HIGH ISLAND SPILL AGREEMENT

For

High Island Oil Spill, September 5, 1991

Prepared by:

U.S. Department of Interior
Fish and Wildlife Service

U.S. Department of Commerce
National Oceanic and Atmospheric Administration

Texas Parks and Wildlife Department

Texas Water Commission

Texas General Land Office
HIGH ISLAND SPILL AGREEMENT

This agreement is made and entered into by and among:

1. The United States Department of the Interior (DOI), and the National Oceanic and Atmospheric Administration (NOAA), an agency of the United States Department of Commerce,

2. The Texas Parks and Wildlife Department (TPWD), Texas Water Commission (TWC), and Texas General Land Office (GLO), agencies of the State of Texas and collectively referred to as the State, and

3. Amoco Pipeline Company.

STATEMENT OF FACTS

1. At approximately 11:00 p.m. September 5, 1991, a pipeline owned and operated by Amoco Pipeline Company ruptured during an attempt to transfer oil from Amoco Pipeline Company's barge loading facility at High Island, Texas, to a transport barge in the Gulf Intracoastal Waterway (GIWW).

2. This rupture resulted in the discharge of approximately 10,040 gallons of oil into a drainage ditch, barge slip, GIWW, and adjacent marsh areas.

3. The oil discharged was a light crude oil, containing trace amounts of heavy metals and petroleum hydrocarbons sufficient to cause toxicity to various aquatic and terrestrial organisms.

4. The DOI, NOAA, and the State are designated co-Trustees of the natural resources injured by the discharge of oil from Amoco Pipeline Company's barge loading facility in High Island, Texas.

5. The marshes impacted by the discharge provide important habitats for numerous species of waterfowl, shorebirds, songbirds, and terrestrial reptiles and mammals.

6. Important aquatic resources potentially affected include commercially and recreationally important finfish and shellfish species, mollusks, invertebrates, and plankton.
7. A fish kill which may have been related to the discharge was observed while monitoring cleanup activities in the area.

8. Amoco Pipeline Company initiated response actions to contain and remove crude oil.

9. The Amoco Pipeline Company response action provided no compensation for the value of natural resources, services, and recreational opportunities injured by the discharge of oil.

STATEMENT OF OBLIGATIONS

1. The State and Federal trustee agencies have expended time, funds, and resources in investigating the September 5, 1991 discharge and the natural resources injuries which may have resulted from the incident. Therefore, Amoco Pipeline Company shall reimburse these parties within 30 days of execution of this agreement for their administrative expenses as follows:

   a. DOI: $18,500.00
   b. NOAA: $4,000.00
   c. TPWD: $1,959.00
   d. TWC: $5,492.00
   e. GLO: $2,267.00

These funds should be paid by cashier's check or certified check referencing the "Natural Resource Damages Agreement for the High Island Spill" as follows:

As to DOI, a check for $18,500.00 payable to the Department of the Interior and sent to:

Department of the Interior
Office of the Secretary, Fiscal Section
Room 5257, 18th and C Streets, N.W.
Washington, D.C. 20240

As to NOAA, a check for $4,000.00 payable to NOAA, Department of Commerce and sent to:

Manager, Damage Assessment Center, NOAA
6001 Executive Blvd; Room 425
Rockville, Maryland 20852
As to TPWD, a check for $1,959.00 payable to the Texas Parks and Wildlife Department and sent to:

Texas Parks and Wildlife Department
Racheal Molina, Cashier & Revenue Control
4200 Smith School Road
Austin, Texas 78744

As to TWC, a check for $5,492.00 payable to the Texas Water Commission and sent to:

Texas Water Commission
P.O. Box 13087, Capitol Station
Austin, Texas 78711
Attention: Cashier

As to GLO, a check for $2,267.00 payable to the Texas General Land Office and sent to:

Texas General Land Office
c/o Mr. Steve Tilson, Oil Spill Response Team, 1700 North Congress, Room 810
Austin, Texas 78701-1495

2. In consideration of and in exchange for the agreements described in Paragraph 6 in the Statement of Obligations, Amoco Pipeline Company agrees to reimburse the Trustees' administrative expenses identified in Paragraph 1 and undertake the restoration project more fully described in Attachment A and incorporated herein. The restoration project shall consist of the replacement of a water control structure at the Jackson Ditch road crossing on Anahuac National Wildlife Refuge.

