

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE
PAGE 1 OF 1 PAGES

2. AMENDMENT/MODIFICATION NO. **M001**
3. EFFECTIVE DATE **See BLK 16C**
4. REQUISITION/PURCHASE REQ. NO.
5. PROJECT NO. (If applicable)

6. ISSUED BY CODE
7. ADMINISTERED BY (If other than Item 6) CODE
U.S. Department of Energy
SPR Project Management Office
900 Commerce Road East
New Orleans, LA 70123

8. NAME AND ADDRESS OF CONTRACTOR (No. street, county, State and ZIP Code)
Plains Marketing, LLC
333 Clay Street, Suite 1600
Houston, TX 77002
9A. AMENDMENT OF SOLICITATION NO.
9B. DATED (SEE ITEM 11)
10A. MODIFICATION OF CONTRACT/ORDER NO.
X DE-AC96-06PO92433
10B. DATED (SEE ITEM 13)
May 10, 2006
CODE | FACILITY CODE

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS; IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

() A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriate date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
D. OTHER (Specify type of modification and authority)
X Mutual Agreement

E. IMPORTANT: Contractor is not, is required to sign this document and return 1 copy to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

The Attachment I to this modification incorporates changes to the original TIE-IN AGREEMENT, dated May 10, 2006. Changes are indicated by italicized font as well as vertical lines in the right hand border of the document.

This Attachment I replaces the original TIE-IN AGREEMENT in its entirety.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)
John E. Russell
Vice President
16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)
M.G. WAGGONER, Contracting Officer
15B. CONTRACTOR/OFFEROR
John E. Russell
(Signature of person authorized to sign)
15C. DATE SIGNED
9/13/06
16B. UNITED STATES OF AMERICA
BY *M.G. Waggoner*
(Signature of Contracting Officer)
16C. DATE SIGNED
9/14/06

ATTACHMENT I

DE-AC96-06PO92433

TIE-IN AGREEMENT

**(United States of America's St. James (Sugarland) Terminal
Tie-in to the Plains Marketing System)**

THIS AGREEMENT, made and entered into as of the 10th day of May 2006, by the United States of America and Plains Marketing, L.P. hereinafter collectively called the "PARTIES."

WHEREAS, Plains Marketing, L.P. is the owner of a pipeline and terminal system called the "PLAINS MARKETING SYSTEM" and that Plains Marketing, L.P. is the lessee of the property more fully described as:

A tract of 121 acres, more or less, known as the Plains St. James Terminal, located in Section 71, Township 12 South, Range 16 East, Louisiana Meridian, West of the Mississippi, and said tract being a part or portion of Lot "A", Lower Side of the St. James Plantation as described in an Act of Partition recorded in Conveyance Book 89, Folio 541 of the Conveyance Records of St. James Parish, Louisiana (the "Land").

WHEREAS, Plains Marketing, L.P., hereinafter called "PLAINS" is the operator of the PLAINS MARKETING SYSTEM, and

WHEREAS, the United States of America, Department of Energy, herein called "DOE" is the owner of the DOE St. James (Sugarland) Terminal Strategic Petroleum Reserve in the vicinity of St. James, Louisiana; herein called "FACILITIES", and

WHEREAS the DOE has leased the FACILITIES to a third party (Shell Oil Products US, hereinafter referred to as "LESSEE", and

WHEREAS PLAINS wishes to install one 36-inch pipeline to the FACILITIES with one 20-inch piping connection (tie-in) and a 16-inch double block and bleed (DBB) valve (Valve #1) to the FACILITIES' accelerator pump station header and one 36-inch connection (tie-in) with 24-inch DBB isolation valve (Valve #2) and 24-inch DBB valve (Valve #3) to the Weeks Island Meter station for the purpose of delivery of crude oil to and from the FACILITIES. Additionally, PLAINS will install a 20-inch DBB valve (Valve #4) and 24-inch stub line piping, herein called "STUB LINE." from the FACILITIES to LOCAP. Said connections hereinafter called the "TIE-INS" and depicted on Drawing *SJT-LOCAP1* attached hereto.

