



U. S. DEPARTMENT OF ENERGY
STRATEGIC PETROLEUM RESERVE
PROJECT MANAGEMENT OFFICE
NEW ORLEANS, LA



CONTRACT NO. DE-AC96-22PO00003

EXXONMOBIL CORPORATION

**EXCHANGE OF
THIRTY TWO (32) MILLION BARRELS
OF SOUR
CRUDE OIL
FROM THE
STRATEGIC PETROLEUM RESERVE**

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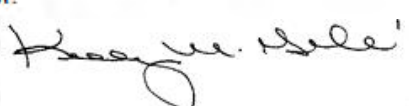
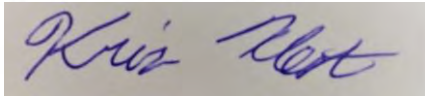
PART I - THE SCHEDULE

SECTION A

CONTRACT FORM

EXHIBIT B

CONTRACT FORM

SPR Crude Oil Exchange		CONTRACT NUMBER DE-AC96-22PO00003						Page 1 of 1	
This contract is entered into by and between the United States of America, hereinafter called the "Government," represented by the Contracting Officer executing this contract and the Contractor below identified. The Contractor agrees to make available the Crude Oil to the Government SPR Site(s) in the volume amount identified below and the Government agrees to make payment in accordance with the terms and conditions of this contract.									
Line Item	SPR SITE(S)*	TOTAL VOLUME AWARDED	Period of Exchange Oil delivery from SPR (month or months)	Period of Return Oil delivery to SPR (No.1/No.2/No.3)	Return Oil Grade Type	API	Sulfur	Delivery Mode	Location
1	BC	3,300,000	DEC 2021- MAR 2022	2	SOUR	32	1.9	P/L	St. James
2	BM	900,000	JAN-MAR 2022	3	SOUR	32	1.9	P/L	Genesis TX City
3	WH	600,000	FEB-MAR 2022	3	SOUR	32	1.9	P/L	Nederland Terminal
4									
5									
Total Contract value shall not exceed \$									
Accounting & Appropriation Data:									
EXECUTION BY CONTRACTOR					EXECUTION BY GOVERNMENT				
DATE (Day, Month, Year) December 6, 2021					UNITED STATES OF AMERICA				DATE:
NAME OF CONTRACTOR ExxonMobil Corporation					BY: 				12/10/2021
ADDRESS (Street, City, State & Zip Code) (Type or Print) 22777 Springwoods Village Parkway, Spring, Texas 77389					NAME AND TITLE OF CONTRACTING OFFICER				
INTERNET ADDRESS Kristopher.r.hester@exxonmobil.com					Kelly M. Gele' Contracting Officer				
SIGNATURE AND TITLE OF PERSON AUTHORIZED TO SIGN THIS CONTRACT (Type or print name and title under Signature)  Kris Hester, Crude Oil Trader					U. S. Department of Energy Acquisition and Sales Division Strategic Petroleum Reserve				

PART I - THE SCHEDULE

SECTION B

SUPPLIES OR SERVICES AND PRICES

PART I – THE SCHEDULE

SECTION B

SUPPLIES OR SERVICES AND PRICES

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SECTION B

SUPPLIES OR SERVICES AND PRICES

B.1 INTRODUCTION

- a. The Department of Energy (DOE), Strategic Petroleum Reserve Project Management Office (SPRPMO) is soliciting to perform an Exchange of up to 32,000,000 barrels total from the SPR with the following allocation for deliveries of Exchange Oil from the SPR and deliveries of Return Oil to the SPR in the table below:

Site	Exchange Volume Offered	Nominal Delivery Rate per Full Month (Bbls)	Exchange Delivery Period	Nominal Delivery Rate per Full Month (Bbls)	Return Period No. 1	Return Period No. 2	Return Period No. 3
Bryan Mound	10,000,000	3,000,000	12/16/21 - 3/30/22	2,000,000	1/1/23 - 2/28/23	6/1/23 - 9/30/23	6/1/24 - 9/30/24
Big Hill	10,000,000	2,800,000	12/16/21 - 4/30/22	3,300,000	7/1/22 - 9/30/22	1/1/23 - 2/28/23	8/1/24 - 9/30/24
West Hackberry	7,000,000	2,800,000	12/16/21 - 12/31/21 2/1/22 - 4/30/22	1,700,000	7/1/22 - 8/31/22	7/1/23 - 9/1/23	6/1/24 - 9/30/24
Bayou Choctaw	5,000,000	1,400,000	12/16/21 - 3/30/22	1,400,000	9/1/23 - 9/30/23	6/1/24 - 9/30/24	N/A

See table on items B.6(d) and B.6(f) for delivery and receipt rates from and to the SPR sites. Offers will be accepted on a competitive basis and will be evaluated on the best value to the Government. See Sections B.5 and M. (Note: It is the intent of the SPR to facilitate delivery of Exchange Oil and receipt of Return Oil barrels to the same site as awarded. In the event that the site defined in this document is unable to deliver Exchange Oil or receive Return Oil for any reason, the DOE reserves the right to designate alternate location(s). In this event, DOE will compensate through adjustments to contract delivery quantities as determined by the Contracting Officer.)

- b. RESERVED
- c. The quality characteristics of the crude oil streams offered for sale are those cited in the **Strategic Petroleum Reserve Crude Oil Assays**.

This crude oil quality data is a weighted average composition of the specific caverns that comprise the streams offered for sale. Although a specific crude oil benchmark is referenced; SPR inventory contains a blend of domestic

and global crude including Isthmus, Urals, Alaskan North Slope, Arabian Light, Saharan, and Dubai with segregation by Sweet and Sour storage caverns. The SPR has observed H₂S concentration (which is found naturally in crude oil) greater than 10 ppm in liquid in some crude batches. Measurements of H₂S in vapor space can be orders of magnitude higher than in liquid and difficult to measure due to factors in handling, weather, etc. OSHA provides guidelines on appropriate safety precautions and equipment if crude is handled openly, spilled, or released to the atmosphere. Offerors are encouraged to review the Strategic Petroleum Reserve Crude Oil Assays for more detailed oil stream composition and specifics so that conditions (such as the presence of H₂S) are expected and communicated downstream.

Note: Each SPR stream offered will be a blended average of the sour stream at each site. As a result, actual representative samples are not available prior to deliveries. Please refer to **Strategic Petroleum Reserve Crude Oil Assays** which provides a weighted average composite profile of the stream.

Return Oil to be received at the SPR sites shall meet the specifications in Section J, Exhibit C. Acceptance of any Crude Oil offered for receipt into the SPR will be subject to the Contracting Officer's approval. Gravity and sulfur differentials will be used to determine quality adjustments for any Crude Oil delivered which varies from the quality specifications of the Crude Oil contracted. The Offeror is **required** to supply: the Sour Crude Oil Quality Checklist – Section J, Exhibit C-1.1 as applicable based upon Exchange Grade Crude Type indicated on Offer Form – Section J, Exhibit A.1. If the checklist and assay are not submitted with the bid package, the bid package would be considered incomplete. To preserve SPR cavern homogeneity and maintain overall integrity of its respective crude streams, only crude oils of similar composition are commingled in storage. Due to natural geothermic heating, crude oils that demonstrate high bubble point pressures (BPP) and high gas-oil ratios (GOR) produce increased vapor pressure at standard cavern storage temperatures. High BPP-GOR oils have the potential to impact the existing SPR oil inventory, increasing levels of light end gases (C₁-C₃) and greatly restricting immediate deliverability which is the critical mission of the SPR. Light ends may not be observed through analysis at ambient temperatures, but are entrained in certain crude types and released during storage. Lighter ends, Methane, Ethane and Propane are the single largest contributor to vapor pressure increase. Crude oils displaying C₁-C₃ volume percent outside of the required specifications and determined by the allowed methods listed in Section J, Exhibit C-1, will be considered outside of the SPR's acceptance criteria and deemed incompatible with existing SPR stocks. Blending heavier crudes with light end crudes may cause separation of the blend at

higher temperature, thus rendering the stream undeliverable. SPR reserves the right to reject any crude oil in order to ensure the quality of the crude oil received, stored, and maintained within the SPR.

- d. The minimum offer quantity is 200,000 barrels for pipeline (150,000 at Bayou Choctaw), and 250,000 barrels for vessels. An Offeror may submit multiple offers, but total award(s) to any one Offeror will not exceed 10,000,000 barrels unless, and at the discretion of the DOE, all acceptable awards have been made and there are still barrels available.

B.2 DESCRIPTION

Delivery and Receipt of Crude Oil to and from the Government can be made to all four (4) SPR sites, subject to scheduling and meeting quality specs in Section J, Exhibit C-1.

B.3 DEFINITIONS

As used throughout this solicitation, the following terms shall have the meaning set forth below:

- a. “Government,” unless otherwise indicated in the text, means the United States Government.
- b. “Strategic Petroleum Reserve” (SPR) means that DOE program established by Title I, Part B, of the Energy Policy and Conservation Act, 42 U.S.C. Section 6231, et seq.
- c. “Contracting Officer” means a person with the authority to enter into, administer, and/or terminate contracts and make related determinations and findings on behalf of the Government.
- d. “DOE” means the U.S. Department of Energy.
- e. “Contractor” means the party contracting to perform all work to be done in pursuance of this contract.
- f. “Offeror” is an entity that submits an offer pursuant to this solicitation.
- g. “SPRPMO” means the Strategic Petroleum Reserve Project Management Office.

- h. “API” means the American Petroleum Institute.
- i. “Barrel” means 42 U.S. gallons or 231 cubic inches per gallon corrected to 60 degrees Fahrenheit.
- j. “Crude Oil” means a mixture of hydrocarbons that existed in the liquid phase in natural underground reservoirs and remains liquid at atmospheric pressure after passing through surface separating facilities and is marketed or used as such.
- k. “Affiliate” means associated business concerns or individuals if, directly or indirectly, (1) either one controls or can control the other, or (2) a third-party controls or can control both.
- l. “FFPOCOL” means Fluor Federal Petroleum Operations Crude Oil Logistics group. Fluor Federal Petroleum Operations (FFPO) is the Management and Operating Contractor for the SPR.
- m. “DOE M&O” means Department of Energy’s Management and Operating Contractor, FFPO.
- n. “Return Oil” means that portion of crude oil being returned to the Government.
- o. “Exchange Oil” means that crude oil which is being delivered from the SPR.
- p. “Ratable schedule” schedule that will be rated/distributed evenly in the period of performance stated in the Request for Proposal.
- q. “Irrevocable Standby Letter of Credit” means a written commitment (by a depository institution located in and authorized to do business in any state of the United States or the District of Columbia, and authorized to issue letters of credit by the banking laws of the United States or any state of the United States or the District of Columbia) to pay all or part of a stated amount of money until the expiration date of the letter or upon presentation by the Contracting Officer (the beneficiary) of a written demand. The depository institution must be an account holder with the Federal Reserve Banking system and a participant (on line) in the Fed’s Fedwire Deposit System Network funds transfer system. Neither the financial institution nor the Offeror/Contractor can revoke or condition the Letter of Credit.
- r. “Static tank” Crude Oil tankage that is dedicated to a cargo destined for delivery to/from the SPR. This tank will not have crude being pumped into it

(active) from a source while deliveries are pumping out of it and into the SPR.

B.4. DETERMINATION OF RESPONSIBILITY

Upon request, Offeror(s) shall furnish sufficient information for the Contracting Officer to make a determination of responsibility. At a minimum, Offerors shall furnish enough data for the Contracting Officer to determine adequate financial capability. (See Section J, Exhibit I)

B.5 CONSIDERATION OF OFFERS

- a. The Government shall award a contract resulting from this solicitation to a responsible Offeror whose offer conforming to the Request for Proposal will be most advantageous to the Government considering the evaluation factors in this solicitation and the preferences as described in B.1(a) and Section M. The primary factor determining winning bids will be the **the Contractor who can receive Exchange Oil the soonest followed by highest volume per site** as submitted by a conforming bidder on Section J, Exhibit A.1. In case of a tie, the offer with the later return period will be given preference.

Site	Exchange Volume Offered	Nominal Delivery Rate per Full Month (Bbls)	Exchange Delivery Period	Nominal Delivery Rate per Full Month (Bbls)	Return Period No. 1		Return Period No. 2		Return Period No. 3	
					Delivery Date Range	Prem. %	Delivery Date Range	Prem. %	Delivery Date Range	Prem. %
Bryan Mound	10,000,000	3,000,000	12/16/21 - 3/30/22	2,000,000	1/1/23 - 2/28/23	3.9%	6/1/23 - 9/30/23	5.3%	6/1/24 - 9/30/24	8.6%
Big Hill	10,000,000	2,800,000	12/16/21 - 4/30/22	3,300,000	7/1/22 - 9/30/22	2.3%	1/1/23 - 2/28/23	3.9%	8/1/24 - 9/30/24	9.1%
West Hackberry	7,000,000	2,800,000	12/16/21 - 12/31/21 2/1/22 - 4/30/22	1,700,000	7/1/22 - 8/31/22	2.3%	7/1/23 - 9/1/23	5.6%	6/1/24 - 9/30/24	8.6%
Bayou Choctaw	5,000,000	1,400,000	12/16/21 - 3/30/22	1,400,000	9/1/23 - 9/30/23	6.1%	6/1/24 - 9/30/24	8.6%	N/A	N/A

- b. Awards will be subject to the fixed Premium rates in the table above in the applicable return periods, as selected by Offeror as part of their submittal.. See Section M. Premium barrels are barrels to be returned to an SPR site in addition to base volume or awarded barrels. All Return Oil to SPR sites will include the awarded volume in addition to the premium. For example, if a Contractor is awarded 1,000,000 sour barrels at Bryan Mound and returns all 1,000,000 barrels by 2/28/2023 the total Return Oil barrels will be 1,000,000 plus a 39,000 sour barrel premium. The premium is calculated based on Net Standard Volume (NSV) barrels delivered from the SPR.

- c. If the Exchange Oil volume offered is greater than the site monthly nominal delivery rate, remaining offer volume would apply to the following month in the delivery period. Should multiple Offerors request the same number of Exchange Oil barrels at the same SPR site in the same delivery month, each offer will be prorated to equal the volume that would be delivered, with remaining barrels allocated into the remaining months in the applicable period. Example 1, if an Offeror offers Exchange Oil at Bryan Mound at a volume of 2,000,000, and is both the highest volume awarded and can take barrels soonest, they will have scheduling priority for the entire award before all other Contractors. Example 2, if there are multiple Offerors of the same volume of Exchange Oil at an SPR site and can take the barrels soonest, priority between the multiple Contractors will be based on the highest premium offered (Return Period No.1/No.2/No.3) to the Government and prorated in the Exchange Oil delivery period.
- d. Offerors are required to submit an Offer Guarantee and if awarded a Performance Guarantee will be required.

B.6 EXCHANGE OIL FROM THE SPR AND RETURN OIL FROM THE CONTRACTORS TO THE SPR

- a. The availability of crude at each SPR site is listed below:

Site	Exchange Volume Offered	Nominal Delivery Rate per Full Month (Bbls)	Exchange Delivery Period	Nominal Delivery Rate per Full Month (Bbls)	Return Period No. 1		Return Period No. 2		Return Period No. 3	
					Delivery Date Range	Prem. %	Delivery Date Range	Prem. %	Delivery Date Range	Prem. %
Bryan Mound	10,000,000	3,000,000	12/16/21 - 3/30/22	2,000,000	1/1/23 - 2/28/23	3.9%	6/1/23 - 9/30/23	5.3%	6/1/24 - 9/30/24	8.6%
Big Hill	10,000,000	2,800,000	12/16/21 - 4/30/22	3,300,000	7/1/22 - 9/30/22	2.3%	1/1/23 - 2/28/23	3.9%	8/1/24 - 9/30/24	9.1%
West Hackberry	7,000,000	2,800,000	12/16/21 - 12/31/21 2/1/22 - 4/30/22	1,700,000	7/1/22 - 8/31/22	2.3%	7/1/23 - 9/1/23	5.6%	6/1/24 - 9/30/24	8.6%
Bayou Choctaw	5,000,000	1,400,000	12/16/21 - 3/30/22	1,400,000	9/1/23 - 9/30/23	6.1%	6/1/24 - 9/30/24	8.6%	N/A	N/A

NOTE: Requests for early deliveries of Exchange Oil from the SPR sites will be accommodated to the maximum extent possible on a best efforts basis, terms subject to negotiations.

- b. All costs associated with the transportation of the Exchange Oil and Return Oil to and from the SPR will be the responsibility of the Contractor, to include but not be limited to, tariffs, marine shipment, pipeline shipment, harbor, Oil Spill Liability Trust Fund taxes and environmental fees (including Texas Coastal protection fees), terminalling, pump-over fees, and tankage charges. To the extent H₂S scavenger is required on any shipment, said expense shall be paid by Contractor.

- c. Within five business days after contract award, the Contractor shall submit a comprehensive ratable delivery schedule for the DOE Contracting Officer’s approval providing the volume of Exchange Oil to be delivered from each SPR delivery location, and an outline of a ratable Return Oil schedule for return of oil from Contractor to the DOE. The delivery schedule may allow for economic delivery-size marine cargoes not less than 250,000 barrels for vessels and commercial pipeline cargo shipments not less than 200,000 barrels per cargo (150,000 for pipeline deliveries from Bayou Choctaw). The DOE must approve subsequent changes to the original schedule.
- d. Maximum daily capability to Contractor of Exchange Oil from the SPR sites can be found below:

Crude Oil Stream	Mode of Delivery	Barrels per day Limit
Bryan Mound Sour	Freeport Docks	384,000
	Pipeline (Texas City)	300,000
Big Hill Sour	Pipeline (Sun)	456,000
	Vessel (Sun)	456,000
	Pipeline (P66 Beaumont)	432,000
West Hackberry Sour	Pipeline (Sun)	432,000
	Vessel (Sun)	432,000
	Pipeline (Lake Charles Meter Station)	200,000
Bayou Choctaw Sour	Pipeline (Redstick)	240,000

NOTE: Requests for early deliveries of Exchange Oil from the SPR sites will be accommodated to the maximum extent possible on a best efforts basis, terms subject to negotiations.

- e. While the SPR can deliver and receive the site delivery volumes as stated in B.6(d) and B.6(f), **Offerors are cautioned that, due to commercial volumes at the terminals/pipelines, delivery time frames may be**

restricted. Offerors are responsible for ensuring that deliveries from and to the SPR can be accommodated through the applicable commercial terminals/pipelines. Offerors are also cautioned that gauging and or testing of all incoming Return Oil to determine SPR compatibility as noted in Section J, Exhibit C-1 will require the tank to be static. This should be a consideration of all Offerors when investigating terminals/pipelines and when submitting ratable schedules as noted in B.6(c).

- f. Anticipated receipt capability of Return Oil at the SPR site is as follows:
NOTE: Receipt capability may decline as SPR caverns are filled.

Bryan Mound	140,000 barrels per day
Big Hill	225,000 barrels per day
West Hackberry	120,000 barrels per day
Bayou Choctaw	110,000 barrels per day

NOTE: Requests for early deliveries of Return Oil to the SPR sites will be accommodated to the maximum extent possible on a best efforts basis, terms subject to negotiations.

B.7 CLOSE-OUT RECONCILIATION

- a. Within sixty days, barring any exceptions, after completion of the final scheduled delivery of Exchange Oil under the contract, any imbalances that may exist in the crude oil volumes agreed upon in the contract will be reconciled in the following manner:

If the SPR receives an amount of Exchange Oil that exceeds the contracted Return Oil delivery volume, the Government will attempt to reconcile the imbalance through cash payments or other alternate means, as available. If reconciliation is by cash payment, the Contractor shall invoice the DOE based on the cost value of the Exchange Oil on the date of the last delivery as annotated on the DD Form 250 (DD250).

If the Contractor delivers a total volume of Return Oil which is less than the contracted quantity, the DOE will invoice the Contractor for the undelivered amount based on the cost value of the Exchange Oil on the date of the last delivery as annotated on the DD250. If no payment is received by the due date specified on the invoice, the applicable amount owed will be drawn against the Contractor's Payment and Performance Letter of Credit as described in Section J, Exhibit I of this contract.

- b. The Contractor shall return barrels owed to the Government plus the premium barrels as reflected by the table by return period, see table at section B.5(a).

NOTE: The net value of any oil imbalances will be derived from Argus Americas Crude Oil Price Assessment. If no published prices are available, a mutually agreed upon price will be negotiated. Should the parties fail to reach a negotiated price, the Government shall determine a fair and reasonable price.

B.8 ADJUSTMENT FOR CRUDE OIL QUALITY DIFFERENTIAL

- a. A quality differential shall be computed on a cumulative weighted average basis of Exchange Oil delivered to the Contractor versus the Return Oil delivered to the DOE.
- b. Laboratory tests for API Gravity and Sulfur mass percent, in accordance with tests methods listed in Section J, Exhibit C-1, shall be taken at custody points.
- c. The allowable variations from the contracted quality are as follows:

Quality Characteristics	Sour	Sweet
API° Gravity	+/- 0.5	+/- 0.5
Sulfur - Mass, %	+/- 0.10	+/- 0.10

- d. Monetary adjustments will be used to settle the quality differentials on Return Oil delivered to the SPR sites based on the following rates:
 - (1) API Gravity (Sour): Quality price adjustments will be applied to the amount of variation by which the API gravity of the Return Oil delivered to the SPR differs by more than plus or minus five-tenths of one degree API (+/-0.5° API) from the API gravity of the Exchange Oil delivered from the SPR to the Contractor. Adjustment for Return Oil delivered to the SPR will be in accordance with the GravCap table (Section J, Exhibit C-2). This will be on a cumulative weighted average basis.
 - (2) Sulfur (Sour): Quality price adjustments will be applied to the amount of variation by which the Sulfur mass percent of the Return Oil delivered to the SPR differs by more than plus or minus one-tenth of one percent of total Sulfur (+/- 0.10%) from the total Sulfur of the Exchange Oil delivered from the SPR to the Contractor. Adjustment

for Return Oil delivered to the SPR will be in accordance with the GravCap table (Section J, Exhibit C-2). This will be on a cumulative weighted average basis.

The quality adjustment owed to either the SPR or Contractor shall be paid in U.S. Dollars and adhere to all conditions of payment as noted in Section G.2.

- e. There is a limit of 0.1% freewater on delivery to the SPR as measured either by Contractor's shore tank or on the vessel prior to discharge into tanks designated for DOE receipts. The inspector's gauges, witnessed by the DOE representative, either on the vessel at the dock facility or terminal shore tank, will be the method used to determine the final free water barrel amount. This clause is effective in conjunction with the Water and Sediment [Vol.%] maximum limit of 1.0% as stated in Section J, Exhibit C-1; e.g., a 500,000 barrel Return Oil delivery to the SPR is limited to 1.0% Water and Sediment (5,000 barrels), of which a maximum of 0.1% (500 barrels) can be freewater. Contractor is responsible for all costs associated with removal of excess freewater. The cargo will be rejected if freewater limitations are exceeded.
- f. If the Return Oil being delivered to the SPR is outside the contractual limits and is determined to be unacceptable, the Government can either reject prior to receipt of oil into the SPR, or reserves the right to return the Return Oil delivered into SPR tankage, at the contractor's expense, to the vessel for marine receipts or to the Return Oil tankage for pipeline receipts.
- g. RESERVED.
- h. The quality characteristics of the Exchange Oil stream used for delivery in this exchange program are those cited in the DOE specifications sheet as seen in Section J, Exhibit C-1. SPR inventory contains a blend of domestic and global crude including Isthmus, Urals, Alaskan North Slope, Arabian Light, Saharan, and Dubai with segregation by Sweet and Sour storage caverns. The SPR has observed H₂S concentration (which is found naturally in crude oil) greater than 10 ppm in liquid in some crude batches. Measurements of H₂S in vapor space can be orders of magnitude higher than in liquid and difficult to measure due to factors in handling, such as weather. OSHA provides guidelines on appropriate safety precautions and equipment if crude is handled openly, spilled, or released to the atmosphere. Offerors are encouraged to review the [SPR Crude Oil Assay Manual](#), Sour [Crude Oil Safety Data Sheet](#), and DOE specifications sheet as seen in Section J, Exhibit C-1 for more detailed oil stream composition

and specifics so that conditions (such as the presence of H₂S) are expected and communicated downstream.

B.9 CONTRACT MODIFICATION

Contract modification request(s) made by Contractor(s) will be evaluated by the Government on a case-by-case basis and the Contracting Officer will have the sole authority to grant or negotiate such request(s). Requesting a modification does not ensure success or acceptance of the contract modification.

PART I - THE SCHEDULE

SECTION C

STATEMENT OF WORK

PART I - THE SCHEDULE

SECTION C

STATEMENT OF WORK

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SECTION C

STATEMENT OF WORK

C.1 SCOPE OF WORK

The Contractors shall take delivery from SPR sites up to 32,000,000 barrels of sour Exchange Oil as seen in the table below. All costs associated with the delivery of Exchange Oil from the SPR site shall be at the Contractor’s expense. Scheduling of deliveries shall be in accordance with Section F of this contract.

Delivery of Return Oil in addition to premium barrels, shall be completed in the periods as noted in the table below. All costs associated with the delivery of Return Oil to the SPR site shall be at the Contractor’s expense. Scheduling of deliveries shall be in accordance with Section F of this contract.

Site	Exchange Volume Awarded	Nominal Delivery Rate per Full Month (Bbls)	Exchange Delivery Period	Nominal Delivery Rate per Full Month (Bbls)	Return Period No. 1		Return Period No. 2		Return Period No. 3	
					Delivery Date Range	Prem. %	Delivery Date Range	Prem. %	Delivery Date Range	Prem. %
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PART I - THE SCHEDULE

SECTION D

PACKAGING AND MARKING REQUIREMENTS

SECTION D

PACKAGING AND MARKING REQUIREMENTS

RESERVED

PART I - THE SCHEDULE

SECTION E

INSPECTION AND ACCEPTANCE

PART I – THE SCHEDULE

SECTION E

INSPECTION AND ACCEPTANCE

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SECTION E

INSPECTION AND ACCEPTANCE

E.1 CUSTODY TRANSFER MEASUREMENTS FOR DELIVERY OF EXCHANGE OIL FROM SPR SITES

Custody transfer measurements will be in accordance with established API standards and will be performed and or witnessed by a Government representative. The Contractor may witness the measurement and testing of Exchange Oil for its account and/or may provide, at Contractor's expense, a Contractor's inspector to witness the measurement and testing process. The custody transfer measurements of the Exchange Oil to be delivered from SPR to the Contractor will be based on the following delivery locations:

a. Bryan Mound to Seaway Freeport Dock

CUSTODY TRANSFER – Custody transfer quantity and quality measurements will be the Seaway Freeport Dock meters and in-line sampler for deliveries at the connection point between the Bryan Mound pipeline and the Seaway Freeport Dock. Secondary measurement for quantity and quality will be at the Bryan Mound meter and in-line sampler. The API Gravity, Sediment and Water, and Sulfur content will be performed by the Government contracted third party laboratory. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The Government contracted third party inspection company will witness all measurement and testing and perform testing if necessary. The SPR will not be liable for any demurrage charges.

b. Bryan Mound to Seaway Texas City Terminal

CUSTODY TRANSFER – Custody transfer quantity and quality measurements will be the Bryan Mound site meters and sampler for deliveries into the ExxonMobil 40" pipeline connecting to Seaway Texas City Terminal. Secondary measurement for quantity will be at the Texas City meter and quality based on grab samples taken at the Bryan Mound site. The API Gravity, Sediment and Water, and Sulfur content will be performed by the Government third party laboratory. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The Government contracted third party inspection company will witness all measurement and testing and perform testing if necessary.

c. Big Hill to Sun Tanks

CUSTODY TRANSFER – Custody transfer quantity and quality measurements will be the Sun/DOE meter skid and inline sampler located in Sun Marine Terminal. Secondary measurement for quantity will be the Sun shore tank and quality based on manual grab samples taken at the Sun/DOE inline sampler. The API Gravity, Sediment and Water, and Sulfur content will be performed by the Government third party laboratory. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The Government contracted third party inspection company will witness all measurement and testing and perform testing if necessary. The SPR will not be liable for any demurrage charges.

d. Big Hill to Phillips 66

CUSTODY TRANSFER – Custody transfer quantity and quality measurements will be the Phillips 66 Terminal receipt shore tank gauges and tank composite sample. Secondary measurement for quantity and quality will be at the Big Hill Site meter and in-line sampler. The API Gravity, Sediment and Water, and Sulfur content will be performed by the Government contracted third party laboratory. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The Government contracted third party inspection company will witness all measurement and perform testing. Contractors will be invoiced an additional \$0.13 per barrel throughput for all crude oil that passes through the P66 Beaumont Terminal Connection Point.

e. West Hackberry to Sun Tanks

CUSTODY TRANSFER – Custody transfer quantity and quality measurements will be the Sun/DOE meter skid and inline sampler located in Sun Marine Terminal. Secondary measurement for quantity will be on the up-gauge on the Sun shore tank and quality based on manual grab samples taken at the Sun/DOE inline sampler. The API Gravity, Sediment and Water, and Sulfur content will be performed by the Government contracted third party laboratory. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The Government contracted third party inspection company will witness all measurement and testing and perform testing if necessary. The SPR will not be liable for any demurrage charges.

f. West Hackberry thru LCMS to Zydeco-Shell 22” Pipeline

CUSTODY TRANSFER – Custody transfer quantity and quality measurements will be the DOE LCMS meters and in-line sampler for deliveries into the Zydeco-Shell 22” pipeline. Secondary measurement for quantity will be at the West Hackberry meter and quality based on grab samples taken at the DOE Lake Charles Meter Station. The API Gravity, Sediment and Water, and Sulfur content will be performed by the Government contracted third party laboratory. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The Government contracted third party inspection company will witness all measurement and testing and perform testing if necessary.

g. Bayou Choctaw to Redstick

CUSTODY TRANSFER – Custody transfer quantity and quality measurements will be the Bayou Choctaw Meters and in-line sampler for deliveries into the Redstick pipeline. Secondary measurement for quantity will be the applicable St. James Terminal meter and quality will be inline samples taken at the SPR Bayou Choctaw site. The API Gravity, Sediment and Water, and Sulfur content will be performed by the Government contracted third party laboratory. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The Government contracted third party inspection company will witness all measurement and testing and perform testing if necessary.

E.2 CUSTODY TRANSFER MEASUREMENTS FOR RETURN OIL TO SPR SITES

Custody transfer measurements will be in accordance with established API standards and will be performed and or witnessed by a Government representative. The Contractor may witness the measurement and testing of Return Oil for its account and/or may provide, at Contractor’s expense, a Contractor’s inspector to witness the measurement and testing process. The custody transfer measurements of the Return Oil to be delivered to SPR from the Contractor will be based on the following delivery locations:

- a. Seaway Freeport Terminal #2, Freeport, Texas for delivery to the SPR Bryan Mound site.**

Primary custody transfer of quantity and quality will be based on the Seaway Freeport Terminal #2 dock meter and in-line sampler. **Note: If**

deliveries are fulfilled through Jones Creek tankage and into Freeport Docks, then custody transfer quantity and quality measurements for the delivery of Return Oil to the SPR shall be based on the Bryan Mound site meters and inline sampler. The Government contracted third party inspection company will witness all measurement and testing and perform testing.

Secondary custody transfer quantity and quality measurements for the delivery of oil to the SPR shall be based on the Bryan Mound site meters and inline sampler. The Government contracted third party inspection company will witness all measurement and testing and perform testing.

The Contractor is responsible for terminal throughput charges for oil deliveries performed under these conditions.

A sample collected from the Seaway dock certified automatic in-line sampler shall be used for quality determination. API Gravity, Sulfur, Water, and Sediment will be determined by the Government contracted third party inspection company laboratory. In the event the Freeport meters fails, the backup measurement will be the Bryan Mound site meters. In the event the Freeport inline sampler fail, the Bryan Mound inline sampler will be used for quality. For this sample, the analysis consisting of API Gravity, Sulfur, Water, and Sediment shall be performed by the SPR Bryan Mound facility and witnessed by the Government third party inspector.

NOTE: The DOE requires that testing be performed on shipments prior to discharge. If load-port samples from the vessel or tanks are not made available for DOE testing, then Disport samples will be taken at the Seaway dock for testing. Samples from the vessel's tanks will need to be tested for contaminants prior to any receipts into SPR site caverns. Light Ends content will also be tested. The Government third party inspector will retrieve vessel samples upon arrival to expedite testing. Delivery and testing can take between eight to ten hours to complete. Vessel may begin discharging into the Bryan Mound Site shore tanks and will be held in tanks until all testing is approved. In the event of any delays in delivery and/or testing, vessel may have to slow its rate and/or stop if necessary.

In the event Seaway dock personnel detect an H₂S reading on the vessel at or greater than 10 ppm, vessel gauging, and sampling will not be allowed by the Terminal. In this instance, the DOE will permit sampling at the Bryan Mound site, allowing the vessel to commence discharge into Bryan Mound tanks until samples can be retrieved and tested.

In the event the terminal does not permit vessel gauging and sampling, Load Port samples will be required to expedite testing by the DOE.

Therefore, upon vessel's arrival at the terminal dock each Offeror must submit a sealed Load Port (vessel cargo tanks) sample to the Government contracted third party inspection company for preliminary testing. Load Port samples are REQUIRED for all vessel cargoes to be delivered to the SPR. The SPR will not be liable for any demurrage charges.

b. Redstick Pipeline to Bayou Choctaw

Custody transfer quantity and quality measurements for the Return Oil to the SPR shall be based on the Bayou Choctaw site meter and quality will be the inline sampler. Secondary measurement for quantity and quality will be at the applicable St. James Terminal facility. The API Gravity, Sediment and Water, and Sulfur content will be performed by the Government contracted third party inspector laboratory. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The Government contracted third party inspection company will witness all measurement and testing and perform testing.

c. Nederland/Sun to Big Hill

Custody transfer quantity and quality measurements will be the DOE meter skid and inline sampler located in Sun Marine Terminal. Secondary measurement for quantity will be on the Sun shore tank and quality based on manual grab samples taken at the Sun/DOE inline sampler. The API Gravity, Sediment and Water, and Sulfur content will be performed by the Government contracted third party laboratory. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The Government contracted third party inspection company will witness all measurement and testing and perform testing. The SPR will not be liable for any demurrage charges.

d. Phillips 66 at Beaumont to Big Hill

Custody transfer quantity and quality measurements will be the Big Hill meters and in-line sampler. Secondary custody transfer quantity and quality measurements will be the Phillips 66 delivery shore tank gauges and tank composite sample for deliveries into the Big Hill pipeline. The API Gravity, Sediment and Water, and Sulfur content will be performed by the Government contracted third party laboratory. Contractor shall have the right to have a representative present to witness all sampling, measurements

and testing analysis. The Government contracted third party inspection company will witness all measurement and testing and perform testing. Contractors will be invoiced an additional \$0.13 per barrel throughput for all crude oil that passes through the P66 Beaumont Terminal Connection Point.

e. Nederland/Sun to West Hackberry

Custody transfer quantity and quality measurements will be the DOE meter skid and sampler located in Sun Marine Terminal deliveries into the West Hackberry pipeline. Secondary measurement for quantity will be on the down-gauge on the Sun shore tank and quality based on manual grab samples taken at the Sun/DOE inline sampler. The API Gravity, Sediment and Water, and Sulfur content will be performed by the Government contracted third party laboratory. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The Government contracted third party inspection company will witness all measurement and testing and perform testing. The SPR will not be liable for any demurrage charges.

f. Zydeco-Shell 22" Pipeline to DOE LCMS (West Hackberry)

Custody transfer quantity and quality measurements will be the DOE LCMS site meters and sampler for deliveries into the DOE LCMS. Secondary measurement for quantity will be at the West Hackberry meter and quality based on grab samples taken at the LCMS. The API Gravity, Sediment and Water, and Sulfur content will be performed by the Government contracted third party laboratory. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The Government contracted third party inspection company will witness all measurement and testing and perform testing.

E.3 CRUDE OIL QUALITY DETERMINATION

- a. Loadport origin vessel or tanks will need to be sampled and tested by the Government inspector prior to discharge at the SPR sites for Return Oil receipts. More detailed information will be provided through the Nomination form. A disport sample will be taken in order to confirm crude oil quality from the loadport.
- b. The quality of the Return Oil that is delivered by the Contractor to the SPR will be determined from samples taken, in order of preference: (1) From a representative sample collected by an automatic sampler whose performance

has been proven in accordance with the API Manual of Petroleum Measurement Standards, Chapter 8, Section 2, Automatic Sampling of Petroleum and Petroleum Products (ASTM D4177), latest edition; or (2) from the Contractor's tankage in accordance with API Manual of Petroleum Measurement Standards, Chapter 8, Section 1, Manual Sampling of Petroleum and Petroleum Products (ASTM International (ASTM) D4057), latest edition; or (3) from a representative vessel composite sample obtained in accordance with the API Manual of Petroleum Measurement Standards Chapter 17 – Marine Measurement, Section 2 – Measurement of Cargoes On Board Tank Vessels. Preference will be given to samples collected by means of an automatic sampler when such a system is available and operational.

All methods above shall be in accordance with the latest API/ASTM standards and methods. If the measurements are determined by the Government contracted third party inspection company to be inaccurate or not to represent the volume delivered by the Contractor, the subsequent order of preference method, as stated above, shall apply.

- c. If the Return Oil tendered for delivery to the SPR does not meet the specifications as provided in Section J, Exhibit C, the Government reserves the right to refuse the acceptance of the delivery.
- d. The custody transfer quality/quantity crude oil analysis shall be performed by the Government contracted third party lab and is the official record of measurement. The Contractor may request a representative portion of the custody transfer sample for their internal purposes, but any varying analysis results obtained by the Contractor shall not be binding on the Government nor override the Government's official measurements of record. The Contractor or his representative may, at its option, arrange to witness and verify testing simultaneously with the Government contracted third party inspection company's laboratory. Such services, however, will be for the account of the Contractor. Should the Contractor choose not to witness the testing, then the Government findings will be binding on the Contractor.
- e. For pipeline deliveries of Return Oil to the SPR storage site, the Contractor shall ensure that the commercial pipeline carriers provide Government contracted third party inspection company access to the pipeline facilities for the obtaining of Return Oil samples.
- f. Exchange Oil custody inspection and testing will be performed by the Government third party inspection company, who will test for API, Sulfur, Water, and Sediment.

NOTE: Any additional costs (including overtime) charged by the pipeline carrier which are directly associated with the Government sampling requirement shall be the responsibility of the Contractor.

E.4 CRUDE OIL QUANTITY DETERMINATION OF EXCHANGE AND RETURN OIL

- a. The quantity of the Exchange and Return Oil that is delivered by the Contractor to the SPR or SPR to the Contractor will be determined, in order of preference: (1) By delivery meter in accordance with the API Manual of Petroleum Measurement Standards, Chapter 5 – Metering, Section 3 – Measurement of Liquid Hydrocarbons by Turbine Meters; or (2) by opening and closing tank gauges (with adjustment for opening and closing free water and Sediment and Water tests as determined from shore tank samples; or (3) by vessel ullage measurements with qualified VEF in accordance with API Manual of Petroleum Measurement Standards, Chapter 17 – Marine Measurement. All volumetric measurements will be corrected to net standard volume in barrels at 60°F, using the API Manual of Petroleum Measurement Standards, Chapter 11.1, Volume 1, Volume Correction Factors (ASTM D1250) (IP 200); Table 5A-Generalized Crude Oils, Correction of Observed API Gravity to API Gravity at 60°F; Table 6A-Generalized Crude Oils, Correction of Volume to 60°F Against API Gravity at 60°F, latest edition, and by deducting the tank's free water, and the entrained Sediment and Water as determined by the testing of composite all levels samples taken from the delivery tanks.
- b. The quantity measurements shall be performed and certified by the Government's responsible party for delivery operations, and witnessed by the Government contracted third party inspection company at the delivery point. The Contractor may, at its option, have representatives present at the gauging/metering, sampling, and testing. Should the Contractor arrange for additional inspection or testing services, such services will be for the account of the Contractor, and any results obtained by the Contractor shall not be binding on the Government. Should the Contractor not arrange for additional services, then the Government's quantity determination shall be binding on the Contractor.

PART I - THE SCHEDULE

SECTION F

DELIVERIES OR PERFORMANCE

PART I – THE SCHEDULE

SECTION F

DELIVERIES OR PERFORMANCE

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SECTION F

DELIVERIES OR PERFORMANCE

F.1 SCHEDULING OF EXCHANGE AND RETURN OIL MOVEMENTS

- a. For all Exchange Oil deliveries for the months of December 16, 2021 through April 30, 2022, the Contractor shall nominate a ratable delivery program to the DOE no later than December 15, 2021. The Government will respond to the Contractor within ten business days of submittal, confirming the ratable schedule as originally submitted or proposing alterations. The Contractor shall confirm nominations with the DOE via email using the form included in Section J, Exhibit H.

- b. For marine deliveries, the Contractor shall make necessary arrangements with the commercial terminals connected to the DOE. The nomination will include a five-day delivery window for each cargo, the type of oil, and the approximate delivery volume. Certain restrictions may apply if the total volume to be delivered to the SPR precludes the availability of five-day delivery ranges for all of the cargoes. In this case, the Contractor's five-day delivery ranges will be proportionately reduced. Delivery program nominations received by DOE subsequent to the required time period or those altered as a result of a contract modification will be handled by DOE on a best efforts basis. Requests for contract modifications will be evaluated after scheduling of original awards. The Contractor shall be deemed to have agreed to such alterations unless the Contractor requests the Government to reconsider its request within two business days of notification of delivery range reduction. The Government will use its best efforts to accommodate such requests, but its decision following any reconsideration shall be final and binding.
 - (1) No later than seven calendar days prior to the delivery month, the Contractor shall narrow the five-day delivery range to a three-day delivery window and nominate the name of the vessel, the vessel quality data, the expected date of arrival, and the volume to be delivered. The DOE will accept or reject the nomination, without prejudice, and advise the Contractor within one calendar day of the disposition of the vessel nominated. Due to SPR receipt capabilities as defined in Section B.6 and possible scheduling conflicts, certain limitations may be applied to the accepted three-day delivery windows. A Contractor may be required to modify the three-day

delivery window nomination to an alternate period within the established five-day delivery range.

- (2) The Contractor, or its designated agent, will provide pre-arrival notices seventy-two hours, forty-eight hours, and twenty-four hours prior to discharge to both the DOE and the discharge terminal.
 - (3) Return Oil delivery plan shall be provided to the DOE not later than sixty days prior to the month in which deliveries will be made. Nominations will adhere to Section F.1(c).
- c. Except for as noted in Section F.1(a), for pipeline Return Oil deliveries, the Contractor shall make necessary arrangements with the commercial pipelines connected to the SPR or its interconnecting pipelines. Nomination information regarding these movements will be provided to the DOE not later than fourteen days prior to the month in which deliveries will be made.
 - d. The Contractor shall be responsible for meeting all delivery requirements imposed by the commercial facilities, including complying with the rules, regulations and procedures contained in applicable port/terminal manuals, pipeline tariffs, or other applicable documents.
 - e. If there is a conflict between vessel schedules submitted in accordance with Section F.1(b), and pipeline schedules submitted in accordance with Section F.1(c), the Government will resolve in favor of the pipeline schedule.
 - f. Whenever an inspector and/or loss control representative is appointed by the Contractor to witness the delivery operation (gauging, sampling, testing, etc.), written notification shall be provided to the DOE, no later than seventy-two hours prior to the scheduled date of each applicable cargo delivery to or from the SPR.
 - g. Absence of the name(s) of a Contractor's inspector and/or representative on the delivery documentation constitutes acceptance by the Contractor of the delivery quantity and quality as determined by the DOE and/or its representative(s).
 - h. The Contractor is solely responsible for making the necessary arrangements with terminals and pipeline carriers, including tankage, to achieve any minimum rate/quantity required by connecting commercial facilities to ensure deliveries are made to/from DOE delivery location. Contractors are also cautioned that gauging and or testing of all incoming Return Oil in order to determine SPR compatibility, as noted in Section J, Exhibit C-1, will

require the tank to be static. This should be a consideration of all Offerors when investigating terminals/pipelines and when submitting ratable schedules as noted in Section B.6(c).

- i. Contractors must comply with the Jones Act, 46 U.S.C. § 55102 Transportation of Merchandise. See Section J, Exhibit F.
- j. The Contractor's vessel agent, who will be nominated for approval by the DOE, will be responsible for providing the DOE with full delivery information for all vessel deliveries, to include but not limited to, the load quantity/quality, departure timeframes and all pertinent data. The Contractor or Contractor's vessel agent shall provide to DOE, upon DOE request, the following load port Return Oil quality results prior to vessel arrival at discharge port: API Gravity, Sulfur, Sediment, and Water. Additionally, pre-arrival information shall be provided regarding ETAs and any special delivery requirements that may affect the expedient discharge of the vessel. Upon arrival at the discharge port, the Contractor or Contractor's vessel officer shall provide a vessel load port sample to the DOE third party inspector.
- k. Due to varying conditions of vessel delivery and shipping or pipeline transmission, the quantity actually delivered may vary by +/-5 percent for each shipment. However, in accordance with Sections B.6 and B.7, the Contractor shall engage sufficient transportation capacity during the month's scheduled deliveries in order to ensure that the total contracted quantity will be delivered, without exceeding the agreed upon quantity.
- l. To assist the Government's reporting under the Cargo Preference Act, the Contractor, at the time of delivery, shall provide information regarding the marine transportation of the Exchange Oil into the Government. Information required is the origin port, flag of registry, vessel name, destination port and transportation costs. If the Contractor acquires non-domestic Return Oil that has already been delivered to a U.S. port, information is required as to the date acquired by the Contractor and the oil's location, e.g., name of U.S. terminal or storage facility, at that time.
- m. If the award is made on the basis of U.S. flag tonnage (ocean going tankship), within seven days of award, the Contractor shall provide a copy of a charter and/or agreement documenting the use of U.S. Flag Carriers for the contract volumes agreed upon in the award. If documentation is not received, the conditions listed in Section F.1(n) below will apply.

- n. If during the performance of a contract awarded on the basis of foreign flag vessel delivery, U. S. -flag vessel(s) become available for use by the Contractor, the Contracting Officer will consider a request for contract modification for use of such vessels.
- o. If U.S. Flag tonnage (ocean going tankship) is offered and requires multiple delivery vessels (e.g., lightering), the mother vessel, at a minimum, must be of U.S. registry.
- p. If the Offeror cannot secure U.S. flag tonnage (ocean going tankship) after it was agreed upon in the contract, such may result, at the Government's option, in termination by default or the obligation to provide additional crude oil to the SPR to compensate for the freight differential of substituting foreign flag tonnage. The calculation of the freight differential will be determined by the Contracting Officer.

F.2 EXCHANGE OIL AND RETURN OIL DOCUMENTATION OF OIL MOVEMENTS

The quantity and quality determination of the Exchange Oil and Return Oil delivered shall be documented on the Material Inspection and Receiving Report (DD Form 250 for pipeline and vessel receipts (DD250-1), see Section J, Exhibit D for a sample of the form). Copies of the completed DD Form 250, with applicable supporting documentation (i.e., metering or tank gauging tickets and appropriate calculation worksheets), will be furnished to the Contractor and/or the Contractor's authorized representative after completion of delivery for signature agreeing to the quantity and quality of crude delivered. Marine Bills of Lading or Pipeline Statements identifying crude type shipped shall also be provided by the Contractor.

F.3 PERIOD OF PERFORMANCE

- a. The window for Exchange Oil deliveries from Bayou Choctaw, West Hackberry, Big Hill, and Bryan Mound can be found at Section C.1. Requests for early deliveries will be accommodated to the maximum extent possible on a best efforts basis, terms subject to negotiations. Preference for delivery ranges will be given to those Contractors who are awarded based on Offer Form A.1, see Sections B.5(a)–(b) and Section J, Exhibit A.1, at each SPR receiving terminal/site, except that conflicts between marine and pipeline schedules will be resolved in favor of pipeline deliveries. Nominations received subsequent to due date (reference Section F.1(a)) will negate the order of preference and will be scheduled on available basis. All

deliveries to the SPR sites must be completed on or before the dates found in Section C.1.

PART I - THE SCHEDULE

SECTION G

CONTRACT ADMINISTRATION DATA

PART I – THE SCHEDULE

SECTION G

CONTRACT ADMINISTRATION DATA

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SECTION G

CONTRACT ADMINISTRATION DATA

G.1 DOE SPR CORRESPONDENCE PROCEDURES

To promote timely and effective administration, correspondence submitted under this contract shall be subject to the following procedures:

Correspondence from the Contractor shall be submitted to the Contracting Officer, the contract specialist, the Technical Representative (TR), Alternate Technical Representative and FFPOCOL in an electronic format to the email addresses provided below.

- a. Contracting Officer's contact information:

Kelly Gele
Kelly.Gele@spr.doe.gov
O: 504) 734-4343 / C: (504) 432-2105

- b. The Contract Specialist's contact information:

Mary Roark
Mary.Roark@spr.doe.gov
O: (504) 734-4195 / C: (504) 331-0259

- c. The Technical Representative's contact information:

Christopher Roark
Christopher.Roark@spr.doe.gov
O: (504) 734-4134 / C: (504) 638-8372

Alternate Technical Representative's contact information:

Racheal Baldwin
Racheal.Baldwin@spr.doe.gov
O: (504) 734-4238 / C: (504) 273-8758

- d. FFPOCOL's contact information:

FFPOCOL@spr.doe.gov

G.2 BILLING INSTRUCTIONS

The Contractor must submit vouchers electronically through the Oak Ridge Financial Service Center's (ORFSC) Vendor Inquiry Payment Electronic Reporting System (VIPERS). VIPERS allows vendors to submit vouchers, attach supporting documentation and check the payment status of any voucher submitted to the DOE. Submitting electronically provides benefits to vendors by:

- Reducing the cost of paper and postage.
- Allowing supporting documentation to be attached and routed with the voucher to program and approving officials.
- Immediately interfacing vouchers to DOE's accounting system saving several days of mail and manual processing time.
- Decreasing potential errors caused by manual input.
- Facilitating the prompt payment of vouchers.

To obtain access to and to use VIPERS, please visit the web page at <https://vipers.doe.gov>.

Detailed instructions on how to enroll and use the system are provided on the web page. Please do not send a paper copy of a voucher that has been submitted electronically.

The DOE will make invoice payments under the terms and conditions specified in the contract by the 30th calendar day after the designated billing office receives a proper invoice from the Contractor. The Government considers payment as being made on the date of an electronic funds transfer (EFT).

A proper invoice must include the following:

- Company name
- Department of Energy contract number
- Invoice number
- Delivery date
- Crude type
- Name(s) of U.S. producer(s) from which the crude was sourced
- Shipped via (pipeline or vessel name)
- Terminal location
- DD Form 250 (copy)
- Quantity (barrels)

Unit price (USD)
Total amount due (USD)

PART I - THE SCHEDULE

SECTION H

SPECIAL CONTRACT REQUIREMENTS

PART I – THE SCHEDULE

SECTION H

SPECIAL CONTRACT REQUIREMENTS

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SECTION H

SPECIAL CONTRACT REQUIREMENTS

H.1 TITLE TO CRUDE OIL

- a. Title to the Exchange Oil delivered from the SPR will be transferred to the Contractor at the custody transfer measurement locations listed in Section E.1.
- b. Title to the Return Oil received from the Contractor will be transferred to the SPR at the custody transfer measurement locations listed in Section E.2.
- c. The DOE shall have the right to reject any Return Oil which, when tendered for delivery, may be involved in litigation, or the title of which may be in dispute. Also, the DOE may require of the Contractor satisfactory evidence of the Contractor's perfect and unencumbered title or satisfactory indemnity bond. The Contractor warrants and guarantees that it has good title thereto to the Return Oil being provided to the DOE.

H.2 NATIONAL AND OPERATIONAL EMERGENCIES

Crude oil deliveries to or from the SPR may be rescheduled or redirected upon the determination of a national or DOE operational emergency. A negotiated adjustment to the contract will be made as a result of this direction if warranted as decided by the Contracting Officer.

H.3 FORCE MAJEURE

Force Majeure means, except for payment due hereunder, either party thereto shall be relieved from liability for failure to perform hereunder for the duration and to the extent such failure is occasioned by war, riots, insurrections, national healthcare emergencies, fire, explosions, sabotage, strikes, and other labor or industrial disturbances, acts of God or the elements, disruption or breakdown of production or transportation facilities, delays of pipeline carrier in receiving and delivering crude oil tendered, or by any other cause, whether similar or not, reasonably beyond the control of such party. Any such failures to perform shall be remedied with all reasonable dispatch.

PART II – CONTRACT CLAUSES

SECTION I

CONTRACT CLAUSES

PART II – CONTRACT CLAUSES

SECTION I

CONTRACT CLAUSES

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SECTION I
CONTRACT CLAUSES

I.1 System for Award Management Maintenance.

(a) Definitions. As used in this clause—

Electronic Funds Transfer (EFT) indicator means a four-character suffix to the unique entity identifier. The suffix is assigned at the discretion of the commercial, nonprofit, or Government entity to establish additional System for Award Management (SAM) records for identifying alternative EFT accounts (see subpart 32.11) for the same entity.

Registered in the System for Award Management (SAM) means that—

- (1) The Contractor has entered all mandatory information, including the unique entity identifier and the EFT indicator (if applicable), the Commercial and Government Entity (CAGE) code, as well as data required by the Federal Funding Accountability and Transparency Act of 2006 (see subpart 4.14), into SAM;
- (2) The Contractor has completed the Core, Assertions, Representations and Certifications, and Points of Contact sections of the registration in SAM;
- (3) The Government has validated all mandatory data fields, to include validation of the Taxpayer Identification Number (TIN) with the Internal Revenue Service (IRS). The Contractor will be required to provide consent for TIN validation to the Government as a part of the SAM registration process; and
- (4) The Government has marked the record “Active”.

System for Award Management (SAM) means the primary Government repository for prospective Federal awardee and Federal awardee information and the centralized Government system for certain contracting, grants, and other assistance-related processes. It includes—

- (1) Data collected from prospective Federal awardees required for the conduct of business with the Government;

(2) Prospective contractor-submitted annual representations and certifications in accordance with FAR subpart 4.12; and

(3) Identification of those parties excluded from receiving Federal contracts, certain subcontracts, and certain types of Federal financial and non-financial assistance and benefits.

Unique entity identifier means a number or other identifier used to identify a specific commercial, nonprofit, or Government entity. See www.sam.gov for the designated entity for establishing unique entity identifiers.

(b) If the solicitation for this contract contained the provision 52.204-7 with its Alternate I, and the Contractor was unable to register prior to award, the Contractor shall be registered in SAM within 30 days after award or before three days prior to submission of the first invoice, whichever occurs first.

(c) The Contractor shall maintain registration in SAM during contract performance and through final payment of any contract, basic agreement, basic ordering agreement, or blanket purchasing agreement. The Contractor is responsible for the currency, accuracy and completeness of the data within SAM, and for any liability resulting from the Government's reliance on inaccurate or incomplete data. To remain registered in SAM after the initial registration, the Contractor is required to review and update on an annual basis, from the date of initial registration or subsequent updates, its information in SAM to ensure it is current, accurate and complete. Updating information in SAM does not alter the terms and conditions of this contract and is not a substitute for a properly executed contractual document.

(d)(1)(i) If a Contractor has legally changed its business name or "doing business as" name (whichever is shown on the contract), or has transferred the assets used in performing the contract, but has not completed the necessary requirements regarding novation and change-of-name agreements in subpart 42.12, the Contractor shall provide the responsible Contracting Officer a minimum of one business day's written notification of its intention to—

(A) Change the name in SAM;

(B) Comply with the requirements of subpart 42.12 of the FAR; and

(C) Agree in writing to the timeline and procedures specified by the responsible Contracting Officer. The Contractor shall provide with the notification sufficient documentation to support the legally changed name.

(ii) If the Contractor fails to comply with the requirements of paragraph (d)(1)(i) of this clause, or fails to perform the agreement at paragraph (d)(1)(i)(C) of this clause, and, in the absence of a properly executed novation or change-of-name agreement, the SAM information that shows the Contractor to be other than the Contractor indicated in the contract will be considered to be incorrect information within the meaning of the “Suspension of Payment” paragraph of the electronic funds transfer (EFT) clause of this contract.

(2) The Contractor shall not change the name or address for EFT payments or manual payments, as appropriate, in SAM record to reflect an assignee for the purpose of assignment of claims (see FAR subpart 32.8, Assignment of Claims). Assignees shall be separately registered in SAM. Information provided to the Contractor’s SAM record that indicates payments, including those made by EFT, to an ultimate recipient other than that Contractor will be considered to be incorrect information within the meaning of the “Suspension of Payment” paragraph of the EFT clause of this contract.

(3) The Contractor shall ensure that the unique entity identifier is maintained with the entity designated at www.sam.gov for establishment of the unique entity identifier throughout the life of the contract. The Contractor shall communicate any change to the unique entity identifier to the Contracting Officer within 30 days after the change, so an appropriate modification can be issued to update the data on the contract. A change in the unique entity identifier does not necessarily require a novation be accomplished.

(e) Contractors may obtain additional information on registration and annual confirmation requirements at www.sam.gov.

(End of clause)

I.2 Commercial and Government Entity Code Maintenance.

(a) *Definition.* As used in this clause—

Commercial and Government Entity (CAGE) code means—

(1) An identifier assigned to entities located in the United States or its outlying areas by the Defense Logistics Agency (DLA) Commercial and Government Entity (CAGE) Branch to identify a commercial or government entity; or

(2) An identifier assigned by a member of the North Atlantic Treaty Organization (NATO) or by the NATO Support and Procurement Agency (NSPA) to entities located outside the United States and its outlying areas that the DLA Commercial and Government Entity (CAGE) Branch records and maintains in the CAGE master file. This type of code is known as a NATO CAGE (NCAGE) code.

(b) Contractors shall ensure that the CAGE code is maintained throughout the life of the contract. For contractors registered in the System for Award Management (SAM), the DLA Commercial and Government Entity (CAGE) Branch shall only modify data received from SAM in the CAGE master file if the contractor initiates those changes via update of its SAM registration. Contractors undergoing a novation or change-of-name agreement shall notify the contracting officer in accordance with subpart 42.12. The contractor shall communicate any change to the CAGE code to the contracting officer within 30 days after the change, so that a modification can be issued to update the CAGE code on the contract.

(c) Contractors located in the United States or its outlying areas that are not registered in SAM shall submit written change requests to the DLA Commercial and Government Entity (CAGE) Branch. Requests for changes shall be provided at <https://cage.dla.mil>. Change requests to the CAGE master file are accepted from the entity identified by the code.

(d) Contractors located outside the United States and its outlying areas that are not registered in SAM shall contact the appropriate National Codification Bureau (points of contact available at <http://www.nato.int/structur/AC/135/main/links/contacts.htm>) or NSPA at <https://eportal.nspa.nato.int/AC135Public/scage/CageList.aspx> to request CAGE changes.

(e) Additional guidance for maintaining CAGE codes is available at <https://cage.dla.mil>.

(End of clause)

I.3 Contract Terms and Conditions - Commercial Items.

(a) *Inspection/Acceptance.* The Contractor shall only tender for acceptance those items that conform to the requirements of this contract. The Government reserves the right to inspect or test any supplies or services that have been tendered for acceptance. The Government may require repair or replacement of nonconforming supplies or reperformance of nonconforming services at no increase in contract price. If repair/replacement or reperformance will not correct the defects or is not possible, the Government may seek an equitable price reduction or adequate consideration for acceptance of nonconforming supplies or services. The Government must exercise its

postacceptance rights (1) within a reasonable time after the defect was discovered or should have been discovered; and (2) before any substantial change occurs in the condition of the item, unless the change is due to the defect in the item.

(b) *Assignment.* The Contractor or its assignee may assign its rights to receive payment due as a result of performance of this contract to a bank, trust company, or other financing institution, including any Federal lending agency in accordance with the Assignment of Claims Act (31 U.S.C. 3727). However, when a third party makes payment (e.g., use of the Governmentwide commercial purchase card), the Contractor may not assign its rights to receive payment under this contract.

(c) *Changes.* Changes in the terms and conditions of this contract may be made only by written agreement of the parties.

(d) *Disputes.* This contract is subject to 41 U.S.C. chapter 71, Contract Disputes. Failure of the parties to this contract to reach agreement on any request for equitable adjustment, claim, appeal or action arising under or relating to this contract shall be a dispute to be resolved in accordance with the clause at FAR 52.233-1, Disputes, which is incorporated herein by reference. The Contractor shall proceed diligently with performance of this contract, pending final resolution of any dispute arising under the contract.

(e) *Definitions.* The clause at FAR 52.202-1, Definitions, is incorporated herein by reference.

(f) *Excusable delays.* The Contractor shall be liable for default unless nonperformance is caused by an occurrence beyond the reasonable control of the Contractor and without its fault or negligence such as, acts of God or the public enemy, acts of the Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, unusually severe weather, and delays of common carriers. The Contractor shall notify the Contracting Officer in writing as soon as it is reasonably possible after the commencement of any excusable delay, setting forth the full particulars in connection therewith, shall remedy such occurrence with all reasonable dispatch, and shall promptly give written notice to the Contracting Officer of the cessation of such occurrence.

(g) *Invoice.* (1) The Contractor shall submit an original invoice and three copies (or electronic invoice, if authorized) to the address designated in the contract to receive invoices. An invoice must include-

(i) Name and address of the Contractor;

(ii) Invoice date and number;

- (iii) Contract number, line item number and, if applicable, the order number;
- (iv) Description, quantity, unit of measure, unit price and extended price of the items delivered;
- (v) Shipping number and date of shipment, including the bill of lading number and weight of shipment if shipped on Government bill of lading;
- (vi) Terms of any discount for prompt payment offered;
- (vii) Name and address of official to whom payment is to be sent;
- (viii) Name, title, and phone number of person to notify in event of defective invoice; and
- (ix) Taxpayer Identification Number (TIN). The Contractor shall include its TIN on the invoice only if required elsewhere in this contract.
- (x) Electronic funds transfer (EFT) banking information.

(A) The Contractor shall include EFT banking information on the invoice only if required elsewhere in this contract.

(B) If EFT banking information is not required to be on the invoice, in order for the invoice to be a proper invoice, the Contractor shall have submitted correct EFT banking information in accordance with the applicable solicitation provision, contract clause (e.g., 52.232-33, Payment by Electronic Funds Transfer-System for Award Management, or 52.232-34, Payment by Electronic Funds Transfer-Other Than System for Award Management), or applicable agency procedures.

(C) EFT banking information is not required if the Government waived the requirement to pay by EFT.

(2) Invoices will be handled in accordance with the Prompt Payment Act (31 U.S.C. 3903) and Office of Management and Budget (OMB) prompt payment regulations at 5 CFR part 1315.

(h) *Patent indemnity.* The Contractor shall indemnify the Government and its officers, employees and agents against liability, including costs, for actual or alleged direct or contributory infringement of, or inducement to infringe, any United States or foreign

patent, trademark or copyright, arising out of the performance of this contract, provided the Contractor is reasonably notified of such claims and proceedings.

(i) *Payment-* (1) *Items accepted.* Payment shall be made for items accepted by the Government that have been delivered to the delivery destinations set forth in this contract.

(2) *Prompt payment.* The Government will make payment in accordance with the Prompt Payment Act (31 U.S.C. 3903) and prompt payment regulations at 5 CFR part 1315.

(3) *Electronic Funds Transfer (EFT).* If the Government makes payment by EFT, see 52.212-5(b) for the appropriate EFT clause.

(4) *Discount.* In connection with any discount offered for early payment, time shall be computed from the date of the invoice. For the purpose of computing the discount earned, payment shall be considered to have been made on the date which appears on the payment check or the specified payment date if an electronic funds transfer payment is made.

(5) *Overpayments.* If the Contractor becomes aware of a duplicate contract financing or invoice payment or that the Government has otherwise overpaid on a contract financing or invoice payment, the Contractor shall-

(i) Remit the overpayment amount to the payment office cited in the contract along with a description of the overpayment including the-

(A) Circumstances of the overpayment (*e.g.*, duplicate payment, erroneous payment, liquidation errors, date(s) of overpayment);

(B) Affected contract number and delivery order number, if applicable;

(C) Affected line item or subline item, if applicable; and

(D) Contractor point of contact.

(ii) Provide a copy of the remittance and supporting documentation to the Contracting Officer.

(6) *Interest.* (i) All amounts that become payable by the Contractor to the Government under this contract shall bear simple interest from the date due until paid unless paid within 30 days of becoming due. The interest rate shall be the

interest rate established by the Secretary of the Treasury as provided in 41 U.S.C. 7109, which is applicable to the period in which the amount becomes due, as provided in (i)(6)(v) of this clause, and then at the rate applicable for each six-month period as fixed by the Secretary until the amount is paid.

(ii) The Government may issue a demand for payment to the Contractor upon finding a debt is due under the contract.

(iii) *Final decisions.* The Contracting Officer will issue a final decision as required by 33.211 if-

(A) The Contracting Officer and the Contractor are unable to reach agreement on the existence or amount of a debt within 30 days;

(B) The Contractor fails to liquidate a debt previously demanded by the Contracting Officer within the timeline specified in the demand for payment unless the amounts were not repaid because the Contractor has requested an installment payment agreement; or

(C) The Contractor requests a deferment of collection on a debt previously demanded by the Contracting Officer (see 32.607-2).

(iv) If a demand for payment was previously issued for the debt, the demand for payment included in the final decision shall identify the same due date as the original demand for payment.

(v) Amounts shall be due at the earliest of the following dates:

(A) The date fixed under this contract.

(B) The date of the first written demand for payment, including any demand for payment resulting from a default termination.

(vi) The interest charge shall be computed for the actual number of calendar days involved beginning on the due date and ending on-

(A) The date on which the designated office receives payment from the Contractor;

(B) The date of issuance of a Government check to the Contractor from which an amount otherwise payable has been withheld as a credit against the contract debt; or

(C) The date on which an amount withheld and applied to the contract debt would otherwise have become payable to the Contractor.

(vii) The interest charge made under this clause may be reduced under the procedures prescribed in 32.608-2 of the Federal Acquisition Regulation in effect on the date of this contract.

(j) *Risk of loss.* Unless the contract specifically provides otherwise, risk of loss or damage to the supplies provided under this contract shall remain with the Contractor until, and shall pass to the Government upon:

(1) Delivery of the supplies to a carrier, if transportation is f.o.b. origin; or

(2) Delivery of the supplies to the Government at the destination specified in the contract, if transportation is f.o.b. destination.

(k) *Taxes.* The contract price includes all applicable Federal, State, and local taxes and duties.

(l) *Termination for the Government's convenience.* The Government reserves the right to terminate this contract, or any part hereof, for its sole convenience. In the event of such termination, the Contractor shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work. Subject to the terms of this contract, the Contractor shall be paid a percentage of the contract price reflecting the percentage of the work performed prior to the notice of termination, plus reasonable charges the Contractor can demonstrate to the satisfaction of the Government using its standard record keeping system, have resulted from the termination. The Contractor shall not be required to comply with the cost accounting standards or contract cost principles for this purpose. This paragraph does not give the Government any right to audit the Contractor's records. The Contractor shall not be paid for any work performed or costs incurred which reasonably could have been avoided.

(m) *Termination for cause.* The Government may terminate this contract, or any part hereof, for cause in the event of any default by the Contractor, or if the Contractor fails to comply with any contract terms and conditions, or fails to provide the Government, upon request, with adequate assurances of future performance. In the event of termination for cause, the Government shall not be liable to the Contractor for any amount for supplies or services not accepted, and the Contractor shall be liable to the Government for any and all rights and remedies provided by law. If it is determined that the Government improperly terminated this contract for default, such termination shall be deemed a termination for convenience.

(n) *Title*. Unless specified elsewhere in this contract, title to items furnished under this contract shall pass to the Government upon acceptance, regardless of when or where the Government takes physical possession.

(o) *Warranty*. The Contractor warrants and implies that the items delivered hereunder are merchantable and fit for use for the particular purpose described in this contract.

(p) *Limitation of liability*. Except as otherwise provided by an express warranty, the Contractor will not be liable to the Government for consequential damages resulting from any defect or deficiencies in accepted items.

(q) *Other compliances*. The Contractor shall comply with all applicable Federal, State and local laws, executive orders, rules and regulations applicable to its performance under this contract.

(r) *Compliance with laws unique to Government contracts*. The Contractor agrees to comply with 31 U.S.C. 1352 relating to limitations on the use of appropriated funds to influence certain Federal contracts; 18 U.S.C. 431 relating to officials not to benefit; 40 U.S.C. chapter 37, Contract Work Hours and Safety Standards; 41 U.S.C. chapter 87, Kickbacks; 41 U.S.C. 4712 and 10 U.S.C. 2409 relating to whistleblower protections; 49 U.S.C. 40118, Fly American; and 41 U.S.C. chapter 21 relating to procurement integrity.

(s) *Order of precedence*. Any inconsistencies in this solicitation or contract shall be resolved by giving precedence in the following order: (1) The Assignments, Disputes, Payments, Invoice, Other Compliances, Compliance with Laws Unique to Government Contracts, and Unauthorized Obligations paragraphs of this clause; (2) the clause at 52.212-5; (3) addenda to this solicitation or contract, including any license agreements for computer software; (4) solicitation provisions if this is a solicitation; (5) other paragraphs of this clause; (6) the Standard Form 1449; (7) other documents, exhibits, and attachments; and (8) the specification.

(t) Reserved.

(u) *Unauthorized Obligations*. (1) Except as stated in paragraph (u)(2) of this clause, when any supply or service acquired under this contract is subject to any End User License Agreement (EULA), Terms of Service (TOS), or similar legal instrument or agreement, that includes any clause requiring the Government to indemnify the Contractor or any person or entity for damages, costs, fees, or any other loss or liability that would create an Anti-Deficiency Act violation (31 U.S.C. 1341), the following shall govern:

(i) Any such clause is unenforceable against the Government.

(ii) Neither the Government nor any Government authorized end user shall be deemed to have agreed to such clause by virtue of it appearing in the EULA, TOS, or similar legal instrument or agreement. If the EULA, TOS, or similar legal instrument or agreement is invoked through an "I agree" click box or other comparable mechanism (e.g., "click-wrap" or "browse-wrap" agreements), execution does not bind the Government or any Government authorized end user to such clause.

(iii) Any such clause is deemed to be stricken from the EULA, TOS, or similar legal instrument or agreement.

(2) Paragraph (u)(1) of this clause does not apply to indemnification by the Government that is expressly authorized by statute and specifically authorized under applicable agency regulations and procedures.

(v) *Incorporation by reference.* The Contractor's representations and certifications, including those completed electronically via the System for Award Management (SAM), are incorporated by reference into the contract.

(End of Clause)

PART III – LIST OF DOCUMENTS, EXHIBITS
AND OTHER ATTACHMENTS

SECTION J

LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS

SECTION J

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SECTION J.A

EXHIBIT A

OFFER FORM

RESERVED

SECTION J.B

EXHIBIT B

**CONTRACT FORM – INCLUDED IN PART I, “THE SCHEDULE,”
SECTION A**

SECTION J.C-1

EXHIBIT C-1

SPR CRUDE OIL SPECIFICATIONS

EXHIBIT C-1

**STRATEGIC PETROLEUM RESERVE
CRUDE OIL SPECIFICATIONS^a
(SPRO May 2020)^{e1}**

CHARACTERISTIC	SOUR	SWEET	PRIMARY ASTM TEST METHOD ^b
API Gravity [°API]	30-45	30-45	D1298 or D5002
Total Sulfur [Mass %], max.	1.99	0.50	D4294
Pour Point [°C], max.	10	10	D97
Salt Content [Mass %], max.	0.050	0.050	D6470
Viscosity			
[cSt @ 15.6°C], max.	32	32	D445
[cSt @ 37.8°C], max.	13	13	
Vapor Pressure			
[VPCR4(100F),psia(KPa)], max.	9 psia (62.1 kPa)	9 psia (62.1 kPa)	D6377
Total Acid Number [mg KOH/g], max.	1.00	1.00	D664
Water and Sediment [Vol. %], max.	1.0	1.0	D473 and D4006, or D4928
Yields [Vol. %]			D2892 and D5236 ^c
Naphtha [28-191°C]	24-30	21-42	
Distillate [191-327°C]	17-31	19-45	
Gas Oil [327-566°C]	26-38	20-42	
Residuum [>566°C]	10-19	14 max.	
Light Ends [Liquid Vol. %] ^d , max			
Methane (C ₁)	0.01	0.01	IP344 or ITM 6008
Ethane (C ₂)	0.1	0.1	
Propane (C ₃)	1.0	1.0	

^{e1} This revision includes a limitation on light ends content (see Footnote ^d)

^a Marketable crude petroleum suitable for normal refinery processing and free of foreign contaminants or chemicals including, but not limited to, pour point depressants, chlorinated and oxygenated hydrocarbons, and lead.

^b Alternate methods may be used if approved by the Contracting Officer.

^c D 7169 data may be provided in requesting conditional acceptance of a crude oil. Distillation data according to D 2892 and D 5236 will still be necessary for final qualification of a crude oil's acceptance.

^d Light ends content specifications are interim and will be superseded if and when industry standards for light ends evaluation are implemented.

^e Vapor pressure changed to better reflect current domestic crude standards.

NOTE 1: The Strategic Petroleum Reserve reserves the right to refuse to accept any Crude Oil which meets these specifications but is deemed to be incompatible with existing stocks, or which has the potential for adversely affecting handling.

NOTE 2: The acceptability of any Crude Oil depends upon any assay typical of current production quality of the stream. Any Crude Oil offered to the Strategic Petroleum Reserve that meets these specifications may be subject to additional testing for acceptance.

NOTE 3: All Crude Oil shipments received by the SPR are tested to ensure they meet specifications. Crude streams found consistently not meeting required specifications will be removed from the list of acceptable Crude Oils.

EXHIBIT C-1.1

Sour Quality Data						
Crude:						
Company:						
Date:						
Note:						
Product Parameter	Test Method(s)	Units	Sour Specification		Result	Method of Analysis Used
			Min	Max		
API Gravity	D1298 or D5002	[°API]	30	45		
Total Sulfur	D4294	[Mass %]	0.51	1.99		
Pour Point	D97	[°C]		10		
Salt Content	D6470, D3230	[Mass %]		0.05		
Viscosity @ 15.6°C	D445	[cSt]		32.0		
Viscosity @ 37.8°C	D445	[cSt]		13.0		
Vapor Pressure [VPCR4 (100°F)]	D6377	psia (kPa)		9 (62.1)		
Total Acid Number	D664	[mg KOH/g]		1.00		
Water	D4928,D4006	[Vol. %]		Report		
Sediment	D473	[Vol. %]		Report		
Water/Sediment Combined Value		[Vol. %]		1.0		
Yields [Vol. %]						
Naphtha [28-191°C]	D2892, D5236, D7169	[Vol. %]	24	30		
Distillate [191-327°C]	D2892, D5236, D7169	[Vol. %]	17	31		
Gas Oil [327-566°C]	D2892, D5236, D7169	[Vol. %]	26	38		
Residuum [>566°C]	D2892, D5236, D7169	[Vol. %]	10	19		
Light Ends [Liquid Vol. %]						
Methane (C ₁)	IP344, ITM6008, D7900	[Liquid Vol.%]		0.01		
Ethane (C ₂)	IP344, ITM6008, D7900	[Liquid Vol.%]		0.10		
Propane (C ₃)	IP344, ITM6008, D7900	[Liquid Vol.%]		1.0		
Distillation						
IBP - 75°F	D7169	LV%[Wt.%]		Report		
IBP - 175°F	D7169	LV%[Wt.%]		Report		

SECTION J.C-2

EXHIBIT C-2

GravCap Tables for Quality Adjustment

GRAVCAP, INC.
ADJUSTMENT AUTHORIZATION

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM

WHITE CAP SYSTEM - BONITO PIPE LINE COMPANY - SHIP SHOAL SYSTEM - CAPLINE SYSTEM

API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
10.0	1.250	16.0	2.150	22.0	3.050	28.0	3.950
10.1	1.265	16.1	2.165	22.1	3.065	28.1	3.965
10.2	1.280	16.2	2.180	22.2	3.080	28.2	3.980
10.3	1.295	16.3	2.195	22.3	3.095	28.3	3.995
10.4	1.310	16.4	2.210	22.4	3.110	28.4	4.010
10.5	1.325	16.5	2.225	22.5	3.125	28.5	4.025
10.6	1.340	16.6	2.240	22.6	3.140	28.6	4.040
10.7	1.355	16.7	2.255	22.7	3.155	28.7	4.055
10.8	1.370	16.8	2.270	22.8	3.170	28.8	4.070
10.9	1.385	16.9	2.285	22.9	3.185	28.9	4.085
11.0	1.400	17.0	2.300	23.0	3.200	29.0	4.100
11.1	1.415	17.1	2.315	23.1	3.215	29.1	4.115
11.2	1.430	17.2	2.330	23.2	3.230	29.2	4.130
11.3	1.445	17.3	2.345	23.3	3.245	29.3	4.145
11.4	1.460	17.4	2.360	23.4	3.260	29.4	4.160
11.5	1.475	17.5	2.375	23.5	3.275	29.5	4.175
11.6	1.490	17.6	2.390	23.6	3.290	29.6	4.190
11.7	1.505	17.7	2.405	23.7	3.305	29.7	4.205
11.8	1.520	17.8	2.420	23.8	3.320	29.8	4.220
11.9	1.535	17.9	2.435	23.9	3.335	29.9	4.235
12.0	1.550	18.0	2.450	24.0	3.350	30.0	4.250
12.1	1.565	18.1	2.465	24.1	3.365	30.1	4.265
12.2	1.580	18.2	2.480	24.2	3.380	30.2	4.280
12.3	1.595	18.3	2.495	24.3	3.395	30.3	4.295
12.4	1.610	18.4	2.510	24.4	3.410	30.4	4.310
12.5	1.625	18.5	2.525	24.5	3.425	30.5	4.325
12.6	1.640	18.6	2.540	24.6	3.440	30.6	4.340
12.7	1.655	18.7	2.555	24.7	3.455	30.7	4.355
12.8	1.670	18.8	2.570	24.8	3.470	30.8	4.370
12.9	1.685	18.9	2.585	24.9	3.485	30.9	4.385

API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
13.0	1.700	19.0	2.600	25.0	3.500	31.0	4.400
13.1	1.715	19.1	2.615	25.1	3.515	31.1	4.415
13.2	1.730	19.2	2.630	25.2	3.530	31.2	4.430
13.3	1.745	19.3	2.645	25.3	3.545	31.3	4.445
13.4	1.760	19.4	2.660	25.4	3.560	31.4	4.460
13.5	1.775	19.5	2.675	25.5	3.575	31.5	4.475
13.6	1.790	19.6	2.690	25.6	3.590	31.6	4.490
13.7	1.805	19.7	2.705	25.7	3.605	31.7	4.505
13.8	1.820	19.8	2.720	25.8	3.620	31.8	4.520
13.9	1.835	19.9	2.735	25.9	3.635	31.9	4.535
14.0	1.850	20.0	2.750	26.0	3.650	32.0	4.550
14.1	1.865	20.1	2.765	26.1	3.665	32.1	4.565
14.2	1.880	20.2	2.780	26.2	3.680	32.2	4.580
14.3	1.895	20.3	2.795	26.3	3.695	32.3	4.595
14.4	1.910	20.4	2.810	26.4	3.710	32.4	4.610
14.5	1.925	20.5	2.825	26.5	3.725	32.5	4.625
14.6	1.940	20.6	2.840	26.6	3.740	32.6	4.640
14.7	1.955	20.7	2.855	26.7	3.755	32.7	4.655
14.8	1.970	20.8	2.870	26.8	3.770	32.8	4.670
14.9	1.985	20.9	2.885	26.9	3.785	32.9	4.685
15.0	2.000	21.0	2.900	27.0	3.800	33.0	4.700
15.1	2.015	21.1	2.915	27.1	3.815	33.1	4.715
15.2	2.030	21.2	2.930	27.2	3.830	33.2	4.730
15.3	2.045	21.3	2.945	27.3	3.845	33.3	4.745
15.4	2.060	21.4	2.960	27.4	3.860	33.4	4.760
15.5	2.075	21.5	2.975	27.5	3.875	33.5	4.775
15.6	2.090	21.6	2.990	27.6	3.890	33.6	4.790
15.7	2.105	21.7	3.005	27.7	3.905	33.7	4.805
15.8	2.120	21.8	3.020	27.8	3.920	33.8	4.820
15.9	2.135	21.9	3.035	27.9	3.935	33.9	4.835

GRAVCAP, INC.
ADJUSTMENT AUTHORIZATION

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM

WHITE CAP SYSTEM - BONITO PIPE LINE COMPANY - SHIP SHOAL SYSTEM - CAPLINE SYSTEM

API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
34.0	4.850	40.0	5.100	46.0	4.950	52.0	4.050
34.1	4.865	40.1	5.100	46.1	4.935	52.1	4.035
34.2	4.880	40.2	5.100	46.2	4.920	52.2	4.020
34.3	4.895	40.3	5.100	46.3	4.905	52.3	4.005
34.4	4.910	40.4	5.100	46.4	4.890	52.4	3.990
34.5	4.925	40.5	5.100	46.5	4.875	52.5	3.975
34.6	4.940	40.6	5.100	46.6	4.860	52.6	3.960
34.7	4.955	40.7	5.100	46.7	4.845	52.7	3.945
34.8	4.970	40.8	5.100	46.8	4.830	52.8	3.930
34.9	4.985	40.9	5.100	46.9	4.815	52.9	3.915
35.0	5.000	41.0	5.100	47.0	4.800	53.0	3.900
35.1	5.000	41.1	5.100	47.1	4.785	53.1	3.885
35.2	5.000	41.2	5.100	47.2	4.770	53.2	3.870
35.3	5.000	41.3	5.100	47.3	4.755	53.3	3.855
35.4	5.000	41.4	5.100	47.4	4.740	53.4	3.840
35.5	5.000	41.5	5.100	47.5	4.725	53.5	3.825
35.6	5.000	41.6	5.100	47.6	4.710	53.6	3.810
35.7	5.000	41.7	5.100	47.7	4.695	53.7	3.795
35.8	5.000	41.8	5.100	47.8	4.680	53.8	3.780
35.9	5.000	41.9	5.100	47.9	4.665	53.9	3.765
36.0	5.020	42.0	5.100	48.0	4.650	54.0	3.750
36.1	5.020	42.1	5.100	48.1	4.635	54.1	3.735
36.2	5.020	42.2	5.100	48.2	4.620	54.2	3.720
36.3	5.020	42.3	5.100	48.3	4.605	54.3	3.705
36.4	5.020	42.4	5.100	48.4	4.590	54.4	3.690
36.5	5.020	42.5	5.100	48.5	4.575	54.5	3.675
36.6	5.020	42.6	5.100	48.6	4.560	54.6	3.660
36.7	5.020	42.7	5.100	48.7	4.545	54.7	3.645
36.8	5.020	42.8	5.100	48.8	4.530	54.8	3.630
36.9	5.020	42.9	5.100	48.9	4.515	54.9	3.615

API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
37.0	5.040	43.0	5.100	49.0	4.500	55.0	3.600
37.1	5.040	43.1	5.100	49.1	4.485		
37.2	5.040	43.2	5.100	49.2	4.470	For API GRAVITY values above 55.0° API the differential continues to decline 0.015/bbl. per 0.1° API GRAVITY.	
37.3	5.040	43.3	5.100	49.3	4.455		
37.4	5.040	43.4	5.100	49.4	4.440		
37.5	5.040	43.5	5.100	49.5	4.425		
37.6	5.040	43.6	5.100	49.6	4.410		
37.7	5.040	43.7	5.100	49.7	4.395		
37.8	5.040	43.8	5.100	49.8	4.380		
37.9	5.040	43.9	5.100	49.9	4.365		
38.0	5.060	44.0	5.100	50.0	4.350		
38.1	5.060	44.1	5.100	50.1	4.335		
38.2	5.060	44.2	5.100	50.2	4.320		
38.3	5.060	44.3	5.100	50.3	4.305		
38.4	5.060	44.4	5.100	50.4	4.290		
38.5	5.060	44.5	5.100	50.5	4.275		
38.6	5.060	44.6	5.100	50.6	4.260		
38.7	5.060	44.7	5.100	50.7	4.245		
38.8	5.060	44.8	5.100	50.8	4.230		
38.9	5.060	44.9	5.100	50.9	4.215		
39.0	5.080	45.0	5.100	51.0	4.200		
39.1	5.080	45.1	5.085	51.1	4.185		
39.2	5.080	45.2	5.070	51.2	4.170		
39.3	5.080	45.3	5.055	51.3	4.155		
39.4	5.080	45.4	5.040	51.4	4.140		
39.5	5.080	45.5	5.025	51.5	4.125		
39.6	5.080	45.6	5.010	51.6	4.110		
39.7	5.080	45.7	4.995	51.7	4.095		
39.8	5.080	45.8	4.980	51.8	4.080		
39.9	5.080	45.9	4.965	51.9	4.065		

GRAVCAP, INC.

