

BRIDGING AGREEMENT HOU-WL4-0131

This Bridging Agreement HOU-WL4-0131 ("Bridging Agreement") by and between BP Exploration & Production Inc. ("Company") and Intertek Caleb Brett ("Contractor"), is effective to 01 May 2011 ("Effective Date"). Company and Contractor may hereinafter be referred to collectively as "Parties".

WHEREAS this Bridging Agreement, except as specified herein, shall be governed in all respects, *mutatis mutandis*, by the terms and conditions of the Master Service Agreement, referenced as number BPM-05-01657, with the effective date of 01 March 2006, by and between BP America Production Company and Intertek Caleb Brett. ("Agreement") to which a copy is attached as Attachment 01 of this Bridging Agreement and is incorporated herein by reference.

WHEREAS Company may, from time to time, request that the Contractor provide Work and all Work performed hereunder shall be authorized by the issuance of a Work Release Document ("Work Release") as indicated under Article 1.01 of the Contract.


NOW, THEREFORE, in consideration of the promises and of the covenants and agreements contained herein, the Parties agree as follows for the purpose of this Bridging Agreement:


1. Direct Labor Rates ("Labor Rates") shall be paid for each job hour of labor time or for each day of Work (applicable to day rates).
 - a. Such Labor Rates:
 - i. shall consist of rates, salaries or wages, including payroll additives in accordance with any applicable law, regulation or other governing authority requirement, shall be in accordance with Contractor's established personnel policies, which shall be subject to the review and approval of Company. Personnel performing the Work shall not be granted temporary increases in grade, job classification, overtime, or compensation without prior Company Approval.
 - ii. shall not include any overtime (except as determined by applicable labor laws with prior Company Approval), standby rates, or extended work week compensation (except with prior Company Approval), area or hardship allowances, tax reimbursement or equalization allowances.
 - b. Job hours shall be charged only for personnel who are performing activities which are clearly identifiable as directly related to the Work and shall include only job hours expended in furtherance of the Work.
2. Invoices shall be submitted in accordance with the billing instructions provided by Company. If an invoice is not submitted strictly in accordance with such provisions (for example, if an invoice is submitted to an address other than the Company approved Tulsa location) Company shall be relieved of its contractual obligation to pay Contractor in accordance with the net payment terms (net 30 days) as indicated in Article 5 of the Contract.
3. Subcontractors. Each subcontractor shall be a separate business not affiliated with the Contractor, shall maintain an arms-length business relationship with the Contractor, shall not have control and/or management in common with the Contractor, and shall have no conflicts of interest as defined by the BP Code of Conduct (www.bp.com).

4. Code of Conduct.

- a. In connection with Contractor's performance of this Bridging Agreement, Contractor agrees to act consistently with the BP Code of Conduct (www.bp.com) and to adhere to the principles set out therein, including our principles of non-retaliation against "whistle blowers." Any failure to do so by the Contractor or any subcontractor shall be deemed a material breach of this Contract.
 - b. The signing and execution of this Bridging Agreement by Contractor certifies that Contractor knows and understands the BP Code of Conduct and that Contractor has similar policies that achieve the objectives of the BP Code of Conduct.
5. For the purpose of this Bridging Agreement and associated Work Release, facsimile signatures shall be deemed acceptable for all purposes and shall have the same force and effect as an original.

IN WITNESS WHEREOF, the authorized representatives of the Parties hereto have executed this Bridging Agreement as evidence by the following signatures shown below.

ACCEPTED BY: 
Intertek Caleb Brett
NAME/TITLE: Shannon Wilson
Contracts Director
Date: 6-10-2011

APPROVED BY: 
BP Exploration & Production, Inc.
NAME/TITLE: Chris [unclear]
Name
Date: 14 June 2011

ATTACHMENT No. 01

Master Service Agreement, referenced as number BPM-05-01657, with the effective date of 01 March 2006, by and between BP America Production Company and Intertek Caleb Brett. ("Agreement") is attached hereafter.

Master Service Contract

between

BP America Production Company

and

Intertek Caleb Brett

Contract No. BPM-05-01657

NOTICE: THIS CONTRACT CONTAINS INDEMNIFICATION, RELEASE, ASSUMPTION OF LIABILITY, AND HOLD HARMLESS PROVISIONS, SOME OF WHICH ARE IN ARTICLE 12 AND THE REMAINDER ARE FOUND THROUGHOUT THE CONTRACT.

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MASTER SERVICE CONTRACT

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Exhibit "A" - Work Release Form
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Contract No. BPM-05-01657

2002 MSC-316 Rev 1 - Approved by JM 10-28-02
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MASTER SERVICE CONTRACT NO. BPM-05-01657
with Compensation Schedule

between

BP AMERICA PRODUCTION COMPANY

and

INTERTEK CALEB BRETT

THIS CONTRACT is made this 1ST day of March, 2006, by and between BP AMERICA PRODUCTION COMPANY (hereinafter referred to as "Company"), having an office at 501 Westlake Park Boulevard, Houston, Texas 77029, and INTERTEK CALEB BRETT (hereinafter referred to as "Contractor"), having an office at 1114 Seaco Avenue, Deer Park, TX 77536. In consideration of the covenants and provisions hereinafter provided, the parties agree as follows:

ARTICLE 1: WORK

- 1.01 Company proposes from time to time to request from Contractor certain work or the furnishing of services, equipment, supplies, or materials (hereinafter referred to generally as "Work") and as more specifically defined in each job request by written Work Release (hereinafter referred to as "Work Release") as set forth in Exhibit "A". It is agreed and understood that Company is not obligated to request Work hereunder, and that Contractor is not obligated to accept any Work Release issued by Company hereunder, however, Company and Contractor agree that the following general provisions shall at all times apply to and control all Work which may be conducted or carried out by Contractor for Company under any Work Release until such Work Release is canceled pursuant to Articles 18 or 19 hereof. With respect to work performed under this Contract, the Compensation Schedule set forth as Exhibit "C," attached hereto, shall apply.
- 1.02 From time to time Company's representative(s) may clarify, modify, expand, or reduce the Work by a written Change Order in the form of Exhibit "B," attached hereto and made a part hereof. Contractor will comply with directions in such Change Orders, provided that Contractor will not be required to perform Work which is beyond the general scope of Work described in the Work Release.

ARTICLE 2: TERM

- 2.01 The initial term of this Contract shall be for a period of one year (1) year commencing on the effective date of March 1, 2006, and expiring on February 28, 2007. Notwithstanding the above expiration date, the terms and conditions herein shall govern until any Work in process is completed.

ARTICLE 3: PERFORMANCE

- 3.01 As respects any Work governed by this Contract, Contractor will perform its Work with due diligence and in a safe, competent, workmanlike, and environmentally protective manner to prompt completion, subject to all of the terms and conditions of this Contract. Contractor will use its best efforts to achieve the specified results on or before the date specified in each accepted Work Release; provided however, that if Company requests changes to the Work that affect the completion schedule, the parties will mutually agree upon an amended completion date to reflect such changes in Work in accordance with a Change Order pursuant to Section 1.02.

ARTICLE 4: LABOR, MATERIALS, EQUIPMENT AND ACCESS

- 4.01 In the performance of any Work hereunder Contractor shall furnish at its own expense, cost, and discretion any and all necessary labor, personal protective equipment, machinery, equipment, tools, transportation, and whatever else is necessary in the performance and completion of the Work herein provided other than such items as Company specifically agrees, in writing, to furnish. If, in order to gain access to or return from the property or well site to be serviced, it is necessary to repair roadbeds, or to provide tractors, vessels, or other special means of transportation for the trucks, equipment, or personnel of Contractor, such shall be arranged and paid for by Company.

ARTICLE 5: PAYMENT, TAXES, LIENS AND CHARGES

- 5.01 Contractor shall submit a documented and itemized invoice each month to Company covering the total for reimbursable costs and other Work performed during the preceding month, as confirmed by Company's representative, all in accordance with the attached Exhibit "C," Compensation Schedule. Contractor shall identify each invoice with the Paykey number to be supplied by the Company's representative, Contract Number (BPM-05-01657), Work Release Number (as indicated on Work Release), and Project Identification (if applicable). Within thirty (30) days after the receipt by Company of Contractor's invoice, Company shall pay Contractor, but only if Contractor has complied with all provisions of this Contract. Contractor shall mail the invoice to the following address or to such other address as may be formally advised in writing to Contractor:

BP America Production Company
Attention: Scanning Dept S646
P. O. Box 22024
Tulsa, OK 74121-2024
Paykey No. As stated in a Release

- 5.02 Company shall withhold payment of the disputed items only, and payment as to the remainder shall be made as herein provided, provided, however, that payment of any amount by Company shall not waive Company's right subsequently to contest the correctness of the amount and seek reimbursement from Contractor. Contractor agrees to pay and discharge all valid taxes, liens, claims, charges, or other impositions imposed and to be imposed by law on Contractor directly or indirectly arising out of, in connection with, or resulting from, Work performed hereunder. Contractor agrees to release, defend, indemnify, and hold harmless Company Group (as defined in Article 12) from and against any liability for any such taxes, liens, claims, charges, or impositions. Prior to or upon the completion of any particular Work, Company shall have the right to request, and Contractor shall furnish, proof satisfactory to Company that any such taxes, liens, claims, charges, or impositions are satisfied or discharged. Otherwise, Company shall have the right to withhold payment up to the amount of any such taxes, liens, claims, charges, or impositions until such have been paid.

