled.
  - B. Industrial water at 60 psig.
  - C. Electrical power at 110/220 volts, 60 Hertz, single-phase, and 440 volts, 60 Hertz, three-phase.

EXXON WILL PERFORM ONLY THE FOLLOWING:

- 2.1 Designate a site within the Baytown Refinery to which Contractor shall haul all dismantled surplus materials and debris.
- 2.2 Designate material storage areas and areas on which Contractor may locate temporary sanitary facilities, shops, and offices.
- 2.3 Indicate a reference Bench Mark (monument) and provide Contractor the elevation and coordinates of this reference point. Also, Contractor will be provided the azimuth from the first Bench Mark to a second Bench Mark.

PLL:drc

EXX 004634

STATE OF TEXAS

COUNTY OF

BEFORE ME, the undersigned authority, on this day personally appeared

\_\_\_\_\_, known to me to be a person  
(Individual's Name)whose statement is worthy of full faith and credit, who, being by me first duly sworn,  
on his oath deposes and says as follows:My name is \_\_\_\_\_  
(Individual's Name)Under date of \_\_\_\_\_, \_\_\_\_\_  
(Contract Date) (Contractor)

as Contractor and Exxon Company, U.S.A. as Exxon entered into

Contract No. \_\_\_\_\_

under the terms of which Contractor was to perform the following work or service for  
Exxon Company, U.S.A., to-wit:

Affiant says that all bills, costs, and indebtedness for labor and/or material used or employed or which arose in any manner in connection with the performance of said contract have been satisfied and paid: and that there are no unsatisfied claims for injuries to persons or property occurring in anywise incident to or in connection with the performance of said contract up to the date hereof.

Further affiant sayeth not.

\_\_\_\_\_  
(Individual's Signature)

SWORN TO and SUBSCRIBED before me this the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

\_\_\_\_\_  
Notary Public in and for

\_\_\_\_\_ County, Texas

EXX 004635

OFFICE MEMO  
BROWN & ROOT, INC.

TO: THOSE CONCERNED

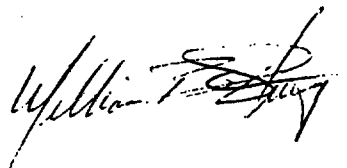
FROM: WILLIAM B. STUESSY

JUNE 14, 1979

SUBJECT: NEW JOB ASSIGNMENTS--INDUSTRIAL-CIVIL DEPARTMENT

THE FOLLOWING JOB NUMBERS HAVE BEEN ASSIGNED TO THE INDUSTRIAL-CIVIL DEPARTMENT TO COVER THE FOLLOWING NEW CONTRACTS:

| <u>JOB NO.</u> | <u>JOB DESCRIPTION</u>                                                                                                              |
|----------------|-------------------------------------------------------------------------------------------------------------------------------------|
| 27-4197        | WELEX, INC. - INSTALL ELECTRICAL AND PLUMBING UTILITY SERVICES FOR FACILITIES ON HIGHWAY 6, HOUSTON, TEXAS                          |
| 27-4198        | UNCLE BEN'S FOODS - MAINTENANCE SERVICES FOR FACILITY, GREENVILLE, MISSISSIPPI                                                      |
| ✓27-5783       | EXXON COMPANY, U.S.A. - CONSTRUCT FLOOD PROTECTION AT THE DOCK AREA, BAYTOWN, TEXAS                                                 |
| 27-5784        | HOUSTON LIGHTING & POWER COMPANY - PERFORM REPAIRS TO CEDAR BAYOU INTAKE CANAL SLOPE, BAYTOWN, TEXAS                                |
| 27-5785        | HOUSTON INDEPENDENT SCHOOL DISTRICT - CONSTRUCT IMPROVEMENTS TO PARKING FACILITIES AT BARNETT STADIUM, HOUSTON, TEXAS               |
| 27-5786        | CITY OF HOUSTON - CONSTRUCT PAVING, BRIDGE, STORM AND SANITARY SEWERS AND WATER MAIN IMPROVEMENTS ON CYPRESS STREET, HOUSTON, TEXAS |



