

**Diesel Dye Injection Agreement
Barstow Terminal**

THIS AGREEMENT, made and entered into the ____ day of ____, by and between **CALNEV PIPE LINE LLC**, a Delaware limited liability company (hereinafter, "Calnev"), and «**COMPANY**», (hereinafter, "Customer") whose address is «**STREET**», «**CITY_STATE_ZIP**».

Whereas: (1) CPL owns and operates a fuels handling facility and truck loading rack (the "Truck Rack") at its Barstow, CA. Terminal (the "Terminal"); (2) Customer desires CPL to provide a diesel dye injection service at the Truck Rack for Customer's use:

WITNESSETH

For and in consideration of the mutual covenants and agreements contained herein the parties agree to the terms and conditions set forth herein, including those in the "Additional Terms and Provisions" attached hereto.

SERVICES

CPL shall provide community facilities for diesel dye injection at Calnev Truck Rack #1, Lane #1 and make such services available to Customer on a first come first served basis. As part of such services CPL shall provide Red Disazo Dye (a minimum concentration of 5.6 pounds of active liquid Solvent Red 164 per 1000 barrels of diesel) and shall inject this dye into low sulfur diesel fuel (the "Commodity") in Customer's trucks in accordance with the Regulations as defined below. The dye injection system will be equipped with a self monitoring feature to stop the diesel fuel loading process if dye is not being injected. Calnev will additionally modify the Customer's Bills of Lading to indicate the presence of red diesel dye. Calnev will maintain all document records required of terminal operators in accordance with the Regulations as defined below.

TERM

Term of Agreement: Beginning ____, and ending on December 31, __, and continuing year to year thereafter; provided, however that either party hereto may terminate this Agreement on December 31, __, or any time thereafter by notifying the other party in writing at least thirty (30) days prior to the intended termination date.

CHARGES

(a) Service Charge. **\$0.21 per barrel** of dyed diesel fuel Service Charge which entitles Customer to throughput across the Truck Rack. This Service Charge will be effective until December 31, __. Thereafter the Service Charge shall be escalated by 4% on January 1st of each year. In the event new IRS regulations require the additional injection of a "colorless marker" diesel additive to maintain tax exempt status, Calnev will have the right to increase this service charge an amount equal to its additional cost plus overhead in providing this new additive.

ADDITIONAL TERMS AND PROVISIONS

1. PAYMENTS

Customer agrees to pay CPL all charges as specified in this Agreement upon the presentation of invoice. The amount of any invoice, if not paid within fifteen (15) days after date of the invoice from CPL, shall bear interest at the rate of 1.5% per month for each month or portion of a month thereafter during which such amount remains unpaid. All payments shall be mailed to the designated address on the invoice. Customer shall identify by number the CPL invoices being paid on the check stub. All notices shall be in writing and mailed to CPL at: CALNEV Pipe Line Company, 1100 Town and Country Road, Orange, CA 92868. Acceptance by CPL of any payment from Customer for any charge or service after termination or expiration shall not be deemed a renewal of this Agreement or waiver by CPL of any default by Customer hereunder. In the event Customer disputes any portion of any invoice, Customer shall promptly notify CPL in writing of the disputed portion and pay the undisputed portion according to the terms of this paragraph. After receipt of notice, CPL and Customer shall promptly meet to resolve the dispute within thirty (30) days of receipt of notice. If the parties fail to agree on a resolution within thirty (30) days of receipt of notice, then Customer shall pay the disputed portion under protest and proceed with all available legal and equitable remedies.

2. OPERATING HOURS

Regular terminal hours are twenty four (24) hours a day, seven (7) days a week.

3. INSURANCE

CPL does not insure Customer's Commodity and other property nor property of others. Insurance, if desired by Customer or Customer's contractors, shall be carried by Customer or its contractors at their own expense.