3. The restoration project, referred to in Paragraph 2 in Statement of Obligations, shall be constructed by Amoco Pipeline Company in accordance with plans and specifications prepared by Amoco and approved by the state and federal Trustees. Upon satisfactory conclusion of the project, the Department of the Interior, acting on the behalf of the Trustees, shall provide Amoco Pipeline Company with a written statement that the project has been completed in a satisfactory fashion. Thereafter, Amoco Pipeline Company shall have no further obligation for this project. The project will be operated and maintained by the designated Trustee representative, Refuge Manager, Anahuac National Wildlife Refuge.

4. Amoco Pipeline Company shall obtain at its expense all permits, rights-of-way, and other documents necessary for
the implementation of the restoration project, and it shall comply with all State and Federal laws.

5. During work on the restoration project, Amoco Pipeline Company shall allow the trustee agencies an irrevocable right of access to the project site for the purpose of monitoring implementation of the project.

6. Subject to Amoco Pipeline Company's satisfactory completion of both the restoration project described in Paragraph 2 and payment of the administrative expenses outlined in Paragraph 1, the State of Texas hereby releases Amoco Pipeline Company from civil liability for natural resource damages arising from the September 5, 1991 oil spill. DOI and NOAA hereby agree that neither agency shall refer this matter to the Department of Justice for the purpose of litigating a claim for natural resource damages.

7. Nothing in this Agreement is intended to be, nor shall it be construed as, a release or covenant not to sue for any claim or cause of action, administrative or judicial, for:
   a. failure to provide the governmental parties with access to the restoration project site.
   b. natural resource damages, in the event the Amoco Pipeline Company does not pay the administrative expenses identified in Paragraph 1 or satisfactorily complete the restoration project.
   c. violation of any State or Federal law during implementation of the restoration project.
   d. future releases, discharges, or spills.
   e. any and all criminal liability.
   f. any matter not expressly included in the release from liability for natural resource damages set forth in Paragraph 6 in Statement of Obligations.

8. Amoco Pipeline Company agrees 1) to submit requisite permit applications by July 1, 1992, and 2) to satisfactorily complete the restoration project work described in Attachment A within 60 days of the date of the issuance of the last permit. In the event that the restoration project work is suspended or delayed due to force majeure, including but not limited to delays or suspensions due to inclement weather, Amoco Pipeline Company shall be granted an additional and reasonable amount of time to complete the restoration project work.
9. Amoco Pipeline Company certifies that to the best of its knowledge and belief, it has fully and accurately disclosed to the United States and the State all information requested by the Trustees which is currently in the possession of Amoco Pipeline Company's officers, employees, contractors, and agents which relate in any way to the September 5, 1991 oil discharge from the High Island barge loading facility.

10. This agreement may be executed in counterparts.
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

By: Charles N. Ehler
Charles N. Ehler, Director
Office of Ocean Resources Conservation and Assessment
Authorized Official
AMOCO PIPELINE COMPANY

Daniel H. Wilson, Vice-President
Operations and Maintenance

Date 4/25/82
PROJECT DESCRIPTION

Two 60-inch diameter aluminum culverts fitted with flapgates and flashboard risers will replace the existing open culverts at the Jackson Ditch road crossing on the Anahuac National Wildlife Refuge in Chambers County, Texas. This work will protect and enhance approximately 10,000 acres of intermediate and brackish marsh on the Refuge and adjacent private lands by reducing saltwater intrusion and excessive tidal fluctuation, providing water level control, and preventing entry by oil or other hazardous substances spilled in the Gulf Intracoastal Waterway. It will provide significant benefits to waterfowl and other migratory birds, preserve vital nursery areas for marine finfish and shellfish, and contribute to the enhancement of surface water resources.