ADJUSTMENT AUTHORIZATION

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR

DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

WHITE CAP SYSTEM - BONITO PIPE LINE COMPANY - SHIP SHOAL SYSTEM - CAPLINE SYSTEM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
0.00	1.000	0.60	1.600	1.20	2.200	1.80	2.800	2.40	3.400	3.00	4.000	3.60	4.600
0.01	1.010	0.61	1.610	1.21	2.210	1.81	2.810	2.41	3.410	3.01	4.010	3.61	4.610
0.02	1.020	0.62	1.620	1.22	2.220	1.82	2.820	2.42	3.420	3.02	4.020	3.62	4.620
0.03	1.030	0.63	1.630	1.23	2.230	1.83	2.830	2.43	3.430	3.03	4.030	3.63	4.630
0.04	1.040	0.64	1.640	1.24	2.240	1.84	2.840	2.44	3.440	3.04	4.040	3.64	4.640
0.05	1.050	0.65	1.650	1.25	2.250	1.85	2.850	2.45	3.450	3.05	4.050	3.65	4.650
0.06	1.060	0.66	1.660	1.26	2.260	1.86	2.860	2.46	3.460	3.06	4.060	3.66	4.660
0.07	1.070	0.67	1.670	1.27	2.270	1.87	2.870	2.47	3.470	3.07	4.070	3.67	4.670
0.08	1.080	0.68	1.680	1.28	2.280	1.88	2.880	2.48	3.480	3.08	4.080	3.68	4.680
0.09	1.090	0.69	1.690	1.29	2.290	1.89	2.890	2.49	3.490	3.09	4.090	3.69	4.690
0.10	1.100	0.70	1.700	1.30	2.300	1.90	2.900	2.50	3.500	3.10	4.100	3.70	4.700
0.11	1.110	0.71	1.710	1.31	2.310	1.91	2.910	2.51	3.510	3.11	4.110	3.71	4.710
0.12	1.120	0.72	1.720	1.32	2.320	1.92	2.920	2.52	3.520	3.12	4.120	3.72	4.720
0.13	1.130	0.73	1.730	1.33	2.330	1.93	2.930	2.53	3.530	3.13	4.130	3.73	4.730
0.14	1.140	0.74	1.740	1.34	2.340	1.94	2.940	2.54	3.540	3.14	4.140	3.74	4.740
0.15	1.150	0.75	1.750	1.35	2.350	1.95	2.950	2.55	3.550	3.15	4.150	3.75	4.750
0.16	1.160	0.76	1.760	1.36	2.360	1.96	2.960	2.56	3.560	3.16	4.160	3.76	4.760
0.17	1.170	0.77	1.770	1.37	2.370	1.97	2.970	2.57	3.570	3.17	4.170	3.77	4.770
0.18	1.180	0.78	1.780	1.38	2.380	1.98	2.980	2.58	3.580	3.18	4.180	3.78	4.780
0.19	1.190	0.79	1.790	1.39	2.390	1.99	2.990	2.59	3.590	3.19	4.190	3.79	4.790
0.20	1.200	0.80	1.800	1.40	2.400	2.00	3.000	2.60	3.600	3.20	4.200	3.80	4.800
0.21	1.210	0.81	1.810	1.41	2.410	2.01	3.010	2.61	3.610	3.21	4.210	3.81	4.810
0.22	1.220	0.82	1.820	1.42	2.420	2.02	3.020	2.62	3.620	3.22	4.220	3.82	4.820
0.23	1.230	0.83	1.830	1.43	2.430	2.03	3.030	2.63	3.630	3.23	4.230	3.83	4.830
0.24	1.240	0.84	1.840	1.44	2.440	2.04	3.040	2.64	3.640	3.24	4.240	3.84	4.840
0.25	1.250	0.85	1.850	1.45	2.450	2.05	3.050	2.65	3.650	3.25	4.250	3.85	4.850
0.26	1.260	0.86	1.860	1.46	2.460	2.06	3.060	2.66	3.660	3.26	4.260	3.86	4.860
0.27	1.270	0.87	1.870	1.47	2.470	2.07	3.070	2.67	3.670	3.27	4.270	3.87	4.870
0.28	1.280	0.88	1.880	1.48	2.480	2.08	3.080	2.68	3.680	3.28	4.280	3.88	4.880
0.29	1.290	0.89	1.890	1.49	2.490	2.09	3.090	2.69	3.690	3.29	4.290	3.89	4.890

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
0.30	1.300	0.90	1.900	1.50	2.500	2.10	3.100	2.70	3.700	3.30	4.300	3.90	4.900
0.31	1.310	0.91	1.910	1.51	2.510	2.11	3.110	2.71	3.710	3.31	4.310	3.91	4.910
0.32	1.320	0.92	1.920	1.52	2.520	2.12	3.120	2.72	3.720	3.32	4.320	3.92	4.920
0.33	1.330	0.93	1.930	1.53	2.530	2.13	3.130	2.73	3.730	3.33	4.330	3.93	4.930
0.34	1.340	0.94	1.940	1.54	2.540	2.14	3.140	2.74	3.740	3.34	4.340	3.94	4.940
0.35	1.350	0.95	1.950	1.55	2.550	2.15	3.150	2.75	3.750	3.35	4.350	3.95	4.950
0.36	1.360	0.96	1.960	1.56	2.560	2.16	3.160	2.76	3.760	3.36	4.360	3.96	4.960
0.37	1.370	0.97	1.970	1.57	2.570	2.17	3.170	2.77	3.770	3.37	4.370	3.97	4.970
0.38	1.380	0.98	1.980	1.58	2.580	2.18	3.180	2.78	3.780	3.38	4.380	3.98	4.980
0.39	1.390	0.99	1.990	1.59	2.590	2.19	3.190	2.79	3.790	3.39	4.390	3.99	4.990
0.40	1.400	1.00	2.000	1.60	2.600	2.20	3.200	2.80	3.800	3.40	4.400	4.00	5.000
0.41	1.410	1.01	2.010	1.61	2.610	2.21	3.210	2.81	3.810	3.41	4.410		
0.42	1.420	1.02	2.020	1.62	2.620	2.22	3.220	2.82	3.820	3.42	4.420		
0.43	1.430	1.03	2.030	1.63	2.630	2.23	3.230	2.83	3.830	3.43	4.430		
0.44	1.440	1.04	2.040	1.64	2.640	2.24	3.240	2.84	3.840	3.44	4.440		
0.45	1.450	1.05	2.050	1.65	2.650	2.25	3.250	2.85	3.850	3.45	4.450		
0.46	1.460	1.06	2.060	1.66	2.660	2.26	3.260	2.86	3.860	3.46	4.460		
0.47	1.470	1.07	2.070	1.67	2.670	2.27	3.270	2.87	3.870	3.47	4.470		
0.48	1.480	1.08	2.080	1.68	2.680	2.28	3.280	2.88	3.880	3.48	4.480		
0.49	1.490	1.09	2.090	1.69	2.690	2.29	3.290	2.89	3.890	3.49	4.490		
0.50	1.500	1.10	2.100	1.70	2.700	2.30	3.300	2.90	3.900	3.50	4.500		
0.51	1.510	1.11	2.110	1.71	2.710	2.31	3.310	2.91	3.910	3.51	4.510		
0.52	1.520	1.12	2.120	1.72	2.720	2.32	3.320	2.92	3.920	3.52	4.520		
0.53	1.530	1.13	2.130	1.73	2.730	2.33	3.330	2.93	3.930	3.53	4.530		
0.54	1.540	1.14	2.140	1.74	2.740	2.34	3.340	2.94	3.940	3.54	4.540		
0.55	1.550	1.15	2.150	1.75	2.750	2.35	3.350	2.95	3.950	3.55	4.550		
0.56	1.560	1.16	2.160	1.76	2.760	2.36	3.360	2.96	3.960	3.56	4.560		
0.57	1.570	1.17	2.170	1.77	2.770	2.37	3.370	2.97	3.970	3.57	4.570		
0.58	1.580	1.18	2.180	1.78	2.780	2.38	3.380	2.98	3.980	3.58	4.580		
0.59	1.590	1.19	2.190	1.79	2.790	2.39	3.390	2.99	3.990	3.59	4.590		

For Sulfur Values above 4.00%, the differential continues to increase 0.01/BBL per 0.01 Percent Sulfur

SECTION J.D

EXHIBIT D

**MATERIAL INSPECTION AND RECEIVING REPORT
DD FORM 250 and DD FORM 250-1**

DD FORM 250/250-1

MATERIAL INSPECTION AND RECEIVING REPORT					FORM APPROVED OMB No. 0704-0248	
The public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing, instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports, (0704-0248), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0248), Washington, DC 20503. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.						
PLEASE DO NOT RETURN YOUR COMPLETED FORM TO EITHER OF THESE ADDRESSES. SEND THIS FORM IN ACCORDANCE WITH THE INSTRUCTIONS CONTRAINED IN THE DFARS, APPENDIX F-401.						
1. PROCUREMENT INSTRUMENT IDENTIFICATION (CONTRACT) NO.		(ORDER) NO.		6. INVOICE NO./DATE		7. PAGE OF
DOE OWNED CRUDE OIL						1 1
2. SHIPMENT NO.		3. DATE SHIPPED		4. B/L TCN		5. DISCOUNT TERMS
9. PRIME CONTRACTOR CODE Fluor Federal Petroleum Operations 850 S. Clearview Pkwy. New Orleans, LA 70123			10. ADMINISTERED BY CODE DEPARTMENT OF ENERGY STRATEGIC PETROLEUM RESERVE PROJECT MANAGEMENT OFFICE			
11 SHIPPED FROM (If other than 9) CODE FOB:			12. PAYMENT WILL BE MADE BY CODE			
13. SHIPPED TO CODE			14. MARKED FOR CODE			
15 ITEM NO.	16. STOCK/PART NO.	DESCRIPTION	17. QUANTITY SHIP/REC'D *	18. UNIT	19. UNIT PRICE	20. AMOUNT
1	Gross		NET @ 60° F.	BARRELS		
21. CONTRACT QUALITY ASSURANCE			22. RECEIVER'S USE			
a. ORIGIN <input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or in supporting documents.			b. DESTINATION <input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or on supporting documents.		Quantities shown in column 17 were received in apparent good condition except as noted.	
DATE _____ SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE _____			DATE _____ SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE _____		DATE RECEIVED _____ SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE _____	
TYPED NAME: _____ TITLE: _____ MAILING ADDRESS: _____			TYPED NAME: _____ TITLE: _____ MAILING ADDRESS: _____		TYPED NAME: _____ TITLE: _____ MAILING ADDRESS: _____	
COMMERCIAL TELEPHONE NUMBER: _____			COMMERCIAL TELEPHONE NUMBER: _____		COMMERCIAL TELEPHONE NUMBER: _____	
23. CONTRACTOR USE ONLY:			<i>*If quantity received by the Government is the same as quantity shipped, indicate by (x) mark; if different, enter actual quantity received below quantity shipped and encircle.</i>			

SECTION J.E

EXHIBIT E

CRUDE OIL DELIVERY LOCATION INFORMATION

EXHIBIT E

CRUDE OIL DELIVERY LOCATION INFORMATION

Contact for delivery information
Oil Movements Scheduling
Chuck Costanza Fluor Federal Petroleum Operations 850 S. Clearview Parkway New Orleans, LA 70123 Office: 504-734-4733 FAX: 504-818-5733 Alternate: Ned Scheppegrell Office: 504-734-4604 Cell: 504-722-6146 E-Mail FFPOCOL@SPR.DOE.GOV

(i) Sun Marine Terminal, Nederland, TX

Mike Birkett, Director - Operations (409) 721-4404
Joshua McQueen-Sr. Manager (409) 721-4819
Troy Gayer-Sr. Account Rep, (409) 721-4822
Bill Wheeler, Manager, Nederland Scheduling (409) 721-4813
Control Room (409) 721-4845
Marine Scheduler (409) 721-4812
Pipeline Scheduler (409) 721-4823
Shift Supervisor (409) 720-7972

(ii) Shell Pipeline Company (Shell tie-in @ LCMS and Big Hill)

John McMahon, Oil Movement Scheduler
O(832) 337-8555
C(281) 216-2618
Eric Strodbeck, Scheduler
O(832) 337-0267
C(281) 416-3946

(iii) Enterprise Products

Scheduling
Andrew Schikal, Director, Onshore Crude Scheduling & Distribution (713) 381-6713
Micah Bedard – Manager, Daily Scheduling (713) 381-4307
Justin Shobe – Supervisor, Daily Scheduling (713) 381-4557
Sam Caplan, Seaway Daily Scheduler (713) 381-4707

Patrick Batts, Seaway Daily Scheduler (713) 381-6865
Kyle Price, Texas City Daily Scheduler (713) 381-6205
Steven Owens, Supervisor, Monthly Distribution (713) 381-4250
Chamesha Randall, Coordinator, Distribution (713) 381-5861

Field Management

Billy Yeung, Area Manager, South Texas/Jones Creek/Freeport/Texas City (713) 852-6005
John Hazley, Superintendent, Operations, Freeport/Texas City (979) 237-6756
Chris Yorgensen, Pipeline Supervisor, Jones Creek (979) 230-7308, Texas City (409) 949-3706
Chase Nelson, Pipeline Supervisor, Texas City (409) 949 3706
Mike Retif, Area Manager, ECHO, Rancho, Eagleford (713) 852-6003

(iv) Exxon Mobil Pipeline

Steve Gluth, Business Development (832) 624-2738 O (224) 343-3560 C

(v) Phillips 66 (Beaumont Terminal) Nederland, TX

Mike Mott, Team Lead, Beaumont Scheduling O(409) 724-3337 C(281) 660-2247
Mark Maxwell, Products Scheduling O(409)724-3288 C(409)724-3209
Johnny Gaw, Crude Pipeline Scheduler O(409)724-3232 C(832) 358-5831
Peggy Smith, Crude Ship Scheduler O(409)724-3232 C(281)235-2936

EXHIBIT E

CRUDE OIL DELIVERY LOCATION INFORMATION (Continued)

(DOE latest information obtained from terminal. Any update must be obtained directly from terminal)

SEAWAY ENTERPRISE FREEPORT TERMINAL

LOCATION: Brazoria County, Texas (three miles southwest of Freeport, Texas on the Old Brazos River, four miles from the sea buoy)

CRUDE OIL STREAMS: Bryan Mound Sweet and Bryan Mound Sour

DELIVERY POINTS: Seaway Terminal marine dock facility number

MARINE DOCK FACILITIES AND VESSEL RESTRICTIONS:

TANKSHIP DOCKS: 2 Docks: The terminal berth complex consists of one finger pier which has two tanker berths: Berth #2 and Berth #3.

MAXIMUM LENGTH

OVERALL (LOA): Docks 2 and 3 - 820 feet (up to 900 feet with pilot approval)

MAXIMUM BEAM: Docks 2 and 3 - 145 feet

MAXIMUM DRAFT

The Brazos Harbor Pilots' "Freeport Harbor Basic Operating Procedures" limits size of vessel entering Freeport harbor. Vessels greater than 820 feet LOA and 145 feet beam are not allowed to enter unless with prior approval of the Brazos Harbor Pilots. The deepest allowable draft is 42 feet. Normally required keel clearance is 3.0 feet. Maximum allowable speed in the channel is 6.0 knots. Vessels in excess of the above limitations may be handled on a "per job" basis if prior approval has been obtained from the Brazos pilots.

BARGE LOADING CAPABILITY:

Fuel Barges are allowed on Berth 1 to supply MDO and HFO for terminal bunkering system. This is arranged by a ConocoPhillips representative.

OILY WASTE RECEPTION FACILITIES:

The terminal is required by US Coast Guard regulations to provide waste reception for oily wastes in connection with the Certificate of Adequacy (COA). At the time of publishing, two mobile waste reception companies provide waste removal services. Any vessel requiring oily waste disposal shall advise the terminal a minimum of (24) twenty-four hours prior arrival at the sea buoy.

EXHIBIT E

CRUDE OIL DELIVERY LOCATION INFORMATION (Continued)

(DOE latest information obtained from terminal. Any update must be obtained directly from terminal)

The terminal, by regulation, is *not required to provide such services* if receipt of the ship's original notification is less than twenty-four hours prior arrival. All costs associated with this service shall be for the account of the requesting party, and billed to the party's local agent.

CUSTOMARY ANCHORAGE:

Normal

The Normal anchorage for vessels awaiting clearance to enter the port or for a pilot is 1.5 miles south of the "FP" buoy in approximately 55 feet water depth. Masters should refer to NOAA Displaced Moving Average (DMA) chart #11321 and NOAA United States Coast Pilot (USCP) #5 (Nov. 14, 2021).

Winter

The Safe anchorage for vessels waiting to enter the port in adverse condition is 2.0 miles south of the "FP" buoy.

EXHIBIT E

CRUDE OIL DELIVERY LOCATION INFORMATION (Continued)

(DOE latest information obtained from terminal. Any update must be obtained directly from terminal)

SUNOCO LOGISTICS TERMINAL

LOCATION: Nederland, Texas (on the Neches River at Smiths Bluff in southwest Texas, 34.6 nautical miles from the bar)

CRUDE OIL STREAMS: West Hackberry Sweet and West Hackberry Sour / Big Hill Sweet and Big Hill Sour

DELIVERY POINTS: Sun Terminal marine dock facility and Sun Terminal connections to local commercial pipelines

MARINE DOCK FACILITIES AND VESSEL RESTRICTIONS:

TANKSHIP DOCKS: 5 Docks: Nos. 1, 2, 4 and 5

MAXIMUM LENGTH

OVERALL (LOA):

Dock	LOA	Beam	Max DWT	Draft	Air Draft
Ship Dock 1	875'	137'	85,000	40'	136'
Ship Dock 2	1000'	174'	150,000	40'	136'
Ship Dock 4	1000'	174'	150,000	40'	136'
Ship Dock 5	900'	150'	150,000	40'	136'

Sabine Pilot – Daylight Transit Restrictions

LOA	875'
Beam	125'
DWT	85,000

Vessels that meet or exceed these restrictions must transit during daylight hours only.

(DOE latest information obtained from terminal. Any update must be obtained directly from terminal)

BARGE LOADING CAPABILITY:

Dock	LOA	Beam	Max DWT	Draft	Air Draft
A dock	300'	150'	n/a	15'	136'
B dock	300'	150'	n/a	15'	136'
C dock	300'	75'	n/a	15'	136'
#1 dock	875'	137'	n/a	40'	136'
#2 dock	1000'	174'	n/a	40'	136'
Upper anchorage	1000'	150'	150,000	40'	136'
Lower anchorage	1000'	150'	150,000	35'	136'

OILY WASTE RECEPTION FACILITIES:

Oil waste disposal is only allowed via mobile vacuum truck before or after discharge operations and requires the area to be boomed off to contain any potential spills. All disposal operations require 24 hour advance notification and approval from the Duty Foreman.

CUSTOMARY ANCHORAGE:

There is anchorage available South of S.B. Buoy (Lat. 29 deg. 25 min. N., and Long, 93 deg. 40 min. W.) and also at Sabine Bar for (5) vessels with fresh water draft of 36 ft. or less; and short term anchorage for vessels of less than 40 ft. draft in turning basin (2 hrs.) with permission of Sabine Pilots Association. SPMT has available two anchorage location adjacent to the Terminal (known as the “Old River”) for two deep draft vessels and barges. The Upper Anchorage located in the northwestern part of the Terminal can accommodate vessels up to 40 ft. draft (MLT) and the Lower Anchorage located in the southern part of the Terminal can accommodate another vessel up to 36 ft. draft (MLT), The Lower Anchorage can also be used by Tugs and Barges as a waiting area until they are called in to berth at the Terminal, as long as they do not interfere with any vessel in this area. Deep draft vessels are required to make arrangements with the Terminal’s Marine Scheduler for use of any of (SPMT’s) lay berths off the Island adjacent to the Terminal.

EXHIBIT E

CRUDE OIL DELIVERY LOCATION INFORMATION (Continued)

(DOE latest information obtained from terminal. Any update must be obtained directly from terminal)

SHELL Zydeco 22-INCH/DOE LAKE CHARLES PIPELINE CONNECTION

LOCATION: Lake Charles Upper Junction, located in Section 36, Township 10 South, Range 10 West, Calcasieu Parish, (Lake Charles) Louisiana
 CRUDE OIL STREAMS: West Hackberry Sweet and West Hackberry Sour
 DELIVERY POINT: Shell Zydeco 22-Inch/DOE Lake Charles Pipeline Connection
 MARINE DISTRIBUTION FACILITIES: None

EXHIBIT E

CRUDE OIL DELIVERY LOCATION INFORMATION (Continued)

(DOE latest information obtained from terminal. Any update must be obtained directly from terminal)

EMPCo SUGARLAND TERMINAL

LOCATION: The Sugarland Terminal Docks #1 and #2 are located on the right descending bank of the Mississippi River at river mile marker 158.3 in St. James, Louisiana. The physical location is approximately 9 miles south of the Sunshine Bridge, just off of Hwy 18 (River Road). GPS Coordinates: 30 degrees 00' 40" North Latitude 90 degrees 50' 20" West Longitude

CRUDE OIL STREAMS: Bayou Choctaw Sweet and Bayou Choctaw Sour

DELIVERY POINTS: Sugarland Terminal marine dock facility, LOCAP and Capline Terminals (connections to Capline interstate pipeline system and local commercial pipelines), and Plains Pipeline

MARINE DOCK FACILITIES AND VESSEL RESTRICTIONS:

TANKSHIP DOCKS: 2 Docks: Nos. 1 and 2 Vessel criteria

Sugarland	Dock 1	Dock 2
LOA	940'	940'
Deadweight	123,000	123,000
Displacement	104,000	104,000
Draft	35 ft.	40 ft.
Water	Fresh	Fresh
Air Draft	153 ft.	154 ft.

Freeboard: Max water line to cargo manifold distance = 50 feet plus 12 feet at New Orleans gauge (or 60 feet plus 2 feet at New Orleans gauge).

BARGE LOADING CAPABILITY: Dock 1

OILY WASTE RECEPTION FACILITIES:

(DOE latest information obtained from terminal. Any update must be obtained directly from terminal)

EMPCo SUGARLAND TERMINAL

FACILITIES FOR RECEPTION OF DIRTY BALLAST, CARGO SLOPS AND ENGINE-ROOM OILY WASTES:

Terminal does not facilitate nor handle these types of cargoes.

CUSTOMARY ANCHORAGE:

There are various areas of anchorage and waiting areas along the River to St. James. They can be identified through the vessel's agents and river pilots.

EXHIBIT E

CRUDE OIL DELIVERY LOCATION INFORMATION (Continued)

(DOE latest information obtained from terminal. Any update must be obtained directly from terminal)

Phillips 66 BEAUMONT TERMINAL

LOCATION: Beaumont Terminal, located downstream south bank of the Neches River, approximately 8 miles SE of Beaumont, Texas

PETROLEUM STREAMS: Big Hill Sweet and Big Hill Sour

DELIVERY POINTS: Phillips 66 Beaumont Terminal No. 2 Crude Dock and connections to local commercial pipelines

MARINE DOCK FACILITIES AND VESSEL RESTRICTIONS:

TANKSHIP DOCKS: 1 Dock (No. 2)

MAXIMUM LENGTH

OVERALL (LOA): 1,020 feet

MAXIMUM BEAM: 150 feet

MAXIMUM DEADWEIGHT TONS (DWT):

Maximum DWT at Dock No. 2 is 150,000 DWT. Vessels larger than 85,000 DWT, 875 feet LOA, or 125 feet beam are restricted to daylight transit. Maximum DWT is theoretical berth handling capability; however, purchasers are cautioned that varying harbor and channel physical constraints are the controlling factors as to vessel size and they are responsible for confirming that proposed vessels can be accommodated.

BARGE LOADING CAPABILITY: None

OILY WASTE RECEPTION FACILITIES:

Facilities are available for oily bilge water and sludge wastes. Purchasers are responsible for making arrangements with the terminal and for bearing costs associated with such arrangements.

CUSTOMARY ANCHORAGE:

South of Sabine Bar-Buoy. There is an additional anchorage at the Sabine Bar for vessels with draft of 39 feet or less.

SECTION J.F

EXHIBIT F

JONES ACT

EXHIBIT F

Offerors are advised that the requirements of the “Jones Act” must be met for the marine delivery of crude oil delivered in accordance with this Request for Proposal. The Secretary of the Department of Homeland Security has not issued a general (‘blanket’) waiver of the “Jones Act” requirements related to use of U.S.-flagged vessels for the marine delivery of crude oil being exchanged with the Government in this program. Consequently, if a Contractor wishes to request a waiver of such requirements, it is necessary for the Contractor to follow the procedures listed below for submission of a “Jones Act” waiver request.

Prior to seeking a waiver of the “Jones Act” under 46 U.S.C. 501, Contractors should contact the U.S. Maritime Administration (MARAD) to seek information on the availability of U.S.-flag, suitable coastwise-qualified vessels for the transportation of SPR crude oil. In the event that a “Jones Act” waiver is required, and the Contractor submits a request for a waiver, MARAD will provide information to the U.S. Department of Homeland Security regarding the availability of such vessels. If a U.S.-flag, suitable coastwise-qualified vessel is located, and the Contractor uses such vessel for the transportation of SPR crude oil, no waiver is needed.

MARAD can be contacted at:

Deputy Associate Administrator
Office of Cargo & Commercial Sealift
Maritime Administration
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, D.C. 20590
Telephone: (202) 366-4610
Fax: (202) 366-7901

EXHIBIT F continued

And additional information related to domestic shipping is available at:

<https://www.maritime.dot.gov/ports/domestic-shipping/domestic-shipping>

Unless otherwise specified in the Request for Proposal, a Contractor seeking a waiver of the “Jones Act” should submit a request by letter or electronic means, in accordance with Department of Homeland Security requirements to:

U. S. Customs and Border Protection
Chief/Supervisory Attorney-Advisor
Cargo Security, Carriers and Restricted Merchandise Branch
Regulations and Rulings Directorate
Office of Trade
U.S. Department of Homeland Security
90 K Street, N.E., 10th Floor
Washington, D.C. 20229
Telephone No. (202) 325-0215
Fax: (202) 325-0154

Contractors should identify themselves as a participant in the Government Crude Oil exchange program in this solicitation.

EXHIBIT F continued

Copies of the Jones Act waiver requests should also be sent, as appropriate, to:

- (1) Deputy Associate Administrator
Director of Cargo Preference and Domestic Trade
Maritime Administration
U.S. Department of Transportation
1300 New Jersey Avenue, SE
Washington, D.C. 20590
Telephone: (202) 366-4610
Fax: (202) 366-7901

- (2) U.S. Department of Energy
Deputy Assistant Secretary for
Petroleum Reserves, FECM-40
1000 Independence Avenue, SW
Washington, D.C. 20585
Telephone: (202) 586-4733
Fax: (202) 586-7919

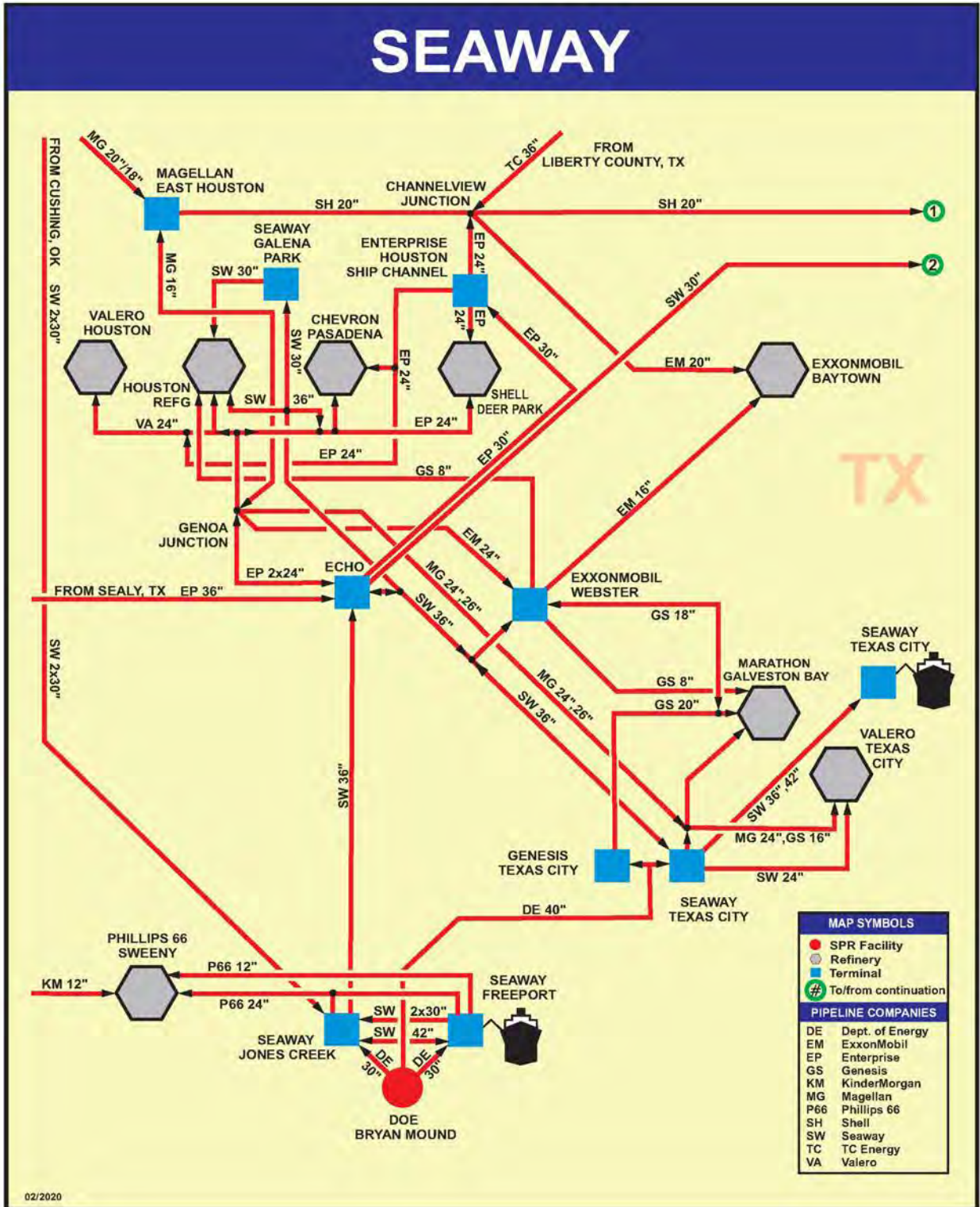
- (3) Contracting Officer, FECM-4451
Strategic Petroleum Reserve Project Management Office
Acquisition and Sales Division
900 Commerce Road East
New Orleans, LA 70123
Telephone: (504) 734-4343
Fax: (504) 818-5343

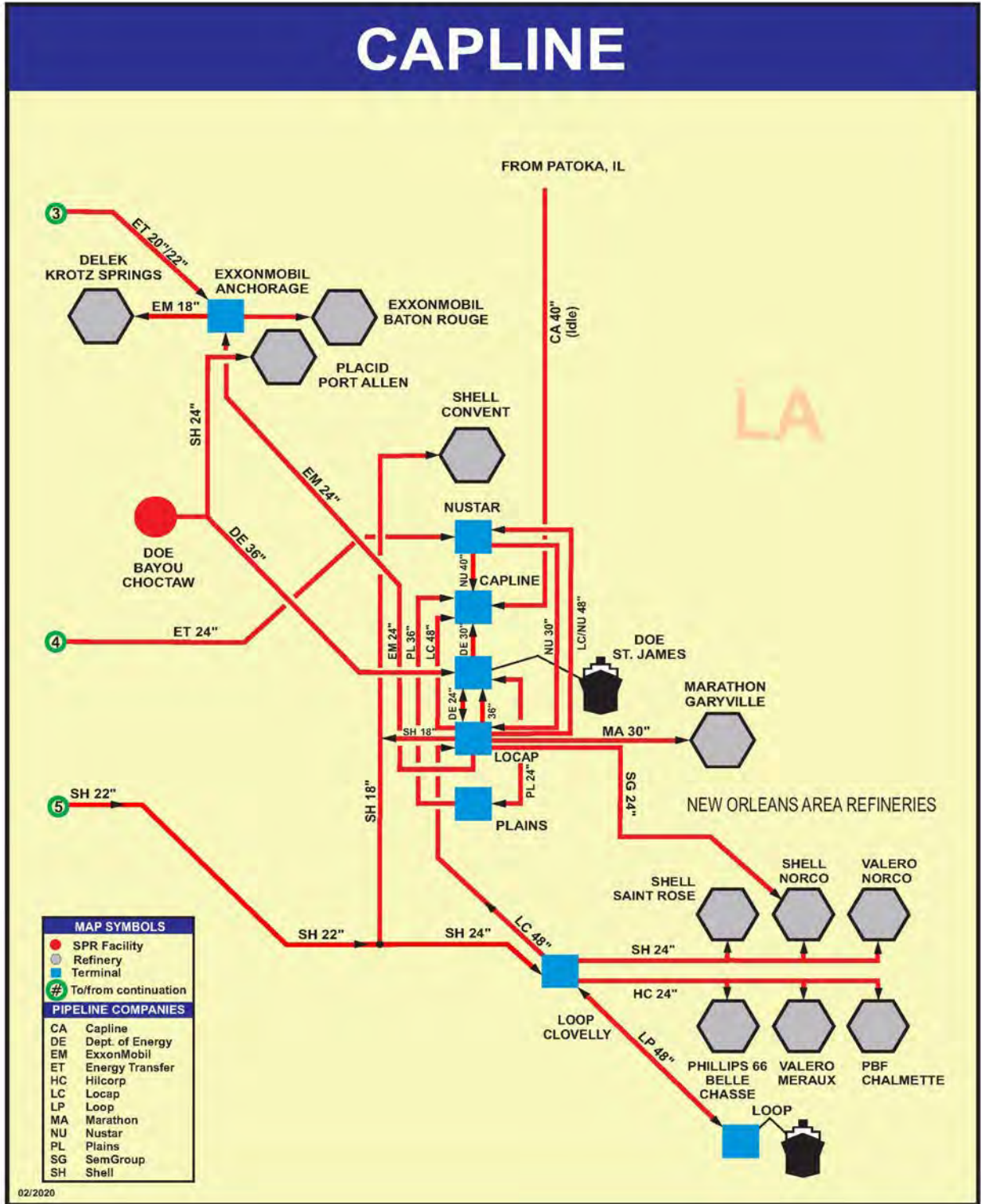
- (4) Office of the Assistant Deputy Under Secretary of Defense
(Transportation Policy) OADUSD
U.S. Department of Defense
3500 Defense Pentagon
Washington, DC 20301-3500
Telephone: (703) 601-4461 x102
Fax: (703) 601-4477

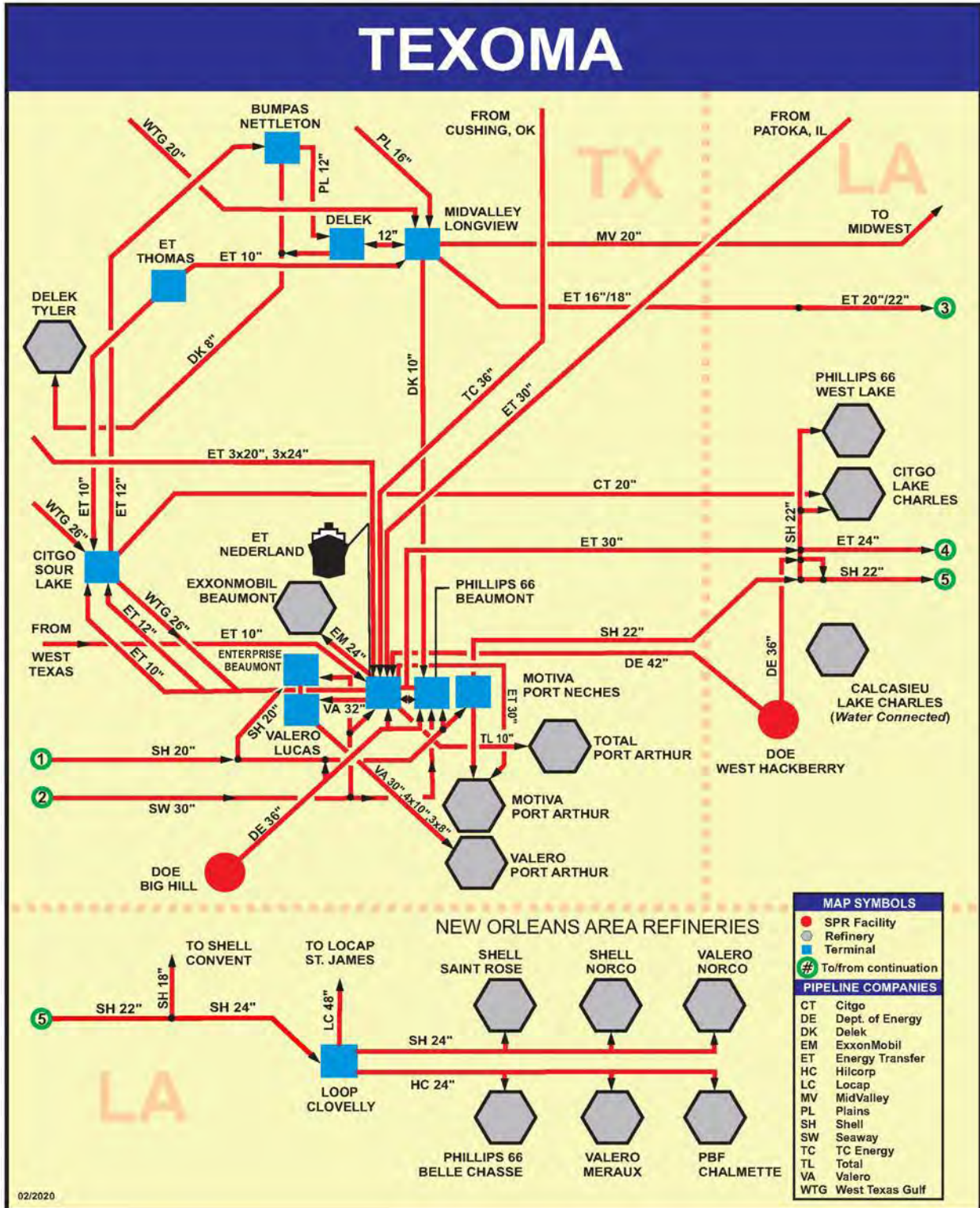
SECTION J.G

EXHIBIT G

DIAGRAMS OF DOE FACILITIES







SECTION J.H

EXHIBIT H

SPR Nomination Form

Exhibit H

STRATEGIC PETROLEUM RESERVE

NOMINATION - CONFIRMATION

SPR Operations	<u>Scheduler</u>
Fluor Federal Petroleum Operations	Chuck Costanza (504) 734-4733
New Orleans, Louisiana	<u>Quantity and Quality</u>
FFPOCOL@SPR.DOE.GOV	Ned Scheppegrell (504) 722-6146

****The following Information Must Be Provided by the Contractor****

Submission Date: [Click here to enter a date.](#) Submission Type: Original Nomination

Contract No.: Enter Contract Number

Contractor: Enter Contractor Name

Address: Enter Address
City, State, Zip

Contractor Contact Information

Primary Contact: Primary Contact Name

Office: Office Phone

Cell: Cell Phone

Email: Email Address

Alternate: Alternate Contact Name

Office: Office Phone

Cell: Cell Phone

Email: Email Address

CODR/DD250 Contractor Signatory Designee*: Signatory Designee Name

Designee can be contractor office personnel, 3rd party inspection company, or chosen loss control representative*.

Office: Office Phone

Cell: Cell Phone

Email: Email Address

Note: If multiple designees are to be used, please input "See Attached" and provide list to FFPOCOL@spr.doe.gov with nomination.

†Third Party Inspection Company Information

Company: 3rd Party Inspection Company

Contact: 3rd Party Contact Name

Contact Ned Scheppegrell for any questions on SPR 3rd party inspection and testing. (See Note at bottom of page)

Nomination Information and Delivery Window (additional lines on following page)

<u>Delivery Window</u>	<u>Pipeline/Vessel</u>	<u>Volume (MB)</u>	<u>SPR Site</u>	<u>Destination</u>
Dates	Choose an item.	Volume	Site	
Dates	Choose an item.	Volume	Site	
Dates	Choose an item.	Volume	Site	
Dates	Choose an item.	Volume	Site	
	Total Volume:	Total Volume		

The Following information to be provided by SPR Operations Personnel

Terminal Information

Terminal: TBD

Contact:

Contact:

Contact:

Custody Transfer Point

TBD

Quality Point

TBD

Quantity Point

TBD

DOE needs to pre-test each cargo prior to receipt, please contact Ned Scheppegrell 504-722-6146, or email Ned.Scheppegrell@spr.doe.gov

SECTION J

EXHIBIT I

SAMPLE - OFFER GUARANTEE STANDBY LETTER OF CREDIT
SAMPLE – PAYMENT AND PERFORMANCE LETTER OF CREDIT

RESERVED

CARGO PREFERENCE ACT

Ocean shipments of crude oil for the SPR are generally subject to the requirements of the Cargo Preference Act, as amended, Pub. L. No. 115-232, 46 U.S.C. § 55305(b). The Act provides in pertinent part that:

When the United States Government procures, contracts for, or otherwise obtains for its own account, or furnishes to or for the account of a foreign country, organization, or persons without provision for reimbursement, any equipment, materials, or commodities, or provides financing in any way with Federal funds for the account of any persons unless otherwise exempted, within or without the United States, or advances funds or credits, or guarantees the convertibility of foreign currencies in connection with the furnishing or obtaining of the equipment, materials, or commodities, the appropriate agencies shall take steps necessary and practicable to ensure that at least 50 percent of the gross tonnage of the equipment, materials, or commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) which may be transported on ocean vessels is transported on privately-owned commercial vessels of the United States, to the extent those vessels are available at fair and reasonable rates for commercial vessels of the United States, in a manner that will ensure a fair and reasonable participation of commercial vessels of the United States in those cargoes by geographic areas.

Thus, the Cargo Preference Act requires Government to take “steps necessary and practicable to ensure that at least 50 percent” of oil for the SPR that is transported on ocean vessels be transported on United States flag-commercial (*sic*) vessels, if such vessels are available at fair and reasonable rates for United States-flag commercial vessels.

Source: U.S. Department of Justice, Office of Legal Counsel, Office of the Assistant Attorney General, “MEMORANDUM FOR ELIZABETH H. DOLE Secretary of Transportation and DONALD P. HODEL Secretary of Energy, Re: Applicability of the Cargo Preference Act to the Transportation of Alaskan Oil to the Strategic Petroleum Reserve,” September 15, 1983.

PART IV – REPRESENTATIONS AND INSTRUCTIONS

SECTION K

**REPRESENTATIONS, CERTIFICATIONS, AND
OTHER STATEMENTS OF OFFERORS**

PART IV – REPRESENTATIONS AND INSTRUCTIONS

SECTION K

**REPRESENTATIONS, CERTIFICATIONS, AND
OTHER STATEMENTS OF OFFERORS**

The Contractor's representations and certifications, including those completed electronically via the System for Award Management (SAM), are incorporated by reference into the contract.

**DEPARTMENT OF ENERGY
STRATEGIC PETROLEUM RESERVE (SPR)
OIL EXCHANGE AGREEMENT
22PO0002**

This Exchange Agreement, entered into this 22nd day of December 2021, between the UNITED STATES OF AMERICA, acting by and through the Department of Energy, hereinafter referred to as the “GOVERNMENT” or “DOE” and Marathon Petroleum Supply and Trading LLC, hereinafter referred to as the “Contractor.”

WITNESSETH:

1. AUTHORITY – That the Secretary of Energy, under the authority of the Department of Energy Organization Act (42 U.S.C. 7101 *et seq.*) and sections 159(f)(5) and 160(a) of the Energy Policy and Conservation Act (42 U.S.C. 6239, 6240), having determined that the exchanging of crude oil will be advantageous to the Government and in the public interest, hereby enters into this agreement with the Contractor for the exchange of crude oil from the SPR.

2. CUSTODY TRANSFER –
Bayou Choctaw to Redstick
Custody transfer quantity and quality measurements will be the Bayou Choctaw Meters and in-line sampler for deliveries into the Redstick pipeline. Secondary measurement for quantity will be the St. James Sugarland meter and quality will be inline samples taken at the DOE Bayou Choctaw site. If neither the Bayou Choctaw facility or St. James facility can perform as primary or secondary measurement, then the Saint James receipt point destination meter and inline sampler shall be used. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and testing and perform testing if necessary.

Any change of the custody measurement point from Bayou Choctaw meter and inline sampler to the St. James meter and inline sampler to facilitate the Bayou Choctaw movements, the customer will remain responsible for all charges pertaining to the Redstick pipeline through-put charges.

The Government will deliver approximately 250,000 barrels (plus/minus 10%) of sour crude with an estimated API of 31.9 and an estimated sulfur of 1.46 from the Government’s Bayou Choctaw site to the contractor.

Return of oil to the SPR:

Return from St James Terminal to Bayou Choctaw

Custody transfer quantity and quality measurements for the return of oil to the SPR shall be based on the Bayou Choctaw meters and in-line sampler. Secondary measurement for quantity will be the Sugarland meter and quality will be manual grab samples taken at the Bayou Choctaw site. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector lab. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party Inspection Company will witness all measurement and testing and perform testing.

All costs associated with the transportation of the exchange oil transferred from and to the SPR will be absorbed by the Contractor, to include but not be limited to, tariffs, marine shipment, pipeline shipment, U.S. Customs duties, harbor and environmental fees (including Texas Coastal protection fees), terminalling and tankage charges.

3. TERM – The Government will commence delivery as soon as possible with an objective to be completed by December 31, 2021. Contractor shall return all exchange oil plus premium barrels to the Bayou Choctaw SPR site during the months of June 1, 2024 through September 30, 2024. Contractor’s oil return schedules must be approved by the Government prior to delivery. Also, see Provision 18 for additional scheduling requirements.
4. PAYMENT AND PERFORMANCE GUARANTEE – Within three (3) business days after receipt of award, the Contractor must provide to the Contracting Officer an acceptable “Irrevocable Standby Letter of Credit” established in favor of the United States Department of Energy to the Contracting Officer in the amount of \$17,235,000.00 with an expiration date of November 30, 2024. The letter must contain the substantive provisions set out in Attachment B, and be issued by a depository institution located in and authorized to do business in any state of the United States or the District of Columbia, and authorized to issue letters of credit by the banking laws of the United States or any state of the United States or the District of Columbia. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible-Settlement-only. The issuing bank must provide documentation indicating that the person(s) signing the letter of credit is authorized to do so, in the form of corporate minutes, the Authorized Signature List, or the General Resolution of Signature Authority. All wire deposit and letter of credit costs will be borne by the purchaser.

The letter of credit must be an “Irrevocable Standby Letter of Credit” and **MUST NOT VARY IN SUBSTANCE** from the sample in Attachment B. If the letter of credit contains any provisions at variance with Attachment B or fails to include any provisions contained in Attachment B, nonconforming provisions must be deleted and missing substantive provisions must be added or the letter of credit will not be accepted.

The blanks in Attachment B shall be filled in by the issuing bank, except those in the drawing statements. The drawing statements are in bold print with double underlines for the blanks. The double underlined blanks will be filled in only at the time of a drawing against the letter of credit.

Please submit an electronic copy to mary.roark@spr.doe.gov. The original of the letter of credit must be sent to the attention of:

U.S. Department of Energy
Strategic Petroleum Reserve
Planning and Financial Management Division
FE-4452
900 Commerce Road East
New Orleans, LA 70123-3406

Failure to provide the letter of credit shall constitute grounds for termination of the contract for default.

5. PAYMENT – Contractor agrees to a fixed 8.6% premium return of sour crude oil in addition to actual crude oil received from the SPR. The premium percentage will be applied to the barrels actually delivered to the contractor (*for example if the SPR delivers 250MB NSV barrels, the premium would be $250MB \times 1.0860 = 271,500$ or 21,500 premium barrels*) with a minimum premium owed to the DOE of 19,350 sour barrels. All sour crude oil returned to the SPR must meet the specifications in Attachment A. The Contractor should make every effort practical to return 100% of the oil quantity delivered however must return at least 90% of the actual crude oil volume received plus the calculated premium to the designated SPR site.
6. GOVERNMENT NON-LIABILITY/ CONTRACTOR LIABILITY – Contractor covenants that it will defend, indemnify and save and hold harmless the Government, its officers, agents, and employees for and from any and all liability or claims for damages to property or injuries to or death of persons which may arise from or be incident to the use of the exchange oil, or for damages to the property or injuries to the person of Contractor (if an individual), or damages to the property or injuries to or death of the person of Contractor's officers, agents, servants, employees, or others who may be on said premises at their invitation or the invitation of any one of them, arising from exchange activities.

Contractor further covenants that any property of the Government lost, damaged or destroyed incident to Contractor's use of the exchange oil shall be promptly replaced by Contractor to the satisfaction of the Contracting Officer, or in lieu of such replacement Contractor shall, if so required by the said officer, pay to the Government money in an amount sufficient to compensate for the loss sustained by the Government by reason loss, damage or destruction of the property.
7. NOTICES – No notice, order, direction, determination, requirement, consent, or approval under this Exchange Agreement shall be of any effect unless in writing. All notices required under this Exchange Agreement shall be addressed to Contractor, or to the Contracting Officer, as may be appropriate.

8. COMMUNICATIONS – Notices and other communications provided for herein shall be in writing and shall be delivered or mailed as follows:

Delivery and or Return:

Contractor shall notify Mr. Russ Romero, Bayou Choctaw Site Director at (225) 692-6210, Bayou Choctaw Site, Hwy. 1148 (Off LA1), Plaquemine, LA 70764 for coordination of pipeline schedules and operations as well as Chuck Costanza at (504) 473-9975 or Bradley Bauer (504)234-0145 **and** email to FFPOCOL@spr.doe.gov. All communications sent via need to include FFPOCOL@spr.doe.gov. Contractual issues shall be addressed with the Department of Energy’s Contracting Officer, Mary C. Roark, at (504) 734-4195.

9. EXAMINATION OF RECORDS BY THE GOVERNMENT – Contractor agrees that the Government or any of its duly authorized representatives shall, until the expiration of three years after final payment under this agreement, have access to and the right to examine any books, documents, paper, and records of the Contractor involving transactions related to this agreement or compliance with any clauses thereunder.
10. CHANGES – The Contracting Officer may, at any time, without notice to the Letter of Credit guarantee(s), by written order designated or indicated to be a change order, or verbal direction followed by written order, make changes within the terms and conditions of the contract, including but not limited to the following changes-
- a. In the volume to be delivered to the Contractor or returned to the SPR.
 - b. To the delivery period for issuance of SPR crude oil or for return of barrels back to the SPR.
 - c. In the type of crude oil to be returned to the SPR.
 - d. To delivery mode of crude oil coming out of the SPR or return oil.
 - e. In the delivery point(s) of return oil to the SPR.

Any other written or oral order (which, as used in this paragraph, includes direction, instruction, interpretation, or determination) from the Contracting Officer that causes a change shall be treated as a change order under this provision; Provided, that the Contractor gives the Contracting Officer written notice stating –

- a. The date, circumstances, and source of the order, and
- b. That the Contractor regards the order as a change order.

If any change under this provision causes an increase or decrease in the Contractor’s cost of, or the time required for, the performance of any part of the performance under this contract, whether or not changed by any such order, the Contracting Officer shall make an equitable adjustment and modify the contract in writing.

The contractor must assert its right to an adjustment under this provision within 30 calendar days after notification of the change.

11. NATIONAL AND OPERATIONAL EMERGENCIES – Return oil deliveries to the DOE may be rescheduled or redirected upon the determination of a national or DOE operational emergency. A negotiated adjustment to the contract will be made as a result of this direction. However, should the parties fail to reach a settlement, the Government shall establish an equitable adjustment subject to the Provision entitled “Disputes.”
12. DEFAULT –
 - a. The Government may, by written notice of default to the Customer, terminate this contract in whole or in part if the Contractor fails to -
 - (1) Receive SPR crude oil within the time specified in this contract or any extension;
 - (2) Make progress in scheduling of contracted deliveries, so as to endanger performance of this contract; or
 - (3) Perform any of the other provisions of this contract.
 - b. The rights and remedies of the Government in this clause are in addition to any other rights and remedies provided by law or under this contract.
13. TERMINATION FOR THE CONVENIENCE OF THE GOVERNMENT – The Contracting Officer, by written notice, may terminate this contract, in whole or in part, when it is in the Government’s interest. If this contract is terminated, the Government shall be liable only for reasonable, customary and applicable costs incurred by the Customer before the effective date of termination, but shall not be liable for consequential damages or the contractor’s lost profits.
14. EXCUSABLE DELAYS
 - a. In the event either party should be prevented from performing under this contract by reason of any unforeseeable cause beyond its control and without its fault or negligence, including, but not restricted to, acts of God or of the public enemy, sovereign acts of the United States, acts of a foreign Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, performance under the contract shall be suspended in whole or in part until such cause ceases to exist and thereafter the time for fulfillment of the contract shall be extended by the length of time during which such cause prevented performance under the contract.
 - b. In order for this provision to become operative, the party to the contract affected by the excusable delay condition shall furnish the other party with written notice of the nature and extent of the excusable delay condition promptly after the commencement thereof,

but in any event prior to shipment of the crude oil from the location from which it is to be shipped. Written notice shall be furnished within ten (10) calendar days to the other party when the excusable delay condition ceases to exist.

15. FORCE MAJEURE – Force Majeure means, except for payment due hereunder, either party hereto shall be relieved from liability for failure to perform hereunder for the duration and to the extent such failure is occasioned by war, riots, insurrections, fire, explosions, sabotage, strikes, and other labor or industrial disturbances, acts of God or the elements, disruption or mechanical breakdown of production or transportation facilities, or delays of pipeline carrier in receiving and delivering crude oil tendered. Any such failures to perform shall be remedied with all reasonable dispatch.

As employed herein, the term “party”, as it relates to the Contractor, shall not include affiliated business concerns or individuals if, directly or indirectly, (1) either one controls or can control the other, or (2) a third party controls or can control both.

16. DISPUTES –

- a. This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. Section 601 et seq.). If a dispute arises relating to the contract, the Customer may submit a claim to the Contracting Officer, who shall issue a written decision on the dispute in the manner specified in 48 CFR 1-33.211.
- b. “Claim” means:
- (1) A written request submitted to the Contracting Officer;
 - (2) For payment of money, adjustment of contract terms, or other relief;
 - (3) Which is in dispute or remains unresolved after a reasonable time for its review and disposition by the Government; and
 - (4) For which a Contracting Officer’s decision is demanded.
- c. In the case of dispute requests or amendments to such requests for payment exceeding \$100,000, the Customer shall certify at the time of submission as a claim, as follows:

I certify that the claim is made in good faith, that the supporting data are current, accurate and complete to the best of my knowledge and belief and that the amount requested accurately reflects the contract adjustment for which the Customer believes the Government is liable.

Customer’s Name _____
Signature _____
Title _____

- d. The Government shall pay to the Customer interest on the amount found due to the Customer on claims submitted under this provision at the rate established by the Department of the Treasury from the date the amount is due until the Government

makes payment. The Contract Disputes Act of 1978, as amended, and the Prompt Payment Act adopt the interest rate established by the Secretary of the Treasury under the Renegotiation Act as the basis for computing interest on money owed by the Government. This rate is published semi-annually in the Federal Register.

- e. The Customer shall pay to the Government interest on the amount found due to the Government and unpaid on claims submitted under this provision at the rate specified in Paragraph d. above from the date the amount is due until the Customer makes payment.
- f. The decision of the Contracting Officer shall be final and conclusive and shall not be subject to review by any forum, tribunal, or Government agency unless an appeal or action is commenced within the times specified by the Contract Disputes Act of 1978, as amended.
- g. The Customer shall comply with any decision of the Contracting Officer and at the direction of the Contracting Officer shall proceed diligently with performance of this contract pending final resolution of any request for relief, claim, appeal, or action related to this contract.

17. OIL QUALITY – The Contractor shall be responsible for variations in oil quality exceeding the limits set forth below upon the return of the oil to the Government. The reference basis shall be the weighted average sour results of the laboratory tests conducted by the Government for API gravity and Sulfur weight percent taken when custody originally passed to the Contractor. Please note, the DOE will not be liable for any quality differential for Return Oil delivered to the SPR.

- a. Quality differentials will be calculated by utilizing the Quality tables in Attachment D. The allowable variations from the common quality for crude oil deliveries are defined as:

<u>QUALITY</u>	<u>Allowable Quality Variations</u>	
	<u>DOE CRUDE OIL</u>	<u>(CATEGORY)</u>
	<u>SWEET</u>	<u>SOUR</u>
Gravity - API°	-0.5	-0.5
Sulfur - Wt%	+0.10	+0.10

- b. API Gravity between 40.0 and 45.0: No quality differential shall be accessed.
- c. API Gravity between 35.0 and 40.0: Adjustment for Sour crude oil is 2¢ per barrel for each degree (1.0°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded. Specifically, computed API Gravity excess variances for each cargo, reported in API Gravity 0.1° increments, shall be rounded up to the next whole 1.0° API.

- d. API Gravity below 35.0: Adjustment for Sour crude oil is 1.5¢ per barrel for each tenth of a degree (0.1°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded.
- e. Total Sulfur: 1.0¢ per barrel for each 1/100th percent (0.01%) increase/decrease in total sulfur by which the allowable variations set forth above are exceeded.
- f. If crude oil delivered to the DOE falls below the minimum SPR specification for API Gravity, or above the maximum DOE specification for sulfur, as defined in Attachment A, a quality differential adjustment shall be applied without a variance allowance on that portion exceeding the specification limit.

There is a limit of 0.1% freewater on delivery to the SPR as measured either by contractor's shore tank or on the vessel prior to discharge into tanks designated for DOE receipts. The inspector's gauges, witnessed by the DOE representative, either on the vessel at the dock facility or terminal shore tank, will be the method used to determine the final freewater barrel amount. This clause is effective in conjunction with the Water and Sediment [Vol.%] maximum limit of 1.0% as stated in Attachment A; e.g., a 500,000 barrel oil delivery to the SPR is limited to 1.0% S&W (5,000 barrels), of which a maximum of 0.1% (500 barrels) can be freewater. Contractor is responsible for all costs associated with removal of excess freewater. Exceeding the freewater limitations specified herein will result in the cargo being rejected.

18. SCHEDULING OF OIL MOVEMENTS – Contractor shall schedule all oil deliveries through the appropriate commercial pipeline and marine terminal facilities, ensuring that it has coordinated the deliveries with the SPR.

For marine deliveries, the Contractor shall provide a working schedule to the DOE not later than the fifteenth day of the month prior to the month in which deliveries will be made (e.g. by January 15 for February deliveries). This working schedule will contain total monthly volumes and the approximate delivery dates and quantities for each month of delivery. No later than seven business days prior to each delivery, the Contractor shall provide vessel name, vessel quality data, the expected date of arrival, the volume to be delivered, vessel agents and any other pertinent information that may be needed. The SPR will provide a Nomination-Confirmation Form (Attachment E). The Contractor shall complete the yellow highlighted areas and return the form in the time frame defined above.

The Contractor, or its designated agent, shall provide pre-arrival notices 72 hours, 48 hours and 24 hours prior to discharge to both the DOE and the discharge terminal.

For pipeline deliveries, the Contractor shall make necessary arrangements with the commercial pipelines connected to the DOE or its interconnecting pipelines. Nomination information regarding these deliveries shall be provided to the DOE not later than five calendar days prior to the month in which deliveries will be made.

Note 1: It is the responsibility of the offerors to confirm these specifications prior to nominations to insure most current information.

Note 2: Any barrels awarded under the Exchange solicitation DE-RP96-22PO00001 on December 8, 2021 will have scheduling priority over cargoes underneath this agreement in the December through March 2022 delivery period and June 2024 through September 2024 return period.

Note 3: Any barrels awarded under Notice of Sale No. DE-NS96-22PO10000 will have scheduling priority over cargoes underneath this agreement in the February through March 2022 period.

19. SPR Oil Quality

The quality characteristics of the crude oil stream offered in the exchange are those cited in the Strategic Petroleum Reserve Crude Oil Assays.

This crude oil quality data is a weighted average composition of the specific caverns that comprise the streams offered in the exchange. Although a specific crude oil benchmark is referenced; SPR inventory contains a blend of domestic and global crude including Isthmus, Urals, Alaskan North Slope, Arabian Light, Saharan, and Dubai with segregation by Sweet and Sour storage caverns. The SPR has observed H₂S concentration (which is found naturally in crude oil) greater than 10 ppm in liquid in some crude batches. Measurements of H₂S in vapor space can be orders of magnitude higher than in liquid and difficult to measure due to factors in handling, weather, etc. OSHA provides guidelines on appropriate safety precautions and equipment if crude is handled openly, spilled, or released to the atmosphere. Offerors are encouraged to review the SPR Crude Oil Assay Manual, Crude Oil Safety Data Sheet, and the Strategic Petroleum Reserve Crude Oil Assays for more detailed oil stream composition and specifics so that conditions (such as the presence of H₂S) are expected and communicated downstream.

Note: Each SPR stream will be a blended average using several caverns. As a result, actual representative samples are not available prior to deliveries. Please refer to Crude Oil Assays which provides a weighted average composite profile of the stream.

20. DELIVERY AND RECEIPT DOCUMENTATION – All quantity and quality determinations shall be documented on the Material Inspection and Receiving Report (DD Form 250). See Attachment C-1 for copy of this form. The DD Form 250 shall be signed by the Customer's agent to acknowledge delivery and receipt of the quantity and quality of crude oil indicated. Copies of the completed DD Form 250, with applicable supporting documentation (i.e., metering or tank gauging tickets and appropriate calculation worksheets), shall be furnished to the Customer and/or the Customer's authorized representative after completion of delivery or receipts. Also, marine Bills of Lading or Pipeline Statements identifying crude type shipped shall be provided by the contractor.

The Customer shall provide written confirmation to the SPR, no later than seven calendar days prior to the scheduled date of each delivery under the contract, the name(s) of the authorized agent(s) given signature authority to sign/endorse the delivery documentation on the Customer's behalf. Any changes to this listing of names shall be provided to the SPR in writing no later than 72 hours before the first delivery to which such change applies. In the

event that an independent surveyor (separate from the authorized signatory agent) is appointed by the Customer to witness the delivery operation (gauging, sampling, testing, etc.), written notification shall be provided to SPR, no later than 72 hours prior to the scheduled date of each applicable cargo delivery to or from the SPR.

Absence of the provision of the name(s) of bona fide agent(s) and the signature of such agent on the delivery documentation constitutes acceptance of the delivery quantity and quality as determined by the Government and/or its agents

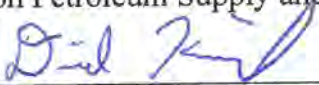
21. **RECONCILIATION** – Within 30 days, barring any exceptions, after completion of the final scheduled delivery of exchange oil under the contract, any imbalances that may exist in the crude oil volumes agreed upon in the contract will be reconciled in the following manner:

If DOE receives an amount of exchange oil that exceeds the contracted return oil delivery volume, the Government will attempt to reconcile the imbalance through cash payments or other alternate means, as available. If reconciliation is by cash payment, the Contractor shall invoice the DOE based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250.


If the Contractor delivers a total volume of return oil which is less than the contracted quantity, the DOE will invoice the Contractor for the undelivered amount based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250. If no payment is received by the due date specified on the invoice, the applicable amount owed will be drawn against the Contractor's Payment and Performance Letter of Credit as described in Provision 4 of this contract.

Note: The cost value is derived from the data published in the Argus Americas Crude Oil Price Report. If no published prices are available, a mutually agreed upon price will be negotiated. Should the parties fail to reach a negotiated price, the Government shall determine a fair and reasonable price.

Contractor
Marathon Petroleum Supply and Trading LLC

By: 
Name: Daniel Kimmel
Title: Vice President

The United States of America

By: 
Name: Mary C. Roark
Title: Contracting Officer


PK

Approved as to form.

ATTACHMENT A

STRATEGIC PETROLEUM RESERVE CRUDE OIL SPECIFICATIONS ^a (SPRO MAY 2020) ^{e1}

CHARACTERISTIC	SOUR	SWEET	PRIMARY ASTM TEST METHOD ^b
API Gravity [°API]	30-45	30-45	D1298 or D5002
Total Sulfur [Mass %], max.	1.99	0.50	D4294
Pour Point [°C], max.	10	10	D97
Salt Content [Mass %], max.	0.050	0.050	D6470
Viscosity			
[cSt @ 15.6°C], max.	32	32	D445
[cSt @ 37.8°C], max.	13	13	
Vapor Pressure			
[VPCR4 (100°F) psia (kPa)] ^c , max.	9(62.1)	9(62.1)	D6377
Total Acid Number [mg KOH/g], max.	1.00	1.00	D664
Water and Sediment [Vol. %], max.	1.0	1.0	473 and D4006, or D4928
Yields [Vol. %]			D2892 and D5236 ^e
Naphtha [28-191°C]	24-30	21-42	
Distillate [191-327°C]	17-31	19-45	
Gas Oil [327-566°C]	26-38	20-42	
Residuum [>566°C]	10-19	14 max.	
Light Ends [Liquid Vol. %] ^d , max			
Methane (C ₁)	0.01	0.01	IP344 or ITM 6008
Ethane (C ₂)	0.1	0.1	
Propane (C ₃)	1.0	1.0	

^{e1} This revision includes a limitation on light ends content (see Footnote ^d)

- ^a Marketable crude petroleum suitable for normal refinery processing and free of foreign contaminants or chemicals including, but not limited to, pour point depressants, chlorinated and oxygenated hydrocarbons, and lead.
- ^b Alternate methods may be used if approved by the contracting officer.
- ^c D 7169 data may be provided in requesting conditional acceptance of a crude oil. Distillation data according to D 2892 and D 5236 will still be necessary for final qualification of a crude oil's acceptance.
- ^d Light ends content specifications are interim and will be superseded if and when industry standards for light ends evaluation are implemented.
- ^e Vapor pressure changed to better reflect current domestic crude standards.

- NOTE 1: The Strategic Petroleum Reserve reserves the right to refuse to accept any crude oil which meets these specifications but is deemed to be incompatible with existing stocks, or which has the potential for adversely affecting handling.
- NOTE 2: The acceptability of any crude oil depends upon any assay typical of current production quality of the stream. Assays typical of current production quality are mandatory for any crude oil not received by the SPR within the last three years. Any crude oil offered to the Strategic Petroleum Reserve that meets these specifications may be subject to additional testing for acceptance.
- NOTE 3: All crude oil shipments received by the SPR are tested to ensure they meet specifications. Crude streams found consistently not meeting required specifications will be removed from the list of acceptable crude oils.

ATTACHMENT B

SAMPLE - PAYMENT AND PERFORMANCE LETTER OF CREDIT BANK LETTERHEAD IRREVOCABLE STANDBY LETTER OF CREDIT

Date: _____

To: U.S. Department of Energy
Strategic Petroleum Reserve
900 Commerce Road East
New Orleans, LA 70123
Attn: (Mary Roark)

AMOUNT OF LETTER OF CREDIT: U.S.\$ _____ (_____)

CONTRACTOR: _____

CONTRACT NO: 22PO0002 _____

LETTER OF CREDIT NO: _____

EXPIRATION DATE: November 30, 2024 _____

AMERICAN BANKERS ASSOCIATION (ABA) NO: _____

To whom it may concern:

We hereby establish in the U.S. Department of Energy's favor our irrevocable standby Letter of Credit effective immediately for the account of our customer's above contract with the U.S. Department of Energy for the exchange of Strategic Petroleum Reserve petroleum.

This letter of credit is available by your draft/s at sight, drawn on us and accompanied by a manually signed statement that the signer is an authorized representative of the Department of Energy, and one or more of the following statements:

- a. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO RECEIVE THE SPR CRUDE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."
- b. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO DELIVER RETURN EXCHANGE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."
- c. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO MAKE FINAL RECONCILIATION PAYMENT IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."

Drafts must be presented for payment on or before the expiration date of this Letter of Credit at our bank. The Government may make multiple drafts against this Letter of Credit.

Upon receipt of the U.S. Department of Energy's demand by hand, mail express delivery, or other means, at our office located at _____, we will honor the demand and make payment, by 3 p.m. Eastern Time of the third business day following receipt of the demand by wire transfer of funds as a deposit to the account of the U.S. Treasury over the Fedwire Funds Service. The information to be included in each transfer will be as provided in the above referenced contract.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision, International Chamber of Commerce Publication no. 600) and except as may be inconsistent therewith, to the Uniform Commercial Code in effect on the date of issuance of this Letter of Credit in the state in which the issuer's head office within the United States is located.

We hereby agree with you that all drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation and delivery of the above documents for payment at our bank on or before the expiration date.

In the event of a bankruptcy filing by the applicant prior to the expiration date of this letter of credit, the expiration date of this letter of credit will automatically be extended by one hundred twenty (120) calendar days from the expiration date.

Address all communications regarding this Letter of Credit to (name and phone number).

Very truly yours,

(Authorized Signature)

(Typed Name and Title)

INSTRUCTIONS FOR PAYMENT AND PERFORMANCE GUARANTEE LETTER OF CREDIT

1. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible – Settlement-only.
2. Letter of Credit must not vary in substance from this attachment. Provide a copy of this attachment to your bank.
3. Banks shall fill in blanks EXCEPT those in the drawing statements. **The drawing statements are in bold print.**
4. Type name and title under authorized signature and provide documentation of authorized signature.

ATTACHMENT C-1 DD FORM 250

MATERIAL INSPECTION AND RECEIVING REPORT DD Form 250, AUG 2000

MATERIAL INSPECTION AND RECEIVING REPORT						FORM APPROVED OMB No. 0704-0248
<p>The public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports, (0704-0248), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA, 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0248), Arlington, DC 20503. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.</p> <p style="text-align: center;">PLEASE DO NOT RETURN YOUR COMPLETED FORM TO EITHER OF THESE ADDRESSES. SEND THIS FORM IN ACCORDANCE WITH THE INSTRUCTIONS CONTAINED IN THE DFARS, APPENDIX F-401</p>						
1. PROCUREMENT INSTRUMENT IDENTIFICATION (CONTRACT) NO.		2. SHIPMENT NO.		3. DATE SHIPPED		8. ACCEPTANCE POINT
DOE OWNED CRUDE OIL						
9. PRIME CONTRACTOR CODE Fluor Federal Petroleum Operations 850 S. Clearview Pkwy, New Orleans, LA 70123		4. B/L TCN		5. DISCOUNT TERMS		
11 SHIPPED FROM (If other than 9) CODE FOB:		10. ADMINISTERED BY DEPARTMENT OF ENERGY STRATEGIC PETROLEUM RESERVE PROJECT MANAGEMENT OFFICE		12. PAYMENT WILL BE MADE BY		
13. SHIPPED TO CODE		14. MARKED FOR		12. PAYMENT WILL BE MADE BY		
15. ITEM NO.	16. STOCK/PART NO. (Indicate number of shipping containers - type of container - container number.)	17. QUANTITY SHIP/REC'D *	18. UNIT	19. UNIT PRICE	20. AMOUNT	
-	Gross	NET @ 60° F.	BARRELS			
21. CONTRACT QUALITY ASSURANCE			22. RECEIVER'S USE			
a. ORIGIN		b. DESTINATION		Quantities shown in column 17 were received in apparent good condition except as noted.		
<input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or in supporting documents.		<input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or on supporting documents.		DATE RECEIVED		
DATE		DATE		SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		
SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		TYPED NAME:		
TYPED NAME:		TYPED NAME:		TITLE:		
TITLE:		TITLE:		MAILING ADDRESS:		
MAILING ADDRESS:		MAILING ADDRESS:		COMMERCIAL TELEPHONE NUMBER:		
COMMERCIAL TELEPHONE NUMBER:		COMMERCIAL TELEPHONE NUMBER:		*If quantity received by the Government is the same as quantity shipped, indicate by (x) mark; if different, enter actual quantity received below quantity shipped and encircle.		
23. CONTRACTOR USE ONLY:						

ATTACHMENT C-2 DD FORM 250-1

TANK/BARGE MATERIAL INSPECTION AND RECEIVING REPORT				FORM APPROVED OMB No. 0704-0248 Expires Dec 31, 1990	
Public reporting burden for this collection of information is estimated to average 35 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0248), Washington, DC 20503.					
PLEASE DO NOT RETURN YOUR COMPLETED FORM TO EITHER OF THESE ADDRESSES. SEND THIS FORM IN ACCORDANCE WITH THE INSTRUCTIONS CONTAINED IN THE DFARS, APPENDIX F-401.					
1. TANKER BARGE <input type="checkbox"/> LOADING REPORT <input checked="" type="checkbox"/> DISCHARGE REPORT		2. INSPECTION OFFICE		3. REPORT NUMBER	
4. AGENCY PLACING ORDER OR SHIPPER, CITY, STATE AND/OR LOCAL ADDRESS (Loading)			5. DEPARTMENT		6. PRIME CONTRACT OR P.O. NUMBER
7. NAME OF PRIME CONTRACTOR, CITY, STATE AND/OR LOCAL ADDRESS (Loading)					8. STORAGE CONTRACT
9. TERMINAL OR REFINERY SHIPPED FROM, CITY, STATE AND/OR LOCAL ADDRESS (Loading)					10. ORDER NUMBER OR SUPPLIER
11 SHIPPED TO (Receiving, Activity, City, State and/or Local Address)					12. B/L NUMBER
					13. REQN. OR REQUEST NO.
15. VESSEL		16. DRAFT ARRIVAL FORE AFT		17. DRAFT SAILING FORE AFT	
18. PREVIOUS TWO CARGOES FIRST LAST		19. PRIOR INSPECTION		22. CONTRACT ITEM NO. N/A	
20. CONDITION OF SHORE PIPELINE		21. APPROPRIATION (Loading)		24. SPECIFICATIONS N/A	
23. PRODUCT		25. STATEMENT OF QUANTITY		26. STATEMENT OF QUALITY	
		LOADED		DISCHARGED	
		LOSS/GAIN		PER CENT	
BARRELS (42 Gals/Net) NSV					
GALLONS (Net)					
TONS (Long) Barrels GSV					
TEST RESULTS		VESSEL COMPOSITE		THIRD PARTY INSPECTOR VESSEL COMPOSITE	
API GRAVITY					
BS&W					
S&W					
SULFUR (WT%)					
RVP					
VISC @ 60 DEG. F (CST)					
VISC @ 100 DEG. F. (CST)					
SALT					
POUR					
TAN					
27. TIME STATEMENT		DATE		TIME	
NOTICE OF READINESS TO LOAD/DISCHARGE					
VESSEL ARRIVED IN ROADS					
MOORED ALONGSIDE					
STARTED BALLAST DISCHARGE					
FINISHED BALLAST DISCHARGE					
INSPECTED AND READY TO LOAD/DISCHARGE					
CARGO HOSES CONNECTED					
COMMENCED LOADING/DISCHARGE					
STOPPED LOADING/DISCHARGING					
RESUMED LOADING/DISCHARGING					
FINISHED LOADING/DISCHARGING					
CARGO HOSES REMOVED					
VESSEL RELEASED BY INSPECTOR					
COMMENCED BUNKERING					
FINISHED BUNKERING					
VESSEL LEFT BIRTH (Actual/Estimated)					
28. REMARKS (Note in detail cause of delays such as repairs, breakdowns, slow operations, stoppage, etc.)					
29. COMPANY OR RECEIVING TERMINAL					
				(Signature)	
30. I CERTIFY THAT THE CARGO WAS INSPECTED, ACCEPTED AND LOADED/DISCHARGED AS INDICATED HEREON.				31. I HEREBY CERTIFY THAT THIS TIME STATEMENT IS CORRECT.	
(Date)		(Signature of Authorized Government Representative)		(Master or Agent)	

ATTACHMENT D Quality Adjustment Tables

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM

API GRAVITY	DIFF PER BBL	API GRAVITY	DIFF PER BBL	API GRAVITY	DIFF PER BBL	API GRAVITY	DIFF PER BBL
10.0	1.250	16.0	2.150	22.0	3.050	28.0	3.950
10.1	1.265	16.1	2.165	22.1	3.065	28.1	3.965
10.2	1.280	16.2	2.180	22.2	3.080	28.2	3.980
10.3	1.295	16.3	2.195	22.3	3.095	28.3	3.995
10.4	1.310	16.4	2.210	22.4	3.110	28.4	4.010
10.5	1.325	16.5	2.225	22.5	3.125	28.5	4.025
10.6	1.340	16.6	2.240	22.6	3.140	28.6	4.040
10.7	1.355	16.7	2.255	22.7	3.155	28.7	4.055
10.8	1.370	16.8	2.270	22.8	3.170	28.8	4.070
10.9	1.385	16.9	2.285	22.9	3.185	28.9	4.085
11.0	1.400	17.0	2.300	23.0	3.200	29.0	4.100
11.1	1.415	17.1	2.315	23.1	3.215	29.1	4.115
11.2	1.430	17.2	2.330	23.2	3.230	29.2	4.130
11.3	1.445	17.3	2.345	23.3	3.245	29.3	4.145
11.4	1.460	17.4	2.360	23.4	3.260	29.4	4.160
11.5	1.475	17.5	2.375	23.5	3.275	29.5	4.175
11.6	1.490	17.6	2.390	23.6	3.290	29.6	4.190
11.7	1.505	17.7	2.405	23.7	3.305	29.7	4.205
11.8	1.520	17.8	2.420	23.8	3.320	29.8	4.220
11.9	1.535	17.9	2.435	23.9	3.335	29.9	4.235
12.0	1.550	18.0	2.450	24.0	3.350	30.0	4.250
12.1	1.565	18.1	2.465	24.1	3.365	30.1	4.265
12.2	1.580	18.2	2.480	24.2	3.380	30.2	4.280
12.3	1.595	18.3	2.495	24.3	3.395	30.3	4.295
12.4	1.610	18.4	2.510	24.4	3.410	30.4	4.310
12.5	1.625	18.5	2.525	24.5	3.425	30.5	4.325
12.6	1.640	18.6	2.540	24.6	3.440	30.6	4.340
12.7	1.655	18.7	2.555	24.7	3.455	30.7	4.355
12.8	1.670	18.8	2.570	24.8	3.470	30.8	4.370
12.9	1.685	18.9	2.585	24.9	3.485	30.9	4.385
13.0	1.700	19.0	2.600	25.0	3.500	31.0	4.400
13.1	1.715	19.1	2.615	25.1	3.515	31.1	4.415
13.2	1.730	19.2	2.630	25.2	3.530	31.2	4.430
13.3	1.745	19.3	2.645	25.3	3.545	31.3	4.445
13.4	1.760	19.4	2.660	25.4	3.560	31.4	4.460
13.5	1.775	19.5	2.675	25.5	3.575	31.5	4.475
13.6	1.790	19.6	2.690	25.6	3.590	31.6	4.490
13.7	1.805	19.7	2.705	25.7	3.605	31.7	4.505
13.8	1.820	19.8	2.720	25.8	3.620	31.8	4.520
13.9	1.835	19.9	2.735	25.9	3.635	31.9	4.535
14.0	1.850	20.0	2.750	26.0	3.650	32.0	4.550
14.1	1.865	20.1	2.765	26.1	3.665	32.1	4.565
14.2	1.880	20.2	2.780	26.2	3.680	32.2	4.580
14.3	1.895	20.3	2.795	26.3	3.695	32.3	4.595
14.4	1.910	20.4	2.810	26.4	3.710	32.4	4.610
14.5	1.925	20.5	2.825	26.5	3.725	32.5	4.625
14.6	1.940	20.6	2.840	26.6	3.740	32.6	4.640
14.7	1.955	20.7	2.855	26.7	3.755	32.7	4.655
14.8	1.970	20.8	2.870	26.8	3.770	32.8	4.670
14.9	1.985	20.9	2.885	26.9	3.785	32.9	4.685
15.0	2.000	21.0	2.900	27.0	3.800	33.0	4.700
15.1	2.015	21.1	2.915	27.1	3.815	33.1	4.715
15.2	2.030	21.2	2.930	27.2	3.830	33.2	4.730
15.3	2.045	21.3	2.945	27.3	3.845	33.3	4.745
15.4	2.060	21.4	2.960	27.4	3.860	33.4	4.760
15.5	2.075	21.5	2.975	27.5	3.875	33.5	4.775
15.6	2.090	21.6	2.990	27.6	3.890	33.6	4.790
15.7	2.105	21.7	3.005	27.7	3.905	33.7	4.805
15.8	2.120	21.8	3.020	27.8	3.920	33.8	4.820
15.9	2.135	21.9	3.035	27.9	3.935	33.9	4.835

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM

API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
34.0	4.850	40.0	5.100	46.0	4.950	52.0	4.050
34.1	4.865	40.1	5.100	46.1	4.935	52.1	4.035
34.2	4.880	40.2	5.100	46.2	4.920	52.2	4.020
34.3	4.895	40.3	5.100	46.3	4.905	52.3	4.005
34.4	4.910	40.4	5.100	46.4	4.890	52.4	3.990
34.5	4.925	40.5	5.100	46.5	4.875	52.5	3.975
34.6	4.940	40.6	5.100	46.6	4.860	52.6	3.960
34.7	4.955	40.7	5.100	46.7	4.845	52.7	3.945
34.8	4.970	40.8	5.100	46.8	4.830	52.8	3.930
34.9	4.985	40.9	5.100	46.9	4.815	52.9	3.915
35.0	5.000	41.0	5.100	47.0	4.800	53.0	3.900
35.1	5.000	41.1	5.100	47.1	4.785	53.1	3.885
35.2	5.000	41.2	5.100	47.2	4.770	53.2	3.870
35.3	5.000	41.3	5.100	47.3	4.755	53.3	3.855
35.4	5.000	41.4	5.100	47.4	4.740	53.4	3.840
35.5	5.000	41.5	5.100	47.5	4.725	53.5	3.825
35.6	5.000	41.6	5.100	47.6	4.710	53.6	3.810
35.7	5.000	41.7	5.100	47.7	4.695	53.7	3.795
35.8	5.000	41.8	5.100	47.8	4.680	53.8	3.780
35.9	5.000	41.9	5.100	47.9	4.665	53.9	3.765
36.0	5.020	42.0	5.100	48.0	4.650	54.0	3.750
36.1	5.020	42.1	5.100	48.1	4.635	54.1	3.735
36.2	5.020	42.2	5.100	48.2	4.620	54.2	3.720
36.3	5.020	42.3	5.100	48.3	4.605	54.3	3.705
36.4	5.020	42.4	5.100	48.4	4.590	54.4	3.690
36.5	5.020	42.5	5.100	48.5	4.575	54.5	3.675
36.6	5.020	42.6	5.100	48.6	4.560	54.6	3.660
36.7	5.020	42.7	5.100	48.7	4.545	54.7	3.645
36.8	5.020	42.8	5.100	48.8	4.530	54.8	3.630
36.9	5.020	42.9	5.100	48.9	4.515	54.9	3.615
37.0	5.040	43.0	5.100	49.0	4.500	55.0	3.600
37.1	5.040	43.1	5.100	49.1	4.485		
37.2	5.040	43.2	5.100	49.2	4.470		
37.3	5.040	43.3	5.100	49.3	4.455		
37.4	5.040	43.4	5.100	49.4	4.440		
37.5	5.040	43.5	5.100	49.5	4.425		
37.6	5.040	43.6	5.100	49.6	4.410		
37.7	5.040	43.7	5.100	49.7	4.395		
37.8	5.040	43.8	5.100	49.8	4.380		
37.9	5.040	43.9	5.100	49.9	4.365		
38.0	5.060	44.0	5.100	50.0	4.350		
38.1	5.060	44.1	5.100	50.1	4.335		
38.2	5.060	44.2	5.100	50.2	4.320		
38.3	5.060	44.3	5.100	50.3	4.305		
38.4	5.060	44.4	5.100	50.4	4.290		
38.5	5.060	44.5	5.100	50.5	4.275		
38.6	5.060	44.6	5.100	50.6	4.260		
38.7	5.060	44.7	5.100	50.7	4.245		
38.8	5.060	44.8	5.100	50.8	4.230		
38.9	5.060	44.9	5.100	50.9	4.215		
39.0	5.080	45.0	5.100	51.0	4.200		
39.1	5.080	45.1	5.085	51.1	4.185		
39.2	5.080	45.2	5.070	51.2	4.170		
39.3	5.080	45.3	5.055	51.3	4.155		
39.4	5.080	45.4	5.040	51.4	4.140		
39.5	5.080	45.5	5.025	51.5	4.125		
39.6	5.080	45.6	5.010	51.6	4.110		
39.7	5.080	45.7	4.995	51.7	4.095		
39.8	5.080	45.8	4.980	51.8	4.080		
39.9	5.080	45.9	4.965	51.9	4.065		

For API GRAVITY values above 55.0° API the differential continues to decline 0.015/bbl. per 0.1° API GRAVITY.

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
0.00	1.000	0.60	1.600	1.20	2.200	1.80	2.800	2.40	3.400
0.01	1.010	0.61	1.610	1.21	2.210	1.81	2.810	2.41	3.410
0.02	1.020	0.62	1.620	1.22	2.220	1.82	2.820	2.42	3.420
0.03	1.030	0.63	1.630	1.23	2.230	1.83	2.830	2.43	3.430
0.04	1.040	0.64	1.640	1.24	2.240	1.84	2.840	2.44	3.440
0.05	1.050	0.65	1.650	1.25	2.250	1.85	2.850	2.45	3.450
0.06	1.060	0.66	1.660	1.26	2.260	1.86	2.860	2.46	3.460
0.07	1.070	0.67	1.670	1.27	2.270	1.87	2.870	2.47	3.470
0.08	1.080	0.68	1.680	1.28	2.280	1.88	2.880	2.48	3.480
0.09	1.090	0.69	1.690	1.29	2.290	1.89	2.890	2.49	3.490
0.10	1.100	0.70	1.700	1.30	2.300	1.90	2.900	2.50	3.500
0.11	1.110	0.71	1.710	1.31	2.310	1.91	2.910	2.51	3.510
0.12	1.120	0.72	1.720	1.32	2.320	1.92	2.920	2.52	3.520
0.13	1.130	0.73	1.730	1.33	2.330	1.93	2.930	2.53	3.530
0.14	1.140	0.74	1.740	1.34	2.340	1.94	2.940	2.54	3.540
0.15	1.150	0.75	1.750	1.35	2.350	1.95	2.950	2.55	3.550
0.16	1.160	0.76	1.760	1.36	2.360	1.96	2.960	2.56	3.560
0.17	1.170	0.77	1.770	1.37	2.370	1.97	2.970	2.57	3.570
0.18	1.180	0.78	1.780	1.38	2.380	1.98	2.980	2.58	3.580
0.19	1.190	0.79	1.790	1.39	2.390	1.99	2.990	2.59	3.590
0.20	1.200	0.80	1.800	1.40	2.400	2.00	3.000	2.60	3.600
0.21	1.210	0.81	1.810	1.41	2.410	2.01	3.010	2.61	3.610
0.22	1.220	0.82	1.820	1.42	2.420	2.02	3.020	2.62	3.620
0.23	1.230	0.83	1.830	1.43	2.430	2.03	3.030	2.63	3.630
0.24	1.240	0.84	1.840	1.44	2.440	2.04	3.040	2.64	3.640
0.25	1.250	0.85	1.850	1.45	2.450	2.05	3.050	2.65	3.650
0.26	1.260	0.86	1.860	1.46	2.460	2.06	3.060	2.66	3.660
0.27	1.270	0.87	1.870	1.47	2.470	2.07	3.070	2.67	3.670
0.28	1.280	0.88	1.880	1.48	2.480	2.08	3.080	2.68	3.680
0.29	1.290	0.89	1.890	1.49	2.490	2.09	3.090	2.69	3.690
0.30	1.300	0.90	1.900	1.50	2.500	2.10	3.100	2.70	3.700
0.31	1.310	0.91	1.910	1.51	2.510	2.11	3.110	2.71	3.710
0.32	1.320	0.92	1.920	1.52	2.520	2.12	3.120	2.72	3.720
0.33	1.330	0.93	1.930	1.53	2.530	2.13	3.130	2.73	3.730
0.34	1.340	0.94	1.940	1.54	2.540	2.14	3.140	2.74	3.740
0.35	1.350	0.95	1.950	1.55	2.550	2.15	3.150	2.75	3.750
0.36	1.360	0.96	1.960	1.56	2.560	2.16	3.160	2.76	3.760
0.37	1.370	0.97	1.970	1.57	2.570	2.17	3.170	2.77	3.770
0.38	1.380	0.98	1.980	1.58	2.580	2.18	3.180	2.78	3.780
0.39	1.390	0.99	1.990	1.59	2.590	2.19	3.190	2.79	3.790
0.40	1.400	1.00	2.000	1.60	2.600	2.20	3.200	2.80	3.800
0.41	1.410	1.01	2.010	1.61	2.610	2.21	3.210	2.81	3.810
0.42	1.420	1.02	2.020	1.62	2.620	2.22	3.220	2.82	3.820
0.43	1.430	1.03	2.030	1.63	2.630	2.23	3.230	2.83	3.830
0.44	1.440	1.04	2.040	1.64	2.640	2.24	3.240	2.84	3.840
0.45	1.450	1.05	2.050	1.65	2.650	2.25	3.250	2.85	3.850
0.46	1.460	1.06	2.060	1.66	2.660	2.26	3.260	2.86	3.860
0.47	1.470	1.07	2.070	1.67	2.670	2.27	3.270	2.87	3.870
0.48	1.480	1.08	2.080	1.68	2.680	2.28	3.280	2.88	3.880
0.49	1.490	1.09	2.090	1.69	2.690	2.29	3.290	2.89	3.890
0.50	1.500	1.10	2.100	1.70	2.700	2.30	3.300	2.90	3.900
0.51	1.510	1.11	2.110	1.71	2.710	2.31	3.310	2.91	3.910
0.52	1.520	1.12	2.120	1.72	2.720	2.32	3.320	2.92	3.920
0.53	1.530	1.13	2.130	1.73	2.730	2.33	3.330	2.93	3.930
0.54	1.540	1.14	2.140	1.74	2.740	2.34	3.340	2.94	3.940
0.55	1.550	1.15	2.150	1.75	2.750	2.35	3.350	2.95	3.950
0.56	1.560	1.16	2.160	1.76	2.760	2.36	3.360	2.96	3.960
0.57	1.570	1.17	2.170	1.77	2.770	2.37	3.370	2.97	3.970
0.58	1.580	1.18	2.180	1.78	2.780	2.38	3.380	2.98	3.980
0.59	1.590	1.19	2.190	1.79	2.790	2.39	3.390	2.99	3.990

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
3.00	4.000	3.60	4.600
3.01	4.010	3.61	4.610
3.02	4.020	3.62	4.620
3.03	4.030	3.63	4.630
3.04	4.040	3.64	4.640
3.05	4.050	3.65	4.650
3.06	4.060	3.66	4.660
3.07	4.070	3.67	4.670
3.08	4.080	3.68	4.680
3.09	4.090	3.69	4.690
3.10	4.100	3.70	4.700
3.11	4.110	3.71	4.710
3.12	4.120	3.72	4.720
3.13	4.130	3.73	4.730
3.14	4.140	3.74	4.740
3.15	4.150	3.75	4.750
3.16	4.160	3.76	4.760
3.17	4.170	3.77	4.770
3.18	4.180	3.78	4.780
3.19	4.190	3.79	4.790
3.20	4.200	3.80	4.800
3.21	4.210	3.81	4.810
3.22	4.220	3.82	4.820
3.23	4.230	3.83	4.830
3.24	4.240	3.84	4.840
3.25	4.250	3.85	4.850
3.26	4.260	3.86	4.860
3.27	4.270	3.87	4.870
3.28	4.280	3.88	4.880
3.29	4.290	3.89	4.890
3.30	4.300	3.90	4.900
3.31	4.310	3.91	4.910
3.32	4.320	3.92	4.920
3.33	4.330	3.93	4.930
3.34	4.340	3.94	4.940
3.35	4.350	3.95	4.950
3.36	4.360	3.96	4.960
3.37	4.370	3.97	4.970
3.38	4.380	3.98	4.980
3.39	4.390	3.99	4.990
3.40	4.400	4.00	5.000
3.41	4.410		
3.42	4.420		
3.43	4.430		
3.44	4.440		
3.45	4.450		
3.46	4.460		
3.47	4.470		
3.48	4.480		
3.49	4.490		
3.50	4.500		
3.51	4.510		
3.52	4.520		
3.53	4.530		
3.54	4.540		
3.55	4.550		
3.56	4.560		
3.57	4.570		
3.58	4.580		
3.59	4.590		

For Sulfur Values
above 4.00% the
differential continues
to increase 0.01/BBL
per 0.01 Percent
Sulfur

ATTACHMENT E
Nomination-Confirmation Form

STRATEGIC PETROLEUM RESERVE
NOMINATION - CONFIRMATION

SPR Operations Fluor Federal Petroleum Operations New Orleans, Louisiana FFPOCOL@SPR.DOE.GOV	<u>Scheduler</u> (504) 473-9975 <u>Quantity and Quality</u> (504) 722-6146																														
The following Information Must Be Provided by the Contractor																															
Submission Date: Click here to enter a date. Submission Type: Original Nomination																															
Contract No.: Enter Contract Number Contractor: Enter Contractor Name Address: Enter Address City, State, Zip																															
<u>Contractor Contact Information</u>																															
Primary Contact: Primary Contact Name Office: Office Phone Cell: Cell Phone Email: Email Address	Alternate: Alternate Contact Name Office: Office Phone Cell: Cell Phone Email: Email Address																														
CODR/DD250 Contractor Signatory Designee*: Signatory Designee Name *Designee can be contractor office personnel, 3 rd party inspection company*, or chosen loss control representative*. Office: Office Phone Cell: Cell Phone Email: Email Address Note: If multiple designees are to be used, please input "See Attached" and provide list to FFPOCOL@spr.doe.gov with nomination.																															
<u>†Third Party Inspection Company Information</u>																															
Company: 3 rd Party Inspection Company Contact: 3 rd Party Contact Name Contact Ned Scheppege for any questions on SPR 3rd party inspection and testing.																															
Nomination Information and Delivery Window (additional lines on following page)																															
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:15%;">Delivery Window</th> <th style="width:25%;">Pipeline/Vessel</th> <th style="width:20%;">Volume (MB)</th> <th style="width:15%;">SPR Site</th> <th style="width:25%;">Destination</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td colspan="2" style="text-align: right;">Total Volume:</td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>		Delivery Window	Pipeline/Vessel	Volume (MB)	SPR Site	Destination																					Total Volume:				
Delivery Window	Pipeline/Vessel	Volume (MB)	SPR Site	Destination																											
Total Volume:																															
The Following information to be provided by SPR Operations Personnel																															
<u>Terminal Information</u> Terminal: TBD Contact: Contact: Contact:	<u>Custody Transfer Point</u> TBD <u>Quality Point</u> TBD <u>Quantity Point</u> TBD																														

**DEPARTMENT OF ENERGY
STRATEGIC PETROLEUM RESERVE (SPR)
OIL EXCHANGE AGREEMENT
22PO0003**

This Exchange Agreement, entered into this 30th day of December 2021, between the UNITED STATES OF AMERICA, acting by and through the Department of Energy, hereinafter referred to as the “GOVERNMENT” or “DOE” and ExxonMobil Oil Corporation, hereinafter referred to as the “Contractor.”

WITNESSETH:

1. AUTHORITY – That the Secretary of Energy, under the authority of the Department of Energy Organization Act (42 U.S.C. 7101 *et seq.*) and sections 159(f)(5) and 160(a) of the Energy Policy and Conservation Act (42 U.S.C. 6239, 6240), having determined that the exchanging of crude oil will be advantageous to the Government and in the public interest, hereby enters into this agreement with the Contractor for the exchange of crude oil from the SPR.

2. CUSTODY TRANSFER –
Bayou Choctaw to Redstick

Custody transfer quantity and quality measurements will be the Bayou Choctaw Meters and in-line sampler for deliveries into the Redstick pipeline. Secondary measurement for quantity will be the St. James Sugarland meter and quality will be inline samples taken at the DOE Bayou Choctaw site. If neither the Bayou Choctaw facility or St. James facility can perform as primary or secondary measurement, then the Saint James receipt point destination meter and inline sampler shall be used. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and testing and perform testing if necessary.

Any change of the custody measurement point from Bayou Choctaw meter and inline sampler to the St. James meter and inline sampler to facilitate the Bayou Choctaw movements, the customer will remain responsible for all charges pertaining to the Redstick pipeline throughput charges.

The Government will deliver approximately 2,000,000 barrels (plus/minus 10%) of sour crude with an estimated API of 31.9 and an estimated sulfur of 1.46 from the Government’s Bayou Choctaw site to the contractor.

Return of oil to the SPR:

Return from St James Terminal to Bayou Choctaw

Custody transfer quantity and quality measurements for the return of oil to the SPR shall be based on the Bayou Choctaw meters and in-line sampler. Secondary measurement for quantity will be the Sugarland meter and quality will be manual grab samples taken at the Bayou Choctaw site. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector lab. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party Inspection Company will witness all measurement and testing and perform testing.

All costs associated with the transportation of the exchange oil transferred from and to the SPR will be absorbed by the Contractor, to include but not be limited to, tariffs, marine shipment, pipeline shipment, U.S. Customs duties, harbor and environmental fees (including Texas Coastal protection fees), terminalling and tankage charges.