EXX 004636

BROWN & ROOT, INC.  
NEW JOB ASSIGNMENT

☒ ORIGINAL

☐ REVISION

2 ☐ 01

3-11 JOB NUMBER 27157831

DEPT. NUMBER SUFFIX

STATE CITY

DATE 05-09-79

CO. CODE

CODE CODE

12 CONTRACT TYPE  
1 ☒ FIXED PRICE  
2 ☐ COST PLUS  
3 ☐ JOINT VENTURE  
9 ☐ ASSOC. CO'S

13 ACCOUNTING LOCATION  
1 ☒ HOME OFFICE  
2 ☐ PROJECT OFFICE  
9 ☐ OTHER

14 OWNER  
1 ☒ BROWN & ROOT  
2 ☐ ASSOC. CO'S  
3 ☐ JOINT VENTURE  
9 ☐ OTHER

15 SPECIAL CODES  
2 ☐ JOB SUFFIX  
3 ☐ SPECIAL SUFFIX

20-21 ☐ 1  
22-23 ☐ 4  
24-25 ☐ SUFFIX

26-27 DIVISION ☐ 27  
28-23 SECONDARY JOB 27-0002  
35-36 SECONDARY DIV. ☐ 2

16 JOB CLASSIFICATION  
1 ☐ MARINE  
2 ☒ OTHER

24 CONTRACT AMOUNT TYPE  
1 ☒ DOLLAR AMOUNT  
2 ☐ CONTINUOUS WORK  
9 ☐ OTHER

74 JOB STATUS  
1 ☒ ACTIVE  
2 ☐ CLOSED & REOPENED  
3 ☐ COMPLETED

YEAR MONTH  
YEAR MONTH

JOB TITLE

79-80 CARD CODE

EXXON COMPANY, U.S.A. - CONSTRUCT FLOOD PROTECTION AT THE DBC  
KAREBA IN BAYTOWN, TEXAS

PREPARED BY

*BB*

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

TO: ACCOUNTING DEPARTMENT

FROM:

SUBJECT: JOB NUMBER ASSIGNMENT - Brown & Root, Inc.

(COMPANY)

Industrial-Civil

(DEPARTMENT)

JOB INDUSTRY TYPE: Industrial --Piling

SUB-DIVISION: Baytown Field Office

5/2/79

(DATE)

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

OWNER: Exxon Company, U. S. A.

PRIME CONTRACTOR: Brown & Root, Inc.

CONTRACT DATE: May 2, 1979

DESCRIPTION OF WORK AND LOCATION: Flood Protection, Dock Area, Exxon Co., U. S. A., Baytown, TX

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

(EXPLAIN)

ESTIMATED COMPLETION DATE: August 1, 1979 OR CONTINUOUS ( )

CONTRACT AMOUNT: \$ 246,540.00 ACTUAL ( XX ), ESTIMATED ( )

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

SEMIMONTHLY ( ), REVOLVING FUND ( ), OTHER ( ):

(EXPLAIN)

PERCENT RETAINED: 10 % OF Progress Billings

OTHER ( ):

(EXPLAIN)

TO BE COMPLETED ONLY FOR JOINT VENTURES:

PARTNERS AND PARTICIPATION:

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

\_\_\_\_\_, \_\_\_\_\_ % \_\_\_\_\_, \_\_\_\_\_ %

\_\_\_\_\_, \_\_\_\_\_ % \_\_\_\_\_, \_\_\_\_\_ %

ATTACH FINANCING CURVE OR CASH FORECAST:

JOB NUMBER ASSIGNED: 27-5783  
Copy of Contract Attached

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

J. Labbe  
(SIGNATURE OF EMPLOYEE REQUESTING JOB NUMBER)

Labbe/Baugh

Form A-55 (1-79)

EXX 004638



PURCHASE ORDER

PAGE 1 OF 3

Brown &amp; Root, Inc.

P. O. Box 3, Houston, Texas 77001

ORIGINAL  
NOTIFICATION  
CONFIRMATION  
XXX

5-21-79

|                                                                                             |  |                                                                                                                                                                        |                       |
|---------------------------------------------------------------------------------------------|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| SHIP TO<br>BROWN & ROOT, INC. C/O EXXON CO. U.S.A.<br>MISCELLANEOUS WORK,<br>BAYTOWN, TEXAS |  | F.O.B.                                                                                                                                                                 |                       |
| NUMBER BELOW MUST BE SHOWN ON ALL SHIPMENTS INVOICES AND CORRESPONDENCE                     |  | PROJECT & ACCOUNT NO                                                                                                                                                   |                       |
| SHIP VIA<br>SUBCONTRACTOR'S ROUTING                                                         |  | JOB SITE                                                                                                                                                               |                       |
| SHIPMENT PROMISED BY<br>PEP. B & R PROJECT<br>MGR'S SCHEDULE                                |  | TERMS<br>GEN. COND. 32<br>10% RETAINAGE                                                                                                                                | REQ. NO.<br>027-16769 |
| P. O. NO.<br>27-5783-5000                                                                   |  | 27-5783 (5) 1005                                                                                                                                                       |                       |
| TO<br>11408598<br>SERVICE PAINTING COMPANY<br>P. O. BOX 2353<br>BEAUMONT, TEXAS 77704       |  | SELLER WILL SIGN AND RETURN CARBON COPY OF THIS PURCHASE ORDER ACCEPTING ALL TERMS AND CONDITIONS UNDER WHICH IT IS ISSUED<br>PLEASE RENDER INVOICES IN QUADRUPPLICATE |                       |