The Jackson Ditch water control structure will be constructed in accordance with the drawings and specifications submitted by the Amoco Pipeline Company in their December 11, 1991 letter (Attachment B), with the following modifications.

1. Channels for boards on flashboard risers shall be constructed of 1/2-inch by 2-inch aluminum.

2. All plate, flatbar, and angle must be alloy 5086-H34 aluminum.

3. Both flashboard risers must be covered with 1-inch thick aluminum grating.

4. Anti-seep collars shall be 10-foot by 10-foot by 1/4-inch aluminum.

5. Flashboard risers shall be constructed of 8 gauge aluminum.

6. Each flashboard riser shall be equipped with a full set of 2-inch by 6-inch by 4-foot treated boards (2.5 lbs CCA). Each board shall be fitted with 1/2-inch diameter stainless steel lift pins at each end (alloy AISI Type 316).

7. Flashboard risers shall have locking devices to prevent the unauthorized removal of boards. Refuge will provide padlocks.

8. Magnesium anodes must be a minimum of 5 pounds each, and shall be connected to the water control structure with copper wiring.

9. Timber sheet piling must be extended into top of bank at each side of water control structure.
10. Riprap material shall be placed so as to adequately prevent erosion around ends of timber bulkheading.

11. Earthen cofferdams may be substituted for steel sheet piling if feasible.

12. These specifications may be modified by mutual consent of Amoco Pipeline Company and the designated Trustee representative, Refuge Manager, Anahuac National Wildlife Refuge.
December 11, 1991

Domenick R. Ciccone
Refuge Manager
U.S. Department of Interior
Fish and Wildlife Service
Anahuac, National Wildlife Refuge
P.O. Box 278
Anahuac, TX 77514

RE: Amoco Pipeline Company
High Island Mitigation Project

Dear Mr. Ciccone:

Amoco Pipeline Company respectfully submits five copies of the design, and drawings for the subject project. The package was prepared by Pyburn & Odom, Inc. on our behalf. As agreed, the copies will be distributed to the trustees by you or your staff.

The design includes a cost estimate for the project, $343,961.00. The cost estimate does not include work associated with obtaining necessary permits or costs for oversight of the project by Amoco or trustee representatives. The cost estimate exceeds the trustees' internal estimate of $100,000 and is disproportionate to the damage done. We have had our consultant review their estimate and have found it to be "realistic".

We would like to meet with you and other appropriate trustee representatives to discuss the mitigation project and its cost estimate. Please contact me at (708) 990-6106, to make the necessary arrangements. Lastly, have a Happy Holiday Season.

Sincerely,

Sandy A. Medley
Director, Environmental Services

SAM/das
December 6, 1991

Mr. Albert F. Davis
Amoco Pipeline Company
One Mid America Plaza
Oakbrook, IL 60181

Subject: Water Control Structure Design - Anahuac Wildlife Refuge, Jackson Ditch Project; P&O Project No. 11-860.

Dear Mr. Davis:

In accordance with your telephoned request of November 19, 1991 and your subsequent letter dated November 25, 1991 we have designed water control structures at the two locations in the subject refuge, Jackson ditch and for the oil field road north of Jackson Ditch. We are transmitting herewith 3 copies of the water control structures (culverts) design, P&O drawing Nos. C11-860-01 to 07, along with technical specifications, a listing of necessary permits and associated agencies and an itemized estimate of total project cost.