3. TERM – The Government will commence delivery as soon as possible with an objective to be completed by January 30, 2022. Contractor shall return all exchange oil plus premium barrels to the Bayou Choctaw SPR site during the months of June 1, 2024 through September 30, 2024. Contractor’s oil return schedules must be approved by the Government prior to delivery. Also, see Provision 18 for additional scheduling requirements.

4. PAYMENT AND PERFORMANCE GUARANTEE – Within three (3) business days after receipt of award, the Contractor must provide to the Contracting Officer an acceptable “Irrevocable Standby Letter of Credit” established in favor of the United States Department of Energy to the Contracting Officer in the amount of \$141,220,000.00 with an expiration date of November 30, 2024. The letter must contain the substantive provisions set out in Attachment B, and be issued by a depository institution located in and authorized to do business in any state of the United States or the District of Columbia, and authorized to issue letters of credit by the banking laws of the United States or any state of the United States or the District of Columbia. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible-Settlement-only. The issuing bank must provide documentation indicating that the person(s) signing the letter of credit is authorized to do so, in the form of corporate minutes, the Authorized Signature List, or the General Resolution of Signature Authority. All wire deposit and letter of credit costs will be borne by the purchaser.

The letter of credit must be an “Irrevocable Standby Letter of Credit” and **MUST NOT VARY IN SUBSTANCE** from the sample in Attachment B. If the letter of credit contains any provisions at variance with Attachment B or fails to include any provisions contained in Attachment B, nonconforming provisions must be deleted and missing substantive provisions must be added or the letter of credit will not be accepted.

The blanks in Attachment B shall be filled in by the issuing bank, except those in the drawing statements. The drawing statements are in bold print with double underlines for the blanks. The double underlined blanks will be filled in only at the time of a drawing against the letter of credit.

Please submit an electronic copy to kelly.gele@spr.doe.gov. The original of the letter of credit must be sent to the attention of:

U.S. Department of Energy
Strategic Petroleum Reserve
Planning and Financial Management Division
FE-4452
900 Commerce Road East
New Orleans, LA 70123-3406

Failure to provide the letter of credit shall constitute grounds for termination of the contract for default.

5. PAYMENT – Contractor agrees to a fixed 8.6% premium return of sour crude oil in addition to actual crude oil received from the SPR. The premium percentage will be applied to the barrels actually delivered to the contractor (*for example if the SPR delivers 2.0MMB NSV barrels, the premium would be $2.0MMB \times 1.0860 = 2,172,000$ or 172,000 premium barrels*) with a minimum premium owed to the DOE of 154,800 sour barrels. All sour crude oil returned to the SPR must meet the specifications in Attachment A. The Contractor should make every effort practical to return 100% of the oil quantity delivered however must return at least 90% of the actual crude oil volume received plus the calculated premium to the designated SPR site.
6. GOVERNMENT NON-LIABILITY/ CONTRACTOR LIABILITY – Contractor covenants that it will defend, indemnify and save and hold harmless the Government, its officers, agents, and employees for and from any and all liability or claims for damages to property or injuries to or death of persons which may arise from or be incident to the use of the exchange oil, or for damages to the property or injuries to the person of Contractor (if an individual), or damages to the property or injuries to or death of the person of Contractor’s officers, agents, servants, employees, or others who may be on said premises at their invitation or the invitation of any one of them, arising from exchange activities.

Contractor further covenants that any property of the Government lost, damaged or destroyed incident to Contractor’s use of the exchange oil shall be promptly replaced by Contractor to the satisfaction of the Contracting Officer, or in lieu of such replacement Contractor shall, if so required by the said officer, pay to the Government money in an amount sufficient to compensate for the loss sustained by the Government by reason loss, damage or destruction of the property.

7. NOTICES – No notice, order, direction, determination, requirement, consent, or approval under this Exchange Agreement shall be of any effect unless in writing. All notices required under this Exchange Agreement shall be addressed to Contractor, or to the Contracting Officer, as may be appropriate.

8. COMMUNICATIONS – Notices and other communications provided for herein shall be in writing and shall be delivered or mailed as follows:

Delivery and or Return:

Contractor shall notify Mr. Russ Romero, Bayou Choctaw Site Director at (225) 692-6210, Bayou Choctaw Site. For coordination of pipeline schedules and operations contact Chuck Costanza at (504) 473-9975 or Bradley Bauer (504)234-0145 **and** email to FFPOCOL@spr.doe.gov. All communications sent via need to include FFPOCOL@spr.doe.gov. Contractual issues shall be addressed with the Department of Energy’s Contracting Officer, Kelly Gele, at (504) 734-4343.

9. EXAMINATION OF RECORDS BY THE GOVERNMENT – Contractor agrees that the Government or any of its duly authorized representatives shall, until the expiration of three years after final payment under this agreement, have access to and the right to examine any books, documents, paper, and records of the Contractor involving transactions related to this agreement or compliance with any clauses thereunder.
10. CHANGES – The Contracting Officer may, at any time, without notice to the Letter of Credit guarantee(s), by written order designated or indicated to be a change order, or verbal direction followed by written order, make changes within the terms and conditions of the contract, including but not limited to the following changes-
- a. In the volume to be delivered to the Contractor or returned to the SPR.
 - b. To the delivery period for issuance of SPR crude oil or for return of barrels back to the SPR.
 - c. In the type of crude oil to be returned to the SPR.
 - d. To delivery mode of crude oil coming out of the SPR or return oil.
 - e. In the delivery point(s) of return oil to the SPR.

Any other written or oral order (which, as used in this paragraph, includes direction, instruction, interpretation, or determination) from the Contracting Officer that causes a change shall be treated as a change order under this provision; Provided, that the Contractor gives the Contracting Officer written notice stating –

- a. The date, circumstances, and source of the order, and
- b. That the Contractor regards the order as a change order.

If any change under this provision causes an increase or decrease in the Contractor’s cost of, or the time required for, the performance of any part of the performance under this contract, whether or not changed by any such order, the Contracting Officer shall make an equitable adjustment and modify the contract in writing.

The contractor must assert its right to an adjustment under this provision within 30 calendar days after notification of the change.

11. NATIONAL AND OPERATIONAL EMERGENCIES – Return oil deliveries to the DOE may be rescheduled or redirected upon the determination of a national or DOE operational emergency. A negotiated adjustment to the contract will be made as a result of this direction. However, should the parties fail to reach a settlement, the Government shall establish an equitable adjustment subject to the Provision entitled “Disputes.”
12. DEFAULT –
 - a. The Government may, by written notice of default to the Customer, terminate this contract in whole or in part if the Contractor fails to -
 - (1) Receive SPR crude oil within the time specified in this contract or any extension;
 - (2) Make progress in scheduling of contracted deliveries, so as to endanger performance of this contract; or
 - (3) Perform any of the other provisions of this contract.
 - b. The rights and remedies of the Government in this clause are in addition to any other rights and remedies provided by law or under this contract.
13. TERMINATION FOR THE CONVENIENCE OF THE GOVERNMENT – The Contracting Officer, by written notice, may terminate this contract, in whole or in part, when it is in the Government’s interest. If this contract is terminated, the Government shall be liable only for reasonable, customary and applicable costs incurred by the Customer before the effective date of termination, but shall not be liable for consequential damages or the contractor’s lost profits.
14. EXCUSABLE DELAYS
 - a. In the event either party should be prevented from performing under this contract by reason of any unforeseeable cause beyond its control and without its fault or negligence, including, but not restricted to, acts of God or of the public enemy, sovereign acts of the United States, acts of a foreign Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, performance under the contract shall be suspended in whole or in part until such cause ceases to exist and thereafter the time for fulfillment of the contract shall be extended by the length of time during which such cause prevented performance under the contract.
 - b. In order for this provision to become operative, the party to the contract affected by the excusable delay condition shall furnish the other party with written notice of the nature and extent of the excusable delay condition promptly after the commencement thereof, but in any event prior to shipment of the crude oil from the location from which it is to

be shipped. Written notice shall be furnished within ten (10) calendar days to the other party when the excusable delay condition ceases to exist.

- 15. FORCE MAJEURE – Force Majeure means, except for payment due hereunder, either party hereto shall be relieved from liability for failure to perform hereunder for the duration and to the extent such failure is occasioned by war, riots, insurrections, fire, explosions, sabotage, strikes, and other labor or industrial disturbances, acts of God or the elements, disruption or mechanical breakdown of production or transportation facilities, or delays of pipeline carrier in receiving and delivering crude oil tendered. Any such failures to perform shall be remedied with all reasonable dispatch.

As employed herein, the term “party”, as it relates to the Contractor, shall not include affiliated business concerns or individuals if, directly or indirectly, (1) either one controls or can control the other, or (2) a third party controls or can control both.

16. DISPUTES –

- a. This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. Section 601 et seq.). If a dispute arises relating to the contract, the Customer may submit a claim to the Contracting Officer, who shall issue a written decision on the dispute in the manner specified in 48 CFR 1-33.211.
- b. “Claim” means:
 - (1) A written request submitted to the Contracting Officer;
 - (2) For payment of money, adjustment of contract terms, or other relief;
 - (3) Which is in dispute or remains unresolved after a reasonable time for its review and disposition by the Government; and
 - (4) For which a Contracting Officer’s decision is demanded.
- c. In the case of dispute requests or amendments to such requests for payment exceeding \$100,000, the Customer shall certify at the time of submission as a claim, as follows:

I certify that the claim is made in good faith, that the supporting data are current, accurate and complete to the best of my knowledge and belief and that the amount requested accurately reflects the contract adjustment for which the Customer believes the Government is liable.

Customer’s Name _____
 Signature _____
 Title _____

- d. The Government shall pay to the Customer interest on the amount found due to the Customer on claims submitted under this provision at the rate established by the Department of the Treasury from the date the amount is due until the Government makes payment. The Contract Disputes Act of 1978, as amended, and the Prompt

Payment Act adopt the interest rate established by the Secretary of the Treasury under the Renegotiation Act as the basis for computing interest on money owed by the Government. This rate is published semi-annually in the Federal Register.

- e. The Customer shall pay to the Government interest on the amount found due to the Government and unpaid on claims submitted under this provision at the rate specified in Paragraph d. above from the date the amount is due until the Customer makes payment.
- f. The decision of the Contracting Officer shall be final and conclusive and shall not be subject to review by any forum, tribunal, or Government agency unless an appeal or action is commenced within the times specified by the Contract Disputes Act of 1978, as amended.
- g. The Customer shall comply with any decision of the Contracting Officer and at the direction of the Contracting Officer shall proceed diligently with performance of this contract pending final resolution of any request for relief, claim, appeal, or action related to this contract.

17. OIL QUALITY – The Contractor shall be responsible for variations in oil quality exceeding the limits set forth below upon the return of the oil to the Government. The reference basis shall be the weighted average sour results of the laboratory tests conducted by the Government for API gravity and Sulfur weight percent taken when custody originally passed to the Contractor. Please note, the DOE will not be liable for any quality differential for Return Oil delivered to the SPR.

- a. Quality differentials will be calculated by utilizing the Quality tables in Attachment D. The allowable variations from the common quality for crude oil deliveries are defined as:

<u>QUALITY</u>	<u>Allowable Quality Variations</u>	
	<u>DOE CRUDE OIL</u>	<u>(CATEGORY)</u>
	<u>SWEET</u>	<u>SOUR</u>
Gravity - API°	-0.5	-0.5
Sulfur - Wt%	+0.10	+0.10

- b. API Gravity between 40.0 and 45.0: No quality differential shall be accessed.
- c. API Gravity between 35.0 and 40.0: Adjustment for Sour crude oil is 2¢ per barrel for each degree (1.0°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded. Specifically, computed API Gravity excess variances for each cargo, reported in API Gravity 0.1° increments, shall be rounded up to the next whole 1.0° API.

- d. API Gravity below 35.0: Adjustment for Sour crude oil is 1.5¢ per barrel for each tenth of a degree (0.1°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded.
- e. Total Sulfur: 1.0¢ per barrel for each 1/100th percent (0.01%) increase/decrease in total sulfur by which the allowable variations set forth above are exceeded.
- f. If crude oil delivered to the DOE falls below the minimum SPR specification for API Gravity, or above the maximum DOE specification for sulfur, as defined in Attachment A, a quality differential adjustment shall be applied without a variance allowance on that portion exceeding the specification limit.

There is a limit of 0.1% freewater on delivery to the SPR as measured either by contractor's shore tank or on the vessel prior to discharge into tanks designated for DOE receipts. The inspector's gauges, witnessed by the DOE representative, either on the vessel at the dock facility or terminal shore tank, will be the method used to determine the final freewater barrel amount. This clause is effective in conjunction with the Water and Sediment [Vol.%] maximum limit of 1.0% as stated in Attachment A; e.g., a 500,000 barrel oil delivery to the SPR is limited to 1.0% S&W (5,000 barrels), of which a maximum of 0.1% (500 barrels) can be freewater. Contractor is responsible for all costs associated with removal of excess freewater. Exceeding the freewater limitations specified herein will result in the cargo being rejected.

18. SCHEDULING OF OIL MOVEMENTS – Contractor shall schedule all oil deliveries through the appropriate commercial pipeline and marine terminal facilities, ensuring that it has coordinated the deliveries with the SPR.

For marine deliveries, the Contractor shall provide a working schedule to the DOE not later than the fifteenth day of the month prior to the month in which deliveries will be made (e.g. by January 15 for February deliveries). This working schedule will contain total monthly volumes and the approximate delivery dates and quantities for each month of delivery. No later than seven business days prior to each delivery, the Contractor shall provide vessel name, vessel quality data, the expected date of arrival, the volume to be delivered, vessel agents and any other pertinent information that may be needed. The SPR will provide a Nomination-Confirmation Form (Attachment E). The Contractor shall complete the yellow highlighted areas and return the form in the time frame defined above.

The Contractor, or its designated agent, shall provide pre-arrival notices 72 hours, 48 hours and 24 hours prior to discharge to both the DOE and the discharge terminal.

For pipeline deliveries, the Contractor shall make necessary arrangements with the commercial pipelines connected to the DOE or its interconnecting pipelines. Nomination information regarding these deliveries shall be provided to the DOE not later than five calendar days prior to the month in which deliveries will be made.

Note 1: It is the responsibility of the offerors to confirm these specifications prior to nominations to insure most current information.

Note 2: Any barrels awarded under the Exchange solicitation DE-RP96-22PO00001 on December 8, 2021 will have scheduling priority over cargoes underneath this agreement in the December 2021 through March 2022 delivery period and June 2024 through September 2024 return period.

Note 3: Any barrels awarded under Notice of Sale No. DE-NS96-22PO10000 will have scheduling priority over cargoes underneath this agreement in the February through March 2022 period.

19. SPR Oil Quality

The quality characteristics of the crude oil stream offered in the exchange are those cited in the Strategic Petroleum Reserve Crude Oil Assays.

This crude oil quality data is a weighted average composition of the specific caverns that comprise the streams offered in the exchange. Although a specific crude oil benchmark is referenced; SPR inventory contains a blend of domestic and global crude including Isthmus, Urals, Alaskan North Slope, Arabian Light, Saharan, and Dubai with segregation by Sweet and Sour storage caverns. The SPR has observed H₂S concentration (which is found naturally in crude oil) greater than 10 ppm in liquid in some crude batches. Measurements of H₂S in vapor space can be orders of magnitude higher than in liquid and difficult to measure due to factors in handling, weather, etc. OSHA provides guidelines on appropriate safety precautions and equipment if crude is handled openly, spilled, or released to the atmosphere. Offerors are encouraged to review the SPR Crude Oil Assay Manual, Crude Oil Safety Data Sheet, and the Strategic Petroleum Reserve Crude Oil Assays for more detailed oil stream composition and specifics so that conditions (such as the presence of H₂S) are expected and communicated downstream.

Note: Each SPR stream will be a blended average using several caverns. As a result, actual representative samples are not available prior to deliveries. Please refer to Crude Oil Assays which provides a weighted average composite profile of the stream.

20. DELIVERY AND RECEIPT DOCUMENTATION – All quantity and quality determinations shall be documented on the Material Inspection and Receiving Report (DD Form 250). See Attachment C-1 for copy of this form. The DD Form 250 shall be signed by the Customer agent to acknowledge delivery and receipt of the quantity and quality of crude oil indicated. Copies of the completed DD Form 250, with applicable supporting documentation (i.e., metering or tank gauging tickets and appropriate calculation worksheets), shall be furnished to the Customer and/or the Customer's authorized representative after completion of delivery or receipts. Also, marine Bills of Lading or Pipeline Statements identifying crude type shipped shall be provided by the contractor.

The Customer shall provide written confirmation to the SPR, no later than seven calendar days prior to the scheduled date of each delivery under the contract, the name(s) of the

authorized agent(s) given signature authority to sign/endorse the delivery documentation on the Customer’s behalf. Any changes to this listing of names shall be provided to the SPR in writing no later than 72 hours before the first delivery to which such change applies. In the event that an independent surveyor (separate from the authorized signatory agent) is appointed by the Customer to witness the delivery operation (gauging, sampling, testing, etc.), written notification shall be provided to SPR, no later than 72 hours prior to the scheduled date of each applicable cargo delivery to or from the SPR.

Absence of the provision of the name(s) of bona fide agent(s) and the signature of such agent on the delivery documentation constitutes acceptance of the delivery quantity and quality as determined by the Government and/or its agents

- 21. RECONCILIATION – Within 30 days, barring any exceptions, after completion of the final scheduled delivery of exchange oil under the contract, any imbalances that may exist in the crude oil volumes agreed upon in the contract will be reconciled in the following manner:

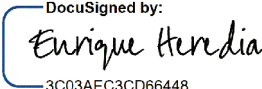
If DOE receives an amount of exchange oil that exceeds the contracted return oil delivery volume, the Government will attempt to reconcile the imbalance through cash payments or other alternate means, as available. If reconciliation is by cash payment, the Contractor shall invoice the DOE based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250.

If the Contractor delivers a total volume of return oil which is less than the contracted quantity, the DOE will invoice the Contractor for the undelivered amount based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250. If no payment is received by the due date specified on the invoice, the applicable amount owed will be drawn against the Contractor’s Payment and Performance Letter of Credit as described in Provision 4 of this contract.

Note: The cost value is derived from the data published in the Argus Americas Crude Oil Price Report. If no published prices are available, a mutually agreed upon price will be negotiated. Should the parties fail to reach a negotiated price, the Government shall determine a fair and reasonable price.

Contractor

The United States of America

By: 
Name: Enrique Heredia
Title: Attorney in Fact

By: _____
Name: Kelly M. Gele’
Title: Contracting Officer

ATTACHMENT A

STRATEGIC PETROLEUM RESERVE CRUDE OIL SPECIFICATIONS ^a (SPRO MAY 2020) ^{ε1}

CHARACTERISTIC	SOUR	SWEET	PRIMARY ASTM TEST METHOD ^b
API Gravity [°API]	30-45	30-45	D1298 or D5002
Total Sulfur [Mass %], max.	1.99	0.50	D4294
Pour Point [°C], max.	10	10	D97
Salt Content [Mass %], max.	0.050	0.050	D6470
Viscosity			
[cSt @ 15.6°C], max.	32	32	D445
[cSt @ 37.8°C], max.	13	13	
Vapor Pressure			
[VPCR4 (100°F) psia (kPa)] ^e , max.	9(62.1)	9(62.1)	D6377
Total Acid Number [mg KOH/g], max.	1.00	1.00	D664
Water and Sediment [Vol. %], max.	1.0	1.0	473 and D4006, or D4928
Yields [Vol. %]			D2892 and D5236 ^c
Naphtha [28-191°C]	24-30	21-42	
Distillate [191-327°C]	17-31	19-45	
Gas Oil [327-566°C]	26-38	20-42	
Residuum [>566°C]	10-19	14 max.	
Light Ends [Liquid Vol. %] ^d , max			IP344 or ITM 6008
Methane (C ₁)	0.01	0.01	
Ethane (C ₂)	0.1	0.1	
Propane (C ₃)	1.0	1.0	

^{ε1} This revision includes a limitation on light ends content (see Footnote ^d)

- ^a Marketable crude petroleum suitable for normal refinery processing and free of foreign contaminants or chemicals including, but not limited to, pour point depressants, chlorinated and oxygenated hydrocarbons, and lead.
- ^b Alternate methods may be used if approved by the contracting officer.
- ^c D 7169 data may be provided in requesting conditional acceptance of a crude oil. Distillation data according to D 2892 and D 5236 will still be necessary for final qualification of a crude oil's acceptance.
- ^d Light ends content specifications are interim and will be superseded if and when industry standards for light ends evaluation are implemented.
- ^e Vapor pressure changed to better reflect current domestic crude standards.

- NOTE 1: The Strategic Petroleum Reserve reserves the right to refuse to accept any crude oil which meets these specifications but is deemed to be incompatible with existing stocks, or which has the potential for adversely affecting handling.
- NOTE 2: The acceptability of any crude oil depends upon any assay typical of current production quality of the stream. Assays typical of current production quality are mandatory for any crude oil not received by the SPR within the last three years. Any crude oil offered to the Strategic Petroleum Reserve that meets these specifications may be subject to additional testing for acceptance.
- NOTE 3: All crude oil shipments received by the SPR are tested to ensure they meet specifications. Crude streams found consistently not meeting required specifications will be removed from the list of acceptable crude oils.

ATTACHMENT B

SAMPLE - PAYMENT AND PERFORMANCE LETTER OF CREDIT BANK LETTERHEAD IRREVOCABLE STANDBY LETTER OF CREDIT

Date: _____

To: U.S. Department of Energy
Strategic Petroleum Reserve
900 Commerce Road East
New Orleans, LA 70123
Attn: (Mary Roark)

AMOUNT OF LETTER OF CREDIT: U.S.\$ _____ (_____)

CONTRACTOR: _____

CONTRACT NO: 22PO0003

LETTER OF CREDIT NO: _____

EXPIRATION DATE: November 30, 2024

AMERICAN BANKERS ASSOCIATION (ABA) NO: _____

To whom it may concern:

We hereby establish in the U.S. Department of Energy's favor our irrevocable standby Letter of Credit effective immediately for the account of our customer's above contract with the U.S. Department of Energy for the exchange of Strategic Petroleum Reserve petroleum.

This letter of credit is available by your draft/s at sight, drawn on us and accompanied by a manually signed statement that the signer is an authorized representative of the Department of Energy, and one or more of the following statements:

- a. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO RECEIVE THE SPR CRUDE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."
- b. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO DELIVER RETURN EXCHANGE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."
- c. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO MAKE FINAL RECONCILIATION PAYMENT IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."

Drafts must be presented for payment on or before the expiration date of this Letter of Credit at our bank. The Government may make multiple drafts against this Letter of Credit.

Upon receipt of the U.S. Department of Energy's demand by hand, mail express delivery, or other means, at our office located at _____, we will honor the demand and make payment, by 3 p.m. Eastern Time of the third business day following receipt of the demand by wire transfer of funds as a deposit to the account of the U.S. Treasury over the Fedwire Funds Service. The information to be included in each transfer will be as provided in the above referenced contract.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision, International Chamber of Commerce Publication no. 600) and except as may be inconsistent therewith, to the Uniform Commercial Code in effect on the date of issuance of this Letter of Credit in the state in which the issuer's head office within the United States is located.

We hereby agree with you that all drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation and delivery of the above documents for payment at our bank on or before the expiration date.

In the event of a bankruptcy filing by the applicant prior to the expiration date of this letter of credit, the expiration date of this letter of credit will automatically be extended by one hundred twenty (120) calendar days from the expiration date.

Address all communications regarding this Letter of Credit to (name and phone number).

Very truly yours,

(Authorized Signature)

(Typed Name and Title)

INSTRUCTIONS FOR PAYMENT AND PERFORMANCE GUARANTEE LETTER OF CREDIT

1. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible – Settlement-only.
2. Letter of Credit must not vary in substance from this attachment. Provide a copy of this attachment to your bank.
3. Banks shall fill in blanks EXCEPT those in the drawing statements. **The drawing statements are in bold print.**
4. Type name and title under authorized signature and provide documentation of authorized signature.

ATTACHMENT C-1

DD FORM 250

MATERIAL INSPECTION AND RECEIVING REPORT DD Form 250, AUG 2000

MATERIAL INSPECTION AND RECEIVING REPORT						FORM APPROVED OMB No. 0704-0248														
<p>The public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports, (0704-0248), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0248) Arlington, DC 20503. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.</p> <p style="text-align: center;">PLEASE DO NOT RETURN YOUR COMPLETED FORM TO EITHER OF THESE ADDRESSES. SEND THIS FORM IN ACCORDANCE WITH THE INSTRUCTIONS CONTAINED IN THE DFARS, APPENDIX F-401.</p>																				
1. PROCUREMENT INSTRUMENT IDENTIFICATION (CONTRACT) NO.		6. INVOICE NO./DATE		7. PAGE	OF	8. ACCEPTANCE POINT														
DOE OWNED CRUDE OIL				1	1															
2. SHIPMENT NO.		3. DATE SHIPPED		5. DISCOUNT TERMS																
		4. B/L TCN																		
9. PRIME CONTRACTOR CODE Fluor Federal Petroleum Operations 850 S. Clearview Pkwy. New Orleans, LA 70123		10. ADMINISTERED BY CODE DEPARTMENT OF ENERGY STRATEGIC PETROLEUM RESERVE PROJECT MANAGEMENT OFFICE																		
11 SHIPPED FROM (if other than 9) CODE FOB:		12. PAYMENT WILL BE MADE BY CODE																		
13. SHIPPED TO CODE		14. MARKED FOR CODE																		
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">15 ITEM NO.</th> <th style="width: 15%;">16. STOCK/PART NO. <small>(Indicate number of shipping containers - type of container- container number.)</small></th> <th style="width: 35%;">DESCRIPTION</th> <th style="width: 10%;">17. QUANTITY SHIP/REC'D *</th> <th style="width: 10%;">18. UNIT</th> <th style="width: 10%;">19. UNIT PRICE</th> <th style="width: 10%;">20. AMOUNT</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">-</td> <td style="text-align: center;">Gross</td> <td></td> <td style="text-align: center;">NET @ 60° F.</td> <td style="text-align: center;">BARRELS</td> <td></td> <td></td> </tr> </tbody> </table>							15 ITEM NO.	16. STOCK/PART NO. <small>(Indicate number of shipping containers - type of container- container number.)</small>	DESCRIPTION	17. QUANTITY SHIP/REC'D *	18. UNIT	19. UNIT PRICE	20. AMOUNT	-	Gross		NET @ 60° F.	BARRELS		
15 ITEM NO.	16. STOCK/PART NO. <small>(Indicate number of shipping containers - type of container- container number.)</small>	DESCRIPTION	17. QUANTITY SHIP/REC'D *	18. UNIT	19. UNIT PRICE	20. AMOUNT														
-	Gross		NET @ 60° F.	BARRELS																
21. CONTRACT QUALITY ASSURANCE a. ORIGIN <input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or in supporting documents.				b. DESTINATION <input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or on supporting documents.		22. RECEIVER'S USE Quantities shown in column 17 were received in apparent good condition except as noted.														
DATE _____ SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE _____		DATE _____ SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE _____		DATE RECEIVED _____ SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE _____																
TYPED NAME: _____		TYPED NAME: _____		TYPED NAME: _____																
TITLE: _____		TITLE: _____		TITLE: _____																
MAILING ADDRESS: _____		MAILING ADDRESS: _____		MAILING ADDRESS: _____																
COMMERCIAL TELEPHONE NUMBER: _____		COMMERCIAL TELEPHONE NUMBER: _____		COMMERCIAL TELEPHONE NUMBER: _____																
*If quantity received by the Government is the same as quantity shipped, indicate by (x) mark; if different, enter actual quantity received below quantity shipped and encircle.																				
23. CONTRACTOR USE ONLY:																				

ATTACHMENT C-2 DD FORM 250-1

TANK/BARGE MATERIAL INSPECTION AND RECEIVING REPORT				FORM APPROVED OMB No. 0704-0248 Expires Dec 31, 1990	
Public reporting burden for this collection of information is estimated to average 35 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0248), Washington, DC 20503.					
PLEASE DO NOT RETURN YOUR COMPLETED FORM TO EITHER OF THESE ADDRESSES. SEND THIS FORM IN ACCORDANCE WITH THE INSTRUCTIONS CONTAINED IN THE DFARS, APPENDIX F-401.					
1. TANKER BARGE <input type="checkbox"/> LOADING REPORT <input checked="" type="checkbox"/> DISCHARGE REPORT		2. INSPECTION OFFICE		3. REPORT NUMBER	
4. AGENCY PLACING ORDER ON SHIPPER, CITY, STATE AND/OR LOCAL ADDRESS (Loading)			5. DEPARTMENT		5. PRIME CONTRACT OR P.O. NUMBER
7. NAME OF PRIME CONTRACTOR, CITY, STATE AND/OR LOCAL ADDRESS (Loading)				8. STORAGE CONTRACT	
9. TERMINAL OR REFINERY SHIPPED FROM, CITY, STATE AND/OR LOCAL ADDRESS (Loading)				10. ORDER NUMBER OR SUPPLIER	
11 SHIPPED TO (Receiving, Activity, City, State and/or Local Address)				12. B/L NUMBER	
				13. REGN. OR REQUEST NO.	14. CARGO NUMBER
15. VESSEL		16. DRAFT ARRIVAL FORE AFT		17. DRAFT SAILING FORE AFT	
18. PREVIOUS TWO CARGOES FIRST LAST		19. PRIOR INSPECTION			
20. CONDITION OF SHORE PIPELINE		21. APPROPRIATION (Loading)		22. CONTRACT ITEM NO. N/A	
23. PRODUCT		24. SPECIFICATIONS N/A			
25. STATEMENT OF QUANTITY		LOADED	DISCHARGED	LOSS/GAIN	PER CENT
BARRELS (42 Gals/Net) NSV					
GALLONS (Net)					
TONS (Long) Barrels GSV					
26. STATEMENT OF QUALITY		TEST RESULTS	VESSEL COMPOSITE	TEST RESULTS	THIRD PARTY INSPECTOR VESSEL COMPOSITE
API GRAVITY					
BS&W					
S&W					
SULFUR (WT%)					
RVP					
VISC @ 60 DEG. F (CST)					
VISC @ 100 DEG. F. (CST)					
SALT					
POUR					
TAN					
27. TIME STATEMENT		DATE	TIME	28. REMARKS (Note in detail cause of delays such as repairs, breakdowns, slow operations, stoppage, etc.)	
NOTICE OF READINESS TO LOAD/DISCHARGE					
VESSEL ARRIVED IN ROADS					
MOORED ALONGSIDE					
STARTED BALLAST DISCHARGE					
FINISHED BALLAST DISCHARGE					
INSPECTED AND READY TO LOAD/DISCHARGE					
CARGO HOSES CONNECTED					
COMMENCED LOADING/DISCHARGE					
STOPPED LOADING/DISCHARGING					
RESUMED LOADING/DISCHARGING					
FINISHED LOADING/DISCHARGING					
CARGO HOSES REMOVED					
VESSEL RELEASED BY INSPECTOR					
29. COMPANY OR RECEIVING TERMINAL					
COMMENCED BUNKERING					
FINISHED BUNKERING					
VESSEL LEFT BIRTH (Actual/Estimated)					
30. I CERTIFY THAT THE CARGO WAS INSPECTED, ACCEPTED AND LOADED/DISCHARGED AS INDICATED HEREON.			31. I HEREBY CERTIFY THAT THIS TIME STATEMENT IS CORRECT.		
(Date)		(Signature of Authorized Government Representative)		(Master or Agent)	

ATTACHMENT D Quality Adjustment Tables

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM							
API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
10.0	1.250	16.0	2.150	22.0	3.050	28.0	3.950
10.1	1.265	16.1	2.165	22.1	3.065	28.1	3.965
10.2	1.280	16.2	2.180	22.2	3.080	28.2	3.980
10.3	1.295	16.3	2.195	22.3	3.095	28.3	3.995
10.4	1.310	16.4	2.210	22.4	3.110	28.4	4.010
10.5	1.325	16.5	2.225	22.5	3.125	28.5	4.025
10.6	1.340	16.6	2.240	22.6	3.140	28.6	4.040
10.7	1.355	16.7	2.255	22.7	3.155	28.7	4.055
10.8	1.370	16.8	2.270	22.8	3.170	28.8	4.070
10.9	1.385	16.9	2.285	22.9	3.185	28.9	4.085
11.0	1.400	17.0	2.300	23.0	3.200	29.0	4.100
11.1	1.415	17.1	2.315	23.1	3.215	29.1	4.115
11.2	1.430	17.2	2.330	23.2	3.230	29.2	4.130
11.3	1.445	17.3	2.345	23.3	3.245	29.3	4.145
11.4	1.460	17.4	2.360	23.4	3.260	29.4	4.160
11.5	1.475	17.5	2.375	23.5	3.275	29.5	4.175
11.6	1.490	17.6	2.390	23.6	3.290	29.6	4.190
11.7	1.505	17.7	2.405	23.7	3.305	29.7	4.205
11.8	1.520	17.8	2.420	23.8	3.320	29.8	4.220
11.9	1.535	17.9	2.435	23.9	3.335	29.9	4.235
12.0	1.550	18.0	2.450	24.0	3.350	30.0	4.250
12.1	1.565	18.1	2.465	24.1	3.365	30.1	4.265
12.2	1.580	18.2	2.480	24.2	3.380	30.2	4.280
12.3	1.595	18.3	2.495	24.3	3.395	30.3	4.295
12.4	1.610	18.4	2.510	24.4	3.410	30.4	4.310
12.5	1.625	18.5	2.525	24.5	3.425	30.5	4.325
12.6	1.640	18.6	2.540	24.6	3.440	30.6	4.340
12.7	1.655	18.7	2.555	24.7	3.455	30.7	4.355
12.8	1.670	18.8	2.570	24.8	3.470	30.8	4.370
12.9	1.685	18.9	2.585	24.9	3.485	30.9	4.385
13.0	1.700	19.0	2.600	25.0	3.500	31.0	4.400
13.1	1.715	19.1	2.615	25.1	3.515	31.1	4.415
13.2	1.730	19.2	2.630	25.2	3.530	31.2	4.430
13.3	1.745	19.3	2.645	25.3	3.545	31.3	4.445
13.4	1.760	19.4	2.660	25.4	3.560	31.4	4.460
13.5	1.775	19.5	2.675	25.5	3.575	31.5	4.475
13.6	1.790	19.6	2.690	25.6	3.590	31.6	4.490
13.7	1.805	19.7	2.705	25.7	3.605	31.7	4.505
13.8	1.820	19.8	2.720	25.8	3.620	31.8	4.520
13.9	1.835	19.9	2.735	25.9	3.635	31.9	4.535
14.0	1.850	20.0	2.750	26.0	3.650	32.0	4.550
14.1	1.865	20.1	2.765	26.1	3.665	32.1	4.565
14.2	1.880	20.2	2.780	26.2	3.680	32.2	4.580
14.3	1.895	20.3	2.795	26.3	3.695	32.3	4.595
14.4	1.910	20.4	2.810	26.4	3.710	32.4	4.610
14.5	1.925	20.5	2.825	26.5	3.725	32.5	4.625
14.6	1.940	20.6	2.840	26.6	3.740	32.6	4.640
14.7	1.955	20.7	2.855	26.7	3.755	32.7	4.655
14.8	1.970	20.8	2.870	26.8	3.770	32.8	4.670
14.9	1.985	20.9	2.885	26.9	3.785	32.9	4.685
15.0	2.000	21.0	2.900	27.0	3.800	33.0	4.700
15.1	2.015	21.1	2.915	27.1	3.815	33.1	4.715
15.2	2.030	21.2	2.930	27.2	3.830	33.2	4.730
15.3	2.045	21.3	2.945	27.3	3.845	33.3	4.745
15.4	2.060	21.4	2.960	27.4	3.860	33.4	4.760
15.5	2.075	21.5	2.975	27.5	3.875	33.5	4.775
15.6	2.090	21.6	2.990	27.6	3.890	33.6	4.790
15.7	2.105	21.7	3.005	27.7	3.905	33.7	4.805
15.8	2.120	21.8	3.020	27.8	3.920	33.8	4.820
15.9	2.135	21.9	3.035	27.9	3.935	33.9	4.835

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM

API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
34.0	4.850	40.0	5.100	46.0	4.950	52.0	4.050
34.1	4.865	40.1	5.100	46.1	4.935	52.1	4.035
34.2	4.880	40.2	5.100	46.2	4.920	52.2	4.020
34.3	4.895	40.3	5.100	46.3	4.905	52.3	4.005
34.4	4.910	40.4	5.100	46.4	4.890	52.4	3.990
34.5	4.925	40.5	5.100	46.5	4.875	52.5	3.975
34.6	4.940	40.6	5.100	46.6	4.860	52.6	3.960
34.7	4.955	40.7	5.100	46.7	4.845	52.7	3.945
34.8	4.970	40.8	5.100	46.8	4.830	52.8	3.930
34.9	4.985	40.9	5.100	46.9	4.815	52.9	3.915
35.0	5.000	41.0	5.100	47.0	4.800	53.0	3.900
35.1	5.000	41.1	5.100	47.1	4.785	53.1	3.885
35.2	5.000	41.2	5.100	47.2	4.770	53.2	3.870
35.3	5.000	41.3	5.100	47.3	4.755	53.3	3.855
35.4	5.000	41.4	5.100	47.4	4.740	53.4	3.840
35.5	5.000	41.5	5.100	47.5	4.725	53.5	3.825
35.6	5.000	41.6	5.100	47.6	4.710	53.6	3.810
35.7	5.000	41.7	5.100	47.7	4.695	53.7	3.795
35.8	5.000	41.8	5.100	47.8	4.680	53.8	3.780
35.9	5.000	41.9	5.100	47.9	4.665	53.9	3.765
36.0	5.020	42.0	5.100	48.0	4.650	54.0	3.750
36.1	5.020	42.1	5.100	48.1	4.635	54.1	3.735
36.2	5.020	42.2	5.100	48.2	4.620	54.2	3.720
36.3	5.020	42.3	5.100	48.3	4.605	54.3	3.705
36.4	5.020	42.4	5.100	48.4	4.590	54.4	3.690
36.5	5.020	42.5	5.100	48.5	4.575	54.5	3.675
36.6	5.020	42.6	5.100	48.6	4.560	54.6	3.660
36.7	5.020	42.7	5.100	48.7	4.545	54.7	3.645
36.8	5.020	42.8	5.100	48.8	4.530	54.8	3.630
36.9	5.020	42.9	5.100	48.9	4.515	54.9	3.615
37.0	5.040	43.0	5.100	49.0	4.500	55.0	3.600
37.1	5.040	43.1	5.100	49.1	4.485		
37.2	5.040	43.2	5.100	49.2	4.470		
37.3	5.040	43.3	5.100	49.3	4.455		
37.4	5.040	43.4	5.100	49.4	4.440		
37.5	5.040	43.5	5.100	49.5	4.425		
37.6	5.040	43.6	5.100	49.6	4.410		
37.7	5.040	43.7	5.100	49.7	4.395		
37.8	5.040	43.8	5.100	49.8	4.380		
37.9	5.040	43.9	5.100	49.9	4.365		
38.0	5.060	44.0	5.100	50.0	4.350		
38.1	5.060	44.1	5.100	50.1	4.335		
38.2	5.060	44.2	5.100	50.2	4.320		
38.3	5.060	44.3	5.100	50.3	4.305		
38.4	5.060	44.4	5.100	50.4	4.290		
38.5	5.060	44.5	5.100	50.5	4.275		
38.6	5.060	44.6	5.100	50.6	4.260		
38.7	5.060	44.7	5.100	50.7	4.245		
38.8	5.060	44.8	5.100	50.8	4.230		
38.9	5.060	44.9	5.100	50.9	4.215		
39.0	5.080	45.0	5.100	51.0	4.200		
39.1	5.080	45.1	5.085	51.1	4.185		
39.2	5.080	45.2	5.070	51.2	4.170		
39.3	5.080	45.3	5.055	51.3	4.155		
39.4	5.080	45.4	5.040	51.4	4.140		
39.5	5.080	45.5	5.025	51.5	4.125		
39.6	5.080	45.6	5.010	51.6	4.110		
39.7	5.080	45.7	4.995	51.7	4.095		
39.8	5.080	45.8	4.980	51.8	4.080		
39.9	5.080	45.9	4.965	51.9	4.065		

For API GRAVITY values above 55.0° API the differential continues to decline 0.015/bbl. per 0.1° API GRAVITY.

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
0.00	1.000	0.60	1.600	1.20	2.200	1.80	2.800	2.40	3.400
0.01	1.010	0.61	1.610	1.21	2.210	1.81	2.810	2.41	3.410
0.02	1.020	0.62	1.620	1.22	2.220	1.82	2.820	2.42	3.420
0.03	1.030	0.63	1.630	1.23	2.230	1.83	2.830	2.43	3.430
0.04	1.040	0.64	1.640	1.24	2.240	1.84	2.840	2.44	3.440
0.05	1.050	0.65	1.650	1.25	2.250	1.85	2.850	2.45	3.450
0.06	1.060	0.66	1.660	1.26	2.260	1.86	2.860	2.46	3.460
0.07	1.070	0.67	1.670	1.27	2.270	1.87	2.870	2.47	3.470
0.08	1.080	0.68	1.680	1.28	2.280	1.88	2.880	2.48	3.480
0.09	1.090	0.69	1.690	1.29	2.290	1.89	2.890	2.49	3.490
0.10	1.100	0.70	1.700	1.30	2.300	1.90	2.900	2.50	3.500
0.11	1.110	0.71	1.710	1.31	2.310	1.91	2.910	2.51	3.510
0.12	1.120	0.72	1.720	1.32	2.320	1.92	2.920	2.52	3.520
0.13	1.130	0.73	1.730	1.33	2.330	1.93	2.930	2.53	3.530
0.14	1.140	0.74	1.740	1.34	2.340	1.94	2.940	2.54	3.540
0.15	1.150	0.75	1.750	1.35	2.350	1.95	2.950	2.55	3.550
0.16	1.160	0.76	1.760	1.36	2.360	1.96	2.960	2.56	3.560
0.17	1.170	0.77	1.770	1.37	2.370	1.97	2.970	2.57	3.570
0.18	1.180	0.78	1.780	1.38	2.380	1.98	2.980	2.58	3.580
0.19	1.190	0.79	1.790	1.39	2.390	1.99	2.990	2.59	3.590
0.20	1.200	0.80	1.800	1.40	2.400	2.00	3.000	2.60	3.600
0.21	1.210	0.81	1.810	1.41	2.410	2.01	3.010	2.61	3.610
0.22	1.220	0.82	1.820	1.42	2.420	2.02	3.020	2.62	3.620
0.23	1.230	0.83	1.830	1.43	2.430	2.03	3.030	2.63	3.630
0.24	1.240	0.84	1.840	1.44	2.440	2.04	3.040	2.64	3.640
0.25	1.250	0.85	1.850	1.45	2.450	2.05	3.050	2.65	3.650
0.26	1.260	0.86	1.860	1.46	2.460	2.06	3.060	2.66	3.660
0.27	1.270	0.87	1.870	1.47	2.470	2.07	3.070	2.67	3.670
0.28	1.280	0.88	1.880	1.48	2.480	2.08	3.080	2.68	3.680
0.29	1.290	0.89	1.890	1.49	2.490	2.09	3.090	2.69	3.690
0.30	1.300	0.90	1.900	1.50	2.500	2.10	3.100	2.70	3.700
0.31	1.310	0.91	1.910	1.51	2.510	2.11	3.110	2.71	3.710
0.32	1.320	0.92	1.920	1.52	2.520	2.12	3.120	2.72	3.720
0.33	1.330	0.93	1.930	1.53	2.530	2.13	3.130	2.73	3.730
0.34	1.340	0.94	1.940	1.54	2.540	2.14	3.140	2.74	3.740
0.35	1.350	0.95	1.950	1.55	2.550	2.15	3.150	2.75	3.750
0.36	1.360	0.96	1.960	1.56	2.560	2.16	3.160	2.76	3.760
0.37	1.370	0.97	1.970	1.57	2.570	2.17	3.170	2.77	3.770
0.38	1.380	0.98	1.980	1.58	2.580	2.18	3.180	2.78	3.780
0.39	1.390	0.99	1.990	1.59	2.590	2.19	3.190	2.79	3.790
0.40	1.400	1.00	2.000	1.60	2.600	2.20	3.200	2.80	3.800
0.41	1.410	1.01	2.010	1.61	2.610	2.21	3.210	2.81	3.810
0.42	1.420	1.02	2.020	1.62	2.620	2.22	3.220	2.82	3.820
0.43	1.430	1.03	2.030	1.63	2.630	2.23	3.230	2.83	3.830
0.44	1.440	1.04	2.040	1.64	2.640	2.24	3.240	2.84	3.840
0.45	1.450	1.05	2.050	1.65	2.650	2.25	3.250	2.85	3.850
0.46	1.460	1.06	2.060	1.66	2.660	2.26	3.260	2.86	3.860
0.47	1.470	1.07	2.070	1.67	2.670	2.27	3.270	2.87	3.870
0.48	1.480	1.08	2.080	1.68	2.680	2.28	3.280	2.88	3.880
0.49	1.490	1.09	2.090	1.69	2.690	2.29	3.290	2.89	3.890
0.50	1.500	1.10	2.100	1.70	2.700	2.30	3.300	2.90	3.900
0.51	1.510	1.11	2.110	1.71	2.710	2.31	3.310	2.91	3.910
0.52	1.520	1.12	2.120	1.72	2.720	2.32	3.320	2.92	3.920
0.53	1.530	1.13	2.130	1.73	2.730	2.33	3.330	2.93	3.930
0.54	1.540	1.14	2.140	1.74	2.740	2.34	3.340	2.94	3.940
0.55	1.550	1.15	2.150	1.75	2.750	2.35	3.350	2.95	3.950
0.56	1.560	1.16	2.160	1.76	2.760	2.36	3.360	2.96	3.960
0.57	1.570	1.17	2.170	1.77	2.770	2.37	3.370	2.97	3.970
0.58	1.580	1.18	2.180	1.78	2.780	2.38	3.380	2.98	3.980
0.59	1.590	1.19	2.190	1.79	2.790	2.39	3.390	2.99	3.990

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
3.00	4.000	3.60	4.600
3.01	4.010	3.61	4.610
3.02	4.020	3.62	4.620
3.03	4.030	3.63	4.630
3.04	4.040	3.64	4.640
3.05	4.050	3.65	4.650
3.06	4.060	3.66	4.660
3.07	4.070	3.67	4.670
3.08	4.080	3.68	4.680
3.09	4.090	3.69	4.690
3.10	4.100	3.70	4.700
3.11	4.110	3.71	4.710
3.12	4.120	3.72	4.720
3.13	4.130	3.73	4.730
3.14	4.140	3.74	4.740
3.15	4.150	3.75	4.750
3.16	4.160	3.76	4.760
3.17	4.170	3.77	4.770
3.18	4.180	3.78	4.780
3.19	4.190	3.79	4.790
3.20	4.200	3.80	4.800
3.21	4.210	3.81	4.810
3.22	4.220	3.82	4.820
3.23	4.230	3.83	4.830
3.24	4.240	3.84	4.840
3.25	4.250	3.85	4.850
3.26	4.260	3.86	4.860
3.27	4.270	3.87	4.870
3.28	4.280	3.88	4.880
3.29	4.290	3.89	4.890
3.30	4.300	3.90	4.900
3.31	4.310	3.91	4.910
3.32	4.320	3.92	4.920
3.33	4.330	3.93	4.930
3.34	4.340	3.94	4.940
3.35	4.350	3.95	4.950
3.36	4.360	3.96	4.960
3.37	4.370	3.97	4.970
3.38	4.380	3.98	4.980
3.39	4.390	3.99	4.990
3.40	4.400	4.00	5.000
3.41	4.410		
3.42	4.420		
3.43	4.430		
3.44	4.440		
3.45	4.450		
3.46	4.460		
3.47	4.470		
3.48	4.480		
3.49	4.490		
3.50	4.500		
3.51	4.510		
3.52	4.520		
3.53	4.530		
3.54	4.540		
3.55	4.550		
3.56	4.560		
3.57	4.570		
3.58	4.580		
3.59	4.590		

For Sulfur Values above 4.00%, the differential continues to increase 0.01/BBL per 0.01 Percent Sulfur

ATTACHMENT E
Nomination-Confirmation Form

STRATEGIC PETROLEUM RESERVE
NOMINATION - CONFIRMATION

SPR Operations Fluor Federal Petroleum Operations New Orleans, Louisiana FFPOCOL@SPR.DOE.GOV	<u>Scheduler</u> (504) 473-9975 <u>Quantity and Quality</u> (504) 722-6146
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****The following information must be provided by the Contractor****

Submission Date: [Click here to enter a date.](#) Submission Type: Original Nomination

Contract No.: Enter Contract Number
 Contractor: Enter Contractor Name
 Address: Enter Address
 City, State, Zip

Contractor Contact Information

Primary Contact: Primary Contact Name	Alternate: Alternate Contact Name
Office: Office Phone	Office: Office Phone
Cell: Cell Phone	Cell: Cell Phone
Email: Email Address	Email: Email Address

CODR/DD250 Contractor Signatory Designee*: Signatory Designee Name
 Designee can be contractor office personnel, 3rd party inspection company, or chosen loss control representative*.
 Office: Office Phone
 Cell: Cell Phone
 Email: Email Address

Note: If multiple designees are to be used, please input "See Attached" and provide list to FFPOCOL@spr.doe.gov with nomination.

†Third Party Inspection Company Information

Company: 3rd Party Inspection Company
 Contact: 3rd Party Contact Name
 Contact Ned Scheppegrell for any questions on SPR 3rd party inspection and testing.

Nomination Information and Delivery Window (additional lines on following page)

Delivery Window	Pipeline/Vessel	Volume (MB)	SPR Site	Destination
Dates	Choose an item.	Volume	Site	
Dates	Choose an item.	Volume	Site	
Dates	Choose an item.	Volume	Site	
Dates	Choose an item.	Volume	Site	
Total Volume:		Total Volume		

The following information to be provided by SPR Operations Personnel

<u>Terminal Information</u> Terminal: TBD Contact: Contact: Contact:	<u>Custody Transfer Point</u> TBD <u>Quality Point</u> TBD <u>Quantity Point</u> TBD
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**DEPARTMENT OF ENERGY
STRATEGIC PETROLEUM RESERVE (SPR)
OIL EXCHANGE AGREEMENT
22PO0004**

This Exchange Agreement, entered into this 12th day of January 2022, between the UNITED STATES OF AMERICA, acting by and through the Department of Energy, hereinafter referred to as the “GOVERNMENT” or “DOE” and Shell Trading (US) Company, hereinafter referred to as the “Contractor.”

WITNESSETH:

1. AUTHORITY – That the Secretary of Energy, under the authority of the Department of Energy Organization Act (42 U.S.C. 7101 *et seq.*) and sections 159(f)(5) and 160(a) of the Energy Policy and Conservation Act (42 U.S.C. 6239, 6240), having determined that the exchanging of crude oil will be advantageous to the Government and in the public interest, hereby enters into this agreement with the Contractor for the exchange of crude oil from the SPR.

2. CUSTODY TRANSFER –

Big Hill to Sun Tanks

Custody transfer quantity and quality measurements will be the Sun/DOE meter skid and inline sampler at the Sun Marine Terminal. Secondary measurement for quantity will be the Sun shore tank and quality based on manual grab samples taken at the Sun/DOE inline sampler. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and testing and perform testing if necessary.

The Government will deliver approximately 870,000 barrels (plus/minus 10%) of sour crude with an estimated API of 30.8 and an estimated sulfur of 1.43 from the Government’s Big Hill site to the contractor.

Return of oil to the SPR:

Sun Tank to Big Hill

Custody transfer quantity and quality measurements will be the DOE meter skid and inline sampler located at the Sun Marine Terminal. Secondary measurement for quantity will be on the Sun shore tank and quality based on manual grab samples taken at the Sun/DOE inline sampler. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE

M&O contracted third party inspection company will witness all measurement and testing and perform testing.

All costs associated with the transportation of the exchange oil transferred from and to the SPR will be absorbed by the Contractor, to include but not be limited to, tariffs, marine shipment, pipeline shipment, U.S. Customs duties, harbor and environmental fees (including Texas Coastal protection fees), terminalling and tankage charges.

3. TERM – The Government will commence delivery as soon as possible with an objective to be completed by January 28, 2022. Contractor shall return all exchange oil plus premium barrels to the Big Hill SPR site during the month of September 2024. Contractor’s oil return schedules must be approved by the Government prior to delivery. Also, see Provision 18 for additional scheduling requirements.
4. PAYMENT AND PERFORMANCE GUARANTEE – Within three (3) business days after receipt of award, the Contractor must provide to the Contracting Officer an acceptable “Irrevocable Standby Letter of Credit” established in favor of the United States Department of Energy to the Contracting Officer in the amount of \$66,694,200.00 with an expiration date of November 30, 2024. The letter must contain the substantive provisions set out in Attachment B, and be issued by a depository institution located in and authorized to do business in any state of the United States or the District of Columbia, and authorized to issue letters of credit by the banking laws of the United States or any state of the United States or the District of Columbia. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible-Settlement-only. The issuing bank must provide documentation indicating that the person(s) signing the letter of credit is authorized to do so, in the form of corporate minutes, the Authorized Signature List, or the General Resolution of Signature Authority. All wire deposit and letter of credit costs will be borne by the purchaser.

The letter of credit must be an “Irrevocable Standby Letter of Credit” and **MUST NOT VARY IN SUBSTANCE** from the sample in Attachment B. If the letter of credit contains any provisions at variance with Attachment B or fails to include any provisions contained in Attachment B, nonconforming provisions must be deleted and missing substantive provisions must be added or the letter of credit will not be accepted.

The blanks in Attachment B shall be filled in by the issuing bank, except those in the drawing statements. The drawing statements are in bold print with double underlines for the blanks. The double underlined blanks will be filled in only at the time of a drawing against the letter of credit.

Please submit an electronic copy to mary.roark@spr.doe.gov.

Failure to provide the letter of credit shall constitute grounds for termination of the contract for default.

5. PAYMENT – Contractor agrees to a fixed 9.1% premium return of sour crude oil in addition to actual crude oil received from the SPR. The premium percentage will be applied to the

barrels actually delivered to the contractor (*for example if the SPR delivers 870MB NSV barrels, the premium would be $870MB \times 1.091 = 949,170$ or 79,170 premium barrels*) with a minimum premium owed to the DOE of 71,253 sour barrels. All sour crude oil returned to the SPR must meet the specifications in Attachment A. The Contractor should make every effort practical to return 100% of the oil quantity delivered however must return at least 90% of the actual crude oil volume received plus the calculated premium to the designated SPR site.

6. GOVERNMENT NON-LIABILITY/ CONTRACTOR LIABILITY – Contractor covenants that it will defend, indemnify and save and hold harmless the Government, its officers, agents, and employees for and from any and all liability or claims for damages to property or injuries to or death of persons which may arise from or be incident to the use of the exchange oil, or for damages to the property or injuries to the person of Contractor (if an individual), or damages to the property or injuries to or death of the person of Contractor’s officers, agents, servants, employees, or others who may be on said premises at their invitation or the invitation of any one of them, arising from exchange activities.

Contractor further covenants that any property of the Government lost, damaged or destroyed incident to Contractor’s use of the exchange oil shall be promptly replaced by Contractor to the satisfaction of the Contracting Officer, or in lieu of such replacement Contractor shall, if so required by the said officer, pay to the Government money in an amount sufficient to compensate for the loss sustained by the Government by reason loss, damage or destruction of the property.

7. NOTICES – No notice, order, direction, determination, requirement, consent, or approval under this Exchange Agreement shall be of any effect unless in writing. All notices required under this Exchange Agreement shall be addressed to Contractor, or to the Contracting Officer, as may be appropriate.

8. COMMUNICATIONS – Notices and other communications provided for herein shall be in writing and shall be delivered or mailed as follows:

Delivery and or Return:

For coordination of pipeline schedules and operations contact Chuck Costanza at (504) 473-9975 or Bradley Bauer (504)234-0145 **and** email to FFPOCOL@spr.doe.gov. All communications sent via need to include FFPOCOL@spr.doe.gov. Contractual issues shall be addressed with the Department of Energy’s Contracting Officer, Mary C. Roark, at (504) 734-4195.

9. EXAMINATION OF RECORDS BY THE GOVERNMENT – Contractor agrees that the Government or any of its duly authorized representatives shall, until the expiration of three years after final payment under this agreement, have access to and the right to examine any books, documents, paper, and records of the Contractor involving transactions related to this agreement or compliance with any clauses thereunder.

10. CHANGES – The Contracting Officer may, at any time, without notice to the Letter of Credit guarantee(s), by written order designated or indicated to be a change order, or verbal direction followed by written order, make changes within the terms and conditions of the contract, including but not limited to the following changes-

- a. In the volume to be delivered to the Contractor or returned to the SPR.
- b. To the delivery period for issuance of SPR crude oil or for return of barrels back to the SPR.
- c. In the type of crude oil to be returned to the SPR.
- d. To delivery mode of crude oil coming out of the SPR or return oil.
- e. In the delivery point(s) of return oil to the SPR.

Any other written or oral order (which, as used in this paragraph, includes direction, instruction, interpretation, or determination) from the Contracting Officer that causes a change shall be treated as a change order under this provision; Provided, that the Contractor gives the Contracting Officer written notice stating –

- a. The date, circumstances, and source of the order, and
- b. That the Contractor regards the order as a change order.

If any change under this provision causes an increase or decrease in the Contractor's cost of, or the time required for, the performance of any part of the performance under this contract, whether or not changed by any such order, the Contracting Officer shall make an equitable adjustment and modify the contract in writing.

The contractor must assert its right to an adjustment under this provision within 30 calendar days after notification of the change.

- 11. NATIONAL AND OPERATIONAL EMERGENCIES – Return oil deliveries to the DOE may be rescheduled or redirected upon the determination of a national or DOE operational emergency. A negotiated adjustment to the contract will be made as a result of this direction. However, should the parties fail to reach a settlement, the Government shall establish an equitable adjustment subject to the Provision entitled “Disputes.”

- 12. DEFAULT –

- a. The Government may, by written notice of default to the Customer, terminate this contract in whole or in part if the Contractor fails to -
 - (1) Receive SPR crude oil within the time specified in this contract or any extension;
 - (2) Make progress in scheduling of contracted deliveries, so as to endanger performance of this contract; or
 - (3) Perform any of the other provisions of this contract.

- b. The rights and remedies of the Government in this clause are in addition to any other rights and remedies provided by law or under this contract.

13. TERMINATION FOR THE CONVENIENCE OF THE GOVERNMENT – The Contracting Officer, by written notice, may terminate this contract, in whole or in part, when it is in the Government’s interest. If this contract is terminated, the Government shall be liable only for reasonable, customary and applicable costs incurred by the Customer before the effective date of termination, but shall not be liable for consequential damages or the contractor’s lost profits.

14. EXCUSABLE DELAYS

- a. In the event either party should be prevented from performing under this contract by reason of any unforeseeable cause beyond its control and without its fault or negligence, including, but not restricted to, acts of God or of the public enemy, sovereign acts of the United States, acts of a foreign Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, performance under the contract shall be suspended in whole or in part until such cause ceases to exist and thereafter the time for fulfillment of the contract shall be extended by the length of time during which such cause prevented performance under the contract.
- b. In order for this provision to become operative, the party to the contract affected by the excusable delay condition shall furnish the other party with written notice of the nature and extent of the excusable delay condition promptly after the commencement thereof, but in any event prior to shipment of the crude oil from the location from which it is to be shipped. Written notice shall be furnished within ten (10) calendar days to the other party when the excusable delay condition ceases to exist.

15. FORCE MAJEURE – Force Majeure means, except for payment due hereunder, either party hereto shall be relieved from liability for failure to perform hereunder for the duration and to the extent such failure is occasioned by war, riots, insurrections, fire, explosions, sabotage, strikes, and other labor or industrial disturbances, acts of God or the elements, disruption or mechanical breakdown of production or transportation facilities, or delays of pipeline carrier in receiving and delivering crude oil tendered. Any such failures to perform shall be remedied with all reasonable dispatch.

As employed herein, the term “party”, as it relates to the Contractor, shall not include affiliated business concerns or individuals if, directly or indirectly, (1) either one controls or can control the other, or (2) a third party controls or can control both.

16. DISPUTES –

- a. This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. Section 601 et seq.). If a dispute arises relating to the contract, the Customer may submit a claim to the Contracting Officer, who shall issue a written decision on the dispute in the manner specified in 48 CFR 1-33.211.

- b. "Claim" means:
- (1) A written request submitted to the Contracting Officer;
 - (2) For payment of money, adjustment of contract terms, or other relief;
 - (3) Which is in dispute or remains unresolved after a reasonable time for its review and disposition by the Government; and
 - (4) For which a Contracting Officer's decision is demanded.
- c. In the case of dispute requests or amendments to such requests for payment exceeding \$100,000, the Customer shall certify at the time of submission as a claim, as follows:

I certify that the claim is made in good faith, that the supporting data are current, accurate and complete to the best of my knowledge and belief and that the amount requested accurately reflects the contract adjustment for which the Customer believes the Government is liable.

Customer's Name _____
 Signature _____
 Title _____

- d. The Government shall pay to the Customer interest on the amount found due to the Customer on claims submitted under this provision at the rate established by the Department of the Treasury from the date the amount is due until the Government makes payment. The Contract Disputes Act of 1978, as amended, and the Prompt Payment Act adopt the interest rate established by the Secretary of the Treasury under the Renegotiation Act as the basis for computing interest on money owed by the Government. This rate is published semi-annually in the Federal Register.
- e. The Customer shall pay to the Government interest on the amount found due to the Government and unpaid on claims submitted under this provision at the rate specified in Paragraph d. above from the date the amount is due until the Customer makes payment.
- f. The decision of the Contracting Officer shall be final and conclusive and shall not be subject to review by any forum, tribunal, or Government agency unless an appeal or action is commenced within the times specified by the Contract Disputes Act of 1978, as amended.
- g. The Customer shall comply with any decision of the Contracting Officer and at the direction of the Contracting Officer shall proceed diligently with performance of this contract pending final resolution of any request for relief, claim, appeal, or action related to this contract.
17. OIL QUALITY – The Contractor shall be responsible for variations in oil quality exceeding the limits set forth below upon the return of the oil to the Government. The reference basis

shall be the weighted average sour results of the laboratory tests conducted by the Government for API gravity and Sulfur weight percent taken when custody originally passed to the Contractor. Please note, the DOE will not be liable for any quality differential for Return Oil delivered to the SPR.

- a. Quality differentials will be calculated by utilizing the Quality tables in Attachment D. The allowable variations from the common quality for crude oil deliveries are defined as:

<u>QUALITY</u>	<u>Allowable Quality Variations</u>	
	<u>DOE CRUDE OIL (CATEGORY)</u>	
	<u>SWEET</u>	<u>SOUR</u>
Gravity - API°	-0.5	-0.5
Sulfur - Wt%	+0.10	+0.10

- b. API Gravity between 40.0 and 45.0: No quality differential shall be accessed.
- c. API Gravity between 35.0 and 40.0: Adjustment for Sour crude oil is 2¢ per barrel for each degree (1.0°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded. Specifically, computed API Gravity excess variances for each cargo, reported in API Gravity 0.1° increments, shall be rounded up to the next whole 1.0° API.
- d. API Gravity below 35.0: Adjustment for Sour crude oil is 1.5¢ per barrel for each tenth of a degree (0.1°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded.
- e. Total Sulfur: 1.0¢ per barrel for each 1/100th percent (0.01%) increase/decrease in total sulfur by which the allowable variations set forth above are exceed.
- f. If crude oil delivered to the DOE falls below the minimum SPR specification for API Gravity, or above the maximum DOE specification for sulfur, as defined in Attachment A, a quality differential adjustment shall be applied without a variance allowance on that portion exceeding the specification limit.

There is a limit of 0.1% freewater on delivery to the SPR as measured either by contractor's shore tank or on the vessel prior to discharge into tanks designated for DOE receipts. The inspector's gauges, witnessed by the DOE representative, either on the vessel at the dock facility or terminal shore tank, will be the method used to determine the final freewater barrel amount. This clause is effective in conjunction with the Water and Sediment [Vol.%] maximum limit of 1.0% as stated in Attachment A; e.g., a 500,000 barrel oil delivery to the SPR is limited to 1.0% S&W (5,000 barrels), of which a maximum of 0.1% (500 barrels) can be freewater. Contractor is responsible for all costs associated with removal of excess freewater. Exceeding the freewater limitations specified herein will result in the cargo being rejected.

18. SCHEDULING OF OIL MOVEMENTS – Contractor shall schedule all oil deliveries through the appropriate commercial pipeline and marine terminal facilities, ensuring that it has coordinated the deliveries with the SPR.

For marine deliveries, the Contractor shall provide a working schedule to the DOE not later than the fifteenth day of the month prior to the month in which deliveries will be made (e.g. by January 15 for February deliveries). This working schedule will contain total monthly volumes and the approximate delivery dates and quantities for each month of delivery. No later than seven business days prior to each delivery, the Contractor shall provide vessel name, vessel quality data, the expected date of arrival, the volume to be delivered, vessel agents and any other pertinent information that may be needed. The SPR will provide a Nomination-Confirmation Form (Attachment E). The Contractor shall complete the yellow highlighted areas and return the form in the time frame defined above.

The Contractor, or its designated agent, shall provide pre-arrival notices 72 hours, 48 hours and 24 hours prior to discharge to both the DOE and the discharge terminal.

For pipeline deliveries, the Contractor shall make necessary arrangements with the commercial pipelines connected to the DOE or its interconnecting pipelines. Nomination information regarding these deliveries shall be provided to the DOE not later than five calendar days prior to the month in which deliveries will be made.

Note 1: It is the responsibility of the offerors to confirm these specifications prior to nominations to insure most current information.

Note 2: Any barrels awarded under Notice of Sale No. DE-NS96-22PO10000 will have scheduling priority over cargoes underneath this agreement in the February through March 2022 period.

19. SPR Oil Quality

The quality characteristics of the crude oil stream offered in the exchange are those cited in the Strategic Petroleum Reserve Crude Oil Assays.

This crude oil quality data is a weighted average composition of the specific caverns that comprise the streams offered in the exchange. Although a specific crude oil benchmark is referenced; SPR inventory contains a blend of domestic and global crude including Isthmus, Urals, Alaskan North Slope, Arabian Light, Saharan, and Dubai with segregation by Sweet and Sour storage caverns. The SPR has observed H₂S concentration (which is found naturally in crude oil) greater than 10 ppm in liquid in some crude batches. Measurements of H₂S in vapor space can be orders of magnitude higher than in liquid and difficult to measure due to factors in handling, weather, etc. OSHA provides guidelines on appropriate safety precautions and equipment if crude is handled openly, spilled, or released to the atmosphere. Offerors are encouraged to review the SPR Crude Oil Assay Manual, Crude Oil Safety Data Sheet, and the Strategic Petroleum Reserve Crude Oil Assays for more detailed oil stream composition and specifics so that conditions (such as the presence of H₂S) are expected and communicated downstream.

Note: Each SPR stream will be a blended average using several caverns. As a result, actual representative samples are not available prior to deliveries. Please refer to Crude Oil Assays which provides a weighted average composite profile of the stream.

20. DELIVERY AND RECEIPT DOCUMENTATION – All quantity and quality determinations shall be documented on the Material Inspection and Receiving Report (DD Form 250). See Attachment C-1 for copy of this form. The DD Form 250 shall be signed by the Customer's agent to acknowledge delivery and receipt of the quantity and quality of crude oil indicated. Copies of the completed DD Form 250, with applicable supporting documentation (i.e., metering or tank gauging tickets and appropriate calculation worksheets), shall be furnished to the Customer and/or the Customer's authorized representative after completion of delivery or receipts. Also, marine Bills of Lading or Pipeline Statements identifying crude type shipped shall be provided by the contractor.

The Customer shall provide written confirmation to the SPR, no later than seven calendar days prior to the scheduled date of each delivery under the contract, the name(s) of the authorized agent(s) given signature authority to sign/endorse the delivery documentation on the Customer's behalf. Any changes to this listing of names shall be provided to the SPR in writing no later than 72 hours before the first delivery to which such change applies. In the event that an independent surveyor (separate from the authorized signatory agent) is appointed by the Customer to witness the delivery operation (gauging, sampling, testing, etc.), written notification shall be provided to SPR, no later than 72 hours prior to the scheduled date of each applicable cargo delivery to or from the SPR.

Absence of the provision of the name(s) of bona fide agent(s) and the signature of such agent on the delivery documentation constitutes acceptance of the delivery quantity and quality as determined by the Government and/or its agents

21. RECONCILIATION – Within 30 days, barring any exceptions, after completion of the final scheduled delivery of exchange oil under the contract, any imbalances that may exist in the crude oil volumes agreed upon in the contract will be reconciled in the following manner:

If DOE receives an amount of exchange oil that exceeds the contracted return oil delivery volume, the Government will attempt to reconcile the imbalance through cash payments or other alternate means, as available. If reconciliation is by cash payment, the Contractor shall invoice the DOE based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250.


If the Contractor delivers a total volume of return oil which is less than the contracted quantity, the DOE will invoice the Contractor for the undelivered amount based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250. If no payment is received by the due date specified on the invoice, the applicable amount owed will be drawn against the Contractor's Payment and Performance Letter of Credit as described in Provision 4 of this contract.


Note: The cost value is derived from the data published in the Argus Americas Crude Oil Price Report. If no published prices are available, a mutually agreed upon price will be

negotiated. Should the parties fail to reach a negotiated price, the Government shall determine a fair and reasonable price.

Contractor

The United States of America

By: 
Name: SEAN P. SPANSEL
Title: NA OFFSHORE CRUDE TRADING MGR

By: 
Name: Mary C. Roark
Title: Contracting Officer

ATTACHMENT A

STRATEGIC PETROLEUM RESERVE CRUDE OIL SPECIFICATIONS ^a (SPRO MAY 2020) ^{e1}

CHARACTERISTIC	SOUR	SWEET	PRIMARY ASTM TEST METHOD ^b
API Gravity [°API]	30-45	30-45	D1298 or D5002
Total Sulfur [Mass %], max.	1.99	0.50	D4294
Pour Point [°C], max.	10	10	D97
Salt Content [Mass %], max.	0.050	0.050	D6470
Viscosity			
[cSt @ 15.6°C], max.	32	32	D445
[cSt @ 37.8°C], max.	13	13	
Vapor Pressure			
[VPCR4 (100°F) psia (kPa)] ^c , max.	9(62.1)	9(62.1)	D6377
Total Acid Number [mg KOH/g], max.	1.00	1.00	D664
Water and Sediment [Vol. %], max.	1.0	1.0	473 and D4006, or D4928
Yields [Vol. %]			D2892 and D5236 ^e
Naphtha [28-191°C]	24-30	21-42	
Distillate [191-327°C]	17-31	19-45	
Gas Oil [327-566°C]	26-38	20-42	
Residuum [>566°C]	10-19	14 max.	
Light Ends [Liquid Vol. %] ^d , max			
Methane (C ₁)	0.01	0.01	IP344 or ITM 6008
Ethane (C ₂)	0.1	0.1	
Propane (C ₃)	1.0	1.0	

^{e1} This revision includes a limitation on light ends content (see Footnote ^d)

^a Marketable crude petroleum suitable for normal refinery processing and free of foreign contaminants or chemicals including, but not limited to, pour point depressants, chlorinated and oxygenated hydrocarbons, and lead.

^b Alternate methods may be used if approved by the contracting officer.

^c D 7169 data may be provided in requesting conditional acceptance of a crude oil. Distillation data according to D 2892 and D 5236 will still be necessary for final qualification of a crude oil's acceptance.

^d Light ends content specifications are interim and will be superseded if and when industry standards for light ends evaluation are implemented.

^e Vapor pressure changed to better reflect current domestic crude standards.

- NOTE 1: The Strategic Petroleum Reserve reserves the right to refuse to accept any crude oil which meets these specifications but is deemed to be incompatible with existing stocks, or which has the potential for adversely affecting handling.
- NOTE 2: The acceptability of any crude oil depends upon any assay typical of current production quality of the stream. Any crude oil offered to the Strategic Petroleum Reserve that meets these specifications may be subject to additional testing for acceptance.
- NOTE 3: All crude oil shipments received by the SPR are tested to ensure they meet specifications. Crude streams found consistently not meeting required specifications will be removed from the list of acceptable crude oils.

ATTACHMENT B

SAMPLE - PAYMENT AND PERFORMANCE LETTER OF CREDIT BANK LETTERHEAD IRREVOCABLE STANDBY LETTER OF CREDIT

Date: _____

To: U.S. Department of Energy
Strategic Petroleum Reserve
900 Commerce Road East
New Orleans, LA 70123
Attn: (Mary Roark)

AMOUNT OF LETTER OF CREDIT: U.S.\$ _____ (_____)

CONTRACTOR: _____

CONTRACT NO: 22PO0004 _____

LETTER OF CREDIT NO: _____

EXPIRATION DATE: November 30, 2024 _____

AMERICAN BANKERS ASSOCIATION (ABA) NO: _____

To whom it may concern:

We hereby establish in the U.S. Department of Energy's favor our irrevocable standby Letter of Credit effective immediately for the account of our customer's above contract with the U.S. Department of Energy for the exchange of Strategic Petroleum Reserve petroleum.

This letter of credit is available by your draft/s at sight, drawn on us and accompanied by a manually signed statement that the signer is an authorized representative of the Department of Energy, and one or more of the following statements:

- a. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO RECEIVE THE SPR CRUDE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."
- b. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO DELIVER RETURN EXCHANGE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."
- c. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO MAKE FINAL RECONCILIATION PAYMENT IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."

Drafts must be presented for payment on or before the expiration date of this Letter of Credit at our bank. The Government may make multiple drafts against this Letter of Credit.

Upon receipt of the U.S. Department of Energy's demand by hand, mail express delivery, or other means, at our office located at _____, we will honor the demand and make payment, by 3 p.m. Eastern Time of the third business day following receipt of the demand by wire transfer of funds as a deposit to the account of the U.S. Treasury over the Fedwire Funds Service. The information to be included in each transfer will be as provided in the above referenced contract.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision, International Chamber of Commerce Publication no. 600) and except as may be inconsistent therewith, to the Uniform Commercial Code in effect on the date of issuance of this Letter of Credit in the state in which the issuer's head office within the United States is located.

We hereby agree with you that all drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation and delivery of the above documents for payment at our bank on or before the expiration date.

In the event of a bankruptcy filing by the applicant prior to the expiration date of this letter of credit, the expiration date of this letter of credit will automatically be extended by one hundred twenty (120) calendar days from the expiration date.

Address all communications regarding this Letter of Credit to (name and phone number).

Very truly yours,

(Authorized Signature)

(Typed Name and Title)

INSTRUCTIONS FOR PAYMENT AND PERFORMANCE GUARANTEE LETTER OF CREDIT

1. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible – Settlement-only.
2. Letter of Credit must not vary in substance from this attachment. Provide a copy of this attachment to your bank.
3. Banks shall fill in blanks EXCEPT those in the drawing statements. **The drawing statements are in bold print.**
4. Type name and title under authorized signature and provide documentation of authorized signature.

ATTACHMENT D
Quality Adjustment Tables

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM

API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
10.0	1.250	16.0	2.150	22.0	3.050	28.0	3.950
10.1	1.265	16.1	2.165	22.1	3.065	28.1	3.965
10.2	1.280	16.2	2.180	22.2	3.080	28.2	3.980
10.3	1.295	16.3	2.195	22.3	3.095	28.3	3.995
10.4	1.310	16.4	2.210	22.4	3.110	28.4	4.010
10.5	1.325	16.5	2.225	22.5	3.125	28.5	4.025
10.6	1.340	16.6	2.240	22.6	3.140	28.6	4.040
10.7	1.355	16.7	2.255	22.7	3.155	28.7	4.055
10.8	1.370	16.8	2.270	22.8	3.170	28.8	4.070
10.9	1.385	16.9	2.285	22.9	3.185	28.9	4.085
11.0	1.400	17.0	2.300	23.0	3.200	29.0	4.100
11.1	1.415	17.1	2.315	23.1	3.215	29.1	4.115
11.2	1.430	17.2	2.330	23.2	3.230	29.2	4.130
11.3	1.445	17.3	2.345	23.3	3.245	29.3	4.145
11.4	1.460	17.4	2.360	23.4	3.260	29.4	4.160
11.5	1.475	17.5	2.375	23.5	3.275	29.5	4.175
11.6	1.490	17.6	2.390	23.6	3.290	29.6	4.190
11.7	1.505	17.7	2.405	23.7	3.305	29.7	4.205
11.8	1.520	17.8	2.420	23.8	3.320	29.8	4.220
11.9	1.535	17.9	2.435	23.9	3.335	29.9	4.235
12.0	1.550	18.0	2.450	24.0	3.350	30.0	4.250
12.1	1.565	18.1	2.465	24.1	3.365	30.1	4.265
12.2	1.580	18.2	2.480	24.2	3.380	30.2	4.280
12.3	1.595	18.3	2.495	24.3	3.395	30.3	4.295
12.4	1.610	18.4	2.510	24.4	3.410	30.4	4.310
12.5	1.625	18.5	2.525	24.5	3.425	30.5	4.325
12.6	1.640	18.6	2.540	24.6	3.440	30.6	4.340
12.7	1.655	18.7	2.555	24.7	3.455	30.7	4.355
12.8	1.670	18.8	2.570	24.8	3.470	30.8	4.370
12.9	1.685	18.9	2.585	24.9	3.485	30.9	4.385
13.0	1.700	19.0	2.600	25.0	3.500	31.0	4.400
13.1	1.715	19.1	2.615	25.1	3.515	31.1	4.415
13.2	1.730	19.2	2.630	25.2	3.530	31.2	4.430
13.3	1.745	19.3	2.645	25.3	3.545	31.3	4.445
13.4	1.760	19.4	2.660	25.4	3.560	31.4	4.460
13.5	1.775	19.5	2.675	25.5	3.575	31.5	4.475
13.6	1.790	19.6	2.690	25.6	3.590	31.6	4.490
13.7	1.805	19.7	2.705	25.7	3.605	31.7	4.505
13.8	1.820	19.8	2.720	25.8	3.620	31.8	4.520
13.9	1.835	19.9	2.735	25.9	3.635	31.9	4.535
14.0	1.850	20.0	2.750	26.0	3.650	32.0	4.550
14.1	1.865	20.1	2.765	26.1	3.665	32.1	4.565
14.2	1.880	20.2	2.780	26.2	3.680	32.2	4.580
14.3	1.895	20.3	2.795	26.3	3.695	32.3	4.595
14.4	1.910	20.4	2.810	26.4	3.710	32.4	4.610
14.5	1.925	20.5	2.825	26.5	3.725	32.5	4.625
14.6	1.940	20.6	2.840	26.6	3.740	32.6	4.640
14.7	1.955	20.7	2.855	26.7	3.755	32.7	4.655
14.8	1.970	20.8	2.870	26.8	3.770	32.8	4.670
14.9	1.985	20.9	2.885	26.9	3.785	32.9	4.685
15.0	2.000	21.0	2.900	27.0	3.800	33.0	4.700
15.1	2.015	21.1	2.915	27.1	3.815	33.1	4.715
15.2	2.030	21.2	2.930	27.2	3.830	33.2	4.730
15.3	2.045	21.3	2.945	27.3	3.845	33.3	4.745
15.4	2.060	21.4	2.960	27.4	3.860	33.4	4.760
15.5	2.075	21.5	2.975	27.5	3.875	33.5	4.775
15.6	2.090	21.6	2.990	27.6	3.890	33.6	4.790
15.7	2.105	21.7	3.005	27.7	3.905	33.7	4.805
15.8	2.120	21.8	3.020	27.8	3.920	33.8	4.820
15.9	2.135	21.9	3.035	27.9	3.935	33.9	4.835

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM

API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
34.0	4.850	40.0	5.100	46.0	4.950	52.0	4.050
34.1	4.865	40.1	5.100	46.1	4.935	52.1	4.035
34.2	4.880	40.2	5.100	46.2	4.920	52.2	4.020
34.3	4.895	40.3	5.100	46.3	4.905	52.3	4.005
34.4	4.910	40.4	5.100	46.4	4.890	52.4	3.990
34.5	4.925	40.5	5.100	46.5	4.875	52.5	3.975
34.6	4.940	40.6	5.100	46.6	4.860	52.6	3.960
34.7	4.955	40.7	5.100	46.7	4.845	52.7	3.945
34.8	4.970	40.8	5.100	46.8	4.830	52.8	3.930
34.9	4.985	40.9	5.100	46.9	4.815	52.9	3.915
35.0	5.000	41.0	5.100	47.0	4.800	53.0	3.900
35.1	5.000	41.1	5.100	47.1	4.785	53.1	3.885
35.2	5.000	41.2	5.100	47.2	4.770	53.2	3.870
35.3	5.000	41.3	5.100	47.3	4.755	53.3	3.855
35.4	5.000	41.4	5.100	47.4	4.740	53.4	3.840
35.5	5.000	41.5	5.100	47.5	4.725	53.5	3.825
35.6	5.000	41.6	5.100	47.6	4.710	53.6	3.810
35.7	5.000	41.7	5.100	47.7	4.695	53.7	3.795
35.8	5.000	41.8	5.100	47.8	4.680	53.8	3.780
35.9	5.000	41.9	5.100	47.9	4.665	53.9	3.765
36.0	5.020	42.0	5.100	48.0	4.650	54.0	3.750
36.1	5.020	42.1	5.100	48.1	4.635	54.1	3.735
36.2	5.020	42.2	5.100	48.2	4.620	54.2	3.720
36.3	5.020	42.3	5.100	48.3	4.605	54.3	3.705
36.4	5.020	42.4	5.100	48.4	4.590	54.4	3.690
36.5	5.020	42.5	5.100	48.5	4.575	54.5	3.675
36.6	5.020	42.6	5.100	48.6	4.560	54.6	3.660
36.7	5.020	42.7	5.100	48.7	4.545	54.7	3.645
36.8	5.020	42.8	5.100	48.8	4.530	54.8	3.630
36.9	5.020	42.9	5.100	48.9	4.515	54.9	3.615
37.0	5.040	43.0	5.100	49.0	4.500	55.0	3.600
37.1	5.040	43.1	5.100	49.1	4.485		
37.2	5.040	43.2	5.100	49.2	4.470		
37.3	5.040	43.3	5.100	49.3	4.455		
37.4	5.040	43.4	5.100	49.4	4.440		
37.5	5.040	43.5	5.100	49.5	4.425		
37.6	5.040	43.6	5.100	49.6	4.410		
37.7	5.040	43.7	5.100	49.7	4.395		
37.8	5.040	43.8	5.100	49.8	4.380		
37.9	5.040	43.9	5.100	49.9	4.365		
38.0	5.060	44.0	5.100	50.0	4.350		
38.1	5.060	44.1	5.100	50.1	4.335		
38.2	5.060	44.2	5.100	50.2	4.320		
38.3	5.060	44.3	5.100	50.3	4.305		
38.4	5.080	44.4	5.100	50.4	4.290		
38.5	5.080	44.5	5.100	50.5	4.275		
38.6	5.080	44.6	5.100	50.6	4.260		
38.7	5.060	44.7	5.100	50.7	4.245		
38.8	5.060	44.8	5.100	50.8	4.230		
38.9	5.060	44.9	5.100	50.9	4.215		
39.0	5.080	45.0	5.100	51.0	4.200		
39.1	5.080	45.1	5.085	51.1	4.185		
39.2	5.080	45.2	5.070	51.2	4.170		
39.3	5.080	45.3	5.055	51.3	4.155		
39.4	5.080	45.4	5.040	51.4	4.140		
39.5	5.080	45.5	5.025	51.5	4.125		
39.6	5.080	45.6	5.010	51.6	4.110		
39.7	5.080	45.7	4.995	51.7	4.095		
39.8	5.080	45.8	4.980	51.8	4.080		
39.9	5.080	45.9	4.965	51.9	4.065		

For API GRAVITY values above 55.0° API the differential continues to decline 0.015/ bbl. per 0.1° API GRAVITY.

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
0.00	1.000	0.60	1.600	1.20	2.200	1.80	2.800	2.40	3.400
0.01	1.010	0.61	1.610	1.21	2.210	1.81	2.810	2.41	3.410
0.02	1.020	0.62	1.620	1.22	2.220	1.82	2.820	2.42	3.420
0.03	1.030	0.63	1.630	1.23	2.230	1.83	2.830	2.43	3.430
0.04	1.040	0.64	1.640	1.24	2.240	1.84	2.840	2.44	3.440
0.05	1.050	0.65	1.650	1.25	2.250	1.85	2.850	2.45	3.450
0.06	1.060	0.66	1.660	1.26	2.260	1.86	2.860	2.46	3.460
0.07	1.070	0.67	1.670	1.27	2.270	1.87	2.870	2.47	3.470
0.08	1.080	0.68	1.680	1.28	2.280	1.88	2.880	2.48	3.480
0.09	1.090	0.69	1.690	1.29	2.290	1.89	2.890	2.49	3.490
0.10	1.100	0.70	1.700	1.30	2.300	1.90	2.900	2.50	3.500
0.11	1.110	0.71	1.710	1.31	2.310	1.91	2.910	2.51	3.510
0.12	1.120	0.72	1.720	1.32	2.320	1.92	2.920	2.52	3.520
0.13	1.130	0.73	1.730	1.33	2.330	1.93	2.930	2.53	3.530
0.14	1.140	0.74	1.740	1.34	2.340	1.94	2.940	2.54	3.540
0.15	1.150	0.75	1.750	1.35	2.350	1.95	2.950	2.55	3.550
0.16	1.160	0.76	1.760	1.36	2.360	1.96	2.960	2.56	3.560
0.17	1.170	0.77	1.770	1.37	2.370	1.97	2.970	2.57	3.570
0.18	1.180	0.78	1.780	1.38	2.380	1.98	2.980	2.58	3.580
0.19	1.190	0.79	1.790	1.39	2.390	1.99	2.990	2.59	3.590
0.20	1.200	0.80	1.800	1.40	2.400	2.00	3.000	2.60	3.600
0.21	1.210	0.81	1.810	1.41	2.410	2.01	3.010	2.61	3.610
0.22	1.220	0.82	1.820	1.42	2.420	2.02	3.020	2.62	3.620
0.23	1.230	0.83	1.830	1.43	2.430	2.03	3.030	2.63	3.630
0.24	1.240	0.84	1.840	1.44	2.440	2.04	3.040	2.64	3.640
0.25	1.250	0.85	1.850	1.45	2.450	2.05	3.050	2.65	3.650
0.26	1.260	0.86	1.860	1.46	2.460	2.06	3.060	2.66	3.660
0.27	1.270	0.87	1.870	1.47	2.470	2.07	3.070	2.67	3.670
0.28	1.280	0.88	1.880	1.48	2.480	2.08	3.080	2.68	3.680
0.29	1.290	0.89	1.890	1.49	2.490	2.09	3.090	2.69	3.690
0.30	1.300	0.90	1.900	1.50	2.500	2.10	3.100	2.70	3.700
0.31	1.310	0.91	1.910	1.51	2.510	2.11	3.110	2.71	3.710
0.32	1.320	0.92	1.920	1.52	2.520	2.12	3.120	2.72	3.720
0.33	1.330	0.93	1.930	1.53	2.530	2.13	3.130	2.73	3.730
0.34	1.340	0.94	1.940	1.54	2.540	2.14	3.140	2.74	3.740
0.35	1.350	0.95	1.950	1.55	2.550	2.15	3.150	2.75	3.750
0.36	1.360	0.96	1.960	1.56	2.560	2.16	3.160	2.76	3.760
0.37	1.370	0.97	1.970	1.57	2.570	2.17	3.170	2.77	3.770
0.38	1.380	0.98	1.980	1.58	2.580	2.18	3.180	2.78	3.780
0.39	1.390	0.99	1.990	1.59	2.590	2.19	3.190	2.79	3.790
0.40	1.400	1.00	2.000	1.60	2.600	2.20	3.200	2.80	3.800
0.41	1.410	1.01	2.010	1.61	2.610	2.21	3.210	2.81	3.810
0.42	1.420	1.02	2.020	1.62	2.620	2.22	3.220	2.82	3.820
0.43	1.430	1.03	2.030	1.63	2.630	2.23	3.230	2.83	3.830
0.44	1.440	1.04	2.040	1.64	2.640	2.24	3.240	2.84	3.840
0.45	1.450	1.05	2.050	1.65	2.650	2.25	3.250	2.85	3.850
0.46	1.460	1.06	2.060	1.66	2.660	2.26	3.260	2.86	3.860
0.47	1.470	1.07	2.070	1.67	2.670	2.27	3.270	2.87	3.870
0.48	1.480	1.08	2.080	1.68	2.680	2.28	3.280	2.88	3.880
0.49	1.490	1.09	2.090	1.69	2.690	2.29	3.290	2.89	3.890
0.50	1.500	1.10	2.100	1.70	2.700	2.30	3.300	2.90	3.900
0.51	1.510	1.11	2.110	1.71	2.710	2.31	3.310	2.91	3.910
0.52	1.520	1.12	2.120	1.72	2.720	2.32	3.320	2.92	3.920
0.53	1.530	1.13	2.130	1.73	2.730	2.33	3.330	2.93	3.930
0.54	1.540	1.14	2.140	1.74	2.740	2.34	3.340	2.94	3.940
0.55	1.550	1.15	2.150	1.75	2.750	2.35	3.350	2.95	3.950
0.56	1.560	1.16	2.160	1.76	2.760	2.36	3.360	2.96	3.960
0.57	1.570	1.17	2.170	1.77	2.770	2.37	3.370	2.97	3.970
0.58	1.580	1.18	2.180	1.78	2.780	2.38	3.380	2.98	3.980
0.59	1.590	1.19	2.190	1.79	2.790	2.39	3.390	2.99	3.990

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
3.00	4.000	3.60	4.600
3.01	4.010	3.61	4.610
3.02	4.020	3.62	4.620
3.03	4.030	3.63	4.630
3.04	4.040	3.64	4.640
3.05	4.050	3.65	4.650
3.06	4.060	3.65	4.660
3.07	4.070	3.67	4.670
3.08	4.080	3.68	4.680
3.09	4.090	3.69	4.690
3.10	4.100	3.70	4.700
3.11	4.110	3.71	4.710
3.12	4.120	3.72	4.720
3.13	4.130	3.73	4.730
3.14	4.140	3.74	4.740
3.15	4.150	3.75	4.750
3.16	4.160	3.76	4.760
3.17	4.170	3.77	4.770
3.18	4.180	3.78	4.780
3.19	4.190	3.79	4.790
3.20	4.200	3.80	4.800
3.21	4.210	3.81	4.810
3.22	4.220	3.82	4.820
3.23	4.230	3.83	4.830
3.24	4.240	3.84	4.840
3.25	4.250	3.85	4.850
3.26	4.260	3.86	4.860
3.27	4.270	3.87	4.870
3.28	4.280	3.88	4.880
3.29	4.290	3.89	4.890
3.30	4.300	3.90	4.900
3.31	4.310	3.91	4.910
3.32	4.320	3.92	4.920
3.33	4.330	3.93	4.930
3.34	4.340	3.94	4.940
3.35	4.350	3.95	4.950
3.36	4.360	3.96	4.960
3.37	4.370	3.97	4.970
3.38	4.380	3.98	4.980
3.39	4.390	3.99	4.990
3.40	4.400	4.00	5.000
3.41	4.410		
3.42	4.420		
3.43	4.430		
3.44	4.440		
3.45	4.450		
3.46	4.460		
3.47	4.470		
3.48	4.480		
3.49	4.490		
3.50	4.500		
3.51	4.510		
3.52	4.520		
3.53	4.530		
3.54	4.540		
3.55	4.550		
3.56	4.560		
3.57	4.570		
3.58	4.580		
3.59	4.590		

For Sulfur Values above 4.00% the differential continues to increase 0.01/BBL per 0.01 Percent Sulfur

ATTACHMENT E
Nomination-Confirmation Form

STRATEGIC PETROLEUM RESERVE
NOMINATION - CONFIRMATION

SPR Operations Fluor Federal Petroleum Operations New Orleans, Louisiana FFPOCOL@SPR.DOE.GOV	<u>Scheduler</u> (504) 473-9975 <u>Quantity and Quality</u> (504) 722-6146
--	---

****The following information must be provided by the Contractor****

Submission Date: Click here to enter a date. **Submission Type:** Original Nomination

Contract No.: Enter Contract Number
Contractor: Enter Contractor Name
Address: Enter Address
 City, State, Zip

Contractor Contact Information

Primary Contact: Primary Contact Name	Alternate: Alternate Contact Name
Office: Office Phone	Office: Office Phone
Cell: Cell Phone	Cell: Cell Phone
Email: Email Address	Email: Email Address

CODR/DD250 Contractor Signatory Designee*: Signatory Designee Name
 Designee can be contractor office personnel, 3rd party inspection company, or chosen loss control representative.
Office: Office Phone
Cell: Cell Phone
Email: Email Address

Note: If multiple designees are to be used, please input "See Attached" and provide list to FFPOCOL@spr.doe.gov with nomination.