1. **Consent:** DOE consents to PLAINS connecting the PLAINS MARKETING SYSTEM to the FACILITIES via the TIE-INS and to the movement of crude oil through the FACILITIES for receipts from and deliveries to the DOE 36-inch Redstick pipeline and for other movements between PLAINS and the FACILITIES from time to time, at the consent of LESSEE under the terms and conditions of this agreement. *Plains will be permitted to use the STUB LINE to LOCAP, subject to any commercial provisions that may be required by Shell (current Lessee of the St. James Terminal and operator of the STUB LINE) which may include fees, scheduling, etc."*

2. **Description and Location of TIE-INS:**

a. PLAINS will construct a 36-inch pipeline from the PLAINS MARKETING SYSTEM to the FACILITIES with connections to the Accelerator pump station header and to the Weeks Island Meter Station.

b. PLAINS will provide all materials and services for the construction of the 36-inch pipeline and the connections to the FACILITIES and LOCAP. *PLAINS and LESSEE (under separate agreement) will mutually agree on the division of work to be completed by PLAINS and LESSEE. Final tie-ins to FACILITIES shall be performed by the LESSEE with reimbursement by PLAINS. Final tie-ins to LOCAP shall be performed by LOCAP with reimbursement by PLAINS or by PLAINS under the direct supervision of LOCAP.*

c. PLAINS will retain ownership and will be granted an easement for the 36-inch pipeline, tees, and stub-up and future scraper trap, herein called "EQUIPMENT" along the southern property line of the FACILITIES as shown on Drawing SJT-LOCAP1. Asset ownership changes will be at the flanges at the start of the 20-inch line to the Accelerator pump station header, the PLAINS side of the flange of Valve #2, and at the blind flange for the future kicker line for the scraper trap, all as more fully delineated on Drawing SJT-LOCAP1. *DOE will obtain the right to construct for DOE ownership the 24-inch valve and STUB LINE from the southern property line of the FACILITIES onto LOCAP property to the flange provided by LOCAP as shown on Drawing SJT-LOCAP 1. Asset ownership changes will be at the LOCAP flange, more fully delineated on Drawing SJT-LOCAP1*

d. PLAINS will construct for DOE's ownership the following connecting valves and piping from the PLAINS 36-inch pipeline to the FACILITIES:

(1) A 16-inch DBB valve (Valve #1) and 20-inch piping to the Accelerator pump station header.

- (2) A 24-inch DBB isolation valve to the 36-inch line (Valve #2).
- (3) A blinded 24-inch tee for the PLAINS future scraper trap.
- (4) A 24-inch DBB valve (Valve #3) and 36-inch piping to the Weeks Island Meter Station.
- (5) A 20-Inch DBB valve (Valve #4) *connected to the flange provided by LOOP at their spare meter run.*
- (6) *24-inch piping from Valve #4 to the connection between PLAINS and the FACILITIES*
- (7) *Two 24 inch to 30 inch reducers for installation of a 30 inch valve (Valve #5) to be provided by LESSEE. Valve will be located as pictured in Drawing. SJT-LOCAP1.*
- (8) *Installation of Valve #5 as pictured in Drawing SJT-LOCAP 1. If Valve #5 is not available when needed by PLAINS during construction, PLAINS will install a flanged pup piece of appropriate dimensions in that location for future installation of the valve by the LESSEE.*

3. **Governmental Approvals and Regulations:** The TIE-INS of the PLAINS MARKETING SYSTEM to the FACILITIES will not commence until PLAINS obtains all necessary governmental approvals, if any. Copies of instruments evidencing these approvals, if any, shall be forwarded to the DOE before commencement of any pipeline work within the FACILITIES. PLAINS accepts sole responsibility for the installation of the TIE-INS and the installation and disconnection of the PLAINS MARKETING SYSTEM to/from the FACILITIES in compliance with the requirements (including those related to design or construction) set forth in the Department of Transportation Pipeline Safety Regulations 49 Code of Federal Regulations (CFR) Part 195, and with all other applicable governmental rules and regulations. PLAINS agrees to operate, maintain, and repair the EQUIPMENT pursuant to Article 9 hereof, in compliance with the requirements set forth in the Department of Transportation Safety Regulations 40 CFR Part 195 and with all other applicable governmental rules and regulations.