Our estimate of the costs of constructing these facilities is $345,000. This estimate is based on our previous work with water control structures. A more complete breakdown of the costs are shown on pages 3 and 4. Total Project cost is estimated at $403,000, See page 5. Two permits will be required, one from the U.S. Army Corps of Engineers the other from Trinity Bay Conservation District. A listing of the necessary permits and associated agencies are on page 2 and Technical (Bid) specifications are enclosed in booklet form and entitled "Jackson Ditch and Oil Field Road Water Control Structures." It is my understanding that you will include Amoco's Standard Bid Specifications. In the following paragraphs we have provided the details with regard to the various aspects of this project.

Design

The Water Control Structure/Culvert design was based on the drawings and comments we received from Amoco Pipeline, Anahuac National Wildlife Refuge, and Trinity Bay Conservation District (TBCD) and conversations we had with Mr. Jim Neaville of the Department of the Interior and Messrs. Domenick Ciccone and Dan Alonso of the Anahuac Wildlife Refuge, Messrs. George Wilcox and Gary Cooper of the TBCD, Mr. Dick Nicos of Hope Oil and Mr. Steve Rector of S&S Energy for anticipated well loadings. We considered using concrete culverts but due to the extremely tight time schedule we opted to use the aluminum culverts shown on the preliminary design provided by your office and the Refuge. As you specified, two 60" aluminum culverts with flaggates and slots were specified for Jackson ditch and one 60-inch aluminum culvert with flaggate was shown for the location just north of Jackson Ditch called Oil field road. The Jackson Ditch culvert is designed to reduce salt water intrusion and tidal fluctuations and prevent oil and other materials from entering the refuge from the Intracoastal waterway, while the culvert north of Jackson Ditch is designed to permit drainage of storm surge water as you specified. On the west end (refuge side) of each culvert a water control structure was designed to allow for variation in the water level of the refuge. We were concerned about potential corrosion of the Aluminum culverts in a saltwater environment therefore we have included catalytic protection in the form of a magnesium anode.

15
All three culverts are designed to handle H-20 truck loadings. Our field crew spent a total of 3-1/2 days gathering data and traveling to and from the site. When the field data was plotted, we noticed the culvert north of Jackson Ditch. Oil Field Road Culvert had silted in, as may be noticed on drawing P&O Drawing No. C11-360-02. This information was telephoned to you and Mr. Dom Ciccone the Refuge Manager on Dec. 4, 1991. Future silting at this location after culvert installation could prevent operation of the flapgate if the silt is not removed. We did not include in our plans excavation of the ditch from the culvert to the Oxbow lake into which the water drains. Water depths at Jackson Ditch appear to be adequate. Spoil from the excavation will have to be disposed of outside of the marsh on higher ground. Mr. Ciccone mentioned the refuge may be able to provide a spoil location.

Permits

The permits required for the installation of these culverts are a Section 404 (wetlands type) Permit from the Galveston District of the U.S. Army Corps of Engineers and a permit from the Trinity Bay Conservation District. Their addresses are listed below. The agencies which will review the Corps 404 (wetlands type) permit are listed below the Corps address. The Corps will send this permit application out to over 500 companies, landowners, and other interested parties in order that they may comment or note the location of the proposed installation. We can prepare the Section 404 (wetlands type) Permit for the Corps, should you wish us to. The Corps review process usually takes 70 to 90 days, probably 90 days.

U.S. Army Corps of Engineers
Evaluation Section
PO Box 1229
Galveston, Texas 77553-1229

U.S. Army Corps of Engineers
Texas Parks & Wildlife Department
Texas Water Commission
Texas General Land Office
National Marine Fisheries
U.S. Fish & Wildlife Service
Environmental Protection Agency