†Third Party Inspection Company Information

Company: 3rd Party Inspection Company
Contact: 3rd Party Contact Name
 Contact Ned Scheppegrell for any questions on SPR 3rd party inspection and testing.

Nomination Information and Delivery Window (additional lines on following page)

<u>Delivery Window</u>	<u>Pipeline/Vessel</u>	<u>Volume (MB)</u>	<u>SPR Site</u>	<u>Destination</u>
Dates	Choose an item.	Volume	Site	
Dates	Choose an item.	Volume	Site	
Dates	Choose an item.	Volume	Site	
Dates	Choose an item.	Volume	Site	
Total Volume:		Total Volume		

The Following information to be provided by SPR Operations Personnel

<u>Terminal Information</u>	<u>Custody Transfer Point</u>
Terminal: TBD	TBD
Contact:	<u>Quality Point</u>
Contact:	TBD
Contact:	<u>Quantity Point</u>
	TBD

**DEPARTMENT OF ENERGY
STRATEGIC PETROLEUM RESERVE (SPR)
OIL EXCHANGE AGREEMENT
22PO0005**

This Exchange Agreement, entered into this 18th day of January 2022, between the UNITED STATES OF AMERICA, acting by and through the Department of Energy, hereinafter referred to as the “GOVERNMENT” or “DOE” and Atlantic Trading & Marketing, Inc., hereinafter referred to as the “Contractor.”

WITNESSETH:

1. AUTHORITY – That the Secretary of Energy, under the authority of the Department of Energy Organization Act (42 U.S.C. 7101 *et seq.*) and sections 159(f)(5) and 160(a) of the Energy Policy and Conservation Act (42 U.S.C. 6239, 6240), having determined that the exchanging of crude oil will be advantageous to the Government and in the public interest, hereby enters into this agreement with the Contractor for the exchange of crude oil from the SPR.

2. CUSTODY TRANSFER –

Big Hill to Sun Tanks

Custody transfer quantity and quality measurements will be the Sun/DOE meter skid and inline sampler at the Sun Marine Terminal. Secondary measurement for quantity will be the Sun shore tank and quality based on manual grab samples taken at the Sun/DOE inline sampler. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and testing and perform testing if necessary.

The Government will deliver approximately 400,000 barrels (plus/minus 10%) of sour crude with an estimated API of 30.8 and an estimated sulfur of 1.43 from the Government’s Big Hill site to the contractor.

Return of oil to the SPR:

Sun Tank to Big Hill

Custody transfer quantity and quality measurements will be the DOE meter skid and inline sampler located at the Sun Marine Terminal. Secondary measurement for quantity will be on the Sun shore tank and quality based on manual grab samples taken at the Sun/DOE inline sampler. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE

M&O contracted third party inspection company will witness all measurement and testing and perform testing.

All costs associated with the transportation of the exchange oil transferred from and to the SPR will be absorbed by the Contractor, to include but not be limited to, tariffs, marine shipment, pipeline shipment, U.S. Customs duties, harbor and environmental fees (including Texas Coastal protection fees), terminalling and tankage charges.

3. TERM – The Government will commence delivery as soon as possible with an objective to be completed by January 30, 2022. Contractor shall return all exchange oil plus premium barrels to the Big Hill SPR site during the month of September 2022. Contractor’s oil return schedules must be approved by the Government prior to delivery. Also, see Provision 18 for additional scheduling requirements.
4. PAYMENT AND PERFORMANCE GUARANTEE – Within three (3) business days after receipt of award, the Contractor must provide to the Contracting Officer an acceptable “Irrevocable Standby Letter of Credit” established in favor of the United States Department of Energy to the Contracting Officer in the amount of \$31,232,000.00 with an expiration date of November 30, 2022. The letter must contain the substantive provisions set out in Attachment B, and be issued by a depository institution located in and authorized to do business in any state of the United States or the District of Columbia, and authorized to issue letters of credit by the banking laws of the United States or any state of the United States or the District of Columbia. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible-Settlement-only. The issuing bank must provide documentation indicating that the person(s) signing the letter of credit is authorized to do so, in the form of corporate minutes, the Authorized Signature List, or the General Resolution of Signature Authority. All wire deposit and letter of credit costs will be borne by the purchaser.

The letter of credit must be an “Irrevocable Standby Letter of Credit” and **MUST NOT VARY IN SUBSTANCE** from the sample in Attachment B. If the letter of credit contains any provisions at variance with Attachment B or fails to include any provisions contained in Attachment B, nonconforming provisions must be deleted and missing substantive provisions must be added or the letter of credit will not be accepted.

The blanks in Attachment B shall be filled in by the issuing bank, except those in the drawing statements. The drawing statements are in bold print with double underlines for the blanks. The double underlined blanks will be filled in only at the time of a drawing against the letter of credit.

Please submit an electronic copy to mary.roark@spr.doe.gov.

Failure to provide the letter of credit shall constitute grounds for termination of the contract for default.

5. PAYMENT – Contractor agrees to a fixed 2.3% premium return of sour crude oil in addition to actual crude oil received from the SPR. The premium percentage will be applied to the

barrels actually delivered to the contractor (*for example if the SPR delivers 870MB NSV barrels, the premium would be $400MB \times 1.023 = 409,200$ or 9,200 premium barrels*) with a minimum premium owed to the DOE of 8,280 sour barrels. All sour crude oil returned to the SPR must meet the specifications in Attachment A. The Contractor should make every effort practical to return 100% of the oil quantity delivered however must return at least 90% of the actual crude oil volume received plus the calculated premium to the designated SPR site.

6. GOVERNMENT NON-LIABILITY/ CONTRACTOR LIABILITY – Contractor covenants that it will defend, indemnify and save and hold harmless the Government, its officers, agents, and employees for and from any and all liability or claims for damages to property or injuries to or death of persons which may arise from or be incident to the use of the exchange oil, or for damages to the property or injuries to the person of Contractor (if an individual), or damages to the property or injuries to or death of the person of Contractor’s officers, agents, servants, employees, or others who may be on said premises at their invitation or the invitation of any one of them, arising from exchange activities.

Contractor further covenants that any property of the Government lost, damaged or destroyed incident to Contractor’s use of the exchange oil shall be promptly replaced by Contractor to the satisfaction of the Contracting Officer, or in lieu of such replacement Contractor shall, if so required by the said officer, pay to the Government money in an amount sufficient to compensate for the loss sustained by the Government by reason loss, damage or destruction of the property.

7. NOTICES – No notice, order, direction, determination, requirement, consent, or approval under this Exchange Agreement shall be of any effect unless in writing. All notices required under this Exchange Agreement shall be addressed to Contractor, or to the Contracting Officer, as may be appropriate.
8. COMMUNICATIONS – Notices and other communications provided for herein shall be in writing and shall be delivered or mailed as follows:

Delivery and or Return:

For coordination of pipeline schedules and operations contact Chuck Costanza at (504) 473-9975 or Bradley Bauer (504)234-0145 **and** email to **FFPOCOL@spr.doe.gov**. All communications sent via need to include **FFPOCOL@spr.doe.gov**. Contractual issues shall be addressed with the Department of Energy’s Contracting Officer, Mary C. Roark, at (504) 734-4195.

9. EXAMINATION OF RECORDS BY THE GOVERNMENT – Contractor agrees that the Government or any of its duly authorized representatives shall, until the expiration of three years after final payment under this agreement, have access to and the right to examine any books, documents, paper, and records of the Contractor involving transactions related to this agreement or compliance with any clauses thereunder.
10. CHANGES – The Contracting Officer may, at any time, without notice to the Letter of Credit guarantee(s), by written order designated or indicated to be a change order, or verbal direction followed by written order, make changes within the terms and conditions of the contract, including but not limited to the following changes-

- a. In the volume to be delivered to the Contractor or returned to the SPR.
- b. To the delivery period for issuance of SPR crude oil or for return of barrels back to the SPR.
- c. In the type of crude oil to be returned to the SPR.
- d. To delivery mode of crude oil coming out of the SPR or return oil.
- e. In the delivery point(s) of return oil to the SPR.

Any other written or oral order (which, as used in this paragraph, includes direction, instruction, interpretation, or determination) from the Contracting Officer that causes a change shall be treated as a change order under this provision; Provided, that the Contractor gives the Contracting Officer written notice stating –

- a. The date, circumstances, and source of the order, and
- b. That the Contractor regards the order as a change order.

If any change under this provision causes an increase or decrease in the Contractor's cost of, or the time required for, the performance of any part of the performance under this contract, whether or not changed by any such order, the Contracting Officer shall make an equitable adjustment and modify the contract in writing.

The contractor must assert its right to an adjustment under this provision within 30 calendar days after notification of the change.

11. NATIONAL AND OPERATIONAL EMERGENCIES – Return oil deliveries to the DOE may be rescheduled or redirected upon the determination of a national or DOE operational emergency. A negotiated adjustment to the contract will be made as a result of this direction. However, should the parties fail to reach a settlement, the Government shall establish an equitable adjustment subject to the Provision entitled “Disputes.”
12. DEFAULT –
 - a. The Government may, by written notice of default to the Customer, terminate this contract in whole or in part if the Contractor fails to -
 - (1) Receive SPR crude oil within the time specified in this contract or any extension;
 - (2) Make progress in scheduling of contracted deliveries, so as to endanger performance of this contract; or
 - (3) Perform any of the other provisions of this contract.

- b. The rights and remedies of the Government in this clause are in addition to any other rights and remedies provided by law or under this contract.

13. TERMINATION FOR THE CONVENIENCE OF THE GOVERNMENT – The Contracting Officer, by written notice, may terminate this contract, in whole or in part, when it is in the Government’s interest. If this contract is terminated, the Government shall be liable only for reasonable, customary and applicable costs incurred by the Customer before the effective date of termination, but shall not be liable for consequential damages or the contractor’s lost profits.

14. EXCUSABLE DELAYS

- a. In the event either party should be prevented from performing under this contract by reason of any unforeseeable cause beyond its control and without its fault or negligence, including, but not restricted to, acts of God or of the public enemy, sovereign acts of the United States, acts of a foreign Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, performance under the contract shall be suspended in whole or in part until such cause ceases to exist and thereafter the time for fulfillment of the contract shall be extended by the length of time during which such cause prevented performance under the contract.
- b. In order for this provision to become operative, the party to the contract affected by the excusable delay condition shall furnish the other party with written notice of the nature and extent of the excusable delay condition promptly after the commencement thereof, but in any event prior to shipment of the crude oil from the location from which it is to be shipped. Written notice shall be furnished within ten (10) calendar days to the other party when the excusable delay condition ceases to exist.

15. FORCE MAJEURE – Force Majeure means, except for payment due hereunder, either party hereto shall be relieved from liability for failure to perform hereunder for the duration and to the extent such failure is occasioned by war, riots, insurrections, fire, explosions, sabotage, strikes, and other labor or industrial disturbances, acts of God or the elements, disruption or mechanical breakdown of production or transportation facilities, or delays of pipeline carrier in receiving and delivering crude oil tendered. Any such failures to perform shall be remedied with all reasonable dispatch.

As employed herein, the term “party”, as it relates to the Contractor, shall not include affiliated business concerns or individuals if, directly or indirectly, (1) either one controls or can control the other, or (2) a third party controls or can control both.

16. DISPUTES –

- a. This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. Section 601 et seq.). If a dispute arises relating to the contract, the Customer may submit a claim to the Contracting Officer, who shall issue a written decision on the dispute in the manner specified in 48 CFR 1-33.211.

b. "Claim" means:

- (1) A written request submitted to the Contracting Officer;
- (2) For payment of money, adjustment of contract terms, or other relief;
- (3) Which is in dispute or remains unresolved after a reasonable time for its review and disposition by the Government; and
- (4) For which a Contracting Officer's decision is demanded.

c. In the case of dispute requests or amendments to such requests for payment exceeding \$100,000, the Customer shall certify at the time of submission as a claim, as follows:

I certify that the claim is made in good faith, that the supporting data are current, accurate and complete to the best of my knowledge and belief and that the amount requested accurately reflects the contract adjustment for which the Customer believes the Government is liable.

Customer's Name _____
 Signature _____
 Title _____

- d. The Government shall pay to the Customer interest on the amount found due to the Customer on claims submitted under this provision at the rate established by the Department of the Treasury from the date the amount is due until the Government makes payment. The Contract Disputes Act of 1978, as amended, and the Prompt Payment Act adopt the interest rate established by the Secretary of the Treasury under the Renegotiation Act as the basis for computing interest on money owed by the Government. This rate is published semi-annually in the Federal Register.
- e. The Customer shall pay to the Government interest on the amount found due to the Government and unpaid on claims submitted under this provision at the rate specified in Paragraph d. above from the date the amount is due until the Customer makes payment.
- f. The decision of the Contracting Officer shall be final and conclusive and shall not be subject to review by any forum, tribunal, or Government agency unless an appeal or action is commenced within the times specified by the Contract Disputes Act of 1978, as amended.
- g. The Customer shall comply with any decision of the Contracting Officer and at the direction of the Contracting Officer shall proceed diligently with performance of this contract pending final resolution of any request for relief, claim, appeal, or action related to this contract.

17. OIL QUALITY – The Contractor shall be responsible for variations in oil quality exceeding the limits set forth below upon the return of the oil to the Government. The reference basis

shall be the weighted average sour results of the laboratory tests conducted by the Government for API gravity and Sulfur weight percent taken when custody originally passed to the Contractor. Please note, the DOE will not be liable for any quality differential for Return Oil delivered to the SPR.

- a. Quality differentials will be calculated by utilizing the Quality tables in Attachment D. The allowable variations from the common quality for crude oil deliveries are defined as:

<u>QUALITY</u>	<u>Allowable Quality Variations</u>	
	<u>DOE CRUDE OIL</u>	<u>(CATEGORY)</u>
	<u>SWEET</u>	<u>SOUR</u>
Gravity - API°	-0.5	-0.5
Sulfur - Wt%	+0.10	+0.10

- b. API Gravity between 40.0 and 45.0: No quality differential shall be accessed.
- c. API Gravity between 35.0 and 40.0: Adjustment for Sour crude oil is 2¢ per barrel for each degree (1.0°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded. Specifically, computed API Gravity excess variances for each cargo, reported in API Gravity 0.1° increments, shall be rounded up to the next whole 1.0° API.
- d. API Gravity below 35.0: Adjustment for Sour crude oil is 1.5¢ per barrel for each tenth of a degree (0.1°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded.
- e. Total Sulfur: 1.0¢ per barrel for each 1/100th percent (0.01%) increase/decrease in total sulfur by which the allowable variations set forth above are exceed.
- f. If crude oil delivered to the DOE falls below the minimum SPR specification for API Gravity, or above the maximum DOE specification for sulfur, as defined in Attachment A, a quality differential adjustment shall be applied without a variance allowance on that portion exceeding the specification limit.

There is a limit of 0.1% freewater on delivery to the SPR as measured either by contractor's shore tank or on the vessel prior to discharge into tanks designated for DOE receipts. The inspector's gauges, witnessed by the DOE representative, either on the vessel at the dock facility or terminal shore tank, will be the method used to determine the final freewater barrel amount. This clause is effective in conjunction with the Water and Sediment [Vol.%] maximum limit of 1.0% as stated in Attachment A; e.g., a 500,000 barrel oil delivery to the SPR is limited to 1.0% S&W (5,000 barrels), of which a maximum of 0.1% (500 barrels) can be freewater. Contractor is responsible for all costs associated with removal of excess freewater. Exceeding the freewater limitations specified herein will result in the cargo being rejected.

18. SCHEDULING OF OIL MOVEMENTS – Contractor shall schedule all oil deliveries through the appropriate commercial pipeline and marine terminal facilities, ensuring that it has coordinated the deliveries with the SPR.

For marine deliveries, the Contractor shall provide a working schedule to the DOE not later than the fifteenth day of the month prior to the month in which deliveries will be made (e.g. by January 15 for February deliveries). This working schedule will contain total monthly volumes and the approximate delivery dates and quantities for each month of delivery. No later than seven business days prior to each delivery, the Contractor shall provide vessel name, vessel quality data, the expected date of arrival, the volume to be delivered, vessel agents and any other pertinent information that may be needed. The SPR will provide a Nomination-Confirmation Form (Attachment E). The Contractor shall complete the yellow highlighted areas and return the form in the time frame defined above.

The Contractor, or its designated agent, shall provide pre-arrival notices 72 hours, 48 hours and 24 hours prior to discharge to both the DOE and the discharge terminal.

For pipeline deliveries, the Contractor shall make necessary arrangements with the commercial pipelines connected to the DOE or its interconnecting pipelines. Nomination information regarding these deliveries shall be provided to the DOE not later than five calendar days prior to the month in which deliveries will be made.

Note 1: It is the responsibility of the Contractor to confirm these specifications prior to nominations to insure most current information.

Note 2: Any barrels awarded under Notice of Sale No. DE-NS96-22PO10000 will have scheduling priority over cargoes underneath this agreement.

19. SPR Oil Quality

The quality characteristics of the crude oil stream offered in the exchange are those cited in the Strategic Petroleum Reserve Crude Oil Assays.

This crude oil quality data is a weighted average composition of the specific caverns that comprise the streams offered in the exchange. Although a specific crude oil benchmark is referenced; SPR inventory contains a blend of domestic and global crude including Isthmus, Urals, Alaskan North Slope, Arabian Light, Saharan, and Dubai with segregation by Sweet and Sour storage caverns. The SPR has observed H₂S concentration (which is found naturally in crude oil) greater than 10 ppm in liquid in some crude batches. Measurements of H₂S in vapor space can be orders of magnitude higher than in liquid and difficult to measure due to factors in handling, weather, etc. OSHA provides guidelines on appropriate safety precautions and equipment if crude is handled openly, spilled, or released to the atmosphere. Contractor is encouraged to review the SPR Crude Oil Assay Manual, Crude Oil Safety Data Sheet, and the Strategic Petroleum Reserve Crude Oil Assays for more detailed oil stream composition and specifics so that conditions (such as the presence of H₂S) are expected and communicated downstream.

Note: Each SPR stream will be a blended average using several caverns. As a result, actual representative samples are not available prior to deliveries. Please refer to Crude Oil Assays which provides a weighted average composite profile of the stream.

20. DELIVERY AND RECEIPT DOCUMENTATION – All quantity and quality determinations shall be documented on the Material Inspection and Receiving Report (DD Form 250). See Attachment C-1 for copy of this form. The DD Form 250 shall be signed by the Customer's agent to acknowledge delivery and receipt of the quantity and quality of crude oil indicated. Copies of the completed DD Form 250, with applicable supporting documentation (i.e., metering or tank gauging tickets and appropriate calculation worksheets), shall be furnished to the Customer and/or the Customer's authorized representative after completion of delivery or receipts. Also, marine Bills of Lading or Pipeline Statements identifying crude type shipped shall be provided by the contractor.

The Customer shall provide written confirmation to the SPR, no later than seven calendar days prior to the scheduled date of each delivery under the contract, the name(s) of the authorized agent(s) given signature authority to sign/endorse the delivery documentation on the Customer's behalf. Any changes to this listing of names shall be provided to the SPR in writing no later than 72 hours before the first delivery to which such change applies. In the event that an independent surveyor (separate from the authorized signatory agent) is appointed by the Customer to witness the delivery operation (gauging, sampling, testing, etc.), written notification shall be provided to SPR, no later than 72 hours prior to the scheduled date of each applicable cargo delivery to or from the SPR.

Absence of the provision of the name(s) of bona fide agent(s) and the signature of such agent on the delivery documentation constitutes acceptance of the delivery quantity and quality as determined by the Government and/or its agents

21. RECONCILIATION – Within 30 days, barring any exceptions, after completion of the final scheduled delivery of exchange oil under the contract, any imbalances that may exist in the crude oil volumes agreed upon in the contract will be reconciled in the following manner:

If DOE receives an amount of exchange oil that exceeds the contracted return oil delivery volume, the Government will attempt to reconcile the imbalance through cash payments or other alternate means, as available. If reconciliation is by cash payment, the Contractor shall invoice the DOE based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250.

If the Contractor delivers a total volume of return oil which is less than the contracted quantity, the DOE will invoice the Contractor for the undelivered amount based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250. If no payment is received by the due date specified on the invoice, the applicable amount owed will be drawn against the Contractor's Payment and Performance Letter of Credit as described in Provision 4 of this contract.


Note: The cost value is derived from the data published in the Argus Americas Crude Oil Price Report. If no published prices are available, a mutually agreed upon price will be

negotiated. Should the parties fail to reach a negotiated price, the Government shall determine a fair and reasonable price.

Contractor

The United States of America

By:  _____
Name: F9BBE722EA3F4CB... BENOIT ROULON
Title: General Manager Americas Crude Oil Trading

By:  _____
Name: Mary C. Roark
Title: Contracting Officer

ATTACHMENT A

STRATEGIC PETROLEUM RESERVE CRUDE OIL SPECIFICATIONS ^a (SPRO MAY 2020) ^{ε1}

CHARACTERISTIC	SOUR	SWEET	PRIMARY ASTM TEST METHOD ^b
API Gravity [°API]	30-45	30-45	D1298 or D5002
Total Sulfur [Mass %], max.	1.99	0.50	D4294
Pour Point [°C], max.	10	10	D97
Salt Content [Mass %], max.	0.050	0.050	D6470
Viscosity			
[cSt @ 15.6°C], max.	32	32	D445
[cSt @ 37.8°C], max.	13	13	
Vapor Pressure			
[VPCR4 (100°F) psia (kPa)] ^e , max.	9(62.1)	9(62.1)	D6377
Total Acid Number [mg KOH/g], max.	1.00	1.00	D664
Water and Sediment [Vol. %], max.	1.0	1.0	473 and D4006, or D4928
Yields [Vol. %]			D2892 and D5236 ^c
Naphtha [28-191°C]	24-30	21-42	
Distillate [191-327°C]	17-31	19-45	
Gas Oil [327-566°C]	26-38	20-42	
Residuum [>566°C]	10-19	14 max.	
Light Ends [Liquid Vol. %] ^d , max			
Methane (C ₁)	0.01	0.01	IP344 or ITM 6008
Ethane (C ₂)	0.1	0.1	
Propane (C ₃)	1.0	1.0	

^{ε1} This revision includes a limitation on light ends content (see Footnote ^d)

- ^a Marketable crude petroleum suitable for normal refinery processing and free of foreign contaminants or chemicals including, but not limited to, pour point depressants, chlorinated and oxygenated hydrocarbons, and lead.
- ^b Alternate methods may be used if approved by the contracting officer.
- ^c D 7169 data may be provided in requesting conditional acceptance of a crude oil. Distillation data according to D 2892 and D 5236 will still be necessary for final qualification of a crude oil's acceptance.
- ^d Light ends content specifications are interim and will be superseded if and when industry standards for light ends evaluation are implemented.
- ^e Vapor pressure changed to better reflect current domestic crude standards.

- NOTE 1: The Strategic Petroleum Reserve reserves the right to refuse to accept any crude oil which meets these specifications but is deemed to be incompatible with existing stocks, or which has the potential for adversely affecting handling.
- NOTE 2: The acceptability of any crude oil depends upon any assay typical of current production quality of the stream. Any crude oil offered to the Strategic Petroleum Reserve that meets these specifications may be subject to additional testing for acceptance.
- NOTE 3: All crude oil shipments received by the SPR are tested to ensure they meet specifications. Crude streams found consistently not meeting required specifications will be removed from the list of acceptable crude oils.

ATTACHMENT B

SAMPLE - PAYMENT AND PERFORMANCE LETTER OF CREDIT BANK LETTERHEAD IRREVOCABLE STANDBY LETTER OF CREDIT

Date: _____

To: U.S. Department of Energy
Strategic Petroleum Reserve
900 Commerce Road East
New Orleans, LA 70123
Attn: (Mary Roark)

AMOUNT OF LETTER OF CREDIT: U.S.\$ _____ (_____)

CONTRACTOR: _____

CONTRACT NO: 22PO0005 _____

LETTER OF CREDIT NO: _____

EXPIRATION DATE: November 30, 2022 _____

AMERICAN BANKERS ASSOCIATION (ABA) NO: _____

To whom it may concern:

We hereby establish in the U.S. Department of Energy's favor our irrevocable standby Letter of Credit effective immediately for the account of our customer's above contract with the U.S. Department of Energy for the exchange of Strategic Petroleum Reserve petroleum.

This letter of credit is available by your draft/s at sight, drawn on us and accompanied by a manually signed statement that the signer is an authorized representative of the Department of Energy, and one or more of the following statements:

- a. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO RECEIVE THE SPR CRUDE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."
- b. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO DELIVER RETURN EXCHANGE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."
- c. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO MAKE FINAL RECONCILIATION PAYMENT IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."

Drafts must be presented for payment on or before the expiration date of this Letter of Credit at our bank. The Government may make multiple drafts against this Letter of Credit.

Upon receipt of the U.S. Department of Energy's demand by hand, mail express delivery, or other means, at our office located at _____, we will honor the demand and make payment, by 3 p.m. Eastern Time of the third business day following receipt of the demand by wire transfer of funds as a deposit to the account of the U.S. Treasury over the Fedwire Funds Service. The information to be included in each transfer will be as provided in the above referenced contract.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision, International Chamber of Commerce Publication no. 600) and except as may be inconsistent therewith, to the Uniform Commercial Code in effect on the date of issuance of this Letter of Credit in the state in which the issuer's head office within the United States is located.

We hereby agree with you that all drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation and delivery of the above documents for payment at our bank on or before the expiration date.

In the event of a bankruptcy filing by the applicant prior to the expiration date of this letter of credit, the expiration date of this letter of credit will automatically be extended by one hundred twenty (120) calendar days from the expiration date.

Address all communications regarding this Letter of Credit to (name and phone number).

Very truly yours,

(Authorized Signature)

(Typed Name and Title)

INSTRUCTIONS FOR PAYMENT AND PERFORMANCE GUARANTEE LETTER OF CREDIT

1. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible – Settlement-only.
2. Letter of Credit must not vary in substance from this attachment. Provide a copy of this attachment to your bank.
3. Banks shall fill in blanks EXCEPT those in the drawing statements. **The drawing statements are in bold print.**
4. Type name and title under authorized signature and provide documentation of authorized signature.

ATTACHMENT C-1

DD FORM 250

MATERIAL INSPECTION AND RECEIVING REPORT DD Form 250, AUG 2000

MATERIAL INSPECTION AND RECEIVING REPORT						FORM APPROVED OMB No. 0704-0248	
<p>The public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing, instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports, (0704-0248), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0248), Arlington, DC 20503. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.</p> <p style="text-align: center;">PLEASE DO NOT RETURN YOUR COMPLETED FORM TO EITHER OF THESE ADDRESSES. SEND THIS FORM IN ACCORDANCE WITH THE INSTRUCTIONS CONTAINED IN THE DFARS, APPENDIX F-401.</p>							
1. PROCUREMENT INSTRUMENT IDENTIFICATION (CONTRACT) NO. DOE OWNED CRUDE OIL			6. INVOICE NO./DATE		7. PAGE 1	OF 1	8. ACCEPTANCE POINT
2. SHIPMENT NO.		3. DATE SHIPPED		4. B/L TCN		5. DISCOUNT TERMS	
9. PRIME CONTRACTOR CODE Fluor Federal Petroleum Operations 850 S. Clearview Pkwy. New Orleans, LA 70123			10. ADMINISTERED BY CODE DEPARTMENT OF ENERGY STRATEGIC PETROLEUM RESERVE PROJECT MANAGEMENT OFFICE				
11 SHIPPED FROM (If other than 9) CODE FOB:			12. PAYMENT WILL BE MADE BY CODE				
13. SHIPPED TO CODE			14. MARKED FOR CODE				
15 ITEM NO.	16. STOCK/PART NO. (Indicate number of shipping containers - type of container- container number.)	DESCRIPTION		17. QUANTITY SHIP/REC'D *	18. UNIT	19. UNIT PRICE	20. AMOUNT
-	Gross			NET @ 60° F.	BARRELS		
21. CONTRACT QUALITY ASSURANCE				22. RECEIVER'S USE			
a. ORIGIN <input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or in supporting documents.		b. DESTINATION <input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or on supporting documents.		Quantities shown in column 17 were received in apparent good condition except as noted.			
DATE _____ SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE _____		DATE _____ SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE _____		DATE RECEIVED _____ SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE _____			
TYPED NAME: TITLE: MAILING ADDRESS:		TYPED NAME: TITLE: MAILING ADDRESS:		TYPED NAME: TITLE: MAILING ADDRESS:			
COMMERCIAL TELEPHONE NUMBER:		COMMERCIAL TELEPHONE NUMBER:		COMMERCIAL TELEPHONE NUMBER: <i>*If quantity received by the Government is the same as quantity shipped, indicate by (x) mark; if different, enter actual quantity received below quantity shipped and encircle.</i>			
23. CONTRACTOR USE ONLY:							

ATTACHMENT C-2 DD FORM 250-1

TANK/BARGE MATERIAL INSPECTION AND RECEIVING REPORT				FORM APPROVED OMB No. 0704-0248 Expires Dec 31, 1990	
Public reporting burden for this collection of information is estimated to average 35 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0248), Washington, DC 20503.					
PLEASE DO NOT RETURN YOUR COMPLETED FORM TO EITHER OF THESE ADDRESSES. SEND THIS FORM IN ACCORDANCE WITH THE INSTRUCTIONS CONTAINED IN THE DFARS, APPENDIX F-401.					
1. TANKER BARGE <input type="checkbox"/> LOADING REPORT <input checked="" type="checkbox"/> DISCHARGE REPORT		2. INSPECTION OFFICE		3. REPORT NUMBER	
4. AGENCY PLACING ORDER ON SHIPPER, CITY, STATE AND/OR LOCAL ADDRESS (Loading)			5. DEPARTMENT		5. PRIME CONTRACT OR P.O. NUMBER
7. NAME OF PRIME CONTRACTOR, CITY, STATE AND/OR LOCAL ADDRESS (Loading)				8. STORAGE CONTRACT	
9. TERMINAL OR REFINERY SHIPPED FROM, CITY, STATE AND/OR LOCAL ADDRESS (Loading)				10. ORDER NUMBER OR SUPPLIER	
11 SHIPPED TO (Receiving, Activity, City, State and/or Local Address)				12. B/L NUMBER	
				13. REGN. OR REQUEST NO.	14. CARGO NUMBER
15. VESSEL		16. DRAFT ARRIVAL FORE AFT		17. DRAFT SAILING FORE AFT	
18. PREVIOUS TWO CARGOES FIRST LAST		19. PRIOR INSPECTION			
20. CONDITION OF SHORE PIPELINE		21. APPROPRIATION (Loading)		22. CONTRACT ITEM NO. N/A	
23. PRODUCT		24. SPECIFICATIONS N/A			
25. STATEMENT OF QUANTITY		LOADED	DISCHARGED	LOSS/GAIN	PER CENT
BARRELS (42 Gals/Net) NSV					
GALLONS (Net)					
TONS (Long) Barrels GSV					
26. STATEMENT OF QUALITY					
TEST RESULTS		VESSEL COMPOSITE		TEST RESULTS	
API GRAVITY				THIRD PARTY INSPECTOR	
BS&W				VESSEL COMPOSITE	
S&W					
SULFUR (WT%)					
RVP					
VISC @ 60 DEG. F (CST)					
VISC @ 100 DEG. F. (CST)					
SALT					
POUR					
TAN					
27. TIME STATEMENT		DATE	TIME	28. REMARKS (Note in detail cause of delays such as repairs, breakdowns, slow operations, stoppage, etc.)	
NOTICE OF READINESS TO LOAD DISCHARGE					
VESSEL ARRIVED IN ROADS					
MOORED ALONGSIDE					
STARTED BALLAST DISCHARGE					
FINISHED BALLAST DISCHARGE					
INSPECTED AND READY TO LOAD DISCHARGE					
CARGO HOSES CONNECTED					
COMMENCED LOADING DISCHARGE					
STOPPED LOADING DISCHARGING					
RESUMED LOADING DISCHARGING					
FINISHED LOADING DISCHARGING					
CARGO HOSES REMOVED					
VESSEL RELEASED BY INSPECTOR					
29. COMPANY OR RECEIVING TERMINAL					
COMMENCED BUNKERING					
FINISHED BUNKERING					
VESSEL LEFT BIRTH (Actual/Estimated)					
30. I CERTIFY THAT THE CARGO WAS INSPECTED, ACCEPTED AND LOADED/ DISCHARGED AS INDICATED HEREON.			31. I HEREBY CERTIFY THAT THIS TIME STATEMENT IS CORRECT.		
(Date)		(Signature of Authorized Government Representative)		(Master or Agent)	

ATTACHMENT D

Quality Adjustment Tables

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM							
API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
10.0	1.250	16.0	2.150	22.0	3.050	28.0	3.950
10.1	1.265	16.1	2.165	22.1	3.065	28.1	3.965
10.2	1.280	16.2	2.180	22.2	3.080	28.2	3.980
10.3	1.295	16.3	2.195	22.3	3.095	28.3	3.995
10.4	1.310	16.4	2.210	22.4	3.110	28.4	4.010
10.5	1.325	16.5	2.225	22.5	3.125	28.5	4.025
10.6	1.340	16.6	2.240	22.6	3.140	28.6	4.040
10.7	1.355	16.7	2.255	22.7	3.155	28.7	4.055
10.8	1.370	16.8	2.270	22.8	3.170	28.8	4.070
10.9	1.385	16.9	2.285	22.9	3.185	28.9	4.085
11.0	1.400	17.0	2.300	23.0	3.200	29.0	4.100
11.1	1.415	17.1	2.315	23.1	3.215	29.1	4.115
11.2	1.430	17.2	2.330	23.2	3.230	29.2	4.130
11.3	1.445	17.3	2.345	23.3	3.245	29.3	4.145
11.4	1.460	17.4	2.360	23.4	3.260	29.4	4.160
11.5	1.475	17.5	2.375	23.5	3.275	29.5	4.175
11.6	1.490	17.6	2.390	23.6	3.290	29.6	4.190
11.7	1.505	17.7	2.405	23.7	3.305	29.7	4.205
11.8	1.520	17.8	2.420	23.8	3.320	29.8	4.220
11.9	1.535	17.9	2.435	23.9	3.335	29.9	4.235
12.0	1.550	18.0	2.450	24.0	3.350	30.0	4.250
12.1	1.565	18.1	2.465	24.1	3.365	30.1	4.265
12.2	1.580	18.2	2.480	24.2	3.380	30.2	4.280
12.3	1.595	18.3	2.495	24.3	3.395	30.3	4.295
12.4	1.610	18.4	2.510	24.4	3.410	30.4	4.310
12.5	1.625	18.5	2.525	24.5	3.425	30.5	4.325
12.6	1.640	18.6	2.540	24.6	3.440	30.6	4.340
12.7	1.655	18.7	2.555	24.7	3.455	30.7	4.355
12.8	1.670	18.8	2.570	24.8	3.470	30.8	4.370
12.9	1.685	18.9	2.585	24.9	3.485	30.9	4.385
13.0	1.700	19.0	2.600	25.0	3.500	31.0	4.400
13.1	1.715	19.1	2.615	25.1	3.515	31.1	4.415
13.2	1.730	19.2	2.630	25.2	3.530	31.2	4.430
13.3	1.745	19.3	2.645	25.3	3.545	31.3	4.445
13.4	1.760	19.4	2.660	25.4	3.560	31.4	4.460
13.5	1.775	19.5	2.675	25.5	3.575	31.5	4.475
13.6	1.790	19.6	2.690	25.6	3.590	31.6	4.490
13.7	1.805	19.7	2.705	25.7	3.605	31.7	4.505
13.8	1.820	19.8	2.720	25.8	3.620	31.8	4.520
13.9	1.835	19.9	2.735	25.9	3.635	31.9	4.535
14.0	1.850	20.0	2.750	26.0	3.650	32.0	4.550
14.1	1.865	20.1	2.765	26.1	3.665	32.1	4.565
14.2	1.880	20.2	2.780	26.2	3.680	32.2	4.580
14.3	1.895	20.3	2.795	26.3	3.695	32.3	4.595
14.4	1.910	20.4	2.810	26.4	3.710	32.4	4.610
14.5	1.925	20.5	2.825	26.5	3.725	32.5	4.625
14.6	1.940	20.6	2.840	26.6	3.740	32.6	4.640
14.7	1.955	20.7	2.855	26.7	3.755	32.7	4.655
14.8	1.970	20.8	2.870	26.8	3.770	32.8	4.670
14.9	1.985	20.9	2.885	26.9	3.785	32.9	4.685
15.0	2.000	21.0	2.900	27.0	3.800	33.0	4.700
15.1	2.015	21.1	2.915	27.1	3.815	33.1	4.715
15.2	2.030	21.2	2.930	27.2	3.830	33.2	4.730
15.3	2.045	21.3	2.945	27.3	3.845	33.3	4.745
15.4	2.060	21.4	2.960	27.4	3.860	33.4	4.760
15.5	2.075	21.5	2.975	27.5	3.875	33.5	4.775
15.6	2.090	21.6	2.990	27.6	3.890	33.6	4.790
15.7	2.105	21.7	3.005	27.7	3.905	33.7	4.805
15.8	2.120	21.8	3.020	27.8	3.920	33.8	4.820
15.9	2.135	21.9	3.035	27.9	3.935	33.9	4.835

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM							
API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
34.0	4.850	40.0	5.100	46.0	4.950	52.0	4.050
34.1	4.865	40.1	5.100	46.1	4.935	52.1	4.035
34.2	4.880	40.2	5.100	46.2	4.920	52.2	4.020
34.3	4.895	40.3	5.100	46.3	4.905	52.3	4.005
34.4	4.910	40.4	5.100	46.4	4.890	52.4	3.990
34.5	4.925	40.5	5.100	46.5	4.875	52.5	3.975
34.6	4.940	40.6	5.100	46.6	4.860	52.6	3.960
34.7	4.955	40.7	5.100	46.7	4.845	52.7	3.945
34.8	4.970	40.8	5.100	46.8	4.830	52.8	3.930
34.9	4.985	40.9	5.100	46.9	4.815	52.9	3.915
35.0	5.000	41.0	5.100	47.0	4.800	53.0	3.900
35.1	5.000	41.1	5.100	47.1	4.785	53.1	3.885
35.2	5.000	41.2	5.100	47.2	4.770	53.2	3.870
35.3	5.000	41.3	5.100	47.3	4.755	53.3	3.855
35.4	5.000	41.4	5.100	47.4	4.740	53.4	3.840
35.5	5.000	41.5	5.100	47.5	4.725	53.5	3.825
35.6	5.000	41.6	5.100	47.6	4.710	53.6	3.810
35.7	5.000	41.7	5.100	47.7	4.695	53.7	3.795
35.8	5.000	41.8	5.100	47.8	4.680	53.8	3.780
35.9	5.000	41.9	5.100	47.9	4.665	53.9	3.765
36.0	5.020	42.0	5.100	48.0	4.650	54.0	3.750
36.1	5.020	42.1	5.100	48.1	4.635	54.1	3.735
36.2	5.020	42.2	5.100	48.2	4.620	54.2	3.720
36.3	5.020	42.3	5.100	48.3	4.605	54.3	3.705
36.4	5.020	42.4	5.100	48.4	4.590	54.4	3.690
36.5	5.020	42.5	5.100	48.5	4.575	54.5	3.675
36.6	5.020	42.6	5.100	48.6	4.560	54.6	3.660
36.7	5.020	42.7	5.100	48.7	4.545	54.7	3.645
36.8	5.020	42.8	5.100	48.8	4.530	54.8	3.630
36.9	5.020	42.9	5.100	48.9	4.515	54.9	3.615
37.0	5.040	43.0	5.100	49.0	4.500	55.0	3.600
37.1	5.040	43.1	5.100	49.1	4.485		
37.2	5.040	43.2	5.100	49.2	4.470	For API GRAVITY values above 55.0° API the differential continues to decline 0.015/ bbl. per 0.1° API GRAVITY.	
37.3	5.040	43.3	5.100	49.3	4.455		
37.4	5.040	43.4	5.100	49.4	4.440		
37.5	5.040	43.5	5.100	49.5	4.425		
37.6	5.040	43.6	5.100	49.6	4.410		
37.7	5.040	43.7	5.100	49.7	4.395		
37.8	5.040	43.8	5.100	49.8	4.380		
37.9	5.040	43.9	5.100	49.9	4.365		
38.0	5.060	44.0	5.100	50.0	4.350		
38.1	5.060	44.1	5.100	50.1	4.335		
38.2	5.060	44.2	5.100	50.2	4.320		
38.3	5.060	44.3	5.100	50.3	4.305		
38.4	5.060	44.4	5.100	50.4	4.290		
38.5	5.060	44.5	5.100	50.5	4.275		
38.6	5.060	44.6	5.100	50.6	4.260		
38.7	5.060	44.7	5.100	50.7	4.245		
38.8	5.060	44.8	5.100	50.8	4.230		
38.9	5.060	44.9	5.100	50.9	4.215		
39.0	5.080	45.0	5.100	51.0	4.200		
39.1	5.080	45.1	5.085	51.1	4.185		
39.2	5.080	45.2	5.070	51.2	4.170		
39.3	5.080	45.3	5.055	51.3	4.155		
39.4	5.080	45.4	5.040	51.4	4.140		
39.5	5.080	45.5	5.025	51.5	4.125		
39.6	5.080	45.6	5.010	51.6	4.110		
39.7	5.080	45.7	4.995	51.7	4.095		
39.8	5.080	45.8	4.980	51.8	4.080		
39.9	5.080	45.9	4.965	51.9	4.065		

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
0.00	1.000	0.60	1.600	1.20	2.200	1.80	2.800	2.40	3.400
0.01	1.010	0.61	1.610	1.21	2.210	1.81	2.810	2.41	3.410
0.02	1.020	0.62	1.620	1.22	2.220	1.82	2.820	2.42	3.420
0.03	1.030	0.63	1.630	1.23	2.230	1.83	2.830	2.43	3.430
0.04	1.040	0.64	1.640	1.24	2.240	1.84	2.840	2.44	3.440
0.05	1.050	0.65	1.650	1.25	2.250	1.85	2.850	2.45	3.450
0.06	1.060	0.66	1.660	1.26	2.260	1.86	2.860	2.46	3.460
0.07	1.070	0.67	1.670	1.27	2.270	1.87	2.870	2.47	3.470
0.08	1.080	0.68	1.680	1.28	2.280	1.88	2.880	2.48	3.480
0.09	1.090	0.69	1.690	1.29	2.290	1.89	2.890	2.49	3.490
0.10	1.100	0.70	1.700	1.30	2.300	1.90	2.900	2.50	3.500
0.11	1.110	0.71	1.710	1.31	2.310	1.91	2.910	2.51	3.510
0.12	1.120	0.72	1.720	1.32	2.320	1.92	2.920	2.52	3.520
0.13	1.130	0.73	1.730	1.33	2.330	1.93	2.930	2.53	3.530
0.14	1.140	0.74	1.740	1.34	2.340	1.94	2.940	2.54	3.540
0.15	1.150	0.75	1.750	1.35	2.350	1.95	2.950	2.55	3.550
0.16	1.160	0.76	1.760	1.36	2.360	1.96	2.960	2.56	3.560
0.17	1.170	0.77	1.770	1.37	2.370	1.97	2.970	2.57	3.570
0.18	1.180	0.78	1.780	1.38	2.380	1.98	2.980	2.58	3.580
0.19	1.190	0.79	1.790	1.39	2.390	1.99	2.990	2.59	3.590
0.20	1.200	0.80	1.800	1.40	2.400	2.00	3.000	2.60	3.600
0.21	1.210	0.81	1.810	1.41	2.410	2.01	3.010	2.61	3.610
0.22	1.220	0.82	1.820	1.42	2.420	2.02	3.020	2.62	3.620
0.23	1.230	0.83	1.830	1.43	2.430	2.03	3.030	2.63	3.630
0.24	1.240	0.84	1.840	1.44	2.440	2.04	3.040	2.64	3.640
0.25	1.250	0.85	1.850	1.45	2.450	2.05	3.050	2.65	3.650
0.26	1.260	0.86	1.860	1.46	2.460	2.06	3.060	2.66	3.660
0.27	1.270	0.87	1.870	1.47	2.470	2.07	3.070	2.67	3.670
0.28	1.280	0.88	1.880	1.48	2.480	2.08	3.080	2.68	3.680
0.29	1.290	0.89	1.890	1.49	2.490	2.09	3.090	2.69	3.690
0.30	1.300	0.90	1.900	1.50	2.500	2.10	3.100	2.70	3.700
0.31	1.310	0.91	1.910	1.51	2.510	2.11	3.110	2.71	3.710
0.32	1.320	0.92	1.920	1.52	2.520	2.12	3.120	2.72	3.720
0.33	1.330	0.93	1.930	1.53	2.530	2.13	3.130	2.73	3.730
0.34	1.340	0.94	1.940	1.54	2.540	2.14	3.140	2.74	3.740
0.35	1.350	0.95	1.950	1.55	2.550	2.15	3.150	2.75	3.750
0.36	1.360	0.96	1.960	1.56	2.560	2.16	3.160	2.76	3.760
0.37	1.370	0.97	1.970	1.57	2.570	2.17	3.170	2.77	3.770
0.38	1.380	0.98	1.980	1.58	2.580	2.18	3.180	2.78	3.780
0.39	1.390	0.99	1.990	1.59	2.590	2.19	3.190	2.79	3.790
0.40	1.400	1.00	2.000	1.60	2.600	2.20	3.200	2.80	3.800
0.41	1.410	1.01	2.010	1.61	2.610	2.21	3.210	2.81	3.810
0.42	1.420	1.02	2.020	1.62	2.620	2.22	3.220	2.82	3.820
0.43	1.430	1.03	2.030	1.63	2.630	2.23	3.230	2.83	3.830
0.44	1.440	1.04	2.040	1.64	2.640	2.24	3.240	2.84	3.840
0.45	1.450	1.05	2.050	1.65	2.650	2.25	3.250	2.85	3.850
0.46	1.460	1.06	2.060	1.66	2.660	2.26	3.260	2.86	3.860
0.47	1.470	1.07	2.070	1.67	2.670	2.27	3.270	2.87	3.870
0.48	1.480	1.08	2.080	1.68	2.680	2.28	3.280	2.88	3.880
0.49	1.490	1.09	2.090	1.69	2.690	2.29	3.290	2.89	3.890
0.50	1.500	1.10	2.100	1.70	2.700	2.30	3.300	2.90	3.900
0.51	1.510	1.11	2.110	1.71	2.710	2.31	3.310	2.91	3.910
0.52	1.520	1.12	2.120	1.72	2.720	2.32	3.320	2.92	3.920
0.53	1.530	1.13	2.130	1.73	2.730	2.33	3.330	2.93	3.930
0.54	1.540	1.14	2.140	1.74	2.740	2.34	3.340	2.94	3.940
0.55	1.550	1.15	2.150	1.75	2.750	2.35	3.350	2.95	3.950
0.56	1.560	1.16	2.160	1.76	2.760	2.36	3.360	2.96	3.960
0.57	1.570	1.17	2.170	1.77	2.770	2.37	3.370	2.97	3.970
0.58	1.580	1.18	2.180	1.78	2.780	2.38	3.380	2.98	3.980
0.59	1.590	1.19	2.190	1.79	2.790	2.39	3.390	2.99	3.990

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
3.00	4.000	3.60	4.600
3.01	4.010	3.61	4.610
3.02	4.020	3.62	4.620
3.03	4.030	3.63	4.630
3.04	4.040	3.64	4.640
3.05	4.050	3.65	4.650
3.06	4.060	3.66	4.660
3.07	4.070	3.67	4.670
3.08	4.080	3.68	4.680
3.09	4.090	3.69	4.690
3.10	4.100	3.70	4.700
3.11	4.110	3.71	4.710
3.12	4.120	3.72	4.720
3.13	4.130	3.73	4.730
3.14	4.140	3.74	4.740
3.15	4.150	3.75	4.750
3.16	4.160	3.76	4.760
3.17	4.170	3.77	4.770
3.18	4.180	3.78	4.780
3.19	4.190	3.79	4.790
3.20	4.200	3.80	4.800
3.21	4.210	3.81	4.810
3.22	4.220	3.82	4.820
3.23	4.230	3.83	4.830
3.24	4.240	3.84	4.840
3.25	4.250	3.85	4.850
3.26	4.260	3.86	4.860
3.27	4.270	3.87	4.870
3.28	4.280	3.88	4.880
3.29	4.290	3.89	4.890
3.30	4.300	3.90	4.900
3.31	4.310	3.91	4.910
3.32	4.320	3.92	4.920
3.33	4.330	3.93	4.930
3.34	4.340	3.94	4.940
3.35	4.350	3.95	4.950
3.36	4.360	3.96	4.960
3.37	4.370	3.97	4.970
3.38	4.380	3.98	4.980
3.39	4.390	3.99	4.990
3.40	4.400	4.00	5.000
3.41	4.410		
3.42	4.420		
3.43	4.430		
3.44	4.440		
3.45	4.450		
3.46	4.460		
3.47	4.470		
3.48	4.480		
3.49	4.490		
3.50	4.500		
3.51	4.510		
3.52	4.520		
3.53	4.530		
3.54	4.540		
3.55	4.550		
3.56	4.560		
3.57	4.570		
3.58	4.580		
3.59	4.590		

For Sulfur Values
above 4.00% the
differential continues
to increase 0.01/ BBL
per 0.01 Percent
Sulfur

ATTACHMENT E
Nomination-Confirmation Form

STRATEGIC PETROLEUM RESERVE
NOMINATION - CONFIRMATION

SPR Operations Fluor Federal Petroleum Operations New Orleans, Louisiana FFPOCOL@SPR.DOE.GOV	<u>Scheduler</u> (504) 473-9975 <u>Quantity and Quality</u> (504) 722-6146
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****The following information must be provided by the contractor****

Submission Date: [Click here to enter a date](#) Submission Type: Original Nomination

Contract No.: Enter Contract Number
 Contractor: Enter Contractor Name
 Address: Enter Address
 City, State, Zip

Contractor Contact Information

Primary Contact: Primary Contact Name	Alternate: Alternate Contact Name
Office: Office Phone	Office: Office Phone
Cell: Cell Phone	Cell: Cell Phone
Email: Email Address	Email: Email Address

CODR/DD250 Contractor Signatory Designee*: Signatory Designee Name
Designee can be contractor office personnel, 3rd party inspection company, or chosen loss control representative*.

Office: Office Phone
 Cell: Cell Phone
 Email: Email Address

Note: If multiple designees are to be used, please input "See Attached" and provide list to FFPOCOL@spr.doe.gov with nomination.

†Third Party Inspection Company Information

Company: 3rd Party Inspection Company
 Contact: 3rd Party Contact Name
Contact Ned Scheppegrell for any questions on SPR 3rd party inspection and testing.

Nomination Information and Delivery Window (additional lines on following page)

Delivery Window	Pipeline/Vessel	Volume (MB)	SPR Site	Destination
Dates	Choose an item.	Volume	Site	
Dates	Choose an item.	Volume	Site	
Dates	Choose an item.	Volume	Site	
Dates	Choose an item.	Volume	Site	
Total Volume:		Total Volume		

The following information to be provided by SPR Operations Personnel

<u>Terminal Information</u> Terminal: TBD Contact: Contact: Contact:	<u>Custody Transfer Point</u> TBD <u>Quality Point</u> TBD <u>Quantity Point</u> TBD
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**DEPARTMENT OF ENERGY
STRATEGIC PETROLEUM RESERVE (SPR)
OIL EXCHANGE AGREEMENT
22PO0006**

This Exchange Agreement, entered into this 21st day of January 2022, between the UNITED STATES OF AMERICA, acting by and through the Department of Energy, hereinafter referred to as the “GOVERNMENT” or “DOE” and Shell Trading (US) Company, hereinafter referred to as the “Contractor.”

WITNESSETH:

1. AUTHORITY – That the Secretary of Energy, under the authority of the Department of Energy Organization Act (42 U.S.C. 7101 *et seq.*) and sections 159(f)(5) and 160(a) of the Energy Policy and Conservation Act (42 U.S.C. 6239, 6240), having determined that the exchanging of crude oil will be advantageous to the Government and in the public interest, hereby enters into this agreement with the Contractor for the exchange of crude oil from the SPR.

2. CUSTODY TRANSFER –

Big Hill to Sun Tanks

Custody transfer quantity and quality measurements will be the Sun/DOE meter skid and inline sampler at the Sun Marine Terminal. Secondary measurement for quantity will be the Sun shore tank and quality based on manual grab samples taken at the Sun/DOE inline sampler. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and testing and perform testing if necessary.

OR

Big Hill to Zydeco-Shell 20” pipeline

Custody transfer quantity measurement will be the DOE Big Hill site meters. Custody transfer quality measurements (API Gravity, Sulfur, and Sediment and Water) will be the DOE Big Hill site sampler for the oil that passes through the DOE Big Hill pipeline tie-in connection into the Zydeco-Shell 20” pipeline. Secondary measurement for quantity will be at the 20” designated Meter Station and quality will be based on designated in-line sampler. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and perform testing.

OR

Big Hill to Phillips 66

Custody transfer quantity and quality measurements will be the Phillips 66 Terminal receipt shore tank gauges and tank composite sample. Secondary measurement for quantity and quality will be at the Big Hill Site meter and in-line sampler. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector lab. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and perform testing.

The Government will deliver approximately 4,200,000 barrels (plus/minus 10%) of sour crude with an estimated API of 30.8 and an estimated sulfur of 1.43 from the Government's Big Hill site to the contractor. See section 3, Term, for details on allocation.

Return of oil to the SPR:

Sun Tank to Big Hill

Custody transfer quantity and quality measurements will be the DOE meter skid and inline sampler located at the Sun Marine Terminal. Secondary measurement for quantity will be on the Sun shore tank and quality based on manual grab samples taken at the Sun/DOE inline sampler. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and testing and perform testing.

OR

Sun Tanks to West Hackberry

Custody transfer quantity and quality measurements will be the DOE meter skid and sampler located at the fence line of the Sun Marine Terminal deliveries into the West Hackberry pipeline. Secondary measurement for quantity will be on the down-gauge on the Sun shore tank and quality based on manual grab samples taken at the Sun/DOE inline sampler. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and testing and perform testing.

All costs associated with the transportation of the exchange oil transferred from and to the SPR will be absorbed by the Contractor, to include but not be limited to, tariffs, marine shipment, pipeline shipment, U.S. Customs duties, harbor and environmental fees (including Texas Coastal protection fees), terminalling, demurrage and tankage charges.

3. TERM – The Government will use best efforts to fulfill exchange barrels as stated below:

Commence delivery in April 2022 with an objective to complete 4,000,000 barrels no later than April 30, 2022. If the prescribed volume is not taken by April 30, 2022, then the remainder will be considered undeliverable. If there is availability in the following month, and terms are mutually agreeable, remainder volume could be delivered on a best efforts basis.

The remaining 200,000 barrels are to be delivered in the month of May. If the prescribed volume is not taken by May 31, 2022, then the remainder will be considered undeliverable. If there is availability in the following month, and terms are mutually agreeable, remainder volume could be delivered on a best efforts basis.

Contractor shall return a total of 4,200,000 barrels plus applicable premium to the SPR as stated below:

Contractor shall return 2,430,000 exchange oil plus premium barrels to the Big Hill SPR site during the months of August 2024 through September 2024.

Contractor shall return 1,770,000 exchange oil plus premium barrels to the West Hackberry SPR site during the months of June 2024 – September 2024.

Contractor's oil return schedules must be approved by the Government prior to delivery. Also, see Provision 18 for additional scheduling requirements.

4. PAYMENT AND PERFORMANCE GUARANTEE – Within three (3) business days after receipt of award, the Contractor must provide to the Contracting Officer an acceptable "Irrevocable Standby Letter of Credit" established in favor of the United States Department of Energy to the Contracting Officer in the amount of \$314,286,000.00 with an expiration date of November 30, 2024. The letter must contain the substantive provisions set out in Attachment B, and be issued by a depository institution located in and authorized to do business in any state of the United States or the District of Columbia, and authorized to issue letters of credit by the banking laws of the United States or any state of the United States or the District of Columbia. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible-Settlement-only. The issuing bank must provide documentation indicating that the person(s) signing the letter of credit is authorized to do so, in the form of corporate minutes, the Authorized Signature List, or the General Resolution of Signature Authority. All wire deposit and letter of credit costs will be borne by the purchaser.

The letter of credit must be an "Irrevocable Standby Letter of Credit" and **MUST NOT VARY IN SUBSTANCE** from the sample in Attachment B. If the letter of credit contains any provisions at variance with Attachment B or fails to include any provisions contained in Attachment B, nonconforming provisions must be deleted and missing substantive provisions must be added or the letter of credit will not be accepted.

The blanks in Attachment B shall be filled in by the issuing bank, except those in the drawing statements. The drawing statements are in bold print with double underlines for the blanks. The double underlined blanks will be filled in only at the time of a drawing against the letter of credit.

Please submit an electronic copy to mary.roark@spr.doe.gov.

Failure to provide the letter of credit shall constitute grounds for termination of the contract for default.

5. PAYMENT –

Contractor agrees to a fixed 9.1% premium return of sour crude oil in addition to actual crude oil received from the SPR for those barrels that are to be returned to **Big Hill SPR site**. The premium percentage will be applied to the barrels actually delivered to the contractor (*for example if the SPR delivers 2.43MMB NSV barrels, the premium would be $2.43MMB \times 1.091 = 2,651,130$ or $221,130$ premium barrels*) with a minimum premium owed to the DOE of 199,017 sour barrels.

Contractor agrees to a fixed 8.6% premium return of sour crude oil in addition to actual crude oil received from the SPR for those barrels that are to be returned to **West Hackberry SPR site**. The premium percentage will be applied to the barrels actually delivered to the contractor (*for example if the SPR delivers 1.77MMB NSV barrels, the premium would be $1.77MMB \times 1.086 = 1,922,220$ or $152,220$ premium barrels*) with a minimum premium owed to the DOE of 136,998 sour barrels.

All sour crude oil returned to the SPR must meet the specifications in Attachment A. The Contractor should make every effort practical to return 100% of the oil quantity delivered however must return at least 90% of the actual crude oil volume received plus the calculated premium to the designated SPR site.

6. GOVERNMENT NON-LIABILITY/ CONTRACTOR LIABILITY – Contractor covenants that it will defend, indemnify and save and hold harmless the Government, its officers, agents, and employees for and from any and all liability or claims for damages to property or injuries to or death of persons which may arise from or be incident to the use of the exchange oil, or for damages to the property or injuries to the person of Contractor (if an individual), or damages to the property or injuries to or death of the person of Contractor's officers, agents, servants, employees, or others who may be on said premises at their invitation or the invitation of any one of them, arising from exchange activities.

Contractor further covenants that any property of the Government lost, damaged or destroyed incident to Contractor's use of the exchange oil shall be promptly replaced by Contractor to the satisfaction of the Contracting Officer, or in lieu of such replacement Contractor shall, if so required by the said officer, pay to the Government money in an amount sufficient to compensate for the loss sustained by the Government by reason loss, damage or destruction of the property.

7. NOTICES – No notice, order, direction, determination, requirement, consent, or approval under this Exchange Agreement shall be of any effect unless in writing. All notices required

under this Exchange Agreement shall be addressed to Contractor, or to the Contracting Officer, as may be appropriate.

8. COMMUNICATIONS – Notices and other communications provided for herein shall be in writing and shall be delivered or mailed as follows:

Delivery and or Return:

For coordination of pipeline schedules and operations contact Chuck Costanza at (504) 473-9975 or Bradley Bauer (504)234-0145 **and** email to **FFPOCOL@spr.doe.gov**. All communications sent via need to include **FFPOCOL@spr.doe.gov**. Contractual issues shall be addressed with the Department of Energy’s Contracting Officer, Mary C. Roark, at (504) 734-4195.

9. EXAMINATION OF RECORDS BY THE GOVERNMENT – Contractor agrees that the Government or any of its duly authorized representatives shall, until the expiration of three years after final payment under this agreement, have access to and the right to examine any books, documents, paper, and records of the Contractor involving transactions related to this agreement or compliance with any clauses thereunder.
10. CHANGES – The Contracting Officer may, at any time, without notice to the Letter of Credit guarantee(s), by written order designated or indicated to be a change order, or verbal direction followed by written order, make changes within the terms and conditions of the contract, including but not limited to the following changes-
- a. In the volume to be delivered to the Contractor or returned to the SPR.
 - b. To the delivery period for issuance of SPR crude oil or for return of barrels back to the SPR.
 - c. In the type of crude oil to be returned to the SPR.
 - d. To delivery mode of crude oil coming out of the SPR or return oil.
 - e. In the delivery point(s) of return oil to the SPR.

Any other written or oral order (which, as used in this paragraph, includes direction, instruction, interpretation, or determination) from the Contracting Officer that causes a change shall be treated as a change order under this provision; Provided, that the Contractor gives the Contracting Officer written notice stating –

- a. The date, circumstances, and source of the order, and
- b. That the Contractor regards the order as a change order.

If any change under this provision causes an increase or decrease in the Contractor’s cost of, or the time required for, the performance of any part of the performance under this contract, whether or not changed by any such order, the Contracting Officer shall make an equitable adjustment and modify the contract in writing.

The contractor must assert its right to an adjustment under this provision within 30 calendar days after notification of the change.

11. NATIONAL AND OPERATIONAL EMERGENCIES – Return oil deliveries to the DOE may be rescheduled or redirected upon the determination of a national or DOE operational emergency. A negotiated adjustment to the contract will be made as a result of this direction. However, should the parties fail to reach a settlement, the Government shall establish an equitable adjustment subject to the Provision entitled “Disputes.”
12. DEFAULT –
 - a. The Government may, by written notice of default to the Customer, terminate this contract in whole or in part if the Contractor fails to -
 - (1) Receive SPR crude oil within the time specified in this contract or any extension;
 - (2) Make progress in scheduling of contracted deliveries, so as to endanger performance of this contract; or
 - (3) Perform any of the other provisions of this contract.
 - b. The rights and remedies of the Government in this clause are in addition to any other rights and remedies provided by law or under this contract.
13. TERMINATION FOR THE CONVENIENCE OF THE GOVERNMENT – The Contracting Officer, by written notice, may terminate this contract, in whole or in part, when it is in the Government’s interest. If this contract is terminated, the Government shall be liable only for reasonable, customary and applicable costs incurred by the Customer before the effective date of termination, but shall not be liable for consequential damages or the contractor’s lost profits.
14. EXCUSABLE DELAYS
 - a. In the event either party should be prevented from performing under this contract by reason of any unforeseeable cause beyond its control and without its fault or negligence, including, but not restricted to, acts of God or of the public enemy, sovereign acts of the United States, acts of a foreign Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, performance under the contract shall be suspended in whole or in part until such cause ceases to exist and thereafter the time for fulfillment of the contract shall be extended by the length of time during which such cause prevented performance under the contract.
 - b. In order for this provision to become operative, the party to the contract affected by the excusable delay condition shall furnish the other party with written notice of the nature and extent of the excusable delay condition promptly after the commencement thereof, but in any event prior to shipment of the crude oil from the location from which it is to

be shipped. Written notice shall be furnished within ten (10) calendar days to the other party when the excusable delay condition ceases to exist.

15. FORCE MAJEURE – Force Majeure means, except for payment due hereunder, either party hereto shall be relieved from liability for failure to perform hereunder for the duration and to the extent such failure is occasioned by war, riots, insurrections, fire, explosions, sabotage, strikes, and other labor or industrial disturbances, acts of God or the elements, disruption or mechanical breakdown of production or transportation facilities, or delays of pipeline carrier in receiving and delivering crude oil tendered. Any such failures to perform shall be remedied with all reasonable dispatch.

As employed herein, the term “party”, as it relates to the Contractor, shall not include affiliated business concerns or individuals if, directly or indirectly, (1) either one controls or can control the other, or (2) a third party controls or can control both.

16. DISPUTES –

- a. This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. Section 601 et seq.). If a dispute arises relating to the contract, the Customer may submit a claim to the Contracting Officer, who shall issue a written decision on the dispute in the manner specified in 48 CFR 1-33.211.
- b. “Claim” means:
- (1) A written request submitted to the Contracting Officer;
 - (2) For payment of money, adjustment of contract terms, or other relief;
 - (3) Which is in dispute or remains unresolved after a reasonable time for its review and disposition by the Government; and
 - (4) For which a Contracting Officer’s decision is demanded.
- c. In the case of dispute requests or amendments to such requests for payment exceeding \$100,000, the Customer shall certify at the time of submission as a claim, as follows:

I certify that the claim is made in good faith, that the supporting data are current, accurate and complete to the best of my knowledge and belief and that the amount requested accurately reflects the contract adjustment for which the Customer believes the Government is liable.

Customer’s Name _____
Signature _____
Title _____

- d. The Government shall pay to the Customer interest on the amount found due to the Customer on claims submitted under this provision at the rate established by the Department of the Treasury from the date the amount is due until the Government makes payment. The Contract Disputes Act of 1978, as amended, and the Prompt

Payment Act adopt the interest rate established by the Secretary of the Treasury under the Renegotiation Act as the basis for computing interest on money owed by the Government. This rate is published semi-annually in the Federal Register.

- e. The Customer shall pay to the Government interest on the amount found due to the Government and unpaid on claims submitted under this provision at the rate specified in Paragraph d. above from the date the amount is due until the Customer makes payment.
- f. The decision of the Contracting Officer shall be final and conclusive and shall not be subject to review by any forum, tribunal, or Government agency unless an appeal or action is commenced within the times specified by the Contract Disputes Act of 1978, as amended.
- g. The Customer shall comply with any decision of the Contracting Officer and at the direction of the Contracting Officer shall proceed diligently with performance of this contract pending final resolution of any request for relief, claim, appeal, or action related to this contract.

17. OIL QUALITY – The Contractor shall be responsible for variations in oil quality exceeding the limits set forth below upon the return of the oil to the Government. The reference basis shall be the weighted average sour results of the laboratory tests conducted by the Government for API gravity and Sulfur weight percent taken when custody originally passed to the Contractor. Please note, the DOE will not be liable for any quality differential for Return Oil delivered to the SPR.

- a. Quality differentials will be calculated by utilizing the Quality tables in Attachment D. The allowable variations from the common quality for crude oil deliveries are defined as:

<u>QUALITY</u>	<u>Allowable Quality Variations</u>	
	<u>DOE CRUDE OIL</u>	<u>(CATEGORY)</u>
	<u>SWEET</u>	<u>SOUR</u>
Gravity - API°	-0.5	-0.5
Sulfur - Wt%	+0.10	+0.10

- b. API Gravity between 40.0 and 45.0: No quality differential shall be accessed.
- c. API Gravity between 35.0 and 40.0: Adjustment for Sour crude oil is 2¢ per barrel for each degree (1.0°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded. Specifically, computed API Gravity excess variances for each cargo, reported in API Gravity 0.1° increments, shall be rounded up to the next whole 1.0° API.

- d. API Gravity below 35.0: Adjustment for Sour crude oil is 1.5¢ per barrel for each tenth of a degree (0.1°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded.
- e. Total Sulfur: 1.0¢ per barrel for each 1/100th percent (0.01%) increase/decrease in total sulfur by which the allowable variations set forth above are exceeded.
- f. If crude oil delivered to the DOE falls below the minimum SPR specification for API Gravity, or above the maximum DOE specification for sulfur, as defined in Attachment A, a quality differential adjustment shall be applied without a variance allowance on that portion exceeding the specification limit.

There is a limit of 0.1% freewater on delivery to the SPR as measured either by contractor's shore tank or on the vessel prior to discharge into tanks designated for DOE receipts. The inspector's gauges, witnessed by the DOE representative, either on the vessel at the dock facility or terminal shore tank, will be the method used to determine the final freewater barrel amount. This clause is effective in conjunction with the Water and Sediment [Vol.%] maximum limit of 1.0% as stated in Attachment A; e.g., a 500,000 barrel oil delivery to the SPR is limited to 1.0% S&W (5,000 barrels), of which a maximum of 0.1% (500 barrels) can be freewater. Contractor is responsible for all costs associated with removal of excess freewater. Exceeding the freewater limitations specified herein will result in the cargo being rejected.

18. SCHEDULING OF OIL MOVEMENTS – Contractor shall schedule all oil deliveries through the appropriate commercial pipeline and marine terminal facilities, ensuring that it has coordinated the deliveries with the SPR.

For marine deliveries, the Contractor shall provide a working schedule to the DOE not later than the fifteenth day of the month prior to the month in which deliveries will be made (e.g. by March 15 for April deliveries). This working schedule will contain total monthly volumes and the approximate delivery dates and quantities for each month of delivery. No later than seven business days prior to each delivery, the Contractor shall provide vessel name, vessel quality data, the expected date of arrival, the volume to be delivered, vessel agents and any other pertinent information that may be needed. The SPR will provide a Nomination-Confirmation Form (Attachment E). The Contractor shall complete the yellow highlighted areas and return the form in the time frame defined above.

The Contractor, or its designated agent, shall provide pre-arrival notices 72 hours, 48 hours and 24 hours prior to discharge to both the DOE and the discharge terminal.

For pipeline deliveries, the Contractor shall make necessary arrangements with the commercial pipelines connected to the DOE or its interconnecting pipelines. Nomination information regarding these deliveries shall be provided to the DOE not later than fifteen calendar days prior to the month in which deliveries will be made. The minimum cargo size per this agreement shall be no less than 250MB.

Note 1: It is the responsibility of the offerors to confirm these specifications prior to nominations to insure most current information.

Note 2: Any barrels awarded under Notice of Sale No. DE-NS96-22PO10000 will have scheduling priority over cargoes underneath this agreement in the April 2022 period if applicable.

19. SPR Oil Quality

The quality characteristics of the crude oil stream offered in the exchange are those cited in the Strategic Petroleum Reserve Crude Oil Assays.

This crude oil quality data is a weighted average composition of the specific caverns that comprise the streams offered in the exchange. Although a specific crude oil benchmark is referenced; SPR inventory contains a blend of domestic and global crude including Isthmus, Urals, Alaskan North Slope, Arabian Light, Saharan, and Dubai with segregation by Sweet and Sour storage caverns. The SPR has observed H₂S concentration (which is found naturally in crude oil) greater than 10 ppm in liquid in some crude batches. Measurements of H₂S in vapor space can be orders of magnitude higher than in liquid and difficult to measure due to factors in handling, weather, etc. OSHA provides guidelines on appropriate safety precautions and equipment if crude is handled openly, spilled, or released to the atmosphere. Offerors are encouraged to review the SPR Crude Oil Assay Manual, Crude Oil Safety Data Sheet, and the Strategic Petroleum Reserve Crude Oil Assays for more detailed oil stream composition and specifics so that conditions (such as the presence of H₂S) are expected and communicated downstream.

Note: Each SPR stream will be a blended average using several caverns. As a result, actual representative samples are not available prior to deliveries. Please refer to Crude Oil Assays which provides a weighted average composite profile of the stream.

20. DELIVERY AND RECEIPT DOCUMENTATION – All quantity and quality determinations shall be documented on the Material Inspection and Receiving Report (DD Form 250). See Attachment C-1 for copy of this form. The DD Form 250 shall be signed by the Customer agent to acknowledge delivery and receipt of the quantity and quality of crude oil indicated. Copies of the completed DD Form 250, with applicable supporting documentation (i.e., metering or tank gauging tickets and appropriate calculation worksheets), shall be furnished to the Customer and/or the Customer's authorized representative after completion of delivery or receipts. Also, marine Bills of Lading or Pipeline Statements identifying crude type shipped shall be provided by the contractor.

The Customer shall provide written confirmation to the SPR, no later than seven calendar days prior to the scheduled date of each delivery under the contract, the name(s) of the authorized agent(s) given signature authority to sign/endorse the delivery documentation on the Customer's behalf. Any changes to this listing of names shall be provided to the SPR in writing no later than 72 hours before the first delivery to which such change applies. In the event that an independent surveyor (separate from the authorized signatory agent) is appointed by the Customer to witness the delivery operation (gauging, sampling, testing, etc.), written notification shall be provided to SPR, no later than 72 hours prior to the scheduled date of each applicable cargo delivery to or from the SPR.

Absence of the provision of the name(s) of bona fide agent(s) and the signature of such agent on the delivery documentation constitutes acceptance of the delivery quantity and quality as determined by the Government and/or its agents

21. RECONCILIATION – Within 30 days, barring any exceptions, after completion of the final scheduled delivery of exchange oil under the contract, any imbalances that may exist in the crude oil volumes agreed upon in the contract will be reconciled in the following manner:


If DOE receives an amount of exchange oil that exceeds the contracted return oil delivery volume, the Government will attempt to reconcile the imbalance through cash payments or other alternate means, as available. If reconciliation is by cash payment, the Contractor shall invoice the DOE based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250.


If the Contractor delivers a total volume of return oil which is less than the contracted quantity, the DOE will invoice the Contractor for the undelivered amount based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250. If no payment is received by the due date specified on the invoice, the applicable amount owed will be drawn against the Contractor's Payment and Performance Letter of Credit as described in Provision 4 of this contract.

Note: The cost value is derived from the data published in the Argus Americas Crude Oil Price Report. If no published prices are available, a mutually agreed upon price will be negotiated. Should the parties fail to reach a negotiated price, the Government shall determine a fair and reasonable price.

Contractor

The United States of America

By: 
Name: SEAN P. SPANSEL
Title: NA OFFSHORE CRUDE TRADING MGR

By: 
Name: Mary C. Roark
Title: Contracting Officer

ATTACHMENT A

STRATEGIC PETROLEUM RESERVE CRUDE OIL SPECIFICATIONS ^a (SPRO MAY 2020) ^{e1}

CHARACTERISTIC	SOUR	SWEET	PRIMARY ASTM TEST METHOD ^b
API Gravity [°API]	30-45	30-45	D1298 or D5002
Total Sulfur [Mass %], max.	1.99	0.50	D4294
Pour Point [°C], max.	10	10	D97
Salt Content [Mass %], max.	0.050	0.050	D6470
Viscosity			
[cSt @ 15.6°C], max.	32	32	D445
[cSt @ 37.8°C], max.	13	13	
Vapor Pressure			
[VPCR4 (100°F) psia (kPa)] ^c , max.	9(62.1)	9(62.1)	D6377
Total Acid Number [mg KOH/g], max.	1.00	1.00	D664
Water and Sediment [Vol. %], max.	1.0	1.0	473 and D4006, or D4928
Yields [Vol. %]			D2892 and D5236 ^c
Naphtha [28-191°C]	24-30	21-42	
Distillate [191-327°C]	17-31	19-45	
Gas Oil [327-566°C]	26-38	20-42	
Residuum [>566°C]	10-19	14 max.	
Light Ends [Liquid Vol. %] ^d , max			
Methane (C ₁)	0.01	0.01	IP344 or ITM 6008
Ethane (C ₂)	0.1	0.1	
Propane (C ₃)	1.0	1.0	

^{e1} This revision includes a limitation on light ends content (see Footnote ^d)

- ^a Marketable crude petroleum suitable for normal refinery processing and free of foreign contaminants or chemicals including, but not limited to, pour point depressants, chlorinated and oxygenated hydrocarbons, and lead.
- ^b Alternate methods may be used if approved by the contracting officer.
- ^c D 7169 data may be provided in requesting conditional acceptance of a crude oil. Distillation data according to D 2892 and D 5236 will still be necessary for final qualification of a crude oil's acceptance.
- ^d Light ends content specifications are interim and will be superseded if and when industry standards for light ends evaluation are implemented.
- ^e Vapor pressure changed to better reflect current domestic crude standards.

- NOTE 1: The Strategic Petroleum Reserve reserves the right to refuse to accept any crude oil which meets these specifications but is deemed to be incompatible with existing stocks, or which has the potential for adversely affecting handling.
- NOTE 2: The acceptability of any crude oil depends upon any assay typical of current production quality of the stream. Any crude oil offered to the Strategic Petroleum Reserve that meets these specifications may be subject to additional testing for acceptance.
- NOTE 3: All crude oil shipments received by the SPR are tested to ensure they meet specifications. Crude streams found consistently not meeting required specifications will be removed from the list of acceptable crude oils.

ATTACHMENT B

**SAMPLE - PAYMENT AND PERFORMANCE LETTER OF CREDIT
BANK LETTERHEAD
IRREVOCABLE STANDBY LETTER OF CREDIT**

Date: _____

To: U.S. Department of Energy
Strategic Petroleum Reserve
900 Commerce Road East
New Orleans, LA 70123
Attn: (Mary Roark)

AMOUNT OF LETTER OF CREDIT: U.S.\$ _____ (_____)

CONTRACTOR: _____

CONTRACT NO: 22PO0006 _____

LETTER OF CREDIT NO: _____

EXPIRATION DATE: November 30, 2024 _____

AMERICAN BANKERS ASSOCIATION (ABA) NO: _____

To whom it may concern:

We hereby establish in the U.S. Department of Energy's favor our irrevocable standby Letter of Credit effective immediately for the account of our customer's above contract with the U.S. Department of Energy for the exchange of Strategic Petroleum Reserve petroleum.

This letter of credit is available by your draft/s at sight, drawn on us and accompanied by a manually signed statement that the signer is an authorized representative of the Department of Energy, and one or more of the following statements:

- a. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO RECEIVE THE SPR CRUDE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."
- b. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO DELIVER RETURN EXCHANGE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."
- c. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO MAKE FINAL RECONCILIATION PAYMENT IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."

Drafts must be presented for payment on or before the expiration date of this Letter of Credit at our bank. The Government may make multiple drafts against this Letter of Credit.

Upon receipt of the U.S. Department of Energy's demand by hand, mail express delivery, or other means, at our office located at _____, we will honor the demand and make payment, by 3 p.m. Eastern Time of the third business day following receipt of the demand by wire transfer of funds as a deposit to the account of the U.S. Treasury over the Fedwire Funds Service. The information to be included in each transfer will be as provided in the above referenced contract.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision, International Chamber of Commerce Publication no. 600) and except as may be inconsistent therewith, to the Uniform Commercial Code in effect on the date of issuance of this Letter of Credit in the state in which the issuer's head office within the United States is located.

We hereby agree with you that all drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation and delivery of the above documents for payment at our bank on or before the expiration date.

In the event of a bankruptcy filing by the applicant prior to the expiration date of this letter of credit, the expiration date of this letter of credit will automatically be extended by one hundred twenty (120) calendar days from the expiration date.

Address all communications regarding this Letter of Credit to (name and phone number).

Very truly yours,

(Authorized Signature)

(Typed Name and Title)

INSTRUCTIONS FOR PAYMENT AND PERFORMANCE GUARANTEE LETTER OF CREDIT

1. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible – Settlement-only.
2. Letter of Credit must not vary in substance from this attachment. Provide a copy of this attachment to your bank.
3. Banks shall fill in blanks EXCEPT those in the drawing statements. **The drawing statements are in bold print.**
4. Type name and title under authorized signature and provide documentation of authorized signature.

ATTACHMENT C-1 DD FORM 250

MATERIAL INSPECTION AND RECEIVING REPORT DD Form 250, AUG 2000

MATERIAL INSPECTION AND RECEIVING REPORT						FORM APPROVED OMB No. 0704-0248	
The public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports, (0704-0248), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0248), Arlington, DC 20503. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.							
PLEASE DO NOT RETURN YOUR COMPLETED FORM TO EITHER OF THESE ADDRESSES. SEND THIS FORM IN ACCORDANCE WITH THE INSTRUCTIONS CONTRAINED IN THE DFARS, APPENDIX F-401.							
1. PROCUREMENT INSTRUMENT IDENTIFICATION (CONTRACT) NO.		(ORDER) NO.	6. INVOICE NO./DATE		7. PAGE	OF	8. ACCEPTANCE POINT
DOE OWNED CRUDE OIL					1	1	
2. SHIPMENT NO.		3. DATE SHIPPED		4. B/L TCN		5. DISCOUNT TERMS	
9. PRIME CONTRACTOR CODE		10. ADMINISTERED BY		DEPARTMENT OF ENERGY		CODE	
Fluor Federal Petroleum Operations 850 S. Clearview Pkwy. New Orleans, LA 70123		STRATEGIC PETROLEUM RESERVE PROJECT MANAGEMENT OFFICE					
11 SHIPPED FROM (If other than 9)		CODE FOB:		12. PAYMENT WILL BE MADE BY		CODE	
13. SHIPPED TO		CODE		14. MARKED FOR		CODE	
15 ITEM NO.	16. STOCK/PART NO. (Indicate number of shipping containers - type of container- container number.)	DESCRIPTION		17. QUANTITY SHIP/REC'D *	18. UNIT	19. UNIT PRICE	20. AMOUNT
 	Gross			NET @ 60° F.	BARRELS		
21. CONTRACT QUALITY ASSURANCE				22. RECEIVER'S USE			
a. ORIGIN		b. DESTINATION		Quantities shown in column 17 were received in apparent good condition except as noted.			
<input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or in supporting documents.		<input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or on supporting documents.					
DATE	SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE	DATE	SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE	DATE RECEIVED	SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		
TYPED NAME:		TYPED NAME:		TYPED NAME:			
TITLE:		TITLE:		TITLE:			
MAILING ADDRESS:		MAILING ADDRESS:		MAILING ADDRESS:			
COMMERCIAL TELEPHONE NUMBER:		COMMERCIAL TELEPHONE NUMBER:		COMMERCIAL TELEPHONE NUMBER:			
23. CONTRACTOR USE ONLY:				*If quantity received by the Government is the same as quantity shipped, indicate by (x) mark; if different, enter actual quantity received below quantity shipped and encircle.			