ARTICLE 6: WARRANTY OF SERVICES AND EQUIPMENT

- 6.01 Contractor warrants that it is experienced and fully qualified to perform the Work which it agrees to perform pursuant to this Contract, that all Work will be performed safely and in a good and workmanlike manner and in full compliance with all applicable federal, state and local laws, regulations, and standards; that it has adequate equipment in good working order and fully trained personnel capable of efficiently and safely operating such equipment and performing Work for Company; that it regularly conducts thorough training and implements safety programs applicable to the type of work performed; that all materials, equipment, goods, supplies, or manufactured articles furnished by Contractor in the performance of Work shall be free from any defects; and that Contractor, in furnishing services, will not employ any person whose employment would violate applicable labor laws. Contractor further warrants that all Work performed by it hereunder shall be performed in accordance with the most stringent environmental and safety regulations and by employing all necessary precautions and procedures and protective equipment and devices. Any breach of the obligations set forth in this Article shall constitute a default by Contractor of its obligations hereunder and shall entitle Company to terminate the applicable Work Release or this Contract pursuant to the provisions of Article 18. Without limiting Company's remedies, Contractor agrees that any portion of the Work found to be defective or unsuitable for its intended use shall be removed, replaced, or corrected by Contractor without additional cost or risk to Company. Except as provided in Article 12, Contractor agrees to defend and indemnify Company Group from and against any losses, damages, suits, claims, liens, fines, penalties, judgments, or expenses (including attorney's fees) in any way, directly or indirectly, arising out of, in connection with, or resulting from any breach of the warranties provided for in this Article.

ARTICLE 7: CONFLICTS OF INTEREST

- 7.01 Contractor warrants that neither it nor any other entity or person in the Contractor Group (as defined in Article 12) has: a) given any commissions, payments, gifts of substantial value, kickbacks, lavish or extensive entertainment, or other things of value to any officer, director, employee, agent, or representative of Company, or any family member thereof, or received same from any vendor, supplier, or contractor in connection with this Contract; or b) paid any fee, commission, rebate, or anything of value to or for the benefit of any official or functionary of the government having jurisdiction over the Work site and acknowledges that the giving or receiving of any such payments, gifts, kickbacks, extensive entertainment or anything of value is strictly in violation of Company's corporate policy and may result in the cancellation of this Contract and other contracts. Contractor shall notify Company's security department of any such solicitation as aforesaid. Contractor's compliance with the provisions of this Article 7 is subject to audit by Company under the provisions of Article 24 hereof.

ARTICLE 8: CONFIDENTIALITY

- 8.01 Contractor agrees that any technical, business, or other information which is disclosed to Contractor or its subcontractors in connection with any Work hereunder by Company Group or Company's other contractors, either orally or in writing, is to be treated as confidential and proprietary. Contractor agrees that such information will be maintained in strict confidence and not used or disclosed to third parties other than in performing Work for Company. The requirement to maintain information in strict confidence, however, shall not apply to information which Contractor can show either (i) is already known to Contractor other than as a result of Work performed hereunder and from some other source other than Company Group or Company's consultants and other contractors or (ii) is or becomes a part of the public domain, other than by Contractor's own action or that of its subcontractors.
- 8.02 Contractor acknowledges and agrees that Company, in its sole discretion, may deliver and/or store confidential information in digital form on the Internet, extranets and/or through public networks and service providers. Such digital information will be stored on internal or external computers and accessed from public telecommunications networks, and will be accessible by a controlled group of persons (the "Controlled Group"). Contractor agrees that the delivery and storage of such confidential information in this manner must not be deemed as making the information generally available to the public, even if such confidential information is accessed by persons who are not within the Controlled Group.
- 8.03 No press release or other public announcement or public disclosure having or containing any reference, either directly or by implication, to this Contract or the transactions herein contemplated, or to Company or any other entities or persons of Company Group, shall be made or used by Contractor or on its behalf, unless the same first shall have been approved in writing by an authorized officer of Company. This prohibition specifically includes, but is not limited to, any public release (either through print or broadcast news media), articles prepared for internal or external publication, technical papers, and discussions with journalists.

ARTICLE 9: INDEPENDENT CONTRACTOR

- 9.01 In the performance of the Work, Contractor is an independent contractor, shall control the performance of the details of the Work, and shall be responsible for the results as well as responsible for ensuring that the performance of the Work is conducted in a manner consistent with appropriate safety, health, and environmental considerations, including, but not limited to, Company's policies thereon. The Work as specified in any Work Release may be supplemented by instructions from Company's representative(s), and Company reserves the rights of observation and inspection to secure satisfactory completion of Work. The presence of and the observation and inspection by Company's representative(s) at the Work site shall not relieve Contractor from Contractor's obligations and responsibilities under this Contract. Neither Contractor nor Contractor's employees, agents, representatives, or subcontractors shall have authority to commit Company or any of Company's Affiliates (as defined in Article 12) to any binding legal obligation.

ARTICLE 10: NOTICES

- 10.01 All notices to be given under this Contract shall be in writing and shall be delivered by hand, registered mail, or facsimile to the following address:

Company:

BP America Production Company
501 WestLake Park Boulevard
Houston, Texas 77079
Attention: Charles Robison
M/C: WL4.472
Phone: 281-366-2503
Fax: 281-366-0152

Contractor:

Intertek Caleb Brett
1114 Seaco Avenue
Deer Park, TX 77536
Attention: Bruce Carlile

Phone: 713-844-3200
Fax:

- 10.02 Notices delivered personally shall be effective when delivered. Notices sent by facsimile shall be effective when sent. Notices sent by registered mail shall be effective when received.

ARTICLE 11: COMPENSATION

- 11.01 Contractor shall be paid, in full and complete satisfaction of all sums owed with respect to the Work, the amounts specified in Exhibit "C," attached hereto and made a part hereof, provided, however, that Contractor shall not receive more than the maximum sum stated in each Work Release, unless the parties mutually agree in writing to a greater sum by a duly executed Change Order in accordance with the terms hereof. Unless otherwise agreed to in writing by Company, the rates defined in Exhibit "C" shall be fixed for the duration of this Contract. Notwithstanding the provisions set forth in Exhibit "C," Company reserves the right to request at any time from Contractor additional proposals for services contemplated hereunder, and to request proposals and to award contracts for such services to other contractors. With respect to all Work to be performed hereunder, Contractor shall submit reports as requested by Company, to the attention of the Company's representative, detailing the year to date activity.
- 11.02 The estimated expenditures for the term of this Contract are not to exceed One Million Dollars (US\$1,000,000). If Contractor determines during the term of this Contract that the costs of final completion of Work being performed will likely exceed such estimate, then Contractor shall promptly notify Company's representative of the same and provide an estimate of the additional cost. However, in no event shall Contractor make or incur total expenditures and charges for Work in excess of such estimates unless and until a written request is approved by Company.

ARTICLE 12: INDEMNITY

- 12.01 When used in this Article or elsewhere in this Contract, the following terms shall have the following meanings:

12.01.01 "Affiliate" of a company means a person or entity directly or indirectly controlling, controlled by, or under common control with such company. "Control" for this purpose shall, in the case of a corporation with outstanding voting stock, require the direct or indirect ownership of or power to vote with respect to outstanding shares of a corporation's capital

stock constituting fifty percent (50%) or more of the votes of any class of such corporation's outstanding voting stock;

12.01.02 "Company Group" means the following entities and persons individually and collectively: Company and its Affiliates, its co-venturers, co-lessees, co-working interest owners and their Affiliates, and the officers, directors, employees, agents, and representatives of all of those entities;

12.01.03 "Contractor Group" means the following entities and persons individually and collectively: Contractor and its Affiliates, its subcontractors and their Affiliates, and the officers, directors, employees, agents, and representatives of all of those entities;

12.01.04 "Other Contractors" shall have the meaning set forth in Section 12.07

12.01.05 "Third Parties" means all persons and entities which are not included in Company Group or Contractor Group.

12.02 Subject to the other provisions of this Article 12, Contractor shall defend, indemnify, and hold Company Group harmless from and against all claims, liabilities, damages, and expenses (including without limitation attorneys' fees and other costs of defense), irrespective of insurance coverages, for the following, when arising out of or incidental to this Contract, including claims, liabilities, damages and expenses arising out of ingress, egress, loading and unloading:

12.02.01 (i) all injuries to, deaths, or illnesses of persons in Contractor Group; and

(ii) all damages to or losses of Contractor Group property;

whether or not occasioned by or the result in whole or in part of the negligence or fault, whether sole, concurrent, joint, active, passive, or gross, of Company Group or any other entity or person or the unseaworthiness of any vessel or unairworthiness of any aircraft;

12.02.02 (i) all injuries to, deaths, or illnesses of Third Parties; and

(ii) all damages to or losses of Third Parties' property;

when caused by or resulting from the negligence or fault of Contractor Group, provided that, in the event of joint or concurrent negligence or fault of Contractor Group and Company Group, Contractor's indemnification obligation hereunder shall be limited to its allocable share of such joint or concurrent negligence or fault;

12.02.03 it being the parties' intention that the indemnities provided for in Section 12.02.01 are to apply;

12.02.03.1 without regard to any conflicting rules of liability under any applicable law or regulation, and

12.02.03.2 without regard to any successful limitation or exoneration of liability proceeding filed by or on behalf of Contractor Group pursuant to the laws of any state or country or the provisions of any international convention, and

12.02.03.3 whether or not the claim, liability, damage, or expense in question is;

12.02.03.3.1 predicated on negligence, fault, strict liability, statutory duty, or contractual indemnity, or

12.02.03.3.2 sought directly or indirectly by way of recovery, indemnification, or contribution by any person or entity against Company Group.

