

CONTINENTAL PIPE LINE COMPANY

INSTRUCTIONS TO BIDDERS

AND

BID SPECIFICATIONS

FOR

LOWERING AND CASING

OF 6-INCH PRODUCTS MAINLINE THROUGH

OAK KNOLL ADDITION

(R2E, T28S, SEC. 5, NE/4 of NW/4, SEDGWICK COUNTY, KANSAS)

TULSA, OKLAHOMA

JANUARY 28, 1980

Ken Holsor
918-743-8803

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EXHIBIT A

CONSTRUCTION SPECIFICATIONS

SECTION I
GENERAL SPECIFICATIONS

SECTION I

GENERAL SPECIFICATIONS

1.1 General

The Company desires to lower and recondition approximately 1,060 feet of its 6-inch products pipeline including the relocation of approximately 460 feet of the line. The Company also desires to install 12-inch casing pipe in two areas of the relocation under proposed road crossings. This pipeline is located in the NE/4, NW/4, Section 5, T28S, R2E, Sedgwick County, Kansas

The work to be performed by the Contractor will be defined in the General Specifications (Section I), Technical Specifications (Section II), Safety Requirements (Section III), Materials (Section IV), Definition of Job (Section V), and Drawings (Section VI). It is not the intent of the Company to deviate from customary good engineering practice, and, while the Specifications and Drawings herein referred to are intended to be full and complete in themselves, Contractor shall consider itself bound by customary good engineering practice whether referred to specifically or not. The text and Drawings of the Specifications are mutually cooperative, and what is shown and specified in one and not in the other shall be considered as shown and specified in both, provided, however, that should a conflict exist between the text and the Drawings, the Company shall determine which governs.

1.2 Definitions

Hereinafter, the term "Contractor" shall mean the successful bidder and/or its subcontractors, agents or representatives.

Hereinafter, the term "Company" shall mean Continental Pipe Line Company.

Hereinafter, the term "Inspector" shall mean the duly appointed representative of the Company.

Hereinafter, the term "Specifications" shall mean Sections I, II, III, IV, V, and VI hereof, together with all exhibits and attachments thereto.

Hereinafter, the term "Agreement" shall mean the Memorandum of Agreement entered into between Contractor and Company together with these Specifications and including all sections, exhibits, and attachments herein.

Hereinafter, the term "Final Acceptance" shall mean acceptance in writing by the Company to the Contractor. Such acceptance shall be given upon 30 days of continuous satisfactory operation.

1.3 Changes in the Work

Company may, without invalidating the Agreement or any bond given thereon, request extra work or make changes by altering, adding to, or deducting from the work. Contractor will be furnished a written change order on each such change.

No change, alteration, or deviation shall be made without a written change order signed by both Contractor's representative and the Inspector. No claim for extra cost or deduction shall be valid unless supported by a written change order.

Payment for extra work, unless otherwise provided for in the change order, shall be made based on either the extra work schedule of the Uniform Bid Sheet or on the basis of the sum of the following: 1) Charges for direct labor in accordance with the Wage Schedule (a part of the Uniform Bid Sheet), 2) Actual material costs to be evidenced by invoices plus fifteen percent for handling, and 3) Charges for the use of equipment based on the Schedule of Equipment Rental Rates (a part of the Uniform Bid Sheet). Invoicing and payment for changes shall be in accordance with paragraph 1.11. Acceptance by the Contractor of a change order shall not relieve the Contractor of any responsibility for schedule completion and/or the performance of the completed system, except as specified in the change order.

1.4 Inspector

The Inspector shall, at all times, have access to the work for the purpose of inspecting, testing, and insuring the satisfactory completion of the work. The Inspector may decide on the amount, quality, acceptability, and fitness of the work and material utilized in the work to be performed by the Contractor. A decision of the Inspector does not, however, constitute the final acceptance by the Company of any portion of the project as such final acceptance is defined above in paragraph 1.2.

1.5 Contractor's Representative

Contractor shall have a designated representative on the job site at all times when work is in progress. Notices given to the Contractor's representative shall be considered as having been given to the Contractor. The Contractor's representative shall have available on the job copies of the plans and Specifications. The Contractor shall advise the Company in writing of the name, address, office telephone number and home telephone number of the Contractor's representative.

1.6 Materials, Tools, and Equipment Furnished by the Company

Company shall furnish only those materials, tools, and equipment listed in Section IV of the Specifications. All materials, tools,

and equipment furnished by the Company shall be checked by both Company and Contractor for quantity and condition upon receipt thereof by the Contractor. A written record of such receipt, quantity, and condition shall be kept by Contractor on Company's prescribed form. Contractor is responsible for the care and safekeeping of all material signed over to him. Should Contractor find, after his acceptance, Company furnished materials, tools, and equipment to be defective in any respect or not suitable for their intended use, Contractor shall return same at his own expense to the point or points at which they were accepted.

1.7 Protection of Material and Finished Work

Contractor shall be responsible for protecting the finished work, equipment, supplies, and materials from loss, injury, and/or damages from any cause whatsoever until final acceptance by the Company.

1.8 Specifications and Drawings

These specifications and drawings made a part hereof are intended to be mutually cooperative and that which is shown and specified in one and not in the other shall be considered as shown and specified in both. Should a conflict exist between the specifications and drawings, Contractor shall request the Company to determine which governs. Contractor shall request such determination prior to execution of the Agreement and his failure to do so will be his consent to be bound by Company's later determination.

1.9 Insufficient Instruction

If, in the opinion of the Contractor, any work shown on the drawings or called for by these Specifications is insufficiently specified or specified in such a manner as to make it impossible for him to produce first class work, he shall refer same to the Company before proceeding with the work.

1.10 Materials Furnished by Contractor

All materials furnished by Contractor that becomes a part of the finished facility shall, unless otherwise specified, be new and of the specified grade and type. No substitutions of material from that specified may be made without the written approval of the Company. Any material used by the Contractor which does not conform to the Specifications will be removed and replaced by the Contractor at his expense.

1.11 Payment to Contractor

The Company will pay the Contractor the prices set forth in the Uniform Bid Sheet and for extra work in accordance with the following schedule: At the end of each calendar month, payment for eighty-five percent (85%) of the Inspector's estimate of work completed on each item will be made within fifteen days after receipt of Contractor's invoice. When Inspector certifies the job is completed with the exception of final testing, payment will be made within fifteen days after receipt of Contractor's invoice, which together with previous monthly payments will equal eighty-five percent (85%) of the total amount due to Contractor. Payment to Contractor for materials will be on the basis of material installed only. Following completion and final testing, the Inspector and representative of the Contractor shall make a final certified statement as to the work performed.

Final testing shall consist of the satisfactory performance of all tests as required under the Technical Specifications. At this time, Company will assume operating responsibility for the facility. Upon completion of 30 days continuous satisfactory operation, the Company shall indicate final acceptance in writing. When final acceptance in writing has been given by the Company and the Contractor has furnished evidence satisfactory to Company that all bills and claims in connection with the work have been satisfactorily discharged, the Company will pay within fifteen (15) days after receipt of Contractor's invoice the remaining amount due, except such sum as may be retained under the provisions of these Specifications and the Construction Contract.

Progress payments made hereunder shall not constitute full or partial acceptance of the work or any part thereof by Company. Invoices shall be submitted to the construction office to the attention of:

Mr. D. M. Cobb
Continental Pipe Line Company
3025 East Skelly Drive, Suite 420
Tulsa, Oklahoma 74105

1.12 Delays

If the Contractor is responsible for a delay causing the work to be more than seven calendar days behind schedule and will be unable, in the Inspector's opinion, to complete the work on time, the Contractor shall upon written notice by the Company and without any additional cost to the Company, work such overtime and utilize such additional equipment as may be necessary to complete the work by the specified date. If the Contractor fails to complete the work within 30 calendar days from date of start up, Contractor will be penalized \$1,000/day until all work is completed. The amount Contractor is penalized will be deducted from the contract price and

should the cost exceed the total proposal price, the difference shall be paid by Contractor to the Company. If the Contractor is delayed by the Company's failure to provide materials or site for the work, the Company agrees to reimburse the Contractor for his actual costs, based on the rates in the Uniform Bid Sheet, for such men and equipment that cannot be utilized during such a delay. The Inspector and the Contractor's representative will itemize all costs incurred by such a delay and a change order will be issued each day in which these costs are incurred.

1.13 Company's right of Termination

Company shall have the right at any time to cancel the agreement or any portion thereof upon given ten days notice in writing to Contractor. In such event, Contractor shall be entitled to full payment for the work done up to the time of such cancellation, providing satisfactory evidence is submitted to Company that all bills and claims in connection with the work have been satisfactorily discharged. Contractor, in such event shall be reimbursed by Company for expenditures required in preparing for and removing to and from the work and for such expenditures which in the judgment of the Inspector are not otherwise compensated for; the intent being that an equitable settlement be made for Contractor under such circumstances.

If the work to be done under the Agreement shall be abandoned by Contractor, if the Agreement shall be assigned or the work sublet by Contractor otherwise than is provided for herein, if Contractor shall be adjudged as bankrupt or shall be insolvent, if a receiver of the business or any part of the property of Contractor shall be appointed on account of the Contractor's insolvency, if Contractor shall refuse or fail to supply sufficient properly skilled workmen, equipment, supplies, or materials to perform the work, or if Contractor shall disregard laws, ordinances, or violate any provision of the Agreement, Company may, without prejudice to any other right or remedy, by giving five days notice in writing to Contractor, terminate the Agreement and Contractor shall discontinue any further work thereunder.

In the event of such termination, Company shall have the right and power to complete the work by whatever method it may deem expedient. In such case, the Contractor shall not be entitled to receive any further payments until all the work is completed and accepted. In case such expense of completing the work shall exceed the amount which would have been payable under the Agreement if same had been completed by Contractor, Contractor shall pay the amount of such excess to the Company. In case such expense shall be less than the amount which would have been payable under this Agreement had same been completed by the Contractor, the Contractor shall be entitled to such difference provided all expenses, claims and damages shall have been satisfied.

1.14 Indemnity

Contractor shall indemnify and hold Company harmless from any and all claims, expense, loss, or damage arising from any cause whatsoever out of the work to be performed under this Agreement and shall defend Company at Contractor's sole expense in any litigation involving the same regardless of whether such work is performed by either the Contractor, his employees, subcontractors, their employees, or all of them.

1.15 Insurance

Contractor shall provide and maintain at his sole cost and expense and in full force and effect from the date on which work commences until this Agreement has been completely performed the following insurance:

1. Workmen's Compensation and Occupational Disease Insurance to comply with the laws of the state or states in which the work is to be done.
2. General Public Liability Insurance covering all work to be performed under this Agreement with bodily injury limits of not less than \$100,000 as to any one person and \$300,000 as to any one accident and with property damage limits of not less than \$100,000 for each accident and \$100,000 for any number of accidents. Such policies must include coverage for damage caused by fire, blasting, and explosion. It shall be the Contractor's obligation to see that each and every subcontractor employed by him carries and pays for the same kinds and amounts of insurance as are required of the Contractor. All insurance coverage required by the Agreement shall be written on policy forms and by insurance companies approved by the Company. The Contractor shall furnish to the Company certificates of insurance for approval prior to the commencement of work, a true copy of which is made a part of this contract in Addendum I. Certification of insurance shall contain a statement that the said insurance will not materially be changed or cancelled without at least ten days prior written notice to the Company.

Company will provide at its expense standard "All Risk" insurance covering the project with loss, if any, payable to the Company and Contractor as their interest may appear. Each loss shall be subject to a deductible to be borne by the party having custody of the materials and/or equipment that are lost.

1.16 Liens

Contractor shall indemnify and save Company harmless from all claims, demands, causes of action, or suits of whatever nature arising out of the services, labor, and materials furnished by Contractor or its subcontractors under this contract.

1.17 Payment of Bills

In the event Contractor fails or refuses to promptly and satisfactorily pay for all labor performed and all materials, tools, equipment, utilities, facilities, and supplies furnished in connection with the work, Company may, after giving written notice thereof, pay and settle such just and reasonable claims for account of Contractor and deduct amount of such payment from invoice payments to Contractor.

1.18 Payroll and Other Taxes

Contractor agrees to accept full and exclusive liability for the payment of all taxes and contribution now or hereafter imposed by the governments of the United States, any state or states, or any locality which are measured by the wages, salaries, and other remunerations paid to persons employed by Contractor in the performance of the work covered herein. Contractor further agrees to pay and be liable for all sales, use, excise, and other similar taxes applicable to materials and service to be furnished by Contractor herein.

Contractor agrees to report and pay such taxes and contributions directly to such agencies as may be charged with the duty of collecting same. Contractor shall require all subcontractors to abide by the provisions of this section.

1.19 Independent Contractor

It is agreed that the Contractor is an independent Contractor with full power and authority to select the means, methods, and manner of performing the work hereunder in accordance with the Specifications. Contractor is responsible to the Company only for the results herein contracted and for the faithful completion of the work.

Company shall not have or exercise control or supervision over the employees of the Contractor, however, the Company reserves the right to require the Contractor to remove any employee of the Contractor or of any subcontractor if such employee is, in the opinion of the Company, incompetent or not qualified to properly perform the work he is engaged in.

1.20 Shutdown Due to Strike or Labor Dispute

Company shall not be liable to Contractor for any expenses, charges, or delays which Contractor might sustain or become liable for on account of work being suspended because of a strike, boycott, picketing or labor dispute.

1.21 Nonwaiver of Defaults

The waiver by the Company at any time of a breach or default in any of the terms or conditions of these Specifications shall not be construed as a waiver of any succeeding breach of the terms or conditions.

1.22 Assignability

Contractor shall not assign, sublet, or subcontract wholly or in part any work hereunder without the prior written consent of the Company. Any subletting by Contractor of any part of the work covered hereby shall not relieve Contractor of any responsibility for the proper performance of the work under the Specifications. All provisions of the Specifications shall remain binding against Contractor to the same extent as though no subletting had occurred. Any request for subletting shall be made to the Company in writing.

1.23 Construction Facilities

Contractor shall provide and pay for temporary services for power, light, water and heating required for construction purposes. Contractor shall provide and maintain sanitary accommodations for the use of his employees in a manner that will comply with the requirements and regulations of health departments and of other governmental bodies having jurisdiction thereof.

The Company will not be responsible for providing shelter, food, water, medical attention, sanitation facilities, or transportation for the employees of the Contractors or any subcontractors.

1.24 Clean Up

Contractor shall keep the premises where work is being performed in a neat, clean, and orderly condition. On completion of the work, Contractor shall clear the premises and dispose of waste material and debris in a manner satisfactory to the Inspector. Contractor shall haul all materials belonging to the Company to a storage site or the nearest shipping point as directed by the Inspector. Contractor shall remove all of his equipment and material after completion of work.

1.25 Warranty

All workmanship, materials, and equipment furnished by Contractor shall be warranted by Contractor for a period of one year from the date of final acceptance by the Company. Contractor shall remedy promptly at his expense all defects which appear in the term of this warranty. If an item of material carries a manufacturer's guarantee for a period other than one year, the manufacturer's guarantee shall be in force for the period stated.

1.26 Force Majeure

In the event of either party's being rendered unable wholly or in part by force majeure to carry out its obligations under the Agreement, then on such party's giving notice and full particulars of force majeure in writing to the other party as soon as possible after the occurrence of the cause relied on, the obligation of the party giving notice, so far as affected by such force majeure, shall be suspended during the continuance of any inability so caused, and such inability shall not be a breach of the Agreement, and such party shall not be liable for damages or otherwise on account thereof.

The term "Force Majeure" as employed herein shall mean acts of God, hurricanes, earthquakes, fire, flood, malicious mischief, insurrection, strikes, riot, war (declared or undeclared), landslides, washout, explosion, epidemics, compliance with any federal, state or municipal law or with any regulation, order, rule or recommendation of any governmental agency or authority acting under claim or color of authority, total or partial failure or loss of all or any part of transportation facilities ordinarily available to and used by a party hereto in the performance of the obligations imposed by the Agreement, or any cause whatsoever beyond the control of either party thereto, whether similar to or dissimilar from the causes herein enumerated. Any delay caused by force majeure shall automatically extend completion date by a corresponding length of time.

1.27 Equal Opportunity

Equal Opportunity Clause

During performance of the contract or purchasing order, Contractor hereby agrees as follows:

Contractor will not discriminate against any employee or applicant for employment because of race, creed, color or national origin. Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, creed, color or national origin. Such action shall include, but not be limited to the following: Employment upgrading, demotion or transfer, recruitment or recruitment advertising; layoff or termination; dates of pay or other forms of compensation; and selection for training including apprenticeship. Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in the form specified in the regulations published in Title 41, Chapter 60 of the Code of Federal Regulations, as amended, setting forth the provisions of this nondiscrimination clause.

