

CONTRACTOR SAFETY AND ENVIRONMENTAL REQUIREMENTS

A. Purpose and Scope

- A.1 The purpose of this Exhibit is to establish the minimum safety requirements for contractors to be able to work on properties owned, operated and/or managed by Company or its affiliated or subsidiary companies. The objectives of this policy are (i) the prevention of injury to workers or other persons and loss to Company or any other person through adequate training in safe procedures and job tasks, (ii) the establishment of safety and environmental policies, and (iii) the commitment of contractor's management to safety and environmental protection.

B. Minimum Safety and Environmental Requirements

- B.1 The following minimum safety and environmental requirements have been developed for contractors and their subcontractors performing work on Company owned facilities/work sites or facilities/work sites operated or managed by Company or any of its affiliated or subsidiary companies. Contractors shall ensure that any subcontractor whom they employ meets these same requirements. Since these are minimal requirements, the contractor shall take any additional precautions necessary to prevent harm to personnel or damage to property and/or the environment.

B.2 Requirements

- B.2.1 Contractors shall comply with all applicable safety and environmental regulations, laws, rules and standards of agencies having jurisdiction at locations where work is conducted for Company or any of its affiliated or subsidiary companies.

- B.2.2 Minimum Requirements for a Safety Program: The following comprise the three levels of Company's requirements for a safety program: (1) the elements required by OSHA for all contracting companies, regardless of the type of services being provided; (2) elements or programs that are required by OSHA or any other applicable federal, state or local regulation, law, ordinance or requirement for companies whose employees undertake certain activities or tasks (these may not be all applicable OSHA requirements, and Contractor must confirm for itself which apply); and (3) those elements of a safety program that, though not specifically required by OSHA, are considered by Company to be critical components of an effective safety program and ones which Company considers to be common in the industry.

1. Elements required by law of all contractors:

- Hazard Communication (OSHA 29 CFR 1910.1200)
- Recordkeeping and Reporting (OSHA 29 CFR 1904)
- Means of Egress- Emergency Preparedness (OSHA 1910 Subpart E)

2. The programs or procedures below include, but are not limited to, those elements required by law depending upon the types of work or activities undertaken by the contractor's employees:

- Equipment Lock-out and Tag-out Procedures
- Confined Space Entry Procedures
- Fall Protection Policy and Procedures
- Portable Electrical/Power Tools Safe Procedures
- Vehicle Safety
- Compressed Gas Cylinders Safe Procedures
- Electrical Safety Procedures (grounding assurance)
- Cranes and Powered Industrial Vehicles Safe Operation and Maintenance Procedures
- Housekeeping Policy and Procedures
- Waste Management Procedures
- Hearing Conservation Program
- Respiratory Protection Program
- Fire Protection - Safe Burning and Welding Procedures
- Personal Protective Equipment Policy and Procedures
- Helicopter Safety
- Well Servicing Safe Procedures
- Drilling Safe Procedures
- Excavation and Trenching Safe Procedures
- Hydrogen Sulfide Safety Procedures

3. Company requires the following elements as part of a Comprehensive Safety Policy considered common in the industry:

- Statement of Management Commitment and Expectations
- Statements regarding responsibilities for Managers, Supervisors and Employees
- Hazard Recognition and Control Procedures
- Accident Reporting and Investigation Process Procedures
- Company Safety Policies and Rules
- Short Service Employee Program

B.2.3 Training: Contractor's personnel (and those of all subcontractors) shall be competent for the tasks or activities to be accomplished. This includes being in compliance with appropriate safety and environmental training codes, standards, laws and regulations as required by governmental agencies having jurisdiction at the work site (e.g., BOE, USCG, EPA, DOT, OSHA). A Training Matrix is attached to this Exhibit D as Appendix A for reference purposes and is incorporated herein by reference. The Training Matrix is provided as a reference only and should not be relied upon to specifically determine your employee's training requirements.

Contractor shall conduct a training assessment based on each job task to determine the training that Contractor must provide for its employees and personnel.