12.03 Subject to the other provisions of this Article 12, Company shall defend, indemnify, and hold Contractor Group harmless from and against all claims, liabilities, damages, and expenses (including without limitation attorneys' fees and other costs of defense), irrespective of insurance coverages, for the following, when arising out of or incidental to this Contract, including claims, liabilities, damages and expenses arising out of ingress, egress, loading and unloading:

- 12.03.01 (i) all injuries to, deaths, or illnesses of persons in Company Group;
- (ii) all damages to or losses of Company Group property;

whether or not occasioned by or the result in whole or in part of the negligence or fault, whether sole, concurrent, joint, active, passive, or gross of Contractor Group or any other entity or person or the unseaworthiness of any vessel or unairworthiness of any aircraft;

- 12.03.02 (i) all injuries to, deaths, or illnesses of Third Parties; and
- (ii) all damages to or losses of Third Parties' property;

when caused by or resulting from the negligence or fault of Company Group, provided that, in the event of joint or concurrent negligence or fault of Company Group and Contractor Group, Company's indemnification obligation hereunder shall be limited to its allocable share of such joint or concurrent negligence or fault;

12.03.03 it being the parties' intention that the indemnities provided for in Section 12.03.01 are to apply;

- 12.03.03.1 without regard to any conflicting rules of liability under any applicable law or regulation, and
- 12.03.03.2 without regard to any successful limitation or exoneration of liability proceeding filed by or on behalf of Company Group pursuant to the laws of any state or country or the provisions of any international convention, and
- 12.03.03.3 whether or not the claim, liability, damage, or expense in question is:
 - 12.03.03.3.1 predicated on negligence, fault, strict liability, statutory duty, or contractual indemnity, or
 - 12.03.03.3.2 sought directly or indirectly by way of recovery, indemnification, or contribution by any person or entity against Contractor Group.

12.04 Contractor or Company as the case may be shall promptly give to the other party notice in writing of any claim made or proceedings commenced for which Contractor or Company claims to be entitled to indemnification under this Contract. Such notice shall state with as much detail as is reasonably practicable the facts and circumstances giving rise to the claim and shall be given as soon as possible after the party seeking indemnity hereunder (referred to in this Section 12.04 as the "Indemnitee") becomes aware of such claim or proceeding. The party against whom such indemnity is sought (referred to in this Section 12.04 as the "Indemnitor") shall confer with the Indemnitee concerning the defense of any such claim or proceedings but the Indemnitor or its insurer shall retain control of the conduct of such defense, including but not limited to the selection and management of counsel. The Indemnitee may, upon written notice to the Indemnitor and at the Indemnitee's sole cost and expense, select its own counsel to participate in and be present for the defense of any such claim or proceeding, provided such counsel shall not take any action in the course of such claim or proceeding to prejudice the defense of such claim or proceeding.

12.05 Pollution from Contractor's Equipment, Materials, and Transport

Contractor shall assume responsibility for the control and removal of, and shall release, indemnify, defend and hold Company Group harmless from and against liability relating to the control and removal of pollution or contamination:

12.05.01 which originates from spills of fuels, lubricants, motor oils, pipe dope, paint, solvents, ballast, bilge and garbage, debris or any other substances, wholly in its possession and control or originating from Contractor's or its subcontractor's equipment, materials or transport; or which originates from all other spills of fuels, lubricants, motor oils, pipe dope, paint, solvents, ballast, bilge and garbage, debris or any other substances which are caused by the negligence of Contractor or its subcontractors, but only to the extent of One Million U. S. Dollars (US\$ 1,000,000) per occurrence.

Except as otherwise expressly provided in this Section 12.05, Company shall assume all responsibility for the control and removal and shall release, indemnify, defend and hold Contractor Group harmless from and against liability relating to control and removal of pollution or contamination. The obligations of the parties under this Section 12.05 do not alter any other allocation of liabilities in this Article 12.

12.06 Consequential Losses

Except as may be otherwise expressly provided in this Contract, neither party shall be liable to the other in any action or claim for consequential, indirect, and/or special damages, loss of profits, loss of production, or loss of use except to the extent such consequential, indirect, and/or special damages, loss of profits, loss of production, or loss of use are part of a Third Party claim for which a party is seeking contribution or indemnification pursuant to this Contract. The protections against such liability afforded the parties by this Contract apply not only to the party, but to all remaining indemnified entities and persons of each party under the Company Group with respect to Company and the Contractor Group with respect to Contractor and shall be applicable in any action whether based on contract, negligence either sole or concurrent, and strict liability or other tort, statute, or otherwise and to the extent permitted by law, any statutory remedies which are inconsistent with the provisions of this Contract are waived.

12.07 Cross Indemnity

Contractor agrees to defend, indemnify, release, and hold Company's Other Contractors at the Work site harmless, in accordance with the provisions of this Article 12 to the extent such Other Contractors execute cross indemnification provisions substantially similar to those contained in this Section 12.07, from and against all claims, liabilities, damages, and expenses (including without limitation attorneys' fees and other costs of defense), irrespective of insurance coverages for the following:

- 12.07.01 (i) all injuries to, deaths, or illnesses of persons in Contractor Group; and
- (ii) all damages to or losses of Contractor Group property;

whether or not occasioned by or the result in whole or in part of the negligence or fault, whether sole, concurrent, joint, active, or passive, of Company's Other Contractors or any other entity or person or the unseaworthiness of any vessel or unairworthiness of any aircraft;

12.07.02 (i) all injuries to, deaths, or illnesses of Third Parties (excluding the indemnified party); and

(ii) all damages to or losses of Third Parties' (excluding the indemnified party) property;

when caused by or resulting from the negligence or fault of Contractor Group, provided that, in the event of joint or concurrent negligence or fault of Contractor Group and Company's Other Contractors, Contractor's indemnification obligation hereunder shall be limited to its allocable share of such joint or concurrent negligence or fault.

It is the intent of the parties herein to create a third party beneficiary obligation in favor of Company's Other Contractors who have included reciprocal cross indemnity provisions in their respective contracts with Company.

12.08 Contractor and Company agree to support their mutual indemnity obligations in this Article 12 with blanket contractual liability insurance or qualified self-insurance with minimum limits not less than those reflected in Article 13. Except as provided for in Section 12.05 or as otherwise mandated by applicable law, the indemnity obligations of Contractor and Company as set out above shall be without monetary limit. Moreover, the indemnity obligations of Contractor as set out in this Article 12 are independent of any insurance requirements as set out in Article 13 below, and such indemnity obligations shall not be limited by any insurance requirements and shall not be lessened or extinguished by reason of Contractor's failure to obtain the required insurance coverage or by any defenses asserted by Contractor's insurers.

ARTICLE 13: INSURANCE

13.01 During the term of this Contract, Contractor agrees to carry insurance of the types and in the minimum amounts as provided for below, to provide Company with a Certificate of Insurance evidencing compliance, and, upon request, to furnish Company with certified copies of all policies. All such policies shall be obtained from insurers that are solvent and acceptable to Company, shall be maintained in full force and effect during the term of this Contract, and shall not be permitted to lapse, or be canceled, or materially altered or amended. Certificates of Insurance required pursuant to this Article shall provide that the insurer shall not cancel, materially alter, or fail to renew the coverage except upon thirty (30) days' prior written notice to Company.

13.02 Failure to secure the required insurance coverages or the failure to comply fully with any of the insurance provisions of this Contract, or the failure to secure such endorsements on the policies as may be necessary to carry out the terms and provisions of this Contract, shall in no way act to relieve Contractor from the obligations of this Contract. In the event that liability for any loss or damage be denied by the underwriter or underwriters, in all or in part, because of breach of said insurance requirements by Contractor, or for any other reason, or if Contractor fails to maintain any of the insurance herein required, Contractor shall hold harmless, defend, and indemnify Company Group and Other Contractors (as defined in Article 12) against all Claims which would otherwise be covered by said insurance and any other damages, including costs and attorneys' fees, resulting from lack of insurance required hereunder.

13.03 Except for Workers' Compensation Insurance set forth in Sections 13.05.01 and 13.05.04.1, all policies shall name Company Group as additional insureds. In addition, all of the policies listed below, without exception, shall be endorsed to waive subrogation against Company Group by use of the following language: "The insurers hereby waive their rights of subrogation against BP America Production Company (referred to as "Company"), and the other entities and persons of the Company Group under that certain Contract No. BPM-05-01657 between Company and Intertek Caleb Brett ("Contractor"), and against any individuals, firms, or corporations for whom or with whom Company may be acting."

13.04 Notwithstanding any contrary provisions herein, in Contractor's insurance policies or certificates, or elsewhere, the additional insured status and subrogation waivers shall be solely as respects claims for which

Contractor has in Article 12 of this Contract agreed to provide release, defense, and indemnity; however, the additional insured status shall remain in place and enforceable even if Contractor's release, defense, and indemnity obligations are deemed invalid or unenforceable by application of any statute or regulation.