Contractor will, in all solicitations or advertisements for employees placed by or on behalf of contract, state that all qualified applicants will receive consideration for employment without regard to race, creed, color or national origin.

Contractor will send to each labor union or representative workers with which it has a collective bargaining agreement or other contract or understanding, a notice in the form prescribed by the regulations published in Title 41, Chapter 60 of the Code of Federal Regulations advising the labor union or workers' representative of Contractor's commitments under Section 202 of Executive Order 11246 of September 24, 1975 and shall post copies of notices in conspicuous places available to employees and applicants for employment.

Contractor will comply with all provisions of Executive Order 11246 of September 24, 1975 and of the rules and regulations and relevant orders of the Secretary of Labor.

Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965 and by the rules, regulations and order of the Secretary of Labor or pursuant thereto, and will permit access to its books, records, and accounts by the contracting agency (as defined in the regulations published under Title 41, Chapter 60 of the Code of Federal Regulations) and by the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

In the event of Contractor's noncompliance with the nondiscrimination clauses of this section or with any of such rules, regulations or orders, the contract or purchase order may be cancelled, terminated or suspended, in whole or in part, and Contractor may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965 and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965 or by rules, regulations, or order of the Secretary of Labor or as otherwise provided by law.

Contractor will include the provision or paragraphs 1 through 7 in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965 so that such provision will be binding upon each subcontractor or vendor. Contractor will take action with respect to any subcontractor or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanction for non-compliance. Provided, however, that in the event Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, Contractor may request the United States to enter into such litigation to protect the interests of the United States.

Certification of Nonsegregated Facilities

Contractor hereby certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its

employees to perform their services at any location, under its control, where segregated facilities are maintained. For this purpose, it is understood that the phrase "segregated facilities" includes facilities which are in fact segregated on a basis of race, religion, or national origin, because of habit, local custom, or otherwise. It is further understood and agreed that maintaining or providing segregated facilities for its employees or permitting its employees to perform their services at any location under its control where segregated facilities are maintained is a violation of the Equal Opportunity clause required by Executive Order 11246 of September 24, 1965.

Contractor further understands and agrees that a breach of this section subjects it to the provisions of the order at 41 CFR Chapter 60 of the Secretary of Labor dated May 21, 1968 and the provisions of Equal Opportunity clause enumerated in contracts between the United States of America and Contractor.

Whoever knowingly and willfully makes any false, fictitious, or fraudulent representation may be liable to criminal prosecution under 18 U.S.C. Par. 1001.

Contractor reserves to itself the benefit of all exemptions, qualifications and limitations contained in and which it may claim under 41 CFR Chapter 60 and this section, and this section is qualified to the extent and so that Contractor shall have the full benefit thereof.

Affirmative Action Program

Contractor shall develop a written affirmative action program for each of its establishments, and, within 120 days from the effectiveness of the contract or purchase order, shall maintain a copy of separate programs for each establishment, including evaluations of utilization or minority group personnel and the job classification tables, at each local office responsible for the personnel matters of such establishment.

Employer Information Report

Contractor agrees to file with the appropriate federal agency annually, on or before the 31st day of March, complete and accurate reports on Standard Form 100 (EEO-1) promulgated jointly by the Office of Federal Contract Compliance, the Equal Employment Opportunity Commission and Plans for Progress or such form as may be promulgated in its place.

1.28 Public Relations and Notice of Injury

Contractor shall make all reasonable efforts to maintain goodwill among landowners, tenants, lessees, and members of the general public and shall not knowingly violate any rights of such persons in the performance of the Agreement. Should Contractor's operations cause injury to person or persons or damage to the public or private property, Contractor shall immediately notify the

Inspector and within twenty-four hours notify the Company in writing of such injury or damage.

1.29 Project Work Schedule

Before commencement of the work, the Contractor will provide the Company a project work schedule divided into at least as many activities as are shown on the Uniform Bid Sheet. The schedule shall be suitable for use by the Company to determine, at any point in time, if the project is capable of completion within the total number of calendar days specified in the Uniform Bid Sheet. The schedule shall be updated as necessary to show any change in the forecasted completion of any of the activities listed.

1.30 Employment of Disabled Veterans and Veterans of the Vietnam Era

The Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era Clause set forth in Section 60-250.4 of Title 41 CFR promulgated under the Vietnam Era Readjustment Assistance Act of 1974 is hereby incorporated by reference into this section.

1.31 Utilization of Minority Business Enterprises

It is the policy of the government that minority business enterprises shall have the maximum practicable opportunity to participate in the performance of government contracts.

Contractor agrees to use its best efforts to carry out this policy in the award of its subcontracts and purchase orders to the fullest extent consistent with the efficient performance of the contract purchase order. The term "Minority Business Enterprise" means a business, at least 50 percent of which is owned by minority group members, or in case of publicly owned business at least 51 percent of the stock of which is owned by minority group members. For the purposes of this definition, minority group members are Negroes, Spanish speaking American persons, American Orientals, American Indians, American Eskimos, American Aleuts. Contractors may rely on written representations by subcontractors regarding their status as minority business enterprises in lieu of an independent investigation.

The Minority Business Enterprises Subcontractor Program Clause set forth in Section 1-1.1310-2(b) of the Federal Procurement Regulations promulgated pursuant to Executive Order 11458 is hereby incorporated by reference into this section.

1.32 Company's Right to Audit

Company shall have the right, at its sole cost and expense, to audit from time to time any and all records, books, paper,

documents, agreements, and other data that may in Company's sole judgment have any bearing on or pertain to the subject matter governed by this contract. Contractor shall cooperate fully in furnishing to Company any and all records, books, papers, documents, agreements and other information necessary to the audit. All audits will be conducted in accordance with generally accepted accounting procedures, and during reasonable business hours.

1.33 Oil Spills

The Contractor shall be solely responsible for the clean up of any oil spills or the spillage of other debris that occurs as the result of his operation and/or neglect. In the event an oil spill occurs, the Contractor will immediately cease all work in progress and report the time, location and event surrounding use of all personnel and equipment required to clean up the oil spill or debris in a safe, orderly and efficient manner. This clean up will be to the satisfaction of any federal, state and/or local governmental agencies involved and/or the Company Inspector and will be at no cost to the Company.

The Contractor will be held responsible for any fines or penalties levied against Continental Pipe Line Company resulting from an oil spill due to negligence on the part of the Contractor.

The Contractor will not restart work until written approval is obtained from the Inspector. Approval shall not be granted until the spill is completely cleaned up or under control so as not to interfere or endanger the remaining work as deemed appropriate by the Inspector.

It is extremely important that all necessary precautions be taken to comply with all federal, state and local laws affecting the facilities. Particular concern shall be given to rules and regulations pertaining to water pollution and fire hazards.

It shall be the responsibility of the Contractor to insure that all required precautionary measures are taken to prevent discharge of liquids or debris into drainage ditches.

1.34 Cooperation Between Contractors

Company reserves the right to perform other work on its premises and to let other contracts in connection with work not contracted for hereunder. Contractor shall cooperate with Company or other contractors in the reasonable execution of their work and will undertake to coordinate his work with theirs.

1.35 Workmanship

Contractor shall perform all work hereunder in a workmanlike manner and in accordance with the best and approved practices

of the industry with qualified, careful and efficient workers and in strict conformity with the Specifications. The Company shall have the right to require the Contractor at his expense to remedy or replace work determined by Inspector to be defective.

1.36 Extension of Time

Should Contractor be delayed in the prosecution or completion of the work by the act, neglect, delay, or default of the Company, then any such delay shall not be deemed a default by the Contractor in the performance of his obligation hereunder. The period for the completion of the work shall be extended for a period equivalent to that lost by reason of the aforesaid causes, such causes and period of extension to be determined by the Company. No extension shall be allowed without written request for such being presented to the Company within three days after the period of delay commences.

1.37 Insolvency

In the event the Contractor becomes insolvent, has its equipment or machinery reduced to possession by one or more of its creditors or is subjected to receivership, bankruptcy or any creditors arrangement, the Company shall be entitled to terminate this Agreement upon delivery of notice in writing one day in advance. Under such circumstances, and subject to the provisions of Section 1.11, 1.13, 1.17 and 1.22. The Company will make payment to Contractor or its creditors as their interests may appear for 85 percent of the work which has been completed as certified by the Inspector. Payment to Contractor or its creditors for materials will be on the basis of material installed only. Following completion and final testing, Inspector and representatives of the Contractor shall make a final certified statement as to the work performed. When final acceptance in writing has been given by the Company and the Contractor has furnished evidence satisfactory to Company that all bills and claims in connection with the work have been satisfactorily discharged, the Company will pay to Contractor or its creditors within 30 days after receipt of Contractor's invoice the remaining amount due, except such sums as may be retained under the provisions of these Specifications and the construction contract. Termination pursuant to this section shall not give rise to a cause of action for damage on behalf of the Contractor.

1.38 Employment of the Handicapped

The Affirmative Action for Handicapped Workers Caluse set forth in Section 6.0-741.4 of Title 4 CFR promulgated under Section 503 of the Rehabilitation Act of 1973 is hereby incorporated by reference into this certificate of compliance.

Contractor agrees that the provision of this certificate of compliance are hereby incorporated in every nonexempt contract or purchase order between us currently in force or that may be issued during one year from the date of execution of this certificate of compliance.

SECTION II

TECHNICAL SPECIFICATIONS

SECTION II

TECHNICAL SPECIFICATIONS

2.1 General

The Company desires to lower and recondition approximately 1,060 feet of its 6-inch products pipeline including the relocation of approximately 460 feet of the line. The Company also desires to install 12-inch casing pipe in two areas of the relocation under proposed road crossings. This pipeline is located in the NE/4, NW/4, Section 5, T28S, R2E, Sedgwick County, Kansas.

2.2 Right of Way

The Company will make available drawings showing the location of the pipeline and development. These drawings show information regarding the location and nature of pipelines crossing the rights of way, but the Company assumes no responsibility for the correctness or completeness of this information. Contractor will be held responsible for locating all pipelines and structures and for avoiding damage to them and for making repairs or paying for the damage thereto. The Company will provide and furnish all necessary right of way; federal, state and county highway crossing permits; and river, lake and stream crossing permits which shall be necessary for the construction of the pipeline. Right of way for the purpose hereof is defined as a strip of land not more than fifty (50) feet in width except in those locations where the Company's easements for right of way or permits restrict same to a lesser width or the particular circumstances at particular locations necessitate a wider easement. A written statement listing right of way easements containing special provisions which shall be controlling and binding upon Contractor will be issued at a later date. Contractor shall comply with all reasonable requirements to land-owners or their tenants or leasees which are designed to reduce interference of the pipeline construction operations with land-owner's or tenant's operations. It will be the Contractor's responsibility to limit traffic on the right of way to such vehicles as are necessary to the operations thereon. The Company will field survey and stake the centerline of the pipeline showing the depth the line must be lowered on each stake. Contractor will be furnished route maps as needed.

2.3 Clearing and Grading of Right of Way

Fences and Gates - Before proceeding with construction operations, Contractor shall furnish and install suitable, substantial gate or gap in every fence at intersection with right of way for access to land crossed by pipeline and for passage of construction equipment. Fences shall be reinforced as necessary to prevent damage.

Contractor shall be responsible for keeping gates closed at all times during performance of work, shall prevent livestock from entering or leaving properties. Contractor shall be responsible for any damage to or caused by livestock entering or leaving property through open gate.

Clearing and Grading of Right of Way - Contractor shall clear and grade right of way sufficiently for its need and for hauling material but not to exceed fifty (50) feet in width. Contractor shall be responsible for any damages outside of right of way limits. At Contractor's expense, all survey stakes shall be reset at right angles on the edge of the right of way on side of spoil bank. Any rock moved in clearing and leveling right of way shall not be considered when payment is made for rock ditch. Contractor will be responsible for disposing of such rock to the satisfaction of Company's Inspector.

Contractor will be notified by Company prior to construction of all known special requirements or restrictions of right of way by owners.

2.4 Loading and Unloading

Hauling and Stringing All Materials - All material will be located at the Company's Wichita terminal in Wichita, Kansas. Contractor shall furnish all necessary labor, equipment and supplies to move the construction materials to the job site and haul, store and string on the right of way all material required for the work. If at any time pipe or other materials are diverted or shipped to points other than original destinations at request of or for convenience of Contractor, the expense of such diversion shall be paid by Contractor.

Should it be necessary to rack pipe, Contractor shall do so at his expense and in a manner that will prevent damage.

The hauling and stringing of pipe and other materials on the right of way shall be performed in such manner as to prevent damage to materials. Pipe shall not be unloaded by rolling from truck. It will be unloaded using, on bare pipe, a broad, flat set of hooks approved by Company's Inspector. Stringing of pipe on right of way shall be done in such a manner as to cause least interference with the normal use of land crossed, and gaps shall be left at intervals to permit use of land, passage of farm stock, and equipment across the right of way. Contractor shall prevent entrance of dirt or debris into pipe during stringing and pipe should be be dragged behind tractors or trucks.

Contractor shall promptly repair all fences or other property damaged by it in the progress of work.

2.5 Ditching

Equipment and General Methods - Contractor shall use such equipment and methods as may be required to excavate the ditch to the stake line established, regardless of the type of soil or rock encountered and regardless of the depth of excavation necessary, and shall furnish all materials and supplies necessary for the completion and maintenance of the ditch, including water control, shoring, coffer dams and sheet piling.

Stakes - Contractor shall carefully preserve all stakes set by engineer and shall be liable for any extra expense because of its failure to maintain such stakes.

Ditch Specifications - The ditch dimensions shall be as specified in Drawings Section. Minimum depth of cover shall be measured from the top of the pipe to the average level of the original ground on the two sides of the ditch.

The bottom of the ditch shall be cut to a uniform grade. At overbends, and sidebends, Contractor shall excavate the ditch to allow proper clearance between the inside bend of the pipe and the bottom side of the ditch and both sides of the sidebends.

The ditch shall be graded to pass under all pipelines, ditches, sewers or any other obstruction specified by Company's representative. The ditch shall be graded to allow a minimum clearance of twenty-four (24) inches between the pipe and other pipelines or underground structures except drain tile.

In areas where sufficient rock is encountered, or where Inspector deems necessary, Contractor at his own expense will pad the ditch with styrofoam blocks; sand bags; or a dirt pad free of rocks, hard clods, or foreign material at fifteen (15) foot intervals sufficient to support the pipe six (6) inches above bottom of the ditch. The pipe will be covered with dirt free of rock a depth of six (6) inches above the pipe.

If suitable dirt for padding is not readily available along the pipeline right of way, then the Contractor, at his expense, shall provide and haul in from off right of way sufficient quantities of padding material as may be required. In no case will dirt be procured by sloping the shoulder of the ditch. Backfilling will be done in accordance with Section 2.12.

Spoil Bank - The spoil bank from the ditching operations shall not be allowed to fall on any loose debris or foreign matter that might become mixed with the soil excavated from the ditch.

Protection of Ditches - Contractor shall protect all trenches or ditches at all times by signs, barricades, guardrails, lanterns, flares, and other equipment and by any and all things required by

law and by an ordinarily prudent person to protect employees of Contractor, employees of Company, and third persons from injury either to person or property. Contractor shall comply with any city, county, state or federal regulations relative to the placing of danger signals, lights or flares. In the absence of governmental regulations, Contractor is to place danger signs visible during daylight and red lanterns or flares visible during darkness 300 feet from excavated road crossings or borings in both directions of traffic. Danger signs must be readable at 200 feet.

Rock Excavation - Rock excavation is defined as "Rock that cannot be excavated with a 3/4 yard track type backhoe." All reasonable methods shall be employed by Contractor for removal of rock before Inspector will permit drilling or blasting. Rock excavation will be paid for as shown in Bid Sheet and cubic yards to be determined from thickness and length of rock actually excavated to meet depth and width of ditch as specified in drawings. Cubic yards to be paid for will be determined by amount of rock within the standard ditch dimensions as shown in Standard Drawing Section VI. It shall be measured and approved daily by Company's Inspector and shall be covered by a Rock Excavation Report signed by Contractor's representative and the Company's Inspector. Payment for rock excavation is to be in addition to Contractor's bid price for constructing the pipeline, and no deduction is to be made for the payments on account of rock. In areas where rock has been excavated, no sharp or jagged edges will be left on the bottom of the ditch where the pipe will be lowered in.