ATTACHMENT C-2

DD FORM 250-1

TANK/BARGE MATERIAL INSPECTION AND RECEIVING REPORT					FORM APPROVED OMB No. 0704-0188 Expires Dec 31, 1993	
Public reporting burden for this collection of information is estimated to average 05 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0248), Washington, DC 20503.						
PLEASE DO NOT RETURN YOUR COMPLETED FORM TO EITHER OF THESE ADDRESSES. SEND THIS FORM IN ACCORDANCE WITH THE INSTRUCTIONS CONTAINED IN THE DFARS, APPENDIX F-101.						
1. TANKER BARGE <input type="checkbox"/> LOADING REPORT <input checked="" type="checkbox"/> DISCHARGE REPORT		2. INSPECTION OFFICE		3. REPORT NUMBER		
4. AGENCY PLACING ORDER ON SHIPPER, CITY, STATE AND/OR LOCAL ADDRESS (Loading)				5. DEPARTMENT		6. PRIME CONTRACT OR P.O. NUMBER
7. NAME OF PRIME CONTRACTOR, CITY, STATE AND/OR LOCAL ADDRESS (Loading)					8. STORAGE CONTRACT	
9. TERMINAL OR REFINERY SHIPPED FROM, CITY, STATE AND/OR LOCAL ADDRESS (Loading)					10. ORDER NUMBER OR SUPPLIER	
11 SHIPPED TO (Receiving, Activity, City, State and/or Local Address)					12. B/L NUMBER	
					13. REGN. OR REQUEST NO.	14. CARGO NUMBER
15. VESSEL			16. DRAFT ARRIVAL FORE AFT		17. DRAFT SAILING FORE AFT	
18. PREVIOUS TWO CARGOES FIRST LAST			19. PRIOR INSPECTION			
20. CONDITION OF SHORE PIPELINE			21. APPROPRIATION (Loading)		22. CONTRACT ITEM NO. N/A	
23. PRODUCT			24. SPECIFICATIONS N/A			
25. STATEMENT OF QUANTITY		LOADED		DISCHARGED	LOSS/GAIN	PER CENT
BARRELS (42 Gals/Net) NSV						
GALLONS (Net)						
TONS (Long) Barrels GSV						
26. STATEMENT OF QUALITY						
TEST RESULTS		VESSEL COMPOSITE		TEST RESULTS		THIRD PARTY INSPECTOR VESSEL COMPOSITE
API GRAVITY						
BS&W						
S&W						
SULFUR (WT%)						
RVP						
VISC @ 60 DEG. F (CST)						
VISC @ 100 DEG. F. (CST)						
SALT						
POUR						
TAN						
27. TIME STATEMENT						
NOTICE OF READINESS TO LOAD DISCHARGE		DATE		TIME		
VESSEL ARRIVED IN ROADS						
MOORED ALONGSIDE						
STARTED BALLAST DISCHARGE						
FINISHED BALLAST DISCHARGE						
INSPECTED AND READY TO LOAD DISCHARGE						
CARGO HOSES CONNECTED						
COMMENCED LOADING DISCHARGE						
STOPPED LOADING DISCHARGING						
RESUMED LOADING DISCHARGING						
FINISHED LOADING DISCHARGING						
CARGO HOSES REMOVED						
VESSEL RELEASED BY INSPECTOR						
COMMENCED BUNKERING						
FINISHED BUNKERING						
VESSEL LEFT BIRTH (Actual/Estimated)						
28. COMPANY OR RECEIVING TERMINAL				(Signature)		
29. I CERTIFY THAT THE CARGO WAS INSPECTED, ACCEPTED AND LOADED/ DISCHARGED AS INDICATED HEREON.				30. I HEREBY CERTIFY THAT THIS TIME STATEMENT IS CORRECT.		
(Date)		(Signature of Authorized Government Representative)		(Master or Agent)		

ATTACHMENT D Quality Adjustment Tables

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM

API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
10.0	1.250	16.0	2.150	22.0	3.050	28.0	3.950
10.1	1.265	16.1	2.165	22.1	3.065	28.1	3.965
10.2	1.280	16.2	2.180	22.2	3.080	28.2	3.980
10.3	1.295	16.3	2.195	22.3	3.095	28.3	3.995
10.4	1.310	16.4	2.210	22.4	3.110	28.4	4.010
10.5	1.325	16.5	2.225	22.5	3.125	28.5	4.025
10.6	1.340	16.6	2.240	22.6	3.140	28.6	4.040
10.7	1.355	16.7	2.255	22.7	3.155	28.7	4.055
10.8	1.370	16.8	2.270	22.8	3.170	28.8	4.070
10.9	1.385	16.9	2.285	22.9	3.185	28.9	4.085
11.0	1.400	17.0	2.300	23.0	3.200	29.0	4.100
11.1	1.415	17.1	2.315	23.1	3.215	29.1	4.115
11.2	1.430	17.2	2.330	23.2	3.230	29.2	4.130
11.3	1.445	17.3	2.345	23.3	3.245	29.3	4.145
11.4	1.460	17.4	2.360	23.4	3.260	29.4	4.160
11.5	1.475	17.5	2.375	23.5	3.275	29.5	4.175
11.6	1.490	17.6	2.390	23.6	3.290	29.6	4.190
11.7	1.505	17.7	2.405	23.7	3.305	29.7	4.205
11.8	1.520	17.8	2.420	23.8	3.320	29.8	4.220
11.9	1.535	17.9	2.435	23.9	3.335	29.9	4.235
12.0	1.550	18.0	2.450	24.0	3.350	30.0	4.250
12.1	1.565	18.1	2.465	24.1	3.365	30.1	4.265
12.2	1.580	18.2	2.480	24.2	3.380	30.2	4.280
12.3	1.595	18.3	2.495	24.3	3.395	30.3	4.295
12.4	1.610	18.4	2.510	24.4	3.410	30.4	4.310
12.5	1.625	18.5	2.525	24.5	3.425	30.5	4.325
12.6	1.640	18.6	2.540	24.6	3.440	30.6	4.340
12.7	1.655	18.7	2.555	24.7	3.455	30.7	4.355
12.8	1.670	18.8	2.570	24.8	3.470	30.8	4.370
12.9	1.685	18.9	2.585	24.9	3.485	30.9	4.385
13.0	1.700	19.0	2.600	25.0	3.500	31.0	4.400
13.1	1.715	19.1	2.615	25.1	3.515	31.1	4.415
13.2	1.730	19.2	2.630	25.2	3.530	31.2	4.430
13.3	1.745	19.3	2.645	25.3	3.545	31.3	4.445
13.4	1.760	19.4	2.660	25.4	3.560	31.4	4.460
13.5	1.775	19.5	2.675	25.5	3.575	31.5	4.475
13.6	1.790	19.6	2.690	25.6	3.590	31.6	4.490
13.7	1.805	19.7	2.705	25.7	3.605	31.7	4.505
13.8	1.820	19.8	2.720	25.8	3.620	31.8	4.520
13.9	1.835	19.9	2.735	25.9	3.635	31.9	4.535
14.0	1.850	20.0	2.750	26.0	3.650	32.0	4.550
14.1	1.865	20.1	2.765	26.1	3.665	32.1	4.565
14.2	1.880	20.2	2.780	26.2	3.680	32.2	4.580
14.3	1.895	20.3	2.795	26.3	3.695	32.3	4.595
14.4	1.910	20.4	2.810	26.4	3.710	32.4	4.610
14.5	1.925	20.5	2.825	26.5	3.725	32.5	4.625
14.6	1.940	20.6	2.840	26.6	3.740	32.6	4.640
14.7	1.955	20.7	2.855	26.7	3.755	32.7	4.655
14.8	1.970	20.8	2.870	26.8	3.770	32.8	4.670
14.9	1.985	20.9	2.885	26.9	3.785	32.9	4.685
15.0	2.000	21.0	2.900	27.0	3.800	33.0	4.700
15.1	2.015	21.1	2.915	27.1	3.815	33.1	4.715
15.2	2.030	21.2	2.930	27.2	3.830	33.2	4.730
15.3	2.045	21.3	2.945	27.3	3.845	33.3	4.745
15.4	2.060	21.4	2.960	27.4	3.860	33.4	4.760
15.5	2.075	21.5	2.975	27.5	3.875	33.5	4.775
15.6	2.090	21.6	2.990	27.6	3.890	33.6	4.790
15.7	2.105	21.7	3.005	27.7	3.905	33.7	4.805
15.8	2.120	21.8	3.020	27.8	3.920	33.8	4.820
15.9	2.135	21.9	3.035	27.9	3.935	33.9	4.835

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR:
DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM

API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
34.0	4.850	40.0	5.100	46.0	4.950	52.0	4.050
34.1	4.865	40.1	5.100	46.1	4.935	52.1	4.035
34.2	4.880	40.2	5.100	46.2	4.920	52.2	4.020
34.3	4.895	40.3	5.100	46.3	4.905	52.3	4.005
34.4	4.910	40.4	5.100	46.4	4.890	52.4	3.990
34.5	4.925	40.5	5.100	46.5	4.875	52.5	3.975
34.6	4.940	40.6	5.100	46.6	4.860	52.6	3.960
34.7	4.955	40.7	5.100	46.7	4.845	52.7	3.945
34.8	4.970	40.8	5.100	46.8	4.830	52.8	3.930
34.9	4.985	40.9	5.100	46.9	4.815	52.9	3.915
35.0	5.000	41.0	5.100	47.0	4.800	53.0	3.900
35.1	5.000	41.1	5.100	47.1	4.785	53.1	3.885
35.2	5.000	41.2	5.100	47.2	4.770	53.2	3.870
35.3	5.000	41.3	5.100	47.3	4.755	53.3	3.855
35.4	5.000	41.4	5.100	47.4	4.740	53.4	3.840
35.5	5.000	41.5	5.100	47.5	4.725	53.5	3.825
35.6	5.000	41.6	5.100	47.6	4.710	53.6	3.810
35.7	5.000	41.7	5.100	47.7	4.695	53.7	3.795
35.8	5.000	41.8	5.100	47.8	4.680	53.8	3.780
35.9	5.000	41.9	5.100	47.9	4.665	53.9	3.765
36.0	5.020	42.0	5.100	48.0	4.650	54.0	3.750
36.1	5.020	42.1	5.100	48.1	4.635	54.1	3.735
36.2	5.020	42.2	5.100	48.2	4.620	54.2	3.720
36.3	5.020	42.3	5.100	48.3	4.605	54.3	3.705
36.4	5.020	42.4	5.100	48.4	4.590	54.4	3.690
36.5	5.020	42.5	5.100	48.5	4.575	54.5	3.675
36.6	5.020	42.6	5.100	48.6	4.560	54.6	3.660
36.7	5.020	42.7	5.100	48.7	4.545	54.7	3.645
36.8	5.020	42.8	5.100	48.8	4.530	54.8	3.630
36.9	5.020	42.9	5.100	48.9	4.515	54.9	3.615
37.0	5.040	43.0	5.100	49.0	4.500	55.0	3.600
37.1	5.040	43.1	5.100	49.1	4.485	For API GRAVITY values above 55.0° API the differential continues to decline 0.015/ bbl, per 0.1° API GRAVITY.	
37.2	5.040	43.2	5.100	49.2	4.470		
37.3	5.040	43.3	5.100	49.3	4.455		
37.4	5.040	43.4	5.100	49.4	4.440		
37.5	5.040	43.5	5.100	49.5	4.425		
37.6	5.040	43.6	5.100	49.6	4.410		
37.7	5.040	43.7	5.100	49.7	4.395		
37.8	5.040	43.8	5.100	49.8	4.380		
37.9	5.040	43.9	5.100	49.9	4.365		
38.0	5.060	44.0	5.100	50.0	4.350		
38.1	5.060	44.1	5.100	50.1	4.335		
38.2	5.060	44.2	5.100	50.2	4.320		
38.3	5.060	44.3	5.100	50.3	4.305		
38.4	5.060	44.4	5.100	50.4	4.290		
38.5	5.060	44.5	5.100	50.5	4.275		
38.6	5.060	44.6	5.100	50.6	4.260		
38.7	5.060	44.7	5.100	50.7	4.245		
38.8	5.060	44.8	5.100	50.8	4.230		
38.9	5.060	44.9	5.100	50.9	4.215		
39.0	5.080	45.0	5.100	51.0	4.200		
39.1	5.080	45.1	5.085	51.1	4.185		
39.2	5.080	45.2	5.070	51.2	4.170		
39.3	5.080	45.3	5.055	51.3	4.155		
39.4	5.080	45.4	5.040	51.4	4.140		
39.5	5.080	45.5	5.025	51.5	4.125		
39.6	5.080	45.6	5.010	51.6	4.110		
39.7	5.080	45.7	4.995	51.7	4.095		
39.8	5.080	45.8	4.980	51.8	4.080		
39.9	5.080	45.9	4.965	51.9	4.065		

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
0.00	1.000	0.60	1.600	1.20	2.200	1.80	2.800	2.40	3.400
0.01	1.010	0.61	1.610	1.21	2.210	1.81	2.810	2.41	3.410
0.02	1.020	0.62	1.620	1.22	2.220	1.82	2.820	2.42	3.420
0.03	1.030	0.63	1.630	1.23	2.230	1.83	2.830	2.43	3.430
0.04	1.040	0.64	1.640	1.24	2.240	1.84	2.840	2.44	3.440
0.05	1.050	0.65	1.650	1.25	2.250	1.85	2.850	2.45	3.450
0.06	1.060	0.66	1.660	1.26	2.260	1.86	2.860	2.46	3.460
0.07	1.070	0.67	1.670	1.27	2.270	1.87	2.870	2.47	3.470
0.08	1.080	0.68	1.680	1.28	2.280	1.88	2.880	2.48	3.480
0.09	1.090	0.69	1.690	1.29	2.290	1.89	2.890	2.49	3.490
0.10	1.100	0.70	1.700	1.30	2.300	1.90	2.900	2.50	3.500
0.11	1.110	0.71	1.710	1.31	2.310	1.91	2.910	2.51	3.510
0.12	1.120	0.72	1.720	1.32	2.320	1.92	2.920	2.52	3.520
0.13	1.130	0.73	1.730	1.33	2.330	1.93	2.930	2.53	3.530
0.14	1.140	0.74	1.740	1.34	2.340	1.94	2.940	2.54	3.540
0.15	1.150	0.75	1.750	1.35	2.350	1.95	2.950	2.55	3.550
0.16	1.160	0.76	1.760	1.36	2.360	1.96	2.960	2.56	3.560
0.17	1.170	0.77	1.770	1.37	2.370	1.97	2.970	2.57	3.570
0.18	1.180	0.78	1.780	1.38	2.380	1.98	2.980	2.58	3.580
0.19	1.190	0.79	1.790	1.39	2.390	1.99	2.990	2.59	3.590
0.20	1.200	0.80	1.800	1.40	2.400	2.00	3.000	2.60	3.600
0.21	1.210	0.81	1.810	1.41	2.410	2.01	3.010	2.61	3.610
0.22	1.220	0.82	1.820	1.42	2.420	2.02	3.020	2.62	3.620
0.23	1.230	0.83	1.830	1.43	2.430	2.03	3.030	2.63	3.630
0.24	1.240	0.84	1.840	1.44	2.440	2.04	3.040	2.64	3.640
0.25	1.250	0.85	1.850	1.45	2.450	2.05	3.050	2.65	3.650
0.26	1.260	0.86	1.860	1.46	2.460	2.06	3.060	2.66	3.660
0.27	1.270	0.87	1.870	1.47	2.470	2.07	3.070	2.67	3.670
0.28	1.280	0.88	1.880	1.48	2.480	2.08	3.080	2.68	3.680
0.29	1.290	0.89	1.890	1.49	2.490	2.09	3.090	2.69	3.690
0.30	1.300	0.90	1.900	1.50	2.500	2.10	3.100	2.70	3.700
0.31	1.310	0.91	1.910	1.51	2.510	2.11	3.110	2.71	3.710
0.32	1.320	0.92	1.920	1.52	2.520	2.12	3.120	2.72	3.720
0.33	1.330	0.93	1.930	1.53	2.530	2.13	3.130	2.73	3.730
0.34	1.340	0.94	1.940	1.54	2.540	2.14	3.140	2.74	3.740
0.35	1.350	0.95	1.950	1.55	2.550	2.15	3.150	2.75	3.750
0.36	1.360	0.96	1.960	1.56	2.560	2.16	3.160	2.76	3.760
0.37	1.370	0.97	1.970	1.57	2.570	2.17	3.170	2.77	3.770
0.38	1.380	0.98	1.980	1.58	2.580	2.18	3.180	2.78	3.780
0.39	1.390	0.99	1.990	1.59	2.590	2.19	3.190	2.79	3.790
0.40	1.400	1.00	2.000	1.60	2.600	2.20	3.200	2.80	3.800
0.41	1.410	1.01	2.010	1.61	2.610	2.21	3.210	2.81	3.810
0.42	1.420	1.02	2.020	1.62	2.620	2.22	3.220	2.82	3.820
0.43	1.430	1.03	2.030	1.63	2.630	2.23	3.230	2.83	3.830
0.44	1.440	1.04	2.040	1.64	2.640	2.24	3.240	2.84	3.840
0.45	1.450	1.05	2.050	1.65	2.650	2.25	3.250	2.85	3.850
0.46	1.460	1.06	2.060	1.66	2.660	2.26	3.260	2.86	3.860
0.47	1.470	1.07	2.070	1.67	2.670	2.27	3.270	2.87	3.870
0.48	1.480	1.08	2.080	1.68	2.680	2.28	3.280	2.88	3.880
0.49	1.490	1.09	2.090	1.69	2.690	2.29	3.290	2.89	3.890
0.50	1.500	1.10	2.100	1.70	2.700	2.30	3.300	2.90	3.900
0.51	1.510	1.11	2.110	1.71	2.710	2.31	3.310	2.91	3.910
0.52	1.520	1.12	2.120	1.72	2.720	2.32	3.320	2.92	3.920
0.53	1.530	1.13	2.130	1.73	2.730	2.33	3.330	2.93	3.930
0.54	1.540	1.14	2.140	1.74	2.740	2.34	3.340	2.94	3.940
0.55	1.550	1.15	2.150	1.75	2.750	2.35	3.350	2.95	3.950
0.56	1.560	1.16	2.160	1.76	2.760	2.36	3.360	2.96	3.960
0.57	1.570	1.17	2.170	1.77	2.770	2.37	3.370	2.97	3.970
0.58	1.580	1.18	2.180	1.78	2.780	2.38	3.380	2.98	3.980
0.59	1.590	1.19	2.190	1.79	2.790	2.39	3.390	2.99	3.990

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
3.00	4.000	3.60	4.600
3.01	4.010	3.61	4.610
3.02	4.020	3.62	4.620
3.03	4.030	3.63	4.630
3.04	4.040	3.64	4.640
3.05	4.050	3.65	4.650
3.06	4.060	3.66	4.660
3.07	4.070	3.67	4.670
3.08	4.080	3.68	4.680
3.09	4.090	3.69	4.690
3.10	4.100	3.70	4.700
3.11	4.110	3.71	4.710
3.12	4.120	3.72	4.720
3.13	4.130	3.73	4.730
3.14	4.140	3.74	4.740
3.15	4.150	3.75	4.750
3.16	4.160	3.76	4.760
3.17	4.170	3.77	4.770
3.18	4.180	3.78	4.780
3.19	4.190	3.79	4.790
3.20	4.200	3.80	4.800
3.21	4.210	3.81	4.810
3.22	4.220	3.82	4.820
3.23	4.230	3.83	4.830
3.24	4.240	3.84	4.840
3.25	4.250	3.85	4.850
3.26	4.260	3.86	4.860
3.27	4.270	3.87	4.870
3.28	4.280	3.88	4.880
3.29	4.290	3.89	4.890
3.30	4.300	3.90	4.900
3.31	4.310	3.91	4.910
3.32	4.320	3.92	4.920
3.33	4.330	3.93	4.930
3.34	4.340	3.94	4.940
3.35	4.350	3.95	4.950
3.36	4.360	3.96	4.960
3.37	4.370	3.97	4.970
3.38	4.380	3.98	4.980
3.39	4.390	3.99	4.990
3.40	4.400	4.00	5.000
3.41	4.410		
3.42	4.420		
3.43	4.430		
3.44	4.440		
3.45	4.450		
3.46	4.460		
3.47	4.470		
3.48	4.480		
3.49	4.490		
3.50	4.500		
3.51	4.510		
3.52	4.520		
3.53	4.530		
3.54	4.540		
3.55	4.550		
3.56	4.560		
3.57	4.570		
3.58	4.580		
3.59	4.590		

For Sulfur Values
above 4.00%, the
differential continues
to increase 0.01/BBL
per 0.01 Percent
Sulfur

**DEPARTMENT OF ENERGY
STRATEGIC PETROLEUM RESERVE (SPR)
OIL EXCHANGE AGREEMENT
22PO0007**

This Exchange Agreement, entered into this 21st day of January 2022, between the UNITED STATES OF AMERICA, acting by and through the Department of Energy, hereinafter referred to as the “GOVERNMENT” or “DOE” and ExxonMobil Oil Corporation, hereinafter referred to as the “Contractor.”

WITNESSETH:

1. **AUTHORITY** – That the Secretary of Energy, under the authority of the Department of Energy Organization Act (42 U.S.C. 7101 *et seq.*) and sections 159(f)(5) and 160(a) of the Energy Policy and Conservation Act (42 U.S.C. 6239, 6240), having determined that the exchanging of crude oil will be advantageous to the Government and in the public interest, hereby enters into this agreement with the Contractor for the exchange of crude oil from the SPR.

2. **CUSTODY TRANSFER –**

Bayou Choctaw to Redstick

Custody transfer quantity and quality measurements will be the Bayou Choctaw Meters and in-line sampler for deliveries into the Redstick pipeline. Secondary measurement for quantity will be the St. James Sugarland meter and quality will be inline samples taken at the DOE Bayou Choctaw site. If neither the Bayou Choctaw facility or St. James facility can perform as primary or secondary measurement, then the Saint James receipt point destination meter and inline sampler shall be used. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and testing and perform testing if necessary.

Any change of the custody measurement point from Bayou Choctaw meter and inline sampler to the St. James meter and inline sampler to facilitate the Bayou Choctaw movements, the customer will remain responsible for all charges pertaining to the Redstick pipeline throughput charges.

The Government will deliver approximately 515,000 barrels (plus/minus 10%) of sour crude with an estimated API of 31.9 and an estimated sulfur of 1.46 from the Government’s Bayou Choctaw site to the contractor.

Return of oil to the SPR:

Sun Tank to West Hackberry

Custody transfer quantity and quality measurements will be the DOE meter skid and inline sampler located at the Sun Marine Terminal. Secondary measurement for quantity will be on the Sun shore tank and quality based on manual grab samples taken at the Sun/DOE inline sampler. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and testing and perform testing.

All costs associated with the transportation of the exchange oil transferred from and to the SPR will be absorbed by the Contractor, to include but not be limited to, tariffs, marine shipment, pipeline shipment, U.S. Customs duties, harbor and environmental fees (including Texas Coastal protection fees), terminalling, demurrage and tankage charges.

3. **TERM** – The Government will use best efforts to fulfill exchange barrels as stated below:

Commence delivery in February 2022 with an objective to complete 515,000 barrels no later than March 31, 2022. If the prescribed volume is not taken by March 31, 2022, then the remainder will be considered undeliverable. If there is availability in the following month, and terms are mutually agreeable, remainder volume could be delivered on a best efforts basis.

Contractor shall return a total of 515,000 barrels plus applicable premium to the SPR as stated below:

Contractor shall return 515,000 exchange oil plus premium barrels to the West Hackberry SPR site during the months of June 2024 through September 2024.

Contractor's oil return schedules must be approved by the Government prior to delivery. Also, see Provision 18 for additional scheduling requirements.

4. **PAYMENT AND PERFORMANCE GUARANTEE** – Within three (3) business days after receipt of award, the Contractor must provide to the Contracting Officer an acceptable "Irrevocable Standby Letter of Credit" established in favor of the United States Department of Energy to the Contracting Officer in the amount of \$39,433,550.00 with an expiration date of November 30, 2024. The letter must contain the substantive provisions set out in Attachment B, and be issued by a depository institution located in and authorized to do business in any state of the United States or the District of Columbia, and authorized to issue letters of credit by the banking laws of the United States or any state of the United States or the District of Columbia. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible-Settlement-only. The issuing bank must provide documentation indicating that the person(s) signing the letter of credit is authorized to do so, in the form of corporate minutes, the Authorized Signature List, or the General

Resolution of Signature Authority. All wire deposit and letter of credit costs will be borne by the purchaser.

The letter of credit must be an "Irrevocable Standby Letter of Credit" and **MUST NOT VARY IN SUBSTANCE** from the sample in Attachment B. If the letter of credit contains any provisions at variance with Attachment B or fails to include any provisions contained in Attachment B, nonconforming provisions must be deleted and missing substantive provisions must be added or the letter of credit will not be accepted.

The blanks in Attachment B shall be filled in by the issuing bank, except those in the drawing statements. The drawing statements are in bold print with double underlines for the blanks. The double underlined blanks will be filled in only at the time of a drawing against the letter of credit.

Please submit an electronic copy to kelly.gele@spr.doe.gov.

Failure to provide the letter of credit shall constitute grounds for termination of the contract for default.

5. PAYMENT –

Contractor agrees to a fixed 8.6% premium return of sour crude oil in addition to actual crude oil received from the SPR for those barrels that are to be returned to **West Hackberry SPR** site. The premium percentage will be applied to the barrels actually delivered to the contractor (*for example if the SPR delivers 515MB NSV barrels, the premium would be $515MMB \times 1.086 = 559,290$ or 44,290 premium barrels*) with a minimum premium owed to the DOE of 39,861 sour barrels.

All sour crude oil returned to the SPR must meet the specifications in Attachment A. The Contractor should make every effort practical to return 100% of the oil quantity delivered however must return at least 90% of the actual crude oil volume received plus the calculated premium to the designated SPR site.

6. GOVERNMENT NON-LIABILITY/ CONTRACTOR LIABILITY – Contractor covenants that it will defend, indemnify and save and hold harmless the Government, its officers, agents, and employees for and from any and all liability or claims for damages to property or injuries to or death of persons which may arise from or be incident to the use of the exchange oil, or for damages to the property or injuries to the person of Contractor (if an individual), or damages to the property or injuries to or death of the person of Contractor's officers, agents, servants, employees, or others who may be on said premises at their invitation or the invitation of any one of them, arising from exchange activities.

Contractor further covenants that any property of the Government lost, damaged or destroyed incident to Contractor's use of the exchange oil shall be promptly replaced by Contractor to the satisfaction of the Contracting Officer, or in lieu of such replacement Contractor shall, if so required by the said officer, pay to the Government money in an amount sufficient to compensate for the loss sustained by the Government by reason loss, damage or destruction of the property.

7. NOTICES – No notice, order, direction, determination, requirement, consent, or approval under this Exchange Agreement shall be of any effect unless in writing. All notices required under this Exchange Agreement shall be addressed to Contractor, or to the Contracting Officer, as may be appropriate.

8. COMMUNICATIONS – Notices and other communications provided for herein shall be in writing and shall be delivered or mailed as follows:

Delivery and or Return:

For coordination of pipeline schedules and operations contact Chuck Costanza at (504) 473-9975 or Bradley Bauer (504)234-0145 and email to FFPOCOL@spr.doe.gov. All communications sent via need to include FFPOCOL@spr.doe.gov. Contractual issues shall be addressed with the Department of Energy’s Contracting Officer, Mary C. Roark, at (504) 734-4195.

9. EXAMINATION OF RECORDS BY THE GOVERNMENT – Contractor agrees that the Government or any of its duly authorized representatives shall, until the expiration of three years after final payment under this agreement, have access to and the right to examine any books, documents, paper, and records of the Contractor involving transactions related to this agreement or compliance with any clauses thereunder.

10. CHANGES – The Contracting Officer may, at any time, without notice to the Letter of Credit guarantee(s), by written order designated or indicated to be a change order, or verbal direction followed by written order, make changes within the terms and conditions of the contract, including but not limited to the following changes-

- a. In the volume to be delivered to the Contractor or returned to the SPR.
- b. To the delivery period for issuance of SPR crude oil or for return of barrels back to the SPR.
- c. In the type of crude oil to be returned to the SPR.
- d. To delivery mode of crude oil coming out of the SPR or return oil.
- e. In the delivery point(s) of return oil to the SPR.

Any other written or oral order (which, as used in this paragraph, includes direction, instruction, interpretation, or determination) from the Contracting Officer that causes a change shall be treated as a change order under this provision; Provided, that the Contractor gives the Contracting Officer written notice stating –

- a. The date, circumstances, and source of the order, and
- b. That the Contractor regards the order as a change order.

If any change under this provision causes an increase or decrease in the Contractor's cost of, or the time required for, the performance of any part of the performance under this contract, whether or not changed by any such order, the Contracting Officer shall make an equitable adjustment and modify the contract in writing.

The contractor must assert its right to an adjustment under this provision within 30 calendar days after notification of the change.

11. NATIONAL AND OPERATIONAL EMERGENCIES – Return oil deliveries to the DOE may be rescheduled or redirected upon the determination of a national or DOE operational emergency. A negotiated adjustment to the contract will be made as a result of this direction. However, should the parties fail to reach a settlement, the Government shall establish an equitable adjustment subject to the Provision entitled “Disputes.”
12. DEFAULT –
 - a. The Government may, by written notice of default to the Customer, terminate this contract in whole or in part if the Contractor fails to -
 - (1) Receive SPR crude oil within the time specified in this contract or any extension;
 - (2) Make progress in scheduling of contracted deliveries, so as to endanger performance of this contract; or
 - (3) Perform any of the other provisions of this contract.
 - b. The rights and remedies of the Government in this clause are in addition to any other rights and remedies provided by law or under this contract.
13. TERMINATION FOR THE CONVENIENCE OF THE GOVERNMENT – The Contracting Officer, by written notice, may terminate this contract, in whole or in part, when it is in the Government's interest. If this contract is terminated, the Government shall be liable only for reasonable, customary and applicable costs incurred by the Customer before the effective date of termination, but shall not be liable for consequential damages or the contractor's lost profits.
14. EXCUSABLE DELAYS
 - a. In the event either party should be prevented from performing under this contract by reason of any unforeseeable cause beyond its control and without its fault or negligence, including, but not restricted to, acts of God or of the public enemy, sovereign acts of the United States, acts of a foreign Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, performance under the contract shall be suspended in whole or in part until such cause ceases to exist and thereafter the time for fulfillment of the contract shall be extended by the length of time during which such cause prevented performance under the contract.

- b. In order for this provision to become operative, the party to the contract affected by the excusable delay condition shall furnish the other party with written notice of the nature and extent of the excusable delay condition promptly after the commencement thereof, but in any event prior to shipment of the crude oil from the location from which it is to be shipped. Written notice shall be furnished within ten (10) calendar days to the other party when the excusable delay condition ceases to exist.

- 15. FORCE MAJEURE – Force Majeure means, except for payment due hereunder, either party hereto shall be relieved from liability for failure to perform hereunder for the duration and to the extent such failure is occasioned by war, riots, insurrections, fire, explosions, sabotage, strikes, and other labor or industrial disturbances, acts of God or the elements, disruption or mechanical breakdown of production or transportation facilities, or delays of pipeline carrier in receiving and delivering crude oil tendered. Any such failures to perform shall be remedied with all reasonable dispatch.

As employed herein, the term “party”, as it relates to the Contractor, shall not include affiliated business concerns or individuals if, directly or indirectly, (1) either one controls or can control the other, or (2) a third party controls or can control both.

- 16. DISPUTES –

- a. This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. Section 601 et seq.). If a dispute arises relating to the contract, the Customer may submit a claim to the Contracting Officer, who shall issue a written decision on the dispute in the manner specified in 48 CFR 1-33.211.
- b. “Claim” means:
 - (1) A written request submitted to the Contracting Officer;
 - (2) For payment of money, adjustment of contract terms, or other relief;
 - (3) Which is in dispute or remains unresolved after a reasonable time for its review and disposition by the Government; and
 - (4) For which a Contracting Officer’s decision is demanded.
- c. In the case of dispute requests or amendments to such requests for payment exceeding \$100,000, the Customer shall certify at the time of submission as a claim, as follows:

I certify that the claim is made in good faith, that the supporting data are current, accurate and complete to the best of my knowledge and belief and that the amount requested accurately reflects the contract adjustment for which the Customer believes the Government is liable.

Customer’s Name _____
Signature _____
Title _____

- d. The Government shall pay to the Customer interest on the amount found due to the Customer on claims submitted under this provision at the rate established by the Department of the Treasury from the date the amount is due until the Government makes payment. The Contract Disputes Act of 1978, as amended, and the Prompt Payment Act adopt the interest rate established by the Secretary of the Treasury under the Renegotiation Act as the basis for computing interest on money owed by the Government. This rate is published semi-annually in the Federal Register.
- e. The Customer shall pay to the Government interest on the amount found due to the Government and unpaid on claims submitted under this provision at the rate specified in Paragraph d. above from the date the amount is due until the Customer makes payment.
- f. The decision of the Contracting Officer shall be final and conclusive and shall not be subject to review by any forum, tribunal, or Government agency unless an appeal or action is commenced within the times specified by the Contract Disputes Act of 1978, as amended.
- g. The Customer shall comply with any decision of the Contracting Officer and at the direction of the Contracting Officer shall proceed diligently with performance of this contract pending final resolution of any request for relief, claim, appeal, or action related to this contract.

17. OIL QUALITY – The Contractor shall be responsible for variations in oil quality exceeding the limits set forth below upon the return of the oil to the Government. The reference basis shall be the weighted average sour results of the laboratory tests conducted by the Government for API gravity and Sulfur weight percent taken when custody originally passed to the Contractor. Please note, the DOE will not be liable for any quality differential for Return Oil delivered to the SPR.

- a. Quality differentials will be calculated by utilizing the Quality tables in Attachment D. The allowable variations from the common quality for crude oil deliveries are defined as:

<u>QUALITY</u>	<u>Allowable Quality Variations</u>	
	<u>DOE CRUDE OIL</u> <u>SWEET</u>	<u>(CATEGORY)</u> <u>SOUR</u>
Gravity - API°	-0.5	-0.5
Sulfur - Wt%	+0.10	+0.10

- b. API Gravity between 40.0 and 45.0: No quality differential shall be accessed.
- c. API Gravity between 35.0 and 40.0: Adjustment for Sour crude oil is 2¢ per barrel for each degree (1.0°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded. Specifically, computed API Gravity

excess variances for each cargo, reported in API Gravity 0.1° increments, shall be rounded up to the next whole 1.0° API.

- d. API Gravity below 35.0: Adjustment for Sour crude oil is 1.5¢ per barrel for each tenth of a degree (0.1°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded.
- e. Total Sulfur: 1.0¢ per barrel for each 1/100th percent (0.01%) increase/decrease in total sulfur by which the allowable variations set forth above are exceeded.
- f. If crude oil delivered to the DOE falls below the minimum SPR specification for API Gravity, or above the maximum DOE specification for sulfur, as defined in Attachment A, a quality differential adjustment shall be applied without a variance allowance on that portion exceeding the specification limit.

There is a limit of 0.1% freewater on delivery to the SPR as measured either by contractor's shore tank or on the vessel prior to discharge into tanks designated for DOE receipts. The inspector's gauges, witnessed by the DOE representative, either on the vessel at the dock facility or terminal shore tank, will be the method used to determine the final freewater barrel amount. This clause is effective in conjunction with the Water and Sediment [Vol.%] maximum limit of 1.0% as stated in Attachment A; e.g., a 500,000 barrel oil delivery to the SPR is limited to 1.0% S&W (5,000 barrels), of which a maximum of 0.1% (500 barrels) can be freewater. Contractor is responsible for all costs associated with removal of excess freewater. Exceeding the freewater limitations specified herein will result in the cargo being rejected.

18. SCHEDULING OF OIL MOVEMENTS – Contractor shall schedule all oil deliveries through the appropriate commercial pipeline and marine terminal facilities, ensuring that it has coordinated the deliveries with the SPR.

For marine deliveries, the Contractor shall provide a working schedule to the DOE not later than the fifteenth day of the month prior to the month in which deliveries will be made (e.g. by February 15 for March deliveries). This working schedule will contain total monthly volumes and the approximate delivery dates and quantities for each month of delivery. No later than seven business days prior to each delivery, the Contractor shall provide vessel name, vessel quality data, the expected date of arrival, the volume to be delivered, vessel agents and any other pertinent information that may be needed. The SPR will provide a Nomination-Confirmation Form (Attachment E). The Contractor shall complete the yellow highlighted areas and return the form in the time frame defined above.

The Contractor, or its designated agent, shall provide pre-arrival notices 72 hours, 48 hours and 24 hours prior to discharge to both the DOE and the discharge terminal.

For pipeline deliveries, the Contractor shall make necessary arrangements with the commercial pipelines connected to the DOE or its interconnecting pipelines. Nomination information regarding these deliveries shall be provided to the DOE not later than fifteen

calendar days prior to the month in which deliveries will be made. The minimum cargo size per this agreement shall be no less than 250MB.

Note 1: It is the responsibility of the offerors to confirm these specifications prior to nominations to insure most current information.

Note 2: Any barrels awarded under Notice of Sale No. DE-NS96-22PO10000 will have scheduling priority over cargoes underneath this agreement in the period if applicable.

19. SPR Oil Quality

The quality characteristics of the crude oil stream offered in the exchange are those cited in the Strategic Petroleum Reserve Crude Oil Assays.

This crude oil quality data is a weighted average composition of the specific caverns that comprise the streams offered in the exchange. Although a specific crude oil benchmark is referenced; SPR inventory contains a blend of domestic and global crude including Isthmus, Urals, Alaskan North Slope, Arabian Light, Saharan, and Dubai with segregation by Sweet and Sour storage caverns. The SPR has observed H₂S concentration (which is found naturally in crude oil) greater than 10 ppm in liquid in some crude batches. Measurements of H₂S in vapor space can be orders of magnitude higher than in liquid and difficult to measure due to factors in handling, weather, etc. OSHA provides guidelines on appropriate safety precautions and equipment if crude is handled openly, spilled, or released to the atmosphere. Offerors are encouraged to review the SPR Crude Oil Assay Manual, Crude Oil Safety Data Sheet, and the Strategic Petroleum Reserve Crude Oil Assays for more detailed oil stream composition and specifics so that conditions (such as the presence of H₂S) are expected and communicated downstream.

Note: Each SPR stream will be a blended average using several caverns. As a result, actual representative samples are not available prior to deliveries. Please refer to Crude Oil Assays which provides a weighted average composite profile of the stream.

20. DELIVERY AND RECEIPT DOCUMENTATION – All quantity and quality determinations shall be documented on the Material Inspection and Receiving Report (DD Form 250). See Attachment C-1 for copy of this form. The DD Form 250 shall be signed by the Customer's agent to acknowledge delivery and receipt of the quantity and quality of crude oil indicated. Copies of the completed DD Form 250, with applicable supporting documentation (i.e., metering or tank gauging tickets and appropriate calculation worksheets), shall be furnished to the Customer and/or the Customer's authorized representative after completion of delivery or receipts. Also, marine Bills of Lading or Pipeline Statements identifying crude type shipped shall be provided by the contractor.

The Customer shall provide written confirmation to the SPR, no later than seven calendar days prior to the scheduled date of each delivery under the contract, the name(s) of the authorized agent(s) given signature authority to sign/endorse the delivery documentation on the Customer's behalf. Any changes to this listing of names shall be provided to the SPR in writing no later than 72 hours before the first delivery to which such change applies. In the event that an independent surveyor (separate from the authorized signatory agent) is

appointed by the Customer to witness the delivery operation (gauging, sampling, testing, etc.), written notification shall be provided to SPR, no later than 72 hours prior to the scheduled date of each applicable cargo delivery to or from the SPR.

Absence of the provision of the name(s) of bona fide agent(s) and the signature of such agent on the delivery documentation constitutes acceptance of the delivery quantity and quality as determined by the Government and/or its agents

21. RECONCILIATION – Within 30 days, barring any exceptions, after completion of the final scheduled delivery of exchange oil under the contract, any imbalances that may exist in the crude oil volumes agreed upon in the contract will be reconciled in the following manner:

If DOE receives an amount of exchange oil that exceeds the contracted return oil delivery volume, the Government will attempt to reconcile the imbalance through cash payments or other alternate means, as available. If reconciliation is by cash payment, the Contractor shall invoice the DOE based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250.

If the Contractor delivers a total volume of return oil which is less than the contracted quantity, the DOE will invoice the Contractor for the undelivered amount based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250. If no payment is received by the due date specified on the invoice, the applicable amount owed will be drawn against the Contractor's Payment and Performance Letter of Credit as described in Provision 4 of this contract.

Note: The cost value is derived from the data published in the Argus Americas Crude Oil Price Report. If no published prices are available, a mutually agreed upon price will be negotiated. Should the parties fail to reach a negotiated price, the Government shall determine a fair and reasonable price.

Contractor

By: 

Name: Eriniga Gaden

Title: Attorney in France

The United States of America

By: _____

Name: Kelly M. Gele'

Title: Contracting Officer

ATTACHMENT A

STRATEGIC PETROLEUM RESERVE CRUDE OIL SPECIFICATIONS ^a (SPRO MAY 2020) ^{e1}

CHARACTERISTIC	SOUR	SWEET	PRIMARY ASTM TEST METHOD ^b
API Gravity [°API]	30-45	30-45	D1298 or D5002
Total Sulfur [Mass %], max.	1.99	0.50	D4294
Pour Point [°C], max.	10	10	D97
Salt Content [Mass %], max.	0.050	0.050	D6470
Viscosity			
[cSt @ 15.6°C], max.	32	32	D445
[cSt @ 37.8°C], max.	13	13	
Vapor Pressure			
[VPCR4 (100°F) psia (kPa)] ^c , max.	9(62.1)	9(62.1)	D6377
Total Acid Number [mg KOH/g], max.	1.00	1.00	D664
Water and Sediment [Vol. %], max.	1.0	1.0	473 and D4006, or D4928
Yields [Vol. %]			D2892 and D5236 ^c
Naphtha [28-191°C]	24-30	21-42	
Distillate [191-327°C]	17-31	19-45	
Gas Oil [327-566°C]	26-38	20-42	
Residuum [>566°C]	10-19	14 max.	
Light Ends [Liquid Vol. %] ^d , max			
Methane (C ₁)	0.01	0.01	IP344 or ITM 6008
Ethane (C ₂)	0.1	0.1	
Propane (C ₃)	1.0	1.0	

^{e1} This revision includes a limitation on light ends content (see Footnote ^d)

- ^a Marketable crude petroleum suitable for normal refinery processing and free of foreign contaminants or chemicals including, but not limited to, pour point depressants, chlorinated and oxygenated hydrocarbons, and lead.
- ^b Alternate methods may be used if approved by the contracting officer.
- ^c D 7169 data may be provided in requesting conditional acceptance of a crude oil. Distillation data according to D 2892 and D 5236 will still be necessary for final qualification of a crude oil's acceptance.
- ^d Light ends content specifications are interim and will be superseded if and when industry standards for light ends evaluation are implemented.
- ^e Vapor pressure changed to better reflect current domestic crude standards.

- NOTE 1: The Strategic Petroleum Reserve reserves the right to refuse to accept any crude oil which meets these specifications but is deemed to be incompatible with existing stocks, or which has the potential for adversely affecting handling.
- NOTE 2: The acceptability of any crude oil depends upon any assay typical of current production quality of the stream. Any crude oil offered to the Strategic Petroleum Reserve that meets these specifications may be subject to additional testing for acceptance.
- NOTE 3: All crude oil shipments received by the SPR are tested to ensure they meet specifications. Crude streams found consistently not meeting required specifications will be removed from the list of acceptable crude oils.

ATTACHMENT B

SAMPLE - PAYMENT AND PERFORMANCE LETTER OF CREDIT BANK LETTERHEAD IRREVOCABLE STANDBY LETTER OF CREDIT

Date: _____

To: U.S. Department of Energy
Strategic Petroleum Reserve
900 Commerce Road East
New Orleans, LA 70123
Attn: (Kelly Gele)

AMOUNT OF LETTER OF CREDIT: U.S.\$ _____ (_____)

CONTRACTOR: _____

CONTRACT NO: 22PO0007

LETTER OF CREDIT NO: _____

EXPIRATION DATE: November 30, 2024

AMERICAN BANKERS ASSOCIATION (ABA) NO: _____

To whom it may concern:

We hereby establish in the U.S. Department of Energy's favor our irrevocable standby Letter of Credit effective immediately for the account of our customer's above contract with the U.S. Department of Energy for the exchange of Strategic Petroleum Reserve petroleum.

This letter of credit is available by your draft/s at sight, drawn on us and accompanied by a manually signed statement that the signer is an authorized representative of the Department of Energy, and one or more of the following statements:

- a. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO RECEIVE THE SPR CRUDE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."
- b. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO DELIVER RETURN EXCHANGE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."
- c. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO MAKE FINAL RECONCILIATION PAYMENT IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."

Drafts must be presented for payment on or before the expiration date of this Letter of Credit at our bank. The Government may make multiple drafts against this Letter of Credit.

Upon receipt of the U.S. Department of Energy's demand by hand, mail express delivery, or other means, at our office located at _____, we will honor the demand and make payment, by 3 p.m. Eastern Time of the third business day following receipt of the demand by wire transfer of funds as a deposit to the account of the U.S. Treasury over the Fedwire Funds Service. The information to be included in each transfer will be as provided in the above referenced contract.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision, International Chamber of Commerce Publication no. 600) and except as may be inconsistent therewith, to the Uniform Commercial Code in effect on the date of issuance of this Letter of Credit in the state in which the issuer's head office within the United States is located.

We hereby agree with you that all drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation and delivery of the above documents for payment at our bank on or before the expiration date.

In the event of a bankruptcy filing by the applicant prior to the expiration date of this letter of credit, the expiration date of this letter of credit will automatically be extended by one hundred twenty (120) calendar days from the expiration date.

INSTRUCTIONS FOR PAYMENT AND PERFORMANCE GUARANTEE LETTER OF CREDIT

1. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible – Settlement-only.
2. Letter of Credit must not vary in substance from this attachment. Provide a copy of this attachment to your bank.
3. Banks shall fill in blanks EXCEPT those in the drawing statements. **The drawing statements are in bold print.**
4. Type name and title under authorized signature and provide documentation of authorized signature.

ATTACHMENT C-1 DD FORM 250

MATERIAL INSPECTION AND RECEIVING REPORT DD Form 250, AUG 2000

MATERIAL INSPECTION AND RECEIVING REPORT										FORM APPROVED OMB No. 0704-0248	
The public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports (0704-0248), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0248), Washington, DC 20503. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.											
PLEASE DO NOT RETURN YOUR COMPLETED FORM TO EITHER OF THESE ADDRESSES. SEND THIS FORM IN ACCORDANCE WITH THE INSTRUCTIONS CONTAINED IN THE DFARS, APPENDIX F-401.											
1. PROCUREMENT INSTRUMENT IDENTIFICATION (CONTRACT) NO. DOE OWNED CRUDE OIL				2. INVOICE NO./DATE		7. PAGE OF 1 1		8. ACCEPTANCE POINT			
2. SHIPMENT NO.		3. DATE SHIPPED		4. B/L TCN		5. DISCOUNT TERMS					
9. PRIME CONTRACTOR CODE Fluor Federal Petroleum Operations 850 S Clearview Pkwy New Orleans, LA 70123				10. ADMINISTERED BY CODE DEPARTMENT OF ENERGY STRATEGIC PETROLEUM RESERVE PROJECT MANAGEMENT OFFICE							
11 SHIPPED FROM (If other than 9) CODE FOB:				12. PAYMENT WILL BE MADE BY CODE							
13. SHIPPED TO CODE				14. MARKED FOR CODE							
15 ITEM NO.	16. STOCK/PART NO. <small>(Indicate number of shipping containers - type of container - container number.)</small>	DESCRIPTION	17. QUANTITY SHIP/REC'D *	18. UNIT	19. UNIT PRICE	20. AMOUNT					
1	Gross		NET @ 60° F.	BARRELS							
21. CONTRACT QUALITY ASSURANCE				22. RECEIVER'S USE							
a. ORIGIN <input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or in supporting documents.				b. DESTINATION <input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or on supporting documents.				Quantities shown in column 17 were received in apparent good condition except as noted.			
DATE		SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		DATE		SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		DATE RECEIVED		SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE	
TYPED NAME		TYPED NAME		TYPED NAME		TYPED NAME		TYPED NAME		TYPED NAME	
TITLE		TITLE		TITLE		TITLE		TITLE		TITLE	
MAILING ADDRESS		MAILING ADDRESS		MAILING ADDRESS		MAILING ADDRESS		MAILING ADDRESS		MAILING ADDRESS	
COMMERCIAL TELEPHONE NUMBER:		COMMERCIAL TELEPHONE NUMBER:		COMMERCIAL TELEPHONE NUMBER:		COMMERCIAL TELEPHONE NUMBER:		COMMERCIAL TELEPHONE NUMBER:		COMMERCIAL TELEPHONE NUMBER:	
23. CONTRACTOR USE ONLY				*If quantity received by the Government is the same as quantity shipped, indicate by (x) mark; if different, enter actual quantity received below quantity shipped and encircle.							

ATTACHMENT D Quality Adjustment Tables

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM

API GRAVITY	DIFF PER BBL	API GRAVITY	DIFF PER BBL	API GRAVITY	DIFF PER BBL	API GRAVITY	DIFF PER BBL
10.0	1.250	16.0	2.150	22.0	3.050	28.0	3.950
10.1	1.265	16.1	2.165	22.1	3.065	28.1	3.965
10.2	1.280	16.2	2.180	22.2	3.080	28.2	3.980
10.3	1.295	16.3	2.195	22.3	3.095	28.3	3.995
10.4	1.310	16.4	2.210	22.4	3.110	28.4	4.010
10.5	1.325	16.5	2.225	22.5	3.125	28.5	4.025
10.6	1.340	16.6	2.240	22.6	3.140	28.6	4.040
10.7	1.355	16.7	2.255	22.7	3.155	28.7	4.055
10.8	1.370	16.8	2.270	22.8	3.170	28.8	4.070
10.9	1.385	16.9	2.285	22.9	3.185	28.9	4.085
11.0	1.400	17.0	2.300	23.0	3.200	29.0	4.100
11.1	1.415	17.1	2.315	23.1	3.215	29.1	4.115
11.2	1.430	17.2	2.330	23.2	3.230	29.2	4.130
11.3	1.445	17.3	2.345	23.3	3.245	29.3	4.145
11.4	1.460	17.4	2.360	23.4	3.260	29.4	4.160
11.5	1.475	17.5	2.375	23.5	3.275	29.5	4.175
11.6	1.490	17.6	2.390	23.6	3.290	29.6	4.190
11.7	1.505	17.7	2.405	23.7	3.305	29.7	4.205
11.8	1.520	17.8	2.420	23.8	3.320	29.8	4.220
11.9	1.535	17.9	2.435	23.9	3.335	29.9	4.235
12.0	1.550	18.0	2.450	24.0	3.350	30.0	4.250
12.1	1.565	18.1	2.465	24.1	3.365	30.1	4.265
12.2	1.580	18.2	2.480	24.2	3.380	30.2	4.280
12.3	1.595	18.3	2.495	24.3	3.395	30.3	4.295
12.4	1.610	18.4	2.510	24.4	3.410	30.4	4.310
12.5	1.625	18.5	2.525	24.5	3.425	30.5	4.325
12.6	1.640	18.6	2.540	24.6	3.440	30.6	4.340
12.7	1.655	18.7	2.555	24.7	3.455	30.7	4.355
12.8	1.670	18.8	2.570	24.8	3.470	30.8	4.370
12.9	1.685	18.9	2.585	24.9	3.485	30.9	4.385
13.0	1.700	19.0	2.600	25.0	3.500	31.0	4.400
13.1	1.715	19.1	2.615	25.1	3.515	31.1	4.415
13.2	1.730	19.2	2.630	25.2	3.530	31.2	4.430
13.3	1.745	19.3	2.645	25.3	3.545	31.3	4.445
13.4	1.760	19.4	2.660	25.4	3.560	31.4	4.460
13.5	1.775	19.5	2.675	25.5	3.575	31.5	4.475
13.6	1.790	19.6	2.690	25.6	3.590	31.6	4.490
13.7	1.805	19.7	2.705	25.7	3.605	31.7	4.505
13.8	1.820	19.8	2.720	25.8	3.620	31.8	4.520
13.9	1.835	19.9	2.735	25.9	3.635	31.9	4.535
14.0	1.850	20.0	2.750	26.0	3.650	32.0	4.550
14.1	1.865	20.1	2.765	26.1	3.665	32.1	4.565
14.2	1.880	20.2	2.780	26.2	3.680	32.2	4.580
14.3	1.895	20.3	2.795	26.3	3.695	32.3	4.595
14.4	1.910	20.4	2.810	26.4	3.710	32.4	4.610
14.5	1.925	20.5	2.825	26.5	3.725	32.5	4.625
14.6	1.940	20.6	2.840	26.6	3.740	32.6	4.640
14.7	1.955	20.7	2.855	26.7	3.755	32.7	4.655
14.8	1.970	20.8	2.870	26.8	3.770	32.8	4.670
14.9	1.985	20.9	2.885	26.9	3.785	32.9	4.685
15.0	2.000	21.0	2.900	27.0	3.800	33.0	4.700
15.1	2.015	21.1	2.915	27.1	3.815	33.1	4.715
15.2	2.030	21.2	2.930	27.2	3.830	33.2	4.730
15.3	2.045	21.3	2.945	27.3	3.845	33.3	4.745
15.4	2.060	21.4	2.960	27.4	3.860	33.4	4.760
15.5	2.075	21.5	2.975	27.5	3.875	33.5	4.775
15.6	2.090	21.6	2.990	27.6	3.890	33.6	4.790
15.7	2.105	21.7	3.005	27.7	3.905	33.7	4.805
15.8	2.120	21.8	3.020	27.8	3.920	33.8	4.820
15.9	2.135	21.9	3.035	27.9	3.935	33.9	4.835

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM

API GRAVITY	DIFF PER BBL	API GRAVITY	DIFF PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
34.0	4.850	40.0	5.100	46.0	4.950	52.0	4.050
34.1	4.865	40.1	5.100	46.1	4.935	52.1	4.035
34.2	4.880	40.2	5.100	46.2	4.920	52.2	4.020
34.3	4.895	40.3	5.100	46.3	4.905	52.3	4.005
34.4	4.910	40.4	5.100	46.4	4.890	52.4	3.990
34.5	4.925	40.5	5.100	46.5	4.875	52.5	3.975
34.6	4.940	40.6	5.100	46.6	4.860	52.6	3.960
34.7	4.955	40.7	5.100	46.7	4.845	52.7	3.945
34.8	4.970	40.8	5.100	46.8	4.830	52.8	3.930
34.9	4.985	40.9	5.100	46.9	4.815	52.9	3.915
35.0	5.000	41.0	5.100	47.0	4.800	53.0	3.900
35.1	5.000	41.1	5.100	47.1	4.785	53.1	3.885
35.2	5.000	41.2	5.100	47.2	4.770	53.2	3.870
35.3	5.000	41.3	5.100	47.3	4.755	53.3	3.855
35.4	5.000	41.4	5.100	47.4	4.740	53.4	3.840
35.5	5.000	41.5	5.100	47.5	4.725	53.5	3.825
35.6	5.000	41.6	5.100	47.6	4.710	53.6	3.810
35.7	5.000	41.7	5.100	47.7	4.695	53.7	3.795
35.8	5.000	41.8	5.100	47.8	4.680	53.8	3.780
35.9	5.000	41.9	5.100	47.9	4.665	53.9	3.765
36.0	5.020	42.0	5.100	48.0	4.650	54.0	3.750
36.1	5.020	42.1	5.100	48.1	4.635	54.1	3.735
36.2	5.020	42.2	5.100	48.2	4.620	54.2	3.720
36.3	5.020	42.3	5.100	48.3	4.605	54.3	3.705
36.4	5.020	42.4	5.100	48.4	4.590	54.4	3.690
36.5	5.020	42.5	5.100	48.5	4.575	54.5	3.675
36.6	5.020	42.6	5.100	48.6	4.560	54.6	3.660
36.7	5.020	42.7	5.100	48.7	4.545	54.7	3.645
36.8	5.020	42.8	5.100	48.8	4.530	54.8	3.630
36.9	5.020	42.9	5.100	48.9	4.515	54.9	3.615
37.0	5.040	43.0	5.100	49.0	4.500	55.0	3.600
37.1	5.040	43.1	5.100	49.1	4.485		
37.2	5.040	43.2	5.100	49.2	4.470		
37.3	5.040	43.3	5.100	49.3	4.455		
37.4	5.040	43.4	5.100	49.4	4.440		
37.5	5.040	43.5	5.100	49.5	4.425		
37.6	5.040	43.6	5.100	49.6	4.410		
37.7	5.040	43.7	5.100	49.7	4.395		
37.8	5.040	43.8	5.100	49.8	4.380		
37.9	5.040	43.9	5.100	49.9	4.365		
38.0	5.060	44.0	5.100	50.0	4.350		
38.1	5.060	44.1	5.100	50.1	4.335		
38.2	5.060	44.2	5.100	50.2	4.320		
38.3	5.060	44.3	5.100	50.3	4.305		
38.4	5.060	44.4	5.100	50.4	4.290		
38.5	5.060	44.5	5.100	50.5	4.275		
38.6	5.060	44.6	5.100	50.6	4.260		
38.7	5.060	44.7	5.100	50.7	4.245		
38.8	5.060	44.8	5.100	50.8	4.230		
38.9	5.060	44.9	5.100	50.9	4.215		
39.0	5.080	45.0	5.100	51.0	4.200		
39.1	5.080	45.1	5.085	51.1	4.185		
39.2	5.080	45.2	5.070	51.2	4.170		
39.3	5.080	45.3	5.055	51.3	4.155		
39.4	5.080	45.4	5.040	51.4	4.140		
39.5	5.080	45.5	5.025	51.5	4.125		
39.6	5.080	45.6	5.010	51.6	4.110		
39.7	5.080	45.7	4.995	51.7	4.095		
39.8	5.080	45.8	4.980	51.8	4.080		
39.9	5.080	45.9	4.965	51.9	4.065		

For API GRAVITY values above 55.0° API the differential continues to decline 0.015/bbl. per 0.1° API GRAVITY.

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
0.00	1.000	0.60	1.600	1.20	2.200	1.80	2.800	2.40	3.400
0.01	1.010	0.61	1.610	1.21	2.210	1.81	2.810	2.41	3.410
0.02	1.020	0.62	1.620	1.22	2.220	1.82	2.820	2.42	3.420
0.03	1.030	0.63	1.630	1.23	2.230	1.83	2.830	2.43	3.430
0.04	1.040	0.64	1.640	1.24	2.240	1.84	2.840	2.44	3.440
0.05	1.050	0.65	1.650	1.25	2.250	1.85	2.850	2.45	3.450
0.06	1.060	0.66	1.660	1.26	2.260	1.86	2.860	2.46	3.460
0.07	1.070	0.67	1.670	1.27	2.270	1.87	2.870	2.47	3.470
0.08	1.080	0.68	1.680	1.28	2.280	1.88	2.880	2.48	3.480
0.09	1.090	0.69	1.690	1.29	2.290	1.89	2.890	2.49	3.490
0.10	1.100	0.70	1.700	1.30	2.300	1.90	2.900	2.50	3.500
0.11	1.110	0.71	1.710	1.31	2.310	1.91	2.910	2.51	3.510
0.12	1.120	0.72	1.720	1.32	2.320	1.92	2.920	2.52	3.520
0.13	1.130	0.73	1.730	1.33	2.330	1.93	2.930	2.53	3.530
0.14	1.140	0.74	1.740	1.34	2.340	1.94	2.940	2.54	3.540
0.15	1.150	0.75	1.750	1.35	2.350	1.95	2.950	2.55	3.550
0.16	1.160	0.76	1.760	1.36	2.360	1.96	2.960	2.56	3.560
0.17	1.170	0.77	1.770	1.37	2.370	1.97	2.970	2.57	3.570
0.18	1.180	0.78	1.780	1.38	2.380	1.98	2.980	2.58	3.580
0.19	1.190	0.79	1.790	1.39	2.390	1.99	2.990	2.59	3.590
0.20	1.200	0.80	1.800	1.40	2.400	2.00	3.000	2.60	3.600
0.21	1.210	0.81	1.810	1.41	2.410	2.01	3.010	2.61	3.610
0.22	1.220	0.82	1.820	1.42	2.420	2.02	3.020	2.62	3.620
0.23	1.230	0.83	1.830	1.43	2.430	2.03	3.030	2.63	3.630
0.24	1.240	0.84	1.840	1.44	2.440	2.04	3.040	2.64	3.640
0.25	1.250	0.85	1.850	1.45	2.450	2.05	3.050	2.65	3.650
0.26	1.260	0.86	1.860	1.46	2.460	2.06	3.060	2.66	3.660
0.27	1.270	0.87	1.870	1.47	2.470	2.07	3.070	2.67	3.670
0.28	1.280	0.88	1.880	1.48	2.480	2.08	3.080	2.68	3.680
0.29	1.290	0.89	1.890	1.49	2.490	2.09	3.090	2.69	3.690
0.30	1.300	0.90	1.900	1.50	2.500	2.10	3.100	2.70	3.700
0.31	1.310	0.91	1.910	1.51	2.510	2.11	3.110	2.71	3.710
0.32	1.320	0.92	1.920	1.52	2.520	2.12	3.120	2.72	3.720
0.33	1.330	0.93	1.930	1.53	2.530	2.13	3.130	2.73	3.730
0.34	1.340	0.94	1.940	1.54	2.540	2.14	3.140	2.74	3.740
0.35	1.350	0.95	1.950	1.55	2.550	2.15	3.150	2.75	3.750
0.36	1.360	0.96	1.960	1.56	2.560	2.16	3.160	2.76	3.760
0.37	1.370	0.97	1.970	1.57	2.570	2.17	3.170	2.77	3.770
0.38	1.380	0.98	1.980	1.58	2.580	2.18	3.180	2.78	3.780
0.39	1.390	0.99	1.990	1.59	2.590	2.19	3.190	2.79	3.790
0.40	1.400	1.00	2.000	1.60	2.600	2.20	3.200	2.80	3.800
0.41	1.410	1.01	2.010	1.61	2.610	2.21	3.210	2.81	3.810
0.42	1.420	1.02	2.020	1.62	2.620	2.22	3.220	2.82	3.820
0.43	1.430	1.03	2.030	1.63	2.630	2.23	3.230	2.83	3.830
0.44	1.440	1.04	2.040	1.64	2.640	2.24	3.240	2.84	3.840
0.45	1.450	1.05	2.050	1.65	2.650	2.25	3.250	2.85	3.850
0.46	1.460	1.06	2.060	1.66	2.660	2.26	3.260	2.86	3.860
0.47	1.470	1.07	2.070	1.67	2.670	2.27	3.270	2.87	3.870
0.48	1.480	1.08	2.080	1.68	2.680	2.28	3.280	2.88	3.880
0.49	1.490	1.09	2.090	1.69	2.690	2.29	3.290	2.89	3.890
0.50	1.500	1.10	2.100	1.70	2.700	2.30	3.300	2.90	3.900
0.51	1.510	1.11	2.110	1.71	2.710	2.31	3.310	2.91	3.910
0.52	1.520	1.12	2.120	1.72	2.720	2.32	3.320	2.92	3.920
0.53	1.530	1.13	2.130	1.73	2.730	2.33	3.330	2.93	3.930
0.54	1.540	1.14	2.140	1.74	2.740	2.34	3.340	2.94	3.940
0.55	1.550	1.15	2.150	1.75	2.750	2.35	3.350	2.95	3.950
0.56	1.560	1.16	2.160	1.76	2.760	2.36	3.360	2.96	3.960
0.57	1.570	1.17	2.170	1.77	2.770	2.37	3.370	2.97	3.970
0.58	1.580	1.18	2.180	1.78	2.780	2.38	3.380	2.98	3.980
0.59	1.590	1.19	2.190	1.79	2.790	2.39	3.390	2.99	3.990

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
3.00	4.000	3.60	4.600
3.01	4.010	3.61	4.610
3.02	4.020	3.62	4.620
3.03	4.030	3.63	4.630
3.04	4.040	3.64	4.640
3.05	4.050	3.65	4.650
3.06	4.060	3.66	4.660
3.07	4.070	3.67	4.670
3.08	4.080	3.68	4.680
3.09	4.090	3.69	4.690
3.10	4.100	3.70	4.700
3.11	4.110	3.71	4.710
3.12	4.120	3.72	4.720
3.13	4.130	3.73	4.730
3.14	4.140	3.74	4.740
3.15	4.150	3.75	4.750
3.16	4.160	3.76	4.760
3.17	4.170	3.77	4.770
3.18	4.180	3.78	4.780
3.19	4.190	3.79	4.790
3.20	4.200	3.80	4.800
3.21	4.210	3.81	4.810
3.22	4.220	3.82	4.820
3.23	4.230	3.83	4.830
3.24	4.240	3.84	4.840
3.25	4.250	3.85	4.850
3.26	4.260	3.86	4.860
3.27	4.270	3.87	4.870
3.28	4.280	3.88	4.880
3.29	4.290	3.89	4.890
3.30	4.300	3.90	4.900
3.31	4.310	3.91	4.910
3.32	4.320	3.92	4.920
3.33	4.330	3.93	4.930
3.34	4.340	3.94	4.940
3.35	4.350	3.95	4.950
3.36	4.360	3.96	4.960
3.37	4.370	3.97	4.970
3.38	4.380	3.98	4.980
3.39	4.390	3.99	4.990
3.40	4.400	4.00	5.000
3.41	4.410		
3.42	4.420		
3.43	4.430		
3.44	4.440		
3.45	4.450		
3.46	4.460		
3.47	4.470		
3.48	4.480		
3.49	4.490		
3.50	4.500		
3.51	4.510		
3.52	4.520		
3.53	4.530		
3.54	4.540		
3.55	4.550		
3.56	4.560		
3.57	4.570		
3.58	4.580		
3.59	4.590		

For Sulfur Values
above 4.00%, the
differential continues
to increase 0.01/ BBL
per 0.01 Percent
Sulfur

ATTACHMENT E Nomination-Confirmation Form

STRATEGIC PETROLEUM RESERVE NOMINATION - CONFIRMATION

SPR Operations Fluor Federal Petroleum Operations New Orleans, Louisiana FFPOCOL@SPR.DOE.GOV	Scheduler (504) 473-9975 Quantity and Quality (504) 722-6146
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****The following information must be provided by the Contractor****

Submission Date: [Click here to enter a date.](#) Submission Type: Original Nomination

Contract No.: Enter Contract Number
 Contractor: Enter Contractor Name
 Address: Enter Address
 City, State, Zip

Contractor Contact Information

Primary Contact: Primary Contact Name	Alternate: Alternate Contact Name
Office: Office Phone	Office: Office Phone
Cell: Cell Phone	Cell: Cell Phone
Email: Email Address	Email: Email Address

CODR/DD250 Contractor Signatory Designee*: Signatory Designee Name
Designee can be contractor office personnel, 3rd party inspection company, or chosen loss control representative*.
 Office: Office Phone
 Cell: Cell Phone
 Email: Email Address

Note: If multiple designees are to be used, please input "See Attached" and provide list to FFPOCOL@spr.doe.gov with nomination.

†Third Party Inspection Company Information

Company: 3rd Party Inspection Company
 Contact: 3rd Party Contact Name
Contact Ned Scheppegrell for any questions on SPR 3rd party inspection and testing.

Nomination Information and Delivery Window (additional lines on following page)

Delivery Window	Pipeline/Vessel	Volume (MB)	SPR Site	Destination
_____	Choose an item	Volume	Site	
_____	Choose an item	Volume	Site	
_____	Choose an item	Volume	Site	
_____	Choose an item	Volume	Site	
Total Volume:		Total Volume		

The Following information to be provided by SPR Operations Personnel

<u>Terminal Information</u> Terminal: TBD Contact: Contact: Contact:	<u>Custody Transfer Point</u> TBD <u>Quality Point</u> TBD <u>Quantity Point</u> TBD
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**DEPARTMENT OF ENERGY
STRATEGIC PETROLEUM RESERVE (SPR)
OIL EXCHANGE AGREEMENT
22PO0008**

This Exchange Agreement, entered into this 21st day of January 2022, between the UNITED STATES OF AMERICA, acting by and through the Department of Energy, hereinafter referred to as the “GOVERNMENT” or “DOE” and Chevron U.S.A. Inc., hereinafter referred to as the “Contractor.”

WITNESSETH:

1. AUTHORITY – That the Secretary of Energy, under the authority of the Department of Energy Organization Act (42 U.S.C. 7101 *et seq.*) and sections 159(f)(5) and 160(a) of the Energy Policy and Conservation Act (42 U.S.C. 6239, 6240), having determined that the exchanging of crude oil will be advantageous to the Government and in the public interest, hereby enters into this agreement with the Contractor for the exchange of crude oil from the SPR.

2. CUSTODY TRANSFER –

Bayou Choctaw to Placid

Custody transfer quantity and quality measurements will be the DOE Bayou Choctaw meters and in-line sampler. Secondary quantity will be based on Placid shore tank (if static) or pipeline operator meter, if verifiable. Secondary quality will be based on grab samples taken at the DOE Bayou Choctaw site. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and testing and perform testing if necessary.

OR

Bayou Choctaw to Redstick

Custody transfer quantity and quality measurements will be the Bayou Choctaw Meters and in-line sampler for deliveries into the Redstick pipeline. Secondary measurement for quantity will be the St. James Sugarland meter and quality will be inline samples taken at the DOE Bayou Choctaw site. If neither the Bayou Choctaw facility or St. James facility can perform as primary or secondary measurement, then the Saint James receipt point destination meter and inline sampler shall be used. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and testing and perform testing if necessary.

Any change of the custody measurement point from Bayou Choctaw meter and inline sampler to the St. James meter and inline sampler to facilitate the Bayou Choctaw movements, the customer will remain responsible for all charges pertaining to the Redstick pipeline throughput charges.

The Government will deliver approximately 885,000 barrels (plus/minus 10%) of sour crude with an estimated API of 31.9 and an estimated sulfur of 1.46 from the Government's Bayou Choctaw site to the contractor.

Return of oil to the SPR:

Return from St James Terminal to Bayou Choctaw

Custody transfer quantity and quality measurements for the return of oil to the SPR shall be based on the Bayou Choctaw meters and in-line sampler. Secondary measurement for quantity will be the Sugarland meter and quality will be manual grab samples taken at the Bayou Choctaw site. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector lab. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party Inspection Company will witness all measurement and testing and perform testing.

All costs associated with the transportation of the exchange oil transferred from and to the SPR will be absorbed by the Contractor, to include but not be limited to, tariffs, marine shipment, pipeline shipment, U.S. Customs duties, harbor and environmental fees (including Texas Coastal protection fees), terminalling, demurrage and tankage charges.

3. TERM – The Government will use best efforts to fulfill exchange barrels as stated below:

Commence delivery in February 2022 with an objective to complete 885,000 barrels no later than March 31, 2022. If the prescribed volume is not taken by March 31, 2022, then the remainder will be considered undeliverable. If there is availability in the following month, and terms are mutually agreeable, remainder volume could be delivered on a best efforts basis.

Contractor shall return a total of 885,000 barrels plus applicable premium to the SPR as stated below:

Contractor shall return 885,000 exchange oil plus premium barrels to the Bayou Choctaw SPR site during the month of September 2023.

Contractor's oil return schedules must be approved by the Government prior to delivery. Also, see Provision 18 for additional scheduling requirements.

4. PAYMENT AND PERFORMANCE GUARANTEE – Within three (3) business days after receipt of award, the Contractor must provide to the Contracting Officer an acceptable "Irrevocable Standby Letter of Credit" established in favor of the United States Department of Energy to the Contracting Officer in the amount of \$67,844,100.00 with an expiration date of November 30, 2023. The letter must contain the substantive provisions set out in

Attachment B, and be issued by a depository institution located in and authorized to do business in any state of the United States or the District of Columbia, and authorized to issue letters of credit by the banking laws of the United States or any state of the United States or the District of Columbia. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible-Settlement-only. The issuing bank must provide documentation indicating that the person(s) signing the letter of credit is authorized to do so, in the form of corporate minutes, the Authorized Signature List, or the General Resolution of Signature Authority. All wire deposit and letter of credit costs will be borne by the purchaser.

The letter of credit must be an “Irrevocable Standby Letter of Credit” and MUST NOT VARY IN SUBSTANCE from the sample in Attachment B. If the letter of credit contains any provisions at variance with Attachment B or fails to include any provisions contained in Attachment B, nonconforming provisions must be deleted and missing substantive provisions must be added or the letter of credit will not be accepted.

The blanks in Attachment B shall be filled in by the issuing bank, except those in the drawing statements. The drawing statements are in bold print with double underlines for the blanks. The double underlined blanks will be filled in only at the time of a drawing against the letter of credit.

Please submit an electronic copy to mary.roark@spr.doe.gov.

Failure to provide the letter of credit shall constitute grounds for termination of the contract for default.

5. PAYMENT –

Contractor agrees to a fixed 6.1% premium return of sour crude oil in addition to actual crude oil received from the SPR for those barrels that are to be returned to **Bayou Choctaw SPR** site. The premium percentage will be applied to the barrels actually delivered to the contractor (*for example if the SPR delivers 885MB NSV barrels, the premium would be $885MMB \times 1.061 = 938,985$ or $53,985$ premium barrels*) with a minimum premium owed to the DOE of 48,587 sour barrels.

All sour crude oil returned to the SPR must meet the specifications in Attachment A. The Contractor should make every effort practical to return 100% of the oil quantity delivered however must return at least 90% of the actual crude oil volume received plus the calculated premium to the designated SPR site.

6. GOVERNMENT NON-LIABILITY/ CONTRACTOR LIABILITY – Contractor covenants that it will defend, indemnify and save and hold harmless the Government, its officers, agents, and employees for and from any and all liability or claims for damages to property or injuries to or death of persons which may arise from or be incident to the use of the exchange oil, or for damages to the property or injuries to the person of Contractor (if an individual), or damages to the property or injuries to or death of the person of Contractor’s officers, agents,

servants, employees, or others who may be on said premises at their invitation or the invitation of any one of them, arising from exchange activities.

Contractor further covenants that any property of the Government lost, damaged or destroyed incident to Contractor's use of the exchange oil shall be promptly replaced by Contractor to the satisfaction of the Contracting Officer, or in lieu of such replacement Contractor shall, if so required by the said officer, pay to the Government money in an amount sufficient to compensate for the loss sustained by the Government by reason loss, damage or destruction of the property.

7. NOTICES – No notice, order, direction, determination, requirement, consent, or approval under this Exchange Agreement shall be of any effect unless in writing. All notices required under this Exchange Agreement shall be addressed to Contractor, or to the Contracting Officer, as may be appropriate.
8. COMMUNICATIONS – Notices and other communications provided for herein shall be in writing and shall be delivered or mailed as follows:

Delivery and or Return:

For coordination of pipeline schedules and operations contact Chuck Costanza at (504) 473-9975 or Bradley Bauer (504)234-0145 **and** email to **FFPOCOL@spr.doe.gov**. All communications sent via need to include **FFPOCOL@spr.doe.gov**. Contractual issues shall be addressed with the Department of Energy's Contracting Officer, Mary C. Roark, at (504) 734-4195.

9. EXAMINATION OF RECORDS BY THE GOVERNMENT – Contractor agrees that the Government or any of its duly authorized representatives shall, until the expiration of three years after final payment under this agreement, have access to and the right to examine any books, documents, paper, and records of the Contractor involving transactions related to this agreement or compliance with any clauses thereunder.
10. CHANGES – The Contracting Officer may, at any time, without notice to the Letter of Credit guarantee(s), by written order designated or indicated to be a change order, or verbal direction followed by written order, make changes within the terms and conditions of the contract, including but not limited to the following changes-
 - a. In the volume to be delivered to the Contractor or returned to the SPR.
 - b. To the delivery period for issuance of SPR crude oil or for return of barrels back to the SPR.
 - c. In the type of crude oil to be returned to the SPR.
 - d. To delivery mode of crude oil coming out of the SPR or return oil.
 - e. In the delivery point(s) of return oil to the SPR.

Any other written or oral order (which, as used in this paragraph, includes direction, instruction, interpretation, or determination) from the Contracting Officer that causes a change shall be treated as a change order under this provision; Provided, that the Contractor gives the Contracting Officer written notice stating –

- a. The date, circumstances, and source of the order, and
- b. That the Contractor regards the order as a change order.

If any change under this provision causes an increase or decrease in the Contractor's cost of, or the time required for, the performance of any part of the performance under this contract, whether or not changed by any such order, the Contracting Officer shall make an equitable adjustment and modify the contract in writing.

The contractor must assert its right to an adjustment under this provision within 30 calendar days after notification of the change.

11. NATIONAL AND OPERATIONAL EMERGENCIES – Return oil deliveries to the DOE may be rescheduled or redirected upon the determination of a national or DOE operational emergency. A negotiated adjustment to the contract will be made as a result of this direction. However, should the parties fail to reach a settlement, the Government shall establish an equitable adjustment subject to the Provision entitled “Disputes.”
12. DEFAULT –
 - a. The Government may, by written notice of default to the Customer, terminate this contract in whole or in part if the Contractor fails to -
 - (1) Receive SPR crude oil within the time specified in this contract or any extension;
 - (2) Make progress in scheduling of contracted deliveries, so as to endanger performance of this contract; or
 - (3) Perform any of the other provisions of this contract.
 - b. The rights and remedies of the Government in this clause are in addition to any other rights and remedies provided by law or under this contract.
13. TERMINATION FOR THE CONVENIENCE OF THE GOVERNMENT – The Contracting Officer, by written notice, may terminate this contract, in whole or in part, when it is in the Government's interest. If this contract is terminated, the Government shall be liable only for reasonable, customary and applicable costs incurred by the Customer before the effective date of termination, but shall not be liable for consequential damages or the contractor's lost profits.

14. EXCUSABLE DELAYS

- a. In the event either party should be prevented from performing under this contract by reason of any unforeseeable cause beyond its control and without its fault or negligence, including, but not restricted to, acts of God or of the public enemy, sovereign acts of the United States, acts of a foreign Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, performance under the contract shall be suspended in whole or in part until such cause ceases to exist and thereafter the time for fulfillment of the contract shall be extended by the length of time during which such cause prevented performance under the contract.
- b. In order for this provision to become operative, the party to the contract affected by the excusable delay condition shall furnish the other party with written notice of the nature and extent of the excusable delay condition promptly after the commencement thereof, but in any event prior to shipment of the crude oil from the location from which it is to be shipped. Written notice shall be furnished within ten (10) calendar days to the other party when the excusable delay condition ceases to exist.

15. FORCE MAJEURE – Force Majeure means, except for payment due hereunder, either party hereto shall be relieved from liability for failure to perform hereunder for the duration and to the extent such failure is occasioned by war, riots, insurrections, fire, explosions, sabotage, strikes, and other labor or industrial disturbances, acts of God or the elements, disruption or mechanical breakdown of production or transportation facilities, or delays of pipeline carrier in receiving and delivering crude oil tendered. Any such failures to perform shall be remedied with all reasonable dispatch.

As employed herein, the term “party”, as it relates to the Contractor, shall not include affiliated business concerns or individuals if, directly or indirectly, (1) either one controls or can control the other, or (2) a third party controls or can control both.

16. DISPUTES –

- a. This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. Section 601 et seq.). If a dispute arises relating to the contract, the Customer may submit a claim to the Contracting Officer, who shall issue a written decision on the dispute in the manner specified in 48 CFR 1-33.211.
- b. “Claim” means:
 - (1) A written request submitted to the Contracting Officer;
 - (2) For payment of money, adjustment of contract terms, or other relief;
 - (3) Which is in dispute or remains unresolved after a reasonable time for its review and disposition by the Government; and
 - (4) For which a Contracting Officer’s decision is demanded.

- c. In the case of dispute requests or amendments to such requests for payment exceeding \$100,000, the Customer shall certify at the time of submission as a claim, as follows:

I certify that the claim is made in good faith, that the supporting data are current, accurate and complete to the best of my knowledge and belief and that the amount requested accurately reflects the contract adjustment for which the Customer believes the Government is liable.

Customer's Name _____
Signature _____
Title _____

- d. The Government shall pay to the Customer interest on the amount found due to the Customer on claims submitted under this provision at the rate established by the Department of the Treasury from the date the amount is due until the Government makes payment. The Contract Disputes Act of 1978, as amended, and the Prompt Payment Act adopt the interest rate established by the Secretary of the Treasury under the Renegotiation Act as the basis for computing interest on money owed by the Government. This rate is published semi-annually in the Federal Register.
 - e. The Customer shall pay to the Government interest on the amount found due to the Government and unpaid on claims submitted under this provision at the rate specified in Paragraph d. above from the date the amount is due until the Customer makes payment.
 - f. The decision of the Contracting Officer shall be final and conclusive and shall not be subject to review by any forum, tribunal, or Government agency unless an appeal or action is commenced within the times specified by the Contract Disputes Act of 1978, as amended.
 - g. The Customer shall comply with any decision of the Contracting Officer and at the direction of the Contracting Officer shall proceed diligently with performance of this contract pending final resolution of any request for relief, claim, appeal, or action related to this contract.
17. OIL QUALITY – The Contractor shall be responsible for variations in oil quality exceeding the limits set forth below upon the return of the oil to the Government. The reference basis shall be the weighted average sour results of the laboratory tests conducted by the Government for API gravity and Sulfur weight percent taken when custody originally passed to the Contractor. Please note, the DOE will not be liable for any quality differential for Return Oil delivered to the SPR.
- a. Quality differentials will be calculated by utilizing the Quality tables in Attachment D. The allowable variations from the common quality for crude oil deliveries are defined as:

Allowable Quality Variations

<u>QUALITY</u>	<u>DOE CRUDE OIL (CATEGORY)</u>	
	<u>SWEET</u>	<u>SOUR</u>
Gravity - API°	-0.5	-0.5
Sulfur - Wt%	+0.10	+0.10

- b. API Gravity between 40.0 and 45.0: No quality differential shall be assessed.
- c. API Gravity between 35.0 and 40.0: Adjustment for Sour crude oil is 2¢ per barrel for each degree (1.0°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded. Specifically, computed API Gravity excess variances for each cargo, reported in API Gravity 0.1° increments, shall be rounded up to the next whole 1.0° API.
- d. API Gravity below 35.0: Adjustment for Sour crude oil is 1.5¢ per barrel for each tenth of a degree (0.1°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded.
- e. Total Sulfur: 1.0¢ per barrel for each 1/100th percent (0.01%) increase/decrease in total sulfur by which the allowable variations set forth above are exceeded.
- f. If crude oil delivered to the DOE falls below the minimum SPR specification for API Gravity, or above the maximum DOE specification for sulfur, as defined in Attachment A, a quality differential adjustment shall be applied without a variance allowance on that portion exceeding the specification limit.

There is a limit of 0.1% freewater on delivery to the SPR as measured either by contractor's shore tank or on the vessel prior to discharge into tanks designated for DOE receipts. The inspector's gauges, witnessed by the DOE representative, either on the vessel at the dock facility or terminal shore tank, will be the method used to determine the final freewater barrel amount. This clause is effective in conjunction with the Water and Sediment [Vol.%] maximum limit of 1.0% as stated in Attachment A; e.g., a 500,000 barrel oil delivery to the SPR is limited to 1.0% S&W (5,000 barrels), of which a maximum of 0.1% (500 barrels) can be freewater. Contractor is responsible for all costs associated with removal of excess freewater. Exceeding the freewater limitations specified herein will result in the cargo being rejected.

- 18. SCHEDULING OF OIL MOVEMENTS – Contractor shall schedule all oil deliveries through the appropriate commercial pipeline and marine terminal facilities, ensuring that it has coordinated the deliveries with the SPR.

For marine deliveries, the Contractor shall provide a working schedule to the DOE not later than the fifteenth day of the month prior to the month in which deliveries will be made (e.g. by February 15 for March deliveries). This working schedule will contain total monthly volumes and the approximate delivery dates and quantities for each month of delivery. No later than seven business days prior to each delivery, the Contractor shall provide vessel

name, vessel quality data, the expected date of arrival, the volume to be delivered, vessel agents and any other pertinent information that may be needed. The SPR will provide a Nomination-Confirmation Form (Attachment E). The Contractor shall complete the yellow highlighted areas and return the form in the time frame defined above.

The Contractor, or its designated agent, shall provide pre-arrival notices 72 hours, 48 hours and 24 hours prior to discharge to both the DOE and the discharge terminal.

For pipeline deliveries, the Contractor shall make necessary arrangements with the commercial pipelines connected to the DOE or its interconnecting pipelines. Nomination information regarding these deliveries shall be provided to the DOE not later than fifteen calendar days prior to the month in which deliveries will be made. The minimum cargo size per this agreement shall be no less than 150,000 barrels.

Note 1: It is the responsibility of the offerors to confirm these specifications prior to nominations to insure most current information.

Note 2: Any barrels awarded under Notice of Sale No. DE-NS96-22PO10000 will have scheduling priority over cargoes underneath this agreement in the period if applicable.

19. SPR Oil Quality

The quality characteristics of the crude oil stream offered in the exchange are those cited in the Strategic Petroleum Reserve Crude Oil Assays.

This crude oil quality data is a weighted average composition of the specific caverns that comprise the streams offered in the exchange. Although a specific crude oil benchmark is referenced; SPR inventory contains a blend of domestic and global crude including Isthmus, Urals, Alaskan North Slope, Arabian Light, Saharan, and Dubai with segregation by Sweet and Sour storage caverns. The SPR has observed H₂S concentration (which is found naturally in crude oil) greater than 10 ppm in liquid in some crude batches. Measurements of H₂S in vapor space can be orders of magnitude higher than in liquid and difficult to measure due to factors in handling, weather, etc. OSHA provides guidelines on appropriate safety precautions and equipment if crude is handled openly, spilled, or released to the atmosphere. Offerors are encouraged to review the SPR Crude Oil Assay Manual, Crude Oil Safety Data Sheet, and the Strategic Petroleum Reserve Crude Oil Assays for more detailed oil stream composition and specifics so that conditions (such as the presence of H₂S) are expected and communicated downstream.

Note: Each SPR stream will be a blended average using several caverns. As a result, actual representative samples are not available prior to deliveries. Please refer to Crude Oil Assays which provides a weighted average composite profile of the stream.

20. DELIVERY AND RECEIPT DOCUMENTATION – All quantity and quality determinations shall be documented on the Material Inspection and Receiving Report (DD Form 250). See Attachment C-1 for copy of this form. The DD Form 250 shall be signed by the Customers agent to acknowledge delivery and receipt of the quantity and quality of crude oil indicated. Copies of the completed DD Form 250, with applicable supporting documentation (i.e.,

metering or tank gauging tickets and appropriate calculation worksheets), shall be furnished to the Customer and/or the Customer's authorized representative after completion of delivery or receipts. Also, marine Bills of Lading or Pipeline Statements identifying crude type shipped shall be provided by the contractor.

The Customer shall provide written confirmation to the SPR, no later than seven calendar days prior to the scheduled date of each delivery under the contract, the name(s) of the authorized agent(s) given signature authority to sign/endorse the delivery documentation on the Customer's behalf. Any changes to this listing of names shall be provided to the SPR in writing no later than 72 hours before the first delivery to which such change applies. In the event that an independent surveyor (separate from the authorized signatory agent) is appointed by the Customer to witness the delivery operation (gauging, sampling, testing, etc.), written notification shall be provided to SPR, no later than 72 hours prior to the scheduled date of each applicable cargo delivery to or from the SPR.

Absence of the provision of the name(s) of bona fide agent(s) and the signature of such agent on the delivery documentation constitutes acceptance of the delivery quantity and quality as determined by the Government and/or its agents

21. RECONCILIATION – Within 30 days, barring any exceptions, after completion of the final scheduled delivery of exchange oil under the contract, any imbalances that may exist in the crude oil volumes agreed upon in the contract will be reconciled in the following manner:

If DOE receives an amount of exchange oil that exceeds the contracted return oil delivery volume, the Government will attempt to reconcile the imbalance through cash payments or other alternate means, as available. If reconciliation is by cash payment, the Contractor shall invoice the DOE based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250.

If the Contractor delivers a total volume of return oil which is less than the contracted quantity, the DOE will invoice the Contractor for the undelivered amount based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250. If no payment is received by the due date specified on the invoice, the applicable amount owed will be drawn against the Contractor's Payment and Performance Letter of Credit as described in Provision 4 of this contract.

Note: The cost value is derived from the data published in the Argus Americas Crude Oil Price Report. If no published prices are available, a mutually agreed upon price will be negotiated. Should the parties fail to reach a negotiated price, the Government shall determine a fair and reasonable price.

Contractor

The United States of America

By: 

Name: GARY S. SPENGLER

Title: VICE PRESIDENT

By: 

Name: Mary C. Roark

Title: Contracting Officer

ATTACHMENT A

STRATEGIC PETROLEUM RESERVE CRUDE OIL SPECIFICATIONS ^a (SPRO MAY 2020) ^{e1}

CHARACTERISTIC	SOUR	SWEET	PRIMARY ASTM TEST METHOD ^b
API Gravity [°API]	30-45	30-45	D1298 or D5002
Total Sulfur [Mass %], max.	1.99	0.50	D4294
Pour Point [°C], max.	10	10	D97
Salt Content [Mass %], max.	0.050	0.050	D6470
Viscosity			
[cSt @ 15.6°C], max.	32	32	D445
[cSt @ 37.8°C], max.	13	13	
Vapor Pressure			
[VPCR4 (100°F) psia (kPa)] ^e , max.	9(62.1)	9(62.1)	D6377
Total Acid Number [mg KOH/g], max.	1.00	1.00	D664
Water and Sediment [Vol. %], max.	1.0	1.0	473 and D4006, or D4928
Yields [Vol. %]			D2892 and D5236 ^c
Naphtha [28-191°C]	24-30	21-42	
Distillate [191-327°C]	17-31	19-45	
Gas Oil [327-566°C]	26-38	20-42	
Residuum [>566°C]	10-19	14 max.	
Light Ends [Liquid Vol. %] ^d , max			
Methane (C ₁)	0.01	0.01	IP344 or ITM 6008
Ethane (C ₂)	0.1	0.1	
Propane (C ₃)	1.0	1.0	

^{e1} This revision includes a limitation on light ends content (see Footnote ^d)

- ^a Marketable crude petroleum suitable for normal refinery processing and free of foreign contaminants or chemicals including, but not limited to, pour point depressants, chlorinated and oxygenated hydrocarbons, and lead.
- ^b Alternate methods may be used if approved by the contracting officer.
- ^c D 7169 data may be provided in requesting conditional acceptance of a crude oil. Distillation data according to D 2892 and D 5236 will still be necessary for final qualification of a crude oil's acceptance.
- ^d Light ends content specifications are interim and will be superseded if and when industry standards for light ends evaluation are implemented.
- ^e Vapor pressure changed to better reflect current domestic crude standards.

- NOTE 1: The Strategic Petroleum Reserve reserves the right to refuse to accept any crude oil which meets these specifications but is deemed to be incompatible with existing stocks, or which has the potential for adversely affecting handling.
- NOTE 2: The acceptability of any crude oil depends upon any assay typical of current production quality of the stream. Any crude oil offered to the Strategic Petroleum Reserve that meets these specifications may be subject to additional testing for acceptance.
- NOTE 3: All crude oil shipments received by the SPR are tested to ensure they meet specifications. Crude streams found consistently not meeting required specifications will be removed from the list of acceptable crude oils.

ATTACHMENT B

SAMPLE - PAYMENT AND PERFORMANCE LETTER OF CREDIT BANK LETTERHEAD IRREVOCABLE STANDBY LETTER OF CREDIT

Date: _____

To: U.S. Department of Energy
Strategic Petroleum Reserve
900 Commerce Road East
New Orleans, LA 70123
Attn: (Mary Roark)

AMOUNT OF LETTER OF CREDIT: U.S.\$ _____ (_____)

CONTRACTOR: _____

CONTRACT NO: 22PO0008 _____

LETTER OF CREDIT NO: _____

EXPIRATION DATE: November 30, 2023 _____

AMERICAN BANKERS ASSOCIATION (ABA) NO: _____

To whom it may concern:

We hereby establish in the U.S. Department of Energy's favor our irrevocable standby Letter of Credit effective immediately for the account of our customer's above contract with the U.S. Department of Energy for the exchange of Strategic Petroleum Reserve petroleum.

This letter of credit is available by your draft/s at sight, drawn on us and accompanied by a manually signed statement that the signer is an authorized representative of the Department of Energy, and one or more of the following statements:

- a. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO RECEIVE THE SPR CRUDE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."
- b. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO DELIVER RETURN EXCHANGE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."
- c. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO MAKE FINAL RECONCILIATION PAYMENT IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."

Drafts must be presented for payment on or before the expiration date of this Letter of Credit at our bank. The Government may make multiple drafts against this Letter of Credit.

Upon receipt of the U.S. Department of Energy's demand by hand, mail express delivery, or other means, at our office located at _____, we will honor the demand and make payment, by 3 p.m. Eastern Time of the third business day following receipt of the demand by wire transfer of funds as a deposit to the account of the U.S. Treasury over the Fedwire Funds Service. The information to be included in each transfer will be as provided in the above referenced contract.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision, International Chamber of Commerce Publication no. 600) and except as may be inconsistent therewith, to the Uniform Commercial Code in effect on the date of issuance of this Letter of Credit in the state in which the issuer's head office within the United States is located.

We hereby agree with you that all drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation and delivery of the above documents for payment at our bank on or before the expiration date.

In the event of a bankruptcy filing by the applicant prior to the expiration date of this letter of credit, the expiration date of this letter of credit will automatically be extended by one hundred twenty (120) calendar days from the expiration date.

Address all communications regarding this Letter of Credit to (name and phone number).

Very truly yours,

(Authorized Signature)

(Typed Name and Title)

INSTRUCTIONS FOR PAYMENT AND PERFORMANCE GUARANTEE LETTER OF CREDIT

1. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible – Settlement-only.
2. Letter of Credit must not vary in substance from this attachment. Provide a copy of this attachment to your bank.
3. Banks shall fill in blanks EXCEPT those in the drawing statements. **The drawing statements are in bold print.**
4. Type name and title under authorized signature and provide documentation of authorized signature.