13.05 The following insurance policies and coverages are required:

- 13.05.01 Workers' Compensation, Employer's Liability and Occupational Disease Insurance satisfying the legal requirements of each state and/or location in which Work is to be performed, including an Alternative Employer endorsement (when applicable).
- 13.05.02 Commercial General Liability Insurance, including bodily injury and property damage, with minimum limits not less than \$1,000,000.00 per occurrence. The Commercial General Liability policy shall include the following coverages as they apply to the Work to be performed, each with minimum limits not less than \$1,000,000.00 per occurrence.
 - 13.05.02.1 Independent Contractors' and Contractual Liability coverage required for all Work, without exception;
 - 13.05.02.2 Products Liability/Completed Operations coverage required for any Work that results in a finished product or that involves or results in the construction, erection, or installation of structures, buildings, or equipment;
 - 13.05.02.3 Explosion, collapse, and underground hazards coverage required for any Work involving excavation, blasting, use of explosives, or construction, erection, or installation of buildings, structures, or equipment; and
 - 13.05.02.4 Deletion of non-owned watercraft exclusion if any Work is performed on or over navigable waters or involves maritime workers or vessels.
- 13.05.03 Automobile Liability Insurance with minimum limits not less than \$1,000,000.00, and including bodily injury, property damage, and auto liability, for all owned, hired, and non-owned vehicles that will be used in the performance of Work under this Contract.
- 13.05.04 In the event any of the Work to be performed under this Contract involves maritime workers or vessels or is performed on or over navigable waters, Contractor shall obtain the following additional coverages:
 - 13.05.04.1 Workers' Compensation, Employers' Liability and Occupational Disease insurance with minimum limits not less than \$1,000,000.00 and including the following endorsements:
 - 13.05.04.1.1 Maritime coverage B and coverage for maritime employer's liability, including Jones Act, transportation, wages, and maintenance and cure;
 - 13.05.04.1.2 United States Longshore and Harbor Workers Compensation Act endorsement and Outer Continental Shelf Lands Act endorsement; and
 - 13.05.04.1.3 "In rem" endorsement treating "in rem" claims as claims against the insured.
 - 13.05.04.2 Protection and Indemnity insurance on each vessel with an overall minimum limit of \$1,000,000.00, or the value of each vessel, whichever amount is greater, and including coverage for collision and tower's liability, third party bodily injury and property damage liability, and pollution liability.

- 13.05.04.3 Hull and Machinery insurance in the amount of the fair market value of the vessels used in performing any Work.
- 13.05.04.4 All primary and excess Protection and Indemnity and Hull and Machinery insurance shall be endorsed (i) to provide full coverage to Company Group as additional insured without limiting coverage to liability "as owner" of the vessel and to delete any "as owner" clause and any other language purporting to limit coverage to liability of an insured "as owner" of the vessel, and (ii) to delete any language limiting coverage for Company Group in the event of the applicability of any limitation of liability statute.
- 13.05.04.5 Excess or Umbrella liability insurance with minimum limits not less than \$1,000,000.00, following the terms and conditions of all underlying coverages.
- 13.06 Contractor agrees that all insurance benefits and protections provided to Company Group under this Article 13 (including without limitation Section 13.03) shall be extended to and benefit any entity to which Contractor owes defense and/or indemnity and/or insurance protection or benefit under Section 12.07.

ARTICLE 14: LOUISIANA STATUTORY EMPLOYEE

- 14.01 In all cases where Contractor's Employees (which for purposes of this provision, and only as between Contractor and Company Group, is defined to include Contractor's and its subcontractors' direct, borrowed, special, or statutory employees) are performing work in or offshore the State of Louisiana or are otherwise covered by the Louisiana Workers' Compensation Act, La. R.S. 23:1021 et seq., Company and Contractor agree that the Work performed by Contractor and Contractor's Employees pursuant to this Contract are an integral part of and are essential to the ability of Company to generate Company's goods, products, and services for the purpose of La. R.S. 23:1061 (A) (1). Furthermore, Company and Contractor agree that Company is the statutory employer of Contractor's Employees for purposes of La. R.S. 23:1061 (A) (3) and that Company shall be entitled to the protections afforded a statutory employer under Louisiana law. Irrespective of Company's status as the actual or alleged statutory or special employer (as defined in La. R.S. 23:1031 (C)) of any of Contractor's Employees, Contractor, as between Contractor and Company Group, shall remain primarily responsible for the payment of all workers' compensation and medical benefits to Contractor's Employees, and shall not be entitled to seek contribution for any such payments from Company or any other member of Company Group, and Contractor further agrees that it will defend, indemnify, release, and hold Company Group harmless from and against any such payments and that Contractor will defend, indemnify, release, and hold Company Group harmless from and against any and all personal injury, death, disease, or property damage claims relating to or asserted by Contractor's Employees even if any such Contractor's Employee is also held to be an employee (whether a statutory, special or borrowed employee, or otherwise) of Company or any other member of Company Group and regardless of any negligence or other fault of Company Group.

ARTICLE 15: ACCIDENT REPORTING

- 15.01 Contractor shall report to Company as soon as practicable all accidents or occurrences resulting in injuries to Contractor's employees or third parties or damages to property of Company or third persons arising out of, or during the course of Work for Company. When requested, Contractor shall furnish Company with a copy of reports made pursuant to Contractor's insurance agreements or to others, of such accidents and occurrences, including statements or any other investigative material.

ARTICLE 16: FORCE MAJEURE

- 16.01 Except as may be specifically otherwise provided in this Contract, neither party shall be liable for delays in performance or for nonperformance directly occasioned or caused by Force Majeure. Force Majeure means any event beyond the reasonable control of the party claiming to be affected thereby including without

limitation acts of God, storms, war, fire, nation or industry wide strikes, acts of the public enemy, insurrections, riots, or rules or regulations of any governmental authority asserting jurisdiction or control, compliance with which makes continuance of the Work impossible. Should conditions in the location where the Work is performed, in the reasonable opinion of Company, become such that continuance of the Work would be unduly hazardous, Company may suspend the Work and such suspension shall be considered Force Majeure. Inability of either party to secure funds shall not be regarded as Force Majeure. Upon the occurrence of Force Majeure, the party affected shall give immediate notice thereof to the other party and shall, at its cost and expense, do all things reasonably possible to remove or mitigate its effects.

ARTICLE 17: ASSIGNMENT OR SUBCONTRACT

- 17.01 Contractor may not assign, sublet or subcontract this Contract, or any part thereof, without the written consent of Company, and the assignment of this Contract, or the subletting or subcontracting of any Work to be performed hereunder, if so permitted by Company, shall not relieve Contractor of its obligations hereunder. It is agreed, however, subject to Contractor's written request and Company's written consent, that Contractor shall retain the right to assign all or any part of the remuneration due, or which may become due, by virtue of Work performed under this Contract. In the event Contractor does subcontract any portion of the Work, each such subcontract shall provide Company Group and Other Contractors with indemnity, insurance, warranty, and other protections equivalent to those set forth in this Contract and under no circumstances shall subcontractor, or its agents, servants, or employees be considered employees of Company.
- 17.02 Company may assign its rights and obligations under this Contract to any of its affiliates, co-lessees, or co-working interest owners without Contractor's consent. This Contract shall inure to the benefit of and be binding upon the successors and permitted assigns of the parties.

ARTICLE 18: FAILURE OF PERFORMANCE; INSOLVENCY

- 18.01 In the event that Contractor shall fail to carry out each and every provision of this Contract, Company may, at its sole option, either: (i) give Contractor written notice specifying the failure or default and the period of time within which Contractor will be required to correct such failure or default in a manner satisfactory to Company, or (ii) by written notice to Contractor, immediately cancel and terminate this Contract or any applicable Work Release. Company shall have all other rights available to it by law, including, but not limited to, the right to demand specific performance and/or seek damages for breach, including attorneys' fees and costs. Should Contractor become insolvent or make an assignment for the benefit of creditors or be adjudicated a bankrupt or admit in writing its inability to pay its debts generally as the same become due, or should any proceedings be instituted by Contractor under any State or Federal law for relief of debtors or for the appointment of a receiver, trustee or liquidator of Contractor, or should a voluntary petition in bankruptcy or for a reorganization or for an adjudication of Contractor as an insolvent or a bankrupt be filed, or should an attachment be levied upon Contractor's equipment and not removed within five (5) days therefrom, then upon the occurrence of any such event, Company shall thereupon have the right to cancel this Contract or any Work Release and to terminate immediately all Work then being performed by Contractor hereunder. In the event that Company should cancel this Contract or any applicable Work Release pursuant to the provisions of this Article, Company shall have the right to take possession and control of all equipment and Work in progress and proceed to carry out the Work herein provided to be performed by Contractor. Additionally, Company shall have the right to charge against and collect from Contractor all expenses incurred by Company to acquire equipment to perform such Work, together with any damages suffered by Company as a result of Contractor's failure to perform.

ARTICLE 19: TERMINATION BY NOTICE

- 19.01 Subject to Article 18 and the other provisions of this Article 19, in no event shall this Contract terminate prior to completion of Work for any Work Release which is made by Company and accepted by Contractor within the term of this Contract. Company may terminate, with or without cause, this Contract and/or any applicable Work Release at any time by giving five (5) days' written notice to Contractor; however, except as provided in Article 18, no cancellation shall be effective until any and all Work in progress under any

applicable Work Release is either satisfactorily completed or terminated by Company, at its option. If Company should so terminate this Contract or any applicable Work Release, then the compensation due Contractor, in the absence of any breach or default and subject to the other provisions of this Contract, shall be (i) the compensation owed Contractor under the applicable Work Release for Work performed prior to the date of termination less any monies previously paid to Contractor or (ii) in the event of a lump sum contract, the percentage of the compensation specified in the applicable Work Release which is proportionate to the Work performed prior to the date of termination less any monies previously paid to Contractor. The provisions of this Article 19 covering payment to Contractor shall in no way apply to termination of the Contract or any applicable Work Release pursuant to the provisions of Article 18 governing default. Cancellation or termination of this Contract by Company, with or without cause, shall not lessen or in any way alter Contractor's obligations of confidentiality and indemnity provided for in this Contract and such obligations shall survive the termination of this Contract.