4. **Design of the TIE-INS:** The design of the TIE-INS shall provide for and be in compliance with the following:

a. The TIE-INS shall be designed, fabricated, installed, and inspected in accordance with American National Standards Institute (ANSI) Code B.31.4 for Liquid Petroleum Transportation Piping System and Department of Transportation Pipeline Safety Regulations in 49 CFR Part 195. All pipe equipment and fittings shall be ANSI

Class 150, and the pipe, valves, and fittings shall be hydrotested to 345 pounds per square inch (psi) in order to be compatible with FACILITIES to which the TIE-INS will be made.

b. PLAINS shall have adequate automatic controls, shutdown, and relief devices to preclude the possibility of exceeding the maximum operating pressure of the FACILITIES.

c. PLAINS will supply the necessary instrumentation, control and connections to the FACILITIES distribution control system (DCS) for the LESSEE to operate and monitor TIE-IN and EQUIPMENT status and performance. Additional connections will be made by PLAINS to allow monitoring, only, of the TIE-INS and EQUIPMENT from the PLAINS control room.

d. Line integrity monitoring of the DOE Redstick 36-inch line and the PLAINS MARKETING SYSTEM shall be performed by LESSEE by comparing either the Bayou Choctaw site meters or Placid Refinery's meters against the Weeks Island meter readings or the PLAINS MARKETING SYSTEM meter readings. PLAINS shall supply the LESSEE all necessary line integrity data, i.e., pressure, pump status, temperature, volume, rate, by connections to the FACILITIES DCS *for the purpose of LESSEE performing line integrity for the DOE Redstick 36-inch line.*

e. The TIE-INS shall be electrically insulated from the FACILITIES by an insulating flange on the PLAINS side of the TIE-INS as shown on Drawing *SJT-LOCAP1*. PLAINS will provide cathodic protection of their EQUIPMENT and the piping up to the insulating flanges on the PLAINS side of the TIE-INS.

f. PLAINS piping on DOE property and the TIE-INS shall be suitably coated as follows to retain the corrosion protection of the FACILITIES:

(1) Aboveground Piping: Utilize Ameron or approved equal 2 part matching paint system consisting of a Zinc rich epoxy primer such as Amercoat 68HS and an Engineered Siloxan coating such as PSX-700.

(2) Below Ground Coating: Fusion Bonded Epoxy 12 mills DFT in accordance with NAPCA 12-78-94.

(3) Below ground weld joints: Denso Protal 7000 – 2 part system or equal.

All coating systems must be submitted to DOE for acceptance as per Paragraph 6 herein.

g. PLAINS must have a full flow relief valve set at a pressure of 275 pounds per square inch gauge (psig) on the PLAINS MARKETING SYSTEM property or demonstrate that the existing relief valves at the FACILITIES adequately protect the TIE-Ins and the EQUIPMENT. The present maximum operating pressure of the FACILITIES is 275 psi but may be lowered in the future, in which case the pressure setting on the relief valve would also have to be changed. If a relief valve is installed on the PLAINS MARKETING SYSTEM, PLAINS will also be required to test the relief valve in accordance with Department of Transportation Pipeline Safety Regulations. DOE and LESSEE shall have the right to witness any PLAINS relief valve testing. PLAINS shall notify DOE and the LESSEE 48 hours prior to any such relief valve testing. If necessary, PLAINS will design and install an approved flow relief valve system for the DOE side of the TIE-INS to relieve into the FACILITIES.

h. Plains shall install corrosion coupons and any necessary corrosion protection to ensure that internal corrosion can be monitored and protected against in the TIE-INS and the Equipment on DOE Property.

5. **Ownership:** Ownership of the TIE-INS and EQUIPMENT will be as listed in Section 2 and shown on Drawing *SJT-LOCAP1*. Completion of the TIE-INS shall in no way alter the ownership of the TIE-INS or the FACILITIES.

6. **Design Submittal:** Prior to commencement of work on DOE property, PLAINS shall submit to DOE and LESSEE a detailed proposed design for the TIE-INS to the FACILITIES together with explanations of the PLAINS proposed installation and test procedures for the TIE-INS to the FACILITIES. DOE shall be provided prior notice of any changes to the detailed design.

7. **Installation:** PLAINS agrees to provide DOE and the LESSEE with at least 72 hours advance notice prior to commencing construction of the TIE-INS to the FACILITIES in order that DOE and/or the LESSEE'S Representative(s) may be present at the time such work is performed. Said notice is to be given to DOE's Asset Manager or Contracting Officer as well as the LESSEE's Sugarland Operations Manager. When the work has been completed in accordance with this Agreement, PLAINS shall so notify DOE in writing. DOE shall then inspect the work and if it is found not to be in compliance with this Agreement, DOE shall so notify PLAINS in writing specifying the details of such non-compliance. At PLAINS' expense, PLAINS shall promptly correct all work noted to be in noncompliance and notify DOE once corrections have been made. DOE shall then re-inspect the work to determine compliance.