ATTACHMENT C-1 DD FORM 250

MATERIAL INSPECTION AND RECEIVING REPORT DD Form 250, AUG 2000

MATERIAL INSPECTION AND RECEIVING REPORT						FORM APPROVED OMB No. 0704-0248	
The public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports, (0704-0248), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0248), Washington, DC 20503. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.							
PLEASE DO NOT RETURN YOUR COMPLETED FORM TO EITHER OF THESE ADDRESSES. SEND THIS FORM IN ACCORDANCE WITH THE INSTRUCTIONS CONTAINED IN THE DFARS, APPENDIX F-401.							
1. PROCUREMENT INSTRUMENT IDENTIFICATION (CONTRACT) NO.		(ORDER) NO.		6. INVOICE NO./DATE		7. PAGE OF	
DOE OWNED CRUDE OIL						1 1	
2. SHIPMENT NO.		3. DATE SHIPPED		4. B/L TCN		5. DISCOUNT TERMS	
9. PRIME CONTRACTOR CODE		Fluor Federal Petroleum Operations 850 S. Clearview Pkwy. New Orleans, LA 70123		10. ADMINISTERED BY CODE		DEPARTMENT OF ENERGY STRATEGIC PETROLEUM RESERVE PROJECT MANAGEMENT OFFICE	
11 SHIPPED FROM (If other than 9) CODE		FOB:		12. PAYMENT WILL BE MADE BY CODE			
13. SHIPPED TO CODE				14. MARKED FOR CODE			
15 ITEM NO.	16. STOCK/PART NO. (Indicate number of shipping containers - type of container- container number.)	DESCRIPTION		17. QUANTITY SHIP/REC'D *	18. UNIT	19. UNIT PRICE	20. AMOUNT
-	Gross			NET @ 60° F.	BARRELS		
21. CONTRACT QUALITY ASSURANCE a. ORIGIN <input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or in supporting documents.				b. DESTINATION <input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or on supporting documents.		22. RECEIVER'S USE Quantities shown in column 17 were received in apparent good condition except as noted.	
DATE SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		DATE SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		DATE RECEIVED SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		TYPED NAME:	
TYPED NAME: TITLE: MAILING ADDRESS:		TYPED NAME: TITLE: MAILING ADDRESS:		TYPED NAME: TITLE: MAILING ADDRESS:		COMMERCIAL TELEPHONE NUMBER:	
COMMERCIAL TELEPHONE NUMBER:		COMMERCIAL TELEPHONE NUMBER:		COMMERCIAL TELEPHONE NUMBER:		*If quantity received by the Government is the same as quantity shipped, indicate by (x) mark; if different, enter actual quantity received below quantity shipped and encircle.	
23. CONTRACTOR USE ONLY:							

ATTACHMENT D Quality Adjustment Tables

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM							
API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
10.0	1.250	16.0	2.150	22.0	3.050	28.0	3.950
10.1	1.265	16.1	2.165	22.1	3.065	28.1	3.965
10.2	1.280	16.2	2.180	22.2	3.080	28.2	3.980
10.3	1.295	16.3	2.195	22.3	3.095	28.3	3.995
10.4	1.310	16.4	2.210	22.4	3.110	28.4	4.010
10.5	1.325	16.5	2.225	22.5	3.125	28.5	4.025
10.6	1.340	16.6	2.240	22.6	3.140	28.6	4.040
10.7	1.355	16.7	2.255	22.7	3.155	28.7	4.055
10.8	1.370	16.8	2.270	22.8	3.170	28.8	4.070
10.9	1.385	16.9	2.285	22.9	3.185	28.9	4.085
11.0	1.400	17.0	2.300	23.0	3.200	29.0	4.100
11.1	1.415	17.1	2.315	23.1	3.215	29.1	4.115
11.2	1.430	17.2	2.330	23.2	3.230	29.2	4.130
11.3	1.445	17.3	2.345	23.3	3.245	29.3	4.145
11.4	1.460	17.4	2.360	23.4	3.260	29.4	4.160
11.5	1.475	17.5	2.375	23.5	3.275	29.5	4.175
11.6	1.490	17.6	2.390	23.6	3.290	29.6	4.190
11.7	1.505	17.7	2.405	23.7	3.305	29.7	4.205
11.8	1.520	17.8	2.420	23.8	3.320	29.8	4.220
11.9	1.535	17.9	2.435	23.9	3.335	29.9	4.235
12.0	1.550	18.0	2.450	24.0	3.350	30.0	4.250
12.1	1.565	18.1	2.465	24.1	3.365	30.1	4.265
12.2	1.580	18.2	2.480	24.2	3.380	30.2	4.280
12.3	1.595	18.3	2.495	24.3	3.395	30.3	4.295
12.4	1.610	18.4	2.510	24.4	3.410	30.4	4.310
12.5	1.625	18.5	2.525	24.5	3.425	30.5	4.325
12.6	1.640	18.6	2.540	24.6	3.440	30.6	4.340
12.7	1.655	18.7	2.555	24.7	3.455	30.7	4.355
12.8	1.670	18.8	2.570	24.8	3.470	30.8	4.370
12.9	1.685	18.9	2.585	24.9	3.485	30.9	4.385
13.0	1.700	19.0	2.600	25.0	3.500	31.0	4.400
13.1	1.715	19.1	2.615	25.1	3.515	31.1	4.415
13.2	1.730	19.2	2.630	25.2	3.530	31.2	4.430
13.3	1.745	19.3	2.645	25.3	3.545	31.3	4.445
13.4	1.760	19.4	2.660	25.4	3.560	31.4	4.460
13.5	1.775	19.5	2.675	25.5	3.575	31.5	4.475
13.6	1.790	19.6	2.690	25.6	3.590	31.6	4.490
13.7	1.805	19.7	2.705	25.7	3.605	31.7	4.505
13.8	1.820	19.8	2.720	25.8	3.620	31.8	4.520
13.9	1.835	19.9	2.735	25.9	3.635	31.9	4.535
14.0	1.850	20.0	2.750	26.0	3.650	32.0	4.550
14.1	1.865	20.1	2.765	26.1	3.665	32.1	4.565
14.2	1.880	20.2	2.780	26.2	3.680	32.2	4.580
14.3	1.895	20.3	2.795	26.3	3.695	32.3	4.595
14.4	1.910	20.4	2.810	26.4	3.710	32.4	4.610
14.5	1.925	20.5	2.825	26.5	3.725	32.5	4.625
14.6	1.940	20.6	2.840	26.6	3.740	32.6	4.640
14.7	1.955	20.7	2.855	26.7	3.755	32.7	4.655
14.8	1.970	20.8	2.870	26.8	3.770	32.8	4.670
14.9	1.985	20.9	2.885	26.9	3.785	32.9	4.685
15.0	2.000	21.0	2.900	27.0	3.800	33.0	4.700
15.1	2.015	21.1	2.915	27.1	3.815	33.1	4.715
15.2	2.030	21.2	2.930	27.2	3.830	33.2	4.730
15.3	2.045	21.3	2.945	27.3	3.845	33.3	4.745
15.4	2.060	21.4	2.960	27.4	3.860	33.4	4.760
15.5	2.075	21.5	2.975	27.5	3.875	33.5	4.775
15.6	2.090	21.6	2.990	27.6	3.890	33.6	4.790
15.7	2.105	21.7	3.005	27.7	3.905	33.7	4.805
15.8	2.120	21.8	3.020	27.8	3.920	33.8	4.820
15.9	2.135	21.9	3.035	27.9	3.935	33.9	4.835

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM

API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
34.0	4.850	40.0	5.100	46.0	4.950	52.0	4.050
34.1	4.865	40.1	5.100	46.1	4.935	52.1	4.035
34.2	4.880	40.2	5.100	46.2	4.920	52.2	4.020
34.3	4.895	40.3	5.100	46.3	4.905	52.3	4.005
34.4	4.910	40.4	5.100	46.4	4.890	52.4	3.990
34.5	4.925	40.5	5.100	46.5	4.875	52.5	3.975
34.6	4.940	40.6	5.100	46.6	4.860	52.6	3.960
34.7	4.955	40.7	5.100	46.7	4.845	52.7	3.945
34.8	4.970	40.8	5.100	46.8	4.830	52.8	3.930
34.9	4.985	40.9	5.100	46.9	4.815	52.9	3.915
35.0	5.000	41.0	5.100	47.0	4.800	53.0	3.900
35.1	5.000	41.1	5.100	47.1	4.785	53.1	3.885
35.2	5.000	41.2	5.100	47.2	4.770	53.2	3.870
35.3	5.000	41.3	5.100	47.3	4.755	53.3	3.855
35.4	5.000	41.4	5.100	47.4	4.740	53.4	3.840
35.5	5.000	41.5	5.100	47.5	4.725	53.5	3.825
35.6	5.000	41.6	5.100	47.6	4.710	53.6	3.810
35.7	5.000	41.7	5.100	47.7	4.695	53.7	3.795
35.8	5.000	41.8	5.100	47.8	4.680	53.8	3.780
35.9	5.000	41.9	5.100	47.9	4.665	53.9	3.765
36.0	5.020	42.0	5.100	48.0	4.650	54.0	3.750
36.1	5.020	42.1	5.100	48.1	4.635	54.1	3.735
36.2	5.020	42.2	5.100	48.2	4.620	54.2	3.720
36.3	5.020	42.3	5.100	48.3	4.605	54.3	3.705
36.4	5.020	42.4	5.100	48.4	4.590	54.4	3.690
36.5	5.020	42.5	5.100	48.5	4.575	54.5	3.675
36.6	5.020	42.6	5.100	48.6	4.560	54.6	3.660
36.7	5.020	42.7	5.100	48.7	4.545	54.7	3.645
36.8	5.020	42.8	5.100	48.8	4.530	54.8	3.630
36.9	5.020	42.9	5.100	48.9	4.515	54.9	3.615
37.0	5.040	43.0	5.100	49.0	4.500	55.0	3.600
37.1	5.040	43.1	5.100	49.1	4.485		
37.2	5.040	43.2	5.100	49.2	4.470		
37.3	5.040	43.3	5.100	49.3	4.455		
37.4	5.040	43.4	5.100	49.4	4.440		
37.5	5.040	43.5	5.100	49.5	4.425		
37.6	5.040	43.6	5.100	49.6	4.410		
37.7	5.040	43.7	5.100	49.7	4.395		
37.8	5.040	43.8	5.100	49.8	4.380		
37.9	5.040	43.9	5.100	49.9	4.365		
38.0	5.060	44.0	5.100	50.0	4.350		
38.1	5.060	44.1	5.100	50.1	4.335		
38.2	5.060	44.2	5.100	50.2	4.320		
38.3	5.060	44.3	5.100	50.3	4.305		
38.4	5.060	44.4	5.100	50.4	4.290		
38.5	5.060	44.5	5.100	50.5	4.275		
38.6	5.060	44.6	5.100	50.6	4.260		
38.7	5.060	44.7	5.100	50.7	4.245		
38.8	5.060	44.8	5.100	50.8	4.230		
38.9	5.060	44.9	5.100	50.9	4.215		
39.0	5.080	45.0	5.100	51.0	4.200		
39.1	5.080	45.1	5.085	51.1	4.185		
39.2	5.080	45.2	5.070	51.2	4.170		
39.3	5.080	45.3	5.055	51.3	4.155		
39.4	5.080	45.4	5.040	51.4	4.140		
39.5	5.080	45.5	5.025	51.5	4.125		
39.6	5.080	45.6	5.010	51.6	4.110		
39.7	5.080	45.7	4.995	51.7	4.095		
39.8	5.080	45.8	4.980	51.8	4.080		
39.9	5.080	45.9	4.965	51.9	4.065		

For API GRAVITY values above 55.0° API the differential continues to decline 0.015/bbl. per 0.1° API GRAVITY.

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
0.00	1.000	0.60	1.600	1.20	2.200	1.80	2.800	2.40	3.400
0.01	1.010	0.61	1.610	1.21	2.210	1.81	2.810	2.41	3.410
0.02	1.020	0.62	1.620	1.22	2.220	1.82	2.820	2.42	3.420
0.03	1.030	0.63	1.630	1.23	2.230	1.83	2.830	2.43	3.430
0.04	1.040	0.64	1.640	1.24	2.240	1.84	2.840	2.44	3.440
0.05	1.050	0.65	1.650	1.25	2.250	1.85	2.850	2.45	3.450
0.06	1.060	0.66	1.660	1.26	2.260	1.86	2.860	2.46	3.460
0.07	1.070	0.67	1.670	1.27	2.270	1.87	2.870	2.47	3.470
0.08	1.080	0.68	1.680	1.28	2.280	1.88	2.880	2.48	3.480
0.09	1.090	0.69	1.690	1.29	2.290	1.89	2.890	2.49	3.490
0.10	1.100	0.70	1.700	1.30	2.300	1.90	2.900	2.50	3.500
0.11	1.110	0.71	1.710	1.31	2.310	1.91	2.910	2.51	3.510
0.12	1.120	0.72	1.720	1.32	2.320	1.92	2.920	2.52	3.520
0.13	1.130	0.73	1.730	1.33	2.330	1.93	2.930	2.53	3.530
0.14	1.140	0.74	1.740	1.34	2.340	1.94	2.940	2.54	3.540
0.15	1.150	0.75	1.750	1.35	2.350	1.95	2.950	2.55	3.550
0.16	1.160	0.76	1.760	1.36	2.360	1.96	2.960	2.56	3.560
0.17	1.170	0.77	1.770	1.37	2.370	1.97	2.970	2.57	3.570
0.18	1.180	0.78	1.780	1.38	2.380	1.98	2.980	2.58	3.580
0.19	1.190	0.79	1.790	1.39	2.390	1.99	2.990	2.59	3.590
0.20	1.200	0.80	1.800	1.40	2.400	2.00	3.000	2.60	3.600
0.21	1.210	0.81	1.810	1.41	2.410	2.01	3.010	2.61	3.610
0.22	1.220	0.82	1.820	1.42	2.420	2.02	3.020	2.62	3.620
0.23	1.230	0.83	1.830	1.43	2.430	2.03	3.030	2.63	3.630
0.24	1.240	0.84	1.840	1.44	2.440	2.04	3.040	2.64	3.640
0.25	1.250	0.85	1.850	1.45	2.450	2.05	3.050	2.65	3.650
0.26	1.260	0.86	1.860	1.46	2.460	2.06	3.060	2.66	3.660
0.27	1.270	0.87	1.870	1.47	2.470	2.07	3.070	2.67	3.670
0.28	1.280	0.88	1.880	1.48	2.480	2.08	3.080	2.68	3.680
0.29	1.290	0.89	1.890	1.49	2.490	2.09	3.090	2.69	3.690
0.30	1.300	0.90	1.900	1.50	2.500	2.10	3.100	2.70	3.700
0.31	1.310	0.91	1.910	1.51	2.510	2.11	3.110	2.71	3.710
0.32	1.320	0.92	1.920	1.52	2.520	2.12	3.120	2.72	3.720
0.33	1.330	0.93	1.930	1.53	2.530	2.13	3.130	2.73	3.730
0.34	1.340	0.94	1.940	1.54	2.540	2.14	3.140	2.74	3.740
0.35	1.350	0.95	1.950	1.55	2.550	2.15	3.150	2.75	3.750
0.36	1.360	0.96	1.960	1.56	2.560	2.16	3.160	2.76	3.760
0.37	1.370	0.97	1.970	1.57	2.570	2.17	3.170	2.77	3.770
0.38	1.380	0.98	1.980	1.58	2.580	2.18	3.180	2.78	3.780
0.39	1.390	0.99	1.990	1.59	2.590	2.19	3.190	2.79	3.790
0.40	1.400	1.00	2.000	1.60	2.600	2.20	3.200	2.80	3.800
0.41	1.410	1.01	2.010	1.61	2.610	2.21	3.210	2.81	3.810
0.42	1.420	1.02	2.020	1.62	2.620	2.22	3.220	2.82	3.820
0.43	1.430	1.03	2.030	1.63	2.630	2.23	3.230	2.83	3.830
0.44	1.440	1.04	2.040	1.64	2.640	2.24	3.240	2.84	3.840
0.45	1.450	1.05	2.050	1.65	2.650	2.25	3.250	2.85	3.850
0.46	1.460	1.06	2.060	1.66	2.660	2.26	3.260	2.86	3.860
0.47	1.470	1.07	2.070	1.67	2.670	2.27	3.270	2.87	3.870
0.48	1.480	1.08	2.080	1.68	2.680	2.28	3.280	2.88	3.880
0.49	1.490	1.09	2.090	1.69	2.690	2.29	3.290	2.89	3.890
0.50	1.500	1.10	2.100	1.70	2.700	2.30	3.300	2.90	3.900
0.51	1.510	1.11	2.110	1.71	2.710	2.31	3.310	2.91	3.910
0.52	1.520	1.12	2.120	1.72	2.720	2.32	3.320	2.92	3.920
0.53	1.530	1.13	2.130	1.73	2.730	2.33	3.330	2.93	3.930
0.54	1.540	1.14	2.140	1.74	2.740	2.34	3.340	2.94	3.940
0.55	1.550	1.15	2.150	1.75	2.750	2.35	3.350	2.95	3.950
0.56	1.560	1.16	2.160	1.76	2.760	2.36	3.360	2.96	3.960
0.57	1.570	1.17	2.170	1.77	2.770	2.37	3.370	2.97	3.970
0.58	1.580	1.18	2.180	1.78	2.780	2.38	3.380	2.98	3.980
0.59	1.590	1.19	2.190	1.79	2.790	2.39	3.390	2.99	3.990

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
3.00	4.000	3.60	4.600
3.01	4.010	3.61	4.610
3.02	4.020	3.62	4.620
3.03	4.030	3.63	4.630
3.04	4.040	3.64	4.640
3.05	4.050	3.65	4.650
3.06	4.060	3.66	4.660
3.07	4.070	3.67	4.670
3.08	4.080	3.68	4.680
3.09	4.090	3.69	4.690
3.10	4.100	3.70	4.700
3.11	4.110	3.71	4.710
3.12	4.120	3.72	4.720
3.13	4.130	3.73	4.730
3.14	4.140	3.74	4.740
3.15	4.150	3.75	4.750
3.16	4.160	3.76	4.760
3.17	4.170	3.77	4.770
3.18	4.180	3.78	4.780
3.19	4.190	3.79	4.790
3.20	4.200	3.80	4.800
3.21	4.210	3.81	4.810
3.22	4.220	3.82	4.820
3.23	4.230	3.83	4.830
3.24	4.240	3.84	4.840
3.25	4.250	3.85	4.850
3.26	4.260	3.86	4.860
3.27	4.270	3.87	4.870
3.28	4.280	3.88	4.880
3.29	4.290	3.89	4.890
3.30	4.300	3.90	4.900
3.31	4.310	3.91	4.910
3.32	4.320	3.92	4.920
3.33	4.330	3.93	4.930
3.34	4.340	3.94	4.940
3.35	4.350	3.95	4.950
3.36	4.360	3.96	4.960
3.37	4.370	3.97	4.970
3.38	4.380	3.98	4.980
3.39	4.390	3.99	4.990
3.40	4.400	4.00	5.000
3.41	4.410		
3.42	4.420		
3.43	4.430		
3.44	4.440		
3.45	4.450		
3.46	4.460		
3.47	4.470		
3.48	4.480		
3.49	4.490		
3.50	4.500		
3.51	4.510		
3.52	4.520		
3.53	4.530		
3.54	4.540		
3.55	4.550		
3.56	4.560		
3.57	4.570		
3.58	4.580		
3.59	4.590		

For Sulfur Values
above 4.00%, the
differential continues
to increase 0.01/BBL
per 0.01 Percent
Sulfur

ATTACHMENT E
Nomination-Confirmation Form

STRATEGIC PETROLEUM RESERVE

NOMINATION - CONFIRMATION

SPR Operations Fluor Federal Petroleum Operations New Orleans, Louisiana FFPOCOL@SPR.DOE.GOV	<u>Scheduler</u> (504) 473-9975 <u>Quantity and Quality</u> (504) 722-6146
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****The following information must be provided by the Contractor****

Submission Date: [Click here to enter a date](#), Submission Type: Original Nomination

Contract No.: Enter Contract Number
 Contractor: Enter Contractor Name
 Address: Enter Address
 City, State, Zip

Contractor Contact Information

Primary Contact: Primary Contact Name	Alternate: Alternate Contact Name
Office: Office Phone	Office: Office Phone
Cell: Cell Phone	Cell: Cell Phone
Email: Email Address	Email: Email Address

CODR/DD250 Contractor Signatory Designee*: Signatory Designee Name
 Designee can be contractor office personnel, 3rd party inspection company, or chosen loss control representative*.
 Office: Office Phone
 Cell: Cell Phone
 Email: Email Address

Note: If multiple designees are to be used, please input "See Attached" and provide list to FFPOCOL@spr.doe.gov with nomination.

†Third Party Inspection Company Information

Company: 3rd Party Inspection Company
 Contact: 3rd Party Contact Name
 Contact Ned Scheppegrell for any questions on SPR 3rd party inspection and testing.

Nomination Information and Delivery Window (additional lines on following page)

<u>Delivery Window</u>	<u>Pipeline/Vessel</u>	<u>Volume (MB)</u>	<u>SPR Site</u>	<u>Destination</u>
Dates:	Choose an item.	Volume	Site	
Dates:	Choose an item.	Volume	Site	
Dates:	Choose an item.	Volume	Site	
Dates:	Choose an item.	Volume	Site	
	Total Volume:	Total Volume		

The following information to be provided by SPR Operations Personnel

<u>Terminal Information</u>	<u>Custody Transfer Point</u>
Terminal: TBD	TBD
Contact:	<u>Quality Point</u>
Contact:	TBD
Contact:	<u>Quantity Point</u>
	TBD

**DEPARTMENT OF ENERGY
STRATEGIC PETROLEUM RESERVE (SPR)
OIL EXCHANGE AGREEMENT
22PO0009**

This Exchange Agreement, entered into this 21st day of January 2022, between the UNITED STATES OF AMERICA, acting by and through the Department of Energy, hereinafter referred to as the “GOVERNMENT” or “DOE” and BP Products North America, hereinafter referred to as the “Contractor.”

WITNESSETH:

1. AUTHORITY – That the Secretary of Energy, under the authority of the Department of Energy Organization Act (42 U.S.C. 7101 *et seq.*) and sections 159(f)(5) and 160(a) of the Energy Policy and Conservation Act (42 U.S.C. 6239, 6240), having determined that the exchanging of crude oil will be advantageous to the Government and in the public interest, hereby enters into this agreement with the Contractor for the exchange of crude oil from the SPR.

2. CUSTODY TRANSFER –

Big Hill to Sun Tanks

Custody transfer quantity and quality measurements will be the Sun/DOE meter skid and inline sampler at the Sun Marine Terminal. Secondary measurement for quantity will be the Sun shore tank and quality based on manual grab samples taken at the Sun/DOE inline sampler. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and testing and perform testing if necessary.

The Government will deliver approximately 500,000 barrels (plus/minus 10%) of sour crude with an estimated API of 30.8 and an estimated sulfur of 1.43 from the Government’s Big Hill site to the contractor.

Return of oil to the SPR:

Return from Seaway Freeport Dock to Bryan Mound

Primary custody transfer of quantity and quality will be based on the Seaway Freeport Terminal dock meter and in-line sampler.

Note: Vessel deliveries through Seaway (DOE) Freeport terminal must displace an initial linefill of approximately 3,000 barrels prior to delivery to the BM site. These initial linefill barrels will be excluded from the DD250. After completion of the tanker discharge, the

remaining 3,000 barrels in the terminal line will be displaced to the Bryan Mound site by the following vessel at the terminal, with these barrels being included on the DD250. Only those barrels metered by Seaway Freeport Terminal dock and delivered to the Bryan Mound site shall be used for the custody volume on the DD250 delivery document. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector.

Secondary custody transfer quantity and quality measurements for the return of oil to the SPR shall be based on the Bryan Mound site meters and inline sampler. DD250 Quantity volumes shall be based on the physical thru-put barrels measured only while oil is being delivered to the Bryan Mound site. Vessel deliveries through Seaway (DOE) Freeport terminal must displace an initial linefill of approximately 3,000 barrels prior to delivery to the Bryan Mound site. These initial linefill barrels will be excluded from the DD250. After completion of the tanker discharge, the remaining 3,000 barrels in the terminal line will be displaced to the Bryan Mound site by the following vessel at the terminal, with these barrels being included on the DD250. Only those barrels metered by the Bryan Mound meters and delivered to the Bryan Mound site shall be used for the custody volume on the DD250 delivery document. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and testing and perform testing. All crude oil to be introduced into the SPR system will be tested for suitability per Exhibit A. This may/will cause some delay in starting or pumping time.

All costs associated with the transportation of the exchange oil transferred from and to the SPR will be absorbed by the Contractor, to include but not be limited to, tariffs, marine shipment, pipeline shipment, U.S. Customs duties, harbor and environmental fees (including Texas Coastal protection fees), terminalling, demurrage and tankage charges.

3. TERM – The Government will use best efforts to fulfill exchange barrels as stated below:

Commence delivery in May 2022 with an objective to complete 500,000 barrels no later than May 31, 2022. If the prescribed volume is not taken by May 31, 2022, then the remainder will be considered undeliverable. If there is availability in the following month, and terms are mutually agreeable, remainder volume could be delivered on a best efforts basis.

Contractor shall return a total of 500,000 barrels plus applicable premium to the SPR as stated below:

Contractor shall return 500,000 exchange oil plus premium barrels to the Bryan Mound SPR site during the months of June 2024 through September 2024.

Contractor's oil return schedules must be approved by the Government prior to delivery. Also, see Provision 18 for additional scheduling requirements.

4. PAYMENT AND PERFORMANCE GUARANTEE – Within three (3) business days after receipt of award, the Contractor must provide to the Contracting Officer an acceptable "Irrevocable Standby Letter of Credit" established in favor of the United States Department of Energy to the Contracting Officer in the amount of \$32,496,000.00 with an expiration date

of November 30, 2024. The letter must contain the substantive provisions set out in Attachment B, and be issued by a depository institution located in and authorized to do business in any state of the United States or the District of Columbia, and authorized to issue letters of credit by the banking laws of the United States or any state of the United States or the District of Columbia. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible-Settlement-only. The issuing bank must provide documentation indicating that the person(s) signing the letter of credit is authorized to do so, in the form of corporate minutes, the Authorized Signature List, or the General Resolution of Signature Authority. All wire deposit and letter of credit costs will be borne by the purchaser.

The letter of credit must be an “Irrevocable Standby Letter of Credit” and **MUST NOT VARY IN SUBSTANCE** from the sample in Attachment B. If the letter of credit contains any provisions at variance with Attachment B or fails to include any provisions contained in Attachment B, nonconforming provisions must be deleted and missing substantive provisions must be added or the letter of credit will not be accepted.

The blanks in Attachment B shall be filled in by the issuing bank, except those in the drawing statements. The drawing statements are in bold print with double underlines for the blanks. The double underlined blanks will be filled in only at the time of a drawing against the letter of credit.

Please submit an electronic copy to kelly.gele@spr.doe.gov.

Failure to provide the letter of credit shall constitute grounds for termination of the contract for default.

5. PAYMENT –

Contractor agrees to a fixed 8.6% premium return of sour crude oil in addition to actual crude oil received from the SPR for those barrels that are to be returned to **Bryan Mound SPR** site. The premium percentage will be applied to the barrels actually delivered to the contractor (*for example if the SPR delivers 500MB NSV barrels, the premium would be $500MMB \times 1.086 = 543,000$ or 43,000 premium barrels*) with a minimum premium owed to the DOE of 38,700 sour barrels.

All sour crude oil returned to the SPR must meet the specifications in Attachment A. The Contractor should make every effort practical to return 100% of the oil quantity delivered however must return at least 90% of the actual crude oil volume received plus the calculated premium to the designated SPR site.

6. GOVERNMENT NON-LIABILITY/ CONTRACTOR LIABILITY – Contractor covenants that it will defend, indemnify and save and hold harmless the Government, its officers, agents, and employees for and from any and all liability or claims for damages to property or injuries to or death of persons which may arise from or be incident to the use of the exchange oil, or for damages to the property or injuries to the person of Contractor (if an individual), or damages to the property or injuries to or death of the person of Contractor’s officers, agents,

servants, employees, or others who may be on said premises at their invitation or the invitation of any one of them, arising from exchange activities.

Contractor further covenants that any property of the Government lost, damaged or destroyed incident to Contractor's use of the exchange oil shall be promptly replaced by Contractor to the satisfaction of the Contracting Officer, or in lieu of such replacement Contractor shall, if so required by the said officer, pay to the Government money in an amount sufficient to compensate for the loss sustained by the Government by reason loss, damage or destruction of the property.

7. NOTICES – No notice, order, direction, determination, requirement, consent, or approval under this Exchange Agreement shall be of any effect unless in writing. All notices required under this Exchange Agreement shall be addressed to Contractor, or to the Contracting Officer, as may be appropriate.
8. COMMUNICATIONS – Notices and other communications provided for herein shall be in writing and shall be delivered or mailed as follows:

Delivery and or Return:

For coordination of pipeline schedules and operations contact Chuck Costanza at (504) 473-9975 or Bradley Bauer (504)234-0145 **and** email to **FFPOCOL@spr.doe.gov**. All communications sent via need to include **FFPOCOL@spr.doe.gov**. Contractual issues shall be addressed with the Department of Energy's Contracting Officer, Kelly M. Gele, at (504) 734-4343.

9. EXAMINATION OF RECORDS BY THE GOVERNMENT – Contractor agrees that the Government or any of its duly authorized representatives shall, until the expiration of three years after final payment under this agreement, have access to and the right to examine any books, documents, paper, and records of the Contractor involving transactions related to this agreement or compliance with any clauses thereunder.
10. CHANGES – The Contracting Officer may, at any time, without notice to the Letter of Credit guarantee(s), by written order designated or indicated to be a change order, or verbal direction followed by written order, make changes within the terms and conditions of the contract, including but not limited to the following changes-
 - a. In the volume to be delivered to the Contractor or returned to the SPR.
 - b. To the delivery period for issuance of SPR crude oil or for return of barrels back to the SPR.
 - c. In the type of crude oil to be returned to the SPR.
 - d. To delivery mode of crude oil coming out of the SPR or return oil.
 - e. In the delivery point(s) of return oil to the SPR.

Any other written or oral order (which, as used in this paragraph, includes direction, instruction, interpretation, or determination) from the Contracting Officer that causes a change shall be treated as a change order under this provision; Provided, that the Contractor gives the Contracting Officer written notice stating –

- a. The date, circumstances, and source of the order, and
- b. That the Contractor regards the order as a change order.

If any change under this provision causes an increase or decrease in the Contractor's cost of, or the time required for, the performance of any part of the performance under this contract, whether or not changed by any such order, the Contracting Officer shall make an equitable adjustment and modify the contract in writing.

The contractor must assert its right to an adjustment under this provision within 30 calendar days after notification of the change.

11. NATIONAL AND OPERATIONAL EMERGENCIES – Return oil deliveries to the DOE may be rescheduled or redirected upon the determination of a national or DOE operational emergency. A negotiated adjustment to the contract will be made as a result of this direction. However, should the parties fail to reach a settlement, the Government shall establish an equitable adjustment subject to the Provision entitled “Disputes.”
12. DEFAULT –
 - a. The Government may, by written notice of default to the Customer, terminate this contract in whole or in part if the Contractor fails to -
 - (1) Receive SPR crude oil within the time specified in this contract or any extension;
 - (2) Make progress in scheduling of contracted deliveries, so as to endanger performance of this contract; or
 - (3) Perform any of the other provisions of this contract.
 - b. The rights and remedies of the Government in this clause are in addition to any other rights and remedies provided by law or under this contract.
13. TERMINATION FOR THE CONVENIENCE OF THE GOVERNMENT – The Contracting Officer, by written notice, may terminate this contract, in whole or in part, when it is in the Government's interest. If this contract is terminated, the Government shall be liable only for reasonable, customary and applicable costs incurred by the Customer before the effective date of termination, but shall not be liable for consequential damages or the contractor's lost profits.

14. EXCUSABLE DELAYS

- a. In the event either party should be prevented from performing under this contract by reason of any unforeseeable cause beyond its control and without its fault or negligence, including, but not restricted to, acts of God or of the public enemy, sovereign acts of the United States, acts of a foreign Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, performance under the contract shall be suspended in whole or in part until such cause ceases to exist and thereafter the time for fulfillment of the contract shall be extended by the length of time during which such cause prevented performance under the contract.
- b. In order for this provision to become operative, the party to the contract affected by the excusable delay condition shall furnish the other party with written notice of the nature and extent of the excusable delay condition promptly after the commencement thereof, but in any event prior to shipment of the crude oil from the location from which it is to be shipped. Written notice shall be furnished within ten (10) calendar days to the other party when the excusable delay condition ceases to exist.

15. FORCE MAJEURE – Force Majeure means, except for payment due hereunder, either party hereto shall be relieved from liability for failure to perform hereunder for the duration and to the extent such failure is occasioned by war, riots, insurrections, fire, explosions, sabotage, strikes, and other labor or industrial disturbances, acts of God or the elements, disruption or mechanical breakdown of production or transportation facilities, or delays of pipeline carrier in receiving and delivering crude oil tendered. Any such failures to perform shall be remedied with all reasonable dispatch.

As employed herein, the term “party”, as it relates to the Contractor, shall not include affiliated business concerns or individuals if, directly or indirectly, (1) either one controls or can control the other, or (2) a third party controls or can control both.

16. DISPUTES –

- a. This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. Section 601 et seq.). If a dispute arises relating to the contract, the Customer may submit a claim to the Contracting Officer, who shall issue a written decision on the dispute in the manner specified in 48 CFR 1-33.211.
- b. “Claim” means:
 - (1) A written request submitted to the Contracting Officer;
 - (2) For payment of money, adjustment of contract terms, or other relief;
 - (3) Which is in dispute or remains unresolved after a reasonable time for its review and disposition by the Government; and
 - (4) For which a Contracting Officer’s decision is demanded.

- c. In the case of dispute requests or amendments to such requests for payment exceeding \$100,000, the Customer shall certify at the time of submission as a claim, as follows:

I certify that the claim is made in good faith, that the supporting data are current, accurate and complete to the best of my knowledge and belief and that the amount requested accurately reflects the contract adjustment for which the Customer believes the Government is liable.

Customer's Name _____
 Signature _____
 Title _____

- d. The Government shall pay to the Customer interest on the amount found due to the Customer on claims submitted under this provision at the rate established by the Department of the Treasury from the date the amount is due until the Government makes payment. The Contract Disputes Act of 1978, as amended, and the Prompt Payment Act adopt the interest rate established by the Secretary of the Treasury under the Renegotiation Act as the basis for computing interest on money owed by the Government. This rate is published semi-annually in the Federal Register.
 - e. The Customer shall pay to the Government interest on the amount found due to the Government and unpaid on claims submitted under this provision at the rate specified in Paragraph d. above from the date the amount is due until the Customer makes payment.
 - f. The decision of the Contracting Officer shall be final and conclusive and shall not be subject to review by any forum, tribunal, or Government agency unless an appeal or action is commenced within the times specified by the Contract Disputes Act of 1978, as amended.
 - g. The Customer shall comply with any decision of the Contracting Officer and at the direction of the Contracting Officer shall proceed diligently with performance of this contract pending final resolution of any request for relief, claim, appeal, or action related to this contract.
17. OIL QUALITY – The Contractor shall be responsible for variations in oil quality exceeding the limits set forth below upon the return of the oil to the Government. The reference basis shall be the weighted average sour results of the laboratory tests conducted by the Government for API gravity and Sulfur weight percent taken when custody originally passed to the Contractor. Please note, the DOE will not be liable for any quality differential for Return Oil delivered to the SPR.
- a. Quality differentials will be calculated by utilizing the Quality tables in Attachment D. The allowable variations from the common quality for crude oil deliveries are defined as:

Allowable Quality Variations

<u>QUALITY</u>	<u>DOE CRUDE OIL (CATEGORY)</u>	
	<u>SWEET</u>	<u>SOUR</u>
Gravity - API°	-0.5	-0.5
Sulfur - Wt%	+0.10	+0.10

- b. API Gravity between 40.0 and 45.0: No quality differential shall be assessed.
- c. API Gravity between 35.0 and 40.0: Adjustment for Sour crude oil is 2¢ per barrel for each degree (1.0°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded. Specifically, computed API Gravity excess variances for each cargo, reported in API Gravity 0.1° increments, shall be rounded up to the next whole 1.0° API.
- d. API Gravity below 35.0: Adjustment for Sour crude oil is 1.5¢ per barrel for each tenth of a degree (0.1°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded.
- e. Total Sulfur: 1.0¢ per barrel for each 1/100th percent (0.01%) increase/decrease in total sulfur by which the allowable variations set forth above are exceeded.
- f. If crude oil delivered to the DOE falls below the minimum SPR specification for API Gravity, or above the maximum DOE specification for sulfur, as defined in Attachment A, a quality differential adjustment shall be applied without a variance allowance on that portion exceeding the specification limit.

There is a limit of 0.1% freewater on delivery to the SPR as measured either by contractor's shore tank or on the vessel prior to discharge into tanks designated for DOE receipts. The inspector's gauges, witnessed by the DOE representative, either on the vessel at the dock facility or terminal shore tank, will be the method used to determine the final freewater barrel amount. This clause is effective in conjunction with the Water and Sediment [Vol.%] maximum limit of 1.0% as stated in Attachment A; e.g., a 500,000 barrel oil delivery to the SPR is limited to 1.0% S&W (5,000 barrels), of which a maximum of 0.1% (500 barrels) can be freewater. Contractor is responsible for all costs associated with removal of excess freewater. Exceeding the freewater limitations specified herein will result in the cargo being rejected.

18. SCHEDULING OF OIL MOVEMENTS – Contractor shall schedule all oil deliveries through the appropriate commercial pipeline and marine terminal facilities, ensuring that it has coordinated the deliveries with the SPR.

For marine deliveries, the Contractor shall provide a working schedule to the DOE not later than the fifteenth day of the month prior to the month in which deliveries will be made (e.g. by April 15 for May deliveries). This working schedule will contain total monthly volumes and the approximate delivery dates and quantities for each month of delivery. No later than seven business days prior to each delivery, the Contractor shall provide vessel name, vessel

quality data, the expected date of arrival, the volume to be delivered, vessel agents and any other pertinent information that may be needed. The SPR will provide a Nomination-Confirmation Form (Attachment E). The Contractor shall complete the yellow highlighted areas and return the form in the time frame defined above.

The Contractor, or its designated agent, shall provide pre-arrival notices 72 hours, 48 hours and 24 hours prior to discharge to both the DOE and the discharge terminal.

For pipeline deliveries, the Contractor shall make necessary arrangements with the commercial pipelines connected to the DOE or its interconnecting pipelines. Nomination information regarding these deliveries shall be provided to the DOE not later than fifteen calendar days prior to the month in which deliveries will be made. The minimum cargo size per this agreement shall be no less than 250MB.

Note 1: It is the responsibility of the offerors to confirm these specifications prior to nominations to insure most current information.

Note 2: Any barrels awarded under Notice of Sale No. DE-NS96-22PO10000 will have scheduling priority over cargoes underneath this agreement in the period if applicable.

19. SPR Oil Quality

The quality characteristics of the crude oil stream offered in the exchange are those cited in the Strategic Petroleum Reserve Crude Oil Assays.

This crude oil quality data is a weighted average composition of the specific caverns that comprise the streams offered in the exchange. Although a specific crude oil benchmark is referenced; SPR inventory contains a blend of domestic and global crude including Isthmus, Urals, Alaskan North Slope, Arabian Light, Saharan, and Dubai with segregation by Sweet and Sour storage caverns. The SPR has observed H₂S concentration (which is found naturally in crude oil) greater than 10 ppm in liquid in some crude batches. Measurements of H₂S in vapor space can be orders of magnitude higher than in liquid and difficult to measure due to factors in handling, weather, etc. OSHA provides guidelines on appropriate safety precautions and equipment if crude is handled openly, spilled, or released to the atmosphere. Offerors are encouraged to review the SPR Crude Oil Assay Manual, Crude Oil Safety Data Sheet, and the Strategic Petroleum Reserve Crude Oil Assays for more detailed oil stream composition and specifics so that conditions (such as the presence of H₂S) are expected and communicated downstream.

Note: Each SPR stream will be a blended average using several caverns. As a result, actual representative samples are not available prior to deliveries. Please refer to Crude Oil Assays which provides a weighted average composite profile of the stream.

20. DELIVERY AND RECEIPT DOCUMENTATION – All quantity and quality determinations shall be documented on the Material Inspection and Receiving Report (DD Form 250). See Attachment C-1 for copy of this form. The DD Form 250 shall be signed by the Customers agent to acknowledge delivery and receipt of the quantity and quality of crude oil indicated. Copies of the completed DD Form 250, with applicable supporting documentation (i.e.,

metering or tank gauging tickets and appropriate calculation worksheets), shall be furnished to the Customer and/or the Customer’s authorized representative after completion of delivery or receipts. Also, marine Bills of Lading or Pipeline Statements identifying crude type shipped shall be provided by the contractor.

The Customer shall provide written confirmation to the SPR, no later than seven calendar days prior to the scheduled date of each delivery under the contract, the name(s) of the authorized agent(s) given signature authority to sign/endorse the delivery documentation on the Customer’s behalf. Any changes to this listing of names shall be provided to the SPR in writing no later than 72 hours before the first delivery to which such change applies. In the event that an independent surveyor (separate from the authorized signatory agent) is appointed by the Customer to witness the delivery operation (gauging, sampling, testing, etc.), written notification shall be provided to SPR, no later than 72 hours prior to the scheduled date of each applicable cargo delivery to or from the SPR.

Absence of the provision of the name(s) of bona fide agent(s) and the signature of such agent on the delivery documentation constitutes acceptance of the delivery quantity and quality as determined by the Government and/or its agents

- 21. RECONCILIATION – Within 30 days, barring any exceptions, after completion of the final scheduled delivery of exchange oil under the contract, any imbalances that may exist in the crude oil volumes agreed upon in the contract will be reconciled in the following manner:

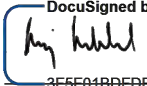
If DOE receives an amount of exchange oil that exceeds the contracted return oil delivery volume, the Government will attempt to reconcile the imbalance through cash payments or other alternate means, as available. If reconciliation is by cash payment, the Contractor shall invoice the DOE based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250.

If the Contractor delivers a total volume of return oil which is less than the contracted quantity, the DOE will invoice the Contractor for the undelivered amount based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250. If no payment is received by the due date specified on the invoice, the applicable amount owed will be drawn against the Contractor’s Payment and Performance Letter of Credit as described in Provision 4 of this contract.

Note: The cost value is derived from the data published in the Argus Americas Crude Oil Price Report. If no published prices are available, a mutually agreed upon price will be negotiated. Should the parties fail to reach a negotiated price, the Government shall determine a fair and reasonable price.

Contractor

The United States of America

By: 
Name: Alejandro Arboleda
Title: Crude Book Lead

By: _____
Name: Kelly M. Gele’
Title: Contracting Officer

ATTACHMENT A

**STRATEGIC PETROLEUM RESERVE
CRUDE OIL SPECIFICATIONS ^a
(SPRO MAY 2020) ^{e1}**

CHARACTERISTIC	SOUR	SWEET	PRIMARY ASTM TEST METHOD ^b
API Gravity [°API]	30-45	30-45	D1298 or D5002
Total Sulfur [Mass %], max.	1.99	0.50	D4294
Pour Point [°C], max.	10	10	D97
Salt Content [Mass %], max.	0.050	0.050	D6470
Viscosity			
[cSt @ 15.6°C], max.	32	32	D445
[cSt @ 37.8°C], max.	13	13	
Vapor Pressure			
[VPCR4 (100°F) psia (kPa)] ^e , max.	9(62.1)	9(62.1)	D6377
Total Acid Number [mg KOH/g], max.	1.00	1.00	D664
Water and Sediment [Vol. %], max.	1.0	1.0	473 and D4006, or D4928
Yields [Vol. %]			D2892 and D5236 ^c
Naphtha [28-191°C]	24-30	21-42	
Distillate [191-327°C]	17-31	19-45	
Gas Oil [327-566°C]	26-38	20-42	
Residuum [>566°C]	10-19	14 max.	
Light Ends [Liquid Vol. %] ^d , max			
Methane (C ₁)	0.01	0.01	IP344 or ITM 6008
Ethane (C ₂)	0.1	0.1	
Propane (C ₃)	1.0	1.0	

^{e1} This revision includes a limitation on light ends content (see Footnote ^d)

- ^a Marketable crude petroleum suitable for normal refinery processing and free of foreign contaminants or chemicals including, but not limited to, pour point depressants, chlorinated and oxygenated hydrocarbons, and lead.
- ^b Alternate methods may be used if approved by the contracting officer.
- ^c D 7169 data may be provided in requesting conditional acceptance of a crude oil. Distillation data according to D 2892 and D 5236 will still be necessary for final qualification of a crude oil's acceptance.
- ^d Light ends content specifications are interim and will be superseded if and when industry standards for light ends evaluation are implemented.
- ^e Vapor pressure changed to better reflect current domestic crude standards.

- NOTE 1: The Strategic Petroleum Reserve reserves the right to refuse to accept any crude oil which meets these specifications but is deemed to be incompatible with existing stocks, or which has the potential for adversely affecting handling.
- NOTE 2: The acceptability of any crude oil depends upon any assay typical of current production quality of the stream. Any crude oil offered to the Strategic Petroleum Reserve that meets these specifications may be subject to additional testing for acceptance.
- NOTE 3: All crude oil shipments received by the SPR are tested to ensure they meet specifications. Crude streams found consistently not meeting required specifications will be removed from the list of acceptable crude oils.

ATTACHMENT B

SAMPLE - PAYMENT AND PERFORMANCE LETTER OF CREDIT BANK LETTERHEAD IRREVOCABLE STANDBY LETTER OF CREDIT

Date: _____

To: U.S. Department of Energy
Strategic Petroleum Reserve
900 Commerce Road East
New Orleans, LA 70123
Attn: (Kelly Gele)

AMOUNT OF LETTER OF CREDIT: U.S.\$ _____ (_____)

CONTRACTOR: _____

CONTRACT NO: 22PO0009

LETTER OF CREDIT NO: _____

EXPIRATION DATE: November 30, 2024

AMERICAN BANKERS ASSOCIATION (ABA) NO: _____

To whom it may concern:

We hereby establish in the U.S. Department of Energy's favor our irrevocable standby Letter of Credit effective immediately for the account of our customer's above contract with the U.S. Department of Energy for the exchange of Strategic Petroleum Reserve petroleum.

This letter of credit is available by your draft/s at sight, drawn on us and accompanied by a manually signed statement that the signer is an authorized representative of the Department of Energy, and one or more of the following statements:

- a. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO RECEIVE THE SPR CRUDE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."
- b. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO DELIVER RETURN EXCHANGE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."
- c. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO MAKE FINAL RECONCILIATION PAYMENT IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."

Drafts must be presented for payment on or before the expiration date of this Letter of Credit at our bank. The Government may make multiple drafts against this Letter of Credit.

Upon receipt of the U.S. Department of Energy's demand by hand, mail express delivery, or other means, at our office located at _____, we will honor the demand and make payment, by 3 p.m. Eastern Time of the third business day following receipt of the demand by wire transfer of funds as a deposit to the account of the U.S. Treasury over the Fedwire Funds Service. The information to be included in each transfer will be as provided in the above referenced contract.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision, International Chamber of Commerce Publication no. 600) and except as may be inconsistent therewith, to the Uniform Commercial Code in effect on the date of issuance of this Letter of Credit in the state in which the issuer's head office within the United States is located.

We hereby agree with you that all drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation and delivery of the above documents for payment at our bank on or before the expiration date.

In the event of a bankruptcy filing by the applicant prior to the expiration date of this letter of credit, the expiration date of this letter of credit will automatically be extended by one hundred twenty (120) calendar days from the expiration date.

Address all communications regarding this Letter of Credit to (name and phone number).

Very truly yours,

(Authorized Signature)

(Typed Name and Title)

INSTRUCTIONS FOR PAYMENT AND PERFORMANCE GUARANTEE LETTER OF CREDIT

1. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible – Settlement-only.
2. Letter of Credit must not vary in substance from this attachment. Provide a copy of this attachment to your bank.
3. Banks shall fill in blanks EXCEPT those in the drawing statements. **The drawing statements are in bold print.**
4. Type name and title under authorized signature and provide documentation of authorized signature.

ATTACHMENT C-1

DD FORM 250

MATERIAL INSPECTION AND RECEIVING REPORT DD Form 250, AUG 2000

MATERIAL INSPECTION AND RECEIVING REPORT						FORM APPROVED OMB No. 0704-0248
<p>The public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports, (0704-0248), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0248) Arlington, DC 20503. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.</p> <p style="text-align: center;">PLEASE DO NOT RETURN YOUR COMPLETED FORM TO EITHER OF THESE ADDRESSES. SEND THIS FORM IN ACCORDANCE WITH THE INSTRUCTIONS CONTAINED IN THE DFARS, APPENDIX F-401.</p>						
1. PROCUREMENT INSTRUMENT IDENTIFICATION (CONTRACT) NO.		6. INVOICE NO./DATE		7. PAGE	OF	8. ACCEPTANCE POINT
DOE OWNED CRUDE OIL				1	1	
2. SHIPMENT NO.		3. DATE SHIPPED		4. B/L TCN		
5. DISCOUNT TERMS						
9. PRIME CONTRACTOR CODE		10. ADMINISTERED BY CODE				
Fluor Federal Petroleum Operations 850 S. Clearview Pkwy. New Orleans, LA 70123		DEPARTMENT OF ENERGY STRATEGIC PETROLEUM RESERVE PROJECT MANAGEMENT OFFICE				
11 SHIPPED FROM (if other than 9) CODE FOB:		12. PAYMENT WILL BE MADE BY CODE				
13. SHIPPED TO CODE		14. MARKED FOR CODE				
15 ITEM NO.	16. STOCK/PART NO. <small>(Indicate number of shipping containers - type of container - container number.)</small>	DESCRIPTION	17. QUANTITY SHIP/REC'D *	18. UNIT	19. UNIT PRICE	20. AMOUNT
-	Gross		NET @ 60° F.	BARRELS		
21. CONTRACT QUALITY ASSURANCE a. ORIGIN <input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or in supporting documents.				b. DESTINATION <input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or on supporting documents.		22. RECEIVER'S USE Quantities shown in column 17 were received in apparent good condition except as noted.
DATE TYPED NAME: TITLE: MAILING ADDRESS:		DATE TYPED NAME: TITLE: MAILING ADDRESS:		DATE RECEIVED SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE TYPED NAME: TITLE: MAILING ADDRESS: COMMERCIAL TELEPHONE NUMBER:		
COMMERCIAL TELEPHONE NUMBER:		COMMERCIAL TELEPHONE NUMBER:		*If quantity received by the Government is the same as quantity shipped, indicate by (x) mark; if different, enter actual quantity received below quantity shipped and encircle.		
23. CONTRACTOR USE ONLY:						

ATTACHMENT C-2 DD FORM 250-1

TANK/BARGE MATERIAL INSPECTION AND RECEIVING REPORT				FORM APPROVED OMB No. 0704-0248 Expires Dec 31, 1990	
Public reporting burden for this collection of information is estimated to average 35 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0248), Washington, DC 20503.					
PLEASE DO NOT RETURN YOUR COMPLETED FORM TO EITHER OF THESE ADDRESSES. SEND THIS FORM IN ACCORDANCE WITH THE INSTRUCTIONS CONTAINED IN THE DFARS, APPENDIX F-401.					
1. TANKER BARGE <input type="checkbox"/> LOADING REPORT <input checked="" type="checkbox"/> DISCHARGE REPORT		2. INSPECTION OFFICE		3. REPORT NUMBER	
4. AGENCY PLACING ORDER ON SHIPPER, CITY, STATE AND/OR LOCAL ADDRESS (Loading)			5. DEPARTMENT		6. PRIME CONTRACT OR P.O. NUMBER
7. NAME OF PRIME CONTRACTOR, CITY, STATE AND/OR LOCAL ADDRESS (Loading)				8. STORAGE CONTRACT	
9. TERMINAL OR REFINERY SHIPPED FROM, CITY, STATE AND/OR LOCAL ADDRESS (Loading)				10. ORDER NUMBER OR SUPPLIER	
11 SHIPPED TO (Receiving, Activity, City, State and/or Local Address)				12. B/L NUMBER	
				13. REGN. OR REQUEST NO.	14. CARGO NUMBER
15. VESSEL		16. DRAFT ARRIVAL FORE AFT		17. DRAFT SAILING FORE AFT	
18. PREVIOUS TWO CARGOES FIRST LAST		19. PRIOR INSPECTION			
20. CONDITION OF SHORE PIPELINE		21. APPROPRIATION (Loading)		22. CONTRACT ITEM NO. N/A	
23. PRODUCT		24. SPECIFICATIONS N/A			
25. STATEMENT OF QUANTITY		LOADED	DISCHARGED	LOSS/GAIN	PER CENT
BARRELS (42 Gals/Net) NSV					
GALLONS (Net)					
TONS (Long) Barrels GSV					
26. TEST RESULTS		STATEMENT OF QUALITY VESSEL COMPOSITE		TEST RESULTS	THIRD PARTY INSPECTOR VESSEL COMPOSITE
API GRAVITY					
BS&W					
S&W					
SULFUR (WT%)					
RVP					
VISC @ 60 DEG. F (CST)					
VISC @ 100 DEG. F. (CST)					
SALT					
POUR					
TAN					
27. TIME STATEMENT		DATE	TIME	28. REMARKS (Note in detail cause of delays such as repairs, breakdowns, slow operations, stoppage, etc.)	
NOTICE OF READINESS TO LOAD/DISCHARGE					
VESSEL ARRIVED IN ROADS					
MOORED ALONGSIDE					
STARTED BALLAST DISCHARGE					
FINISHED BALLAST DISCHARGE					
INSPECTED AND READY TO LOAD/DISCHARGE					
CARGO HOSES CONNECTED					
COMMENCED LOADING/DISCHARGE					
STOPPED LOADING/DISCHARGING					
RESUMED LOADING/DISCHARGING					
FINISHED LOADING/DISCHARGING					
CARGO HOSES REMOVED					
VESSEL RELEASED BY INSPECTOR					
COMMENCED BUNKERING					
FINISHED BUNKERING					
VESSEL LEFT BIRTH (Actual/Estimated)				29. COMPANY OR RECEIVING TERMINAL (Signature)	
30. I CERTIFY THAT THE CARGO WAS INSPECTED, ACCEPTED AND LOADED/DISCHARGED AS INDICATED HEREON. (Date) (Signature of Authorized Government Representative)			31. I HEREBY CERTIFY THAT THIS TIME STATEMENT IS CORRECT. (Master or Agent)		

ATTACHMENT D
Quality Adjustment Tables

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM							
API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
10.0	1.250	16.0	2.150	22.0	3.050	28.0	3.950
10.1	1.265	16.1	2.165	22.1	3.065	28.1	3.965
10.2	1.280	16.2	2.180	22.2	3.080	28.2	3.980
10.3	1.295	16.3	2.195	22.3	3.095	28.3	3.995
10.4	1.310	16.4	2.210	22.4	3.110	28.4	4.010
10.5	1.325	16.5	2.225	22.5	3.125	28.5	4.025
10.6	1.340	16.6	2.240	22.6	3.140	28.6	4.040
10.7	1.355	16.7	2.255	22.7	3.155	28.7	4.055
10.8	1.370	16.8	2.270	22.8	3.170	28.8	4.070
10.9	1.385	16.9	2.285	22.9	3.185	28.9	4.085
11.0	1.400	17.0	2.300	23.0	3.200	29.0	4.100
11.1	1.415	17.1	2.315	23.1	3.215	29.1	4.115
11.2	1.430	17.2	2.330	23.2	3.230	29.2	4.130
11.3	1.445	17.3	2.345	23.3	3.245	29.3	4.145
11.4	1.460	17.4	2.360	23.4	3.260	29.4	4.160
11.5	1.475	17.5	2.375	23.5	3.275	29.5	4.175
11.6	1.490	17.6	2.390	23.6	3.290	29.6	4.190
11.7	1.505	17.7	2.405	23.7	3.305	29.7	4.205
11.8	1.520	17.8	2.420	23.8	3.320	29.8	4.220
11.9	1.535	17.9	2.435	23.9	3.335	29.9	4.235
12.0	1.550	18.0	2.450	24.0	3.350	30.0	4.250
12.1	1.565	18.1	2.465	24.1	3.365	30.1	4.265
12.2	1.580	18.2	2.480	24.2	3.380	30.2	4.280
12.3	1.595	18.3	2.495	24.3	3.395	30.3	4.295
12.4	1.610	18.4	2.510	24.4	3.410	30.4	4.310
12.5	1.625	18.5	2.525	24.5	3.425	30.5	4.325
12.6	1.640	18.6	2.540	24.6	3.440	30.6	4.340
12.7	1.655	18.7	2.555	24.7	3.455	30.7	4.355
12.8	1.670	18.8	2.570	24.8	3.470	30.8	4.370
12.9	1.685	18.9	2.585	24.9	3.485	30.9	4.385
13.0	1.700	19.0	2.600	25.0	3.500	31.0	4.400
13.1	1.715	19.1	2.615	25.1	3.515	31.1	4.415
13.2	1.730	19.2	2.630	25.2	3.530	31.2	4.430
13.3	1.745	19.3	2.645	25.3	3.545	31.3	4.445
13.4	1.760	19.4	2.660	25.4	3.560	31.4	4.460
13.5	1.775	19.5	2.675	25.5	3.575	31.5	4.475
13.6	1.790	19.6	2.690	25.6	3.590	31.6	4.490
13.7	1.805	19.7	2.705	25.7	3.605	31.7	4.505
13.8	1.820	19.8	2.720	25.8	3.620	31.8	4.520
13.9	1.835	19.9	2.735	25.9	3.635	31.9	4.535
14.0	1.850	20.0	2.750	26.0	3.650	32.0	4.550
14.1	1.865	20.1	2.765	26.1	3.665	32.1	4.565
14.2	1.880	20.2	2.780	26.2	3.680	32.2	4.580
14.3	1.895	20.3	2.795	26.3	3.695	32.3	4.595
14.4	1.910	20.4	2.810	26.4	3.710	32.4	4.610
14.5	1.925	20.5	2.825	26.5	3.725	32.5	4.625
14.6	1.940	20.6	2.840	26.6	3.740	32.6	4.640
14.7	1.955	20.7	2.855	26.7	3.755	32.7	4.655
14.8	1.970	20.8	2.870	26.8	3.770	32.8	4.670
14.9	1.985	20.9	2.885	26.9	3.785	32.9	4.685
15.0	2.000	21.0	2.900	27.0	3.800	33.0	4.700
15.1	2.015	21.1	2.915	27.1	3.815	33.1	4.715
15.2	2.030	21.2	2.930	27.2	3.830	33.2	4.730
15.3	2.045	21.3	2.945	27.3	3.845	33.3	4.745
15.4	2.060	21.4	2.960	27.4	3.860	33.4	4.760
15.5	2.075	21.5	2.975	27.5	3.875	33.5	4.775
15.6	2.090	21.6	2.990	27.6	3.890	33.6	4.790
15.7	2.105	21.7	3.005	27.7	3.905	33.7	4.805
15.8	2.120	21.8	3.020	27.8	3.920	33.8	4.820
15.9	2.135	21.9	3.035	27.9	3.935	33.9	4.835

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM

API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
34.0	4.850	40.0	5.100	46.0	4.950	52.0	4.050
34.1	4.865	40.1	5.100	46.1	4.935	52.1	4.035
34.2	4.880	40.2	5.100	46.2	4.920	52.2	4.020
34.3	4.895	40.3	5.100	46.3	4.905	52.3	4.005
34.4	4.910	40.4	5.100	46.4	4.890	52.4	3.990
34.5	4.925	40.5	5.100	46.5	4.875	52.5	3.975
34.6	4.940	40.6	5.100	46.6	4.860	52.6	3.960
34.7	4.955	40.7	5.100	46.7	4.845	52.7	3.945
34.8	4.970	40.8	5.100	46.8	4.830	52.8	3.930
34.9	4.985	40.9	5.100	46.9	4.815	52.9	3.915
35.0	5.000	41.0	5.100	47.0	4.800	53.0	3.900
35.1	5.000	41.1	5.100	47.1	4.785	53.1	3.885
35.2	5.000	41.2	5.100	47.2	4.770	53.2	3.870
35.3	5.000	41.3	5.100	47.3	4.755	53.3	3.855
35.4	5.000	41.4	5.100	47.4	4.740	53.4	3.840
35.5	5.000	41.5	5.100	47.5	4.725	53.5	3.825
35.6	5.000	41.6	5.100	47.6	4.710	53.6	3.810
35.7	5.000	41.7	5.100	47.7	4.695	53.7	3.795
35.8	5.000	41.8	5.100	47.8	4.680	53.8	3.780
35.9	5.000	41.9	5.100	47.9	4.665	53.9	3.765
36.0	5.020	42.0	5.100	48.0	4.650	54.0	3.750
36.1	5.020	42.1	5.100	48.1	4.635	54.1	3.735
36.2	5.020	42.2	5.100	48.2	4.620	54.2	3.720
36.3	5.020	42.3	5.100	48.3	4.605	54.3	3.705
36.4	5.020	42.4	5.100	48.4	4.590	54.4	3.690
36.5	5.020	42.5	5.100	48.5	4.575	54.5	3.675
36.6	5.020	42.6	5.100	48.6	4.560	54.6	3.660
36.7	5.020	42.7	5.100	48.7	4.545	54.7	3.645
36.8	5.020	42.8	5.100	48.8	4.530	54.8	3.630
36.9	5.020	42.9	5.100	48.9	4.515	54.9	3.615
37.0	5.040	43.0	5.100	49.0	4.500	55.0	3.600
37.1	5.040	43.1	5.100	49.1	4.485		
37.2	5.040	43.2	5.100	49.2	4.470		
37.3	5.040	43.3	5.100	49.3	4.455		
37.4	5.040	43.4	5.100	49.4	4.440		
37.5	5.040	43.5	5.100	49.5	4.425		
37.6	5.040	43.6	5.100	49.6	4.410		
37.7	5.040	43.7	5.100	49.7	4.395		
37.8	5.040	43.8	5.100	49.8	4.380		
37.9	5.040	43.9	5.100	49.9	4.365		
38.0	5.060	44.0	5.100	50.0	4.350		
38.1	5.060	44.1	5.100	50.1	4.335		
38.2	5.060	44.2	5.100	50.2	4.320		
38.3	5.060	44.3	5.100	50.3	4.305		
38.4	5.060	44.4	5.100	50.4	4.290		
38.5	5.060	44.5	5.100	50.5	4.275		
38.6	5.060	44.6	5.100	50.6	4.260		
38.7	5.060	44.7	5.100	50.7	4.245		
38.8	5.060	44.8	5.100	50.8	4.230		
38.9	5.060	44.9	5.100	50.9	4.215		
39.0	5.080	45.0	5.100	51.0	4.200		
39.1	5.080	45.1	5.085	51.1	4.185		
39.2	5.080	45.2	5.070	51.2	4.170		
39.3	5.080	45.3	5.055	51.3	4.155		
39.4	5.080	45.4	5.040	51.4	4.140		
39.5	5.080	45.5	5.025	51.5	4.125		
39.6	5.080	45.6	5.010	51.6	4.110		
39.7	5.080	45.7	4.995	51.7	4.095		
39.8	5.080	45.8	4.980	51.8	4.080		
39.9	5.080	45.9	4.965	51.9	4.065		

For API GRAVITY values above 55.0 * API the differential continues to decline 0.015/bbl. per 1 * API GRAVITY.

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
0.00	1.000	0.60	1.600	1.20	2.200	1.80	2.800	2.40	3.400
0.01	1.010	0.61	1.610	1.21	2.210	1.81	2.810	2.41	3.410
0.02	1.020	0.62	1.620	1.22	2.220	1.82	2.820	2.42	3.420
0.03	1.030	0.63	1.630	1.23	2.230	1.83	2.830	2.43	3.430
0.04	1.040	0.64	1.640	1.24	2.240	1.84	2.840	2.44	3.440
0.05	1.050	0.65	1.650	1.25	2.250	1.85	2.850	2.45	3.450
0.06	1.060	0.66	1.660	1.26	2.260	1.86	2.860	2.46	3.460
0.07	1.070	0.67	1.670	1.27	2.270	1.87	2.870	2.47	3.470
0.08	1.080	0.68	1.680	1.28	2.280	1.88	2.880	2.48	3.480
0.09	1.090	0.69	1.690	1.29	2.290	1.89	2.890	2.49	3.490
0.10	1.100	0.70	1.700	1.30	2.300	1.90	2.900	2.50	3.500
0.11	1.110	0.71	1.710	1.31	2.310	1.91	2.910	2.51	3.510
0.12	1.120	0.72	1.720	1.32	2.320	1.92	2.920	2.52	3.520
0.13	1.130	0.73	1.730	1.33	2.330	1.93	2.930	2.53	3.530
0.14	1.140	0.74	1.740	1.34	2.340	1.94	2.940	2.54	3.540
0.15	1.150	0.75	1.750	1.35	2.350	1.95	2.950	2.55	3.550
0.16	1.160	0.76	1.760	1.36	2.360	1.96	2.960	2.56	3.560
0.17	1.170	0.77	1.770	1.37	2.370	1.97	2.970	2.57	3.570
0.18	1.180	0.78	1.780	1.38	2.380	1.98	2.980	2.58	3.580
0.19	1.190	0.79	1.790	1.39	2.390	1.99	2.990	2.59	3.590
0.20	1.200	0.80	1.800	1.40	2.400	2.00	3.000	2.60	3.600
0.21	1.210	0.81	1.810	1.41	2.410	2.01	3.010	2.61	3.610
0.22	1.220	0.82	1.820	1.42	2.420	2.02	3.020	2.62	3.620
0.23	1.230	0.83	1.830	1.43	2.430	2.03	3.030	2.63	3.630
0.24	1.240	0.84	1.840	1.44	2.440	2.04	3.040	2.64	3.640
0.25	1.250	0.85	1.850	1.45	2.450	2.05	3.050	2.65	3.650
0.26	1.260	0.86	1.860	1.46	2.460	2.06	3.060	2.66	3.660
0.27	1.270	0.87	1.870	1.47	2.470	2.07	3.070	2.67	3.670
0.28	1.280	0.88	1.880	1.48	2.480	2.08	3.080	2.68	3.680
0.29	1.290	0.89	1.890	1.49	2.490	2.09	3.090	2.69	3.690
0.30	1.300	0.90	1.900	1.50	2.500	2.10	3.100	2.70	3.700
0.31	1.310	0.91	1.910	1.51	2.510	2.11	3.110	2.71	3.710
0.32	1.320	0.92	1.920	1.52	2.520	2.12	3.120	2.72	3.720
0.33	1.330	0.93	1.930	1.53	2.530	2.13	3.130	2.73	3.730
0.34	1.340	0.94	1.940	1.54	2.540	2.14	3.140	2.74	3.740
0.35	1.350	0.95	1.950	1.55	2.550	2.15	3.150	2.75	3.750
0.36	1.360	0.96	1.960	1.56	2.560	2.16	3.160	2.76	3.760
0.37	1.370	0.97	1.970	1.57	2.570	2.17	3.170	2.77	3.770
0.38	1.380	0.98	1.980	1.58	2.580	2.18	3.180	2.78	3.780
0.39	1.390	0.99	1.990	1.59	2.590	2.19	3.190	2.79	3.790
0.40	1.400	1.00	2.000	1.60	2.600	2.20	3.200	2.80	3.800
0.41	1.410	1.01	2.010	1.61	2.610	2.21	3.210	2.81	3.810
0.42	1.420	1.02	2.020	1.62	2.620	2.22	3.220	2.82	3.820
0.43	1.430	1.03	2.030	1.63	2.630	2.23	3.230	2.83	3.830
0.44	1.440	1.04	2.040	1.64	2.640	2.24	3.240	2.84	3.840
0.45	1.450	1.05	2.050	1.65	2.650	2.25	3.250	2.85	3.850
0.46	1.460	1.06	2.060	1.66	2.660	2.26	3.260	2.86	3.860
0.47	1.470	1.07	2.070	1.67	2.670	2.27	3.270	2.87	3.870
0.48	1.480	1.08	2.080	1.68	2.680	2.28	3.280	2.88	3.880
0.49	1.490	1.09	2.090	1.69	2.690	2.29	3.290	2.89	3.890
0.50	1.500	1.10	2.100	1.70	2.700	2.30	3.300	2.90	3.900
0.51	1.510	1.11	2.110	1.71	2.710	2.31	3.310	2.91	3.910
0.52	1.520	1.12	2.120	1.72	2.720	2.32	3.320	2.92	3.920
0.53	1.530	1.13	2.130	1.73	2.730	2.33	3.330	2.93	3.930
0.54	1.540	1.14	2.140	1.74	2.740	2.34	3.340	2.94	3.940
0.55	1.550	1.15	2.150	1.75	2.750	2.35	3.350	2.95	3.950
0.56	1.560	1.16	2.160	1.76	2.760	2.36	3.360	2.96	3.960
0.57	1.570	1.17	2.170	1.77	2.770	2.37	3.370	2.97	3.970
0.58	1.580	1.18	2.180	1.78	2.780	2.38	3.380	2.98	3.980
0.59	1.590	1.19	2.190	1.79	2.790	2.39	3.390	2.99	3.990

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
3.00	4.000	3.60	4.600
3.01	4.010	3.61	4.610
3.02	4.020	3.62	4.620
3.03	4.030	3.63	4.630
3.04	4.040	3.64	4.640
3.05	4.050	3.65	4.650
3.06	4.060	3.66	4.660
3.07	4.070	3.67	4.670
3.08	4.080	3.68	4.680
3.09	4.090	3.69	4.690
3.10	4.100	3.70	4.700
3.11	4.110	3.71	4.710
3.12	4.120	3.72	4.720
3.13	4.130	3.73	4.730
3.14	4.140	3.74	4.740
3.15	4.150	3.75	4.750
3.16	4.160	3.76	4.760
3.17	4.170	3.77	4.770
3.18	4.180	3.78	4.780
3.19	4.190	3.79	4.790
3.20	4.200	3.80	4.800
3.21	4.210	3.81	4.810
3.22	4.220	3.82	4.820
3.23	4.230	3.83	4.830
3.24	4.240	3.84	4.840
3.25	4.250	3.85	4.850
3.26	4.260	3.86	4.860
3.27	4.270	3.87	4.870
3.28	4.280	3.88	4.880
3.29	4.290	3.89	4.890
3.30	4.300	3.90	4.900
3.31	4.310	3.91	4.910
3.32	4.320	3.92	4.920
3.33	4.330	3.93	4.930
3.34	4.340	3.94	4.940
3.35	4.350	3.95	4.950
3.36	4.360	3.96	4.960
3.37	4.370	3.97	4.970
3.38	4.380	3.98	4.980
3.39	4.390	3.99	4.990
3.40	4.400	4.00	5.000
3.41	4.410		
3.42	4.420		
3.43	4.430		
3.44	4.440		
3.45	4.450		
3.46	4.460		
3.47	4.470		
3.48	4.480		
3.49	4.490		
3.50	4.500		
3.51	4.510		
3.52	4.520		
3.53	4.530		
3.54	4.540		
3.55	4.550		
3.56	4.560		
3.57	4.570		
3.58	4.580		
3.59	4.590		

For Sulfur Values
above 4.00%, the
differential continues
to increase 0.01/BBL
per 0.01 Percent
Sulfur

ATTACHMENT E Nomination-Confirmation Form

STRATEGIC PETROLEUM RESERVE NOMINATION - CONFIRMATION

SPR Operations Fluor Federal Petroleum Operations New Orleans, Louisiana FFPOCOL@SPR.DOE.GOV	<u>Scheduler</u> (504) 473-9975 <u>Quantity and Quality</u> (504) 722-6146																														
The following information must be provided by the Contractor																															
Submission Date: Click here to enter a date. Submission Type: Original Nomination Contract No.: Enter Contract Number Contractor: Enter Contractor Name Address: Enter Address City, State, Zip																															
<u>Contractor Contact Information</u>																															
Primary Contact: Primary Contact Name Office: Office Phone Cell: Cell Phone Email: Email Address	Alternate: Alternate Contact Name Office: Office Phone Cell: Cell Phone Email: Email Address																														
CODR/DD250 Contractor Signatory Designee*: Signatory Designee Name *Designee can be contractor office personnel, 3 rd party inspection company†, or chosen loss control representative†. Office: Office Phone Cell: Cell Phone Email: Email Address Note: If multiple designees are to be used, please input "See Attached" and provide list to FFPOCOL@spr.doe.gov with nomination.																															
<u>†Third Party Inspection Company Information</u>																															
Company: 3 rd Party Inspection Company Contact: 3 rd Party Contact Name Contact Ned Scheppegrell for any questions on SPR 3rd party inspection and testing.																															
Nomination Information and Delivery Window (additional lines on following page)																															
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Delivery Window</th> <th style="text-align: center;">Pipeline/Vessel</th> <th style="text-align: center;">Volume (MB)</th> <th style="text-align: center;">SPR Site</th> <th style="text-align: center;">Destination</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Dates</td> <td style="text-align: center;">Choose an item.</td> <td style="text-align: center;">Volume</td> <td style="text-align: center;">Site</td> <td></td> </tr> <tr> <td style="text-align: center;">Dates</td> <td style="text-align: center;">Choose an item.</td> <td style="text-align: center;">Volume</td> <td style="text-align: center;">Site</td> <td></td> </tr> <tr> <td style="text-align: center;">Dates</td> <td style="text-align: center;">Choose an item.</td> <td style="text-align: center;">Volume</td> <td style="text-align: center;">Site</td> <td></td> </tr> <tr> <td style="text-align: center;">Dates</td> <td style="text-align: center;">Choose an item.</td> <td style="text-align: center;">Volume</td> <td style="text-align: center;">Site</td> <td></td> </tr> <tr> <td colspan="2" style="text-align: center;">Total Volume:</td> <td style="text-align: center;">Total Volume</td> <td></td> <td></td> </tr> </tbody> </table>		Delivery Window	Pipeline/Vessel	Volume (MB)	SPR Site	Destination	Dates	Choose an item.	Volume	Site		Dates	Choose an item.	Volume	Site		Dates	Choose an item.	Volume	Site		Dates	Choose an item.	Volume	Site		Total Volume:		Total Volume		
Delivery Window	Pipeline/Vessel	Volume (MB)	SPR Site	Destination																											
Dates	Choose an item.	Volume	Site																												
Dates	Choose an item.	Volume	Site																												
Dates	Choose an item.	Volume	Site																												
Dates	Choose an item.	Volume	Site																												
Total Volume:		Total Volume																													
The Following information to be provided by SPR Operations Personnel																															
<u>Terminal Information</u> Terminal: TBD Contact: Contact: Contact:	<u>Custody Transfer Point</u> TBD <u>Quality Point</u> TBD <u>Quantity Point</u> TBD																														

**DEPARTMENT OF ENERGY
STRATEGIC PETROLEUM RESERVE (SPR)
OIL EXCHANGE AGREEMENT
22PO0010**

This Exchange Agreement, entered into this 24th day of January 2022, between the UNITED STATES OF AMERICA, acting by and through the Department of Energy, hereinafter referred to as the “GOVERNMENT” or “DOE” and Trafigura Trading LLC, hereinafter referred to as the “Contractor.”

WITNESSETH:

1. AUTHORITY – That the Secretary of Energy, under the authority of the Department of Energy Organization Act (42 U.S.C. 7101 *et seq.*) and sections 159(f)(5) and 160(a) of the Energy Policy and Conservation Act (42 U.S.C. 6239, 6240), having determined that the exchanging of crude oil will be advantageous to the Government and in the public interest, hereby enters into this agreement with the Contractor for the exchange of crude oil from the SPR.

2. CUSTODY TRANSFER –

Big Hill to Sun Tanks

Custody transfer quantity and quality measurements will be the Sun/DOE meter skid and inline sampler at the Sun Marine Terminal. Secondary measurement for quantity will be the Sun shore tank and quality based on manual grab samples taken at the Sun/DOE inline sampler. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and testing and perform testing if necessary.

The Government will deliver approximately 3,000,000 barrels (plus/minus 10%) of sour crude with an estimated API of 30.8 and an estimated sulfur of 1.43 from the Government’s Big Hill site to the contractor.

Return of oil to the SPR:

Sun Tanks to West Hackberry

Custody transfer quantity and quality measurements will be the DOE meter skid and sampler located at the fence line of the Sun Marine Terminal deliveries into the West Hackberry pipeline. Secondary measurement for quantity will be on the down-gauge on the Sun shore tank and quality based on manual grab samples taken at the Sun/DOE inline sampler. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector. Contractor shall have the right to have a representative

present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and testing and perform testing.

All costs associated with the transportation of the exchange oil transferred from and to the SPR will be absorbed by the Contractor, to include but not be limited to, tariffs, marine shipment, pipeline shipment, U.S. Customs duties, harbor and environmental fees (including Texas Coastal protection fees), terminalling, demurrage and tankage charges.

3. TERM – The Government will use best efforts to fulfill exchange barrels as stated below:

Commence delivery in May 2022 with an objective to complete 3,000,000 barrels no later than June 30, 2022. If the prescribed volume is not taken by June 30, 2022, then the remainder will be considered undeliverable. If there is availability in the following month, and terms are mutually agreeable, remainder volume could be delivered on a best efforts basis.

Contractor shall return 3,000,000 exchange oil plus premium barrels to the West Hackberry SPR site during the months of June 2024 – September 2024.

Contractor's oil return schedules must be approved by the Government prior to delivery. Also, see Provision 18 for additional scheduling requirements.

4. PAYMENT AND PERFORMANCE GUARANTEE – Within three (3) business days after receipt of award, the Contractor must provide to the Contracting Officer an acceptable "Irrevocable Standby Letter of Credit" established in favor of the United States Department of Energy to the Contracting Officer in the amount of \$243,720,000.00 with an expiration date of November 30, 2024. The letter must contain the substantive provisions set out in Attachment B, and be issued by a depository institution located in and authorized to do business in any state of the United States or the District of Columbia, and authorized to issue letters of credit by the banking laws of the United States or any state of the United States or the District of Columbia. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible-Settlement-only. The issuing bank must provide documentation indicating that the person(s) signing the letter of credit is authorized to do so, in the form of corporate minutes, the Authorized Signature List, or the General Resolution of Signature Authority. All wire deposit and letter of credit costs will be borne by the purchaser.

The letter of credit must be an "Irrevocable Standby Letter of Credit" and **MUST NOT VARY IN SUBSTANCE** from the sample in Attachment B. If the letter of credit contains any provisions at variance with Attachment B or fails to include any provisions contained in Attachment B, nonconforming provisions must be deleted and missing substantive provisions must be added or the letter of credit will not be accepted.

The blanks in Attachment B shall be filled in by the issuing bank, except those in the drawing statements. The drawing statements are in bold print with double underlines for the blanks.

The double underlined blanks will be filled in only at the time of a drawing against the letter of credit.

Please submit an electronic copy to mary.roark@spr.doe.gov.

Failure to provide the letter of credit shall constitute grounds for termination of the contract for default.

5. PAYMENT –

Contractor agrees to a fixed 8.6% premium return of sour crude oil in addition to actual crude oil received from the SPR for those barrels that are to be returned to **West Hackberry SPR** site. The premium percentage will be applied to the barrels actually delivered to the contractor (*for example if the SPR delivers 3MMB NSV barrels, the premium would be $3MMB \times 1.086 = 3,258,000$ or 258,000 premium barrels*) with a minimum premium owed to the DOE of 232,200 sour barrels.

All sour crude oil returned to the SPR must meet the specifications in Attachment A. The Contractor should make every effort practical to return 100% of the oil quantity delivered however must return at least 90% of the actual crude oil volume received plus the calculated premium to the designated SPR site.

6. GOVERNMENT NON-LIABILITY/ CONTRACTOR LIABILITY –

Contractor covenants that it will defend, indemnify and save and hold harmless the Government, its officers, agents, and employees for and from any and all liability or claims for damages to property or injuries to or death of persons which may arise from or be incident to the use of the exchange oil, or for damages to the property or injuries to the person of Contractor (if an individual), or damages to the property or injuries to or death of the person of Contractor's officers, agents, servants, employees, or others who may be on said premises at their invitation or the invitation of any one of them, arising from exchange activities.

Contractor further covenants that any property of the Government lost, damaged or destroyed incident to Contractor's use of the exchange oil shall be promptly replaced by Contractor to the satisfaction of the Contracting Officer, or in lieu of such replacement Contractor shall, if so required by the said officer, pay to the Government money in an amount sufficient to compensate for the loss sustained by the Government by reason loss, damage or destruction of the property.

7. NOTICES – No notice, order, direction, determination, requirement, consent, or approval under this Exchange Agreement shall be of any effect unless in writing. All notices required under this Exchange Agreement shall be addressed to Contractor, or to the Contracting Officer, as may be appropriate.

8. COMMUNICATIONS – Notices and other communications provided for herein shall be in writing and shall be delivered or mailed as follows:

Delivery and or Return:

For coordination of pipeline schedules and operations contact Chuck Costanza at (504) 473-9975 or Bradley Bauer (504)234-0145 and email to FFPOCOL@spr.doe.gov. All communications sent via need to include FFPOCOL@spr.doe.gov. Contractual issues shall be addressed with the Department of Energy’s Contracting Officer, Mary C. Roark, at (504) 734-4195.

9. EXAMINATION OF RECORDS BY THE GOVERNMENT – Contractor agrees that the Government or any of its duly authorized representatives shall, until the expiration of three years after final payment under this agreement, have access to and the right to examine any books, documents, paper, and records of the Contractor involving transactions related to this agreement or compliance with any clauses thereunder.
10. CHANGES – The Contracting Officer may, at any time, without notice to the Letter of Credit guarantee(s), by written order designated or indicated to be a change order, or verbal direction followed by written order, make changes within the terms and conditions of the contract, including but not limited to the following changes-
- a. In the volume to be delivered to the Contractor or returned to the SPR.
 - b. To the delivery period for issuance of SPR crude oil or for return of barrels back to the SPR.
 - c. In the type of crude oil to be returned to the SPR.
 - d. To delivery mode of crude oil coming out of the SPR or return oil.
 - e. In the delivery point(s) of return oil to the SPR.

Any other written or oral order (which, as used in this paragraph, includes direction, instruction, interpretation, or determination) from the Contracting Officer that causes a change shall be treated as a change order under this provision; Provided, that the Contractor gives the Contracting Officer written notice stating –

- a. The date, circumstances, and source of the order, and
- b. That the Contractor regards the order as a change order.

If any change under this provision causes an increase or decrease in the Contractor’s cost of, or the time required for, the performance of any part of the performance under this contract, whether or not changed by any such order, the Contracting Officer shall make an equitable adjustment and modify the contract in writing.

The contractor must assert its right to an adjustment under this provision within 30 calendar days after notification of the change.

11. NATIONAL AND OPERATIONAL EMERGENCIES – Return oil deliveries to the DOE may be rescheduled or redirected upon the determination of a national or DOE operational emergency. A negotiated adjustment to the contract will be made as a result of this direction. However, should the parties fail to reach a settlement, the Government shall establish an equitable adjustment subject to the Provision entitled “Disputes.”
12. DEFAULT –
 - a. The Government may, by written notice of default to the Customer, terminate this contract in whole or in part if the Contractor fails to -
 - (1) Receive SPR crude oil within the time specified in this contract or any extension;
 - (2) Make progress in scheduling of contracted deliveries, so as to endanger performance of this contract; or
 - (3) Perform any of the other provisions of this contract.
 - b. The rights and remedies of the Government in this clause are in addition to any other rights and remedies provided by law or under this contract.
13. TERMINATION FOR THE CONVENIENCE OF THE GOVERNMENT – The Contracting Officer, by written notice, may terminate this contract, in whole or in part, when it is in the Government’s interest. If this contract is terminated, the Government shall be liable only for reasonable, customary and applicable costs incurred by the Customer before the effective date of termination, but shall not be liable for consequential damages or the contractor’s lost profits.
14. EXCUSABLE DELAYS
 - a. In the event either party should be prevented from performing under this contract by reason of any unforeseeable cause beyond its control and without its fault or negligence, including, but not restricted to, acts of God or of the public enemy, sovereign acts of the United States, acts of a foreign Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, performance under the contract shall be suspended in whole or in part until such cause ceases to exist and thereafter the time for fulfillment of the contract shall be extended by the length of time during which such cause prevented performance under the contract.
 - b. In order for this provision to become operative, the party to the contract affected by the excusable delay condition shall furnish the other party with written notice of the nature and extent of the excusable delay condition promptly after the commencement thereof, but in any event prior to shipment of the crude oil from the location from which it is to

be shipped. Written notice shall be furnished within ten (10) calendar days to the other party when the excusable delay condition ceases to exist.

15. FORCE MAJEURE – Force Majeure means, except for payment due hereunder, either party hereto shall be relieved from liability for failure to perform hereunder for the duration and to the extent such failure is occasioned by war, riots, insurrections, fire, explosions, sabotage, strikes, and other labor or industrial disturbances, acts of God or the elements, disruption or mechanical breakdown of production or transportation facilities, or delays of pipeline carrier in receiving and delivering crude oil tendered. Any such failures to perform shall be remedied with all reasonable dispatch.

As employed herein, the term “party”, as it relates to the Contractor, shall not include affiliated business concerns or individuals if, directly or indirectly, (1) either one controls or can control the other, or (2) a third party controls or can control both.

16. DISPUTES –

- a. This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. Section 601 et seq.). If a dispute arises relating to the contract, the Customer may submit a claim to the Contracting Officer, who shall issue a written decision on the dispute in the manner specified in 48 CFR 1-33.211.
- b. “Claim” means:
- (1) A written request submitted to the Contracting Officer;
 - (2) For payment of money, adjustment of contract terms, or other relief;
 - (3) Which is in dispute or remains unresolved after a reasonable time for its review and disposition by the Government; and
 - (4) For which a Contracting Officer’s decision is demanded.
- c. In the case of dispute requests or amendments to such requests for payment exceeding \$100,000, the Customer shall certify at the time of submission as a claim, as follows:

I certify that the claim is made in good faith, that the supporting data are current, accurate and complete to the best of my knowledge and belief and that the amount requested accurately reflects the contract adjustment for which the Customer believes the Government is liable.

Customer’s Name _____
Signature _____
Title _____

- d. The Government shall pay to the Customer interest on the amount found due to the Customer on claims submitted under this provision at the rate established by the Department of the Treasury from the date the amount is due until the Government makes payment. The Contract Disputes Act of 1978, as amended, and the Prompt

Payment Act adopt the interest rate established by the Secretary of the Treasury under the Renegotiation Act as the basis for computing interest on money owed by the Government. This rate is published semi-annually in the Federal Register.

- e. The Customer shall pay to the Government interest on the amount found due to the Government and unpaid on claims submitted under this provision at the rate specified in Paragraph d. above from the date the amount is due until the Customer makes payment.
- f. The decision of the Contracting Officer shall be final and conclusive and shall not be subject to review by any forum, tribunal, or Government agency unless an appeal or action is commenced within the times specified by the Contract Disputes Act of 1978, as amended.
- g. The Customer shall comply with any decision of the Contracting Officer and at the direction of the Contracting Officer shall proceed diligently with performance of this contract pending final resolution of any request for relief, claim, appeal, or action related to this contract.

17. OIL QUALITY – The Contractor shall be responsible for variations in oil quality exceeding the limits set forth below upon the return of the oil to the Government. The reference basis shall be the weighted average sour results of the laboratory tests conducted by the Government for API gravity and Sulfur weight percent taken when custody originally passed to the Contractor. Please note, the DOE will not be liable for any quality differential for Return Oil delivered to the SPR.

- a. Quality differentials will be calculated by utilizing the Quality tables in Attachment D. The allowable variations from the common quality for crude oil deliveries are defined as:

Allowable Quality Variations

<u>QUALITY</u>	<u>DOE CRUDE OIL (CATEGORY)</u>	
	<u>SWEET</u>	<u>SOUR</u>
Gravity - API°	-0.5	-0.5
Sulfur - Wt%	+0.10	+0.10

- b. API Gravity between 40.0 and 45.0: No quality differential shall be assessed.
- c. API Gravity between 35.0 and 40.0: Adjustment for Sour crude oil is 2¢ per barrel for each degree (1.0°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded. Specifically, computed API Gravity excess variances for each cargo, reported in API Gravity 0.1° increments, shall be rounded up to the next whole 1.0° API.

- d. API Gravity below 35.0: Adjustment for Sour crude oil is 1.5¢ per barrel for each tenth of a degree (0.1°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded.
- e. Total Sulfur: 1.0¢ per barrel for each 1/100th percent (0.01%) increase/decrease in total sulfur by which the allowable variations set forth above are exceeded.
- f. If crude oil delivered to the DOE falls below the minimum SPR specification for API Gravity, or above the maximum DOE specification for sulfur, as defined in Attachment A, a quality differential adjustment shall be applied without a variance allowance on that portion exceeding the specification limit.

There is a limit of 0.1% freewater on delivery to the SPR as measured either by contractor's shore tank or on the vessel prior to discharge into tanks designated for DOE receipts. The inspector's gauges, witnessed by the DOE representative, either on the vessel at the dock facility or terminal shore tank, will be the method used to determine the final freewater barrel amount. This clause is effective in conjunction with the Water and Sediment [Vol.%] maximum limit of 1.0% as stated in Attachment A; e.g., a 500,000 barrel oil delivery to the SPR is limited to 1.0% S&W (5,000 barrels), of which a maximum of 0.1% (500 barrels) can be freewater. Contractor is responsible for all costs associated with removal of excess freewater. Exceeding the freewater limitations specified herein will result in the cargo being rejected.

18. SCHEDULING OF OIL MOVEMENTS – Contractor shall schedule all oil deliveries through the appropriate commercial pipeline and marine terminal facilities, ensuring that it has coordinated the deliveries with the SPR.

For marine deliveries, the Contractor shall provide a working schedule to the DOE not later than the fifteenth day of the month prior to the month in which deliveries will be made (e.g. by April 15 for May deliveries). This working schedule will contain total monthly volumes and the approximate delivery dates and quantities for each month of delivery. No later than seven business days prior to each delivery, the Contractor shall provide vessel name, vessel quality data, the expected date of arrival, the volume to be delivered, vessel agents and any other pertinent information that may be needed. The SPR will provide a Nomination-Confirmation Form (Attachment E). The Contractor shall complete the yellow highlighted areas and return the form in the time frame defined above.

The Contractor, or its designated agent, shall provide pre-arrival notices 72 hours, 48 hours and 24 hours prior to discharge to both the DOE and the discharge terminal.

For pipeline deliveries, the Contractor shall make necessary arrangements with the commercial pipelines connected to the DOE or its interconnecting pipelines. Nomination information regarding these deliveries shall be provided to the DOE not later than fifteen calendar days prior to the month in which deliveries will be made. The minimum cargo size per this agreement shall be no less than 250MB.

Note 1: It is the responsibility of the offerors to confirm these specifications prior to nominations to insure most current information.

Note 2: Any barrels awarded under Notice of Sale No. DE-NS96-22PO10000 will have scheduling priority over cargoes underneath this agreement if applicable.

19. SPR Oil Quality

The quality characteristics of the crude oil stream offered in the exchange are those cited in the Strategic Petroleum Reserve Crude Oil Assays.

This crude oil quality data is a weighted average composition of the specific caverns that comprise the streams offered in the exchange. Although a specific crude oil benchmark is referenced; SPR inventory contains a blend of domestic and global crude including Isthmus, Urals, Alaskan North Slope, Arabian Light, Saharan, and Dubai with segregation by Sweet and Sour storage caverns. The SPR has observed H₂S concentration (which is found naturally in crude oil) greater than 10 ppm in liquid in some crude batches. Measurements of H₂S in vapor space can be orders of magnitude higher than in liquid and difficult to measure due to factors in handling, weather, etc. OSHA provides guidelines on appropriate safety precautions and equipment if crude is handled openly, spilled, or released to the atmosphere. Offerors are encouraged to review the SPR Crude Oil Assay Manual, Crude Oil Safety Data Sheet, and the Strategic Petroleum Reserve Crude Oil Assays for more detailed oil stream composition and specifics so that conditions (such as the presence of H₂S) are expected and communicated downstream.

Note: Each SPR stream will be a blended average using several caverns. As a result, actual representative samples are not available prior to deliveries. Please refer to Crude Oil Assays which provides a weighted average composite profile of the stream.

20. DELIVERY AND RECEIPT DOCUMENTATION – All quantity and quality determinations shall be documented on the Material Inspection and Receiving Report (DD Form 250). See Attachment C-1 for copy of this form. The DD Form 250 shall be signed by the Customer's agent to acknowledge delivery and receipt of the quantity and quality of crude oil indicated. Copies of the completed DD Form 250, with applicable supporting documentation (i.e., metering or tank gauging tickets and appropriate calculation worksheets), shall be furnished to the Customer and/or the Customer's authorized representative after completion of delivery or receipts. Also, marine Bills of Lading or Pipeline Statements identifying crude type shipped shall be provided by the contractor.

The Customer shall provide written confirmation to the SPR, no later than seven calendar days prior to the scheduled date of each delivery under the contract, the name(s) of the authorized agent(s) given signature authority to sign/endorse the delivery documentation on the Customer's behalf. Any changes to this listing of names shall be provided to the SPR in writing no later than 72 hours before the first delivery to which such change applies. In the event that an independent surveyor (separate from the authorized signatory agent) is appointed by the Customer to witness the delivery operation (gauging, sampling, testing, etc.), written notification shall be provided to SPR, no later than 72 hours prior to the scheduled date of each applicable cargo delivery to or from the SPR.

Absence of the provision of the name(s) of bona fide agent(s) and the signature of such agent on the delivery documentation constitutes acceptance of the delivery quantity and quality as determined by the Government and/or its agents

21. RECONCILIATION – Within 30 days, barring any exceptions, after completion of the final scheduled delivery of exchange oil under the contract, any imbalances that may exist in the crude oil volumes agreed upon in the contract will be reconciled in the following manner:

If DOE receives an amount of exchange oil that exceeds the contracted return oil delivery volume, the Government will attempt to reconcile the imbalance through cash payments or other alternate means, as available. If reconciliation is by cash payment, the Contractor shall invoice the DOE based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250.

If the Contractor delivers a total volume of return oil which is less than the contracted quantity, the DOE will invoice the Contractor for the undelivered amount based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250. If no payment is received by the due date specified on the invoice, the applicable amount owed will be drawn against the Contractor's Payment and Performance Letter of Credit as described in Provision 4 of this contract.

Note: The cost value is derived from the data published in the Argus Americas Crude Oil Price Report. If no published prices are available, a mutually agreed upon price will be negotiated. Should the parties fail to reach a negotiated price, the Government shall determine a fair and reasonable price.

Contractor

The United States of America

By:

Name:

Title:



Corey Prologo
Director

By:

Name: Mary C Roark

Title: Contracting Officer



Robert Kreider
Director

ATTACHMENT A

STRATEGIC PETROLEUM RESERVE CRUDE OIL SPECIFICATIONS ^a (SPRO MAY 2020) ^{ε1}

CHARACTERISTIC	SOUR	SWEET	PRIMARY ASTM TEST METHOD ^b
API Gravity [°API]	30-45	30-45	D1298 or D5002
Total Sulfur [Mass %], max.	1.99	0.50	D4294
Pour Point [°C], max.	10	10	D97
Salt Content [Mass %], max.	0.050	0.050	D6470
Viscosity			
[cSt @ 15.6°C], max.	32	32	D445
[cSt @ 37.8°C], max.	13	13	
Vapor Pressure			
[VPCR4 (100°F) psia (kPa)] ^e , max.	9(62.1)	9(62.1)	D6377
Total Acid Number [mg KOH/g], max.	1.00	1.00	D664
Water and Sediment [Vol. %], max.	1.0	1.0	473 and D4006, or D4928
Yields [Vol. %]			D2892 and D5236 ^c
Naphtha [28-191°C]	24-30	21-42	
Distillate [191-327°C]	17-31	19-45	
Gas Oil [327-566°C]	26-38	20-42	
Residuum [>566°C]	10-19	14 max.	
Light Ends [Liquid Vol. %] ^d , max			
Methane (C ₁)	0.01	0.01	IP344 or ITM 6008
Ethane (C ₂)	0.1	0.1	
Propane (C ₃)	1.0	1.0	

^{ε1} This revision includes a limitation on light ends content (see Footnote ^d)

- ^a Marketable crude petroleum suitable for normal refinery processing and free of foreign contaminants or chemicals including, but not limited to, pour point depressants, chlorinated and oxygenated hydrocarbons, and lead.
- ^b Alternate methods may be used if approved by the contracting officer.
- ^c D 7169 data may be provided in requesting conditional acceptance of a crude oil. Distillation data according to D 2892 and D 5236 will still be necessary for final qualification of a crude oil's acceptance.
- ^d Light ends content specifications are interim and will be superseded if and when industry standards for light ends evaluation are implemented.
- ^e Vapor pressure changed to better reflect current domestic crude standards.