ARTICLE 20: COMPLIANCE WITH LAWS

- 20.01 Contractor shall conduct its operations in accordance with the relevant laws, regulations, decrees, and/or official government orders of the country having jurisdiction over the location where Work is performed, including without limitation, those pertaining to health, safety, security, and environmental protection, provided that nothing in this Contract is intended or should be construed to require Contractor to act or fail to act if such action or inaction would be inconsistent with or penalized by the laws and regulations of the United States of America.
- 20.02 Contractor shall not do business with any company or person knowing the results thereof might benefit an officer, director, employee, agent, or representative of Company or any of its Affiliates. Contractor shall not engage in any activities which might reasonably be considered to be contrary or detrimental to the interests of Company or any of its Affiliates.
- 20.03 Contractor shall not pay any fee, commission, rebate, or other value to or for the benefit of any official or functionary of the government having jurisdiction over the location where Work is performed if such payment would be inconsistent with or penalized by the laws and regulations of the United States.
- 20.04 For purposes hereof, Contractor shall include all entities and persons of the Contractor Group.

ARTICLE 21: HEALTH, SAFETY, SECURITY, AND ENVIRONMENTAL REQUIREMENTS

- 21.01 The parties agree that Exhibit "E" attached hereto constitutes a summary of the key aspects of Contractor's Health, Safety, Security, and Environmental (HSSE) Policy ("HSSE Policy Summary"). Contractor understands and agrees that failure to comply with the applicable portions of the HSSE Policy Summary will constitute a material breach of the Contract. Contractor agrees to perform the Work safely and in a manner which protects the environment.
- 21.02 The parties understand and agree that Company may not conduct, control, supervise, or direct the manner or method in which Contractor performs the Work. Company may monitor or oversee Contractor's activities and remedy environmental, health, or safety hazards if it becomes aware of them. If Company becomes aware of the fact that Contractor ignores applicable safety or environmental laws, rules, regulations or the applicable elements of its HSSE Policy Summary, Company may take corrective measures as it deems necessary (including ordering certain Work stopped) or cancel the Contract.
- 21.03 Contractor will observe and promote compliance with applicable health, safety, security, and environmental laws, rules, and regulations of agencies having jurisdiction at locations where it performs Work. Contractor will have the ultimate responsibility to ensure its subcontractors comply with the same laws, rules, and regulations. Contractor will ensure its employees and subcontractors observe general safety and environmental protection guidelines.
- 21.04 Company will have the right to audit Contractor's HSSE Performance. Company may make suggestions or recommendations to Contractor regarding safety or environmental matters.

- 21.05 Contractor and Company will each designate an on-site representative for all HSSE-related matters.

ARTICLE 22: WAIVERS

- 22.01 None of the requirements of this Contract shall be considered as waived by either party unless the same is done in writing. Further, failure by either party to enforce any rights shall not waive those, or other, rights hereunder.

ARTICLE 23: OWNERSHIP OF WORK PRODUCT AND PATENT INDEMNIFICATION

- 23.01 Company shall own all right, title, and interest in and to all designs, plans, models, drawings, prints, samples, transparencies, specifications, reports, manuscripts, working notes, documentation, manuals, photographs, negatives, tapes, discs, databases, software, and other information, data, and items embodied in any tangible form (hereinafter referred to as "Work Product") produced by Contractor in performance of Work hereunder. All such Work Product shall be clearly marked where possible as Company's property. Company shall have the right to photograph, reproduce, copy, duplicate, modify, alter, or make any use of such Work Product, notwithstanding anything contained therein to the contrary. Contractor shall furnish a copy of all or any part of such Work Product to Company upon request by Company.
- 23.02 Contractor as to Contractor's equipment and information and Company as to Company's equipment and information, and either party specifying the use of particular equipment, information, or methods of operation, shall release, defend, indemnify and hold the other harmless from and against any and all damages and expenses arising out of a claim of actual or alleged infringement of patent or other intellectual property rights asserted in connection with the use of such equipment, information, or methods of operation. The indemnity in favor of Contractor and Company under this Article 23 shall extend to all indemnified entities and persons of each party under the Company Group with respect to Company and the Contractor Group with respect to Contractor as set forth in Article 12 hereof.

ARTICLE 24: AUDIT

- 24.01 Company may, upon its request, inspect and audit any and all financial books, supporting records, or any other documentation of a business or technical nature (hereinafter referred to as "Documentation") of Contractor and any subcontractor relating to the performance of this Contract; provided, however, Contractor and subcontractor shall have the right to exclude any trade secrets or proprietary formulas from such inspection and audit. For purposes of this Article 24, trade secrets and proprietary formulas shall not include any financial information or data. The right to inspect and audit by Company under the provisions hereof shall include access to information, verbal or otherwise, from personnel of Contractor or its subcontractors.
- 24.02 Contractor and its subcontractors agree to maintain complete and correct Documentation relating to the Work performed hereunder and to make such Documentation available to Company for inspection and audit at any time or times during the course of this Contract and up to two (2) years subsequent to the end of the calendar year in which the final invoice was paid.
- 24.03 Company may exercise its rights hereunder at its sole discretion by using its personnel or by using independent accountants.
- 24.04 Settlement shall be made to Company or Contractor for any exceptions verified and documented during audit(s) performed under this Article. The responsible party shall make every reasonable effort to make settlement to the other party within thirty (30) days from the date of issuance of the audit report.

ARTICLE 25: CHOICE OF LAW

- 25.01 This Contract shall be construed and enforced in accordance with the General Maritime Law of the United States wherever permissible; otherwise, the laws of the State of Texas shall apply, excepting therefrom any conflicts of laws rules which might provide for the application of the laws of another jurisdiction.

ARTICLE 26: MEDIATION

- 26.01 In the event of a commercial dispute between the parties arising out of or relating to this Contract, or the breach thereof, the parties shall submit the dispute to non-binding mediation and shall make a good-faith effort to resolve the dispute through the mediation process. No suit may be filed relating to a commercial dispute arising pursuant to this Contract until the mediation requirements of this provision have been fulfilled. If such a suit is filed, the parties shall again submit the dispute to non-binding mediation prior to the trial of the suit. Each party shall pay its costs of mediation. Expressly excluded from the requirements of this Article 26 are claims, suits or disputes arising out of or relating to tort suits, indemnity, insurance or assumption of liability issues or provisions.

ARTICLE 27: SURVIVAL

- 27.01 Termination of the Contract and/or Company's acceptance of the Work or any parts thereof shall not release the parties from obligations which expressly or by their nature survive or extend beyond the Contract, termination thereof, or any acceptance of the Work.

ARTICLE 28: ENFORCEABILITY

- 28.01 If any provision herein is held to be partially or completely contrary to law and/or unenforceable, this Contract shall be deemed to be amended to partially or completely modify such provision or portion thereof to the extent necessary to make it enforceable, or, if necessary, this Contract shall be deemed to be amended to delete the unenforceable provision or portion thereof.

ARTICLE 29: ADDITIONAL EXHIBITS AND ATTACHMENTS

- 29.01 Contractor shall comply with the provisions of the following Exhibits attached hereto and made a part hereof.

Exhibit "D" - Equal Employment Opportunity Provisions;
Exhibit "E" - Health, Safety, Security, and Environmental Requirements;
Exhibit "F" - Substance Abuse Policy; and
Exhibit "G" - Non-Harassment Policy

ARTICLE 30: ENTIRE CONTRACT

- 30.01 This Contract constitutes the full understanding of the parties, and a complete and an exclusive statement of the terms of their agreement, and shall exclusively control and govern all Services performed for Company. All representations, offers, and undertakings of the parties made prior to the Effective Date hereof, whether oral or in writing, are merged herein, and no other contracts, agreements, or work orders, whether executed prior or subsequent to the execution of this Contract, shall in any way modify, amend, alter, or change any of the terms or conditions set out herein unless such contracts, agreements, or work orders shall be executed by persons of equal position and authority within their respective companies to those executing the Contract, and the contract, agreement, or work order clearly expresses the specific intention of the parties to amend this Contract and to change one or more provisions of the Contract by making specific reference thereto.

WITNESS THE SIGNATURES of the parties hereto as set forth below.

BP AMERICA PRODUCTION COMPANY
COMPANY

By: Charles Robison
Signature
Charles Robison
Printed Name
Title: Contracts Specialist

INTERTEK CALEB BRETT
CONTRACTOR

By: Johnnie Wilson
Signature
Johnnie Wilson
Printed Name
Title: Director Contracts

WORK RELEASE AGAINST MASTER SERVICE CONTRACT

Date: _____

Work Release requested by: _____

This Work Release is subject to the terms and conditions of Master Service Contract No. BPM-05-01657 between BP America Production Company and Intertek Caleb Brett, effective September, 1, 2005. NOTHING CONTAINED IN THIS WORK RELEASE SHALL BE CONSTRUED AS AN AMENDMENT TO THE TERMS OF THE REFERENCED MASTER SERVICE CONTRACT.