8. **As-Built Drawings:** PLAINS agrees to furnish, within 60 days after completion of the TIE-INS to the FACILITIES, any "as-built" drawings or other such pertinent information.

9. **Operation, Maintenance, Access and Measurements:** DOE agrees that all costs for operation, maintenance, repair, and inspection of the TIE-INS on the FACILITIES side of the asset ownership break points shall be borne by the DOE through its LESSEE. PLAINS agrees that all costs for operation, maintenance, repair, inspection, of the EQUIPMENT and the ultimate disconnection of the TIE-INS from the FACILITIES on the PLAINS side of the asset ownership break points shall be borne by PLAINS.

PLAINS warrants that it will at all times maintain the EQUIPMENT within the property of the FACILITIES in a structurally fit and safe condition, and that upon discovery of wear, deterioration, or structural failure it will take such action as may be necessary to remedy the same.

In the case of an emergency which would endanger the continued safe operation of the FACILITIES or the EQUIPMENT, DOE has the right to take any action it deems necessary and to make the necessary repairs. Costs associated with inspection or repair work performed by DOE or LESSEE (or DOE or LESSEE's contractor or agent) on the EQUIPMENT to assure the continued and safe operation of the FACILITIES or PLAINS MARKETING SYSTEM will be borne by PLAINS at actual costs to DOE or LESSEE.

The facility is a United States Coast Guard regulated facility. As such, PLAINS agrees to comply with LESSEE's Coast Guard approved security plan, as published.

10. **Oil Spills:** PLAINS is responsible for all notifications, cleanup, and remediation of all oil spills from the EQUIPMENT. PLAINS shall immediately report to the DOE all oil spills during the use of the EQUIPMENT to the Bayou Choctaw Control Room at (225) 692-6232 and to the FACILITIES Control Room Operator of the DOE St. James (Sugarland) Terminal telephone at (713) 241-3339 and Sugarland Operations Supervisor Mike Buckley at (225)746-2462.

11. **Periodic Integrity Testing:** PLAINS agrees to annual testing of the TIE-INS between PLAINS MARKETING SYSTEM and FACILITIES in all receipt and delivery, metered and direct modes unless proven to be functional by recent DOE or Commercial transfers between the FACILITIES and PLAINS.

12. **System Test Exercises:** Upon thirty (30) days' written notice to PLAINS, PLAINS will permit the DOE to perform periodic drawdown tests of the reserve and its distribution system(s) to assure mission readiness. A maximum of one (1) test every three (3) years, not to exceed three (3) days per test, and not to exceed forty thousand (40,000) barrels of crude oil from Bayou Choctaw at no cost to the DOE. PLAINS will provide up to three (3) days tank storage at no costs to DOE.

Any shipment for the DOE not due to a National Emergency or an Operational Emergency, including any shipment as a test of the distribution system, will be conducted by mutual agreement between both parties, so as not to disrupt PLAINS' or LESSEE's operations. PLAINS shall not unreasonably withhold the use of the PLAINS MARKETING SYSTEM for moving DOE crude oil.

13. **DOE EMERGENCY USE OF PLAINS MARKETING SYSTEM:**

a. "National Emergency" is hereby defined as a formal declaration by the President of the United States or the Secretary of Energy of a national emergency in accordance with the President's authority under Section 161 of the Energy Policy and Conservation Act. This includes both drawdowns and exchanges from the Bayou Choctaw SPR site.

b. "Operational Emergency" is hereby defined as any unscheduled operational event at the Bayou Choctaw site that requires oil movement out of Bayou Choctaw to remedy such occurrence.

In the event of a National Emergency or an Operational Emergency, PLAINS shall use its best efforts to provide terminal services, at normal market rates, of all available capacity of the PLAINS MARKETING SYSTEM for DOE crude oil deliveries as soon as practical after being notified by DOE.