- NOTE 1: The Strategic Petroleum Reserve reserves the right to refuse to accept any crude oil which meets these specifications but is deemed to be incompatible with existing stocks, or which has the potential for adversely affecting handling.
- NOTE 2: The acceptability of any crude oil depends upon any assay typical of current production quality of the stream. Any crude oil offered to the Strategic Petroleum Reserve that meets these specifications may be subject to additional testing for acceptance.
- NOTE 3: All crude oil shipments received by the SPR are tested to ensure they meet specifications. Crude streams found consistently not meeting required specifications will be removed from the list of acceptable crude oils.

ATTACHMENT B

SAMPLE - PAYMENT AND PERFORMANCE LETTER OF CREDIT BANK LETTERHEAD IRREVOCABLE STANDBY LETTER OF CREDIT

Date: _____

To: U.S. Department of Energy
Strategic Petroleum Reserve
900 Commerce Road East
New Orleans, LA 70123
Attn: (Mary Roark)

AMOUNT OF LETTER OF CREDIT: U.S.\$ _____ (_____)

CONTRACTOR: _____

CONTRACT NO: 22PO0010 _____

LETTER OF CREDIT NO: _____

EXPIRATION DATE: November 30, 2024 _____

AMERICAN BANKERS ASSOCIATION (ABA) NO: _____

To whom it may concern:

We hereby establish in the U.S. Department of Energy's favor our irrevocable standby Letter of Credit effective immediately for the account of our customer's above contract with the U.S. Department of Energy for the exchange of Strategic Petroleum Reserve petroleum.

This letter of credit is available by your draft/s at sight, drawn on us and accompanied by a manually signed statement that the signer is an authorized representative of the Department of Energy, and one or more of the following statements:

- a. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO RECEIVE THE SPR CRUDE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."
- b. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO DELIVER RETURN EXCHANGE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."
- c. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO MAKE FINAL RECONCILIATION PAYMENT IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."

Drafts must be presented for payment on or before the expiration date of this Letter of Credit at our bank. The Government may make multiple drafts against this Letter of Credit.

Upon receipt of the U.S. Department of Energy's demand by hand, mail express delivery, or other means, at our office located at _____, we will honor the demand and make payment, by 3 p.m. Eastern Time of the third business day following receipt of the demand by wire transfer of funds as a deposit to the account of the U.S. Treasury over the Fedwire Funds Service. The information to be included in each transfer will be as provided in the above referenced contract.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision, International Chamber of Commerce Publication no. 600) and except as may be inconsistent therewith, to the Uniform Commercial Code in effect on the date of issuance of this Letter of Credit in the state in which the issuer's head office within the United States is located.

We hereby agree with you that all drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation and delivery of the above documents for payment at our bank on or before the expiration date.

In the event of a bankruptcy filing by the applicant prior to the expiration date of this letter of credit, the expiration date of this letter of credit will automatically be extended by one hundred twenty (120) calendar days from the expiration date.

Address all communications regarding this Letter of Credit to (name and phone number).

Very truly yours,

(Authorized Signature)

(Typed Name and Title)

INSTRUCTIONS FOR PAYMENT AND PERFORMANCE GUARANTEE LETTER OF CREDIT

1. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible – Settlement-only.
2. Letter of Credit must not vary in substance from this attachment. Provide a copy of this attachment to your bank.
3. Banks shall fill in blanks EXCEPT those in the drawing statements. **The drawing statements are in bold print.**
4. Type name and title under authorized signature and provide documentation of authorized signature.

ATTACHMENT C-1 DD FORM 250

MATERIAL INSPECTION AND RECEIVING REPORT DD Form 250, AUG 2000

MATERIAL INSPECTION AND RECEIVING REPORT						FORM APPROVED OMB No. 0704-0248
The public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports, (0704-0248), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0248), Washington, DC 20503. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.						
PLEASE DO NOT RETURN YOUR COMPLETED FORM TO EITHER OF THESE ADDRESSES. SEND THIS FORM IN ACCORDANCE WITH THE INSTRUCTIONS CONTAINED IN THE DFARS, APPENDIX F-401.						
1. PROCUREMENT INSTRUMENT IDENTIFICATION (CONTRACT) NO.		(ORDER) NO.		6. INVOICE NO./DATE		7. PAGE OF
DOE OWNED CRUDE OIL						1 1
2. SHIPMENT NO.		3. DATE SHIPPED		4. B/L		5. DISCOUNT TERMS
				TCN		
9. PRIME CONTRACTOR CODE		10. ADMINISTERED BY		CODE		
Fluor Federal Petroleum Operations 850 S. Clearview Pkwy. New Orleans, LA 70123		DEPARTMENT OF ENERGY STRATEGIC PETROLEUM RESERVE PROJECT MANAGEMENT OFFICE				
11 SHIPPED FROM (If other than 9)		CODE FOB:		12. PAYMENT WILL BE MADE BY		CODE
13. SHIPPED TO		CODE		14. MARKED FOR		CODE
15 ITEM NO.	16. STOCK/PART NO.	DESCRIPTION	17. QUANTITY SHIP/REC'D *	18. UNIT	19. UNIT PRICE	20. AMOUNT
-	Gross		NET @ 60° F.	BARRELS		
21. CONTRACT QUALITY ASSURANCE a. ORIGIN <input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or in supporting documents.			b. DESTINATION <input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or on supporting documents.			22. RECEIVER'S USE Quantities shown in column 17 were received in apparent good condition except as noted.
DATE SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		DATE SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		DATE RECEIVED SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		
TYPED NAME: TITLE: MAILING ADDRESS:		TYPED NAME: TITLE: MAILING ADDRESS:		TYPED NAME: TITLE: MAILING ADDRESS:		
COMMERCIAL TELEPHONE NUMBER:		COMMERCIAL TELEPHONE NUMBER:		COMMERCIAL TELEPHONE NUMBER:		
*If quantity received by the Government is the same as quantity shipped, indicate by (x) mark; if different, enter actual quantity received below quantity shipped and encircle.						
23. CONTRACTOR USE ONLY:						

ATTACHMENT D Quality Adjustment Tables

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM							
API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
10.0	1.250	16.0	2.150	22.0	3.050	28.0	3.950
10.1	1.265	16.1	2.165	22.1	3.065	28.1	3.965
10.2	1.280	16.2	2.180	22.2	3.080	28.2	3.980
10.3	1.295	16.3	2.195	22.3	3.095	28.3	3.995
10.4	1.310	16.4	2.210	22.4	3.110	28.4	4.010
10.5	1.325	16.5	2.225	22.5	3.125	28.5	4.025
10.6	1.340	16.6	2.240	22.6	3.140	28.6	4.040
10.7	1.355	16.7	2.255	22.7	3.155	28.7	4.055
10.8	1.370	16.8	2.270	22.8	3.170	28.8	4.070
10.9	1.385	16.9	2.285	22.9	3.185	28.9	4.085
11.0	1.400	17.0	2.300	23.0	3.200	29.0	4.100
11.1	1.415	17.1	2.315	23.1	3.215	29.1	4.115
11.2	1.430	17.2	2.330	23.2	3.230	29.2	4.130
11.3	1.445	17.3	2.345	23.3	3.245	29.3	4.145
11.4	1.460	17.4	2.360	23.4	3.260	29.4	4.160
11.5	1.475	17.5	2.375	23.5	3.275	29.5	4.175
11.6	1.490	17.6	2.390	23.6	3.290	29.6	4.190
11.7	1.505	17.7	2.405	23.7	3.305	29.7	4.205
11.8	1.520	17.8	2.420	23.8	3.320	29.8	4.220
11.9	1.535	17.9	2.435	23.9	3.335	29.9	4.235
12.0	1.550	18.0	2.450	24.0	3.350	30.0	4.250
12.1	1.565	18.1	2.465	24.1	3.365	30.1	4.265
12.2	1.580	18.2	2.480	24.2	3.380	30.2	4.280
12.3	1.595	18.3	2.495	24.3	3.395	30.3	4.295
12.4	1.610	18.4	2.510	24.4	3.410	30.4	4.310
12.5	1.625	18.5	2.525	24.5	3.425	30.5	4.325
12.6	1.640	18.6	2.540	24.6	3.440	30.6	4.340
12.7	1.655	18.7	2.555	24.7	3.455	30.7	4.355
12.8	1.670	18.8	2.570	24.8	3.470	30.8	4.370
12.9	1.685	18.9	2.585	24.9	3.485	30.9	4.385
13.0	1.700	19.0	2.600	25.0	3.500	31.0	4.400
13.1	1.715	19.1	2.615	25.1	3.515	31.1	4.415
13.2	1.730	19.2	2.630	25.2	3.530	31.2	4.430
13.3	1.745	19.3	2.645	25.3	3.545	31.3	4.445
13.4	1.760	19.4	2.660	25.4	3.560	31.4	4.460
13.5	1.775	19.5	2.675	25.5	3.575	31.5	4.475
13.6	1.790	19.6	2.690	25.6	3.590	31.6	4.490
13.7	1.805	19.7	2.705	25.7	3.605	31.7	4.505
13.8	1.820	19.8	2.720	25.8	3.620	31.8	4.520
13.9	1.835	19.9	2.735	25.9	3.635	31.9	4.535
14.0	1.850	20.0	2.750	26.0	3.650	32.0	4.550
14.1	1.865	20.1	2.765	26.1	3.665	32.1	4.565
14.2	1.880	20.2	2.780	26.2	3.680	32.2	4.580
14.3	1.895	20.3	2.795	26.3	3.695	32.3	4.595
14.4	1.910	20.4	2.810	26.4	3.710	32.4	4.610
14.5	1.925	20.5	2.825	26.5	3.725	32.5	4.625
14.6	1.940	20.6	2.840	26.6	3.740	32.6	4.640
14.7	1.955	20.7	2.855	26.7	3.755	32.7	4.655
14.8	1.970	20.8	2.870	26.8	3.770	32.8	4.670
14.9	1.985	20.9	2.885	26.9	3.785	32.9	4.685
15.0	2.000	21.0	2.900	27.0	3.800	33.0	4.700
15.1	2.015	21.1	2.915	27.1	3.815	33.1	4.715
15.2	2.030	21.2	2.930	27.2	3.830	33.2	4.730
15.3	2.045	21.3	2.945	27.3	3.845	33.3	4.745
15.4	2.060	21.4	2.960	27.4	3.860	33.4	4.760
15.5	2.075	21.5	2.975	27.5	3.875	33.5	4.775
15.6	2.090	21.6	2.990	27.6	3.890	33.6	4.790
15.7	2.105	21.7	3.005	27.7	3.905	33.7	4.805
15.8	2.120	21.8	3.020	27.8	3.920	33.8	4.820
15.9	2.135	21.9	3.035	27.9	3.935	33.9	4.835

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM

API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
34.0	4.850	40.0	5.100	46.0	4.950	52.0	4.050
34.1	4.865	40.1	5.100	46.1	4.935	52.1	4.035
34.2	4.880	40.2	5.100	46.2	4.920	52.2	4.020
34.3	4.895	40.3	5.100	46.3	4.905	52.3	4.005
34.4	4.910	40.4	5.100	46.4	4.890	52.4	3.990
34.5	4.925	40.5	5.100	46.5	4.875	52.5	3.975
34.6	4.940	40.6	5.100	46.6	4.860	52.6	3.960
34.7	4.955	40.7	5.100	46.7	4.845	52.7	3.945
34.8	4.970	40.8	5.100	46.8	4.830	52.8	3.930
34.9	4.985	40.9	5.100	46.9	4.815	52.9	3.915
35.0	5.000	41.0	5.100	47.0	4.800	53.0	3.900
35.1	5.000	41.1	5.100	47.1	4.785	53.1	3.885
35.2	5.000	41.2	5.100	47.2	4.770	53.2	3.870
35.3	5.000	41.3	5.100	47.3	4.755	53.3	3.855
35.4	5.000	41.4	5.100	47.4	4.740	53.4	3.840
35.5	5.000	41.5	5.100	47.5	4.725	53.5	3.825
35.6	5.000	41.6	5.100	47.6	4.710	53.6	3.810
35.7	5.000	41.7	5.100	47.7	4.695	53.7	3.795
35.8	5.000	41.8	5.100	47.8	4.680	53.8	3.780
35.9	5.000	41.9	5.100	47.9	4.665	53.9	3.765
36.0	5.020	42.0	5.100	48.0	4.650	54.0	3.750
36.1	5.020	42.1	5.100	48.1	4.635	54.1	3.735
36.2	5.020	42.2	5.100	48.2	4.620	54.2	3.720
36.3	5.020	42.3	5.100	48.3	4.605	54.3	3.705
36.4	5.020	42.4	5.100	48.4	4.590	54.4	3.690
36.5	5.020	42.5	5.100	48.5	4.575	54.5	3.675
36.6	5.020	42.6	5.100	48.6	4.560	54.6	3.660
36.7	5.020	42.7	5.100	48.7	4.545	54.7	3.645
36.8	5.020	42.8	5.100	48.8	4.530	54.8	3.630
36.9	5.020	42.9	5.100	48.9	4.515	54.9	3.615
37.0	5.040	43.0	5.100	49.0	4.500	55.0	3.600
37.1	5.040	43.1	5.100	49.1	4.485		
37.2	5.040	43.2	5.100	49.2	4.470		
37.3	5.040	43.3	5.100	49.3	4.455		
37.4	5.040	43.4	5.100	49.4	4.440		
37.5	5.040	43.5	5.100	49.5	4.425		
37.6	5.040	43.6	5.100	49.6	4.410		
37.7	5.040	43.7	5.100	49.7	4.395		
37.8	5.040	43.8	5.100	49.8	4.380		
37.9	5.040	43.9	5.100	49.9	4.365		
38.0	5.060	44.0	5.100	50.0	4.350		
38.1	5.060	44.1	5.100	50.1	4.335		
38.2	5.060	44.2	5.100	50.2	4.320		
38.3	5.060	44.3	5.100	50.3	4.305		
38.4	5.060	44.4	5.100	50.4	4.290		
38.5	5.060	44.5	5.100	50.5	4.275		
38.6	5.060	44.6	5.100	50.6	4.260		
38.7	5.060	44.7	5.100	50.7	4.245		
38.8	5.060	44.8	5.100	50.8	4.230		
38.9	5.060	44.9	5.100	50.9	4.215		
39.0	5.080	45.0	5.100	51.0	4.200		
39.1	5.080	45.1	5.085	51.1	4.185		
39.2	5.080	45.2	5.070	51.2	4.170		
39.3	5.080	45.3	5.055	51.3	4.155		
39.4	5.080	45.4	5.040	51.4	4.140		
39.5	5.080	45.5	5.025	51.5	4.125		
39.6	5.080	45.6	5.010	51.6	4.110		
39.7	5.080	45.7	4.995	51.7	4.095		
39.8	5.080	45.8	4.980	51.8	4.080		
39.9	5.080	45.9	4.965	51.9	4.065		

For API GRAVITY values above 55.0° API the differential continues to decline 0.015/bbl. per 0.1° API GRAVITY.

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
0.00	1.000	0.60	1.600	1.20	2.200	1.80	2.800	2.40	3.400
0.01	1.010	0.61	1.610	1.21	2.210	1.81	2.810	2.41	3.410
0.02	1.020	0.62	1.620	1.22	2.220	1.82	2.820	2.42	3.420
0.03	1.030	0.63	1.630	1.23	2.230	1.83	2.830	2.43	3.430
0.04	1.040	0.64	1.640	1.24	2.240	1.84	2.840	2.44	3.440
0.05	1.050	0.65	1.650	1.25	2.250	1.85	2.850	2.45	3.450
0.06	1.060	0.66	1.660	1.26	2.260	1.86	2.860	2.46	3.460
0.07	1.070	0.67	1.670	1.27	2.270	1.87	2.870	2.47	3.470
0.08	1.080	0.68	1.680	1.28	2.280	1.88	2.880	2.48	3.480
0.09	1.090	0.69	1.690	1.29	2.290	1.89	2.890	2.49	3.490
0.10	1.100	0.70	1.700	1.30	2.300	1.90	2.900	2.50	3.500
0.11	1.110	0.71	1.710	1.31	2.310	1.91	2.910	2.51	3.510
0.12	1.120	0.72	1.720	1.32	2.320	1.92	2.920	2.52	3.520
0.13	1.130	0.73	1.730	1.33	2.330	1.93	2.930	2.53	3.530
0.14	1.140	0.74	1.740	1.34	2.340	1.94	2.940	2.54	3.540
0.15	1.150	0.75	1.750	1.35	2.350	1.95	2.950	2.55	3.550
0.16	1.160	0.76	1.760	1.36	2.360	1.96	2.960	2.56	3.560
0.17	1.170	0.77	1.770	1.37	2.370	1.97	2.970	2.57	3.570
0.18	1.180	0.78	1.780	1.38	2.380	1.98	2.980	2.58	3.580
0.19	1.190	0.79	1.790	1.39	2.390	1.99	2.990	2.59	3.590
0.20	1.200	0.80	1.800	1.40	2.400	2.00	3.000	2.60	3.600
0.21	1.210	0.81	1.810	1.41	2.410	2.01	3.010	2.61	3.610
0.22	1.220	0.82	1.820	1.42	2.420	2.02	3.020	2.62	3.620
0.23	1.230	0.83	1.830	1.43	2.430	2.03	3.030	2.63	3.630
0.24	1.240	0.84	1.840	1.44	2.440	2.04	3.040	2.64	3.640
0.25	1.250	0.85	1.850	1.45	2.450	2.05	3.050	2.65	3.650
0.26	1.260	0.86	1.860	1.46	2.460	2.06	3.060	2.66	3.660
0.27	1.270	0.87	1.870	1.47	2.470	2.07	3.070	2.67	3.670
0.28	1.280	0.88	1.880	1.48	2.480	2.08	3.080	2.68	3.680
0.29	1.290	0.89	1.890	1.49	2.490	2.09	3.090	2.69	3.690
0.30	1.300	0.90	1.900	1.50	2.500	2.10	3.100	2.70	3.700
0.31	1.310	0.91	1.910	1.51	2.510	2.11	3.110	2.71	3.710
0.32	1.320	0.92	1.920	1.52	2.520	2.12	3.120	2.72	3.720
0.33	1.330	0.93	1.930	1.53	2.530	2.13	3.130	2.73	3.730
0.34	1.340	0.94	1.940	1.54	2.540	2.14	3.140	2.74	3.740
0.35	1.350	0.95	1.950	1.55	2.550	2.15	3.150	2.75	3.750
0.36	1.360	0.96	1.960	1.56	2.560	2.16	3.160	2.76	3.760
0.37	1.370	0.97	1.970	1.57	2.570	2.17	3.170	2.77	3.770
0.38	1.380	0.98	1.980	1.58	2.580	2.18	3.180	2.78	3.780
0.39	1.390	0.99	1.990	1.59	2.590	2.19	3.190	2.79	3.790
0.40	1.400	1.00	2.000	1.60	2.600	2.20	3.200	2.80	3.800
0.41	1.410	1.01	2.010	1.61	2.610	2.21	3.210	2.81	3.810
0.42	1.420	1.02	2.020	1.62	2.620	2.22	3.220	2.82	3.820
0.43	1.430	1.03	2.030	1.63	2.630	2.23	3.230	2.83	3.830
0.44	1.440	1.04	2.040	1.64	2.640	2.24	3.240	2.84	3.840
0.45	1.450	1.05	2.050	1.65	2.650	2.25	3.250	2.85	3.850
0.46	1.460	1.06	2.060	1.66	2.660	2.26	3.260	2.86	3.860
0.47	1.470	1.07	2.070	1.67	2.670	2.27	3.270	2.87	3.870
0.48	1.480	1.08	2.080	1.68	2.680	2.28	3.280	2.88	3.880
0.49	1.490	1.09	2.090	1.69	2.690	2.29	3.290	2.89	3.890
0.50	1.500	1.10	2.100	1.70	2.700	2.30	3.300	2.90	3.900
0.51	1.510	1.11	2.110	1.71	2.710	2.31	3.310	2.91	3.910
0.52	1.520	1.12	2.120	1.72	2.720	2.32	3.320	2.92	3.920
0.53	1.530	1.13	2.130	1.73	2.730	2.33	3.330	2.93	3.930
0.54	1.540	1.14	2.140	1.74	2.740	2.34	3.340	2.94	3.940
0.55	1.550	1.15	2.150	1.75	2.750	2.35	3.350	2.95	3.950
0.56	1.560	1.16	2.160	1.76	2.760	2.36	3.360	2.96	3.960
0.57	1.570	1.17	2.170	1.77	2.770	2.37	3.370	2.97	3.970
0.58	1.580	1.18	2.180	1.78	2.780	2.38	3.380	2.98	3.980
0.59	1.590	1.19	2.190	1.79	2.790	2.39	3.390	2.99	3.990

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
3.00	4.000	3.60	4.600
3.01	4.010	3.61	4.610
3.02	4.020	3.62	4.620
3.03	4.030	3.63	4.630
3.04	4.040	3.64	4.640
3.05	4.050	3.65	4.650
3.06	4.060	3.66	4.660
3.07	4.070	3.67	4.670
3.08	4.080	3.68	4.680
3.09	4.090	3.69	4.690
3.10	4.100	3.70	4.700
3.11	4.110	3.71	4.710
3.12	4.120	3.72	4.720
3.13	4.130	3.73	4.730
3.14	4.140	3.74	4.740
3.15	4.150	3.75	4.750
3.16	4.160	3.76	4.760
3.17	4.170	3.77	4.770
3.18	4.180	3.78	4.780
3.19	4.190	3.79	4.790
3.20	4.200	3.80	4.800
3.21	4.210	3.81	4.810
3.22	4.220	3.82	4.820
3.23	4.230	3.83	4.830
3.24	4.240	3.84	4.840
3.25	4.250	3.85	4.850
3.26	4.260	3.86	4.860
3.27	4.270	3.87	4.870
3.28	4.280	3.88	4.880
3.29	4.290	3.89	4.890
3.30	4.300	3.90	4.900
3.31	4.310	3.91	4.910
3.32	4.320	3.92	4.920
3.33	4.330	3.93	4.930
3.34	4.340	3.94	4.940
3.35	4.350	3.95	4.950
3.36	4.360	3.96	4.960
3.37	4.370	3.97	4.970
3.38	4.380	3.98	4.980
3.39	4.390	3.99	4.990
3.40	4.400	4.00	5.000
3.41	4.410		
3.42	4.420		
3.43	4.430		
3.44	4.440		
3.45	4.450		
3.46	4.460		
3.47	4.470		
3.48	4.480		
3.49	4.490		
3.50	4.500		
3.51	4.510		
3.52	4.520		
3.53	4.530		
3.54	4.540		
3.55	4.550		
3.56	4.560		
3.57	4.570		
3.58	4.580		
3.59	4.590		

For Sulfur Values
above 4.00%, the
differential continues
to increase 0.01/BBL
per 0.01 Percent
Sulfur

ATTACHMENT E
Nomination-Confirmation Form

STRATEGIC PETROLEUM RESERVE
NOMINATION - CONFIRMATION

SPR Operations Fluor Federal Petroleum Operations New Orleans, Louisiana FFPOCOL@SPR.DOE.GOV	<u>Scheduler</u> (504) 473-9975 <u>Quantity and Quality</u> (504) 722-6146
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****The following information must be provided by the contractor****

Submission Date: [Click here to enter a date](#), Submission Type: Original Nomination

Contract No.: Enter Contract Number
 Contractor: Enter Contractor Name
 Address: Enter Address
 City, State, Zip

Contractor Contact Information

Primary Contact: Primary Contact Name	Alternate: Alternate Contact Name
Office: Office Phone	Office: Office Phone
Cell: Cell Phone	Cell: Cell Phone
Email: Email Address	Email: Email Address

CODR/DD250 Contractor Signatory Designee*: Signatory Designee Name
 Designee can be contractor office personnel, 3rd party inspection company, or chosen loss control representative*.
 Office: Office Phone
 Cell: Cell Phone
 Email: Email Address

Note: If multiple designees are to be used, please input "See Attached" and provide list to FFPOCOL@spr.doe.gov with nomination.

†Third Party Inspection Company Information

Company: 3rd Party Inspection Company
 Contact: 3rd Party Contact Name
 Contact Ned Scheppegrell for any questions on SPR 3rd party inspection and testing.

Nomination Information and Delivery Window (additional lines on following page)

<u>Delivery Window</u>	<u>Pipeline/Vessel</u>	<u>Volume (MB)</u>	<u>SPR Site</u>	<u>Destination</u>
Date:	Choose an item.	Volume	Site	
Date:	Choose an item.	Volume	Site	
Date:	Choose an item.	Volume	Site	
Date:	Choose an item.	Volume	Site	
Total Volume:		Total Volume		

The following information to be provided by SPR Operations Personnel

<u>Terminal Information</u>	<u>Custody Transfer Point</u>
Terminal: TBD	TBD
Contact:	<u>Quality Point</u>
Contact:	TBD
Contact:	<u>Quantity Point</u>
	TBD

**DEPARTMENT OF ENERGY
STRATEGIC PETROLEUM RESERVE (SPR)
OIL EXCHANGE AGREEMENT
22PO0011**

This Exchange Agreement, entered into this 25th day of January 2022, between the UNITED STATES OF AMERICA, acting by and through the Department of Energy, hereinafter referred to as the “GOVERNMENT” or “DOE” and Macquarie Commodities Trading US, LLC, hereinafter referred to as the “Contractor.”

WITNESSETH:

1. AUTHORITY – That the Secretary of Energy, under the authority of the Department of Energy Organization Act (42 U.S.C. 7101 *et seq.*) and sections 159(f)(5) and 160(a) of the Energy Policy and Conservation Act (42 U.S.C. 6239, 6240), having determined that the exchanging of crude oil will be advantageous to the Government and in the public interest, hereby enters into this agreement with the Contractor for the exchange of crude oil from the SPR.

2. CUSTODY TRANSFER –

Big Hill to Sun Tanks

Custody transfer quantity and quality measurements will be the Sun/DOE meter skid and inline sampler at the Sun Marine Terminal. Secondary measurement for quantity will be the Sun shore tank and quality based on manual grab samples taken at the Sun/DOE inline sampler. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and testing and perform testing if necessary.

The Government will deliver approximately 2,000,000 barrels (plus/minus 10%) of sour crude with an estimated API of 30.8 and an estimated sulfur of 1.43 from the Government’s Big Hill site to the contractor.

Return of oil to the SPR:

Sun Tanks to West Hackberry

Custody transfer quantity and quality measurements will be the DOE meter skid and sampler located at the fence line of the Sun Marine Terminal deliveries into the West Hackberry pipeline. Secondary measurement for quantity will be on the down-gauge on the Sun shore tank and quality based on manual grab samples taken at the Sun/DOE inline sampler. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector. Contractor shall have the right to have a representative

present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and testing and perform testing.

OR

Return from Seaway Freeport Dock to Bryan Mound

Primary custody transfer of quantity and quality will be based on the Seaway Freeport Terminal dock meter and in-line sampler.

Note: Vessel deliveries through Seaway (DOE) Freeport terminal must displace an initial linefill of approximately 3,000 barrels prior to delivery to the BM site. These initial linefill barrels will be excluded from the DD250. After completion of the tanker discharge, the remaining 3,000 barrels in the terminal line will be displaced to the Bryan Mound site by the following vessel at the terminal, with these barrels being included on the DD250. Only those barrels metered by Seaway Freeport Terminal dock and delivered to the Bryan Mound site shall be used for the custody volume on the DD250 delivery document. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector.

Secondary custody transfer quantity and quality measurements for the return of oil to the SPR shall be based on the Bryan Mound site meters and inline sampler. DD250 Quantity volumes shall be based on the physical thru-put barrels measured only while oil is being delivered to the Bryan Mound site. Vessel deliveries through Seaway (DOE) Freeport terminal must displace an initial linefill of approximately 3,000 barrels prior to delivery to the Bryan Mound site. These initial linefill barrels will be excluded from the DD250. After completion of the tanker discharge, the remaining 3,000 barrels in the terminal line will be displaced to the Bryan Mound site by the following vessel at the terminal, with these barrels being included on the DD250. Only those barrels metered by the Bryan Mound meters and delivered to the Bryan Mound site shall be used for the custody volume on the DD250 delivery document. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and testing and perform testing. All crude oil to be introduced into the SPR system will be tested for suitability per Attachment A. This may/will cause some delay in starting or pumping time.

All costs associated with the transportation of the exchange oil transferred from and to the SPR will be absorbed by the Contractor, to include but not be limited to, tariffs, marine shipment, pipeline shipment, U.S. Customs duties, harbor and environmental fees (including Texas Coastal protection fees), terminalling, demurrage and tankage charges.

3. TERM – The Government will use best efforts to fulfill exchange barrels as stated below:

Commence delivery in May 2022 with an objective to complete 2,000,000 barrels no later than June 30, 2022. If the prescribed volume is not taken by June 30, 2022, then the remainder will be considered undeliverable. If there is availability in the following month, and terms are mutually agreeable, remainder volume could be delivered on a best efforts basis.

Contractor shall return a total of 2,000,000 barrels plus applicable premium to the SPR as stated below:

Contractor shall return 1,100,000 barrels of exchange oil plus, premium barrels to the Bryan Mound SPR site during the months of June 2024 through September 2024.

Contractor shall return 900,000 barrels of exchange oil, plus premium barrels to the West Hackberry SPR site during the months of June 2024 – September 2024.

Contractor's oil return schedules must be approved by the Government prior to delivery. Also, see Provision 18 for additional scheduling requirements.

4. PAYMENT AND PERFORMANCE GUARANTEE – Within three (3) business days after receipt of award, the Contractor must provide to the Contracting Officer an acceptable “Irrevocable Standby Letter of Credit” established in favor of the United States Department of Energy to the Contracting Officer in the amount of \$161,320,000.00 with an expiration date of November 30, 2024. The letter must contain the substantive provisions set out in Attachment B, and be issued by a depository institution located in and authorized to do business in any state of the United States or the District of Columbia, and authorized to issue letters of credit by the banking laws of the United States or any state of the United States or the District of Columbia. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible-Settlement-only. The issuing bank must provide documentation indicating that the person(s) signing the letter of credit is authorized to do so, in the form of corporate minutes, the Authorized Signature List, or the General Resolution of Signature Authority. All wire deposit and letter of credit costs will be borne by the purchaser.

The letter of credit must be an “Irrevocable Standby Letter of Credit” and **MUST NOT VARY IN SUBSTANCE** from the sample in Attachment B. If the letter of credit contains any provisions at variance with Attachment B or fails to include any provisions contained in Attachment B, nonconforming provisions must be deleted and missing substantive provisions must be added or the letter of credit will not be accepted.

The blanks in Attachment B shall be filled in by the issuing bank, except those in the drawing statements. The drawing statements are in bold print with double underlines for the blanks. The double underlined blanks will be filled in only at the time of a drawing against the letter of credit.

Please submit an electronic copy to kelly.gele@spr.doe.gov.

Failure to provide the letter of credit shall constitute grounds for termination of the contract for default.

5. PAYMENT – Contractor agrees to a fixed 8.6% premium return of sour crude oil in addition to actual crude oil received from the SPR for those barrels that are to be returned to **Bryan Mound SPR site**.

The premium percentage will be applied to the barrels actually delivered to the contractor (*for example if the SPR delivers 1.1MMB NSV barrels, the premium would be 1.1MMB x 1.086 = 1,194,600 or 94,600 premium barrels*) with a minimum premium owed to the DOE of 85,140 sour barrels.

Contractor agrees to a fixed 8.6% premium return of sour crude oil in addition to actual crude oil received from the SPR for those barrels that are to be returned to **West Hackberry SPR** site. The premium percentage will be applied to the barrels actually delivered to the contractor (*for example if the SPR delivers 900MB NSV barrels, the premium would be 900MB x 1.086 = 977,400 or 77,400 premium barrels*) with a minimum premium owed to the DOE of 69,660 sour barrels.

All sour crude oil returned to the SPR must meet the specifications in Attachment A. The Contractor should make every effort practical to return 100% of the oil quantity delivered however must return at least 90% of the actual crude oil volume received plus the calculated premium to the designated SPR site.

6. GOVERNMENT NON-LIABILITY/ CONTRACTOR LIABILITY – Contractor covenants that it will defend, indemnify and save and hold harmless the Government, its officers, agents, and employees for and from any and all liability or claims for damages to property or injuries to or death of persons which may arise from or be incident to the use of the exchange oil, or for damages to the property or injuries to the person of Contractor (if an individual), or damages to the property or injuries to or death of the person of Contractor’s officers, agents, servants, employees, or others who may be on said premises at their invitation or the invitation of any one of them, arising from exchange activities.

Contractor further covenants that any property of the Government lost, damaged or destroyed incident to Contractor’s use of the exchange oil shall be promptly replaced by Contractor to the satisfaction of the Contracting Officer, or in lieu of such replacement Contractor shall, if so required by the said officer, pay to the Government money in an amount sufficient to compensate for the loss sustained by the Government by reason loss, damage or destruction of the property.

7. NOTICES – No notice, order, direction, determination, requirement, consent, or approval under this Exchange Agreement shall be of any effect unless in writing. All notices required under this Exchange Agreement shall be addressed to Contractor, or to the Contracting Officer, as may be appropriate.
8. COMMUNICATIONS – Notices and other communications provided for herein shall be in writing and shall be delivered or mailed as follows:

Delivery and or Return:

For coordination of pipeline schedules and operations contact Chuck Costanza at (504) 473-9975 or Bradley Bauer (504)234-0145 **and** email to **FFPOCOL@spr.doe.gov**. All communications sent via need to include **FFPOCOL@spr.doe.gov**. Contractual issues shall be addressed with the Department of Energy’s Contracting Officer, Kelly M. Gele, at (504) 734-4343.

9. EXAMINATION OF RECORDS BY THE GOVERNMENT – Contractor agrees that the Government or any of its duly authorized representatives shall, until the expiration of three years after final payment under this agreement, have access to and the right to examine any books, documents, paper, and records of the Contractor involving transactions related to this agreement or compliance with any clauses thereunder.

10. CHANGES – The Contracting Officer may, at any time, without notice to the Letter of Credit guarantee(s), by written order designated or indicated to be a change order, or verbal direction followed by written order, make changes within the terms and conditions of the contract, including but not limited to the following changes-
 - a. In the volume to be delivered to the Contractor or returned to the SPR.
 - b. To the delivery period for issuance of SPR crude oil or for return of barrels back to the SPR.
 - c. In the type of crude oil to be returned to the SPR.
 - d. To delivery mode of crude oil coming out of the SPR or return oil.
 - e. In the delivery point(s) of return oil to the SPR.

Any other written or oral order (which, as used in this paragraph, includes direction, instruction, interpretation, or determination) from the Contracting Officer that causes a change shall be treated as a change order under this provision; Provided, that the Contractor gives the Contracting Officer written notice stating –

- a. The date, circumstances, and source of the order, and
- b. That the Contractor regards the order as a change order.

If any change under this provision causes an increase or decrease in the Contractor's cost of, or the time required for, the performance of any part of the performance under this contract, whether or not changed by any such order, the Contracting Officer shall make an equitable adjustment and modify the contract in writing.

The contractor must assert its right to an adjustment under this provision within 30 calendar days after notification of the change.

11. NATIONAL AND OPERATIONAL EMERGENCIES – Return oil deliveries to the DOE may be rescheduled or redirected upon the determination of a national or DOE operational emergency. A negotiated adjustment to the contract will be made as a result of this direction. However, should the parties fail to reach a settlement, the Government shall establish an equitable adjustment subject to the Provision entitled "Disputes."

12. DEFAULT –

- a. The Government may, by written notice of default to the Customer, terminate this contract in whole or in part if the Contractor fails to -
 - (1) Receive SPR crude oil within the time specified in this contract or any extension;
 - (2) Make progress in scheduling of contracted deliveries, so as to endanger performance of this contract; or
 - (3) Perform any of the other provisions of this contract.
- b. The rights and remedies of the Government in this clause are in addition to any other rights and remedies provided by law or under this contract.

13. TERMINATION FOR THE CONVENIENCE OF THE GOVERNMENT – The Contracting Officer, by written notice, may terminate this contract, in whole or in part, when it is in the Government's interest. If this contract is terminated, the Government shall be liable only for reasonable, customary and applicable costs incurred by the Customer before the effective date of termination, but shall not be liable for consequential damages or the contractor's lost profits.

14. EXCUSABLE DELAYS

- a. In the event either party should be prevented from performing under this contract by reason of any unforeseeable cause beyond its control and without its fault or negligence, including, but not restricted to, acts of God or of the public enemy, sovereign acts of the United States, acts of a foreign Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, performance under the contract shall be suspended in whole or in part until such cause ceases to exist and thereafter the time for fulfillment of the contract shall be extended by the length of time during which such cause prevented performance under the contract.
- b. In order for this provision to become operative, the party to the contract affected by the excusable delay condition shall furnish the other party with written notice of the nature and extent of the excusable delay condition promptly after the commencement thereof, but in any event prior to shipment of the crude oil from the location from which it is to be shipped. Written notice shall be furnished within ten (10) calendar days to the other party when the excusable delay condition ceases to exist.

15. FORCE MAJEURE – Force Majeure means, except for payment due hereunder, either party hereto shall be relieved from liability for failure to perform hereunder for the duration and to the extent such failure is occasioned by war, riots, insurrections, fire, explosions, sabotage, strikes, and other labor or industrial disturbances, acts of God or the elements, disruption or mechanical breakdown of production or transportation facilities, or delays of pipeline carrier

in receiving and delivering crude oil tendered. Any such failures to perform shall be remedied with all reasonable dispatch.

As employed herein, the term “party”, as it relates to the Contractor, shall not include affiliated business concerns or individuals if, directly or indirectly, (1) either one controls or can control the other, or (2) a third party controls or can control both.

16. DISPUTES –

a. This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. Section 601 et seq.). If a dispute arises relating to the contract, the Customer may submit a claim to the Contracting Officer, who shall issue a written decision on the dispute in the manner specified in 48 CFR 1-33.211.

b. “Claim” means:

- (1) A written request submitted to the Contracting Officer;
- (2) For payment of money, adjustment of contract terms, or other relief;
- (3) Which is in dispute or remains unresolved after a reasonable time for its review and disposition by the Government; and
- (4) For which a Contracting Officer’s decision is demanded.

c. In the case of dispute requests or amendments to such requests for payment exceeding \$100,000, the Customer shall certify at the time of submission as a claim, as follows:

I certify that the claim is made in good faith, that the supporting data are current, accurate and complete to the best of my knowledge and belief and that the amount requested accurately reflects the contract adjustment for which the Customer believes the Government is liable.

Customer’s Name _____
 Signature _____
 Title _____

d. The Government shall pay to the Customer interest on the amount found due to the Customer on claims submitted under this provision at the rate established by the Department of the Treasury from the date the amount is due until the Government makes payment. The Contract Disputes Act of 1978, as amended, and the Prompt Payment Act adopt the interest rate established by the Secretary of the Treasury under the Renegotiation Act as the basis for computing interest on money owed by the Government. This rate is published semi-annually in the Federal Register.

e. The Customer shall pay to the Government interest on the amount found due to the Government and unpaid on claims submitted under this provision at the rate specified in Paragraph d. above from the date the amount is due until the Customer makes payment.

- f. The decision of the Contracting Officer shall be final and conclusive and shall not be subject to review by any forum, tribunal, or Government agency unless an appeal or action is commenced within the times specified by the Contract Disputes Act of 1978, as amended.
- g. The Customer shall comply with any decision of the Contracting Officer and at the direction of the Contracting Officer shall proceed diligently with performance of this contract pending final resolution of any request for relief, claim, appeal, or action related to this contract.

17. OIL QUALITY – The Contractor shall be responsible for variations in oil quality exceeding the limits set forth below upon the return of the oil to the Government. The reference basis shall be the weighted average sour results of the laboratory tests conducted by the Government for API gravity and Sulfur weight percent taken when custody originally passed to the Contractor. Please note, the DOE will not be liable for any quality differential for Return Oil delivered to the SPR.

- a. Quality differentials will be calculated by utilizing the Quality tables in Attachment D. The allowable variations from the common quality for crude oil deliveries are defined as:

<u>QUALITY</u>	<u>Allowable Quality Variations</u>	
	<u>DOE CRUDE OIL</u>	<u>(CATEGORY)</u>
	<u>SWEET</u>	<u>SOUR</u>
Gravity - API°	-0.5	-0.5
Sulfur - Wt%	+0.10	+0.10

- b. API Gravity between 40.0 and 45.0: No quality differential shall be assessed.
- c. API Gravity between 35.0 and 40.0: Adjustment for Sour crude oil is 2¢ per barrel for each degree (1.0°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded. Specifically, computed API Gravity excess variances for each cargo, reported in API Gravity 0.1° increments, shall be rounded up to the next whole 1.0° API.
- d. API Gravity below 35.0: Adjustment for Sour crude oil is 1.5¢ per barrel for each tenth of a degree (0.1°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded.
- e. Total Sulfur: 1.0¢ per barrel for each 1/100th percent (0.01%) increase/decrease in total sulfur by which the allowable variations set forth above are exceed.
- f. If crude oil delivered to the DOE falls below the minimum SPR specification for API Gravity, or above the maximum DOE specification for sulfur, as defined in

Attachment A, a quality differential adjustment shall be applied without a variance allowance on that portion exceeding the specification limit.

There is a limit of 0.1% freewater on delivery to the SPR as measured either by contractor's shore tank or on the vessel prior to discharge into tanks designated for DOE receipts. The inspector's gauges, witnessed by the DOE representative, either on the vessel at the dock facility or terminal shore tank, will be the method used to determine the final freewater barrel amount. This clause is effective in conjunction with the Water and Sediment [Vol.%] maximum limit of 1.0% as stated in Attachment A; e.g., a 500,000 barrel oil delivery to the SPR is limited to 1.0% S&W (5,000 barrels), of which a maximum of 0.1% (500 barrels) can be freewater. Contractor is responsible for all costs associated with removal of excess freewater. Exceeding the freewater limitations specified herein will result in the cargo being rejected.

18. SCHEDULING OF OIL MOVEMENTS – Contractor shall schedule all oil deliveries through the appropriate commercial pipeline and marine terminal facilities, ensuring that it has coordinated the deliveries with the SPR.

For marine deliveries, the Contractor shall provide a working schedule to the DOE not later than the fifteenth day of the month prior to the month in which deliveries will be made (e.g. by April 15 for May deliveries). This working schedule will contain total monthly volumes and the approximate delivery dates and quantities for each month of delivery. No later than seven business days prior to each delivery, the Contractor shall provide vessel name, vessel quality data, the expected date of arrival, the volume to be delivered, vessel agents and any other pertinent information that may be needed. The SPR will provide a Nomination-Confirmation Form (Attachment E). The Contractor shall complete the yellow highlighted areas and return the form in the time frame defined above.

The Contractor, or its designated agent, shall provide pre-arrival notices 72 hours, 48 hours and 24 hours prior to discharge to both the DOE and the discharge terminal.

For pipeline deliveries, the Contractor shall make necessary arrangements with the commercial pipelines connected to the DOE or its interconnecting pipelines. Nomination information regarding these deliveries shall be provided to the DOE not later than fifteen calendar days prior to the month in which deliveries will be made. The minimum cargo size per this agreement shall be no less than 250MB.

Note 1: It is the responsibility of the offerors to confirm these specifications prior to nominations to insure most current information.

Note 2: Any barrels awarded under Notice of Sale No. DE-NS96-22PO10000 will have scheduling priority over cargoes underneath this agreement if applicable.

19. SPR Oil Quality

The quality characteristics of the crude oil stream offered in the exchange are those cited in the Strategic Petroleum Reserve Crude Oil Assays.

This crude oil quality data is a weighted average composition of the specific caverns that comprise the streams offered in the exchange. Although a specific crude oil benchmark is referenced; SPR inventory contains a blend of domestic and global crude including Isthmus, Urals, Alaskan North Slope, Arabian Light, Saharan, and Dubai with segregation by Sweet and Sour storage caverns. The SPR has observed H₂S concentration (which is found naturally in crude oil) greater than 10 ppm in liquid in some crude batches. Measurements of H₂S in vapor space can be orders of magnitude higher than in liquid and difficult to measure due to factors in handling, weather, etc. OSHA provides guidelines on appropriate safety precautions and equipment if crude is handled openly, spilled, or released to the atmosphere. Offerors are encouraged to review the SPR Crude Oil Assay Manual, Crude Oil Safety Data Sheet, and the Strategic Petroleum Reserve Crude Oil Assays for more detailed oil stream composition and specifics so that conditions (such as the presence of H₂S) are expected and communicated downstream.

Note: Each SPR stream will be a blended average using several caverns. As a result, actual representative samples are not available prior to deliveries. Please refer to Crude Oil Assays which provides a weighted average composite profile of the stream.

20. DELIVERY AND RECEIPT DOCUMENTATION – All quantity and quality determinations shall be documented on the Material Inspection and Receiving Report (DD Form 250). See Attachment C-1 for copy of this form. The DD Form 250 shall be signed by the Customer's agent to acknowledge delivery and receipt of the quantity and quality of crude oil indicated. Copies of the completed DD Form 250, with applicable supporting documentation (i.e., metering or tank gauging tickets and appropriate calculation worksheets), shall be furnished to the Customer and/or the Customer's authorized representative after completion of delivery or receipts. Also, marine Bills of Lading or Pipeline Statements identifying crude type shipped shall be provided by the contractor.

The Customer shall provide written confirmation to the SPR, no later than seven calendar days prior to the scheduled date of each delivery under the contract, the name(s) of the authorized agent(s) given signature authority to sign/endorse the delivery documentation on the Customer's behalf. Any changes to this listing of names shall be provided to the SPR in writing no later than 72 hours before the first delivery to which such change applies. In the event that an independent surveyor (separate from the authorized signatory agent) is appointed by the Customer to witness the delivery operation (gauging, sampling, testing, etc.), written notification shall be provided to SPR, no later than 72 hours prior to the scheduled date of each applicable cargo delivery to or from the SPR.

Absence of the provision of the name(s) of bona fide agent(s) and the signature of such agent on the delivery documentation constitutes acceptance of the delivery quantity and quality as determined by the Government and/or its agents

21. RECONCILIATION – Within 30 days, barring any exceptions, after completion of the final scheduled delivery of exchange oil under the contract, any imbalances that may exist in the crude oil volumes agreed upon in the contract will be reconciled in the following manner:

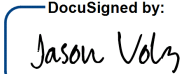
If DOE receives an amount of exchange oil that exceeds the contracted return oil delivery volume, the Government will attempt to reconcile the imbalance through cash payments or other alternate means, as available. If reconciliation is by cash payment, the Contractor shall invoice the DOE based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250.

If the Contractor delivers a total volume of return oil which is less than the contracted quantity, the DOE will invoice the Contractor for the undelivered amount based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250. If no payment is received by the due date specified on the invoice, the applicable amount owed will be drawn against the Contractor's Payment and Performance Letter of Credit as described in Provision 4 of this contract.


Note: The cost value is derived from the data published in the Argus Americas Crude Oil Price Report. If no published prices are available, a mutually agreed upon price will be negotiated. Should the parties fail to reach a negotiated price, the Government shall determine a fair and reasonable price.

Contractor

The United States of America

By: 
Name: Jason Volz
Title: Division Director -
CGM Trading

By: _____
Name: Kelly M. Gele'
Title: Contracting Officer


Travis McCullough
Division Director -
CGM Legal

ATTACHMENT A

STRATEGIC PETROLEUM RESERVE CRUDE OIL SPECIFICATIONS ^a (SPRO MAY 2020) ^{ε1}

CHARACTERISTIC	SOUR	SWEET	PRIMARY ASTM TEST METHOD ^b
API Gravity [°API]	30-45	30-45	D1298 or D5002
Total Sulfur [Mass %], max.	1.99	0.50	D4294
Pour Point [°C], max.	10	10	D97
Salt Content [Mass %], max.	0.050	0.050	D6470
Viscosity			
[cSt @ 15.6°C], max.	32	32	D445
[cSt @ 37.8°C], max.	13	13	
Vapor Pressure			
[VPCR4 (100°F) psia (kPa)] ^e , max.	9(62.1)	9(62.1)	D6377
Total Acid Number [mg KOH/g], max.	1.00	1.00	D664
Water and Sediment [Vol. %], max.	1.0	1.0	473 and D4006, or D4928
Yields [Vol. %]			D2892 and D5236 ^c
Naphtha [28-191°C]	24-30	21-42	
Distillate [191-327°C]	17-31	19-45	
Gas Oil [327-566°C]	26-38	20-42	
Residuum [>566°C]	10-19	14 max.	
Light Ends [Liquid Vol. %] ^d , max			
Methane (C ₁)	0.01	0.01	IP344 or ITM 6008
Ethane (C ₂)	0.1	0.1	
Propane (C ₃)	1.0	1.0	

^{ε1} This revision includes a limitation on light ends content (see Footnote ^d)

- ^a Marketable crude petroleum suitable for normal refinery processing and free of foreign contaminants or chemicals including, but not limited to, pour point depressants, chlorinated and oxygenated hydrocarbons, and lead.
- ^b Alternate methods may be used if approved by the contracting officer.
- ^c D 7169 data may be provided in requesting conditional acceptance of a crude oil. Distillation data according to D 2892 and D 5236 will still be necessary for final qualification of a crude oil's acceptance.
- ^d Light ends content specifications are interim and will be superseded if and when industry standards for light ends evaluation are implemented.
- ^e Vapor pressure changed to better reflect current domestic crude standards.

- NOTE 1: The Strategic Petroleum Reserve reserves the right to refuse to accept any crude oil which meets these specifications but is deemed to be incompatible with existing stocks, or which has the potential for adversely affecting handling.
- NOTE 2: The acceptability of any crude oil depends upon any assay typical of current production quality of the stream. Any crude oil offered to the Strategic Petroleum Reserve that meets these specifications may be subject to additional testing for acceptance.
- NOTE 3: All crude oil shipments received by the SPR are tested to ensure they meet specifications. Crude streams found consistently not meeting required specifications will be removed from the list of acceptable crude oils.

ATTACHMENT B

SAMPLE - PAYMENT AND PERFORMANCE LETTER OF CREDIT BANK LETTERHEAD IRREVOCABLE STANDBY LETTER OF CREDIT

Date: _____

To: U.S. Department of Energy
Strategic Petroleum Reserve
900 Commerce Road East
New Orleans, LA 70123
Attn: (Kelly Gele)

AMOUNT OF LETTER OF CREDIT: U.S.\$ _____ (_____)

CONTRACTOR: _____

CONTRACT NO: 22PO0011 _____

LETTER OF CREDIT NO: _____

EXPIRATION DATE: November 30, 2024 _____

AMERICAN BANKERS ASSOCIATION (ABA) NO: _____

To whom it may concern:

We hereby establish in the U.S. Department of Energy's favor our irrevocable standby Letter of Credit effective immediately for the account of our customer's above contract with the U.S. Department of Energy for the exchange of Strategic Petroleum Reserve petroleum.

This letter of credit is available by your draft/s at sight, drawn on us and accompanied by a manually signed statement that the signer is an authorized representative of the Department of Energy, and one or more of the following statements:

- a. **"THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO RECEIVE THE SPR CRUDE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."**
- b. **"THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO DELIVER RETURN EXCHANGE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."**
- c. **"THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO MAKE FINAL RECONCILIATION PAYMENT IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."**

Drafts must be presented for payment on or before the expiration date of this Letter of Credit at our bank. The Government may make multiple drafts against this Letter of Credit.

Upon receipt of the U.S. Department of Energy's demand by hand, mail express delivery, or other means, at our office located at _____, we will honor the demand and make payment, by 3 p.m. Eastern Time of the third business day following receipt of the demand by wire transfer of funds as a deposit to the account of the U.S. Treasury over the Fedwire Funds Service. The information to be included in each transfer will be as provided in the above referenced contract.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision, International Chamber of Commerce Publication no. 600) and except as may be inconsistent therewith, to the Uniform Commercial Code in effect on the date of issuance of this Letter of Credit in the state in which the issuer's head office within the United States is located.

We hereby agree with you that all drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation and delivery of the above documents for payment at our bank on or before the expiration date.

In the event of a bankruptcy filing by the applicant prior to the expiration date of this letter of credit, the expiration date of this letter of credit will automatically be extended by one hundred twenty (120) calendar days from the expiration date.

Address all communications regarding this Letter of Credit to (name and phone number).

Very truly yours,

(Authorized Signature)

(Typed Name and Title)

INSTRUCTIONS FOR PAYMENT AND PERFORMANCE GUARANTEE LETTER OF CREDIT

1. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible – Settlement-only.
2. Letter of Credit must not vary in substance from this attachment. Provide a copy of this attachment to your bank.
3. Banks shall fill in blanks EXCEPT those in the drawing statements. **The drawing statements are in bold print.**
4. Type name and title under authorized signature and provide documentation of authorized signature.

ATTACHMENT C-1

DD FORM 250

MATERIAL INSPECTION AND RECEIVING REPORT DD Form 250, AUG 2000

MATERIAL INSPECTION AND RECEIVING REPORT						FORM APPROVED OMB No. 0704-0248	
<p>The public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing, instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports, (0704-0248), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0248), Arlington, DC 20503. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.</p> <p style="text-align: center;">PLEASE DO NOT RETURN YOUR COMPLETED FORM TO EITHER OF THESE ADDRESSES. SEND THIS FORM IN ACCORDANCE WITH THE INSTRUCTIONS CONTRAINED IN THE DFARS, APPENDIX F-401.</p>							
1. PROCUREMENT INSTRUMENT IDENTIFICATION (CONTRACT) NO. DOE OWNED CRUDE OIL			6. INVOICE NO./DATE		7. PAGE	OF	8. ACCEPTANCE POINT
2. SHIPMENT NO.		3. DATE SHIPPED		4. B/L TCN		5. DISCOUNT TERMS 1 1	
9. PRIME CONTRACTOR CODE Fluor Federal Petroleum Operations 850 S. Clearview Pkwy. New Orleans, LA 70123			10. ADMINISTERED BY CODE DEPARTMENT OF ENERGY STRATEGIC PETROLEUM RESERVE PROJECT MANAGEMENT OFFICE				
11 SHIPPED FROM (If other than 9) CODE FOB:			12. PAYMENT WILL BE MADE BY CODE				
13. SHIPPED TO CODE			14. MARKED FOR CODE				
15 ITEM NO.	16. STOCK/PART NO. (Indicate number of shipping containers - type of container- container number.)	DESCRIPTION		17. QUANTITY SHIP/REC'D *	18. UNIT	19. UNIT PRICE	20. AMOUNT
-	Gross			NET @ 60° F.	BARRELS		
21. CONTRACT QUALITY ASSURANCE				22. RECEIVER'S USE			
a. ORIGIN <input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or in supporting documents.		b. DESTINATION <input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or on supporting documents.		Quantities shown in column 17 were received in apparent good condition except as noted.			
DATE _____ SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE _____		DATE _____ SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE _____		DATE RECEIVED _____ SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE _____			
TYPED NAME: _____ TITLE: _____ MAILING ADDRESS: _____		TYPED NAME: _____ TITLE: _____ MAILING ADDRESS: _____		TYPED NAME: _____ TITLE: _____ MAILING ADDRESS: _____			
COMMERCIAL TELEPHONE NUMBER: _____		COMMERCIAL TELEPHONE NUMBER: _____		COMMERCIAL TELEPHONE NUMBER: _____			
				*If quantity received by the Government is the same as quantity shipped, indicate by (x) mark; if different, enter actual quantity received below quantity shipped and encircle.			
23. CONTRACTOR USE ONLY:							

ATTACHMENT D

Quality Adjustment Tables

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM							
API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
10.0	1.250	16.0	2.150	22.0	3.050	28.0	3.950
10.1	1.265	16.1	2.165	22.1	3.065	28.1	3.965
10.2	1.280	16.2	2.180	22.2	3.080	28.2	3.980
10.3	1.295	16.3	2.195	22.3	3.095	28.3	3.995
10.4	1.310	16.4	2.210	22.4	3.110	28.4	4.010
10.5	1.325	16.5	2.225	22.5	3.125	28.5	4.025
10.6	1.340	16.6	2.240	22.6	3.140	28.6	4.040
10.7	1.355	16.7	2.255	22.7	3.155	28.7	4.055
10.8	1.370	16.8	2.270	22.8	3.170	28.8	4.070
10.9	1.385	16.9	2.285	22.9	3.185	28.9	4.085
11.0	1.400	17.0	2.300	23.0	3.200	29.0	4.100
11.1	1.415	17.1	2.315	23.1	3.215	29.1	4.115
11.2	1.430	17.2	2.330	23.2	3.230	29.2	4.130
11.3	1.445	17.3	2.345	23.3	3.245	29.3	4.145
11.4	1.460	17.4	2.360	23.4	3.260	29.4	4.160
11.5	1.475	17.5	2.375	23.5	3.275	29.5	4.175
11.6	1.490	17.6	2.390	23.6	3.290	29.6	4.190
11.7	1.505	17.7	2.405	23.7	3.305	29.7	4.205
11.8	1.520	17.8	2.420	23.8	3.320	29.8	4.220
11.9	1.535	17.9	2.435	23.9	3.335	29.9	4.235
12.0	1.550	18.0	2.450	24.0	3.350	30.0	4.250
12.1	1.565	18.1	2.465	24.1	3.365	30.1	4.265
12.2	1.580	18.2	2.480	24.2	3.380	30.2	4.280
12.3	1.595	18.3	2.495	24.3	3.395	30.3	4.295
12.4	1.610	18.4	2.510	24.4	3.410	30.4	4.310
12.5	1.625	18.5	2.525	24.5	3.425	30.5	4.325
12.6	1.640	18.6	2.540	24.6	3.440	30.6	4.340
12.7	1.655	18.7	2.555	24.7	3.455	30.7	4.355
12.8	1.670	18.8	2.570	24.8	3.470	30.8	4.370
12.9	1.685	18.9	2.585	24.9	3.485	30.9	4.385
13.0	1.700	19.0	2.600	25.0	3.500	31.0	4.400
13.1	1.715	19.1	2.615	25.1	3.515	31.1	4.415
13.2	1.730	19.2	2.630	25.2	3.530	31.2	4.430
13.3	1.745	19.3	2.645	25.3	3.545	31.3	4.445
13.4	1.760	19.4	2.660	25.4	3.560	31.4	4.460
13.5	1.775	19.5	2.675	25.5	3.575	31.5	4.475
13.6	1.790	19.6	2.690	25.6	3.590	31.6	4.490
13.7	1.805	19.7	2.705	25.7	3.605	31.7	4.505
13.8	1.820	19.8	2.720	25.8	3.620	31.8	4.520
13.9	1.835	19.9	2.735	25.9	3.635	31.9	4.535
14.0	1.850	20.0	2.750	26.0	3.650	32.0	4.550
14.1	1.865	20.1	2.765	26.1	3.665	32.1	4.565
14.2	1.880	20.2	2.780	26.2	3.680	32.2	4.580
14.3	1.895	20.3	2.795	26.3	3.695	32.3	4.595
14.4	1.910	20.4	2.810	26.4	3.710	32.4	4.610
14.5	1.925	20.5	2.825	26.5	3.725	32.5	4.625
14.6	1.940	20.6	2.840	26.6	3.740	32.6	4.640
14.7	1.955	20.7	2.855	26.7	3.755	32.7	4.655
14.8	1.970	20.8	2.870	26.8	3.770	32.8	4.670
14.9	1.985	20.9	2.885	26.9	3.785	32.9	4.685
15.0	2.000	21.0	2.900	27.0	3.800	33.0	4.700
15.1	2.015	21.1	2.915	27.1	3.815	33.1	4.715
15.2	2.030	21.2	2.930	27.2	3.830	33.2	4.730
15.3	2.045	21.3	2.945	27.3	3.845	33.3	4.745
15.4	2.060	21.4	2.960	27.4	3.860	33.4	4.760
15.5	2.075	21.5	2.975	27.5	3.875	33.5	4.775
15.6	2.090	21.6	2.990	27.6	3.890	33.6	4.790
15.7	2.105	21.7	3.005	27.7	3.905	33.7	4.805
15.8	2.120	21.8	3.020	27.8	3.920	33.8	4.820
15.9	2.135	21.9	3.035	27.9	3.935	33.9	4.835

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM

API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
34.0	4.850	40.0	5.100	46.0	4.950	52.0	4.050
34.1	4.865	40.1	5.100	46.1	4.935	52.1	4.035
34.2	4.880	40.2	5.100	46.2	4.920	52.2	4.020
34.3	4.895	40.3	5.100	46.3	4.905	52.3	4.005
34.4	4.910	40.4	5.100	46.4	4.890	52.4	3.990
34.5	4.925	40.5	5.100	46.5	4.875	52.5	3.975
34.6	4.940	40.6	5.100	46.6	4.860	52.6	3.960
34.7	4.955	40.7	5.100	46.7	4.845	52.7	3.945
34.8	4.970	40.8	5.100	46.8	4.830	52.8	3.930
34.9	4.985	40.9	5.100	46.9	4.815	52.9	3.915
35.0	5.000	41.0	5.100	47.0	4.800	53.0	3.900
35.1	5.000	41.1	5.100	47.1	4.785	53.1	3.885
35.2	5.000	41.2	5.100	47.2	4.770	53.2	3.870
35.3	5.000	41.3	5.100	47.3	4.755	53.3	3.855
35.4	5.000	41.4	5.100	47.4	4.740	53.4	3.840
35.5	5.000	41.5	5.100	47.5	4.725	53.5	3.825
35.6	5.000	41.6	5.100	47.6	4.710	53.6	3.810
35.7	5.000	41.7	5.100	47.7	4.695	53.7	3.795
35.8	5.000	41.8	5.100	47.8	4.680	53.8	3.780
35.9	5.000	41.9	5.100	47.9	4.665	53.9	3.765
36.0	5.020	42.0	5.100	48.0	4.650	54.0	3.750
36.1	5.020	42.1	5.100	48.1	4.635	54.1	3.735
36.2	5.020	42.2	5.100	48.2	4.620	54.2	3.720
36.3	5.020	42.3	5.100	48.3	4.605	54.3	3.705
36.4	5.020	42.4	5.100	48.4	4.590	54.4	3.690
36.5	5.020	42.5	5.100	48.5	4.575	54.5	3.675
36.6	5.020	42.6	5.100	48.6	4.560	54.6	3.660
36.7	5.020	42.7	5.100	48.7	4.545	54.7	3.645
36.8	5.020	42.8	5.100	48.8	4.530	54.8	3.630
36.9	5.020	42.9	5.100	48.9	4.515	54.9	3.615
37.0	5.040	43.0	5.100	49.0	4.500	55.0	3.600
37.1	5.040	43.1	5.100	49.1	4.485		
37.2	5.040	43.2	5.100	49.2	4.470		
37.3	5.040	43.3	5.100	49.3	4.455		
37.4	5.040	43.4	5.100	49.4	4.440		
37.5	5.040	43.5	5.100	49.5	4.425		
37.6	5.040	43.6	5.100	49.6	4.410		
37.7	5.040	43.7	5.100	49.7	4.395		
37.8	5.040	43.8	5.100	49.8	4.380		
37.9	5.040	43.9	5.100	49.9	4.365		
38.0	5.060	44.0	5.100	50.0	4.350		
38.1	5.060	44.1	5.100	50.1	4.335		
38.2	5.060	44.2	5.100	50.2	4.320		
38.3	5.060	44.3	5.100	50.3	4.305		
38.4	5.060	44.4	5.100	50.4	4.290		
38.5	5.060	44.5	5.100	50.5	4.275		
38.6	5.060	44.6	5.100	50.6	4.260		
38.7	5.060	44.7	5.100	50.7	4.245		
38.8	5.060	44.8	5.100	50.8	4.230		
38.9	5.060	44.9	5.100	50.9	4.215		
39.0	5.080	45.0	5.100	51.0	4.200		
39.1	5.080	45.1	5.085	51.1	4.185		
39.2	5.080	45.2	5.070	51.2	4.170		
39.3	5.080	45.3	5.055	51.3	4.155		
39.4	5.080	45.4	5.040	51.4	4.140		
39.5	5.080	45.5	5.025	51.5	4.125		
39.6	5.080	45.6	5.010	51.6	4.110		
39.7	5.080	45.7	4.995	51.7	4.095		
39.8	5.080	45.8	4.980	51.8	4.080		
39.9	5.080	45.9	4.965	51.9	4.065		

For API GRAVITY values above 55.0° API the differential continues to decline 0.015/ bbl. per 0.1° API GRAVITY.

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
0.00	1.000	0.60	1.600	1.20	2.200	1.80	2.800	2.40	3.400
0.01	1.010	0.61	1.610	1.21	2.210	1.81	2.810	2.41	3.410
0.02	1.020	0.62	1.620	1.22	2.220	1.82	2.820	2.42	3.420
0.03	1.030	0.63	1.630	1.23	2.230	1.83	2.830	2.43	3.430
0.04	1.040	0.64	1.640	1.24	2.240	1.84	2.840	2.44	3.440
0.05	1.050	0.65	1.650	1.25	2.250	1.85	2.850	2.45	3.450
0.06	1.060	0.66	1.660	1.26	2.260	1.86	2.860	2.46	3.460
0.07	1.070	0.67	1.670	1.27	2.270	1.87	2.870	2.47	3.470
0.08	1.080	0.68	1.680	1.28	2.280	1.88	2.880	2.48	3.480
0.09	1.090	0.69	1.690	1.29	2.290	1.89	2.890	2.49	3.490
0.10	1.100	0.70	1.700	1.30	2.300	1.90	2.900	2.50	3.500
0.11	1.110	0.71	1.710	1.31	2.310	1.91	2.910	2.51	3.510
0.12	1.120	0.72	1.720	1.32	2.320	1.92	2.920	2.52	3.520
0.13	1.130	0.73	1.730	1.33	2.330	1.93	2.930	2.53	3.530
0.14	1.140	0.74	1.740	1.34	2.340	1.94	2.940	2.54	3.540
0.15	1.150	0.75	1.750	1.35	2.350	1.95	2.950	2.55	3.550
0.16	1.160	0.76	1.760	1.36	2.360	1.96	2.960	2.56	3.560
0.17	1.170	0.77	1.770	1.37	2.370	1.97	2.970	2.57	3.570
0.18	1.180	0.78	1.780	1.38	2.380	1.98	2.980	2.58	3.580
0.19	1.190	0.79	1.790	1.39	2.390	1.99	2.990	2.59	3.590
0.20	1.200	0.80	1.800	1.40	2.400	2.00	3.000	2.60	3.600
0.21	1.210	0.81	1.810	1.41	2.410	2.01	3.010	2.61	3.610
0.22	1.220	0.82	1.820	1.42	2.420	2.02	3.020	2.62	3.620
0.23	1.230	0.83	1.830	1.43	2.430	2.03	3.030	2.63	3.630
0.24	1.240	0.84	1.840	1.44	2.440	2.04	3.040	2.64	3.640
0.25	1.250	0.85	1.850	1.45	2.450	2.05	3.050	2.65	3.650
0.26	1.260	0.86	1.860	1.46	2.460	2.06	3.060	2.66	3.660
0.27	1.270	0.87	1.870	1.47	2.470	2.07	3.070	2.67	3.670
0.28	1.280	0.88	1.880	1.48	2.480	2.08	3.080	2.68	3.680
0.29	1.290	0.89	1.890	1.49	2.490	2.09	3.090	2.69	3.690
0.30	1.300	0.90	1.900	1.50	2.500	2.10	3.100	2.70	3.700
0.31	1.310	0.91	1.910	1.51	2.510	2.11	3.110	2.71	3.710
0.32	1.320	0.92	1.920	1.52	2.520	2.12	3.120	2.72	3.720
0.33	1.330	0.93	1.930	1.53	2.530	2.13	3.130	2.73	3.730
0.34	1.340	0.94	1.940	1.54	2.540	2.14	3.140	2.74	3.740
0.35	1.350	0.95	1.950	1.55	2.550	2.15	3.150	2.75	3.750
0.36	1.360	0.96	1.960	1.56	2.560	2.16	3.160	2.76	3.760
0.37	1.370	0.97	1.970	1.57	2.570	2.17	3.170	2.77	3.770
0.38	1.380	0.98	1.980	1.58	2.580	2.18	3.180	2.78	3.780
0.39	1.390	0.99	1.990	1.59	2.590	2.19	3.190	2.79	3.790
0.40	1.400	1.00	2.000	1.60	2.600	2.20	3.200	2.80	3.800
0.41	1.410	1.01	2.010	1.61	2.610	2.21	3.210	2.81	3.810
0.42	1.420	1.02	2.020	1.62	2.620	2.22	3.220	2.82	3.820
0.43	1.430	1.03	2.030	1.63	2.630	2.23	3.230	2.83	3.830
0.44	1.440	1.04	2.040	1.64	2.640	2.24	3.240	2.84	3.840
0.45	1.450	1.05	2.050	1.65	2.650	2.25	3.250	2.85	3.850
0.46	1.460	1.06	2.060	1.66	2.660	2.26	3.260	2.86	3.860
0.47	1.470	1.07	2.070	1.67	2.670	2.27	3.270	2.87	3.870
0.48	1.480	1.08	2.080	1.68	2.680	2.28	3.280	2.88	3.880
0.49	1.490	1.09	2.090	1.69	2.690	2.29	3.290	2.89	3.890
0.50	1.500	1.10	2.100	1.70	2.700	2.30	3.300	2.90	3.900
0.51	1.510	1.11	2.110	1.71	2.710	2.31	3.310	2.91	3.910
0.52	1.520	1.12	2.120	1.72	2.720	2.32	3.320	2.92	3.920
0.53	1.530	1.13	2.130	1.73	2.730	2.33	3.330	2.93	3.930
0.54	1.540	1.14	2.140	1.74	2.740	2.34	3.340	2.94	3.940
0.55	1.550	1.15	2.150	1.75	2.750	2.35	3.350	2.95	3.950
0.56	1.560	1.16	2.160	1.76	2.760	2.36	3.360	2.96	3.960
0.57	1.570	1.17	2.170	1.77	2.770	2.37	3.370	2.97	3.970
0.58	1.580	1.18	2.180	1.78	2.780	2.38	3.380	2.98	3.980
0.59	1.590	1.19	2.190	1.79	2.790	2.39	3.390	2.99	3.990

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
3.00	4.000	3.60	4.600
3.01	4.010	3.61	4.610
3.02	4.020	3.62	4.620
3.03	4.030	3.63	4.630
3.04	4.040	3.64	4.640
3.05	4.050	3.65	4.650
3.06	4.060	3.66	4.660
3.07	4.070	3.67	4.670
3.08	4.080	3.68	4.680
3.09	4.090	3.69	4.690
3.10	4.100	3.70	4.700
3.11	4.110	3.71	4.710
3.12	4.120	3.72	4.720
3.13	4.130	3.73	4.730
3.14	4.140	3.74	4.740
3.15	4.150	3.75	4.750
3.16	4.160	3.76	4.760
3.17	4.170	3.77	4.770
3.18	4.180	3.78	4.780
3.19	4.190	3.79	4.790
3.20	4.200	3.80	4.800
3.21	4.210	3.81	4.810
3.22	4.220	3.82	4.820
3.23	4.230	3.83	4.830
3.24	4.240	3.84	4.840
3.25	4.250	3.85	4.850
3.26	4.260	3.86	4.860
3.27	4.270	3.87	4.870
3.28	4.280	3.88	4.880
3.29	4.290	3.89	4.890
3.30	4.300	3.90	4.900
3.31	4.310	3.91	4.910
3.32	4.320	3.92	4.920
3.33	4.330	3.93	4.930
3.34	4.340	3.94	4.940
3.35	4.350	3.95	4.950
3.36	4.360	3.96	4.960
3.37	4.370	3.97	4.970
3.38	4.380	3.98	4.980
3.39	4.390	3.99	4.990
3.40	4.400	4.00	5.000
3.41	4.410		
3.42	4.420		
3.43	4.430		
3.44	4.440		
3.45	4.450		
3.46	4.460		
3.47	4.470		
3.48	4.480		
3.49	4.490		
3.50	4.500		
3.51	4.510		
3.52	4.520		
3.53	4.530		
3.54	4.540		
3.55	4.550		
3.56	4.560		
3.57	4.570		
3.58	4.580		
3.59	4.590		

For Sulfur Values
above 4.00% the
differential continues
to increase 0.01/ BBL
per 0.01 Percent
Sulfur

ATTACHMENT E Nomination-Confirmation Form

STRATEGIC PETROLEUM RESERVE NOMINATION - CONFIRMATION

SPR Operations Fluor Federal Petroleum Operations New Orleans, Louisiana FFPOCOL@SPR.DOE.GOV	<u>Scheduler</u> (504) 473-9975 <u>Quantity and Quality</u> (504) 722-6146																														
The following Information Must Be Provided by the Contractor																															
Submission Date: Click here to enter a date. Submission Type: Original Nomination																															
Contract No.: Enter Contract Number Contractor: Enter Contractor Name Address: Enter Address City, State, Zip																															
<u>Contractor Contact Information</u>																															
Primary Contact: Primary Contact Name Office: Office Phone Cell: Cell Phone Email: Email Address	Alternate: Alternate Contact Name Office: Office Phone Cell: Cell Phone Email: Email Address																														
CODR/DD250 Contractor Signatory Designee*: Signatory Designee Name *Designee can be contractor office personnel, 3 rd party inspection company*, or chosen loss control representative*. Office: Office Phone Cell: Cell Phone Email: Email Address Note: If multiple designees are to be used, please input "See Attached" and provide list to FFPOCOL@spr.doe.gov with nomination.																															
<u>†Third Party Inspection Company Information</u>																															
Company: 3 rd Party Inspection Company Contact: 3 rd Party Contact Name Contact Ned Scheppegrell for any questions on SPR 3rd party inspection and testing.																															
Nomination Information and Delivery Window (additional lines on following page)																															
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;"><u>Delivery Window</u></th> <th style="text-align: center;"><u>Pipeline/Vessel</u></th> <th style="text-align: center;"><u>Volume (MB)</u></th> <th style="text-align: center;"><u>SPR Site</u></th> <th style="text-align: center;"><u>Destination</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Dates</td> <td style="text-align: center;">Choose an item.</td> <td style="text-align: center;">Volume</td> <td style="text-align: center;">Site</td> <td></td> </tr> <tr> <td style="text-align: center;">Dates</td> <td style="text-align: center;">Choose an item.</td> <td style="text-align: center;">Volume</td> <td style="text-align: center;">Site</td> <td></td> </tr> <tr> <td style="text-align: center;">Dates</td> <td style="text-align: center;">Choose an item.</td> <td style="text-align: center;">Volume</td> <td style="text-align: center;">Site</td> <td></td> </tr> <tr> <td style="text-align: center;">Dates</td> <td style="text-align: center;">Choose an item.</td> <td style="text-align: center;">Volume</td> <td style="text-align: center;">Site</td> <td></td> </tr> <tr> <td colspan="2" style="text-align: center;">Total Volume:</td> <td style="text-align: center;">Total Volume</td> <td></td> <td></td> </tr> </tbody> </table>		<u>Delivery Window</u>	<u>Pipeline/Vessel</u>	<u>Volume (MB)</u>	<u>SPR Site</u>	<u>Destination</u>	Dates	Choose an item.	Volume	Site		Dates	Choose an item.	Volume	Site		Dates	Choose an item.	Volume	Site		Dates	Choose an item.	Volume	Site		Total Volume:		Total Volume		
<u>Delivery Window</u>	<u>Pipeline/Vessel</u>	<u>Volume (MB)</u>	<u>SPR Site</u>	<u>Destination</u>																											
Dates	Choose an item.	Volume	Site																												
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Dates	Choose an item.	Volume	Site																												
Dates	Choose an item.	Volume	Site																												
Total Volume:		Total Volume																													
The following information to be provided by SPR Operations Personnel																															
<u>Terminal Information</u> Terminal: TBD Contact: Contact: Contact:	<u>Custody Transfer Point</u> TBD <u>Quality Point</u> TBD <u>Quantity Point</u> TBD																														

**DEPARTMENT OF ENERGY
STRATEGIC PETROLEUM RESERVE (SPR)
OIL EXCHANGE AGREEMENT
22PO0012**

This Exchange Agreement, entered into this 24th day of January 2022, between the UNITED STATES OF AMERICA, acting by and through the Department of Energy, hereinafter referred to as the "GOVERNMENT" or "DOE" and Phillips 66 Company, hereinafter referred to as the "Contractor."

WITNESSETH:

1. AUTHORITY – That the Secretary of Energy, under the authority of the Department of Energy Organization Act (42 U.S.C. 7101 *et seq.*) and sections 159(f)(5) and 160(a) of the Energy Policy and Conservation Act (42 U.S.C. 6239, 6240), having determined that the exchanging of crude oil will be advantageous to the Government and in the public interest, hereby enters into this agreement with the Contractor for the exchange of crude oil from the SPR.

2. CUSTODY TRANSFER –

Big Hill to Phillips 66

Custody transfer quantity and quality measurements will be the Phillips 66 Terminal receipt shore tank gauges and tank composite sample. Secondary measurement for quantity and quality will be at the Big Hill Site meter and in-line sampler. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector lab. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and perform testing.

The Government will deliver approximately 2,300,000 barrels (plus/minus 10%) of sour crude with an estimated API of 30.8 and an estimated sulfur of 1.43 from the Government's Big Hill site to the contractor.

Return of oil to the SPR:

Return from Seaway Freeport Dock to Bryan Mound

Primary custody transfer of quantity and quality will be based on the Seaway Freeport Terminal dock meter and in-line sampler.

Note: Vessel deliveries through Seaway (DOE) Freeport terminal must displace an initial linefill of approximately 3,000 barrels prior to delivery to the BM site. These initial linefill barrels will be excluded from the DD250. After completion of the tanker discharge, the remaining 3,000 barrels in the terminal line will be displaced to the Bryan Mound site by the following vessel at the terminal, with these barrels being included on the DD250. Only those

barrels metered by Seaway Freeport Terminal dock and delivered to the Bryan Mound site shall be used for the custody volume on the DD250 delivery document. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector.

Secondary custody transfer quantity and quality measurements for the return of oil to the SPR shall be based on the Bryan Mound site meters and inline sampler. DD250 Quantity volumes shall be based on the physical thru-put barrels measured only while oil is being delivered to the Bryan Mound site. Vessel deliveries through Seaway (DOE) Freeport terminal must displace an initial linefill of approximately 3,000 barrels prior to delivery to the Bryan Mound site. These initial linefill barrels will be excluded from the DD250. After completion of the tanker discharge, the remaining 3,000 barrels in the terminal line will be displaced to the Bryan Mound site by the following vessel at the terminal, with these barrels being included on the DD250. Only those barrels metered by the Bryan Mound meters and delivered to the Bryan Mound site shall be used for the custody volume on the DD250 delivery document. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and testing and perform testing. All crude oil to be introduced into the SPR system will be tested for suitability per Exhibit A. This may/will cause some delay in starting or pumping time.

OR

Return to Bryan Mound via Freeport Pipeline

Custody transfer of quality and quantity for pipeline receipts into Bryan Mound from Freeport Pipeline or DOE/EMPCo 30" Jones Creek pipeline (if available) will be based on Bryan Mound site meter and in-line sampler. Secondary custody transfer of quality and quantity for pipeline receipts will be based on Freeport meters and in-line sampler OR Jones Creek tank meters and tank samples; whichever is applicable. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector lab. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and perform testing.

All costs associated with the transportation of the exchange oil transferred from and to the SPR will be absorbed by the Contractor, to include but not be limited to, tariffs, marine shipment, pipeline shipment, U.S. Customs duties, harbor and environmental fees (including Texas Coastal protection fees), terminalling, demurrage and tankage charges.

3. TERM – The Government will use best efforts to fulfill exchange barrels as stated below:

Commence delivery in June 2022 with an objective to complete 2,300,000 barrels no later than June 30, 2022. If the prescribed volume is not taken by June 30, 2022, then the remainder will be considered undeliverable. If there is availability in the following month, and terms are mutually agreeable, remainder volume could be delivered on a best efforts basis.

Contractor shall return 2,300,000 exchange oil plus premium barrels to the Bryan Mound SPR site during the months of June 2024 through September 2024.

Contractor's oil return schedules must be approved by the Government prior to delivery. Also, see Provision 18 for additional scheduling requirements.

4. PAYMENT AND PERFORMANCE GUARANTEE – Within three (3) business days after receipt of award, the Contractor must provide to the Contracting Officer an acceptable “Irrevocable Standby Letter of Credit” established in favor of the United States Department of Energy to the Contracting Officer in the amount of \$185,518,000.00 with an expiration date of November 30, 2024. The letter must contain the substantive provisions set out in Attachment B, and be issued by a depository institution located in and authorized to do business in any state of the United States or the District of Columbia, and authorized to issue letters of credit by the banking laws of the United States or any state of the United States or the District of Columbia. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible-Settlement-only. The issuing bank must provide documentation indicating that the person(s) signing the letter of credit is authorized to do so, in the form of corporate minutes, the Authorized Signature List, or the General Resolution of Signature Authority. All wire deposit and letter of credit costs will be borne by the purchaser.

The letter of credit must be an “Irrevocable Standby Letter of Credit” and **MUST NOT VARY IN SUBSTANCE** from the sample in Attachment B. If the letter of credit contains any provisions at variance with Attachment B or fails to include any provisions contained in Attachment B, nonconforming provisions must be deleted and missing substantive provisions must be added or the letter of credit will not be accepted.

The blanks in Attachment B shall be filled in by the issuing bank, except those in the drawing statements. The drawing statements are in bold print with double underlines for the blanks. The double underlined blanks will be filled in only at the time of a drawing against the letter of credit.

Please submit an electronic copy to mary.roark@spr.doe.gov.

Failure to provide the letter of credit shall constitute grounds for termination of the contract for default.

5. PAYMENT –

Contractor agrees to a fixed 8.6% premium return of sour crude oil in addition to actual crude oil received from the SPR for those barrels that are to be returned to **Bryan Mound SPR** site. The premium percentage will be applied to the barrels actually delivered to the contractor (*for example if the SPR delivers 2.3MMB NSV barrels, the premium would be $2.3MMB \times 1.086 = 2,497,800$ or 197,800 premium barrels*) with a minimum premium owed to the DOE of 178,020 sour barrels.

All sour crude oil returned to the SPR must meet the specifications in Attachment A. The Contractor should make every effort practical to return 100% of the oil quantity delivered however must return at least 90% of the actual crude oil volume received plus the calculated premium to the designated SPR site.

6. GOVERNMENT NON-LIABILITY/ CONTRACTOR LIABILITY – Contractor covenants that it will defend, indemnify and save and hold harmless the Government, its officers, agents, and employees for and from any and all liability or claims for damages to property or injuries to or death of persons which may arise from or be incident to the use of the exchange oil, or for damages to the property or injuries to the person of Contractor (if an individual), or damages to the property or injuries to or death of the person of Contractor’s officers, agents, servants, employees, or others who may be on said premises at their invitation or the invitation of any one of them, arising from exchange activities.

Contractor further covenants that any property of the Government lost, damaged or destroyed incident to Contractor’s use of the exchange oil shall be promptly replaced by Contractor to the satisfaction of the Contracting Officer, or in lieu of such replacement Contractor shall, if so required by the said officer, pay to the Government money in an amount sufficient to compensate for the loss sustained by the Government by reason loss, damage or destruction of the property.

7. NOTICES – No notice, order, direction, determination, requirement, consent, or approval under this Exchange Agreement shall be of any effect unless in writing. All notices required under this Exchange Agreement shall be addressed to Contractor, or to the Contracting Officer, as may be appropriate.
8. COMMUNICATIONS – Notices and other communications provided for herein shall be in writing and shall be delivered or mailed as follows:

Delivery and or Return:

For coordination of pipeline schedules and operations contact Chuck Costanza at (504) 473-9975 or Bradley Bauer (504)234-0145 **and** email to **FFPOCOL@spr.doe.gov**. All communications sent via need to include **FFPOCOL@spr.doe.gov**. Contractual issues shall be addressed with the Department of Energy’s Contracting Officer, Mary C. Roark, at (504) 734-4195.

9. EXAMINATION OF RECORDS BY THE GOVERNMENT – Contractor agrees that the Government or any of its duly authorized representatives shall, until the expiration of three years after final payment under this agreement, have access to and the right to examine any books, documents, paper, and records of the Contractor involving transactions related to this agreement or compliance with any clauses thereunder.
10. CHANGES – The Contracting Officer may, at any time, without notice to the Letter of Credit guarantee(s), by written order designated or indicated to be a change order, or verbal direction followed by written order, make changes within the terms and conditions of the contract, including but not limited to the following changes-

- a. In the volume to be delivered to the Contractor or returned to the SPR.
- b. To the delivery period for issuance of SPR crude oil or for return of barrels back to the SPR.
- c. In the type of crude oil to be returned to the SPR.
- d. To delivery mode of crude oil coming out of the SPR or return oil.
- e. In the delivery point(s) of return oil to the SPR.

Any other written or oral order (which, as used in this paragraph, includes direction, instruction, interpretation, or determination) from the Contracting Officer that causes a change shall be treated as a change order under this provision; Provided, that the Contractor gives the Contracting Officer written notice stating –

- a. The date, circumstances, and source of the order, and
- b. That the Contractor regards the order as a change order.

If any change under this provision causes an increase or decrease in the Contractor's cost of, or the time required for, the performance of any part of the performance under this contract, whether or not changed by any such order, the Contracting Officer shall make an equitable adjustment and modify the contract in writing.

The contractor must assert its right to an adjustment under this provision within 30 calendar days after notification of the change.

11. NATIONAL AND OPERATIONAL EMERGENCIES – Return oil deliveries to the DOE may be rescheduled or redirected upon the determination of a national or DOE operational emergency. A negotiated adjustment to the contract will be made as a result of this direction. However, should the parties fail to reach a settlement, the Government shall establish an equitable adjustment subject to the Provision entitled “Disputes.”

12. DEFAULT –

- a. The Government may, by written notice of default to the Customer, terminate this contract in whole or in part if the Contractor fails to -
 - (1) Receive SPR crude oil within the time specified in this contract or any extension;
 - (2) Make progress in scheduling of contracted deliveries, so as to endanger performance of this contract; or
 - (3) Perform any of the other provisions of this contract.

- b. The rights and remedies of the Government in this clause are in addition to any other rights and remedies provided by law or under this contract.

13. TERMINATION FOR THE CONVENIENCE OF THE GOVERNMENT – The Contracting Officer, by written notice, may terminate this contract, in whole or in part, when it is in the Government’s interest. If this contract is terminated, the Government shall be liable only for reasonable, customary and applicable costs incurred by the Customer before the effective date of termination, but shall not be liable for consequential damages or the contractor’s lost profits.

14. EXCUSABLE DELAYS

- a. In the event either party should be prevented from performing under this contract by reason of any unforeseeable cause beyond its control and without its fault or negligence, including, but not restricted to, acts of God or of the public enemy, sovereign acts of the United States, acts of a foreign Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, performance under the contract shall be suspended in whole or in part until such cause ceases to exist and thereafter the time for fulfillment of the contract shall be extended by the length of time during which such cause prevented performance under the contract.
- b. In order for this provision to become operative, the party to the contract affected by the excusable delay condition shall furnish the other party with written notice of the nature and extent of the excusable delay condition promptly after the commencement thereof, but in any event prior to shipment of the crude oil from the location from which it is to be shipped. Written notice shall be furnished within ten (10) calendar days to the other party when the excusable delay condition ceases to exist.

15. FORCE MAJEURE – Force Majeure means, except for payment due hereunder, either party hereto shall be relieved from liability for failure to perform hereunder for the duration and to the extent such failure is occasioned by war, riots, insurrections, fire, explosions, sabotage, strikes, and other labor or industrial disturbances, acts of God or the elements, disruption or mechanical breakdown of production or transportation facilities, or delays of pipeline carrier in receiving and delivering crude oil tendered. Any such failures to perform shall be remedied with all reasonable dispatch.

As employed herein, the term “party”, as it relates to the Contractor, shall not include affiliated business concerns or individuals if, directly or indirectly, (1) either one controls or can control the other, or (2) a third party controls or can control both.

16. DISPUTES –

- a. This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. Section 601 et seq.). If a dispute arises relating to the contract, the Customer may submit a claim to the Contracting Officer, who shall issue a written decision on the dispute in the manner specified in 48 CFR 1-33.211.

- b. "Claim" means:
- (1) A written request submitted to the Contracting Officer;
 - (2) For payment of money, adjustment of contract terms, or other relief;
 - (3) Which is in dispute or remains unresolved after a reasonable time for its review and disposition by the Government; and
 - (4) For which a Contracting Officer's decision is demanded.
- c. In the case of dispute requests or amendments to such requests for payment exceeding \$100,000, the Customer shall certify at the time of submission as a claim, as follows:

I certify that the claim is made in good faith, that the supporting data are current, accurate and complete to the best of my knowledge and belief and that the amount requested accurately reflects the contract adjustment for which the Customer believes the Government is liable.

Customer's Name _____
 Signature _____
 Title _____

- d. The Government shall pay to the Customer interest on the amount found due to the Customer on claims submitted under this provision at the rate established by the Department of the Treasury from the date the amount is due until the Government makes payment. The Contract Disputes Act of 1978, as amended, and the Prompt Payment Act adopt the interest rate established by the Secretary of the Treasury under the Renegotiation Act as the basis for computing interest on money owed by the Government. This rate is published semi-annually in the Federal Register.
- e. The Customer shall pay to the Government interest on the amount found due to the Government and unpaid on claims submitted under this provision at the rate specified in Paragraph d. above from the date the amount is due until the Customer makes payment.
- f. The decision of the Contracting Officer shall be final and conclusive and shall not be subject to review by any forum, tribunal, or Government agency unless an appeal or action is commenced within the times specified by the Contract Disputes Act of 1978, as amended.
- g. The Customer shall comply with any decision of the Contracting Officer and at the direction of the Contracting Officer shall proceed diligently with performance of this contract pending final resolution of any request for relief, claim, appeal, or action related to this contract.
17. OIL QUALITY – The Contractor shall be responsible for variations in oil quality exceeding the limits set forth below upon the return of the oil to the Government. The reference basis

shall be the weighted average sour results of the laboratory tests conducted by the Government for API gravity and Sulfur weight percent taken when custody originally passed to the Contractor. Please note, the DOE will not be liable for any quality differential for Return Oil delivered to the SPR.