Trinity Bay Conservation District
PO Box 580
Anahuac, Texas 77514

The next 3 pages show the estimated costs of the project.
<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>QUANTITY</th>
<th>UNIT</th>
<th>UNIT COST</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobilization</td>
<td>1</td>
<td>Job</td>
<td>7,500.00</td>
<td>7,500.00</td>
</tr>
<tr>
<td>Steel Sheet Piling, Pull &amp; Salvage</td>
<td>6,400</td>
<td>Sq. Ft.</td>
<td>8.55</td>
<td>54,720.00</td>
</tr>
<tr>
<td>Dewatering</td>
<td>1</td>
<td>Job</td>
<td>4,500.00</td>
<td>4,500.00</td>
</tr>
<tr>
<td>Excavation and Disposal</td>
<td>565</td>
<td>Cu. Yd.</td>
<td>4.18</td>
<td>2,361.70</td>
</tr>
<tr>
<td>Timber Foundation Sheet Piling</td>
<td>3.6</td>
<td>MBF</td>
<td>350</td>
<td>1,980.00</td>
</tr>
<tr>
<td>Crushed Stone, Foundation</td>
<td>70</td>
<td>Tons</td>
<td>32.50</td>
<td>2,275.00</td>
</tr>
<tr>
<td>Filter Fabric</td>
<td>330</td>
<td>S.Y.</td>
<td>2.25</td>
<td>742.50</td>
</tr>
<tr>
<td>60 Inch Aluminum Culverts</td>
<td>60</td>
<td>L.F.</td>
<td>156.50</td>
<td>9,390.00</td>
</tr>
<tr>
<td>60 Inch Aluminum Flapgates</td>
<td>2</td>
<td>Each</td>
<td>3,250.00</td>
<td>6,500.00</td>
</tr>
<tr>
<td>Weir Type Drop Inlet</td>
<td>2</td>
<td>Each</td>
<td>2,786.00</td>
<td>5,572.00</td>
</tr>
<tr>
<td>Crushed Stone: Backfill</td>
<td>953</td>
<td>Tons</td>
<td>25.00</td>
<td>23,825.00</td>
</tr>
<tr>
<td>Class &quot;B&quot; Timber Piling</td>
<td>540</td>
<td>L.F.</td>
<td>17.50</td>
<td>9,450.00</td>
</tr>
<tr>
<td>Timber Sills and Hardware</td>
<td>3.7</td>
<td>MBF</td>
<td>885</td>
<td>3,274.50</td>
</tr>
<tr>
<td>Timber Sheet Piling</td>
<td>2.150</td>
<td>S.F.</td>
<td>7.85</td>
<td>16,877.50</td>
</tr>
<tr>
<td>Broken Stone Riprap</td>
<td>27</td>
<td>Ton</td>
<td>22.50</td>
<td>607.50</td>
</tr>
<tr>
<td>Clean-up and Demobilization</td>
<td>1</td>
<td>Job</td>
<td>2,500.00</td>
<td>2,500.00</td>
</tr>
</tbody>
</table>

Subtotal                              |          |        |           | $152,075.70 |

15% Contingencies                     |          |        |           | 22,811.30   |

Total Estimated Cost                  |          |        |           | $174,887.00 |
ITEMIZED COST ESTIMATE  
OIL FIELD ROAD  
WATER CONTROL STRUCTURE  
AMOCO PIPELINE COMPANY