During a drawdown of the Bayou Choctaw Strategic Petroleum Reserve (SPR) site, DOE through its LESSEE will coordinate and schedule its oil movements with PLAINS, in accordance with DOE's drawdown procedures. DOE declares three drawdown alert levels, increasing in urgency, when drawdown of the SPR crude oil is expected. Under Alert Level I, PLAINS will be requested to provide DOE with information regarding the current PLAINS MARKETING SYSTEM activities. Under Alert Level II, PLAINS will be notified that an SPR drawdown may be ordered and PLAINS will be requested to update DOE with information regarding the current PLAINS MARKETING SYSTEM activities. Under Alert Level III, PLAINS will be notified that an SPR drawdown has been ordered and that PLAINS shall use its best efforts to make all available capacity in the PLAINS MARKETING SYSTEM ready for possible receipt of oil from the SPR Bayou Choctaw site at normal market rates within thirteen (13) days from the receipt of the written notice of impending drawdown.

In the event of a National Emergency or an Operational Emergency, PLAINS shall continue to provide routine maintenance and repairs of the TIE-INS and shall provide or cause to be provided an emergency repair response service should one be needed. DOE reserves the right to provide supplemental emergency repair and emergency response service at its expense to maintain drawdown rates.

14. **Indemnity:** PLAINS AGREES TO PROTECT, INDEMNIFY, HOLD HARMLESS, AND DEFEND THE UNITED STATES OF AMERICA (U.S.) AND ITS AGENCY, THE DEPARTMENT OF ENERGY (DOE) AND THE OFFICERS, DIRECTORS, EMPLOYEES, WORKMEN, AGENTS, SERVANTS AND INVITEES OF DOE, FROM AND AGAINST ALL CAUSES OF ACTION, LIABILITIES, INCLUDING STRICT LIABILITY, CLAIMS, SUITS, JUDGMENTS, LIENS, FINES, PENALTIES, DAMAGES, COSTS AND ATTORNEY FEES, INCLUDING ANY ATTORNEY FEES INCURRED WHILE ENFORCING THE INDEMNITY AGREEMENT, FOR ANY LOSS WHATSOEVER, RESULTING FROM OR IN CONNECTION WITH, ANY NEGLIGENT ACT OR OMISSION OF PLAINS OR ITS SUBCONTRACTORS, OF THEIR AGENTS OR EMPLOYEES, INCLUDING:

(i) BODILY INJURY INCLUDING DEATH AT ANY TIME RESULTING THEREFROM,

(ii) DAMAGES TO ALL PROPERTY,

(iii) CONTAMINATION OF OR ADVERSE EFFECTS ON THE ENVIRONMENT, INCLUDING BUT NOT LIMITED TO THE COST OF ASSESSMENT, REMEDIATION AND ALL OTHER RELATED ACTIVITIES, AND

(iv) VIOLATION OF OR FAILURE TO COMPLY WITH ANY APPLICABLE LAW, ORDINANCE, REGULATION, RULE OR ORDER.

NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR CONSEQUENTIAL, INDIRECT OR PUNITIVE DAMAGES.

THIS INDEMNIFICATION CLAUSE IS DEEMED SEVERABLE AND SHOULD ANY PART HEREOF BE INVALIDATED BY A COURT OR OTHER TRIBUNAL THE OTHER PARTS HEREOF SHALL REMAIN IN EFFECT.

15. **Term:** The term of this Agreement shall commence upon its execution and shall continue for *a period of five years from May 10, 2006*; provided, that either PLAINS or DOE shall have the right at any time, after the initial one-year period, to terminate the Agreement immediately, by giving the other party written notice of such termination, in the following circumstances: (1) if DOE closes the FACILITIES or (ii) if PLAINS ceases operating the PLAINS MARKETING SYSTEM as presently constituted. Upon any termination, PLAINS agrees that, at DOE's option, the FACILITIES may be permanently shut-in or that PLAINS may, if notified to do so by DOE, be required to disconnect the TIE-INS and EQUIPMENT from the FACILITIES. Any such disconnection shall be conducted under the same degree of supervision by PLAINS' representative as is installation and maintenance activity under this Agreement.