SELLER MUST SIGN AND RETURN ACCEPTANCE COPY. THIS CONTRACT CONSISTS OF PAGE 1 BEARING SIGNATURES, AS MANY ADDITIONAL NUMBERED PAGES AS SHOWN ABOVE, THE PRINTED TERMS AND CONDITIONS OF THIS CONTRACT, AND OTHER ATTACHMENTS REFERRED TO.

| ITEM                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | QUANTITY | UNIT | DESCRIPTION | UNIT PRICE | AMOUNT     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|------|-------------|------------|------------|
| <p>WHEREVER THE TERMS "PURCHASE ORDER" AND "CONTRACT" APPEAR ON THIS FORM THEY SHALL BOTH BE CONSTRUED TO MEAN "SUBCONTRACT". WHEREVER THE TERM "SELLER" APPEARS ON THIS FORM IT SHALL BE CONSTRUED TO MEAN "SUBCONTRACTOR". WHEREVER THE TERM "BUYER" APPEARS ON THIS FORM IT SHALL BE CONSTRUED TO MEAN "GENERAL CONTRACTOR".</p> <p>THE ATTACHED GENERAL CONDITIONS (FORM P-50 1/79) ARE HEREBY INCORPORATED AS PART OF THIS SUBCONTRACT.</p> <p><b>1.0 SUBLET WORK</b></p> <p>1.1 SUBCONTRACTOR SHALL FURNISH ALL LABOR MATERIALS, TOOLS, EQUIPMENT, INSURANCE, SUPERVISION AND ALL OTHER ITEM(S) NECESSARY TO SANDBLAST AND PAINT SHEET PILING FOR TOUCH UP IN ACCORDANCE WITH EXXON DRAWING NO. 684-140-127, LOCATED IN THE DOCK AREA OF THE EXXON COMPANY U.S.A. FACILITY IN BAYTOWN, TEXAS.</p> <p>1.2 SUBCONTRACTOR SHALL PERFORM THE SUBLET WORK IN STRICT ACCORDANCE WITH THE DIRECTIVES OF THE GENERAL CONTRACTOR'S JOB SUPERINTENDANT OR HIS DULY AUTHORIZED REPRESENTATIVE.</p> <p><b>2.0 SUBCONTRACT PRICE</b></p> <p>GENERAL CONTRACTOR AGREES TO PAY SUBCONTRACTOR FOR COMPLETE, SATISFACTORY, AND TIMELY PERFORMANCE OF SUBLET WORK IN STRICT COMPLIANCE WITH THE REQUIREMENTS OF THE SUBCONTRACT DOCUMENTS FOR THE TOTAL FIRM LUMP SUM PRICE INCLUDING ALL APPLICABLE SALES/USE TAXES. . . . .</p> |          |      |             |            |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |          |      |             | L/S        | \$2,600.00 |
| MC COY/pt                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |          |      |             |            |            |

INTENDED USE  
OF MATERIAL

SANDBLASTING &amp; TOUCH UP PAINTING IN DOCK AREA

REQUISITIONER

R. R. FALKNER

BROWN &amp; ROOT, INC.

|                                      |         |
|--------------------------------------|---------|
| BUYER                                | DATE    |
| <i>L. S. Walker Jr. N.E. Houston</i> | 5/25/79 |
| SELLER ACCEPTANCE SIGNATURE          | DATE    |
| <i>Dan Holt</i>                      | 5-29-79 |

ACCEPTANCE COPY

SUBCONTRACT

EXX 004639

PAGE 2 OF 3

P. O. NO.

27-5783-5000

## PURCHASE ORDER CONTINUATION

| ITEM | QUANTITY | UNIT | DESCRIPTION | UNIT PRICE | AMOUNT |
|------|----------|------|-------------|------------|--------|
|------|----------|------|-------------|------------|--------|

**3.0 TIME OF PERFORMANCE**

3.1 SUBCONTRACTOR SHALL COMMENCE SUBLET WORK AS DESCRIBED HEREIN ON OR ABOUT JUNE 8, 1979, AND SHALL PERFORM ALL WORK IN A DILIGENT MANNER UNTIL ALL ASPECTS OF THE WORK ARE COMPLETE.

3.2 SUBCONTRACTOR SHALL CONTACT GENERAL CONTRACTOR'S PROJECT MANAGER PRIOR TO MOVE ON IN ORDER TO SCHEDULE AND COORDINATE THE SUBLET WORK.