Contractor: Intertek Caleb Brett
1114 Seaco Avenue
Deer Park, TX 77536

Work Release No: _____

Paykey No. _____

Project Identification: _____

Value of Work Release: _____

Guaranteed Maximum Price: _____

Lump Sum: _____

Expected completion date: _____

Description/Scope of Work/Additional Terms and Conditions:

Forward invoices/statements to: BP America Production Company
Attention: Scanning Dept. S646
P.O. Box 22024
Tulsa, OK 74121-2024
Work Release No. _____
Paykey No. _____

ACCEPTED BY: _____

Contractor

Date: _____

APPROVED BY: _____

Company

Date: _____

Notices: _____

Attention: _____

Mail Code: _____

Phone: _____

Fax: _____

E-Mail: _____

Attention: _____

Mail Code: _____

Phone: _____

Fax: _____

E-Mail: _____

Exhibit "A" - Work Release Form

Page 1 of 1

2002 MSC-316 Rev 1 - Approved by JM 10-28-02

File: H:\Intertek Caleb Brett\New Draft Doc

Contract No. BPM-05-01657

CHANGE ORDER FORM

NOTHING CONTAINED IN THIS CHANGE ORDER SHALL BE CONSTRUED AS AN AMENDMENT TO THE TERMS OF THE REFERENCED MASTER SERVICE CONTRACT.

Change Order Number: _____

Work Release Number: _____

Master Service Contract Number: _____

Project Code/Identification (if applicable): _____

Date: _____

Work Release requested by: _____
(Name)

1 DESCRIPTION OF CHANGE OF WORK

(A summary of clarification, modification, expansion or reduction of Work will be stated, and attachments, if any, will be listed.)

2 COMPENSATION

(Any changes thereto will be stated.)

3 COMPLETION DATE

(Any change to the Completion Date stated in the Work Release.)

4. ORIGINAL WORK RELEASE VALUE _____

VALUE OF APPROVED CHANGE ORDERS TO DATE _____

THIS CHANGE ORDER VALUE _____

TOTAL CURRENT WORK RELEASE VALUE _____

COMPANY APPROVAL_____
DATE_____
CONTRACTOR ACCEPTANCE_____
DATE

Exhibit "B" - Change Order Form

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2002 MSC-316 Rev 1 - Approved by JM 10-28-02

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Contract No. BPM-05-01657

COMPENSATION SCHEDULE

Contractor shall provide any and all necessary labor, personal protective equipment, machinery, equipment, tools, transportation, and whatever else is necessary to perform the Work as described in the Work Release. Contractor shall perform the Work in accordance with the following schedule of reimbursement unless Company has requested and Contractor has agreed to a different pricing mechanism with respect to a particular work scope.

ANALYTICAL SERVICESDiscount Specifics

<i>Services</i>	<i>Rate/Discount-Flat Fees</i>
<ul style="list-style-type: none"> Oil Samples 	<ul style="list-style-type: none"> Gas to Oil ratio (physical Test) \$361.00 RGA, Sim Dis, Light Ends, DHA, Density \$361.00 Equation of State (two runs) \$155.00
<ul style="list-style-type: none"> Gas Samples 	<ul style="list-style-type: none"> RGA \$88.00 RGA, DHA (with BTU calculation) \$397.00
<p>Additional sample cylinder services</p> <ul style="list-style-type: none"> Cylinder for non-routine samples\$18.00 per day Monthly Cylinder Maintenance Charge\$15.00 per month, per cylinder Required parts for CylindersActual Costs plus 10% Annual Cylinder CertificationActual Costs plus 10% Additional Cylinders/capital items Purchased, as requiredActual Costs plus 10% <p>Analytical Services, physical tests</p> <ol style="list-style-type: none"> API Gravity (Atmospheric) (ASTM D4052)\$28.50 Wax Content - (UOP 46)\$138.00 Pour Point, C - (ASTM D 97/D5853)\$54.00 Kinematic Viscosity @ 80F (ASTM D445)\$78.00 Kinematic Viscosity @ 100F (ASTM D445)\$78.00 Kinematic Viscosity @ 120F (ASTM D445)\$78.00 Reid Vapor Pressure - (ASTM D 323)\$76.00 Sulfur Content - (ASTM D 4294)\$69.00 Total Acid Number - (ASTM D 664)\$69.00 Analysis of Natural Gas (extended)\$288.00 	

Turn around time: Minimum of seven (7) business days, excluding normal published holidays & weekends. If seven days are not available, then overtime will be charged at 200% of normal fees. All other analytical testing will be billed at the then-current ICB published rate booklet, less 45% discount.

CONTRACT MEASUREMENT SERVICES
Discount Specifics

MEASUREMENT TECHNICIAN	FEES
Weekday Rate (Offshore)	\$48.92 per man hour
Weekend Rate (Offshore)	\$51.50 per man hour
Weekday (Land)	\$43.26 per man hour
Weekend (Land)	\$48.41 per man hour
Public Holiday Rate	Double the applicable rate per man hour
IN-SHOP REPAIR	\$39.14 per man hour
MILEAGE CHARGE	\$1.00 per mile

Note: All above charges are portal to portal location.

IN-SHOP TURBINE METER PROVING	FEES
1" through 2" Meter	\$100.00 initial proving \$75.00 each additional
3" Meter	\$250.00 initial proving 125.00 each additional
4" Meter	\$300.00 initial proving \$125.00 each additional
6" Meter	\$350.00 initial proving \$125.00 each additional

For those instances when a meter cannot be initially proved, a minimum rate of \$75.00 will be charged within a one hour time period from the start of the meter hook - up. After one hour a \$38.00 per hour shop charge will go into effect. In-shop labor charges will also go into effect if the meter has to be cleaned and or the meter kit is in need of change.

Example:

Intertek-KCS receives a 3" turbine meter. The meter is visually inspected. The meter is set up to be proved on the prove skid. We begin flow through the meter at 9:00 a.m. By 10:00 a.m. we still cannot achieve repeatability. A \$75.00 charge will be assessed for this procedure. If the client wishes to continue, the procedure will continue to be billed at \$38.00 per hour, thereafter.

REPROVE AFTER METER REPAIRS:

- After the sequence of events transpires in the above example, normal proving charges will follow.

INTERTEK - KCS MASTER METERS:

- Proving of Intertek - KCS Master Meters that are utilized offshore for proving will be charged out monthly, according to the previously noted rates (1" & 2" Meters).

PROVING FLUID MEDIUM:

- For 2" and larger meters, the proving medium will be diesel with gravity in the mid 30's.
- Markup for normal handling by outside companies is 15%.

Exhibit "C" - Compensation Schedule
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- Any escalation in price will be directly proportional to the market conditions and the growth of Intertek - KCS.

TURBINE CARTRIDGE PROVING RATES:

2" and Below	1 hour shop rate charge per insertion/extraction of cartridge at \$38.00 per hour. \$100.00 Initial Proving \$75.00 each additional Rate
3" Meter	1 hour shop rate charge per insertion/extraction of cartridge at \$38.00 per hour. \$250.00 Initial Proving \$125.00 each additional Rate
4" Meter	2 hours shop rate charge per insertion/extraction of cartridge at \$38.00 per hour. \$300.00 Initial Proving \$125.00 each additional Rate
6" Meter	2 hours shop rate charge per insertion/extraction of cartridge at \$38.00 per hour. \$350.00 Initial Proving \$125.00 each additional Rate

Note: Hours charged for insertion and extractions of cartridges are for procedures under normal conditions. If problems arise during the insertion and extraction process, additional hours will be charged. If the cartridge proving requires an "AS FOUND" factor or cleaning prior to re-insertion, shop rate hours will be charged accordingly.

EQUAL OPPORTUNITY AND AFFIRMATIVE ACTION

Contractor agrees to comply with the provisions of all Acts, Executive Orders, statutes and regulations identified in this Exhibit as though the provisions were set forth fully in the Contract.

I. EQUAL OPPORTUNITY AND AFFIRMATIVE ACTION PROVISIONS

- A. Equal Opportunity Clause - Section 202 of Executive Order 11246 of September 24, 1965 regarding equal employment opportunity, and any amendments, are incorporated by reference. Reference is specifically made to Paragraphs (1) through (7) of Section 202 and any future amendments or revisions thereto.
- B. Affirmative Action Clause for Disabled Veterans and Veterans of the Vietnam Era - Section 402, Vietnam Era Veterans Readjustment Assistance Act of 1974, as amended, Executive Order 11701 dated January 24, 1973, and the applicable regulations of 41 C.F.R. Section 60-250, et seq., requiring affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam era, are incorporated by reference.
- C. Affirmative Action for Handicap Workers - Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 793 and the applicable regulations of 41 C.F.R. 60-741, requiring affirmative action to employ and advance in employment qualified handicapped persons, are incorporated by reference.
- D. Minority Business Enterprises - Section 1-1310.2 of the Federal Procurement Regulations relating to Minority Business Enterprises, Executive Order 11625 of October 13, 1971 stating that it is the policy of the United States Government that minority business enterprises shall have the maximum practicable opportunity to participate in the performance of government contractors, is incorporated by reference. Contractor agrees to use its best efforts to carry out this policy in the award of subcontracts.
- E. Nondiscrimination in the Outer Continental Shelf - Section 604 of the Outer Continental Shelf Lands Act amendments of 1978, 30 C.F.R. 270 et seq., providing that no person shall, on the basis of race, creed, color, national origin, or sex, be excluded from receiving or participating in any sale, activity, or employment conducted pursuant to the provisions of the Act, is incorporated by reference.
- F. Certification of Nonsegregated Facilities - 41 C.F.R. Section 60-1.8, which prohibits maintaining or providing facilities which are segregated by race, color, religion or national origin, is incorporated by reference. Contractor certifies that it does not and will not maintain any facilities it provides for its employees in a segregated manner, or permit its employees to perform those services at any location, under its control, where segregated facilities are maintained and that contractor shall require a similar certification from its proposed subcontractors in a form approved by the federal government prior to the award of any subcontract to any non-exempt subcontractor.
- G. Immigration Reform and Control Act of 1986, 8 U.S.C.A. 3124a, et seq., as amended - Contractor certifies that none of its employees who perform work pursuant to this Contract or who may do so hereafter are or will be unauthorized aliens as defined in this act. Contractor certifies further that it complies with said statute and the implementing regulations. Contractor agrees to obtain a certification from its subcontractors performing work related to this Contract that none of their employees are unauthorized aliens as defined by said statute and that such contractors comply with the statute.
- H. Americans with Disabilities Act, 42 U.S.C. § 12101, et seq. - Contractor agrees that it shall not discriminate against a qualified individual with a disability because of the disability in regard to job application procedures, the hiring, advancement, or discharge of employees, employee compensation, job training, and other terms, conditions and the privileges of employment.