- a. Quality differentials will be calculated by utilizing the Quality tables in Attachment D. The allowable variations from the common quality for crude oil deliveries are defined as:

<u>QUALITY</u>	<u>Allowable Quality Variations</u>	
	<u>DOE CRUDE OIL</u>	<u>(CATEGORY)</u>
	<u>SWEET</u>	<u>SOUR</u>
Gravity - API°	-0.5	-0.5
Sulfur - Wt%	+0.10	+0.10

- b. API Gravity between 40.0 and 45.0: No quality differential shall be assessed.
- c. API Gravity between 35.0 and 40.0: Adjustment for Sour crude oil is 2¢ per barrel for each degree (1.0°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded. Specifically, computed API Gravity excess variances for each cargo, reported in API Gravity 0.1° increments, shall be rounded up to the next whole 1.0° API.
- d. API Gravity below 35.0: Adjustment for Sour crude oil is 1.5¢ per barrel for each tenth of a degree (0.1°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded.
- e. Total Sulfur: 1.0¢ per barrel for each 1/100th percent (0.01%) increase/decrease in total sulfur by which the allowable variations set forth above are exceeded.
- f. If crude oil delivered to the DOE falls below the minimum SPR specification for API Gravity, or above the maximum DOE specification for sulfur, as defined in Attachment A, a quality differential adjustment shall be applied without a variance allowance on that portion exceeding the specification limit.

There is a limit of 0.1% freewater on delivery to the SPR as measured either by contractor's shore tank or on the vessel prior to discharge into tanks designated for DOE receipts. The inspector's gauges, witnessed by the DOE representative, either on the vessel at the dock facility or terminal shore tank, will be the method used to determine the final freewater barrel amount. This clause is effective in conjunction with the Water and Sediment [Vol.%] maximum limit of 1.0% as stated in Attachment A; e.g., a 500,000 barrel oil delivery to the SPR is limited to 1.0% S&W (5,000 barrels), of which a maximum of 0.1% (500 barrels) can be freewater. Contractor is responsible for all costs associated with removal of excess freewater. Exceeding the freewater limitations specified herein will result in the cargo being rejected.

18. SCHEDULING OF OIL MOVEMENTS – Contractor shall schedule all oil deliveries through the appropriate commercial pipeline and marine terminal facilities, ensuring that it has coordinated the deliveries with the SPR.

For marine deliveries, the Contractor shall provide a working schedule to the DOE not later than the fifteenth day of the month prior to the month in which deliveries will be made (e.g. by April 15 for May deliveries). This working schedule will contain total monthly volumes and the approximate delivery dates and quantities for each month of delivery. No later than seven business days prior to each delivery, the Contractor shall provide vessel name, vessel quality data, the expected date of arrival, the volume to be delivered, vessel agents and any other pertinent information that may be needed. The SPR will provide a Nomination-Confirmation Form (Attachment E). The Contractor shall complete the yellow highlighted areas and return the form in the time frame defined above.

The Contractor, or its designated agent, shall provide pre-arrival notices 72 hours, 48 hours and 24 hours prior to discharge to both the DOE and the discharge terminal.

For pipeline deliveries, the Contractor shall make necessary arrangements with the commercial pipelines connected to the DOE or its interconnecting pipelines. Nomination information regarding these deliveries shall be provided to the DOE not later than fifteen calendar days prior to the month in which deliveries will be made. The minimum cargo size per this agreement shall be no less than 250MB.

Note 1: It is the responsibility of the offerors to confirm these specifications prior to nominations to insure most current information.

Note 2: Any barrels awarded under Notice of Sale No. DE-NS96-22PO10000 will have scheduling priority over cargoes underneath this agreement in the period if applicable.

19. SPR Oil Quality

The quality characteristics of the crude oil stream offered in the exchange are those cited in the Strategic Petroleum Reserve Crude Oil Assays.

This crude oil quality data is a weighted average composition of the specific caverns that comprise the streams offered in the exchange. Although a specific crude oil benchmark is referenced; SPR inventory contains a blend of domestic and global crude including Isthmus, Urals, Alaskan North Slope, Arabian Light, Saharan, and Dubai with segregation by Sweet and Sour storage caverns. The SPR has observed H₂S concentration (which is found naturally in crude oil) greater than 10 ppm in liquid in some crude batches. Measurements of H₂S in vapor space can be orders of magnitude higher than in liquid and difficult to measure due to factors in handling, weather, etc. OSHA provides guidelines on appropriate safety precautions and equipment if crude is handled openly, spilled, or released to the atmosphere. Offerors are encouraged to review the SPR Crude Oil Assay Manual, Crude Oil Safety Data Sheet, and the Strategic Petroleum Reserve Crude Oil Assays for more detailed oil stream composition and specifics so that conditions (such as the presence of H₂S) are expected and communicated downstream.

Note: Each SPR stream will be a blended average using several caverns. As a result, actual representative samples are not available prior to deliveries. Please refer to Crude Oil Assays which provides a weighted average composite profile of the stream.

20. DELIVERY AND RECEIPT DOCUMENTATION – All quantity and quality determinations shall be documented on the Material Inspection and Receiving Report (DD Form 250). See Attachment C-1 for copy of this form. The DD Form 250 shall be signed by the Customer's agent to acknowledge delivery and receipt of the quantity and quality of crude oil indicated. Copies of the completed DD Form 250, with applicable supporting documentation (i.e., metering or tank gauging tickets and appropriate calculation worksheets), shall be furnished to the Customer and/or the Customer's authorized representative after completion of delivery or receipts. Also, marine Bills of Lading or Pipeline Statements identifying crude type shipped shall be provided by the contractor.

The Customer shall provide written confirmation to the SPR, no later than seven calendar days prior to the scheduled date of each delivery under the contract, the name(s) of the authorized agent(s) given signature authority to sign/endorse the delivery documentation on the Customer's behalf. Any changes to this listing of names shall be provided to the SPR in writing no later than 72 hours before the first delivery to which such change applies. In the event that an independent surveyor (separate from the authorized signatory agent) is appointed by the Customer to witness the delivery operation (gauging, sampling, testing, etc.), written notification shall be provided to SPR, no later than 72 hours prior to the scheduled date of each applicable cargo delivery to or from the SPR.

Absence of the provision of the name(s) of bona fide agent(s) and the signature of such agent on the delivery documentation constitutes acceptance of the delivery quantity and quality as determined by the Government and/or its agents

21. RECONCILIATION – Within 30 days, barring any exceptions, after completion of the final scheduled delivery of exchange oil under the contract, any imbalances that may exist in the crude oil volumes agreed upon in the contract will be reconciled in the following manner:

If DOE receives an amount of exchange oil that exceeds the contracted return oil delivery volume, the Government will attempt to reconcile the imbalance through cash payments or other alternate means, as available. If reconciliation is by cash payment, the Contractor shall invoice the DOE based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250.

If the Contractor delivers a total volume of return oil which is less than the contracted quantity, the DOE will invoice the Contractor for the undelivered amount based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250. If no payment is received by the due date specified on the invoice, the applicable amount owed will be drawn against the Contractor's Payment and Performance Letter of Credit as described in Provision 4 of this contract.

Note: The cost value is derived from the data published in the Argus Americas Crude Oil Price Report. If no published prices are available, a mutually agreed upon price will be

negotiated. Should the parties fail to reach a negotiated price, the Government shall determine a fair and reasonable price.

Contractor

AG

The United States of America

By: Mark E. McCulloch
Name: Mark E. McCulloch
Title: General Manager, Global Crude
Trading

By: Mary C Roark
Name: Mary C Roark
Title: Contracting Officer

ATTACHMENT A

STRATEGIC PETROLEUM RESERVE CRUDE OIL SPECIFICATIONS ^a (SPRO MAY 2020) ^{e1}

CHARACTERISTIC	SOUR	SWEET	PRIMARY ASTM TEST METHOD ^b
API Gravity [°API]	30-45	30-45	D1298 or D5002
Total Sulfur [Mass %], max.	1.99	0.50	D4294
Pour Point [°C], max.	10	10	D97
Salt Content [Mass %], max.	0.050	0.050	D6470
Viscosity			
[cSt @ 15.6°C], max.	32	32	D445
[cSt @ 37.8°C], max.	13	13	
Vapor Pressure			
[VPCR4 (100°F) psia (kPa)] ^c , max.	9(62.1)	9(62.1)	D6377
Total Acid Number [mg KOH/g], max.	1.00	1.00	D664
Water and Sediment [Vol. %], max.	1.0	1.0	473 and D4006, or D4928
Yields [Vol. %]			D2892 and D5236 ^c
Naphtha [28-191°C]	24-30	21-42	
Distillate [191-327°C]	17-31	19-45	
Gas Oil [327-566°C]	26-38	20-42	
Residuum [>566°C]	10-19	14 max.	
Light Ends [Liquid Vol. %] ^d , max			
Methane (C ₁)	0.01	0.01	IP344 or ITM 6008
Ethane (C ₂)	0.1	0.1	
Propane (C ₃)	1.0	1.0	

^{e1} This revision includes a limitation on light ends content (see Footnote ^d)

- ^a Marketable crude petroleum suitable for normal refinery processing and free of foreign contaminants or chemicals including, but not limited to, pour point depressants, chlorinated and oxygenated hydrocarbons, and lead.
- ^b Alternate methods may be used if approved by the contracting officer.
- ^c D 7169 data may be provided in requesting conditional acceptance of a crude oil. Distillation data according to D 2892 and D 5236 will still be necessary for final qualification of a crude oil's acceptance.
- ^d Light ends content specifications are interim and will be superseded if and when industry standards for light ends evaluation are implemented.
- ^e Vapor pressure changed to better reflect current domestic crude standards.

- NOTE 1: The Strategic Petroleum Reserve reserves the right to refuse to accept any crude oil which meets these specifications but is deemed to be incompatible with existing stocks, or which has the potential for adversely affecting handling.
- NOTE 2: The acceptability of any crude oil depends upon any assay typical of current production quality of the stream. Any crude oil offered to the Strategic Petroleum Reserve that meets these specifications may be subject to additional testing for acceptance.
- NOTE 3: All crude oil shipments received by the SPR are tested to ensure they meet specifications. Crude streams found consistently not meeting required specifications will be removed from the list of acceptable crude oils.

ATTACHMENT B

**SAMPLE - PAYMENT AND PERFORMANCE LETTER OF CREDIT
BANK LETTERHEAD
IRREVOCABLE STANDBY LETTER OF CREDIT**

Date: _____

To: U.S. Department of Energy
Strategic Petroleum Reserve
900 Commerce Road East
New Orleans, LA 70123
Attn: (Mary Roark)

AMOUNT OF LETTER OF CREDIT: U.S.\$ _____ (_____)

CONTRACTOR: _____

CONTRACT NO: 22PO0012

LETTER OF CREDIT NO: _____

EXPIRATION DATE: November 30, 2024

AMERICAN BANKERS ASSOCIATION (ABA) NO: _____

To whom it may concern:

We hereby establish in the U.S. Department of Energy's favor our irrevocable standby Letter of Credit effective immediately for the account of our customer's above contract with the U.S. Department of Energy for the exchange of Strategic Petroleum Reserve petroleum.

This letter of credit is available by your draft/s at sight, drawn on us and accompanied by a manually signed statement that the signer is an authorized representative of the Department of Energy, and one or more of the following statements:

- a. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO RECEIVE THE SPR CRUDE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."
- b. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO DELIVER RETURN EXCHANGE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."
- c. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO MAKE FINAL RECONCILIATION PAYMENT IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."

Drafts must be presented for payment on or before the expiration date of this Letter of Credit at our bank. The Government may make multiple drafts against this Letter of Credit.

Upon receipt of the U.S. Department of Energy's demand by hand, mail express delivery, or other means, at our office located at _____, we will honor the demand and make payment, by 3 p.m. Eastern Time of the third business day following receipt of the demand by wire transfer of funds as a deposit to the account of the U.S. Treasury over the Fedwire Funds Service. The information to be included in each transfer will be as provided in the above referenced contract.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision, International Chamber of Commerce Publication no. 600) and except as may be inconsistent therewith, to the Uniform Commercial Code in effect on the date of issuance of this Letter of Credit in the state in which the issuer's head office within the United States is located.

We hereby agree with you that all drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation and delivery of the above documents for payment at our bank on or before the expiration date.

In the event of a bankruptcy filing by the applicant prior to the expiration date of this letter of credit, the expiration date of this letter of credit will automatically be extended by one hundred twenty (120) calendar days from the expiration date.

Address all communications regarding this Letter of Credit to (name and phone number).

Very truly yours,

(Authorized Signature)

(Typed Name and Title)

INSTRUCTIONS FOR PAYMENT AND PERFORMANCE GUARANTEE LETTER OF CREDIT

1. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible – Settlement-only.
2. Letter of Credit must not vary in substance from this attachment. Provide a copy of this attachment to your bank.
3. Banks shall fill in blanks EXCEPT those in the drawing statements. **The drawing statements are in bold print.**
4. Type name and title under authorized signature and provide documentation of authorized signature.

ATTACHMENT C-1 DD FORM 250

MATERIAL INSPECTION AND RECEIVING REPORT DD Form 250, AUG 2000

MATERIAL INSPECTION AND RECEIVING REPORT						FORM APPROVED OMB No. 0704-0248
The public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports, (0704-0248), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0248) Arlington, DC 20503. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.						
PLEASE DO NOT RETURN YOUR COMPLETED FORM TO EITHER OF THESE ADDRESSES. SEND THIS FORM IN ACCORDANCE WITH THE INSTRUCTIONS CONTAINED IN THE DFARS, APPENDIX F-401.						
1. PROCUREMENT INSTRUMENT IDENTIFICATION (CONTRACT) NO.		6. INVOICE NO./DATE		7. PAGE	OF	8. ACCEPTANCE POINT
DOE OWNED CRUDE OIL				1	1	
2. SHIPMENT NO.	3. DATE SHIPPED	4. B/L TCN	5. DISCOUNT TERMS			
9. PRIME CONTRACTOR CODE Fluor Federal Petroleum Operations 850 S. Clearview Pkwy. New Orleans, LA 70123		10. ADMINISTERED BY DEPARTMENT OF ENERGY STRATEGIC PETROLEUM RESERVE PROJECT MANAGEMENT OFFICE				CODE
11 SHIPPED FROM (If other than 9) CODE FOB:		12. PAYMENT WILL BE MADE BY				CODE
13. SHIPPED TO CODE		14. MARKED FOR				CODE
15 ITEM NO.	16. STOCK/PART NO. (Indicate number of shipping containers - type of container- container number.)	17. QUANTITY SHIP/REC'D *		18. UNIT	19. UNIT PRICE	20. AMOUNT
1	Gross	NET @ 60° F.		BARRELS		
21. CONTRACT QUALITY ASSURANCE a. ORIGIN <input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or in supporting documents.				b. DESTINATION <input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or in supporting documents.		
DATE TYPED NAME: TITLE: MAILING ADDRESS: COMMERCIAL TELEPHONE NUMBER:		DATE SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		DATE SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		
22. RECEIVER'S USE Quantities shown in column 17 were received in apparent good condition except as noted.				DATE RECEIVED: _____ SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE: _____ TYPED NAME: _____ TITLE: _____ MAILING ADDRESS: _____ COMMERCIAL TELEPHONE NUMBER: _____		
*If quantity received by the Government is the same as quantity shipped, indicate by (x) mark; if different, enter actual quantity received below quantity shipped and encircle.						
23. CONTRACTOR USE ONLY:						

ATTACHMENT C-2 DD FORM 250-1

TANK/BARGE MATERIAL INSPECTION AND RECEIVING REPORT				FORM APPROVED OMB No. 0704-0248 Expires Dec 31, 1990	
Public reporting burden for this collection of information is estimated to average 35 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0248), Washington, DC 20503.					
PLEASE DO NOT RETURN YOUR COMPLETED FORM TO EITHER OF THESE ADDRESSES. SEND THIS FORM IN ACCORDANCE WITH THE INSTRUCTIONS CONTAINED IN THE DFARS, APPENDIX F-401.					
1. TANKER BARGE <input type="checkbox"/> LOADING REPORT <input checked="" type="checkbox"/> DISCHARGE REPORT		2. INSPECTION OFFICE		3. REPORT NUMBER	
4. AGENCY PLACING ORDER ON SHIPPER, CITY, STATE AND/OR LOCAL ADDRESS (Loading)			5. DEPARTMENT	5. PRIME CONTRACT OR P.O. NUMBER	
7. NAME OF PRIME CONTRACTOR, CITY, STATE AND/OR LOCAL ADDRESS (Loading)				8. STORAGE CONTRACT	
9. TERMINAL OR REFINERY SHIPPED FROM, CITY, STATE AND/OR LOCAL ADDRESS (Loading)				10. ORDER NUMBER OR SUPPLIER	
11 SHIPPED TO (Receiving, Activity, City, State and/or Local Address)				12. B/L NUMBER	
				13. REGN. OR REQUEST NO.	14. CARGO NUMBER
15. VESSEL		16. DRAFT ARRIVAL FORE AFT		17. DRAFT SAILING FORE AFT	
18. PREVIOUS TWO CARGOES FIRST LAST		19. PRIOR INSPECTION			
20. CONDITION OF SHORE PIPELINE		21. APPROPRIATION (Loading)		22. CONTRACT ITEM NO. N/A	
23. PRODUCT		24. SPECIFICATIONS N/A			
25. STATEMENT OF QUANTITY		LOADED	DISCHARGED	LOSS/GAIN	PER CENT
BARRELS (42 Gals/Net) NSV					
GALLONS (Net)					
TONS (Long) Barrels GSV					
26. TEST RESULTS		STATEMENT OF QUALITY		THIRD PARTY INSPECTOR	
		VESSEL COMPOSITE		VESSEL COMPOSITE	
API GRAVITY					
BS&W					
S&W					
SULFUR (WT%)					
RVP					
VISC @ 60 DEG. F (CST)					
VISC @ 100 DEG. F (CST)					
SALT					
POUR					
TAN					
27. TIME STATEMENT		DATE	TIME	28. REMARKS (Note in detail cause of delays such as repairs, breakdowns, slow operations, stoppage, etc.)	
NOTICE OF READINESS TO LOAD DISCHARGE					
VESSEL ARRIVED IN ROADS					
MOORED ALONGSIDE					
STARTED BALLAST DISCHARGE					
FINISHED BALLAST DISCHARGE					
INSPECTED AND READY TO LOAD DISCHARGE					
CARGO HOSES CONNECTED					
COMMENCED LOADING DISCHARGE					
STOPPED LOADING DISCHARGING					
RESUMED LOADING DISCHARGING					
FINISHED LOADING DISCHARGING					
CARGO HOSES REMOVED					
VESSEL RELEASED BY INSPECTOR					
COMMENCED BUNKERING					
FINISHED BUNKERING					
VESSEL LEFT BIRTH (Actual/Estimated)				29. COMPANY OR RECEIVING TERMINAL	
30. I CERTIFY THAT THE CARGO WAS INSPECTED, ACCEPTED AND LOADED/DISCHARGED AS INDICATED HEREON.				(Signature)	
(Date)		(Signature of Authorized Government Representative)		31. I HEREBY CERTIFY THAT THIS TIME STATEMENT IS CORRECT.	
				(Master or Agent)	

ATTACHMENT D Quality Adjustment Tables

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM

API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
10.0	1.250	16.0	2.150	22.0	3.050	28.0	3.950
10.1	1.265	16.1	2.165	22.1	3.065	28.1	3.965
10.2	1.280	16.2	2.180	22.2	3.080	28.2	3.980
10.3	1.295	16.3	2.195	22.3	3.095	28.3	3.995
10.4	1.310	16.4	2.210	22.4	3.110	28.4	4.010
10.5	1.325	16.5	2.225	22.5	3.125	28.5	4.025
10.6	1.340	16.6	2.240	22.6	3.140	28.6	4.040
10.7	1.355	16.7	2.255	22.7	3.155	28.7	4.055
10.8	1.370	16.8	2.270	22.8	3.170	28.8	4.070
10.9	1.385	16.9	2.285	22.9	3.185	28.9	4.085
11.0	1.400	17.0	2.300	23.0	3.200	29.0	4.100
11.1	1.415	17.1	2.315	23.1	3.215	29.1	4.115
11.2	1.430	17.2	2.330	23.2	3.230	29.2	4.130
11.3	1.445	17.3	2.345	23.3	3.245	29.3	4.145
11.4	1.460	17.4	2.360	23.4	3.260	29.4	4.160
11.5	1.475	17.5	2.375	23.5	3.275	29.5	4.175
11.6	1.490	17.6	2.390	23.6	3.290	29.6	4.190
11.7	1.505	17.7	2.405	23.7	3.305	29.7	4.205
11.8	1.520	17.8	2.420	23.8	3.320	29.8	4.220
11.9	1.535	17.9	2.435	23.9	3.335	29.9	4.235
12.0	1.550	18.0	2.450	24.0	3.350	30.0	4.250
12.1	1.565	18.1	2.465	24.1	3.365	30.1	4.265
12.2	1.580	18.2	2.480	24.2	3.380	30.2	4.280
12.3	1.595	18.3	2.495	24.3	3.395	30.3	4.295
12.4	1.610	18.4	2.510	24.4	3.410	30.4	4.310
12.5	1.625	18.5	2.525	24.5	3.425	30.5	4.325
12.6	1.640	18.6	2.540	24.6	3.440	30.6	4.340
12.7	1.655	18.7	2.555	24.7	3.455	30.7	4.355
12.8	1.670	18.8	2.570	24.8	3.470	30.8	4.370
12.9	1.685	18.9	2.585	24.9	3.485	30.9	4.385
13.0	1.700	19.0	2.600	25.0	3.500	31.0	4.400
13.1	1.715	19.1	2.615	25.1	3.515	31.1	4.415
13.2	1.730	19.2	2.630	25.2	3.530	31.2	4.430
13.3	1.745	19.3	2.645	25.3	3.545	31.3	4.445
13.4	1.760	19.4	2.660	25.4	3.560	31.4	4.460
13.5	1.775	19.5	2.675	25.5	3.575	31.5	4.475
13.6	1.790	19.6	2.690	25.6	3.590	31.6	4.490
13.7	1.805	19.7	2.705	25.7	3.605	31.7	4.505
13.8	1.820	19.8	2.720	25.8	3.620	31.8	4.520
13.9	1.835	19.9	2.735	25.9	3.635	31.9	4.535
14.0	1.850	20.0	2.750	26.0	3.650	32.0	4.550
14.1	1.865	20.1	2.765	26.1	3.665	32.1	4.565
14.2	1.880	20.2	2.780	26.2	3.680	32.2	4.580
14.3	1.895	20.3	2.795	26.3	3.695	32.3	4.595
14.4	1.910	20.4	2.810	26.4	3.710	32.4	4.610
14.5	1.925	20.5	2.825	26.5	3.725	32.5	4.625
14.6	1.940	20.6	2.840	26.6	3.740	32.6	4.640
14.7	1.955	20.7	2.855	26.7	3.755	32.7	4.655
14.8	1.970	20.8	2.870	26.8	3.770	32.8	4.670
14.9	1.985	20.9	2.885	26.9	3.785	32.9	4.685
15.0	2.000	21.0	2.900	27.0	3.800	33.0	4.700
15.1	2.015	21.1	2.915	27.1	3.815	33.1	4.715
15.2	2.030	21.2	2.930	27.2	3.830	33.2	4.730
15.3	2.045	21.3	2.945	27.3	3.845	33.3	4.745
15.4	2.060	21.4	2.960	27.4	3.860	33.4	4.760
15.5	2.075	21.5	2.975	27.5	3.875	33.5	4.775
15.6	2.090	21.6	2.990	27.6	3.890	33.6	4.790
15.7	2.105	21.7	3.005	27.7	3.905	33.7	4.805
15.8	2.120	21.8	3.020	27.8	3.920	33.8	4.820
15.9	2.135	21.9	3.035	27.9	3.935	33.9	4.835

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM

API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL	API GRAVITY	DIFF. PER BBL
34.0	4.850	40.0	5.100	46.0	4.950	52.0	4.050
34.1	4.865	40.1	5.100	46.1	4.935	52.1	4.035
34.2	4.880	40.2	5.100	46.2	4.920	52.2	4.020
34.3	4.895	40.3	5.100	46.3	4.905	52.3	4.005
34.4	4.910	40.4	5.100	46.4	4.890	52.4	3.990
34.5	4.925	40.5	5.100	46.5	4.875	52.5	3.975
34.6	4.940	40.6	5.100	46.6	4.860	52.6	3.960
34.7	4.955	40.7	5.100	46.7	4.845	52.7	3.945
34.8	4.970	40.8	5.100	46.8	4.830	52.8	3.930
34.9	4.985	40.9	5.100	46.9	4.815	52.9	3.915
35.0	5.000	41.0	5.100	47.0	4.800	53.0	3.900
35.1	5.000	41.1	5.100	47.1	4.785	53.1	3.885
35.2	5.000	41.2	5.100	47.2	4.770	53.2	3.870
35.3	5.000	41.3	5.100	47.3	4.755	53.3	3.855
35.4	5.000	41.4	5.100	47.4	4.740	53.4	3.840
35.5	5.000	41.5	5.100	47.5	4.725	53.5	3.825
35.6	5.000	41.6	5.100	47.6	4.710	53.6	3.810
35.7	5.000	41.7	5.100	47.7	4.695	53.7	3.795
35.8	5.000	41.8	5.100	47.8	4.680	53.8	3.780
35.9	5.000	41.9	5.100	47.9	4.665	53.9	3.765
36.0	5.020	42.0	5.100	48.0	4.650	54.0	3.750
36.1	5.020	42.1	5.100	48.1	4.635	54.1	3.735
36.2	5.020	42.2	5.100	48.2	4.620	54.2	3.720
36.3	5.020	42.3	5.100	48.3	4.605	54.3	3.705
36.4	5.020	42.4	5.100	48.4	4.590	54.4	3.690
36.5	5.020	42.5	5.100	48.5	4.575	54.5	3.675
36.6	5.020	42.6	5.100	48.6	4.560	54.6	3.660
36.7	5.020	42.7	5.100	48.7	4.545	54.7	3.645
36.8	5.020	42.8	5.100	48.8	4.530	54.8	3.630
36.9	5.020	42.9	5.100	48.9	4.515	54.9	3.615
37.0	5.040	43.0	5.100	49.0	4.500	55.0	3.600
37.1	5.040	43.1	5.100	49.1	4.485		
37.2	5.040	43.2	5.100	49.2	4.470		
37.3	5.040	43.3	5.100	49.3	4.455		
37.4	5.040	43.4	5.100	49.4	4.440		
37.5	5.040	43.5	5.100	49.5	4.425		
37.6	5.040	43.6	5.100	49.6	4.410		
37.7	5.040	43.7	5.100	49.7	4.395		
37.8	5.040	43.8	5.100	49.8	4.380		
37.9	5.040	43.9	5.100	49.9	4.365		
38.0	5.060	44.0	5.100	50.0	4.350		
38.1	5.060	44.1	5.100	50.1	4.335		
38.2	5.060	44.2	5.100	50.2	4.320		
38.3	5.060	44.3	5.100	50.3	4.305		
38.4	5.060	44.4	5.100	50.4	4.290		
38.5	5.060	44.5	5.100	50.5	4.275		
38.6	5.060	44.6	5.100	50.6	4.260		
38.7	5.060	44.7	5.100	50.7	4.245		
38.8	5.060	44.8	5.100	50.8	4.230		
38.9	5.060	44.9	5.100	50.9	4.215		
39.0	5.080	45.0	5.100	51.0	4.200		
39.1	5.080	45.1	5.085	51.1	4.185		
39.2	5.080	45.2	5.070	51.2	4.170		
39.3	5.080	45.3	5.055	51.3	4.155		
39.4	5.080	45.4	5.040	51.4	4.140		
39.5	5.080	45.5	5.025	51.5	4.125		
39.6	5.080	45.6	5.010	51.6	4.110		
39.7	5.080	45.7	4.995	51.7	4.095		
39.8	5.080	45.8	4.980	51.8	4.080		
39.9	5.080	45.9	4.965	51.9	4.065		

For API GRAVITY values above 55.0° API the differential continues to decline 0.015/bbl. per 0.1° API GRAVITY.

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
0.00	1.000	0.60	1.600	1.20	2.200	1.80	2.800	2.40	3.400
0.01	1.010	0.61	1.610	1.21	2.210	1.81	2.810	2.41	3.410
0.02	1.020	0.62	1.620	1.22	2.220	1.82	2.820	2.42	3.420
0.03	1.030	0.63	1.630	1.23	2.230	1.83	2.830	2.43	3.430
0.04	1.040	0.64	1.640	1.24	2.240	1.84	2.840	2.44	3.440
0.05	1.050	0.65	1.650	1.25	2.250	1.85	2.850	2.45	3.450
0.06	1.060	0.66	1.660	1.26	2.260	1.86	2.860	2.46	3.460
0.07	1.070	0.67	1.670	1.27	2.270	1.87	2.870	2.47	3.470
0.08	1.080	0.68	1.680	1.28	2.280	1.88	2.880	2.48	3.480
0.09	1.090	0.69	1.690	1.29	2.290	1.89	2.890	2.49	3.490
0.10	1.100	0.70	1.700	1.30	2.300	1.90	2.900	2.50	3.500
0.11	1.110	0.71	1.710	1.31	2.310	1.91	2.910	2.51	3.510
0.12	1.120	0.72	1.720	1.32	2.320	1.92	2.920	2.52	3.520
0.13	1.130	0.73	1.730	1.33	2.330	1.93	2.930	2.53	3.530
0.14	1.140	0.74	1.740	1.34	2.340	1.94	2.940	2.54	3.540
0.15	1.150	0.75	1.750	1.35	2.350	1.95	2.950	2.55	3.550
0.16	1.160	0.76	1.760	1.36	2.360	1.96	2.960	2.56	3.560
0.17	1.170	0.77	1.770	1.37	2.370	1.97	2.970	2.57	3.570
0.18	1.180	0.78	1.780	1.38	2.380	1.98	2.980	2.58	3.580
0.19	1.190	0.79	1.790	1.39	2.390	1.99	2.990	2.59	3.590
0.20	1.200	0.80	1.800	1.40	2.400	2.00	3.000	2.60	3.600
0.21	1.210	0.81	1.810	1.41	2.410	2.01	3.010	2.61	3.610
0.22	1.220	0.82	1.820	1.42	2.420	2.02	3.020	2.62	3.620
0.23	1.230	0.83	1.830	1.43	2.430	2.03	3.030	2.63	3.630
0.24	1.240	0.84	1.840	1.44	2.440	2.04	3.040	2.64	3.640
0.25	1.250	0.85	1.850	1.45	2.450	2.05	3.050	2.65	3.650
0.26	1.260	0.86	1.860	1.46	2.460	2.06	3.060	2.66	3.660
0.27	1.270	0.87	1.870	1.47	2.470	2.07	3.070	2.67	3.670
0.28	1.280	0.88	1.880	1.48	2.480	2.08	3.080	2.68	3.680
0.29	1.290	0.89	1.890	1.49	2.490	2.09	3.090	2.69	3.690
0.30	1.300	0.90	1.900	1.50	2.500	2.10	3.100	2.70	3.700
0.31	1.310	0.91	1.910	1.51	2.510	2.11	3.110	2.71	3.710
0.32	1.320	0.92	1.920	1.52	2.520	2.12	3.120	2.72	3.720
0.33	1.330	0.93	1.930	1.53	2.530	2.13	3.130	2.73	3.730
0.34	1.340	0.94	1.940	1.54	2.540	2.14	3.140	2.74	3.740
0.35	1.350	0.95	1.950	1.55	2.550	2.15	3.150	2.75	3.750
0.36	1.360	0.96	1.960	1.56	2.560	2.16	3.160	2.76	3.760
0.37	1.370	0.97	1.970	1.57	2.570	2.17	3.170	2.77	3.770
0.38	1.380	0.98	1.980	1.58	2.580	2.18	3.180	2.78	3.780
0.39	1.390	0.99	1.990	1.59	2.590	2.19	3.190	2.79	3.790
0.40	1.400	1.00	2.000	1.60	2.600	2.20	3.200	2.80	3.800
0.41	1.410	1.01	2.010	1.61	2.610	2.21	3.210	2.81	3.810
0.42	1.420	1.02	2.020	1.62	2.620	2.22	3.220	2.82	3.820
0.43	1.430	1.03	2.030	1.63	2.630	2.23	3.230	2.83	3.830
0.44	1.440	1.04	2.040	1.64	2.640	2.24	3.240	2.84	3.840
0.45	1.450	1.05	2.050	1.65	2.650	2.25	3.250	2.85	3.850
0.46	1.460	1.06	2.060	1.66	2.660	2.26	3.260	2.86	3.860
0.47	1.470	1.07	2.070	1.67	2.670	2.27	3.270	2.87	3.870
0.48	1.480	1.08	2.080	1.68	2.680	2.28	3.280	2.88	3.880
0.49	1.490	1.09	2.090	1.69	2.690	2.29	3.290	2.89	3.890
0.50	1.500	1.10	2.100	1.70	2.700	2.30	3.300	2.90	3.900
0.51	1.510	1.11	2.110	1.71	2.710	2.31	3.310	2.91	3.910
0.52	1.520	1.12	2.120	1.72	2.720	2.32	3.320	2.92	3.920
0.53	1.530	1.13	2.130	1.73	2.730	2.33	3.330	2.93	3.930
0.54	1.540	1.14	2.140	1.74	2.740	2.34	3.340	2.94	3.940
0.55	1.550	1.15	2.150	1.75	2.750	2.35	3.350	2.95	3.950
0.56	1.560	1.16	2.160	1.76	2.760	2.36	3.360	2.96	3.960
0.57	1.570	1.17	2.170	1.77	2.770	2.37	3.370	2.97	3.970
0.58	1.580	1.18	2.180	1.78	2.780	2.38	3.380	2.98	3.980
0.59	1.590	1.19	2.190	1.79	2.790	2.39	3.390	2.99	3.990

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
3.00	4.000	3.60	4.600
3.01	4.010	3.61	4.610
3.02	4.020	3.62	4.620
3.03	4.030	3.63	4.630
3.04	4.040	3.64	4.640
3.05	4.050	3.65	4.650
3.06	4.060	3.66	4.660
3.07	4.070	3.67	4.670
3.08	4.080	3.68	4.680
3.09	4.090	3.69	4.690
3.10	4.100	3.70	4.700
3.11	4.110	3.71	4.710
3.12	4.120	3.72	4.720
3.13	4.130	3.73	4.730
3.14	4.140	3.74	4.740
3.15	4.150	3.75	4.750
3.16	4.160	3.76	4.760
3.17	4.170	3.77	4.770
3.18	4.180	3.78	4.780
3.19	4.190	3.79	4.790
3.20	4.200	3.80	4.800
3.21	4.210	3.81	4.810
3.22	4.220	3.82	4.820
3.23	4.230	3.83	4.830
3.24	4.240	3.84	4.840
3.25	4.250	3.85	4.850
3.26	4.260	3.86	4.860
3.27	4.270	3.87	4.870
3.28	4.280	3.88	4.880
3.29	4.290	3.89	4.890
3.30	4.300	3.90	4.900
3.31	4.310	3.91	4.910
3.32	4.320	3.92	4.920
3.33	4.330	3.93	4.930
3.34	4.340	3.94	4.940
3.35	4.350	3.95	4.950
3.36	4.360	3.96	4.960
3.37	4.370	3.97	4.970
3.38	4.380	3.98	4.980
3.39	4.390	3.99	4.990
3.40	4.400	4.00	5.000
3.41	4.410		
3.42	4.420		
3.43	4.430		
3.44	4.440		
3.45	4.450		
3.46	4.460		
3.47	4.470		
3.48	4.480		
3.49	4.490		
3.50	4.500		
3.51	4.510		
3.52	4.520		
3.53	4.530		
3.54	4.540		
3.55	4.550		
3.56	4.560		
3.57	4.570		
3.58	4.580		
3.59	4.590		

For Sulfur Values
above 4.00% the
differential continues
to increase 0.01/BBL
per 0.01 Percent
Sulfur

ATTACHMENT E
Nomination-Confirmation Form

STRATEGIC PETROLEUM RESERVE

NOMINATION - CONFIRMATION

SPR Operations	<u>Scheduler</u>
Fluor Federal Petroleum Operations	(504) 473-9975
New Orleans, Louisiana	<u>Quantity and Quality</u>
FFPOCOL@SPR.DOE.GOV	(504) 722-6146

****The following Information Must Be Provided by the Contractor****

Submission Date: Click here to enter a date. Submission Type: Original Nomination

Contract No.: Enter Contract Number
 Contractor: Enter Contractor Name
 Address: Enter Address
 City, State, Zip

Contractor Contact Information

Primary Contact: Primary Contact Name	Alternate: Alternate Contact Name
Office: Office Phone	Office: Office Phone
Cell: Cell Phone	Cell: Cell Phone
Email: Email Address	Email: Email Address

CODR/DD250 Contractor Signatory Designee*: Signatory Designee Name
 Designee can be contractor office personnel, 3rd party inspection company, or chosen loss control representative*.
Office: Office Phone
Cell: Cell Phone
Email: Email Address
 Note: If multiple designees are to be used, please input "See Attached" and provide list to FFPOCOL@spr.doe.gov with nomination.

†Third Party Inspection Company Information

Company: 3rd Party Inspection Company
Contact: 3rd Party Contact Name
 Contact Ned Schepppegrell for any questions on SPR 3rd party inspection and testing.

Nomination Information and Delivery Window (additional lines on following page)

Delivery Window	Pipeline/Vessel	Volume (MB)	SPR Site	Destination
Dates	Choose an item.	Volume	Site	
Dates	Choose an item.	Volume	Site	
Dates	Choose an item.	Volume	Site	
Dates	Choose an item.	Volume	Site	
	Total Volume:	Total Volume		

The Following information to be provided by SPR Operations Personnel

<u>Terminal Information</u>	<u>Custody Transfer Point</u>
Terminal: TBD	TBD
Contact:	<u>Quality Point</u>
Contact:	TBD
Contact:	<u>Quantity Point</u>
	TBD

**DEPARTMENT OF ENERGY
STRATEGIC PETROLEUM RESERVE (SPR)
OIL EXCHANGE AGREEMENT
22PO0013**

This Exchange Agreement, entered into this 3 day of March 2022, between the UNITED STATES OF AMERICA, acting by and through the Department of Energy, hereinafter referred to as the "GOVERNMENT" or "DOE" and ExxonMobil, hereinafter referred to as the "Contractor."

WITNESSETH:

1. AUTHORITY – That the Secretary of Energy, under the authority of the Department of Energy Organization Act (42 U.S.C. 7101 *et seq.*) and sections 159(f)(5) and 160(a) of the Energy Policy and Conservation Act (42 U.S.C. 6239, 6240), having determined that the exchanging of crude oil will be advantageous to the Government and in the public interest, hereby enters into this agreement with the Contractor for the exchange of crude oil from the SPR.

2. CUSTODY TRANSFER –

Bayou Choctaw to Redstick

Custody transfer quantity and quality measurements will be the Bayou Choctaw Meters and in-line sampler for deliveries into the Redstick pipeline. Secondary measurement for quantity will be the St. James Sugarland meter and quality will be inline samples taken at the DOE Bayou Choctaw site. If neither the Bayou Choctaw facility or St. James facility can perform as primary or secondary measurement, then the Saint James receipt point destination meter and inline sampler shall be used. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and testing and perform testing if necessary.

Any change of the custody measurement point from Bayou Choctaw meter and inline sampler to the St. James meter and inline sampler to facilitate the Bayou Choctaw movements, the customer will remain responsible for all charges pertaining to the Redstick pipeline throughput charges.

The Government will deliver approximately 2,700,000 barrels (plus/minus 10%) of sweet crude with an estimated API of 35.3 and an estimated sulfur of 0.419 from the Government's Bayou Choctaw site to the contractor. Note that the first 40,000 barrels of this Exchange Agreement will be Bayou Choctaw sour with an estimated API of 31.9 and sulfur of 1.43. Contractor shall return these barrels to the SPR as sweet barrels.

Return of oil to the SPR:

Sun Tanks to Big Hill

Custody transfer quantity and quality measurements will be the DOE meter skid and sampler located at the fence line of the Sun Marine Terminal deliveries into the Big Hill pipeline. Secondary measurement for quantity will be on the down-gauge on the Sun shore tank and quality based on manual grab samples taken at the Sun/DOE inline sampler. The API Gravity, Sediment and Water, and Sulfur content will be performed by the DOE M&O contracted third party inspector. Contractor shall have the right to have a representative present to witness all sampling, measurements and testing analysis. The DOE M&O contracted third party inspection company will witness all measurement and testing and perform testing.

All costs associated with the transportation of the exchange oil transferred from and to the SPR will be absorbed by the Contractor, to include but not be limited to, tariffs, marine shipment, pipeline shipment, U.S. Customs duties, harbor and environmental fees (including Texas Coastal protection fees), terminalling, demurrage and tankage charges.

All costs associated with the transportation of the exchange oil transferred from and to the SPR will be absorbed by the Contractor, to include but not be limited to, tariffs, marine shipment, pipeline shipment, U.S. Customs duties, harbor and environmental fees (including Texas Coastal protection fees), terminalling, demurrage and tankage charges.

3. **TERM** – The Government will use best efforts to fulfill exchange barrels as stated below:

Commence delivery in March 2022 with an objective to complete 2,700,000 barrels no later than March 31, 2022. If the prescribed volume is not taken by March 31, 2022, then the remainder will be considered undeliverable. If there is availability in the following month, and terms are mutually agreeable, remainder volume could be delivered on a best efforts basis.

Contractor shall return a total of 2,700,000 barrels plus applicable premium to the SPR as stated below:

Contractor shall return 2,700,000 exchange oil plus premium barrels to the Big Hill SPR site during the months of June and July 2025.

Contractor's oil return schedules must be approved by the Government prior to delivery. Also, see Provision 18 for additional scheduling requirements.

4. **PAYMENT AND PERFORMANCE GUARANTEE** – Within three (3) business days after receipt of award, the Contractor must provide to the Contracting Officer an acceptable "Irrevocable Standby Letter of Credit" established in favor of the United States Department of Energy to the Contracting Officer in the amount of \$284,067,000.00 with an expiration date of September 30, 2025. The letter must contain the substantive provisions set out in Attachment B, and be issued by a depository institution located in and authorized to do business in any state of the United States or the District of Columbia, and authorized to issue letters of credit by the banking laws of the United States or any state of the United States or the District of Columbia. The depository institution must be an account holder with the

Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible-Settlement-only. The issuing bank must provide documentation indicating that the person(s) signing the letter of credit is authorized to do so, in the form of corporate minutes, the Authorized Signature List, or the General Resolution of Signature Authority. All wire deposit and letter of credit costs will be borne by the purchaser.

The letter of credit must be an "Irrevocable Standby Letter of Credit" and MUST NOT VARY IN SUBSTANCE from the sample in Attachment B. If the letter of credit contains any provisions at variance with Attachment B or fails to include any provisions contained in Attachment B, nonconforming provisions must be deleted and missing substantive provisions must be added or the letter of credit will not be accepted.

The blanks in Attachment B shall be filled in by the issuing bank, except those in the drawing statements. The drawing statements are in bold print with double underlines for the blanks. The double underlined blanks will be filled in only at the time of a drawing against the letter of credit.

Please submit an electronic copy to kelly.gele@spr.doe.gov.

Failure to provide the letter of credit shall constitute grounds for termination of the contract for default.

5. PAYMENT –

Contractor agrees to a fixed 14.6% premium return of sweet crude oil in addition to actual crude oil received from the SPR for those barrels that are to be returned to **Big Hill SPR** site. The premium percentage will be applied to the barrels actually delivered to the contractor (*for example if the SPR delivers 2.7MMB NSV barrels, the premium would be $2.7MMB \times 1.146 = 3,094,200$ or 394,200 premium barrels*) with a minimum premium owed to the DOE of 354,780 sweet barrels.

All sour crude oil returned to the SPR must meet the specifications in Attachment A. The Contractor should make every effort practical to return 100% of the oil quantity delivered however must return at least 90% of the actual crude oil volume received plus the calculated premium to the designated SPR site.

6. GOVERNMENT NON-LIABILITY/ CONTRACTOR LIABILITY – Contractor covenants that it will defend, indemnify and save and hold harmless the Government, its officers, agents, and employees for and from any and all liability or claims for damages to property or injuries to or death of persons which may arise from or be incident to the use of the exchange oil, or for damages to the property or injuries to the person of Contractor (if an individual), or damages to the property or injuries to or death of the person of Contractor's officers, agents, servants, employees, or others who may be on said premises at their invitation or the invitation of any one of them, arising from exchange activities.

Contractor further covenants that any property of the Government lost, damaged or destroyed incident to Contractor's use of the exchange oil shall be promptly replaced by Contractor to

the satisfaction of the Contracting Officer, or in lieu of such replacement Contractor shall, if so required by the said officer, pay to the Government money in an amount sufficient to compensate for the loss sustained by the Government by reason loss, damage or destruction of the property.

7. **NOTICES** – No notice, order, direction, determination, requirement, consent, or approval under this Exchange Agreement shall be of any effect unless in writing. All notices required under this Exchange Agreement shall be addressed to Contractor, or to the Contracting Officer, as may be appropriate.

8. **COMMUNICATIONS** – Notices and other communications provided for herein shall be in writing and shall be delivered or mailed as follows:

Delivery and or Return:

For coordination of pipeline schedules and operations contact Chuck Costanza at (504) 473-9975 or Bradley Bauer (504)234-0145 and email to **FFPOCOL@spr.doe.gov**. All communications sent via need to include **FFPOCOL@spr.doe.gov**. Contractual issues shall be addressed with the Department of Energy’s Contracting Officer, Kelly Gele, at (504) 734-4343.

9. **EXAMINATION OF RECORDS BY THE GOVERNMENT** – Contractor agrees that the Government or any of its duly authorized representatives shall, until the expiration of three years after final payment under this agreement, have access to and the right to examine any books, documents, paper, and records of the Contractor involving transactions related to this agreement or compliance with any clauses thereunder.

10. **CHANGES** – The Contracting Officer may, at any time, without notice to the Letter of Credit guarantee(s), by written order designated or indicated to be a change order, or verbal direction followed by written order, make changes within the terms and conditions of the contract, including but not limited to the following changes-

- a. In the volume to be delivered to the Contractor or returned to the SPR.
- b. To the delivery period for issuance of SPR crude oil or for return of barrels back to the SPR.
- c. In the type of crude oil to be returned to the SPR.
- d. To delivery mode of crude oil coming out of the SPR or return oil.
- e. In the delivery point(s) of return oil to the SPR.

Any other written or oral order (which, as used in this paragraph, includes direction, instruction, interpretation, or determination) from the Contracting Officer that causes a change shall be treated as a change order under this provision; Provided, that the Contractor gives the Contracting Officer written notice stating –

- a. The date, circumstances, and source of the order, and

- b. That the Contractor regards the order as a change order.

If any change under this provision causes an increase or decrease in the Contractor's cost of, or the time required for, the performance of any part of the performance under this contract, whether or not changed by any such order, the Contracting Officer shall make an equitable adjustment and modify the contract in writing.

The contractor must assert its right to an adjustment under this provision within 30 calendar days after notification of the change.

11. NATIONAL AND OPERATIONAL EMERGENCIES – Return oil deliveries to the DOE may be rescheduled or redirected upon the determination of a national or DOE operational emergency. A negotiated adjustment to the contract will be made as a result of this direction. However, should the parties fail to reach a settlement, the Government shall establish an equitable adjustment subject to the Provision entitled “Disputes.”
12. DEFAULT –
- a. The Government may, by written notice of default to the Customer, terminate this contract in whole or in part if the Contractor fails to -
- (1) Receive SPR crude oil within the time specified in this contract or any extension;
 - (2) Make progress in scheduling of contracted deliveries, so as to endanger performance of this contract; or
 - (3) Perform any of the other provisions of this contract.
- b. The rights and remedies of the Government in this clause are in addition to any other rights and remedies provided by law or under this contract.
13. TERMINATION FOR THE CONVENIENCE OF THE GOVERNMENT – The Contracting Officer, by written notice, may terminate this contract, in whole or in part, when it is in the Government's interest. If this contract is terminated, the Government shall be liable only for reasonable, customary and applicable costs incurred by the Customer before the effective date of termination, but shall not be liable for consequential damages or the contractor's lost profits.
14. EXCUSABLE DELAYS
- a. In the event either party should be prevented from performing under this contract by reason of any unforeseeable cause beyond its control and without its fault or negligence, including, but not restricted to, acts of God or of the public enemy, sovereign acts of the United States, acts of a foreign Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, performance under the contract shall be suspended in whole or in part until such cause ceases to exist and thereafter the time for fulfillment of the contract shall be

extended by the length of time during which such cause prevented performance under the contract.

- b. In order for this provision to become operative, the party to the contract affected by the excusable delay condition shall furnish the other party with written notice of the nature and extent of the excusable delay condition promptly after the commencement thereof, but in any event prior to shipment of the crude oil from the location from which it is to be shipped. Written notice shall be furnished within ten (10) calendar days to the other party when the excusable delay condition ceases to exist.

- 15. **FORCE MAJEURE** – Force Majeure means, except for payment due hereunder, either party hereto shall be relieved from liability for failure to perform hereunder for the duration and to the extent such failure is occasioned by war, riots, insurrections, fire, explosions, sabotage, strikes, and other labor or industrial disturbances, acts of God or the elements, disruption or mechanical breakdown of production or transportation facilities, or delays of pipeline carrier in receiving and delivering crude oil tendered. Any such failures to perform shall be remedied with all reasonable dispatch.

As employed herein, the term “party”, as it relates to the Contractor, shall not include affiliated business concerns or individuals if, directly or indirectly, (1) either one controls or can control the other, or (2) a third party controls or can control both.

16. **DISPUTES** –

- a. This contract is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. Section 601 et seq.). If a dispute arises relating to the contract, the Customer may submit a claim to the Contracting Officer, who shall issue a written decision on the dispute in the manner specified in 48 CFR 1-33.211.
- b. “Claim” means:
 - (1) A written request submitted to the Contracting Officer;
 - (2) For payment of money, adjustment of contract terms, or other relief;
 - (3) Which is in dispute or remains unresolved after a reasonable time for its review and disposition by the Government; and
 - (4) For which a Contracting Officer’s decision is demanded.
- c. In the case of dispute requests or amendments to such requests for payment exceeding \$100,000, the Customer shall certify at the time of submission as a claim, as follows:

I certify that the claim is made in good faith, that the supporting data are current, accurate and complete to the best of my knowledge and belief and that the amount requested accurately reflects the contract adjustment for which the Customer believes the Government is liable.

Customer’s Name _____

Signature _____
 Title _____

- d. The Government shall pay to the Customer interest on the amount found due to the Customer on claims submitted under this provision at the rate established by the Department of the Treasury from the date the amount is due until the Government makes payment. The Contract Disputes Act of 1978, as amended, and the Prompt Payment Act adopt the interest rate established by the Secretary of the Treasury under the Renegotiation Act as the basis for computing interest on money owed by the Government. This rate is published semi-annually in the Federal Register.
- e. The Customer shall pay to the Government interest on the amount found due to the Government and unpaid on claims submitted under this provision at the rate specified in Paragraph d. above from the date the amount is due until the Customer makes payment.
- f. The decision of the Contracting Officer shall be final and conclusive and shall not be subject to review by any forum, tribunal, or Government agency unless an appeal or action is commenced within the times specified by the Contract Disputes Act of 1978, as amended.
- g. The Customer shall comply with any decision of the Contracting Officer and at the direction of the Contracting Officer shall proceed diligently with performance of this contract pending final resolution of any request for relief, claim, appeal, or action related to this contract.

17. **OIL QUALITY** – The Contractor shall be responsible for variations in oil quality exceeding the limits set forth below upon the return of the oil to the Government. The reference basis shall be the weighted average sour results of the laboratory tests conducted by the Government for API gravity and Sulfur weight percent taken when custody originally passed to the Contractor. Please note, the DOE will not be liable for any quality differential for Return Oil delivered to the SPR.

- a. Quality differentials will be calculated by utilizing the Quality tables in Attachment D. The allowable variations from the common quality for crude oil deliveries are defined as:

<u>QUALITY</u>	<u>Allowable Quality Variations</u>	
	<u>DOE CRUDE OIL</u>	<u>(CATEGORY)</u>
	<u>SWEET</u>	<u>SOUR</u>
Gravity - API°	-0.5	-0.5
Sulfur - Wt%	+0.10	+0.10

- b. API Gravity between 40.0 and 45.0: No quality differential shall be accessed.

- c. API Gravity between 35.0 and 40.0: Adjustment for Sour crude oil is 2¢ per barrel for each degree (1.0°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded. Specifically, computed API Gravity excess variances for each cargo, reported in API Gravity 0.1° increments, shall be rounded up to the next whole 1.0° API.
- d. API Gravity below 35.0: Adjustment for Sour crude oil is 1.5¢ per barrel for each tenth of a degree (0.1°) increase/decrease in (API) Gravity, or part thereof, by which the allowable variation set forth above is exceeded.
- e. Total Sulfur: 1.0¢ per barrel for each 1/100th percent (0.01%) increase/decrease in total sulfur by which the allowable variations set forth above are exceed.
- f. If crude oil delivered to the DOE falls below the minimum SPR specification for API Gravity, or above the maximum DOE specification for sulfur, as defined in Attachment A, a quality differential adjustment shall be applied without a variance allowance on that portion exceeding the specification limit.

There is a limit of 0.1% freewater on delivery to the SPR as measured either by contractor's shore tank or on the vessel prior to discharge into tanks designated for DOE receipts. The inspector's gauges, witnessed by the DOE representative, either on the vessel at the dock facility or terminal shore tank, will be the method used to determine the final freewater barrel amount. This clause is effective in conjunction with the Water and Sediment [Vol.%] maximum limit of 1.0% as stated in Attachment A; e.g., a 500,000 barrel oil delivery to the SPR is limited to 1.0% S&W (5,000 barrels), of which a maximum of 0.1% (500 barrels) can be freewater. Contractor is responsible for all costs associated with removal of excess freewater. Exceeding the freewater limitations specified herein will result in the cargo being rejected.

18. SCHEDULING OF OIL MOVEMENTS – Contractor shall schedule all oil deliveries through the appropriate commercial pipeline and marine terminal facilities, ensuring that it has coordinated the deliveries with the SPR.

For marine deliveries, the Contractor shall provide a working schedule to the DOE not later than the fifteenth day of the month prior to the month in which deliveries will be made (e.g. by February 15 for March deliveries). This working schedule will contain total monthly volumes and the approximate delivery dates and quantities for each month of delivery. No later than seven business days prior to each delivery, the Contractor shall provide vessel name, vessel quality data, the expected date of arrival, the volume to be delivered, vessel agents and any other pertinent information that may be needed. The SPR will provide a Nomination-Confirmation Form (Attachment E). The Contractor shall complete the yellow highlighted areas and return the form in the time frame defined above.

The Contractor, or its designated agent, shall provide pre-arrival notices 72 hours, 48 hours and 24 hours prior to discharge to both the DOE and the discharge terminal.

For pipeline deliveries, the Contractor shall make necessary arrangements with the commercial pipelines connected to the DOE or its interconnecting pipelines. Nomination information regarding these deliveries shall be provided to the DOE not later than fifteen calendar days prior to the month in which deliveries will be made. The minimum cargo size per this agreement shall be no less than 300,000 barrels.

Note 1: It is the responsibility of the offerors to confirm these specifications prior to nominations to insure most current information.

19. SPR Oil Quality

The quality characteristics of the crude oil stream offered in the exchange are those cited in the Strategic Petroleum Reserve Crude Oil Assays.

This crude oil quality data is a weighted average composition of the specific caverns that comprise the streams offered in the exchange. Although a specific crude oil benchmark is referenced; SPR inventory contains a blend of domestic and global crude including Isthmus, Urals, Alaskan North Slope, Arabian Light, Saharan, and Dubai with segregation by Sweet and Sour storage caverns. The SPR has observed H₂S concentration (which is found naturally in crude oil) greater than 10 ppm in liquid in some crude batches. Measurements of H₂S in vapor space can be orders of magnitude higher than in liquid and difficult to measure due to factors in handling, weather, etc. OSHA provides guidelines on appropriate safety precautions and equipment if crude is handled openly, spilled, or released to the atmosphere. Offerors are encouraged to review the SPR Crude Oil Assay Manual, Crude Oil Safety Data Sheet, and the Strategic Petroleum Reserve Crude Oil Assays for more detailed oil stream composition and specifics so that conditions (such as the presence of H₂S) are expected and communicated downstream.

Note: Each SPR stream will be a blended average using several caverns. As a result, actual representative samples are not available prior to deliveries. Please refer to Crude Oil Assays which provides a weighted average composite profile of the stream.

H₂S Scavenger may be utilized to accommodate delivery of Bayou Choctaw crude oil under this agreement. Contractor will be notified if H₂S Scavenger is required. The injection site will be the SPR Bayou Choctaw site. All costs for DOE provided scavenger will be borne by the DOE. The applicable H₂S Scavenger Safety Data Sheet (SDS) will be provided under separate cover.

20. DELIVERY AND RECEIPT DOCUMENTATION – All quantity and quality determinations shall be documented on the Material Inspection and Receiving Report (DD Form 250). See Attachment C-1 for copy of this form. The DD Form 250 shall be signed by the Customer agent to acknowledge delivery and receipt of the quantity and quality of crude oil indicated. Copies of the completed DD Form 250, with applicable supporting documentation (i.e., metering or tank gauging tickets and appropriate calculation worksheets), shall be furnished to the Customer and/or the Customer's authorized representative after completion of delivery or receipts. Also, marine Bills of Lading or Pipeline Statements identifying crude type shipped shall be provided by the contractor.

The Customer shall provide written confirmation to the SPR, no later than seven calendar days prior to the scheduled date of each delivery under the contract, the name(s) of the authorized agent(s) given signature authority to sign/endorse the delivery documentation on the Customer's behalf. Any changes to this listing of names shall be provided to the SPR in writing no later than 72 hours before the first delivery to which such change applies. In the event that an independent surveyor (separate from the authorized signatory agent) is appointed by the Customer to witness the delivery operation (gauging, sampling, testing, etc.), written notification shall be provided to SPR, no later than 72 hours prior to the scheduled date of each applicable cargo delivery to or from the SPR.

Absence of the provision of the name(s) of bona fide agent(s) and the signature of such agent on the delivery documentation constitutes acceptance of the delivery quantity and quality as determined by the Government and/or its agents

21. RECONCILIATION – Within 30 days, barring any exceptions, after completion of the final scheduled delivery of exchange oil under the contract, any imbalances that may exist in the crude oil volumes agreed upon in the contract will be reconciled in the following manner:

If DOE receives an amount of exchange oil that exceeds the contracted return oil delivery volume, the Government will attempt to reconcile the imbalance through cash payments or other alternate means, as available. If reconciliation is by cash payment, the Contractor shall invoice the DOE based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250.

If the Contractor delivers a total volume of return oil which is less than the contracted quantity, the DOE will invoice the Contractor for the undelivered amount based on the cost value of the exchange oil on the date of the last delivery as annotated on the DD250. If no payment is received by the due date specified on the invoice, the applicable amount owed will be drawn against the Contractor's Payment and Performance Letter of Credit as described in Provision 4 of this contract.


Note: The cost value is derived from the data published in the Argus Americas Crude Oil Price Report. If no published prices are available, a mutually agreed upon price will be negotiated. Should the parties fail to reach a negotiated price, the Government shall determine a fair and reasonable price.

Contractor

By:

Name:

Title:



Edrigue Herckler
Attorney In Fact

The United States of America

By:

Name: Kelly M. Gele'

Title: Contracting Officer

ATTACHMENT A

STRATEGIC PETROLEUM RESERVE CRUDE OIL SPECIFICATIONS ^a (SPRO MAY 2020) ^{e1}

CHARACTERISTIC	SOUR	SWEET	PRIMARY ASTM TEST METHOD ^b
API Gravity [°API]	30-45	30-45	D1298 or D5002
Total Sulfur [Mass %], max.	1.99	0.50	D4294
Pour Point [°C], max.	10	10	D97
Salt Content [Mass %], max.	0.050	0.050	D6470
Viscosity			
[cSt @ 15.6°C], max.	32	32	D445
[cSt @ 37.8°C], max.	13	13	
Vapor Pressure			
[VPCR4 (100°F) psia (kPa)] ^c , max.	9(62.1)	9(62.1)	D6377
Total Acid Number [mg KOH/g], max.	1.00	1.00	D664
Water and Sediment [Vol. %], max.	1.0	1.0	473 and D4006, or D4928
Yields [Vol. %]			D2892 and D5236 ^c
Naphtha [28-191°C]	24-30	21-42	
Distillate [191-327°C]	17-31	19-45	
Gas Oil [327-566°C]	26-38	20-42	
Residuum [>566°C]	10-19	14 max.	
Light Ends [Liquid Vol. %] ^d , max			
Methane (C ₁)	0.01	0.01	IP344 or ITM 6008
Ethane (C ₂)	0.1	0.1	
Propane (C ₃)	1.0	1.0	

^{e1} This revision includes a limitation on light ends content (see Footnote ^d)

- ^a Marketable crude petroleum suitable for normal refinery processing and free of foreign contaminants or chemicals including, but not limited to, pour point depressants, chlorinated and oxygenated hydrocarbons, and lead.
- ^b Alternate methods may be used if approved by the contracting officer.
- ^c D 7169 data may be provided in requesting conditional acceptance of a crude oil. Distillation data according to D 2892 and D 5236 will still be necessary for final qualification of a crude oil's acceptance.
- ^d Light ends content specifications are interim and will be superseded if and when industry standards for light ends evaluation are implemented.
- ^e Vapor pressure changed to better reflect current domestic crude standards.

- NOTE 1: The Strategic Petroleum Reserve reserves the right to refuse to accept any crude oil which meets these specifications but is deemed to be incompatible with existing stocks, or which has the potential for adversely affecting handling.
- NOTE 2: The acceptability of any crude oil depends upon any assay typical of current production quality of the stream. Any crude oil offered to the Strategic Petroleum Reserve that meets these specifications may be subject to additional testing for acceptance.
- NOTE 3: All crude oil shipments received by the SPR are tested to ensure they meet specifications. Crude streams found consistently not meeting required specifications will be removed from the list of acceptable crude oils.

ATTACHMENT B

SAMPLE - PAYMENT AND PERFORMANCE LETTER OF CREDIT BANK LETTERHEAD IRREVOCABLE STANDBY LETTER OF CREDIT

Date: _____

To: U.S. Department of Energy
Strategic Petroleum Reserve
900 Commerce Road East
New Orleans, LA 70123
Attn: (Mary Roark)

AMOUNT OF LETTER OF CREDIT: U.S. \$ _____ (_____)

CONTRACTOR: _____

CONTRACT NO: 22PO0013

LETTER OF CREDIT NO: _____

EXPIRATION DATE: September 30, 2025

AMERICAN BANKERS ASSOCIATION (ABA) NO: _____

To whom it may concern:

We hereby establish in the U.S. Department of Energy's favor our irrevocable standby Letter of Credit effective immediately for the account of our customer's above contract with the U.S. Department of Energy for the exchange of Strategic Petroleum Reserve petroleum.

This letter of credit is available by your draft/s at sight, drawn on us and accompanied by a manually signed statement that the signer is an authorized representative of the Department of Energy, and one or more of the following statements:

- a. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO RECEIVE THE SPR CRUDE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."
- b. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO DELIVER RETURN EXCHANGE OIL IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."
- c. "THIS DRAWING OF U.S. \$ _____ (_____) AGAINST YOUR LETTER OF CREDIT NUMBERED _____ DATED _____, IS DUE THE U.S. GOVERNMENT BECAUSE (CONTRACTOR'S NAME) HAS FAILED TO MAKE FINAL RECONCILIATION PAYMENT IN ACCORDANCE WITH THE TERMS OF CONTRACT NO. _____, INCLUDING ANY AMENDMENTS THERETO."

Drafts must be presented for payment on or before the expiration date of this Letter of Credit at our bank. The Government may make multiple drafts against this Letter of Credit.

Upon receipt of the U.S. Department of Energy's demand by hand, mail express delivery, or other means, at our office located at _____, we will honor the demand and make payment, by 3 p.m. Eastern Time of the third business day following receipt of the demand by wire transfer of funds as a deposit to the account of the U.S. Treasury over the Fedwire Funds Service. The information to be included in each transfer will be as provided in the above referenced contract.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision, International Chamber of Commerce Publication no. 600) and except as may be inconsistent therewith, to the Uniform Commercial Code in effect on the date of issuance of this Letter of Credit in the state in which the issuer's head office within the United States is located.

INSTRUCTIONS FOR PAYMENT AND PERFORMANCE GUARANTEE LETTER OF CREDIT

1. The depository institution must be an account holder with the Federal Reserve Banking system with permission to send Fedwires and must have Fedwire eligibility Funds status of either Eligible or Eligible – Settlement-only.
2. Letter of Credit must not vary in substance from this attachment. Provide a copy of this attachment to your bank.
3. Banks shall fill in blanks EXCEPT those in the drawing statements. **The drawing statements are in bold print.**
4. Type name and title under authorized signature and provide documentation of authorized signature.

ATTACHMENT C-1 DD FORM 250

MATERIAL INSPECTION AND RECEIVING REPORT DD Form 250, AUG 2000

MATERIAL INSPECTION AND RECEIVING REPORT						FORM APPROVED OMB No. 0704-0248	
The public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Department of Defense, Washington Headquarters Services, Directorate for Information Operations and Reports, (0704-0248), 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0248) Arlington, DC 20503. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.							
PLEASE DO NOT RETURN YOUR COMPLETED FORM TO EITHER OF THESE ADDRESSES. SEND THIS FORM IN ACCORDANCE WITH THE INSTRUCTIONS CONTAINED IN THE DFARS, APPENDIX F-401.							
1. PROCUREMENT INSTRUMENT IDENTIFICATION (CONTRACT) NO.		(ORDER) NO.	8. INVOICE NO/DATE		7. PAGE	OF	8. ACCEPTANCE POINT
DOE OWNED CRUDE OIL					1	1	
2. SHIPMENT NO.		3. DATE SHIPPED		4. B/L TCN	5. DISCOUNT TERMS		
9. PRIME CONTRACTOR CODE			10. ADMINISTERED BY CODE				
Fluor Federal Petroleum Operations 850 S. Clearview Pkwy New Orleans, LA 70123			DEPARTMENT OF ENERGY STRATEGIC PETROLEUM RESERVE PROJECT MANAGEMENT OFFICE				
11 SHIPPED FROM (if other than 9) CODE FOB:			12. PAYMENT WILL BE MADE BY CODE				
13. SHIPPED TO CODE			14. MARKED FOR CODE				
15 ITEM NO.	16. STOCK/PART NO. (Indicate number of shipping containers - type of container - container number)	DESCRIPTION		17. QUANTITY SHIP/REC'D *	18. UNIT	19. UNIT PRICE	20. AMOUNT
-	Gross			NET @ 60° F.	BARRELS		
21. CONTRACT QUALITY ASSURANCE a. ORIGIN <input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or in supporting documents				b. DESTINATION <input type="checkbox"/> CQA <input type="checkbox"/> ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or on supporting documents.		22. RECEIVER'S USE Quantities shown in column 17 were received in apparent good condition except as noted.	
DATE		SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		DATE		SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE	
TYPED NAME		TYPED NAME		DATE RECEIVED		SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE	
TITLE		TITLE		TYPED NAME		TITLE	
MAILING ADDRESS		MAILING ADDRESS:		MAILING ADDRESS		MAILING ADDRESS	
COMMERCIAL TELEPHONE NUMBER		COMMERCIAL TELEPHONE NUMBER:		COMMERCIAL TELEPHONE NUMBER		COMMERCIAL TELEPHONE NUMBER	
*If quantity received by the Government is the same as quantity shipped, indicate by (x) mark, if different, enter actual quantity received below quantity shipped and encircle.							
23. CONTRACTOR USE ONLY							

ATTACHMENT C-2 DD FORM 250-1

TANK/BARGE MATERIAL INSPECTION AND RECEIVING REPORT				FORM APPROVED DAB No. 8704-0949 Expire Dec 31, 1990	
Public reporting burden for this collection of information is estimated to average 38 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Service, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0794-0248), Washington, DC 20503. PLEASE DO NOT RETURN YOUR COMPLETED FORM TO EITHER OF THESE ADDRESSES. SEND THE FORM IN ACCORDANCE WITH THE INSTRUCTIONS CONTAINED IN THE OFARS, APPENDIX F-21.					
1. TANKER BARGE <input type="checkbox"/> LOADING REPORT <input checked="" type="checkbox"/> DISCHARGE REPORT		2. INSPECTION OFFICE		3. REPORT NUMBER	
4. AGENCY PLACING ORDER ON SHIPPER, CITY, STATE AND/OR LOCAL ADDRESS (Loading)			5. DEPARTMENT		6. PRIME CONTRACT OR P.O. NUMBER
7. NAME OF PRIME CONTRACTOR, CITY, STATE AND/OR LOCAL ADDRESS (Loading)				6. STORAGE CONTRACT	
9. TERMINAL OR REFINERY SHIPPED FROM, CITY, STATE AND/OR LOCAL ADDRESS (Loading)				10. ORDER NUMBER OR SUPPLIER	
11 SHIPPED TO (Receiving, Activity, City, State and/or Local Address)				12. B/L NUMBER	
				13. REGR. OR REQUEST NO.	14. CARGO NUMBER
18. VESSEL		16. DRAFT ARRIVAL FORE AFT		17. DRAFT SAILING FORE AFT	
18. PREVIOUS TWO CARGOES FIRST LAST		19. PRIOR INSPECTION			
20. CONDITION OF SHORE PIPELINE		21. APPROPRIATION (Loading)		22. CONTRACT ITEM NO. N/A	
22. PRODUCT		24. SPECIFICATIONS N/A			
23. STATEMENT OF QUANTITY		LOADED	DISCHARGED	LOSS/GAIN	PER CENT
BARRELS (42 Gals/Net) NSV					
GALLONS (Net)					
TONS (Long) Barrels GSV					
26. STATEMENT OF QUALITY					
TEST RESULTS		VESSEL COMPOSITE		TEST RESULTS	
THIRD PARTY INSPECTOR		VESSEL COMPOSITE			
API GRAVITY					
BS&W					
S&W					
SULFUR (WT%)					
RVP					
VISC @ 60 DEG. F (CST)					
VISC @ 100 DEG. F. (CST)					
SALT					
POUR					
TAN					
27. TIME STATEMENT		DATE	TIME	28. REMARKS (Note in detail cause of delays such as repairs, breakdowns, slow operations, stoppage, etc.)	
NOTICE OF READINESS TO LOAD/DISCHARGE					
VESSEL ARRIVED IN ROADS					
MOORED ALONGSIDE					
STARTED BALLAST DISCHARGE					
FINISHED BALLAST DISCHARGE					
INSPECTED AND READY TO LOAD/DISCHARGE					
CARGO HOSES CONNECTED					
COMMENCED LOADING/DISCHARGE					
STOPPED LOADING/DISCHARGING					
RESUMED LOADING/DISCHARGING					
FINISHED LOADING/DISCHARGING					
CARGO HOSES REMOVED					
VESSEL RELEASED BY INSPECTOR					
COMMENCED BUNKERING					
FINISHED BUNKERING					
VESSEL LEFT BIRTH (Actual/Estimated)				29. COMPANY OR RECEIVING TERMINAL	
30. I CERTIFY THAT THE CARGO WAS INSPECTED, ACCEPTED AND LOADED/DISCHARGED AS INDICATED HEREON.		31. I HEREBY CERTIFY THAT THIS TIME STATEMENT IS CORRECT.			
(Date)		(Signature of Authorized Government Representative)		(Master or Agent)	

ATTACHMENT D Quality Adjustment Tables

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM

API GRAVITY	DIFF PER BBL	API GRAVITY	DIFF PER BBL	API GRAVITY	DIFF PER BBL	API GRAVITY	DIFF PER BBL
10.0	1.250	16.0	2.150	22.0	3.050	28.0	3.950
10.1	1.265	16.1	2.165	22.1	3.065	28.1	3.965
10.2	1.280	16.2	2.180	22.2	3.080	28.2	3.980
10.3	1.295	16.3	2.195	22.3	3.095	28.3	3.995
10.4	1.310	16.4	2.210	22.4	3.110	28.4	4.010
10.5	1.325	16.5	2.225	22.5	3.125	28.5	4.025
10.6	1.340	16.6	2.240	22.6	3.140	28.6	4.040
10.7	1.355	16.7	2.255	22.7	3.155	28.7	4.055
10.8	1.370	16.8	2.270	22.8	3.170	28.8	4.070
10.9	1.385	16.9	2.285	22.9	3.185	28.9	4.085
11.0	1.400	17.0	2.300	23.0	3.200	29.0	4.100
11.1	1.415	17.1	2.315	23.1	3.215	29.1	4.115
11.2	1.430	17.2	2.330	23.2	3.230	29.2	4.130
11.3	1.445	17.3	2.345	23.3	3.245	29.3	4.145
11.4	1.460	17.4	2.360	23.4	3.260	29.4	4.160
11.5	1.475	17.5	2.375	23.5	3.275	29.5	4.175
11.6	1.490	17.6	2.390	23.6	3.290	29.6	4.190
11.7	1.505	17.7	2.405	23.7	3.305	29.7	4.205
11.8	1.520	17.8	2.420	23.8	3.320	29.8	4.220
11.9	1.535	17.9	2.435	23.9	3.335	29.9	4.235
12.0	1.550	18.0	2.450	24.0	3.350	30.0	4.250
12.1	1.565	18.1	2.465	24.1	3.365	30.1	4.265
12.2	1.580	18.2	2.480	24.2	3.380	30.2	4.280
12.3	1.595	18.3	2.495	24.3	3.395	30.3	4.295
12.4	1.610	18.4	2.510	24.4	3.410	30.4	4.310
12.5	1.625	18.5	2.525	24.5	3.425	30.5	4.325
12.6	1.640	18.6	2.540	24.6	3.440	30.6	4.340
12.7	1.655	18.7	2.555	24.7	3.455	30.7	4.355
12.8	1.670	18.8	2.570	24.8	3.470	30.8	4.370
12.9	1.685	18.9	2.585	24.9	3.485	30.9	4.385
13.0	1.700	19.0	2.600	25.0	3.500	31.0	4.400
13.1	1.715	19.1	2.615	25.1	3.515	31.1	4.415
13.2	1.730	19.2	2.630	25.2	3.530	31.2	4.430
13.3	1.745	19.3	2.645	25.3	3.545	31.3	4.445
13.4	1.760	19.4	2.660	25.4	3.560	31.4	4.460
13.5	1.775	19.5	2.675	25.5	3.575	31.5	4.475
13.6	1.790	19.6	2.690	25.6	3.590	31.6	4.490
13.7	1.805	19.7	2.705	25.7	3.605	31.7	4.505
13.8	1.820	19.8	2.720	25.8	3.620	31.8	4.520
13.9	1.835	19.9	2.735	25.9	3.635	31.9	4.535
14.0	1.850	20.0	2.750	26.0	3.650	32.0	4.550
14.1	1.865	20.1	2.765	26.1	3.665	32.1	4.565
14.2	1.880	20.2	2.780	26.2	3.680	32.2	4.580
14.3	1.895	20.3	2.795	26.3	3.695	32.3	4.595
14.4	1.910	20.4	2.810	26.4	3.710	32.4	4.610
14.5	1.925	20.5	2.825	26.5	3.725	32.5	4.625
14.6	1.940	20.6	2.840	26.6	3.740	32.6	4.640
14.7	1.955	20.7	2.855	26.7	3.755	32.7	4.655
14.8	1.970	20.8	2.870	26.8	3.770	32.8	4.670
14.9	1.985	20.9	2.885	26.9	3.785	32.9	4.685
15.0	2.000	21.0	2.900	27.0	3.800	33.0	4.700
15.1	2.015	21.1	2.915	27.1	3.815	33.1	4.715
15.2	2.030	21.2	2.930	27.2	3.830	33.2	4.730
15.3	2.045	21.3	2.945	27.3	3.845	33.3	4.745
15.4	2.060	21.4	2.960	27.4	3.860	33.4	4.760
15.5	2.075	21.5	2.975	27.5	3.875	33.5	4.775
15.6	2.090	21.6	2.990	27.6	3.890	33.6	4.790
15.7	2.105	21.7	3.005	27.7	3.905	33.7	4.805
15.8	2.120	21.8	3.020	27.8	3.920	33.8	4.820
15.9	2.135	21.9	3.035	27.9	3.935	33.9	4.835

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN GRAVITY OF CRUDE PETROLEUM

API GRAVITY	DIFF PER BBL	API GRAVITY	DIFF PER BBL	API GRAVITY	DIFF PER BBL	API GRAVITY	DIFF PER BBL
34.0	4.850	40.0	5.100	46.0	4.950	52.0	4.050
34.1	4.865	40.1	5.100	46.1	4.935	52.1	4.035
34.2	4.880	40.2	5.100	46.2	4.920	52.2	4.020
34.3	4.895	40.3	5.100	46.3	4.905	52.3	4.005
34.4	4.910	40.4	5.100	46.4	4.890	52.4	3.990
34.5	4.925	40.5	5.100	46.5	4.875	52.5	3.975
34.6	4.940	40.6	5.100	46.6	4.860	52.6	3.960
34.7	4.955	40.7	5.100	46.7	4.845	52.7	3.945
34.8	4.970	40.8	5.100	46.8	4.830	52.8	3.930
34.9	4.985	40.9	5.100	46.9	4.815	52.9	3.915
35.0	5.000	41.0	5.100	47.0	4.800	53.0	3.900
35.1	5.000	41.1	5.100	47.1	4.785	53.1	3.885
35.2	5.000	41.2	5.100	47.2	4.770	53.2	3.870
35.3	5.000	41.3	5.100	47.3	4.755	53.3	3.855
35.4	5.000	41.4	5.100	47.4	4.740	53.4	3.840
35.5	5.000	41.5	5.100	47.5	4.725	53.5	3.825
35.6	5.000	41.6	5.100	47.6	4.710	53.6	3.810
35.7	5.000	41.7	5.100	47.7	4.695	53.7	3.795
35.8	5.000	41.8	5.100	47.8	4.680	53.8	3.780
35.9	5.000	41.9	5.100	47.9	4.665	53.9	3.765
36.0	5.020	42.0	5.100	48.0	4.650	54.0	3.750
36.1	5.020	42.1	5.100	48.1	4.635	54.1	3.735
36.2	5.020	42.2	5.100	48.2	4.620	54.2	3.720
36.3	5.020	42.3	5.100	48.3	4.605	54.3	3.705
36.4	5.020	42.4	5.100	48.4	4.590	54.4	3.690
36.5	5.020	42.5	5.100	48.5	4.575	54.5	3.675
36.6	5.020	42.6	5.100	48.6	4.560	54.6	3.660
36.7	5.020	42.7	5.100	48.7	4.545	54.7	3.645
36.8	5.020	42.8	5.100	48.8	4.530	54.8	3.630
36.9	5.020	42.9	5.100	48.9	4.515	54.9	3.615
37.0	5.040	43.0	5.100	49.0	4.500	55.0	3.600
37.1	5.040	43.1	5.100	49.1	4.485		
37.2	5.040	43.2	5.100	49.2	4.470		
37.3	5.040	43.3	5.100	49.3	4.455		
37.4	5.040	43.4	5.100	49.4	4.440		
37.5	5.040	43.5	5.100	49.5	4.425		
37.6	5.040	43.6	5.100	49.6	4.410		
37.7	5.040	43.7	5.100	49.7	4.395		
37.8	5.040	43.8	5.100	49.8	4.380		
37.9	5.040	43.9	5.100	49.9	4.365		
38.0	5.060	44.0	5.100	50.0	4.350		
38.1	5.060	44.1	5.100	50.1	4.335		
38.2	5.060	44.2	5.100	50.2	4.320		
38.3	5.060	44.3	5.100	50.3	4.305		
38.4	5.060	44.4	5.100	50.4	4.290		
38.5	5.060	44.5	5.100	50.5	4.275		
38.6	5.060	44.6	5.100	50.6	4.260		
38.7	5.060	44.7	5.100	50.7	4.245		
38.8	5.060	44.8	5.100	50.8	4.230		
38.9	5.060	44.9	5.100	50.9	4.215		
39.0	5.080	45.0	5.100	51.0	4.200		
39.1	5.080	45.1	5.085	51.1	4.185		
39.2	5.080	45.2	5.070	51.2	4.170		
39.3	5.080	45.3	5.055	51.3	4.155		
39.4	5.080	45.4	5.040	51.4	4.140		
39.5	5.080	45.5	5.025	51.5	4.125		
39.6	5.080	45.6	5.010	51.6	4.110		
39.7	5.080	45.7	4.995	51.7	4.095		
39.8	5.080	45.8	4.980	51.8	4.080		
39.9	5.080	45.9	4.965	51.9	4.065		

For API GRAVITY values above 55.0° API the differential continues to decline 0.015/bbl. per 0.1° API GRAVITY.

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL	PERCENT SULFUR	DIFF. PER BBL
0.00	1.000	0.60	1.600	1.20	2.200	1.80	2.800	2.40	3.400
0.01	1.010	0.61	1.610	1.21	2.210	1.81	2.810	2.41	3.410
0.02	1.020	0.62	1.620	1.22	2.220	1.82	2.820	2.42	3.420
0.03	1.030	0.63	1.630	1.23	2.230	1.83	2.830	2.43	3.430
0.04	1.040	0.64	1.640	1.24	2.240	1.84	2.840	2.44	3.440
0.05	1.050	0.65	1.650	1.25	2.250	1.85	2.850	2.45	3.450
0.06	1.060	0.66	1.660	1.26	2.260	1.86	2.860	2.46	3.460
0.07	1.070	0.67	1.670	1.27	2.270	1.87	2.870	2.47	3.470
0.08	1.080	0.68	1.680	1.28	2.280	1.88	2.880	2.48	3.480
0.09	1.090	0.69	1.690	1.29	2.290	1.89	2.890	2.49	3.490
0.10	1.100	0.70	1.700	1.30	2.300	1.90	2.900	2.50	3.500
0.11	1.110	0.71	1.710	1.31	2.310	1.91	2.910	2.51	3.510
0.12	1.120	0.72	1.720	1.32	2.320	1.92	2.920	2.52	3.520
0.13	1.130	0.73	1.730	1.33	2.330	1.93	2.930	2.53	3.530
0.14	1.140	0.74	1.740	1.34	2.340	1.94	2.940	2.54	3.540
0.15	1.150	0.75	1.750	1.35	2.350	1.95	2.950	2.55	3.550
0.16	1.160	0.76	1.760	1.36	2.360	1.96	2.960	2.56	3.560
0.17	1.170	0.77	1.770	1.37	2.370	1.97	2.970	2.57	3.570
0.18	1.180	0.78	1.780	1.38	2.380	1.98	2.980	2.58	3.580
0.19	1.190	0.79	1.790	1.39	2.390	1.99	2.990	2.59	3.590
0.20	1.200	0.80	1.800	1.40	2.400	2.00	3.000	2.60	3.600
0.21	1.210	0.81	1.810	1.41	2.410	2.01	3.010	2.61	3.610
0.22	1.220	0.82	1.820	1.42	2.420	2.02	3.020	2.62	3.620
0.23	1.230	0.83	1.830	1.43	2.430	2.03	3.030	2.63	3.630
0.24	1.240	0.84	1.840	1.44	2.440	2.04	3.040	2.64	3.640
0.25	1.250	0.85	1.850	1.45	2.450	2.05	3.050	2.65	3.650
0.26	1.260	0.86	1.860	1.46	2.460	2.06	3.060	2.66	3.660
0.27	1.270	0.87	1.870	1.47	2.470	2.07	3.070	2.67	3.670
0.28	1.280	0.88	1.880	1.48	2.480	2.08	3.080	2.68	3.680
0.29	1.290	0.89	1.890	1.49	2.490	2.09	3.090	2.69	3.690
0.30	1.300	0.90	1.900	1.50	2.500	2.10	3.100	2.70	3.700
0.31	1.310	0.91	1.910	1.51	2.510	2.11	3.110	2.71	3.710
0.32	1.320	0.92	1.920	1.52	2.520	2.12	3.120	2.72	3.720
0.33	1.330	0.93	1.930	1.53	2.530	2.13	3.130	2.73	3.730
0.34	1.340	0.94	1.940	1.54	2.540	2.14	3.140	2.74	3.740
0.35	1.350	0.95	1.950	1.55	2.550	2.15	3.150	2.75	3.750
0.36	1.360	0.96	1.960	1.56	2.560	2.16	3.160	2.76	3.760
0.37	1.370	0.97	1.970	1.57	2.570	2.17	3.170	2.77	3.770
0.38	1.380	0.98	1.980	1.58	2.580	2.18	3.180	2.78	3.780
0.39	1.390	0.99	1.990	1.59	2.590	2.19	3.190	2.79	3.790
0.40	1.400	1.00	2.000	1.60	2.600	2.20	3.200	2.80	3.800
0.41	1.410	1.01	2.010	1.61	2.610	2.21	3.210	2.81	3.810
0.42	1.420	1.02	2.020	1.62	2.620	2.22	3.220	2.82	3.820
0.43	1.430	1.03	2.030	1.63	2.630	2.23	3.230	2.83	3.830
0.44	1.440	1.04	2.040	1.64	2.640	2.24	3.240	2.84	3.840
0.45	1.450	1.05	2.050	1.65	2.650	2.25	3.250	2.85	3.850
0.46	1.460	1.06	2.060	1.66	2.660	2.26	3.260	2.86	3.860
0.47	1.470	1.07	2.070	1.67	2.670	2.27	3.270	2.87	3.870
0.48	1.480	1.08	2.080	1.68	2.680	2.28	3.280	2.88	3.880
0.49	1.490	1.09	2.090	1.69	2.690	2.29	3.290	2.89	3.890
0.50	1.500	1.10	2.100	1.70	2.700	2.30	3.300	2.90	3.900
0.51	1.510	1.11	2.110	1.71	2.710	2.31	3.310	2.91	3.910
0.52	1.520	1.12	2.120	1.72	2.720	2.32	3.320	2.92	3.920
0.53	1.530	1.13	2.130	1.73	2.730	2.33	3.330	2.93	3.930
0.54	1.540	1.14	2.140	1.74	2.740	2.34	3.340	2.94	3.940
0.55	1.550	1.15	2.150	1.75	2.750	2.35	3.350	2.95	3.950
0.56	1.560	1.16	2.160	1.76	2.760	2.36	3.360	2.96	3.960
0.57	1.570	1.17	2.170	1.77	2.770	2.37	3.370	2.97	3.970
0.58	1.580	1.18	2.180	1.78	2.780	2.38	3.380	2.98	3.980
0.59	1.590	1.19	2.190	1.79	2.790	2.39	3.390	2.99	3.990

TABLES OF DIFFERENTIALS FOR USE IN DETERMINING ADJUSTMENTS FOR
DIFFERENCE IN SULFUR CONTENT FOR CRUDE PETROLEUM

PERCENT SULFUR	DIFF PER BBL	PERCENT SULFUR	DIFF PER BBL
3.00	4.000	3.60	4.600
3.01	4.010	3.61	4.610
3.02	4.020	3.62	4.620
3.03	4.030	3.63	4.630
3.04	4.040	3.64	4.640
3.05	4.050	3.65	4.650
3.06	4.060	3.66	4.660
3.07	4.070	3.67	4.670
3.08	4.080	3.68	4.680
3.09	4.090	3.69	4.690
3.10	4.100	3.70	4.700
3.11	4.110	3.71	4.710
3.12	4.120	3.72	4.720
3.13	4.130	3.73	4.730
3.14	4.140	3.74	4.740
3.15	4.150	3.75	4.750
3.16	4.160	3.76	4.760
3.17	4.170	3.77	4.770
3.18	4.180	3.78	4.780
3.19	4.190	3.79	4.790
3.20	4.200	3.80	4.800
3.21	4.210	3.81	4.810
3.22	4.220	3.82	4.820
3.23	4.230	3.83	4.830
3.24	4.240	3.84	4.840
3.25	4.250	3.85	4.850
3.26	4.260	3.86	4.860
3.27	4.270	3.87	4.870
3.28	4.280	3.88	4.880
3.29	4.290	3.89	4.890
3.30	4.300	3.90	4.900
3.31	4.310	3.91	4.910
3.32	4.320	3.92	4.920
3.33	4.330	3.93	4.930
3.34	4.340	3.94	4.940
3.35	4.350	3.95	4.950
3.36	4.360	3.96	4.960
3.37	4.370	3.97	4.970
3.38	4.380	3.98	4.980
3.39	4.390	3.99	4.990
3.40	4.400	4.00	5.000
3.41	4.410		
3.42	4.420		
3.43	4.430		
3.44	4.440		
3.45	4.450		
3.46	4.460		
3.47	4.470		
3.48	4.480		
3.49	4.490		
3.50	4.500		
3.51	4.510		
3.52	4.520		
3.53	4.530		
3.54	4.540		
3.55	4.550		
3.56	4.560		
3.57	4.570		
3.58	4.580		
3.59	4.590		

For Sulfur Values
above 4.00%, the
differential continues
to increase 0.01/BBL
per 0.01 Percent
Sulfur

**ATTACHMENT E
Nomination-Confirmation Form**

**STRATEGIC PETROLEUM RESERVE
NOMINATION - CONFIRMATION**

SPR Operations Fluor Federal Petroleum Operations New Orleans, Louisiana FFPOCOL@SPR.DOE.GOV	<u>Scheduler</u> (504) 473-9975 <u>Quantity and Quality</u> (504) 722-6146
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****The following Information Must Be Provided by the Contractor****

Submission Date: Click here to enter a date. **Submission Type:** Original Nomination

Contract No.: Enter Contract Number
Contractor: Enter Contractor Name
Address: Enter Address
 City, State, Zip

Contractor Contact Information

Primary Contact: Primary Contact Name	Alternate: Alternate Contact Name
Office: Office Phone	Office: Office Phone
Cell: Cell Phone	Cell: Cell Phone
Email: Email Address	Email: Email Address

CODR/DD250 Contractor Signatory Designee*: Signatory Designee Name

Designee can be contractor office personnel, 3rd party inspection company, or chosen loss control representative*.

Office: Office Phone
Cell: Cell Phone
Email: Email Address

Note: If multiple designees are to be used, please input "See Attached" and provide list to FFPOCOL@spr.doe.gov with nomination

†Third Party Inspection Company Information

Company: 3rd Party Inspection Company

Contact: 3rd Party Contact Name

Contact Ned Scheppegrell for any questions on SPR 3rd party inspection and testing

Nomination Information and Delivery Window (additional lines on following page)

<u>Delivery Window</u>	<u>Pipeline/Vessel</u>	<u>Volume (MB)</u>	<u>SPR Site</u>	<u>Destination</u>
Dates	Choose an item	Volume	Site	
Dates	Choose an item	Volume	Site	
Dates	Choose an item	Volume	Site	
Dates	Choose an item	Volume	Site	
Total Volume:		Total Volume		

The Following information to be provided by SPR Operations Personnel

Terminal Information

Terminal: TBD
Contact:
Contact:
Contact:

Custody Transfer Point

TBD
Quality Point
 TBD
Quantity Point
 TBD