Dewatering - Contractor shall be responsible for removing any water which interferes with maintenance of ditch or installation of piping whether source of water is rainfall or seepage of natural ground water.

2.6 Protection of Pipelines, Telephone Conduits, Etc.

Contractor is to take due precautions to avoid damage to drain tile, pipelines, rod lines, telephone lines or cable, or other properties of the Company or others crossing or adjacent to the pipeline being constructed, accepting final liability for all expenses of repairing, loss of commodity, and loss of revenue occasioned by damage to such pipelines, telephone lines or cable, or other property.

2.7 Welding

General - The pipe shall be welded by the electric shielded arc method using electrodes in accordance with AWS-ASTM Specifications. Electrodes shall be of a make acceptable to the Company. Size of electrodes for each pass shall be that giving the best results in the opinion of the Inspector considering the pipe being welded.

Amperage shall be within the range specified by the manufacturer of the rod being used. All welding shall be in accordance with the latest edition of American Petroleum Institute (API) Standard 1104 - "Standard for Welding Pipe Lines and Related Facilities" and in accordance with best industry practice. Contractor shall furnish a portable tensile and bend testing machine and a coupon cutter and shall have it available for use at all times.

All pipe and fittings 2-inch O.D. and above shall be welded unless otherwise noted on Drawings. Filler metal must be at least equal in strength to the highest specified minimum yield strength of the pieces being welded and must fuse the pieces together.

Testing of Welders - Contractor shall use only competent, skilled and qualified workmen, and all work shall be completed to the satisfaction of Company's Inspector. Each welder employed by Contractor shall be required to satisfactorily pass a welding test at the expense of the Contractor before being allowed to weld on the line. Contractor may allow preliminary practice welds prior to test weld; however, Contractor will reimburse Company for pipe used during practice welding. Each welder may have any or all of his welds inspected each day by radiography. Each welder will be required to make a position test weld on a pipe nipple of same diameter and specification to be used in the line.

Two coupons will then be cut at 90 degree intervals around the circumference of pipe, and will be tested in an approved testing machine for tensile strength. Contractor shall furnish approved testing machine for this use. Additional coupons will be cut and tested for elongation, bending, and grain structure. All coupons shall be in accordance with Standard Drawings T-1, T-2 and T-3, samples of which are included in Section VI of these Specifications. In the nick break test, if defects total over 5 percent of the break area, the weld shall be considered to have failed. If any defect exceeds one third of the pipe wall thickness in the through the wall direction, the weld shall be considered to have failed. The nipple will be examined before the coupons are cut. Incomplete fusion totaling over 5 percent of the inside circumference shall be considered cause for failure. The stringer, filler and cap beads shall be made with approved rods. The voltage and amperage output of the welding machine shall be in accordance with the specified values recommended by the manufacturer of the welding rod.

The voltage and amperage output on each machine may be checked by the Company prior to use on the line and at intervals during construction. No more than three windows or interruptions of the weld will be allowed in each stringer bead. Any welder failing to pass the test in the opinion of the Company's Inspector shall not be permitted to weld on any section of the line.

Marking Welds - All welds shall be marked by the welders in a manner approved by Company Inspector (usually paint) according to

numbers assigned to them by the Contractor and the Contractor shall furnish the Inspector a record of all numbers assigned. In the event any welder leaves the job, his number shall be voided and not duplicated on the job. Any weld found not marked shall be cut out at the Contractor's expense. Under no circumstances will steel stamps be used to mark the welds. If the hot pass or stringer bead is applied by more than one welder for each operation, the number of each welder will be recorded on the pipe wall.

Cleaning and Beveling - All paint, rust, scale, dirt, oil or foreign matter which might affect the welding operation is to be removed prior to welding.

All pipe and fittings which will carry petroleum products shall be thoroughly swabbed on the inside and all dirt, dust, and other foreign material removed immediately before fabrication.

The Contractor is to recut and machine bevel all pipe ends as necessary to maintain correct alignment and spacing of the pipe. All burning slag or burrs must be removed from the surface prior to welding. No miter cuts will be allowed.

Welding Procedure on Line - All welds shall contain a minimum of three (3) beads or passes. In order to prevent cracking, the hot pass will be made immediately after completion of the stringer bead and before the pipe in the immediate vicinity of the weld has had time to cool. Intermediate passes shall be completed no later than three (3) hours after placing of the hot pass. Bevel shall be cleaned to bright metal with a buffer or hand file before welding. Weld is to be cleaned free of slag between each pass. The completed weld shall be free from burning, oxidation, pinholes, nonmetallic inclusions, air pockets, undercutting, and/or any other defects in accordance with API Standard 1104. Each tack weld shall have a thickness of not over two-thirds ($2/3$) of the pipe wall and shall be free from pit holes, scale, and oxide so that the completed weld will have 100 percent of pipe strength at the point of tacking.

The protrusion of the stringer bead beyond the inner pipe wall shall be less than one sixteenth ($1/16$) of an inch. Completed welds shall have a reinforcement of one sixteenth ($1/16$) inch in excess of the wall thickness of the pipe around the perimeter of weld. Additional beads or portions thereof, whichever is necessary, shall be added at Contractor's expense where Company's Inspector determines this procedure necessary because of lack of reinforcement, pinholes and other defects. The completed welds are to be cleaned to remove the slag and scale which would interfere with visual inspection. Pipe joints shall be spaced a minimum of one-thirty-second ($1/32$) of an inch and not over one sixteenth ($1/16$) of an inch before welding. External lineup clamps may be used on all pipe provided that suitable joints are made. In the event that external lineup clamps will not provide joints satisfactory to Company's Inspector, Contractor at his own expense will provide and use internal lineup clamps. Flanges shall be installed so that bolt holes straddle vertical centerlines of pipe.

All welds shall be completed at the end of each workday except that the Contractor may leave the weld without the cap pass made at the end of the day, provided that the Contractor at no expense to the Company, preheats the weld prior to applying the cap pass when work is resumed.

Defective or Damaged Pipe - Should laminations or split ends be discovered in the pipe during the process of welding, such laminations or split ends shall be cut out and beveled before placing in the line.

If the ends of the pipe are damaged to the extent that satisfactory welding contact cannot be obtained, pipe shall be cut and beveled to standard 30° with approved beveling machine. All line cuts shall be made with a beveling machine. The cost of beveling any joint shall be borne by Contractor unless it is determined that the damages occurred prior to the Contractor's accepting the custody of the pipe with such defects being clearly noted on the pipe tally signed by the Contractor's representative and the Company's representative. This note shall contain the type of damage (example, bad bevel or buckle) and the footage of pipe rendered useless because of the damage.

No repair welding shall be performed on the longitudinal seams of any pipe.

Weather Conditions - Welding shall not be permitted when weather conditions are unsatisfactory and would impair the quality of welds. No welding shall be done, if, in the opinion of Company Inspector, high winds, rain, snow, dust or sandstorms are of sufficient magnitude to prevent satisfactory welding. Suitable wind guards shall be provided by Contractor in windy weather. Preheating will be done when the temperature of the pipe in the area of the weld is less than 32°F at the time of welding. A welding area of 3 inches on either side of the intended welds shall be preheated by Contractor not less than 50°F prior to welding. Should preheating be necessary, Contractor will be reimbursed at the rate shown in the Extra Work Schedule.

Test of Welds in Line - After each welder has qualified in the preliminary tests referred to above, Company shall reserve the option to cut from the line a weld made by each welder to prove his workmanship.

Removal of any weld from the line shall be accomplished by removing a section of pipe containing the weld in question. Cuts made in the line to remove the weld shall be no closer than 12 inches from the weld. Following removal of the weld in this manner, the line shall be repaired by installing a new section of piping with a minimum length of five (5) feet. Installation of this section of pipe shall include any additional cutting and trimming which is necessary and completion of new welds at both ends of the pipe section.

A total of eight coupons shall be cut from each such weld and tested as noted below.

Two coupons shall be tested for the tensile strength of the weld on an approved testing machine to be supplied by the Contractor. If the specimen breaks below the specified minimum tensile strength of the pipe material, the weld shall be set aside and a new test weld made.

Two coupons shall be tested for porosity of the weld metal by the nick-break test. The coupons broken in the weld metal by such test must be entirely free of gas pockets or other porosity.

Two coupons shall be tested for ductility of the weld metal by the face bend test. The coupons bent in the weld metal must be entirely free of cracks or other defects.

Two coupons shall be tested for ductility of the weld metal by the root bend test. The coupons bent in the weld metal must be entirely free of cracks or other defects.

These tests shall be made according to the procedures adopted by the American Welding Society and described in its Welding Handbook. If the weld metal is of porous grain structure giving evidence of being overheated during the process of welding or contains voids, the welder shall not be allowed to continue to weld. Should two or more welders participate in making the weld, the welding foreman and Company's Inspector shall decide which welder was responsible for the defective work.

Reimbursement for Extra Welds - A record of the results of each test weld shall be made by Company's Inspector and jointly signed by Company's Inspector and Contractor's representative. Contractor will be reimbursed for extra welds according to the price quoted on the Bid Sheet when a weld meeting Company's specifications has been cut out. Reimbursement for extra welds shall be covered by Change Order. Such Change Order must be signed by representative of Company and Contractor in the field on the day the work is done. No reimbursement will be made for test welds not covered by Change Order.

Lining Up of Longitudinal Seams - The pipe to be used for construction of the line will have a longitudinal seam with an external upset. Such longitudinal seams shall be staggered at "ten o'clock" and "two o'clock" positions, and welded sections or single lengths shall be assembled in such manner that the longitudinal seams shall remain on the top half of the pipe after lowering into ditch.

Radiographic Testing - All tie-in welds will be inspected by radiographic or x-ray at the expense of the Company. All welds shown to be defective shall be removed in their entirety and replaced at the expense of the Contractor.

2.8 Care and Handling of Coated Pipe

The pipe supplied to the Contractor for the relocation will be coated. Coated pipe shall be handled at all times with wide, non-abrasive rubberized canvas belts or other equipment approved by Company's Inspector. The use of tongs, bare pinch bars, chain slings, rope slings, canvas or composition belt slings with protruding rivets, pipe hooks, or any other handling equipment found to be injurious to the coating shall not be permitted. Walking on coated pipe shall not be permitted.

Cleaning and Priming Joints - All uncovered pipe to be reconditioned shall be cleaned and primed before application of pipe coating material. In preparation for the application of primer, pipe shall be cleaned by machine, until free from all loose mill scale, welding slag, splatter, rust, scale, corrosion products, pipe coating, dirt, grease, moisture, frost, snow, or other foreign material. Cleaning machine will be supplied by the Company. Paint markings applied at the mill, grease and oils shall be removed by washing thoroughly with motor benzol, thinner, or other volatile solvents. Use of Kerosene or Gasoline is prohibited. Rust, mill scale, dirt, etc., shall be removed to the satisfaction of Company's Inspector by wire brushing sufficiently to remove all materials other than tightly adhering mill scale or primer. All pipe joints shall be primed with a regular coat of Royston Greenline wrap 65 mil or approved equal, supplied by Contractor. The primer shall be applied immediately after the cleaning operation in a thin, uniform coating, leaving no drips or runs and covering the entire surface of the pipe. Any holidays or unprimed places revealed by inspection shall be reprimed immediately, and any flooded areas or primer applied on improperly cleaned pipe shall be cut down to the surface of the pipe and reprimed. Application of primer during a rain or at any time when pipe is wet, moist or frosty shall not be permitted. Freshly primed pipe shall be supported so that it will not come into contact with dirt and welds. Any primed pipe allowed to stand overnight or which has become wet after cleaning and/or priming shall be recleaned and reprimed before application of coating.

Coating and Inspection - After pipe has been cleaned and primed to satisfaction of Inspector, Contractor shall apply a hot Stuart wrap coating to the pipe using an appropriate machine. The hot Stuart wrap is to be supplied by the Company. Any improperly applied coating shall be repaired to the satisfaction of the Inspector. After the coating and wrapping have been applied, 100% of the coating shall be tested with a holiday detector furnished by the Contractor. All coating defects indicated by the holiday detector shall be patched to the Company's satisfaction by Contractor at Contractor's expense.

2.9 Bending, Laying and Lowering In

Field Bending - Contractor shall make all necessary field pipe bends required in the construction of the line, but Company may at its option require use of fabricated bends for installation at points where, in its judgment, the use of such bends is preferable. No pipe bend shall have a radius of less than 20 pipe diameters except where noted. If Contractor's field equipment is not capable of bending pipe to the specified radius, then Contractor will furnish fabricated pipe bends at this expense.

All overbends, sags, and sidebends shall be made before any cleaning, priming, enameling or wrapping operation and shall be installed in such manner that an adequate amount of slack is provided in the line.

If yard coated pipe is furnished, Contractor will insure that all shoes and other pipe handling equipment on the bending machine is padded to minimize damage to the pipe coating.

All bending shall be done by a cold stretch bending method, but due care shall be exercised to avoid buckling of pipe or weakened welds. Contractor shall pay Company the delivered cost of pipe which, in the opinion of Company Inspector, is damaged beyond use in bending operations. Payment shall be based upon a joint chaining of damaged pipe and supported by change order to be written at the time the damaged bends occur. In general, the curvature of all bends shall be distributed throughout as great a length of pipe as practical. The intent of these specifications is to eliminate all possible bending of pipe by controlling the ditching operation so as to provide maximum curvature in ditch.

The Contractor may employ any acceptable means of lowering, provided that such means will secure the necessary amount of slack uniformly distributed in the bottom of the ditch and does not injure the pipe or protective coatings. When lowering the line into the ditch, the Contractor shall support the pipe so as to provide the necessary slack. Before lowering pipe into the ditch, all skid marks and other damaged places will be repaired. Excess slack, if any, shall be removed by the Contractor by cutting out as requested by the Company's Inspector and rewelding the resulting two ends of the line together. A nonabrasive, end-less rubberized canvas sling, one foot wide and sufficiently long so that no metal part can touch the coated pipe, shall be used in lowering all coated pipe sections, and the necessary amount of slack must be obtained without injury to the protective coating. Coating which is injured in handling or lowering pipe shall be repaired by Contractor. In removing the sling, a bell hole shall be dug if necessary so that no part of the sling will damage the coating.

Swabbing - Each joint of pipe shall be swabbed with a disc of suitable material of the proper diameter with a tight fit, satisfactory to Company to remove dirt, mill scale, and other foreign substances immediately before placing in alignment for welding or into line in single length for position welding.

Closing Ends of Line - The open end of the line shall be securely closed at the end of each day's work to prevent the entrance of water, small animals, trash, or any other obstructions and shall not be opened until work is resumed. Where the line is left apart at intervals for any reason, both ends shall likewise be securely closed. The manner of closure must be satisfactory to the Company's Inspector. Failure to close ends of sections which cannot be swabbed shall be cause for requiring Contractor to run scraper through that section of pipe before tying into line.

2.10 Drain Up and Tie In of New Line

The Contractor shall notify the Company promptly of the planned schedule for beginning the tie in operation. Transport trucks for removal of product will be supplies by the Company. The necessary downtime for tie in must be kept to a maximum of one day. Contractor shall work continuously and utilize such additional welders and help as may be necessary to complete the tie in in the minimum time. The tie in shall occur on a Saturday or Sunday.

2.11 Hydrostatic Testing

- a. All hydrostatic testing will conform to API RP-1110, "Recommended Practice for the Pressure Testing of Liquid Petroleum Pipelines."
- b. Water will be the test medium unless an alternate medium is approved in writing by the Inspector. Water for testing the pipe shall be furnished by Contractor from a source approved by the Inspector. Upon completion of each test, the Contractor shall empty the line and dispose of water in a manner satisfactory to the Inspector.
- c. The Contractor is to take any necessary steps to prevent water in exposed piping from freezing when hydrostatic testing is being performed in cold weather. The Contractor will be responsible for any damage done by freezing in all piping.
- d. During the hydrostatic test, pressure gauges, pumps, meters, and any equipment which will be dmaaged by the test pressure shall be protected by blinds or caps supplied by Contractor.