- II. AFFIRMATION ACTION COMPLIANCE PROGRAM. Contractor certifies that, if the value of any contract or purchase order is \$50,000 or more and Contractor has 50 or more employees, Contractor will a) file with the appropriate federal agency a complete and accurate report on Standard Form 100 (EEO-1) within thirty days after the signing of this instrument or the award of this purchase order, as the case may be (unless such report has been filed in the last twelve months) and continue to file such report annually, on or before March 31, or as otherwise provided by law, regulation or direction of proper authority; and b) develop and maintain a written affirmative action compliance program for each of its establishments in accordance with the regulations with the Secretary of Labor promulgated under Executive Order 11246, as amended. Contractor further agrees to require each of its subcontractors to develop an affirmative action compliance program if the subcontract may exceed \$50,000 in value and the subcontractor has fifty or more employees (41 C.F.R. 60-1.40).
- III. UTILIZATION OF SMALL BUSINESS CONCERNS AND SMALL DISADVANTAGED BUSINESS CONCERNS. It is the policy of the United States Government that a fair proportion of the purchases and contracts for supplies and services for the government be placed with small business concerns and small disadvantaged business concerns. Contractor agrees to accomplish the maximum amount of subcontracting to small businesses and small disadvantaged businesses that the contractor finds consistent with the provisions of 48 C.F.R. 52.219-8 and the efficient performance of this Contract.

HEALTH, SAFETY, SECURITY, AND ENVIRONMENTAL REQUIREMENTS

The following constitute Health, Safety, Security, and Environmental (HSSE) Requirements for Contractor and any subcontractors performing work on Company Sites (real estate owned or leased by Company, where Company is the operator) and on Company Project Sites (where work is performed exclusively for Company). HSSE Requirements encompass compliance with all applicable federal, state/provincial, maritime, and local statutes, regulations, enforceable agreements, agency orders, permits, and contract documents. HSSE Requirements also include specific Company requirements as disclosed below and any site-specific requirements not specified below. Each Contractor will ensure that any subcontractor it employs meets these HSSE Requirements. Contractor will take any additional precautions necessary to prevent harm to personnel or damage to the environment, property, or Company's reputation.

Contractor's Program will strive to deliver an incident and injury-free work place and will achieve a total 12-month rolling recordable incident rate (TRIR) equal to, or better than, the TRIR hurdle set by the Company for work conducted on Company Sites and Company Project Sites. Company may revise the hurdle rate downward annually to achieve the incident and injury-free work place objective.

Contractor will provide, at Company's request, a monthly breakdown of hours worked and miles/kilometers driven (including subcontractors' hours and miles/kilometers) on Company Sites or Company Project Sites.

Company Specific HSSE Requirements for all Contractors

In order to meet Company's specific HSSE Requirements, Contractor will have a HSSE Program with a focus on continual performance improvement (or utilize Company's program). Company has the right to audit Contractor's HSSE Program and documents. At a minimum, the following elements will be included in Contractor's HSSE Program:

1) Leadership

Contractor Leadership will actively communicate HSSE expectations and Company requirements, routinely monitor HSSE performance, develop action plans for continuous improvement, and actively take ownership of HSSE.

Contractor will ensure that Contractor's employees understand Company's HSSE policy and comply with Company's Golden Rules of Safety for work performed on Company Project Sites.

2) Behavior Based Safety

Contractor will have a behavior-based safety program which, at a minimum, will include a safety observation program (or utilize Company's program) with performance targets. Contractor will communicate to Contractor employees the expectation that everyone has an obligation to stop work that is unsafe.

In addition, Contractor will have a hazard identification and risk assessment process for completing a daily pre-job task hazard analysis and/or work permitting system to identify and control the hazards to an acceptable level. At a minimum, a process for completing daily Job Safety Analysis (JSA), or Job Safety Environmental Analysis (JSEA), is required to facilitate the daily task hazard analysis.

3) HSSE Meetings

Contractor will conduct or take part in regularly scheduled on-site or off-site HSSE meetings discussing, among other topics, facility and job hazards, incidents, near-misses, site-specific safety and health rules, and site-specific procedures.

4) Incident Reporting and Investigations

Contractor will immediately notify Company of all Contractor or subcontractor incidents resulting in personal injury, spills or releases, security issues, loss or damage to property, or near-misses. Company may require Contractor to conduct an investigation for any HSSE incident. Company retains the right to participate or conduct its own incident investigation. For all incident investigations, Contractor will provide a written investigation report to the Company. The investigation report shall identify possible root causes associated with the incident as well as proposals for corrective action. When requested, Contractor will furnish Company with a copy of non-privileged reports made by or on behalf of Contractor concerning an incident, including any non-privileged statements or other investigative material.

5) Personal Protective Equipment

Contractor will ensure Contractor employees have proper personal protective equipment (PPE) before work begins, and that PPE is worn as required. Contractor shall obtain and comply with individual site PPE requirements.

6) Contractor Employee Conduct

Contractor shall comply fully with the Substance Abuse Policy (Exhibit "___").

Company has the right to require Contractor to remove and bar from the Company Sites or Company Project Sites any personnel whose conduct (condition or action) jeopardizes the safety of any person. In addition, Contractor will not permit any barred person to work at any other Company Site or Company Project Site without prior Company written approval.

7) Contractor Employee HSSE Competency

Contractor will ensure that regulatory required training for Contractor's employees has been identified and completed. Competency must be demonstrated. Company may require reasonable additional site-specific training and documentation.

8) Short Service Contractor Employee Policy

Contractor will comply with its own or Company's site-specific short service employee policy, whichever policy is more restrictive.

9) Preventative Maintenance Program

Contractor will have a preventative maintenance program that includes, at a minimum, the identification and prioritization of maintenance for safety and/or environmental critical items.

10) Chemicals Brought to Company Site

Contractor will ensure Material Safety Data Sheets (MSDSs) are available at the Company Sites and/or Company Project Sites for all chemicals Contractor brings to the site, and that the MSDS is reviewed as part of the JSA/JSEA discussion.

Company Specific HSSE Requirements Specifically Selected for Certain Contractors (Company and Contractor to initial all those that apply). See web site for details: <http://nasupplierhsse.bpglobal.com>.

- ___ 1. Contractor will have a written Waste Management plan at the Company Project Site for work performed that, at a minimum, requires identification of waste and disposal methods.
- ___ 2. Contractors will meet or exceed BP's Driving Standard.
- ___ 3. Contractor will have and apply a Fitness-for-Duty program which includes assessment of the physical capability of employees to perform certain specific tasks and a physical agility testing component.
- ___ 4. Contractor will supply Company with a valid Certificate of Recognition applicable to Province of Operation certified by Petroleum Industry Training Service (PITS) or Contractor's Service Line certifying body.
- ___ 5. Contractor must have a working knowledge of the Drilling and Well Operations Policy.

SUBSTANCE ABUSE POLICY

Company has a strong commitment to provide a safe work place for its employees and other persons working or visiting on its premises. In order to assist in maintaining a safe working environment and to protect Company property, this Policy concerning substance abuse is established.

Contractors, subcontractors, and vendors who perform labor or services on Company premises or on whose premises Company employees spend substantial time, hereinafter referred to as Contractors, must have and administer a formal substance abuse interdiction policy. Policies for Contractors and subcontractors must include substance testing of Contractor's employees entering Company premises.

The failure of a contractor to comply with the provisions of this policy constitutes cause for cancellation of Contract.

SECTION I - POLICY STATEMENT

The use, possession, concealment, transportation, promotion, or sale of the following substances is strictly prohibited on Company premises, including all property owned, operated, leased by, or under the control of Company. Any contractor's employee in violation of this policy is prohibited from Company premises.

- Prohibited substances are defined as: (a) any alcoholic beverage, the use of which is not authorized by the Company, (b) any substance that an individual may not sell, possess, use, or distribute under the laws of the state in which the individual is employed or is working, and (c) any otherwise legal but illicitly-used substances.
- "Otherwise legal but illicitly-used substances" include (a) prescription drugs obtained without proper medical authorization, and (b) prescribed drugs, over-the-counter drugs, and other substances not being used for their intended purposes or at intended dosage.
- Drug paraphernalia and similar items used for substance abuse are likewise prohibited from Company premises.

Contractors shall submit a copy of their policy and program to Company employee designated to administer contracts or to a party as otherwise designated by Company. Such policy must provide for substance testing of employees and must meet the minimum standards as set forth in Section II below. Company reserves the right to withhold solicitation of bids or to deny entry to Company premises of any contractor, subcontractor, or vendor who fails to present a written policy that meets Company's minimum standards, or who fails to administer an acceptable policy.

A violation of this policy will subject the offending contractor's employee to denial of entry to Company premises and projects. Reinstatement of the access privilege may be made after one year upon request of the employing contractor. Such requests will be evaluated on the merits of each case. A request will be granted only upon receipt of evidence that the employee has successfully passed a substance screen within thirty (30) days of the request and has successfully completed an assessment by a Substance Abuse Professional ("SAP") and has complied with all recommended treatment or rehabilitation prescribed by the SAP.