4. FORCE MAJEURE, INDEMNITY, AND GOVERNMENTAL RESTRAINT

(a) Force Majeure. Neither party shall be liable for evaporation, shrinkage, line loss, clingage, discoloration, contamination, damage to or destruction of any Commodities or property, or for any delay or nonperformance, when any of the foregoing is caused in whole or in part by any cause not within the control of said party, whether now or hereafter existing, including without limitation, any act of God or of a public enemy, or by labor troubles, strikes, lockouts, non-availability of machinery, embargoes, congestions or interventions, or failure or delay of manufacturers or suppliers to deliver same, except that Customer shall be responsible to pay all Charges arising from this Agreement. CPL shall in no event be liable for loss of or damage to any Commodities or other property of Customer except when caused by CPL's failure to use reasonable care in the safekeeping and handling of any Commodities or property of Customer.

- (b) Indemnity. Except as provided in Paragraph 5 hereof, CPL shall indemnify and hold Customer harmless from and against all claims, losses, suits, liability and expense caused by or resulting from negligent or willful acts or omissions on the part of CPL, its employees, agents, or contractors in the performance of this Agreement.

Customer shall indemnify and hold CPL harmless from and against all claims, losses, suits, liability and expense caused by or resulting from (I) negligent or willful acts or omissions on the part of Customer, its employees, agents or contractors (including, but not limited to, any contractors transporting commodities to or from the Terminal) in the performance of this Agreement, (ii) absolute or strict liability in tort due to no fault or negligence of CPL arising in connection with the Commodities and (iii) any fines, loss, damage or expense, including, without limitation, reasonable legal fees, resulting from any failure or alleged failure of Customer or Customer's Commodity to comply with Section 4081 or 4082 of the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder (the "Regulations"), except when arising from CPL's failure to follow the written instructions of Customer or CPL's failure to exercise due care in providing services hereunder related of Customer's Commodities. Customer agrees that CPL may report to any governmental or regulatory body as required by the Regulations, in regard to Commodities and activities of Customer, and Customer agrees to provide such information to CPL as necessary, in CPL's opinion, to comply with the Regulations.

In the event that any claim, loss, suit, liability and expense is caused in whole or in part by the concurrent negligent or willful acts or omissions of CPL, its employees, agents or contractors, and Customer, its employees, agents or contractors, then this obligation to indemnify shall be comparative and each party shall indemnify the other to the extent that such party's act or omission was the cause of such injury, damage or death.

- (c) Governmental Restraint. If, while this Agreement is in effect, CPL's use of all or part of the Truck Rack shall be restrained or enjoined by judicial process, terminated by any governmental or regulatory authority, by right of eminent domain or by the owner of leased land, CPL, upon being notified of such restraint, enjoinder or termination, shall notify Customer and CPL may terminate this Agreement on the effective date of said restraint, enjoinder, or termination, or provide to Customer substitute services. Upon such termination, Customer shall be obligated to pay all Charges arising from such termination as if this Agreement had expired by its own terms.

5. LIMITATION OF LIABILITY

- (a) In consideration of the Charges set forth herein (it being recognized that higher charges would be made but for the limitation of liability set forth in this paragraph), it is understood and agreed that in the event of loss or damage to Commodities arising from any cause, including, but not limited to, improper injection of dyes or actions not conforming to Customer's orders, on the part of CPL, its employees, agents or contractors, that **CPL shall not be liable to Customer for more than (I) the actual**

cost to Customer of any lost or damaged Commodities, less salvage value, or (ii) 55 cents per gallon of any lost or damaged Commodities, whichever is less. CPL shall not be responsible for damage to, loss or destruction of Customer's Commodities except and to the extent that such loss, damage or destruction is caused by the negligence of CPL, its employees, agents or invitees. It is further understood and agreed that in no event arising in connection with this Agreement shall CPL be liable to Customer for any special or consequential damages including any penalties imposed upon customer by the United States Internal Revenue Service. CPL shall have no liability to Customer unless a written claim is delivered to CPL by Customer within four months after CPL reports the alleged loss to the Customer or the Customer discovers the alleged loss, whichever is earlier. Customer shall make no deductions from any invoice presented by CPL pending the resolution of any claim.

- (b) EXCEPT AS EXPRESSLY HEREIN PROVIDED, THERE ARE NO GUARANTEES OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WHETHER ARISING BY OPERATION OF LAW OR OTHERWISE.

6. PUBLIC USE

This Agreement is made as an accommodation to Customer and in no event shall the services performed by CPL hereunder be deemed to be those of a public utility or common carrier. If any action is taken or threatened by any governmental office, administrator, commissioner or agent to declare such services public utility or common carrier services, then and in that event, at the option of CPL and upon Customer's receipt of CPL's written notice, CPL may (a) restructure and restate this Agreement or (b) terminate this Agreement on the effective date of such action.