- B.2.4 Safety Meetings: Contractors shall conduct and document pre-job safety meetings to discuss facility and job hazards, accidents, near misses and applicable safety and environmental rules and procedures prior to commencing work at any facility owned, operated or managed by Company or any of its affiliated or subsidiary companies.
- B.2.5 Job Safety Analysis (JSA): Company supports the completion of Job Safety Analyses (also called Job Hazard Analysis in OSHA terminology) as a means of evaluating and controlling existing or potential workplace hazards and to communicate information to all affected personnel. Contractor shall be knowledgeable in the process as they may be asked to prepare such documents at Company's request or as a result of the characteristics of any particular Work. A JSA may be required based upon the complexity of the job, the number of personnel involved and/or the hazards that may be encountered (i.e. Hot Work Operations, Vessel Cleaning, Working at Heights Requiring Fall Protection, etc.).
- B.2.6 Incident Reporting: Contractor shall immediately notify the appropriate Company representative of all accidents or events that result in personal injury, death, or illness of any person, or damage to or destruction or loss of property, or incidents which might have possible infractions of applicable safety or environmental protection regulations. Contractor shall prepare and send a written report of any such accident or event to the appropriate Company representative as soon as possible, but in any event within twenty-four (24) hours of occurrence. For all incidents involving a fatality, Days Away/ Restricted time cases, or environmental incidents requiring a report to a regulatory agency, Contractor shall investigate the incident and provide a written investigation report to the appropriate Company representative as soon as possible, but in any event within 72 hours of occurrence. The investigation report shall identify root causes associated with the incident as well as plans for corrective action and corrective actions already taken.
- B.2.7 Near-Miss Reporting: Contractor shall report and document all potential hazards, unsafe conditions, unsafe acts and near misses to the appropriate Company representative or his/her designee within twenty-four (24) hours of recognition of same.
- B.2.8 Personal Protective Equipment (PPE): Contractor shall provide its employees and personnel with proper PPE for them to perform their jobs safely. Contractor shall also ensure that its employees and personnel are trained in the proper use and maintenance of all PPE issued. The following is only the minimum PPE required to work on facilities owned, operated or managed by Company or any of its affiliated or subsidiary companies. Any additional job specific PPE (face shields, goggles, respiratory protection, fall protection, hand protection, gas monitors, etc.)

required by Company, governmental regulations or hazard assessments shall also be provided by Contractor.

Minimal PPE Requirements for contractors:

- Safety Glasses – Safety Glasses shall comply with ANSI Z87.1 – 1989, as such may be updated or modified from time to time, and shall be worn in areas where personnel are exposed to flying particles and/or when working around pressurized process equipment, piping, pumps, etc.
- Hard Hat – Hard hats shall comply with ANSI Z89.1 – 1997, Type 1 requirements, as such may be updated or modified from time to time, and shall be worn at all times when working on Company facilities or work sites.
- Safety/Steel Toe Shoes / Boots – Safety/Steel toe shoes / boots shall comply with ANSI Z41 – 1991, as such may be updated or modified from time to time, and shall be worn at all times when working at any facility or work site owned, operated or managed by Company or any of its affiliated or subsidiary companies.
- Hearing Protection – Hearing protection is required in high noise areas or areas that are posted as requiring hearing protection.

C. Inspections/Audits

In addition to any right provided elsewhere in the Contract or otherwise available by law, Company reserves the right to inspect/audit the Environmental, Health and Safety activities of all contractors and subcontractors who work on any properties, facilities or premises owned, operated or managed by Company or any of its affiliated or subsidiary companies. Company or third party auditing teams or individuals may conduct these inspections/audits.

The objective of conducting an inspection/audit is to assess Contractor's compliance with applicable Company, governmental and regulatory requirements and to prevent adverse environmental and safety incidents.

C.1 Field Inspections/audits

Company may have field inspections conducted so that the inspector(s)/auditor(s) can:

- Physically observe the Work or any part thereof that Contractor, or any of its subcontractors or personnel, is performing.
- Assess Contractor's performance of Work, or any part thereof, according to applicable Company, governmental or regulatory requirements.
- Advise Contractor regarding any deficiencies that are observed and require that such be corrected.

Company may conduct field inspections at any time and from time to time as Company, in its sole discretion, may deem necessary or appropriate to maintain compliance with the applicable requirements of Company or any governmental or regulatory agency or body.

C.2 Office Audits

Company may have office audits conducted:

- To verify information that Contractor certifies as having when completing this Contractor Safety Program Requirements agreement.
- To check Contractor's documentation of training, safety meeting attendance, accidents, equipment inspections, safety program elements, etc.
- To share environmental, safety and health philosophies.

D. Contractor's Acknowledgement and Agreement

Contractor hereby acknowledges its receipt, recognition and understanding of the minimal safety and environmental requirements set forth in this Contractor Safety Program Requirements for working on any facilities/ work sites owned, operated or managed by Company or any of its affiliated or subsidiary companies. Contractor represents and warrants that it is currently in compliance with the requirements set forth herein and that Contractor shall continue to comply with these requirements for so long as Contractor may perform work for or on behalf of Company or any of its affiliated or subsidiary companies. Contractor further recognizes and acknowledges that the requirements set forth herein are minimal requirements and additional precautions or safety procedures may be needed to secure the safety of Contractor's employees and personnel; and Contractor agrees that it will establish such additional precautions or safety procedures as necessary or appropriate.

Contractor's Management Signature

Print Name: _____ Title: _____
Signature: _____ Date: _____
Phone Number: _____ Fax: _____

Contractor's Safety Management Signature

Print Name: _____ Title: _____
Signature: _____ Date: _____
Phone Number: _____ Fax: _____

Contractor's Information

Name of Contractor: _____