SECTION II - TESTING**A. DEFINITIONS**

For the purpose of this policy:

1. "Substance testing" means the analysis of urine, saliva, or breath; however, at times circumstances may warrant additional testing methods.

2. "Chain of custody" means the combination of procedures and documentation which provides a faithful and accurate written record of the custody of a biological specimen from time of initial collection of a specimen to final laboratory analysis.
3. "Negative test result" means a laboratory conclusion that the presence of a substance was not detected in a specimen at or above the screening and confirmation levels utilized.
4. "Screened positive result" means that an EMIT analysis has revealed one or more substances present at or above screening cut-off level.
5. "Presumptive positive result" means a laboratory conclusion that a specimen was found to contain the presence of a substance based on one or more analytical procedures which did include gas chromatography/mass spectrometry (GC/MS).
6. "Confirmed positive result" means a laboratory presumptive positive result that has been confirmed as a positive substance test by a Medical Review officer(MRO)

B. LABORATORY AND SAMPLING STANDARDS

1. Testing for the following substances, at the indicated screening and confirmation cutoffs, are recommended:

<u>Drug</u>	<u>EMIT Screen</u>	<u>GC/MS Confirmation Levels</u>
Amphetamines	1000 ng	500 ng
Marijuana	50 ng	15 ng
Cocaine	300 ng	150 ng
Opiates	2000 ng	2000 ng
PCP	25 ng	25 ng
Alcohol	.02 BAC	.02 BAC

Contractors subject to DOT testing should abide by appropriate levels.

2. The specimens of applicants and current employees will be tested using an enzyme immunoassay (such as EMIT) and/or a radioimmunoassay (approved on-site testing is permissible). In this testing scheme, a positive finding is called a screened positive. All screened positives will be further tested using GC/MS. In this testing scheme, a positive finding is called a presumptive positive. All presumptive positives will undergo MRO review.
3. Alcohol screening testing may include utilization of either breath or saliva testing. Tests which are screened positive will undergo confirmation via the use of an evidential-quality breathalyzer for confirmation of positive alcohol test results. MRO review is not required for positive alcohol test results.

C. CONFIDENTIALITY

When a contractor, subcontractor, or vendor conducts drug testing of its employees for the purpose of establishing eligibility to enter Company premises, such substance testing results which are positive will not be individually disclosed to Company. Company will require, however, that contractors, subcontractors, and vendors certify that each employee assigned to work on Company premises has passed a substance test that meets the standards of this policy. Contractors must maintain records of drug substance which are subject to audit by Company (see Sections IV and VI).

The results of substance tests performed for reasonable suspicion or accident/incident investigations as outlined below must be disclosed to local Company management upon request.

D. TESTING

1. Contractors will conduct substance testing in these situations:
 - a. before a contractor's employee may enter Company premises for the first time.
 - b. at least annually for continuously employed workers.
 - c. upon reasonable suspicion by the contractor or Company that a contractor employee on Company premises is under the influence of or has consumed any substance or item prohibited by this policy.¹
 - d. when designated by Company management, immediately following any incident which results in a recordable bodily injury as defined by OSHA, or damage to Company or contractor-owned property. Additionally, any substance testing, following an incident requiring DOT substance testing as regulated and described by DOT (FHA, RSPA, USCG), must be strictly adhered to. (Note: Substance testing may also be required by the contractor or Company following a near-miss incident. A near-miss incident is any incident which, if it had proceeded to a reasonably possible and more serious level of development, would have had the potential for personnel injuries, property damage, or serious liability claims).
2. Contractors will assume all costs associated with testing.
3. The refusal of a contractor's employee to sign a consent form or submit to any testing will result in revocation of the person's access privileges.

E. EXCEPTIONS

The following exceptions may be granted at the discretion of Company management:

1. Contractors and contractors' employees who are contracted or hired on short notice may be permitted to begin work on-site pending receipt of the results of pre-access substance testing. This permission will not extend beyond seven (7) calendar days from the first date after work starts by contractor.

Any person working under this provision must be removed from the work site immediately upon receipt of a positive test result, or at the end of seven (7) calendar days if test results have not been reported.

This provision is to allow work to begin on emergency or short notice situations only. Testing must be done as soon as reasonably feasible, and results must be available within the seven (7) calendar days allotted. This provision covers only employees needed for initial staffing and does not extend to those hired with sufficient time for pre-access testing (2-3 days after job begins).

2. Contractors or vendors whose need for site access poses a minimal safety risk may be exempted from pre-access substance testing by authorized Company management.

¹ In many contracts Company reserves the right to remove a contractor's employees for any reason. In no way does this policy detract from that right.

F. VALIDITY PERIOD

A pre-access substance test must have been administered within ninety (90) days immediately preceding access. This requirement may be waived by local authorized Company management for persons who are regaining access after an absence of not more than ninety (90) days.

Company will recognize a substance test conducted of an employee while that employee worked for a different employer provided that (1) the test is conducted within the 90-day period required by this policy, and (2) the laboratory and sampling procedures meet the standards set forth in this policy. Company prefers that the testing requirements be verified by an independent agency such as the Contractor's Safety Council.

A continuously employed contract worker must be substance tested at least once every twelve (12) months with no more than six (6) hours' notice prior to testing. Any of the various situations that require testing (pre-access, accident, etc.) will satisfy this requirement.

SECTION III - SEARCHES AND INSPECTIONS

Company reserves the right at all times on its premises to conduct unannounced substance screens, searches, and inspections of contractors, contractors' employees, vendors, and other persons, including their effects, lockers, baggage, desks, tool boxes, clothing, and vehicles. The purpose of such screens, searches, and inspections is to ensure compliance with this policy.

Any controlled substances or items prohibited by this policy, or any materials that are illegal to possess, will be retained by Company and may be destroyed or turned over to the appropriate law enforcement agency.

The refusal of a contractor's employee to submit to a search or inspection will result in the revocation of the person's access privileges.

SECTION IV - COMPLIANCE AUDITS

Company reserves the right to periodically audit a contractor's records to verify compliance with this policy. Such verification will include, but not be limited to:

1. examination of the contractor's substance abuse policy and its implementing directives and procedures;
2. a determination that substance testing is being conducted in those situations which require it and that the testing meets the standards of this policy;
3. examination of chain of custody procedures which ensure integrity of collected specimens; or
4. evaluation of laboratory services.

Audit results will be treated as confidential so as to protect the privacy of tested persons.

SECTION V - SUBCONTRACTS

In all cases where a contractor is permitted to employ a subcontractor, the contractor is responsible for insuring that the subcontractor and subcontractor's employees are in compliance with this policy. Contracts between contractors and subcontractors must stipulate that Company reserves the right to audit subcontractor's substance programs.

SECTION VI - CONSENT FORMS

The contractor must obtain a signed consent demonstrating each employee's agreement to release to contractor and Company the results of any substance testing performed.

Company will look at substance test results only during occasional compliance audits as described in Section IV, or when testing is required by Company as described in Section II.

SECTION VII - NOTICE

The contractor must ensure that each of its employees and subcontractor employees is informed of the provisions of this policy and of the contractor's substance abuse policy. Notice will include the consequences of failure to comply, and notice will be made prior to entering Company premises.

SECTION VIII - CONCLUSION

Consideration for work on Company premises will be conditioned upon contractor's implementation of a policy that, in Company's sole judgment, conforms to the minimum standards expressed in this policy. Program development and implementation are the responsibility of the contractor.

The central goal of this policy is to provide a safe and efficient working environment for all persons on Company premises. Cooperation is vitally important to the achievement of this important goal.

NON-HARASSMENT POLICY

Company has a strong commitment to provide a working environment for all employees that is free from discrimination and harassment of any kind. Consistent with this objective, a corporate Non-Harassment Policy has been established. It is against Company policy for any person, whether an employee or non-employee, on Company's premises to harass any other person on the basis of race, color, religion, gender, national origin, disability, age, or any other protected status.

Employees at all levels of Company have the responsibility to avoid any act or actions, implied or explicit, that may suggest harassment in any form.

Sexual harassment by employees or non-employees is an example of one type of harassment that is prohibited. Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

- (a) submission to such conduct is made, either explicitly or implicitly, a term or condition of an individual's employment;
- (b) submission to or rejection of such conduct by an individual is used as a basis for employment decisions affecting such individual; or
- (c) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Harassment on the basis of any other protected characteristic also is prohibited. Harassment is defined as verbal or physical conduct that denigrates or shows hostility toward an individual because of his or her race, color, sex, religion, national origin, age, disability, or any other characteristic protected by law if the harassment creates an intimidating, hostile, or offensive work environment, if it unreasonably interferes with an individual's work performance, or if it adversely affects an individual's employment.

Company is committed to a work environment free of harassment and will strictly enforce these guidelines. Harassing conduct will result in appropriate disciplinary action up to and including discharge. Any employee who believes that harassment has occurred should immediately notify his or her supervisor, department head, or the human resources manager. Any supervisor or manager who receives a complaint alleging harassment must report the incident to human resources.

A prompt investigation of the alleged incident will be conducted and appropriate corrective action will be taken, if warranted. To the extent consistent with adequate investigation and appropriate corrective action, any complaints of harassment will be treated as confidential.

Company will not in any way retaliate against an employee who, in good faith, makes a complaint of harassment or participates in the investigation of such a complaint. Retaliation against any individual for good faith reporting a claim of harassment or cooperation in the investigation will not be tolerated and will itself result in appropriate discipline. Company will take appropriate steps to enforce this policy.