**4.0 PAYMENT AND PERFORMANCE BONDS**

THERE IS NO REQUIREMENT AT THIS TIME TO FURNISH SEPARATE 100% PAYMENT AND PERFORMANCE BONDS. HOWEVER, GENERAL CONTRACTOR MAY AT ANYTIME DURING COURSE OF THIS SUBCONTRACT REQUIRE SUCH BONDS TO BE FURNISHED IN ACCORDANCE TO GENERAL CONDITION 19. IF BONDS ARE REQUIRED AT A LATER DATE, THE PREMIUM SHALL BE REIMBURSABLE TO THE SUBCONTRACTOR.

**5.0 INSURANCE CERTIFICATES**

5.1 SUBCONTRACTOR SHALL FORWARD IT'S INSURANCE CERTIFICATE STATING THE NAMES OF ITS INSURANCE CARRIER(S) AND CERTIFYING THAT ITS INSURANCE COVERAGE MEETS WITH THE REQUIREMENTS OF GENERAL CONDITION 21.

5.2 SUBCONTRACTOR INSURANCE CERTIFICATES SHALL REFERENCE THE PROJECT AND SUBCONTRACT NO., AND SHALL MAIL ONE COPY TO THE FOLLOWING ADDRESS PRIOR TO ARRIVAL AT THE JOB SITE:

BROWN & ROOT, INC.  
P.O. BOX 3  
HOUSTON, TEXAS 77001  
ATTN: K. J. MC COY (01-116)

**6.0 INVOICE**

SUBCONTRACTOR SHALL SUBMIT INVOICES IN QUADRUPLICATE ACCORDING TO THE PROVISIONS SET FORTH IN GENERAL CONDITION 32 AND AS MODIFIED HEREIN TO THE FOLLOWING ADDRESS:

BROWN & ROOT, INC.  
P.O. BOX 4060  
BAYTOWN, TEXAS 77520  
ATTN: JOE LABBE

THIS CONTRACT CONSISTS OF PAGE 1 BEARING SIGNATURES, AS MANY ADDITIONAL NUMBERED PAGES AS SHOWN ABOVE, AND OTHER ATTACHMENTS REFERRED TO.

ACCEPTANCE COPY

EXX 004640

|              |   |    |   |
|--------------|---|----|---|
| PAGE         | 3 | OF | 3 |
| P. O. NO.    |   |    |   |
| 27-5783-5000 |   |    |   |

## PURCHASE ORDER CONTINUATION

| ITEM | QUANTITY | UNIT | DESCRIPTION | UNIT PRICE | AMOUNT |
|------|----------|------|-------------|------------|--------|
|------|----------|------|-------------|------------|--------|

**7.0 ASSIGNMENT****SUPPLEMENT TO GENERAL CONDITION 17:**

SUBCONTRACTOR AGREES THAT GENERAL CONTRACTOR MAY ASSIGN THIS SUBCONTRACT TO OWNER AT ANY TIME WITHOUT AFFECTING THE SUBCONTRACTORS DUTIES, RIGHTS, AND OBLIGATIONS HEREIN. PRIOR TO ASSIGNMENT NO CONTRACTURAL RELATIONSHIP EXISTS BETWEEN SUBCONTRACTOR AND OWNER.

**8.0 SAFETY REGULATIONS**

SPECIAL ATTACHMENT ENTITLED, "CONTRACTOR RESPONSIBILITIES FOR SAFETY, PLANT SECURITY AND TRAFFIC REGULATIONS", DATED 1-9-79, IS HEREBY INCORPORATED AS PART OF THE SUBCONTRACT.

**9.0 AFFIDAVIT**

TWO COPIES OF THE GENERAL CONTRACTOR'S "AFFIDAVIT FOR SUBCONTRACTOR" (FORM P-7) ARE ATTACHED. CONTRACTOR SHALL EXECUTE AND RETURN ONE COPY WITH HIS FINAL OR RETAINAGE INVOICE.

**10.0 ACKNOWLEDGMENT**

TO ENSURE PROMPT PAYMENT OF INVOICES, PLEASE EXECUTE AND RETURN THE ACCEPTANCE COPY TO THE EXACT ADDRESS SHOWN BELOW ON OR BEFORE JUNE 1, 1979.

BROWN & ROOT, INC.  
P. O. BOX 3  
HOUSTON, TEXAS 77001

ATTN: K. J. MC COY  
(01-116)

THIS CONTRACT CONSISTS OF PAGE 1 BEARING SIGNATURES, AS MANY ADDITIONAL NUMBERED PAGES AS SHOWN ABOVE. ~~THE~~  
~~REMARKS AND COMMENTS OF THE CONTRACTOR AND OTHER ATTACHMENTS REFERRED TO.~~

ACCEPTANCE COPY

EXX 004641