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>QUANTITY</th>
<th>UNIT</th>
<th>UNIT COST</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobilization</td>
<td>1</td>
<td>Job</td>
<td>7,500.00</td>
<td>7,500.00</td>
</tr>
<tr>
<td>Steel Sheet Piling,</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pull &amp; Salvage</td>
<td>7,200</td>
<td>Sq. Ft.</td>
<td>8.55</td>
<td>61,560.00</td>
</tr>
<tr>
<td>Dewatering</td>
<td>1</td>
<td>Job</td>
<td>4,500.00</td>
<td>4,500.00</td>
</tr>
<tr>
<td>Excavation and Disposal</td>
<td>716</td>
<td>Cu. Yd.</td>
<td>4.18</td>
<td>2,929.88</td>
</tr>
<tr>
<td>Timber Foundation Sheet Piling</td>
<td>3.9</td>
<td>MBF</td>
<td>550.00</td>
<td>2,145.00</td>
</tr>
<tr>
<td>Crushed Stone, Foundation</td>
<td>46</td>
<td>Tons</td>
<td>32.50</td>
<td>1,495.00</td>
</tr>
<tr>
<td>Filter Fabric</td>
<td>285</td>
<td>S.Y.</td>
<td>2.25</td>
<td>641.25</td>
</tr>
<tr>
<td>60 Inch Aluminum Culverts</td>
<td>30</td>
<td>L.F.</td>
<td>156.50</td>
<td>4,695.00</td>
</tr>
<tr>
<td>60 Inch Aluminum Flapgates</td>
<td>1</td>
<td>Each</td>
<td>3,250.00</td>
<td>3,250.00</td>
</tr>
<tr>
<td>Weir Type Drop Inlet</td>
<td>1</td>
<td>Each</td>
<td>2,786.00</td>
<td>2,786.00</td>
</tr>
<tr>
<td>Crushed Stone; Backfill</td>
<td>986</td>
<td>Tons</td>
<td>25.00</td>
<td>24,650.00</td>
</tr>
<tr>
<td>Class &quot;B&quot; Timber Piling</td>
<td>450</td>
<td>L.F.</td>
<td>17.50</td>
<td>7,875.00</td>
</tr>
<tr>
<td>Timber Sills and Hardware</td>
<td>3.5</td>
<td>MBF</td>
<td>885.00</td>
<td>3,097.50</td>
</tr>
<tr>
<td>Timber Sheet Piling</td>
<td>2,145</td>
<td>S.F.</td>
<td>7.85</td>
<td>16,838.25</td>
</tr>
<tr>
<td>Broken Stone Riprap</td>
<td>22</td>
<td>Ton</td>
<td>27.50</td>
<td>495.00</td>
</tr>
<tr>
<td>Clean-up and Demobilization</td>
<td>1</td>
<td>Job</td>
<td>2,500.00</td>
<td>2,500.00</td>
</tr>
</tbody>
</table>

Subtotal                                                                           $147,020.88

15% Contingencies                                                                  $22,053.12

Total Estimated Cost                                                               $169,074.00
**AMOCO PIPELINE COMPANY**

**WATER CONTROL STRUCTURE**

**ENGINEER, INSPECTION & MANAGEMENT**

**ESTIMATE COSTS**

<table>
<thead>
<tr>
<th>Description</th>
<th>Calculation</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineering</td>
<td>7.5% of $345,000 =</td>
<td>$25,875</td>
</tr>
<tr>
<td>Inspection per diem</td>
<td>$6,000/month 3 mo. $44/day 90 day</td>
<td>18,000</td>
</tr>
<tr>
<td>Management</td>
<td>3% of $370,875</td>
<td>11,126</td>
</tr>
</tbody>
</table>

**TOTAL PROJECT COST**

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jackson Ditch Structure</td>
<td>$174,887</td>
</tr>
<tr>
<td>Oil Field Road Structure</td>
<td>169,074</td>
</tr>
<tr>
<td>Eng., Insp., Management</td>
<td>58,961</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$402,922</strong></td>
</tr>
</tbody>
</table>

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td><strong>$403,000</strong></td>
</tr>
</tbody>
</table>
Before the Construction Phase of the work begins Hope Oil and S&S Energy should be contacted about limiting access to their wells from the road. Hope Oil has a road usage agreement which must be signed according to David Cantwell of Hope Oil. At present they access the wells by skiff but any rig equipment must be brought in by truck over the subject road.

Should you have any questions please call me at 504/766-6330.

Very truly yours,

PYBURN & ODOM, INC.

Brandon G. Parlane
Associate Engineer

Encl: P&O Drawing C11-860-01 to 07 2 copies each
      Technical Specifications 1 copy each

cc: Tom Egelston
    Amoco Pipeline Co.
    Hwy. 42 at Harrison Road
    Longview, TX 75604
    One Complete Set of Plans & Specifications