- e. All test pressures shall be held for 24 hours and there shall be no pressure loss over this period of time other than that caused by temperature changes. Contractor shall provide calibrated temperature and pressure records and a deadweight tester certified for accuracy and capable of measuring increments of 1 PSI.
- f. All leaks resulting from faulty workmanship or faulty material furnished by Contractor shall be repaired by and at the expense of the Contractor. The Company shall bear the cost of replacement or repair of material or equipment furnished by Company which fails or is damaged during the pressure test except that caused by negligence on the part of the Contractor which shall be borne by the Contractor. Contractor shall bear the cost of pressure testing until a final and complete pressure test is given to the system regardless of failure of equipment furnished by the Contractor. Contractor shall furnish test instruments to the Company one week before tests so that calibration may be checked.
- g. Hydrostatic test pressures are as follows:

Line section will be tested to 2280 PSIG.

2.12 Backfilling and Clean Up

Approval of Company's Inspector - No ditch shall be backfilled unless the pipe has proper depth, fit and proper dirt pad. Approval of Company's Inspector must be obtained before backfilling any section of ditch. Manual backfilling shall be used where mechanical equipment, if used, would damage property.

All backfill shall be crowned directly over ditch to a height not less than eight (8) inches nor greater than fourteen (14) inches above the adjacent ground surface. As far as possible, the earth on both sides of the pipeline ditch which has been disturbed by the construction of line shall be graded in a manner to be satisfactory to the Company.

Backfilling Over Coated Pipe - Backfilling shall be accomplished in a manner approved by Inspector such that no rocks, hard clods, or other hard objects will be permitted to fall on the coated pipe, or the pipe shall be covered with six (6) inches of soft earth before any rocks or hard objects are put into the ditch. See Standard Drawings, Section VI.

No Trash to be Thrown in Ditch - Throwing of welding rods, cans, old tin, broken skids, brush, trees, foreign substances, or refuse of any kind into ditch will not be permitted. All such materials and refuse must be removed from the right of way or otherwise disposed of by the Contractor to the satisfaction of Company's Inspector.

Disposal of Rock - Rock taken from the ditch may be replaced, providing no rock is piled within one (1) foot of the top of the ditch that would add to the difficulties of plowing or cultivating. All surplus rock removed from the ditch shall be disposed of by Contractor to the satisfaction of the Company's Inspector. In all areas, the final appearance of the right of way after final cleanup must be the same as the general surrounding terrain.

Backfill of Sloping Ground - When backfilling hillsides or sloping ground, Contractor shall provide furrows or terraces across the pipeline ditch as requested by Company's Inspector to direct the flow of water into natural drainage courses and away from the pipeline ditch. Contractor shall furnish and install sand bags where required in the opinion of Company's Inspector and shall be reimbursed as shown on Bid Sheet. In the banks of rovers, or where farm terracing is encountered, Contractor shall at his expense replace the necessary earth. When backfilling sloping ground, Contractor at his expense, shall provide additional compaction to minimize settling of backfill.

2.13 Cleanup of Right of Way

As soon as backfill is completed, Contractor shall immediately clean up the right of way, removing to places designated by Company, all surplus and defective materials and disposing of all refuse, such as brush, rock, sheet iron, broken skids, etc., to the complete satisfaction of Company's Inspector. Insofar as possible, the earth on both sides of the pipeline ditch which has been disturbed during the construction of the pipeline shall be smoothed up, disked through farming section, and left in a condition satisfactory to the landowner and Company's Inspector. All temporary fills and bridges shall be removed and cleaned up satisfactory to the landowner and Company's Inspector.

Clean Up of Storage Points - Contractor shall clean up all storage places where pipe, dope, and other materials have been stored.

Repairs to Fences - Upon completion of all backfilling and the cleaning up of the right of way, permanent repairs shall be made to all fences by using equivalent new fencing materials. Contractor shall furnish and install good pressure creosoted or cedar posts of three (3) inches minimum top diameter in all fences except where steel, concrete, or specially constructed posts are encountered. Contractor shall furnish and install steel, concrete, or specially constructed posts wherever necessary. Paint and application equipment are to be supplied by Contractor. All fence repairs must be satisfactory to Company's Inspector. These repairs are to be made by Contractor at no extra compensation.

SECTION III
SAFETY REQUIREMENTS

SECTION III

SAFETY REQUIREMENTS

3.1 Safety and Company Regulations

The Contractor shall take all reasonable precautions to protect the workmen and the public and shall provide, where reasonable and necessary, barriers, guards, temporary bridges, lights and watchmen. Where work is done on Company's premises, Company's applicable safety rules and regulations shall be observed as given in the Continental Pipe Line Company "Pipe Line and Terminal Safety Manual." Special Company safety rules and regulations for the particular area of operation shall be followed and observed. The Contractor will have a signed receipt for the Safety Manual in the district office prior to initiating any on site activities.

Company agrees to schedule product shipments so that LPG will not be in the line while work is being conducted.

The Contractor shall familiarize himself with the area and/or operating units bordering the job site and the hazards that might be encountered in working next to them. He should be prepared to cooperate fully with the police, Company safety men, fire chief, and Company representative when requested to alter his operations during times of emergency or when violating any of their regulations and rules.

Upon arrival at the job site, Contractor or his appointed on site representative shall sign the Inspector's log for each member of the crew individually for the first day. For each subsequent day's work, the Contractor shall sign the log and note only those changes that occur for that day, i.e., additional crew members arrival or departure. The Contractor shall sign the log on the final day on site and shall note such entry as "Final Entry - Job Completed" in the comment section of the log.

The Contractor shall complete a safety check out prior to beginning any work. This check list consists of a review of local company policies and the location of various emergency and safety equipment. The Contractor will insure that any subcontractors used on the job also complete this check list and sign a copy for the Inspector.

Contractor shall comply with any and all applicable provisions of and amendments to the Williams-Steiger Occupational Safety and Health Act of 1970.

2.2 Precautions at the Job Site

General - The Contractor shall familiarize himself with the location of fire extinguishers, fire blankets, first aid kits, and other safety equipment already existing at the job site.

When excavating for the piping or conduit, special care shall be taken to avoid all live buried lines, cathodic protection cables and conduit and to maintain the minimum distance between existing conduits and pipe.

Fire Safety - Contractor shall be familiar with location and use of fire fighting equipment, including blankets, extinguishers, hose and ansul powder. Smoking materials should be immediately extinguished in the event of any accident or equipment failure resulting in the release of flammable vapors or liquids (i.e., seal failure, valve leakage, gasket blow out, sump overflow, tubing breakage, etc.).

Contractor shall have two (2) 25 Lb. Ansul fire extinguishers on the job site while all welding is being done.

Contractor shall not store equipment or park vehicles in such a manner as to block fire exits from buildings or fenced areas.

Mechanical Safety - Contractor shall conspicuously mark all open ditches. Dangerous parts of machinery shall be indicated by safety colors or warning signs on Company equipment, particularly when equipment is remote controlled. Extreme care shall be exercised in moving about such equipment during icy or wet conditions.

First Aid - Contractor shall review locations and use of first aid equipment. Local emergency telephone numbers for ambulance, fire department, and law enforcement agencies shall be posted in a prominent place.

Vehicle Safety - Contractor shall review traffic patterns in and around the job site, particularly entrances, exits, and parking areas. Contractor shall furnish required road signs, flashers, and equipment warning signs. All equipment and vehicles shall be operated in a legal and safe manner.

SECTION IV

MATERIALS

SECTION IV

MATERIALS

4.1 Materials to be Furnished by Company

The Company will furnish the 6-inch grade A .280 wall coated pipe to be used in the relocation. This pipe will be supplied to the Contractor at Company's terminal storage site at Wichita, Kansas. All 12-inch casing pipe, insulators, casing seals, vent pipe, pipeline markers and cathodic test equipment will be supplied by the Company. The cleaning machine and the Stuart Wrapster will also be supplied by the Company. It will be the Contractor's responsibility to move these materials to the job site.

A written record of the Company's inventory forms shall determine the amount of materials delivered to the Contractor by the Company. The Contractor upon commencement of construction agrees to a joint inventory of materials on hand for use, and the Contractor shall be solely responsible for the materials and their storage after they have been signed for by his representative. Contractor shall furnish sufficient personnel as required to physically witness and verify all material delivered to the job site. Any materials lost, stolen, or damaged while they are in the Contractor's possession shall be replaced at the Contractor's expense.

4.2 Material and Equipment to be Furnished by Contractor

Contractor shall furnish all coating and wrapping materials for new pipe joints, skids, lumber, pipe support material, fence posts, barb wire and bond cables. Contractor shall furnish all other materials and equipment required to complete the work except those materials itemized in Section 4.1 above. The cost of those materials furnished by the Contractor shall be included in the price as set forth in the Uniform Bid Sheet. All materials furnished by the Contractor and entering into permanent construction shall be new and shall comply with the Specifications applicable thereto.

SECTION V
DEFINITION OF BID ITEMS

SECTION V

DEFINITION OF JOB

5.1 General

The following descriptive information is provided as a general guideline for use in the preparation of the Uniform Bid Sheet. Specific information relating to all aspects of the proposed work is discussed in the attached portions of the specifications and related construction and standard drawings. Bids should reflect consideration for the work described by the total bid specifications and drawings whether or not specifically referred to in the brief description below. Any specific questions or conflicts within the bid specifications and/or drawings should be resolved with the Company before bids are submitted.

5.2 Description of Uniform Bid Sheet

Lump sum bid for lowering and reconditioning approximately 620 feet of existing 6-inch line pipe, laying approximately 460 feet of new 6-inch Grade A .280 wall coated pipe, installing approximately 148 feet of 12-inch casing pipe at two proposed road crossings, installing one cathodic test lead station at each road crossing, and removing approximately 500 feet of existing 6-inch line pipe. All depths to be lowered to are shown on Drawings #1 and #2.

SECTION VI

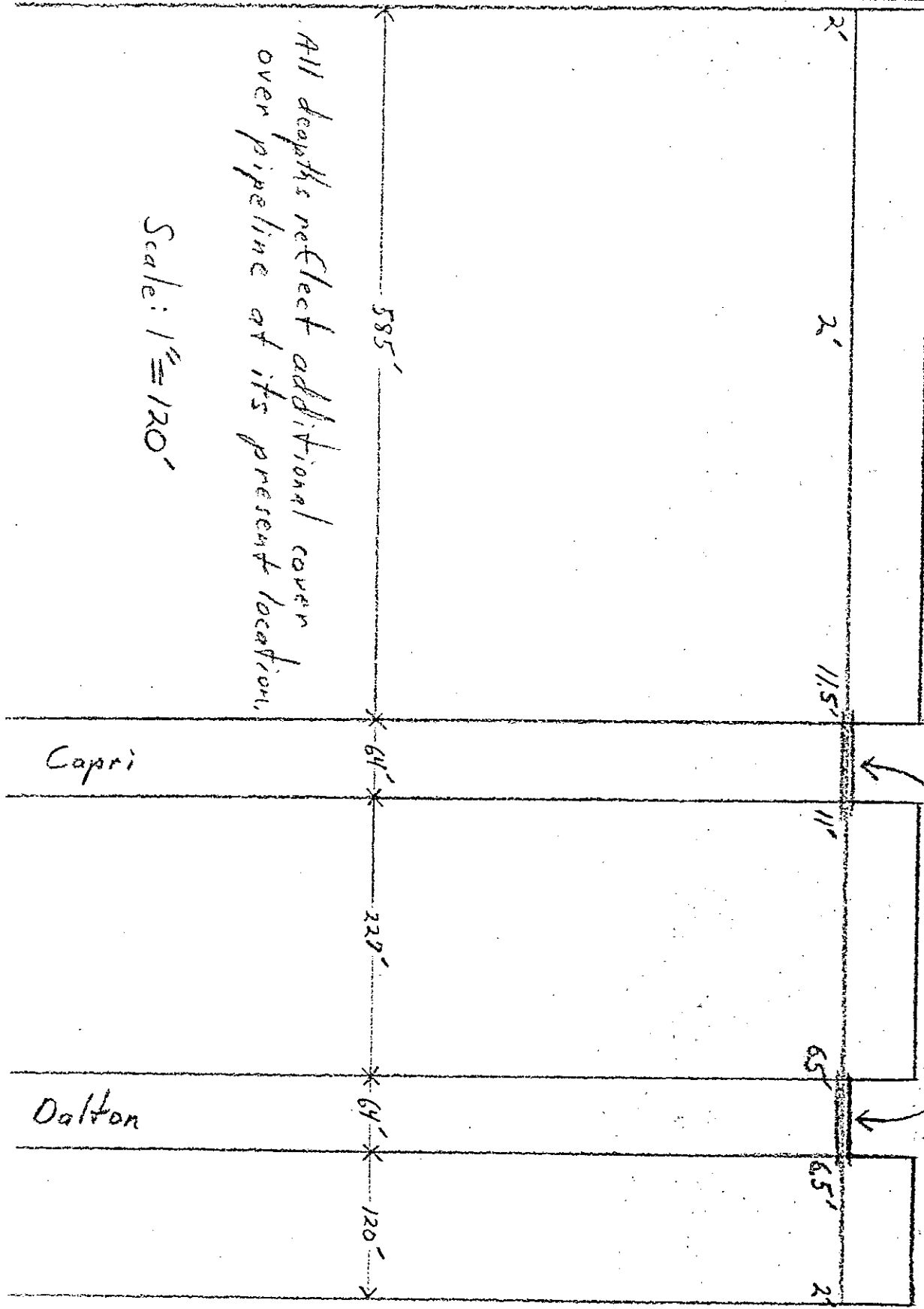
DRAWINGS

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<u>Title</u>	<u>Drawing No.</u>
Oak Knoll Line Lowering Depths	1
Profile of Lowering	2
Cased Crossing	3
Arrangement of Casing Insulators	4
Typical Installation of Casing Seal	5
Welder's Test Specimen Locations	6
Welding Procedure Test Specimen Locations	7
Welding Test Specimens	8
Coupon Test Report	9
Cathodic Protection Test Lead Station	10
Installation of Cathodic Protection Test Connections	11
Typical Method of Supporting Pipe at Cased Crossings	12
Bonding Requirements Prior to Removing and Replacing a Section of Pipe	13
Backfill Requirements	14

All depths reflect additional cover over pipeline at its present location.

Scale: 1" = 120'

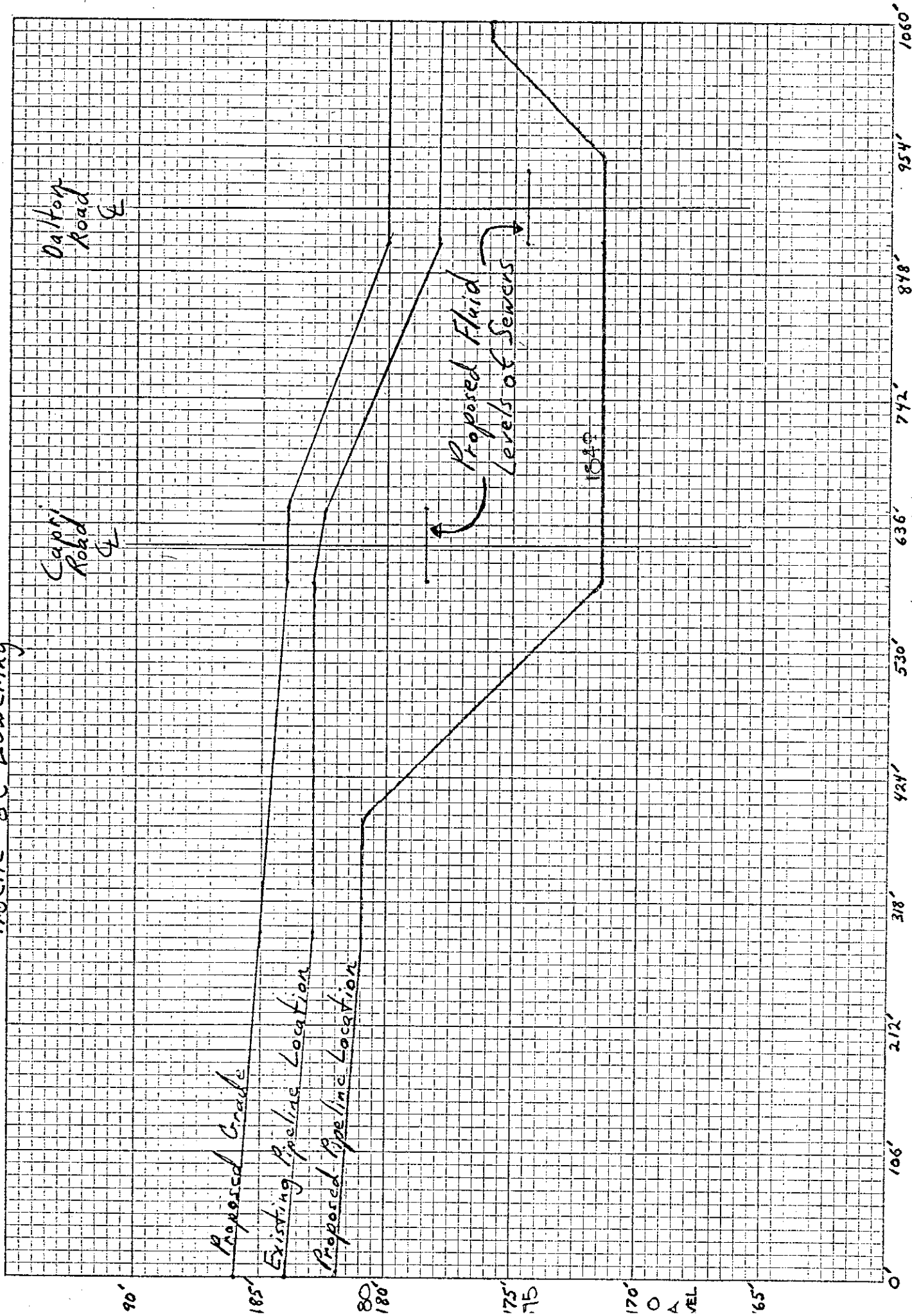


ISSUE:
APPD:
DATE:

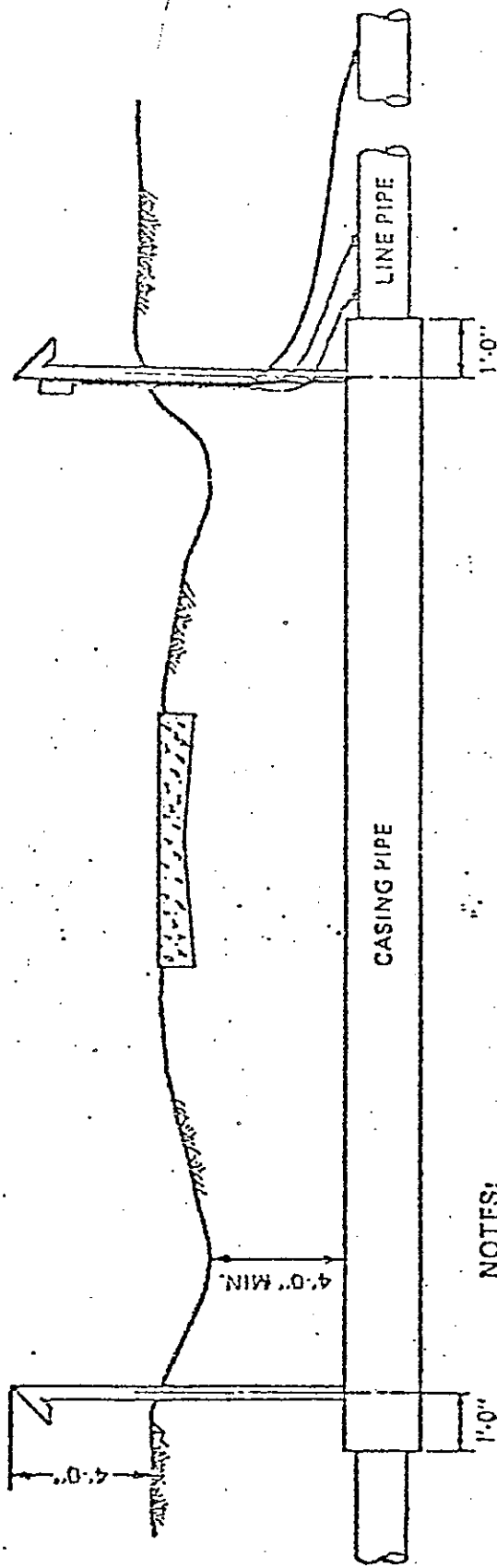
Oak Knoll Line Lowering Depths

No.
DWR. # 1

Profile of Lowering



Distance From West Property Line

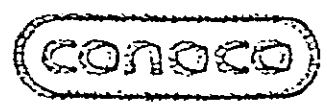


SET VENTS AT EDGE OF
HIGHWAY OR RAILROAD R.O.W.

NOTES:

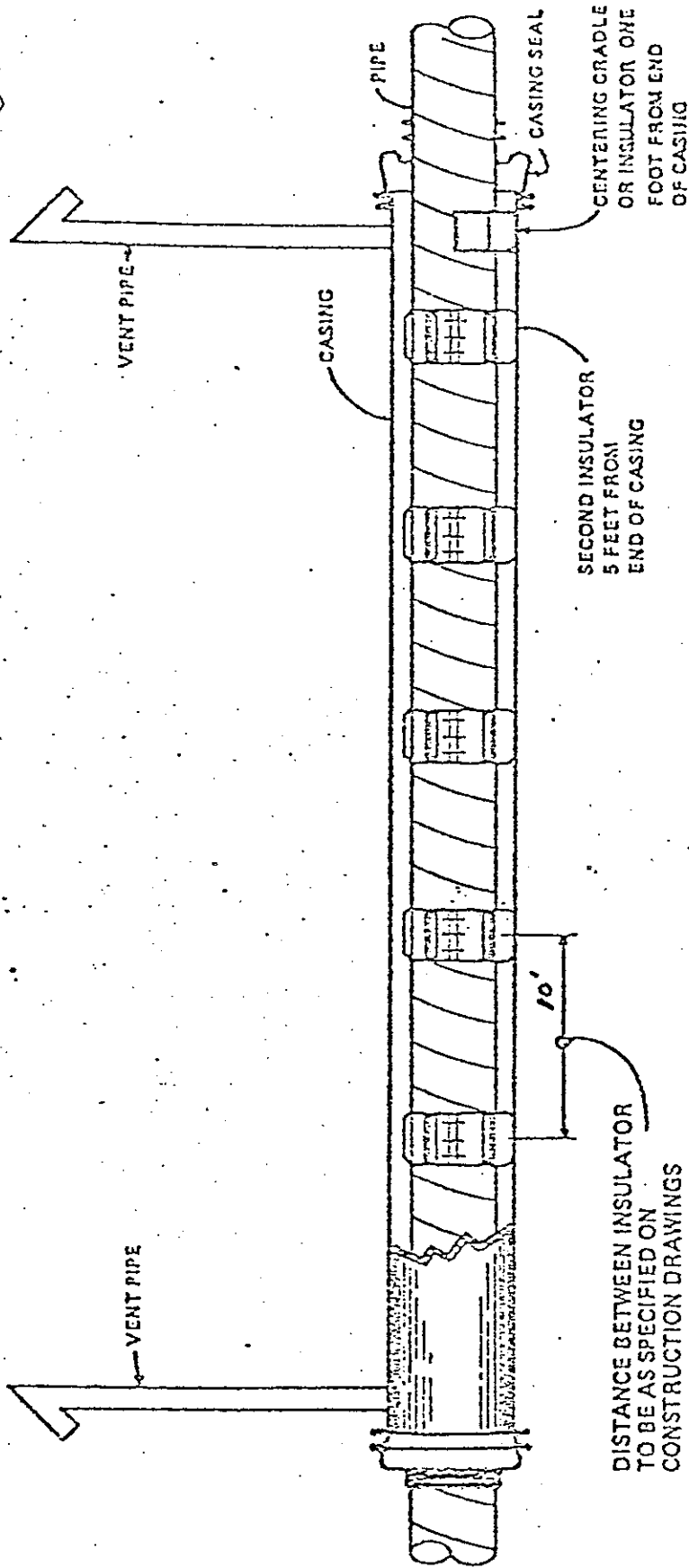
- 1. SLOPE CASING AS REQUIRED BY EXISTING TOPOGRAPHY
1/8" PER 10' MINIMUM.

CASED CROSSING



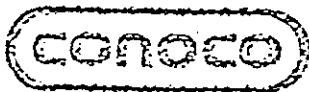
Pipe Line Standard
Continental Pipe Line Company
Houston, Texas

Std.	Drawing # 3
Issue	
Approved	
Date	



- NOTE:**
1. PIPE TO BE EXACTLY CENTERED IN CASING AT BOTH ENDS.
 2. INSTALL ONE TEMPORARY INSULATOR AT EXTREME END OF PIPE. SPACE OTHER AS NEEDED TO GUARD COATING & GUIDE PIPE. AFTER INSTALLATION OF PIPE CASING, REMOVE EXPOSED TEMPORARY INSULATORS & USE ON NEXT CASING JOB.

ARRANGEMENT OF CASING INSULATORS



Pipe Line Standard
 Continental Pipe Line Company
 Houston, Texas

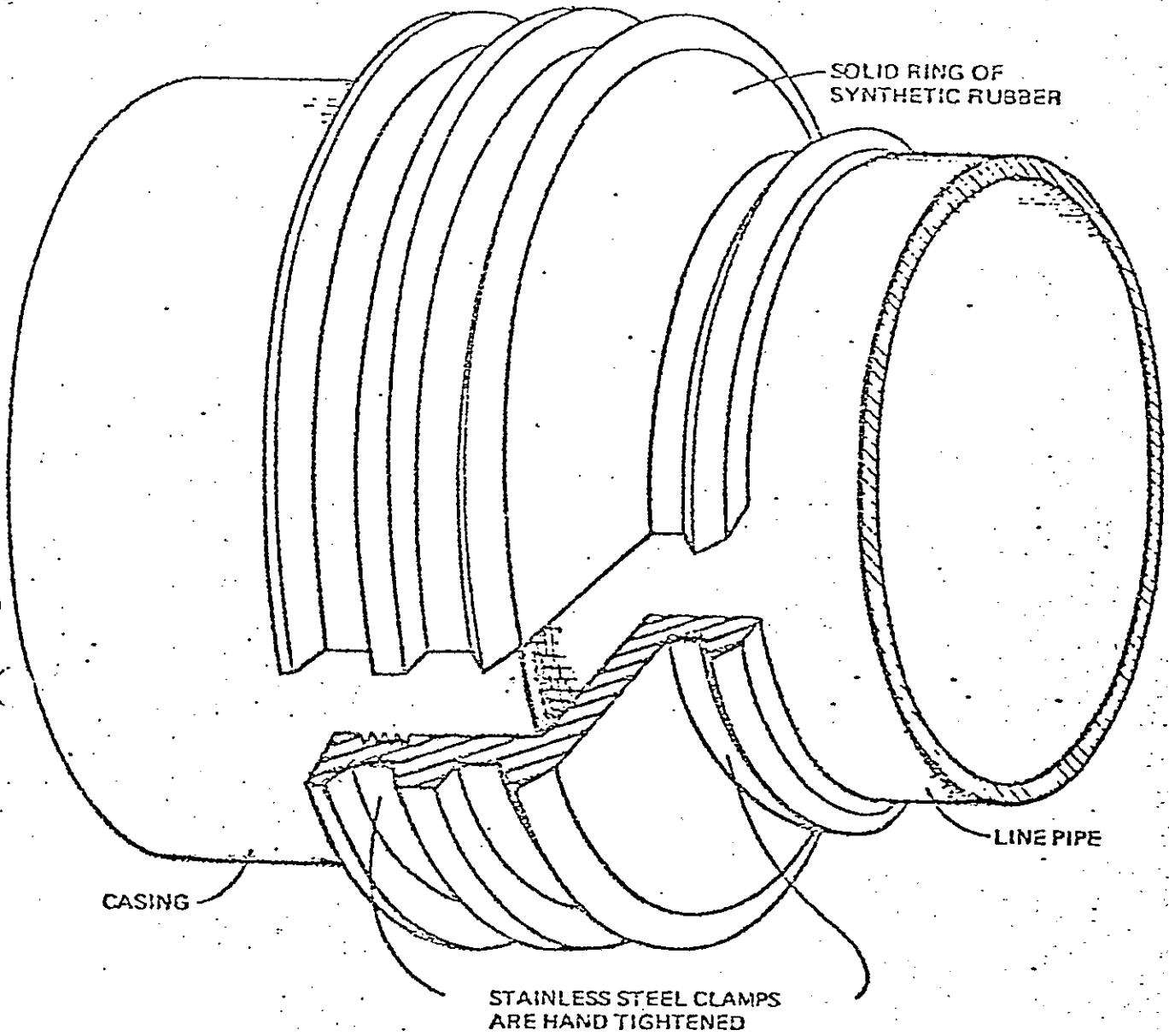
STD.

Issue

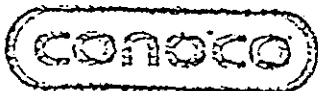
Approved

Date

Drawing # 4

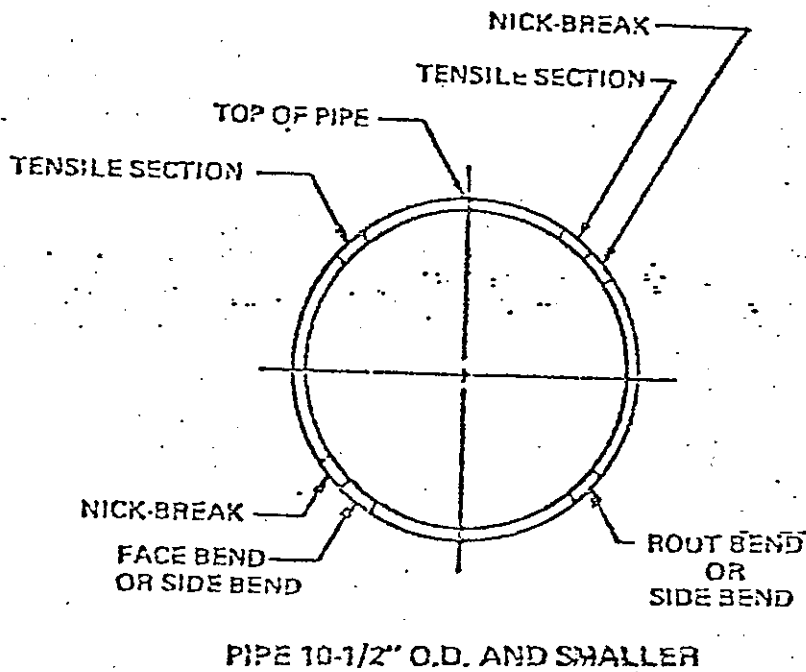
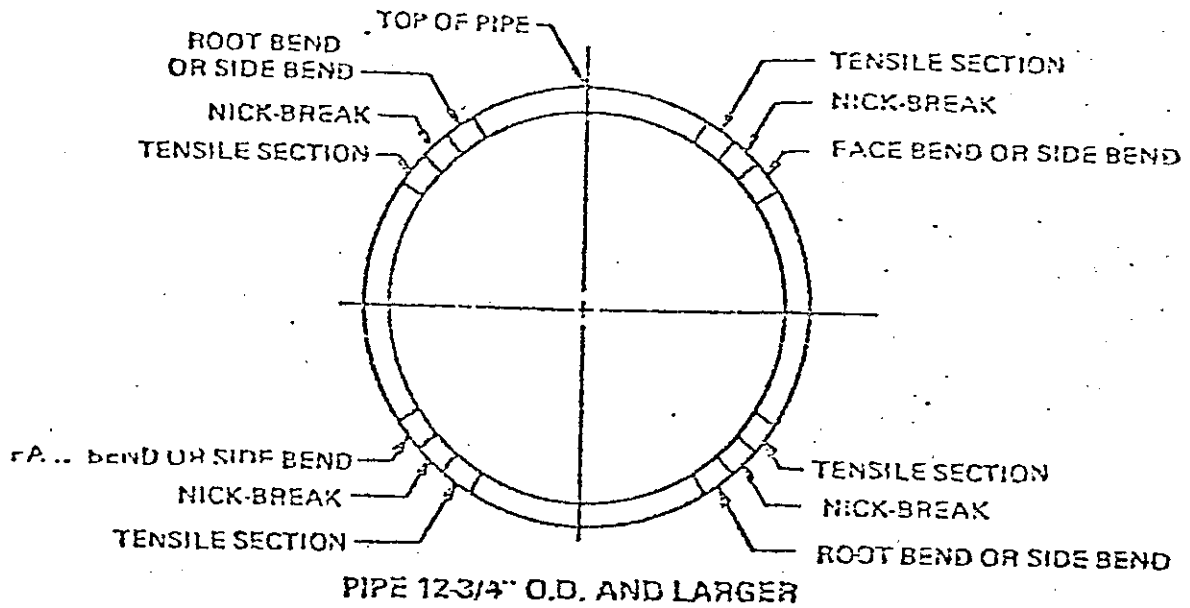


TYPICAL INSTALLATION OF CASING SEAL



Pipe Line Standard
 Continental Pipe Line Company
 Houston, Texas

Std.	Drawing # 5
Issue	
Approved	

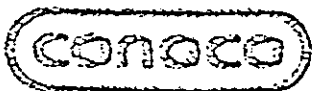


NOTE:

1. AT THE COMPANY'S OPTION, THE LOCATIONS MAY BE ROTATED 45 DEGREES COUNTERCLOCKWISE OR THEY MAY BE EQUALLY SPACED AROUND THE PIPE EXCEPT SPECIMENS SHALL NOT INCLUDE THE LONGITUDINAL WELD. ALSO, AT THE COMPANY'S OPTION, ADDITIONAL SPECIMENS MAY BE TAKEN.