16. **Notices and Submittals:** Notices and submittals under this Agreement will be considered given properly when mailed, registered or certified, return receipt requested, with postage prepaid or sent by email or fax, and addressed as follows:

To Plains Marketing, L. P.
333 Clay, Suite 1600
Houston, Texas 77002
ATTN: Lawrence J. Dreyfuss
Vice President and Associate General Counsel
Facsimile: (713) 646-4216

The U.S. Department of Energy
Strategic Petroleum Reserve
ATTN: Michael Curole
Asset Manager for Saint James Terminal
900 Commerce Road East
New Orleans, Louisiana 70123
Facsimile: (504) 818-5120
Email: Michael.Curole@spr.doe.gov
Phone: (504) 734-4120

The U.S. Department of Energy
Strategic Petroleum Reserve
ATTN: M. G. Waggoner
Contracting Officer
900 Commerce Road East
New Orleans, Louisiana 70123
Facsimile: (504) 818-5444
Email: Michael.Waggoner@spr.doe.gov
Phone: (504) 734-4444

17. **Correspondence:** All routine correspondence shall be sent to:

Plains Marketing, L. P.
333 Clay, Suite 1600
Houston, Texas 77002
ATTN: Carolyn S. Calhoun
Land & Contracts
Facsimile: (713) 646-4226
Email: cscalhoun@paalp.com
Phone: (713) 646-4507

The U.S. Department of Energy
Strategic Petroleum Reserve
ATTN: Michael Curole
Asset Manager for St. James Terminal
900 Commerce Road East
New Orleans, Louisiana 70123
Facsimile: (504) 818-5120
Email: Michael.Curole@spr.doe.gov
Phone: (504) 734-4120

The U.S. Department of Energy
Strategic Petroleum Reserve
ATTN: M. G Waggoner
Contracting Officer
900 Commerce Road East
New Orleans, Louisiana 70123
Facsimile: (504) 818-5444
Email: Michael.Waggoner@spr.doe.gov
Phone: (504) 734-4444

Shell Oil Products US
ATTN: Sugarland Operations Supervisor
6770 Highway 18
P.O. Box 63
St. James, Louisiana 70086
Facsimile: (225) 265-1116
Email: Michael.buckley@Shell.com
Phone: (225) 746-2462

18. **Emergency Notification:** In case of emergency, telephone notifications will be as follows:

a. PLAINS will notify:

(1) The DOE Operations Control Center at (504) 734-4380, **AND**

(2) The FACILITIES Control Room Operator of the DOE St. James (Sugarland) Terminal, telephone at (713) 241-3339.

b. DOE or FACILITIES Control Room Operator of the DOE St. James (Sugarland) will notify:

(1) The PLAINS Control Room Operator of the PLAINS MARKETING SYSTEM at (800) 708-5071.

As soon as practicable PLAINS will follow up any verbal notifications to the DOE or LESSEE in writing to the Asset Manager and the LESSEE's site operations manager.

These addresses will remain in effect for the duration of this Agreement, unless changed by notice.

19. **Assignment and Succession:** PLAINS shall not assign this Agreement or any rights hereunder without the prior written consent of DOE which shall not be unreasonably withheld. If such written consent is given, this Agreement shall extend to and be binding upon the successors and assigns of DOE and PLAINS.

20. **Force Majeure:** The PARTIES hereto shall be excused from the performance of their obligations hereunder, when and to the extent that such performance is delayed or prevented by fire; explosion; act of God; breakdown of machinery or equipment; riots, strikes, labor disputes; voluntary or involuntary compliance with any law, order, regulation, request or recommendations of any governmental authority; or any cause, whether similar or dissimilar, reasonably beyond the control of the parties. Nothing herein shall be construed to require the PARTIES hereto to settle any strike or labor disputes.

21. **Severability:** Should any provision of this Agreement be found contrary to or in conflict with any applicable law, this Agreement shall be deemed modified to the extent necessary to comply with such applicable law, but only for the period of time such law is in effect.

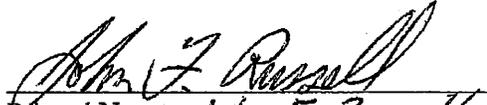
IN WITNESS WHEREOF, the PARTIES have executed this Agreement as of the date set forth hereinabove.

U.S. DEPARTMENT OF ENERGY
STRATEGIC PETROLEUM RESERVE


Printed Name: M. G. WAGGONER
Title: CONTRACTING OFFICER

5/10/06
Date

PLAINS MARKETING, L.P.
BY PLAINS MARKETING GP, INC.
ITS GENERAL PARTNER


Printed Name: John F. Russell
Title: Vice President

5-08-06
Date

PAE
PRS
[Signature]
[Signature]

Attachment:
Drawing *SJT-LOCAP1*