7. DEFAULT

Should Customer default in the prompt performance and observance of any of the terms or conditions of this Agreement, other than the payment of money, and should such default continue for thirty (30) or more days after written notice thereof by CPL to Customer, or should Customer default at any time in the payment of the monies due hereunder on the date when due, any sums owed by Customer to CPL, shall, at the option of CPL, become immediately due and payable. At all times to the extent permitted by law, CPL shall have a lien upon all Commodities at any time on the Terminal for all Charges payable to CPL by Customer hereunder, whether incident to Commodities then on the Terminal or otherwise and in connection with any and all other agreements between CPL and Customer, and Customer hereby authorizes CPL to file any financing statements, amendments or continuations without the Customer's signature. In the event of such default, CPL shall also have the right, at its option, to terminate this Agreement. Otherwise, title to the Commodities shall at all times remain with Customer or its assignees. The remedies of CPL herein provided for shall not be exclusive, but shall be cumulative and shall be in addition to all other remedies available to CPL, at law or in equity. Customer shall pay any costs and

expenses incurred by CPL in enforcing the terms of this Agreement including the expense of defense, collection, settlement and attorneys' fees. The waiver by CPL of any right of CPL hereunder, at any time, shall not serve to waive any other such right nor shall such waiver operate as a waiver of the right so waived at any future date in connection with another default or a subsequent recurrence of the same default by Customer hereunder.

8. ASSIGNMENT

This Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of each of the parties hereto; provided, however, that Customer shall not transfer or assign this Agreement, in whole or in part, without the prior written consent of CPL, and any attempted transfer or assignment without such consent shall be null and void and, at the option of CPL, shall constitute a default by Customer hereunder. The consent of CPL to such assignment or transfer shall not operate to release Customer of its obligations under this Agreement. Further, in the event Customer, in the opinion of CPL, sells all or substantially all of its assets to another party, CPL shall have the right, at its sole option, to terminate this Agreement.

9. NOTICES

Notices to be given hereunder shall be deemed properly served on Customer when delivered in writing personally or by certified mail to Customer at the referenced address and on CPL when so delivered to CPL at 1100 Town and Country Road, Orange, CA 92868, or, in either case, at such other address as shall be specified in a notice meeting the requirements of this paragraph.

10. CHANGE OF OWNERSHIP

Customer shall advise CPL in writing of any change in Commodity ownership while in the Terminal. If any of Customer's Commodity is sold, exchanged, or otherwise changes ownership while in the Terminal, Customer shall nonetheless be responsible for all charges, taxes, terms and conditions of this Agreement the same as if Commodity had been owned by Customer.

11. ADDITIONAL PROVISIONS

Additional provisions, if any, appearing hereafter or as an addendum hereto, are made a part hereof by reference thereto. This Agreement, together with any and all exhibits hereto, constitutes the entire agreement between CPL and Customer and supersedes any and all terms and conditions which may be contained in any purchase orders issued by Customer prior or subsequent to this Agreement. This Agreement may not be amended, altered, or changed except by written agreement signed by both parties. Customer and CPL agree that the terms of this Agreement shall be binding upon both parties when CPL injects additive into Customer's Commodity at the Truck Rack or when both parties have executed this Agreement, whichever occurs first.

12. HEADINGS

The headings of the paragraphs of this Agreement have been inserted for convenience of reference only and are not to be considered part of this Agreement and shall in no way affect the interpretation of any of the provisions of this Agreement.

13. DEFINITIONS

"Month" means a period extending from a date in one calendar month up to, but not including, the corresponding date in the following month. "Quarter" means a period of three (3) consecutive months. "Year" means a period of twelve (12) consecutive months. "Person" means individual and entities and any combinations thereof.

IN WITNESS WHEREOF, this Agreement has been executed by the parties thereto.

CALNEV PIPE LINE LLC (DE)

«COMPANY»

By: _____

By: _____

Title: **Director-Business Development**

Title: _____

Print Name Signed: **Janet Torrices**

Print Name Signed: _____

Date: _____

Date: _____