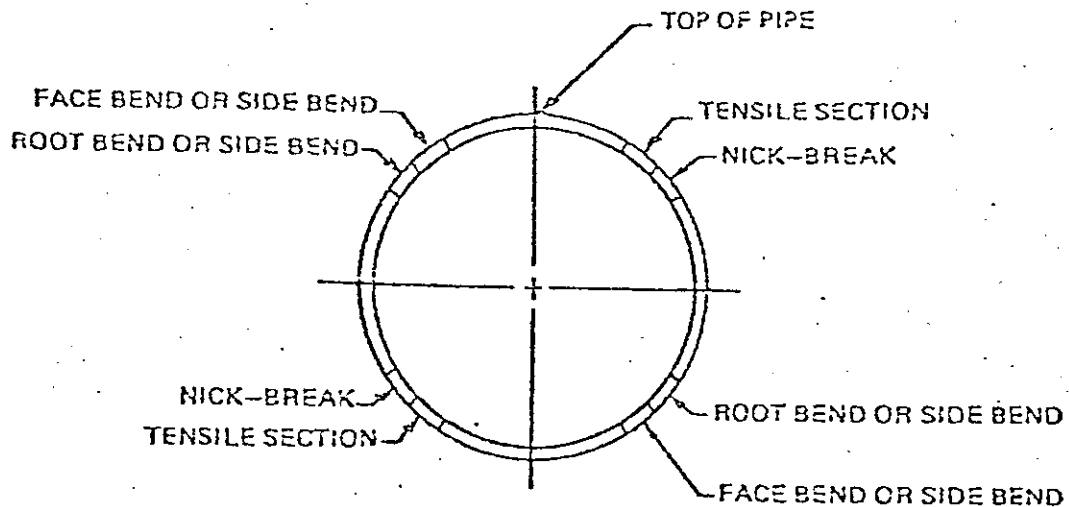
WELDERS TEST SPECIMEN LOCATIONS

REF: API STD. 1104

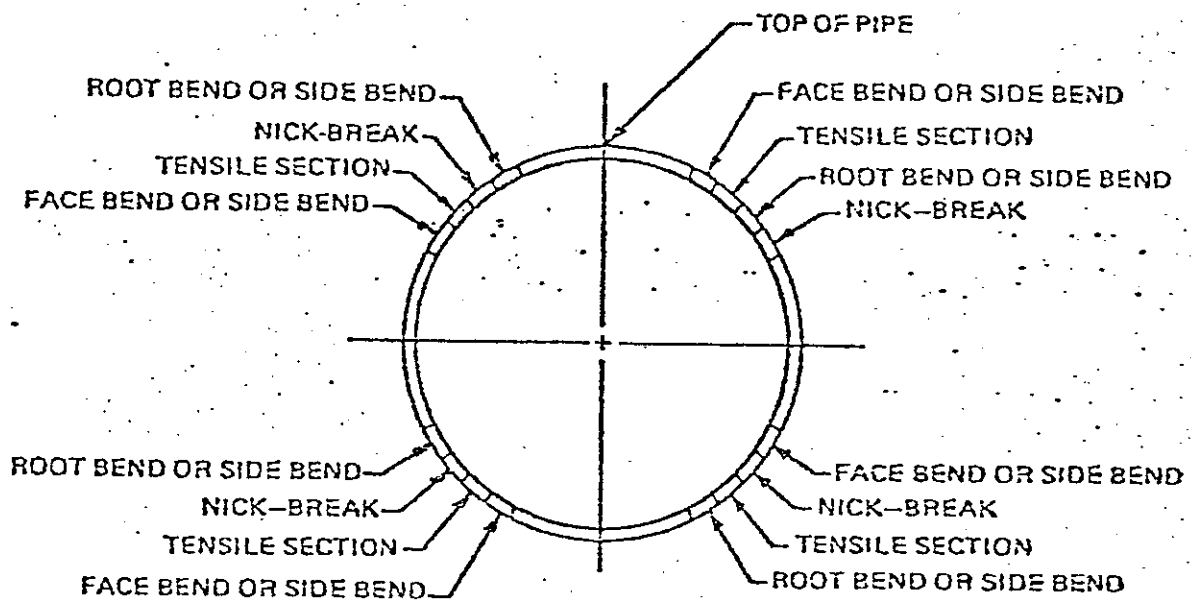


Pipe Line Standard
Continental Pipe Line Company
Houston, Texas

Std.	Drawing # 6
Issue	
Approved	
Date	



PIPE 1 1/2" O.D. AND SMALLER



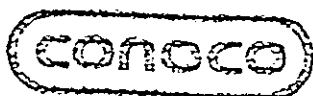
PIPE 1 3/4" O.D. AND LARGER

NOTE:

1. AT THE COMPANY'S OPTION, THE LOCATIONS MAY BE ROTATED 45 DEGREES COUNTERCLOCKWISE OR THEY MAY BE EQUALLY SPACED AROUND THE PIPE EXCEPT SPECIMENS SHALL NOT INCLUDE THE LONGITUDINAL WELD. ALSO, AT THE COMPANY'S OPTION, ADDITIONAL SPECIMENS MAY BE TAKEN.

WELDING PROCEDURE TEST SPECIMEN LOCATIONS

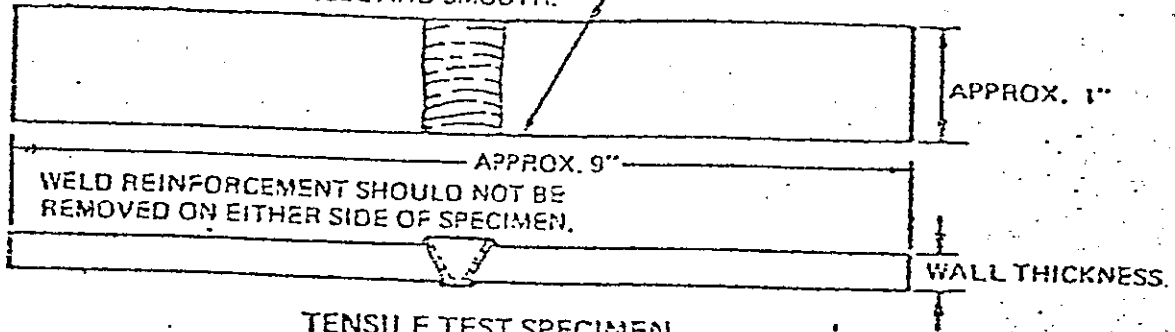
REF: API STD. 1104



Pipe Line Standard
Continental Pipe Line Company
Houston, Texas

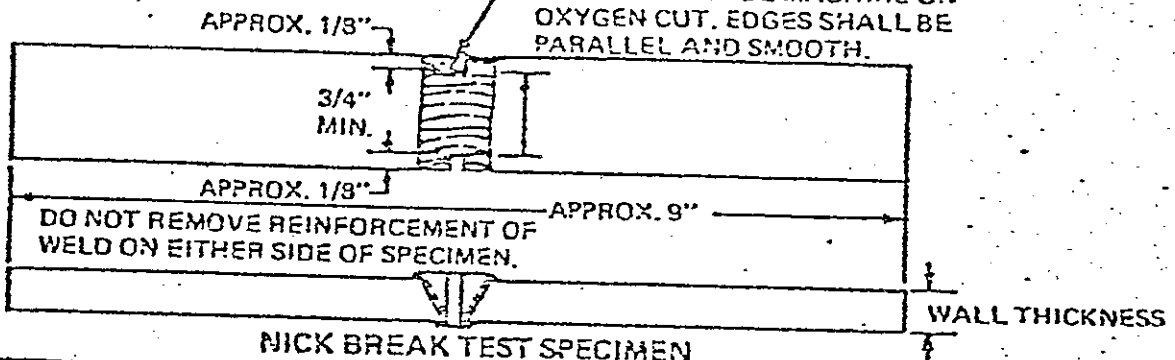
Std.	<i>Drawing # 7.</i>
Issue	
Approved	
Date	

SPECIMEN MAY BE MACHINE OR OXYGEN CUT. EDGES SHALL BE PARALLEL AND SMOOTH.



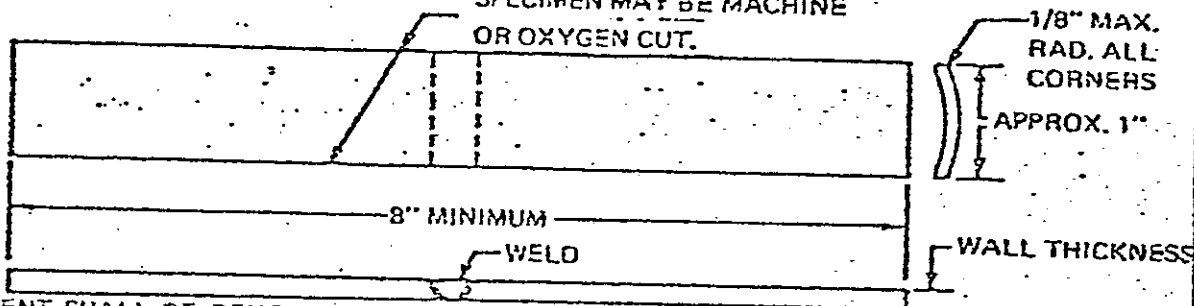
TENSILE TEST SPECIMEN

NOTCH CUT BY HACKSAW. SPECIMEN MAY BE MACHINE OR OXYGEN CUT. EDGES SHALL BE PARALLEL AND SMOOTH.



NICK BREAK TEST SPECIMEN

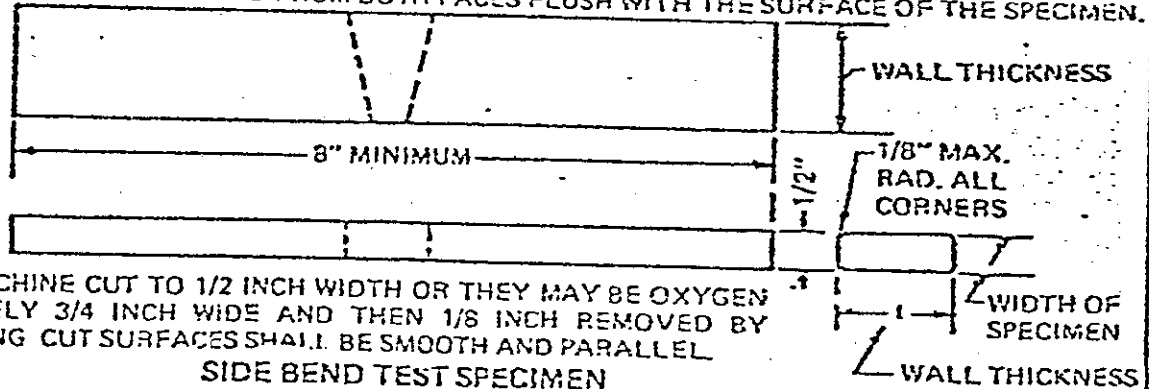
SPECIMEN MAY BE MACHINE OR OXYGEN CUT.



WELD REINFORCEMENT SHALL BE REMOVED FROM BOTH FACES FLUSH WITH THE SURFACE OF THE SPECIMEN. SPECIMEN SHALL NOT BE FLATTENED PRIOR TO TESTING.

ROOT BEND AND FACE BEND TEST SPECIMEN

WELD REINFORCEMENT SHALL BE REMOVED FROM BOTH FACES FLUSH WITH THE SURFACE OF THE SPECIMEN.

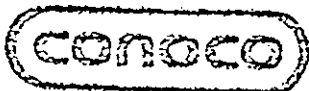


SPECIMENS MAY BE MACHINE CUT TO 1/2 INCH WIDTH OR THEY MAY BE OXYGEN CUT TO APPROXIMATELY 3/4 INCH WIDE AND THEN 1/8 INCH REMOVED BY MACHINING OR GRINDING CUT SURFACES SHALL BE SMOOTH AND PARALLEL

SIDE BEND TEST SPECIMEN

WELDING TEST SPECIMENS

REF: API STD. 1104



Pipe Line Standard
Continental Pipe Line Company
Houston, Texas

Std.	Drawing # 8
Issue	
Approved	

PROJECT: _____ AFE: _____
 LOCATION: _____
 CONTRACTOR: _____ CONTRACT NO.: _____
 WELDER: _____ MARK: _____
 TIME AND DATE: _____ AM/PM _____ TEMPERATURE: _____ WELDING TIME: _____
 WEATHER: _____ WIND BREAK: _____
 TYPE OF WELDING MACHINE: _____ SIZE: _____
 VOLTAGE: _____ AMPERAGE: _____ ROLLWELD: _____ FIXED POSITION WELD: _____
 FILLER METAL: _____
 SIZE OF REINFORCEMENT: _____
 PIPE: O.D.: _____ W.T.: _____ GRADE: _____ SOURCE: _____

BEAD NO.							
SIZE OF ELECTRODE							
NO. OF ELECTRODE							

COUPON LOCATION							
ORIGINAL DIMENSIONS							
ORIG. AREA SQ. IN.							
MAXIMUM LOAD							
TENSILE STRENGTH, LBS./SQ. IN.							
FRACTURE LOCATION							

REMARKS ON TENSILE TEST: _____
 1. _____
 2. _____
 3. _____
 4. _____

REMARKS ON NICK-BREAK TEST: _____
 1. _____
 2. _____
 3. _____
 4. _____

REMARKS ON ROOT BEND TEST: _____
 1. _____
 2. _____
 3. _____
 4. _____

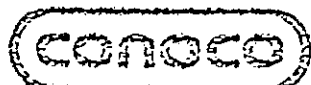
REMARKS ON FACE BEND TEST: _____
 1. _____
 2. _____
 3. _____
 4. _____

WELDER QUALIFYING TEST QUALIFIED
 PROCEDURE LINE TEST DISQUALIFIED

TEST MADE AT: _____
 TESTED BY: _____
 SIGNED: _____
 INSPECTOR

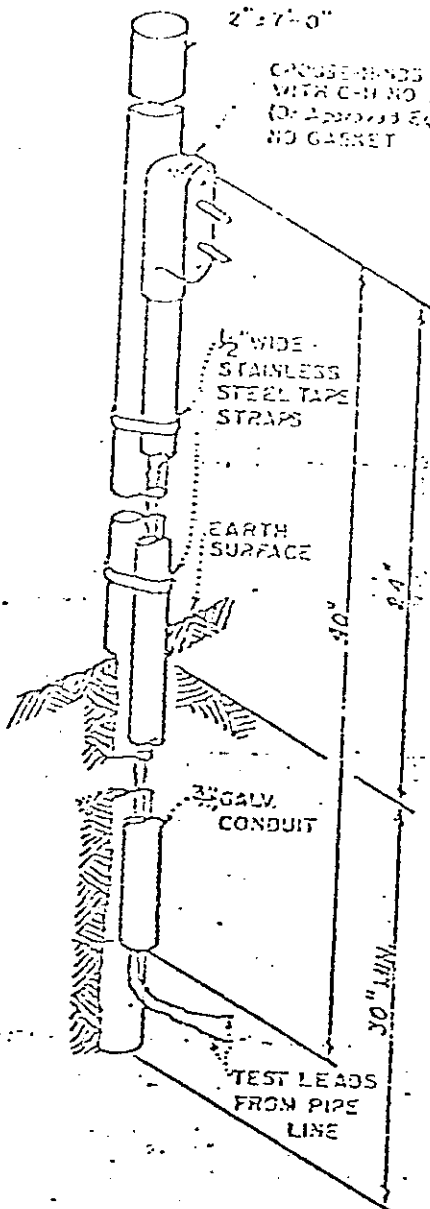
COUPON TEST REPORT

REF: API STD. 1104



Pipe Line Standard
 Continental Pipe Line Company
 Houston, Texas

Std. _____
 Issue _____
 Drawing # 9



2" ± 0"

CROSS-BANDS NO. F-27 CONDUIT WITH C-H NO. 2770 COVER (Of Approved Equal) NO GASKET

1/2" WIDE STAINLESS STEEL TAP STRAPS

EARTH SURFACE

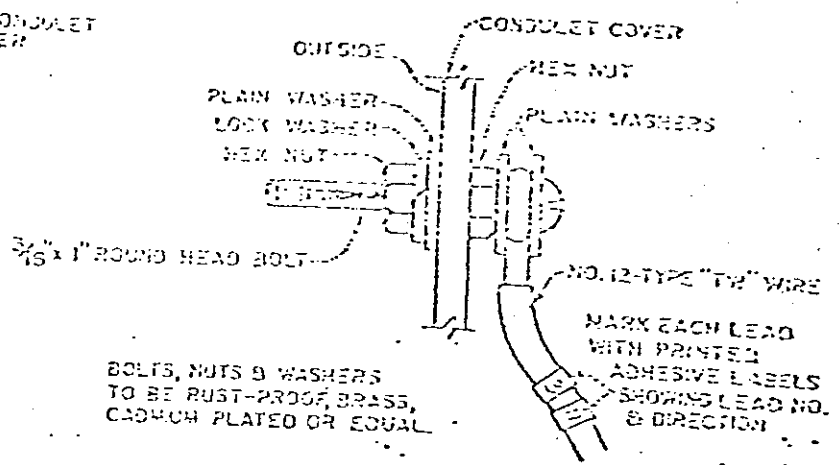
3" GALV. CONDUIT

TEST LEADS FROM PIPE LINE

30"

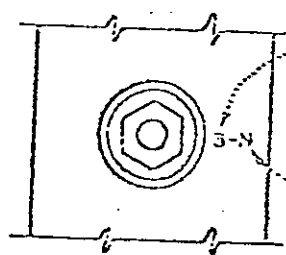
34"

30" MIN.



