

None

April 16, 1986

VISTA

Mr. H. J. Neeld
Environmental Conservation
Conoco Inc.
Marland Building
P.O. Box 2197
Houston, TX 77252

Dear Jack:

Below are Vista's thoughts on the three questions you raised regarding items related to Consent Decree projects and Stipulated Penalties Agreement matters.

1. You indicated a conflict in payment terms for invoice payments for project items between your letter of August 13, 1985 (20 days) and the Stipulated penalties agreement (10 days). I see no conflict in that the 20-day terms are for amounts invoiced based on an audit or review of all project costs.

The 10-day payment terms in the Stipulated Penalties Agreement are for "progress payments" during the term of the projects.

2. The Stipulated Penalties Agreement specifies a 15-day review time for final AFE's, with a provision for an additional 15 days if more information is necessary. We believe this to mean 15 calendar days.
3. You have asked for a designated contact for each plant for questions regarding project work, and that any progress reports generated at the plants be shared with you. I'll notify you in the near future as to who your contact or contacts may be.

Please call if you have further questions on items 1 and 2 above.

Sincerely,



Thomas G. Grumbles, C.I.H.
Environmental Quality Manager

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cc WLM

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