BOLTS, NUTS & WASHERS TO BE RUST-PROOF, BRASS, CADMIUM PLATED OR EQUAL

DETAIL OF TERMINAL & WIRE ATTACHMENT



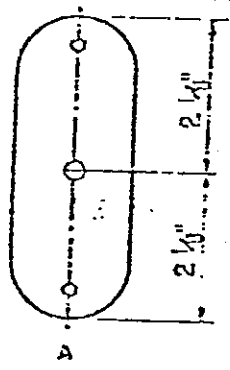
STAMP LEAD NO. 1, 2, 3, ETC ON OUTSIDE OF COVER THUS

STAMP DIRECTION Wires RUN FROM STATION THUS USING E FOR EAST, S FOR SOUTH, W FOR WEST & N FOR NORTH

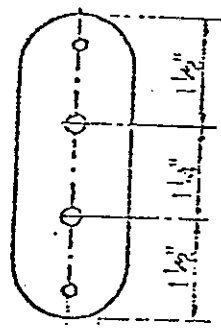
DETAIL OF TERMINAL IDENTIFICATION ON CONDUIT COVER

CATHODIC PROTECTION
TEST LEAD STATION

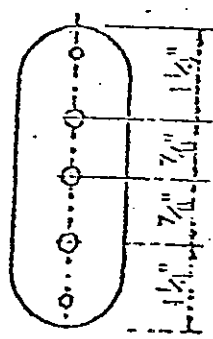
COMPLETE TEST LEAD STATION



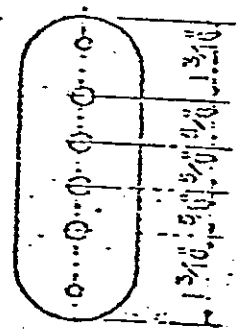
A



B



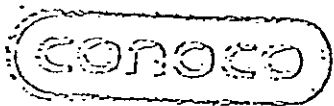
C



D

DRILL THUS FOR 1, 2, 3, OR 4 WIRE TEST STATION AS REQUIRED. DRILL ALL HOLES 7/32" DIAMETER.

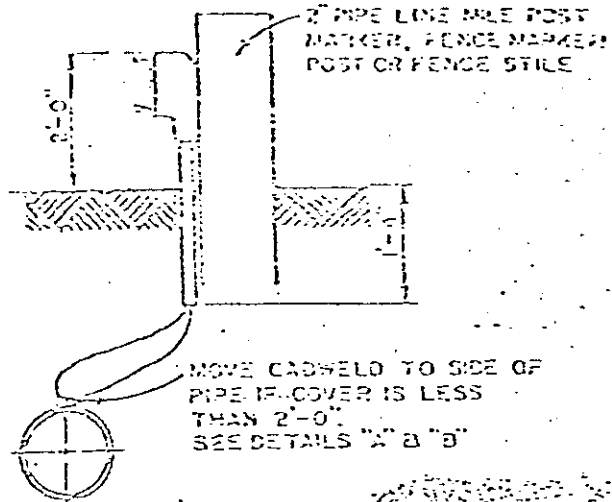
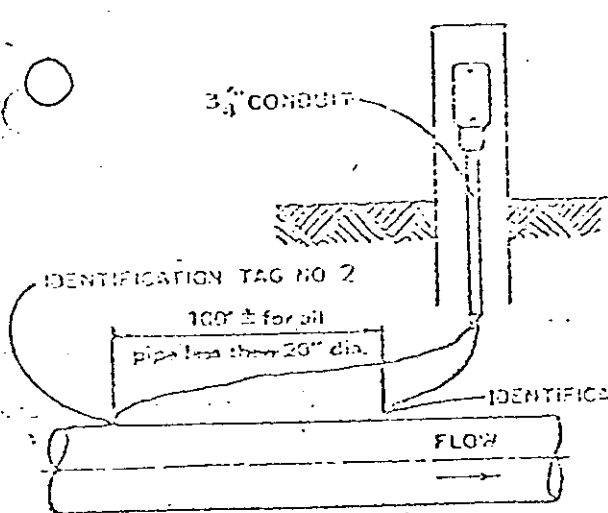
DRILLING LAYOUTS FOR C-H NO. 2770 BLANK COMPOSITION COVERS



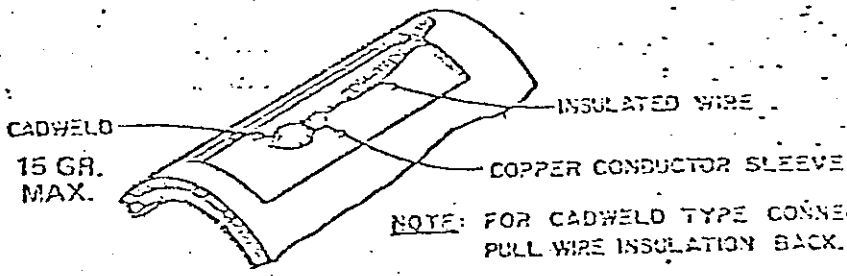
Continental Pipe Line Company
Ponca City, Oklahoma
Pipe Line Standard

STD. Drawing # 10

Issue
Approved

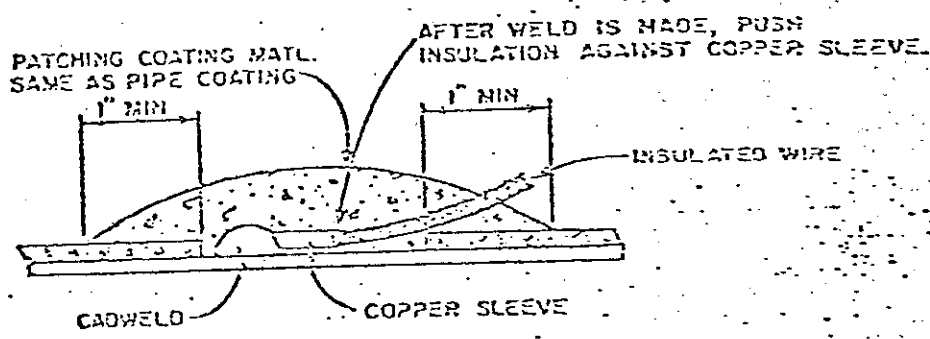


CABLE TO BE DIRECTLY ON TOP OF PIPE IF INSTALLED
AS PIPE LINE IS LAID IF INSTALLED AFTER PIPE
LINE IS LAID, CABLE MUST BE BURIED AT LEAST
24" OR LOWER IN CULTIVATED AREAS.



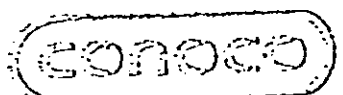
NOTE: FOR CADWELD TYPE CONNECTION,
PULL WIRE INSULATION BACK.

DETAIL "A"



DETAIL "B"

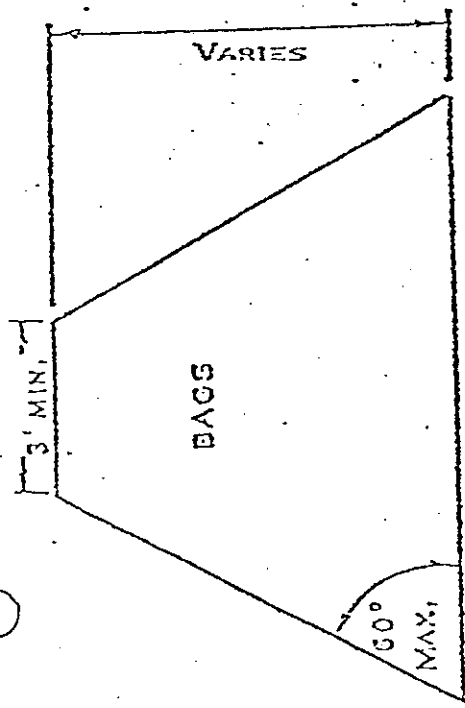
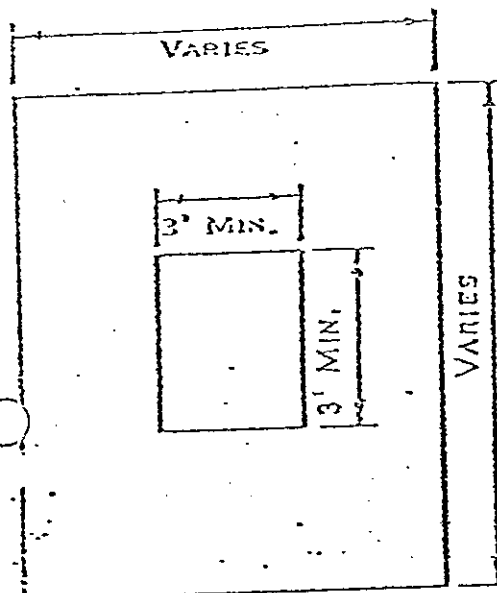
INSTALLATION OF CATHODIC PROTECTION TEST CONNECTIONS



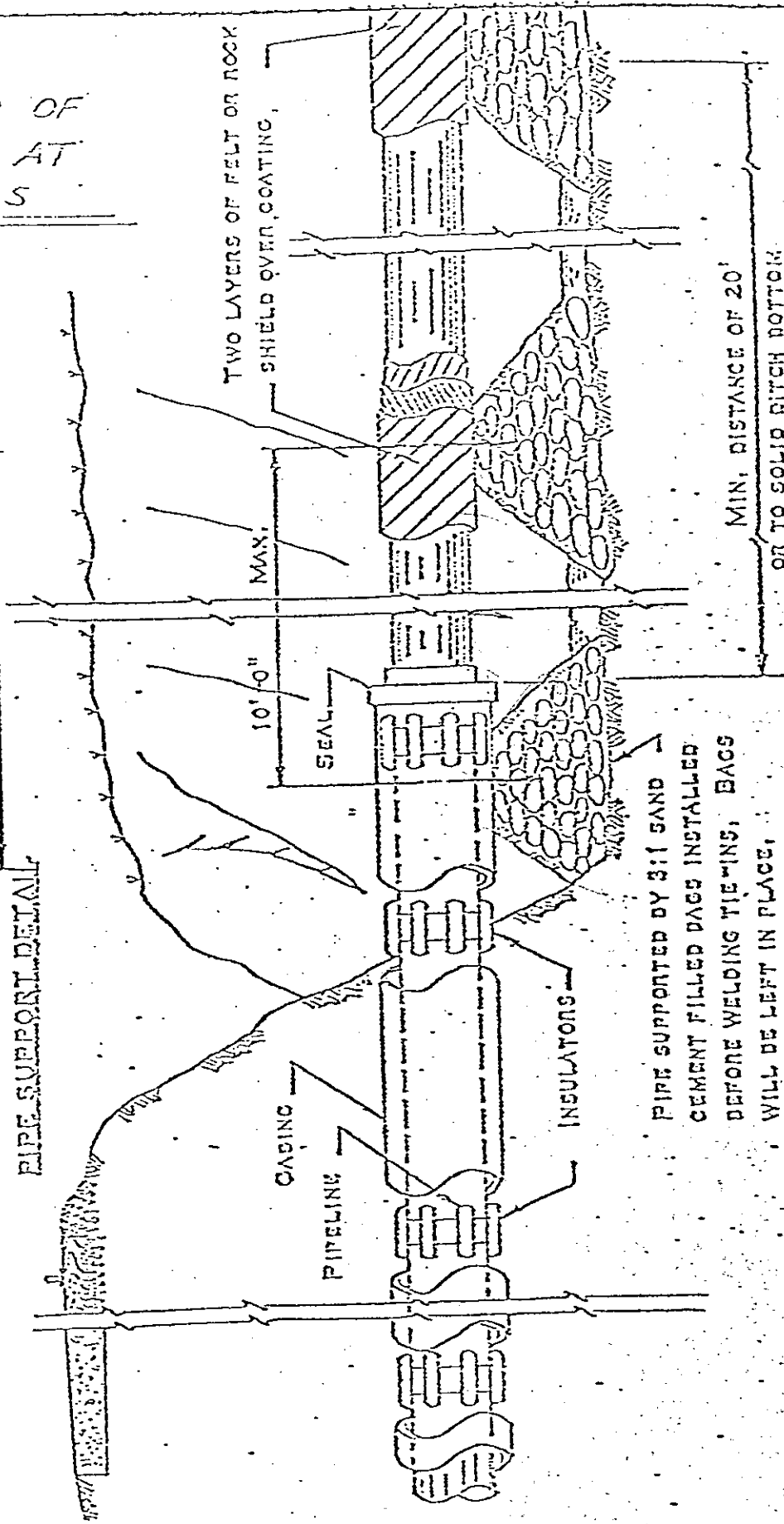
Continental Pipe Line Company
Ponca City, Oklahoma
Pipe Line Standard

STD. Drawing # 11	
Issue	
Approved	

TYPICAL METHOD OF SUPPORTING PIPE AT CASED CROSSINGS



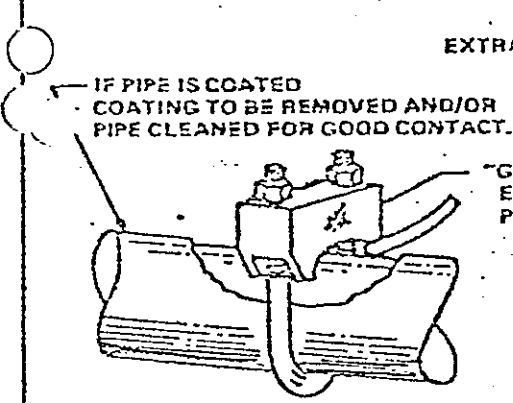
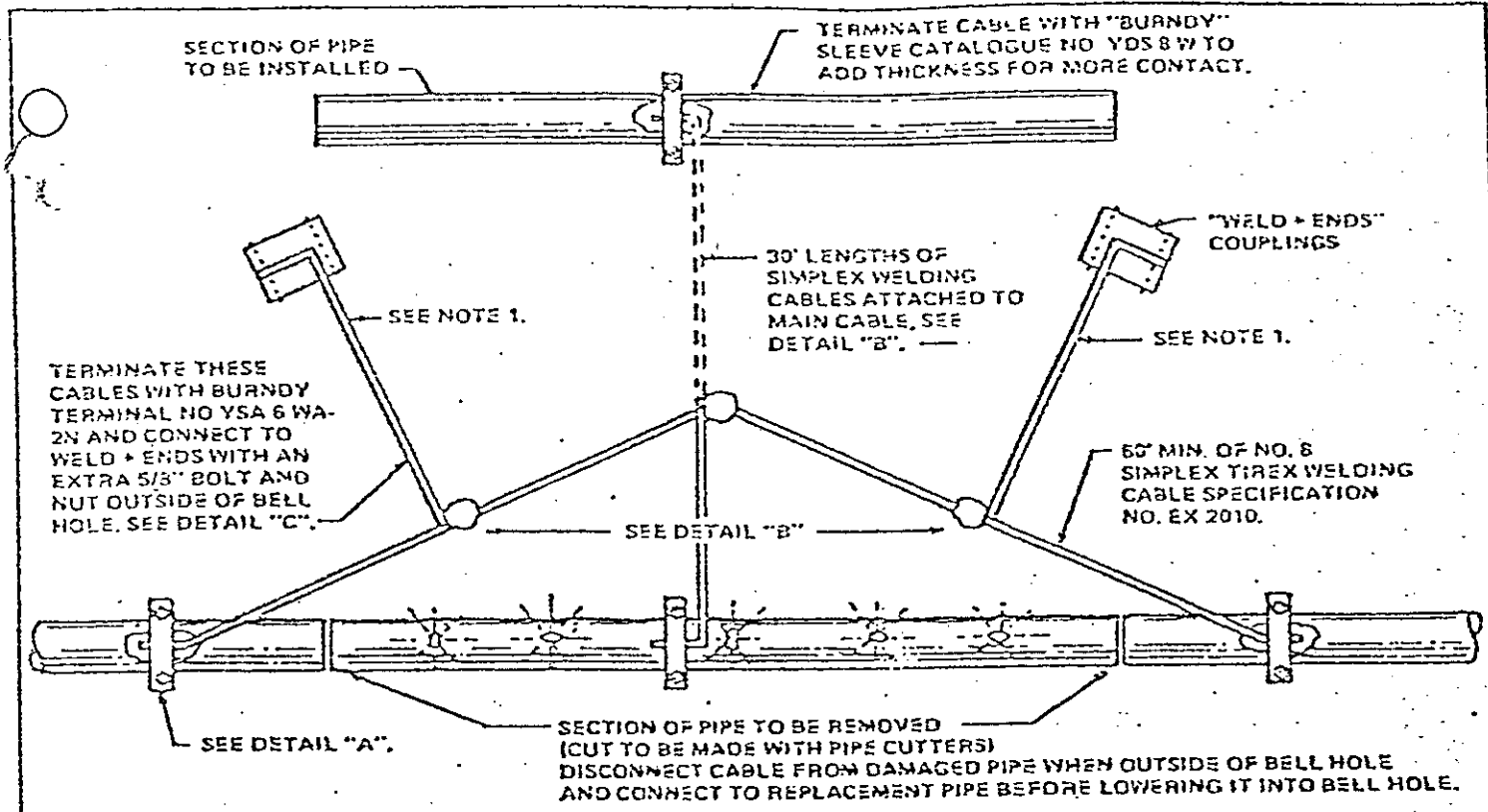
PIPE SUPPORT DETAIL



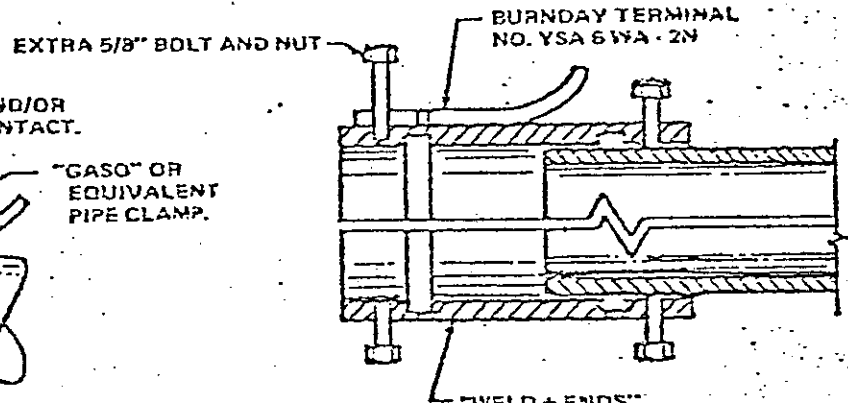
PIPE SUPPORTED BY 3:1 SAND
 CEMENT FILLED BAGS INSTALLED
 BEFORE WELDING TIE-INS, BAGS
 WILL BE LEFT IN PLACE.

NOTE: CONTRACTOR WILL FURNISH 3:1

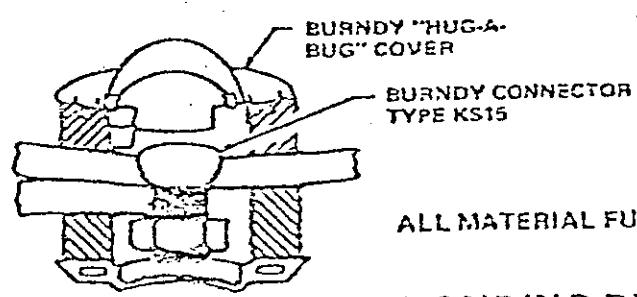
MIN. DISTANCE OF 20'
 OR TO SOLID RITCH BOTTOM



DETAIL "A"



DETAIL "C"

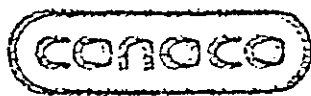


DETAIL "B"

- NOTE:
1. CABLES MAY BE DISCONNECTED FROM MAIN JUMPER CABLE AT "B" WHEN WELD + END COUPLINGS ARE NOT BEING INSTALLED.
 2. DISCONNECT RECTIFIERS BEFORE CUTTING LINE.

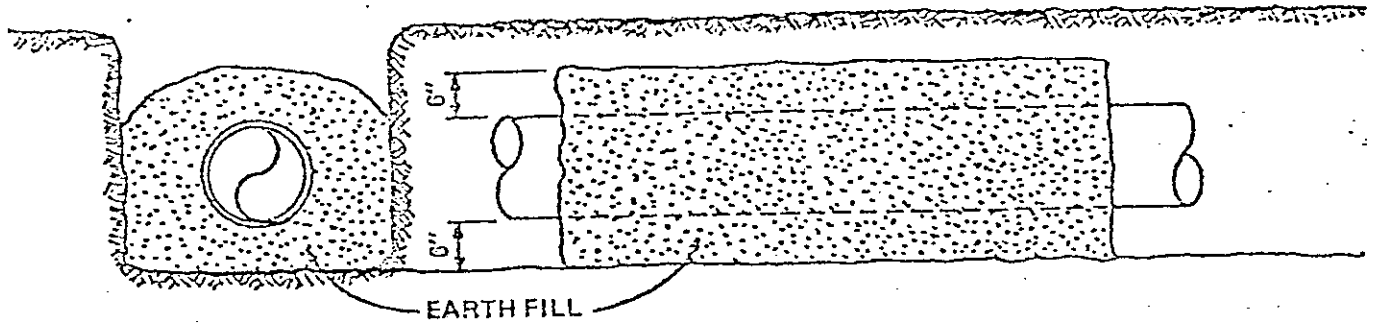
ALL MATERIAL FURNISHED BY CONTRACTOR.

BONDING REQUIREMENTS PRIOR TO REMOVING AND REPLACING A SECTION OF PIPE

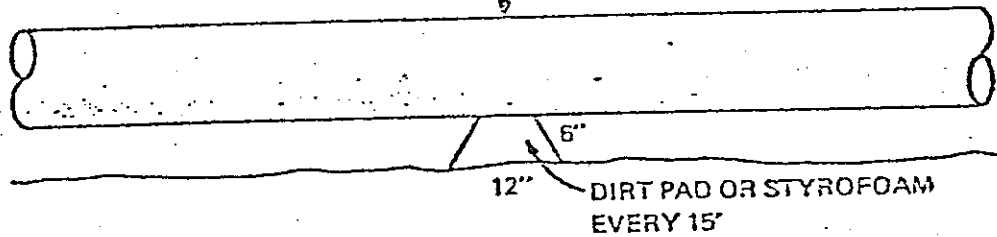
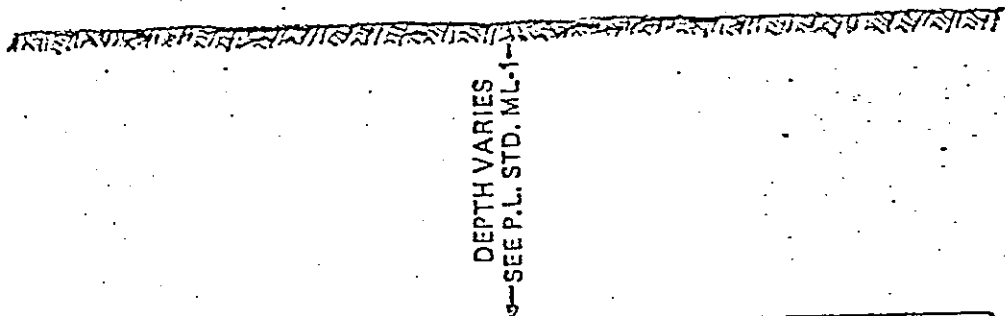


Pipe Line Standard
Continental Pipe Line Company
Houston, Texas

STD.	Drawing # 13
Issue	
Approved	



ROCK EXCAVATION



NORMAL EXCAVATION

BACKFILL REQUIREMENTS



Pipe Line Standard
Continental Pipe Line Company
Houston, Texas

STD.	Drawing #14
Issue	
Approved	
Date	

EXHIBIT B

UNIFORM BID SHEETS

UNIFORM BID SHEET

LOWERING AND CASING 6-INCH LINE
THROUGH OAK KNOLL ADDITION

Amount

Lump Sum Bid for Lowering and Reconditioning 620 feet of 6-inch line pipe, laying 460 feet of new line pipe with two 74 foot casings at two proposed road crossings and removal of 500 feet of existing line pipe.

If awarded the contract for doing the work as set forth in your Drawings and Specifications and on this Bid Sheet, we agree to start work within _____ calendar days after receiving written notification to commence and will complete all work ready for operation within _____ calendar days after commencing work.

In the event extra work on this property becomes necessary, exposing the line will be charged at _____/foot and wrapping the line will be charged at _____/foot.

Federal Employer Registration No. _____

State of _____ Employer Registration No. _____

The above bid price includes all taxes, licenses, fees, assessments and charges applicable to this contract, the materials and supplies furnished by the Contractor and used in the performance of the contract, or the services performed by the Contractor or any subcontractor, now or hereafter imposed on by a governmental agency, authority or subdivision. We also agree to abide by the terms of this contract which shall be entered into at the time of this agreement.

COMPANY

SIGNATURE

PRINT NAME/TITLE

DATE

EXHIBIT C

SAMPLE MEMORANDUM OF AGREEMENT

MEMORANDUM OF AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, by and between Continental Pipe Line Company, a Delaware corporation, with offices in Tulsa, Oklahoma, as first party, hereinafter designated as COMPANY, and _____, with offices in _____, as second party, hereinafter designated as CONTRACTOR

W I T N E S S E T H

T H A T

In consideration of the covenants and agreements hereinafter contained to be performed by the parties hereto and the payments hereinafter to be made, it is mutually agreed as follows:

I.

Except as may be amended by this Memorandum of Agreement, CONTRACTOR agrees to furnish and complete and pay for all material, labor, tools, supplies, utilities, equipment, and other facilities to lower the line as necessary and to encase at two locations along 1,060 feet of 6-inch products pipeline

which COMPANY has outlined in the Specifications, a copy of which is attached hereto, marked "Exhibit A," and made a part hereof. CONTRACTOR hereby specifically agrees to and accepts all conditions and obligations expressed in said Specifications which are imposed or required to be assumed by CONTRACTOR as though such obligations and conditions were set forth at length in this Memorandum of Agreement.

Where a difference exists between the provisions of this Memorandum of Agreement and the Specifications, this Memorandum of Agreement shall apply.

II.

CONTRACTOR covenants to and with COMPANY that the said Specifications, including exhibits made a part thereof, have been carefully examined and studied and that CONTRACTOR is familiar with the uses and purposes for which they are intended.

III.

For the work to be performed, CONTRACTOR agrees to accept and COMPANY agrees to pay CONTRACTOR, in the manner provided in the Specifications, the total sum shown on the Bid Sheets dated _____, a true copy of which is attached hereto, made a part hereof, and marked "Exhibit B."

IV.

COMPANY'S rights to terminate and cancel this agreement shall be as shown in Section 1.13 of the Specifications.

V.

Construction work shall commence within _____ calendar days after receiving written notification to commence and will complete all work ready for operation within _____ calendar days after commencing work. If work exceeds 30 calendar days, Contractor will be penalized as set forth in Section 1.12, Delays.

VI.

CONTRACTOR is, and during performance hereof will continue to be, registered as an employer under such federal and state laws as are applicable, and CONTRACTOR'S employer registration numbers thereunder are:

Federal:

State:

State Contractor's License No.

VII.

Any notice provided herein or in the Specifications may be given by registered mail as follows:

A. By COMPANY to CONTRACTOR, addressed to:

B. By CONTRACTOR to COMPANY, addressed to:

D. M. Cobb
Continental Pipe Line Company
3025 East Skelly Drive, Suite 420
Tulsa, Oklahoma 74105

VIII.

The certification of nonsegregated facilities is hereby made a part of this Memorandum of Agreement, a true copy of which is attached hereto.

IX.

This agreement shall inure to the benefits of and be binding upon the parties hereto, their successors and assigns, provided, however, that the obligations imposed upon CONTRACTOR hereunder are personal, and CONTRACTOR may not sublet or assign this agreement or any rights or benefits hereunder without securing COMPANY'S prior approval in writing.

IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Agreement.

By _____
COMPANY

BY _____
CONTRACTOR

EXHIBIT D

SAMPLE CERTIFICATION OF NONSEGREGATED FACILITIES

CERTIFICATION OF NONSEGREGATED FACILITIES

Continental Pipe Line Company is a contractor, or subcontractor, under various contracts with the United States of America, acting through certain government contracting agencies. The assurances and agreements herein are being made in anticipation of the undersigned _____ becoming a subcontractor under one or more of the same.

The undersigned certifies to Continental Pipe Line Company and the appropriate agencies of the United States government that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments and that it does not and will not permit its employees to perform their services at any location, under its control, where segregated facilities are maintained. The undersigned agrees that a breach of this certification is a violation of the Equal Opportunity clause required by Executive Order 11246, of September 24, 1965.

As used in this certification, the term segregated facilities includes facilities which are segregated by explicit directives or are in fact segregated on the basis of race, creed, color, or national origin, because of habit, local custom, or otherwise.

The undersigned further agrees and understands that a breach of the assurances contained herein subjects it to the provisions of the Order of the Secretary of Labor at 41 CFR Chapter 60, dated May 28, 1968, and the provisions of the Equal Opportunity clause enumerated in contracts between the United States of America and Continental Pipe Line Company or in subcontracts held by Continental Pipe Line Company from a third party or parties who contract with the United States of America.

The undersigned further agrees that (except where it has obtained identical certifications from proposed subcontractors for specific time periods) it will obtain identical certifications from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity clause, that it will retain such certifications in its files, and that it will forward the following notice to such proposed subcontractors (except where the proposed subcontractors have submitted identical certifications for specific time periods).

(NOTE: Whoever knowingly and willfully makes any false, fictitious, or fraudulent representations may be liable to criminal prosecution under U.S.C. S 1001.)

This certification will be valid for the period _____ through _____

By _____
Title _____
Date _____

EXHIBIT E

SAMPLE CERTIFICATION OF EQUAL EMPLOYMENT OPPORTUNITY

Certification of Equal
Employment Opportunity

Continental Pipe Line Company is a contractor, or subcontractor, under various contracts with the United States of America, acting through certain government contracting agencies. The assurances and agreements herein are being made in anticipation of the undersigned _____ becoming a subcontractor under one or more of the same.

The undersigned certifies to Continental Pipe Line Company and the appropriate agencies of the United States government that:

- (1) The Contractor will not discriminate against any employee or applicant for employment because of race, creed, sex, religion, color, or national origin. The Contractor will take affirmative action to insure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, sex, religion, color, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting office setting forth the provisions of this nondiscrimination clause.
- (2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, creed, sex, religion, color, or national origin.
- (3) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the Contractor's commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (4) The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (5) The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (6) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- (7) The Contractor will include the provisions of paragraphs (1) through (7) in every subcontract or unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing

such provisions including sanctions for noncompliance: Provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

(Note: Whoever knowingly and willfully makes any false, fictitious or fraudulent representations may be liable to criminal prosecution under U.S.C. S 1001.)

This certification will be valid for the period _____, 19____, through _____, 19____.

(NAME OF COMPANY)

By _____
Title _____
Date _____